

City of Baytown, Texas
PY2020 Fair Housing Plan
Including
Analysis of Impediments to Fair Housing Choice

INTRODUCTION TO FAIR HOUSING AND THE FAIR HOUSING PLAN

The HUD Consolidated Plan's certification to affirmatively further fair housing requires entitlement/participating jurisdictions to undertake a Fair Housing Plan (FHP). In order to develop a Fair Housing Plan, the jurisdiction must develop an Analysis of Impediments (AI) to Fair Housing Choice that involves and addresses housing concerns of the entire community. The jurisdictions are required to:

- Examine and attempt to alleviate housing discrimination within their jurisdiction;
- Promote fair housing choice for all persons;
- Provide opportunities for all persons and neighborhoods to receive the same level of services and amenities throughout the jurisdiction;
- Promote housing that is accessible to persons with disabilities; and
- Comply with all federal laws and requirements regarding fair housing and non-discrimination.

This document includes the City of Baytown's Analysis of Impediments and the Fair Housing Plan for 2020-2024 and is an adjunct to the City's 5-Year Consolidated Plan of PY 2020-PY 2024. The document consists of the following:

1. The Analysis of Impediments to Fair Housing Choice
2. Actions to overcome the effects of identified impediments
3. Records to support the AFFH certification of the Consolidated Plan

HISTORY AND INTENT OF THE FAIR HOUSING ACT AND RESULTING COURT ACTIONS

On April 11, 1968, President Lyndon Johnson signed the Civil Rights Act of 1968, which was meant as a follow-up to the Civil Rights Act of 1964. The 1968 act expanded on previous acts and prohibited discrimination concerning the sale, rental, and financing of housing based on race, religion, national origin, sex, (and as amended) handicap and family status. Title VIII of the Act is also known as the Fair Housing Act (of 1968).

The enactment of the federal Fair Housing Act on April 11, 1968 came only after a long and difficult journey. From 1966-1967, Congress regularly considered the fair housing bill, but failed to garner a strong enough majority for its passage. However, when the Rev. Dr. Martin Luther King, Jr. was assassinated on

April 4, 1968, President Lyndon Johnson utilized this national tragedy to urge for the bill's speedy Congressional approval. Since the 1966 open housing marches in Chicago, Dr. King's name had been closely associated with the fair housing legislation. President Johnson viewed the Act as a fitting memorial to the man's life work, and wished to have the Act passed prior to Dr. King's funeral in Atlanta.

Another significant issue during this time period was the growing casualty list from Vietnam. The deaths in Vietnam fell heaviest upon young, poor African-American and Hispanic infantrymen. However, on the home front, these men's families could not purchase or rent homes in certain residential developments on account of their race or national origin. Specialized organizations like the NAACP, the GI Forum and the National Committee Against Discrimination In Housing lobbied hard for the Senate to pass the Fair Housing Act and remedy this inequity. Senators Edward Brooke and Edward Kennedy of Massachusetts argued deeply for the passage of this legislation. In particular, Senator Brooke, the first African-American ever to be elected to the Senate by popular vote, spoke personally of his return from World War II and inability to provide a home of his choice for his new family because of his race.

With the cities rioting after Dr. King's assassination, and destruction mounting in every part of the United States, the words of President Johnson and Congressional leaders rang the Bell of Reason for the House of Representatives, who subsequently passed the Fair Housing Act. Without debate, the Senate followed the House in its passage of the Act, which President Johnson then signed into law.

The power to appoint the first officials administering the Act fell upon President Johnson's successor, Richard Nixon. President Nixon tapped then Governor of Michigan, George Romney, for the post of Secretary of Housing and Urban Development. While serving as Governor, Secretary Romney had successfully campaigned for ratification of a state constitutional provision that prohibited discrimination in housing. President Nixon also appointed Samuel Simmons as the first Assistant Secretary for Equal Housing Opportunity.

When April 1969 arrived, HUD could not wait to celebrate the Act's 1st Anniversary. Within that inaugural year, HUD completed the Title VIII Field Operations Handbook, and instituted a formalized complaint process. In truly festive fashion, HUD hosted a gala event in the Grand Ballroom of New York's Plaza Hotel. From across the nation, advocates and politicians shared in this marvelous evening, including one of the organizations that started it all -- the National Committee Against Discrimination In Housing.

In subsequent years, the tradition of celebrating Fair Housing Month grew larger and larger. Governors began to issue proclamations that designated April as "Fair Housing Month," and schools across the country sponsored poster and essay contests that focused upon fair housing issues. Regional winners from these contests often enjoyed trips to Washington, DC for events with HUD and their Congressional representatives.

Under former Secretaries James T. Lynn and Carla Hills, with the cooperation of the National Association of Homebuilders, National Association of Realtors, and the American Advertising Council these groups adopted fair housing as their theme and provided "free" billboard space throughout the nation. These

large 20-foot by 14-foot billboards placed the fair housing message in neighborhoods, industrial centers, agrarian regions and urban cores. Every region also had its own celebrations, meetings, dinners, contests and radio-television shows that featured HUD, state and private fair housing experts and officials. These celebrations continue the spirit behind the original passage of the Act, and are remembered fondly by those who were there from the beginning.

Protected Classes Under the Fair Housing Act and HUD Rules/Regulations

The Fair Housing Act prohibits housing discrimination based on race, color, national origin, religion, sex, disability and familial status (such as presence of children in the household). Though not specifically outlined as a “protected class” in the law, HUD regulations have expanded the definition to include HIV/AIDS under the disability protection; and lesbian, gay, bisexual or transgender (LGBT) persons under the familial status and sex protections. In 2012, HUD issued the first of three rules focusing on ensuring fair and equal access to housing for all regardless of their sexual orientation, gender identity, nonconformance with gender stereotypes or marital status.

In September 2016, two additional rules were issued. The Gender Identity Rule ensures that all individuals have equal access to shelter programs in accordance with their gender identity. In the case of single-sex shelters, someone who is transgender or does not identify with the sex they were assigned at birth must be given equal accommodations and services even if in a separate location. In November 2016, the third rule was issued to apply the same equal access provisions from the 2012 rule to HUD’s Native American and Native Hawaiian programs. In addition to the protected classes as defined by law, the victims of domestic violence may be entitled to protected class status under the Victims Against Women Act.

Housing Choice for the Disabled and “Reasonable Accommodations”

The Act prohibits housing providers from discriminating against applicants or residents because of their disability or the disability of anyone associated with them and from treating persons with disabilities less favorably than others because of their disability. The Act’s protection covers not only the home seekers with disabilities but also buyers and renters without disabilities who live with or are associated with individuals with disabilities who will also live in the home or frequent the home. Federal laws define a person with a disability as “Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment.” A physical or mental impairment includes:

- Hearing
- mobility
- visual impairments
- chronic or severe illness, such as cancer, heart disease, diabetes, multiple sclerosis
- HIV/AIDS or AIDS Related Complex

- chronic substance use disorder, other than current illegal use of a controlled substance
- chronic mental illness, such as PTSD, autism, epilepsy, bipolar, schizophrenia
- intellectual disabilities

HUD regulations pertaining to reasonable accommodations may be found at 24 C.F.R. § 100.204.

The Act does not protect individuals with a disability whose residency would constitute a “direct threat” to the health or safety of other individuals or result in substantial physical damage to the property of others unless the threat can be eliminated or significantly reduced by reasonable accommodation. Individuals cannot be excluded based upon fear, speculation or stereotype about a particular disability or persons with disabilities in general. A determination that an individual poses a direct threat must be based on reliable objective evidence, such as current conduct or a recent history of overt acts. The determination must consider the nature, duration and severity of the risk of injury; the probability that injury will actually occur, and; whether there are any reasonable accommodations that will eliminate the direct threat.

If a person’s disability is obvious, or otherwise known to the provider, and if the need for the requested accommodation is also readily apparent or known, then the provider may not request any additional information. If the disability and/or the disability-related reason for the requested accommodation is not known or obvious, the requesting individual, medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may also provide verification of a disability. In most cases, an individual's medical records or detailed information about the nature of a person's disability is not necessary for this inquiry.

In certain circumstances, the Act requires that housing providers allow residents to make reasonable structural modifications to units and public/common areas in a dwelling when those modifications may be necessary for a person with a disability to have full enjoyment of the dwelling.

Reasonable accommodations include a change, exception or adjustment to a rule, policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including the public and common use spaces. Housing providers may not require persons with disabilities to pay extra fees or deposits as a condition of receiving a reasonable accommodation. Examples of such accommodations may include, but not be limited to:

- Providing an assigned accessible parking space close to the entrance of the dwelling unit;
- Providing an exception to the requirements to pay rent in person if it is impractical for the disabled tenant to go to the office or other location where rents are collected;
- Allowing service and assistance animals, including emotional support animals, whether specially trained/certified or not, even though the property has a “no pet” policy;
- Allowing the tenant to make reasonable structural modifications at his/her own expense, such as installing a ramp into the building/unit, lowering the entry threshold of the unit, installing grab bars in the bathroom(s); or

- Allowing live-in caregiver even though the property requires all unrelated residents to be on the lease or property title or when Section 8 Housing Choice Vouchers are used for rentals.

With certain limited exceptions, the Act applies to privately and publicly owned housing, including housing subsidized by the federal government or rented through the use of Section 8 Housing Choice Vouchers. Not only does the provisions apply to those involved in providing housing and residential lending, but the courts have also applied the Act to state and local governments in the context of exclusionary zoning or other land use decisions.

Under specific exceptions to the Act, the reasonable accommodation requirements do not apply to a private individual owner who sells his home so long as he does not own more than three single-family homes; does not use a real estate agent; does not employ any discriminatory advertising or notices; has not engaged in a similar sale of a home within a 24-month period; and is not in the business of selling or renting dwellings. The reasonable accommodation requirements of the Act do not apply to owner-occupied buildings that have four or fewer dwelling units. Additionally, a housing provider can deny a request for a reasonable accommodation if the request:

- Was not made by or on behalf of a person with a disability or if there is no disability-related need for the accommodation;
- Would impose an undue financial and administrative burden on the housing provider;
- Would fundamentally alter the nature of the provider's operations; or
- When alternative accommodations are available that would address the requester's disability-related needs.

Fair housing lawsuits have been filed extensively throughout the country as a result of some landmark decisions by the Supreme Court. One of the decisions is a result of the lawsuit filed by the Anti-Discrimination Center of Metro New York against Westchester County, NY citing that the County failed to fulfill its obligation to affirmatively further fair housing, as contracted by its certification signed prior to receiving its HUD entitlement funds. The lawsuit alleged several deficiencies in carrying out compliance with the Fair Housing Act, but the suit was based on their failure to fulfill their contract, rather than on direct fair housing violations. In essence, by certifying each year that they would affirmatively further fair housing, they entered into a sworn statement and contract with HUD. As such, the jurisdiction must take whatever action necessary to reduce or eliminate impediments to fair housing choice and must not provide funds to any locale or group that undermines the jurisdiction's contractual obligation to affirmatively further fair housing. The Westchester County case moved from a position of ruling on housing discrimination to ruling on contractual obligation and perjury by signing the certificate to affirmatively further fair housing.

Disparate Impact

A policy or action may be considered discriminatory if it has a disproportionate "adverse impact" against any protected class regardless of the intent of the policy or action. HUD's Rule regarding the implementation of the Fair Housing Act's Discriminatory Effects Standard (disparate impact) became final

in 2013, and the Supreme Court upheld it in 2015. The rule and the court decision establish a consistent standard for assessing practices that on their face value or intent are neutral but the results are in violation of the Fair Housing Act. The HUD rule defines a practice with a discriminatory effect as one that actually or predictably results in a disparate impact on a group of persons within the definition of protected class; or has the effect of creating, perpetuating, increasing or reinforcing segregated housing patterns based on protected class. The new rule solidifies the prohibition of actions that are not directly linked to the rights of the individual in securing housing, but of actions that are locational in nature and can exclude or segregate particular communities/groups in practice.

The landmark decision of the Supreme Court in 2015 was that the Texas Department of Housing and Community Affairs reinforced residential segregation by “consistently” approving affordable housing, such as Low Income Housing Tax Credit properties, in African American neighborhoods instead of fairly distributing that housing across all communities to promote integration. Other types of disparate impact are tied to environmental justice issues prohibiting the placement of certain negative infrastructures/facilities in close proximity to neighborhoods that are predominately minority, low-income or otherwise disadvantaged. Zoning and land use ordinances, as well as other housing restrictions, though not by intention, may unfairly exclude minorities or other protected classes, and thus would have a disparate impact and be illegal. Redlining is another form of disparate impact whereby lenders or insurers refuse to provide mortgages or insurance to otherwise qualified households based on the location of the property, usually in a high minority area.

Under the Court's ruling in the 2015 case, in order to prove a case of disparate impact housing discrimination, the following must occur:

- First, a plaintiff must make a prima facie case, drawing an explicit, causal connection between a policy or practice and the disparate impact or statistical disparity. As Justice Kennedy wrote, "A disparate-impact claim relying on a statistical disparity must fail if the plaintiff cannot point to a defendant's policy or policies causing that disparity." Justice Kennedy also noted that "policies are not contrary to the disparate-impact requirement unless they are artificial, arbitrary, and unnecessary barriers."
- Second, a defendant must have the opportunity to prove that the policy is necessary to achieve a valid interest. If a defendant can't not prove that, then a plaintiff's claim of disparate impact must prevail.
- Finally, if a defendant has shown that the policy is necessary to achieve a valid interest, the plaintiff must then show that there is “an available alternative . . . practice that has less disparate impact and serves the [entity's] legitimate needs.” If a plaintiff cannot do so, then their disparate impact claim must fail.

Relationship between Fair Housing and Affordable Housing

The Fair Housing Act's list of protected classes does not include low-income and the Analysis of Impediments (AI) determines the extent to which members of protected classes experience discrimination

regardless of their income. However, historically, members of the protected classes have lower incomes and in that case housing affordable to low-income members becomes a fair housing issue. As a result, it is vital that the relationship between protected classes and income be explored as part of the AI. Public policies that contribute to the lack of affordable housing or that relegate affordable housing to areas of the community with limited amenities, near undesirable land uses or with high concentrations of low-income or minority households do affect equity for the protected classes. Currently, HUD is concerned about both minority concentrations and low-income concentrations, particularly as they overlap in communities.

DISCRIMINATORY ACTIONS

The Fair Housing Act prohibits the following:

In the Sale and Rental of Housing: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent (blockbusting) or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing.

In Mortgage Lending: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap (disability):

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan or
- Set different terms or conditions for purchasing a loan.

In Addition: No one may:

- Threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right
- Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status, or handicap. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

Additional Protection for those with a disability: A landlord may not:

- Refuse to let a disabled tenant make reasonable modifications to his/her dwelling or common use areas, at the tenant's expense, if necessary for the disabled person to use the housing.

(Where reasonable, the landlord may permit changes only if the tenant agrees to restore the property to its original condition when you move.)

- Refuse to make reasonable accommodations in rules, policies, practices or services if necessary for the disabled person to use the housing.

Example: A building with a "no pets" policy must allow a visually impaired tenant to keep a guide dog.

Example: An apartment complex that offers tenants ample, unassigned parking must honor a request from a mobility-impaired tenant for a reserved space near her apartment if necessary to assure that she can have access to her apartment.

This protection applies for someone who:

- Has a physical or mental disability (including hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex and mental retardation) that substantially limits one or more major life activities
- Has a record of such a disability or
- Is regarded as having such a disability

However, housing need not be made available to a person who is a direct threat to the health or safety of others or who currently uses illegal drugs.

Requirements for New Buildings: In buildings that are ready for first occupancy after March 13, 1991, and have an elevator and four or more units:

- Public and common areas must be accessible to persons with disabilities
- Doors and hallways must be wide enough for wheelchairs
- All units must have:
 - An accessible route into and through the unit
 - Accessible light switches, electrical outlets, thermostats and other environmental controls
 - Reinforced bathroom walls to allow later installation of grab bars and
 - Kitchens and bathrooms that can be used by people in wheelchairs.

If a building with four or more units has no elevator and will be ready for first occupancy after March 13, 1991, these standards apply to ground floor units.

In addition to the Fair Housing Act as it relates to the disabled, the Americans with Disabilities Act (ADA) requires that housing financed in any part through federal, state or local programs comply with ADA accessibility guidelines. The Uniform Federal Accessibility Standards (UFAS) requires that that federally-funded facilities be accessible by people with motor and/or sensory disabilities to the extent required by the Architecture Barriers Act. Some single-family housing that is built or rehabilitated with federal funds are required to meet visitability standards with at least one no-step entrance; doors and hallways wide enough to navigate a wheelchair through; and, a bathroom on the first floor big enough to get into in a wheelchair and close the door.

None of these requirements for new or rehabilitated buildings replace any more stringent standards in State or local law.

Housing Opportunities for Families: Unless a building or community qualifies as housing for older persons, it may not discriminate based on familial status. That is, it may not discriminate against families in which one or more children under 18 live with:

- A parent
- A person who has legal custody of the child or children or
- The designee of the parent or legal custodian, with the parent or custodian's written permission.

Familial status protection also applies to pregnant women and anyone securing legal custody of a child under 18.

Exemption: Housing for older persons is exempt from the prohibition against familial status discrimination if:

- The HUD Secretary has determined that it is specifically designed for and occupied by elderly persons under a Federal, State or local government program or
- It is occupied solely by persons who are 62 or older or
- It houses at least one person who is 55 or older in at least 80 percent of the occupied units, and adheres to a policy that demonstrates an intent to house persons who are 55 or older.

A transition period permits residents on or before September 13, 1988, to continue living in the housing, regardless of their age, without interfering with the exemption.

Housing Protection for Gay, Lesbian, Bisexual and Transgender: The Fair Housing Act does not specifically include sexual orientation and gender identity as prohibited bases. However, a lesbian, gay, bisexual, or transgender (LGBT) person's experience with sexual orientation or gender identity housing discrimination may still be covered by the Fair Housing Act.

For Example:

- A gay man is evicted because his landlord believes he will infect other tenants with HIV/AIDS. That situation may constitute illegal disability discrimination under the Fair Housing Act because the man is perceived to have a disability, HIV/AIDS.
- A property manager asks a transgender male if he is "a boy or a girl" and then denies him an apartment because he appears to be a woman but has other physical expressions that are stereotypically male. Because the landlord denied the prospective tenant housing because of non-conformity with gender stereotypes, that situation may constitute illegal sex discrimination under the Fair Housing Act.

During 2008, HUD began charging landlords with same-sex sexual harassment.

TEXAS FAIR HOUSING ACT

The Texas Fair Housing Act is codified in Chapter 301 of the Texas Property Code and prohibits housing discrimination as set forth in the federal Fair Housing Act. For the most part, the Texas Fair Housing Act follows the federal Fair Housing Act closely. However, Section 301.003(6) deviates in its definition of disability:

(6) "Disability" means a mental or physical impairment that substantially limits at least one major life activity, a record of the impairment, or being regarded as having the impairment. The term does not include current illegal use or addiction to any drug or illegal or federally controlled substance and does not apply to an individual because of an individual's sexual orientation or because that individual is a transvestite.

The federal Americans with Disabilities Act and Fair Housing Act do state that persons currently with or recovering from substance abuse disorders are considered to have a disability. The national laws have not specifically prohibited discrimination based on sexual orientation or gender identity, but HUD's more recent clarification of the Fair Housing Act does include lesbian, gay, bisexual and transgender (LGBT) individuals are part of the protected classes. At this time, Texas has not modified its Fair Housing Act to comply with the current federal definitions of protected classes and discrimination.

The Texas Workforce Commission is the state agency responsible for enforcing the Texas Fair Housing Act, through the Texas Department of Housing and Community Affairs monitors fair housing compliance in the rental properties throughout the state that it has supported with federal funds.

LOCAL COMPLIANCE AND ORDINANCES

Municipalities must ensure that their ordinances, policies and procedures are not only non-discriminatory, but also affirmatively further fair housing choice to the greatest extent possible. Municipalities receiving HUD funding must have a Fair Housing Officer assigned and are encouraged to have a local fair housing ordinance. The Fair Housing Officer should be charged with enforcing the local fair housing ordinance and assisting residents in filing fair housing complaints with HUD.

Locally, the Greater Houston Fair Housing Center (GHFHC) provides fair housing education, advocacy and enforcement activities in the Houston Metropolitan area, including Baytown. GHFHC provides complaint, intake, investigation, mediation, and referral services in English and Spanish for victims of discrimination.

Lone Star Legal Aid also provides free legal assistance to those wanting to file a complaint of fair housing violations.

HUD investigates complaints of housing discrimination based on race, color, religion, national origin, sex, disability, or familial status at no cost to the complainant. HUD will investigate the complaint and try to conciliate the matter with both parties.

If conciliation fails, HUD will determine whether "reasonable cause" exists to believe that a discriminatory housing practice has taken place. If HUD finds "no reasonable cause," we will dismiss the complaint.

If HUD finds reasonable cause, HUD will issue a charge of discrimination and schedule a hearing before a HUD administrative law judge (ALJ). Either party may elect to proceed in federal court. In that case, the

Department of Justice will pursue the case on behalf of the complainant. The decisions of the ALJ and the federal district court are subject to review by the U.S. Court of Appeals.

A copy of the current Housing Discrimination Complaint Form is included in the appendix of this document and can be downloaded from the HUD website at:

https://www.hud.gov/program_offices/fair_housing_equal_opp/online-complaint

COMMUNITY INVOLVEMENT

The City of Baytown makes every effort to involve as many residents and stakeholders in the planning process as possible. In general, the citizen participation and consultation process is an on-going element of the CDBG program and efforts to affirmatively further fair housing (AFFH). Community Development Division staff is available throughout the year to discuss programs and to receive public comments. Reasonable advance notice is afforded in English and Spanish through the City's website (www.baytown.org) and the local general circulation newspaper – the *Baytown Sun* – when public comments are actively being solicited for specific purposes such as during the development of local funding priorities and strategies, the development of annual Action Plans, Environmental Review Records, and the development of the Consolidated Annual Performance Evaluation Reports (CAPERs).

To ensure maximum citizen participation in the planning and implementation of the City's CDBG program and AFFH activities, the City has a Community Development Advisory Committee (CDAC) that meets regularly to review, discuss and approve program goals, priorities, progress, and annual allocations. All CDAC meetings are publicized at least 72 hours in advance and the public is welcome to attend and to interject comments, questions, or concerns. The meetings are held at the City's Community Center and at City Hall in rooms large enough to accommodate non-member participants. During the development of the 5-Year Consolidated Plan and Fair Housing Plan for PY 2020-2024, the City was forced to alter its method of involving the community due to the COVID-19 pandemic. The City posted a survey about the housing and community development needs and one for fair housing conditions and needs. There were 172 responses to the community development survey and 24 to the fair housing survey. The CDAC held on-site, virtual and hybrid meetings throughout March through June to discuss the Consolidated Plan and Fair Housing issues.

The City has a Citizen Participation Plan that it follows on an on-going basis and reviews/updates in conjunction with each Consolidated Plan. The plan is approved by the CDAC. Copies of the Citizen Participation Plan are available on-line at the City's website for residents and stakeholders to download and review, as well as in the Community Development Division offices for residents and stakeholders to review. During the development of the 5-Year Consolidated Plan and Fair Housing Plan, the Citizen Participation Plan was updated to include a more complete section of fair housing and Section 3. The Plan was updated in early 2020 to address the waivers and additional requirements imposed by the CARES Act to address COVID-19 funding.

In addition to providing avenues for public participation, the City made a concerted effort to consult with a number of individuals and groups regarding priority needs, community concerns, program goals and fair

housing issues. The CDAC provided extensive input, along with the Public Housing Authority, staff members from City departments, Houston-Galveston Area Council (area Council of Governments), advocacy groups, realtors, developers, and members of BARA. Unfortunately, COVID-19 prevented the numerous planned in-person and on-site meetings and forums, and many agency staff members were working from home giving City staff no voice contact. Emails were sent to all with questionnaires.

Each year, the City conducts a fair housing forum which was open to the public and consisted of a representatives from the Baytown Public Housing Authority, Bay Area Homeless Services, Baytown Resource and Assistance Center, a private realtor, a private landlord, Greater Houston Fair Housing Center, MHMRA of Harris County's manager of Section 202/811 properties, Habitat for Humanity, and individuals with visual and physical impairments. During a meeting of the CDAC, the director of the Greater Houston Fair Housing Center gave a presentation on the fair housing issues facing Baytown residents and suggestions for addressing impediments.

The Texas Department of Housing and Community Affairs (TDHCA) is integrally involved in Baytown's serving of the low- to moderate-income and protected classes. The Texas Fair Housing Plan, in part, helps to shape Baytown's Fair Housing Plan. Additionally, and more collaboratively, the City has recently received access to the HOME homeowner rehabilitation reservation system. This grant from TDHCA provides approximately \$400,000 to provide homeowner rehabilitation assistance in Baytown. Most of the recipients for the rehabilitation are members of a protected class.

The City coordinates with Harris County, particularly in the provision of transportation for elderly, disabled and victims of domestic violence or sexual assault, as well as in sharing of information. Harris County RIDES and the City of Baytown coordinate and cooperate in providing demand-response transportation and fixed-route bus service to the low- to moderate-income, as part of implementing the Consolidated Plan. The City also collaborates with the County regarding fair housing and CDBG issues in order to coordinate the knowledge bases of both entities.

Houston-Galveston Area Council also has a collaborative relationship with Baytown, particularly Baytown's Planning Department. Regional transportation, economic development and emergency management are three areas in which the collaboration and coordination impact the Consolidated Planning process and the low- to moderate-income residents of Baytown.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

The Analysis of Impediments includes the following elements:

1. An assessment of conditions, including demographics, economic, housing, and environmental of the community, and, in particular, those conditions affecting fair housing choice for all protected classes
2. An assessment of the laws, regulations and administrative policies, procedures, and practices
3. An assessment of the availability of affordable, accessible housing in a range of unit sizes
4. Summary assessment of fair housing

GENERAL DEMOGRAPHICS

The geographic coverage of this Fair Housing Plan is the city limits of the City of Baytown, located primarily in Harris County, with small portions in Chambers County. The demographic information presented has been assembled from 2014-2018 American Community Survey (ACS) by the Census Bureau; HUD data from the Comprehensive Housing Affordability Strategy (CHAS) based on the 2013-2017 ACS to correspond with the pre-populated data from eCon Planning Suite; HUD maps from cpdmaps; and, tables and maps from the Assessment of Fair Housing (AFH) Tool.

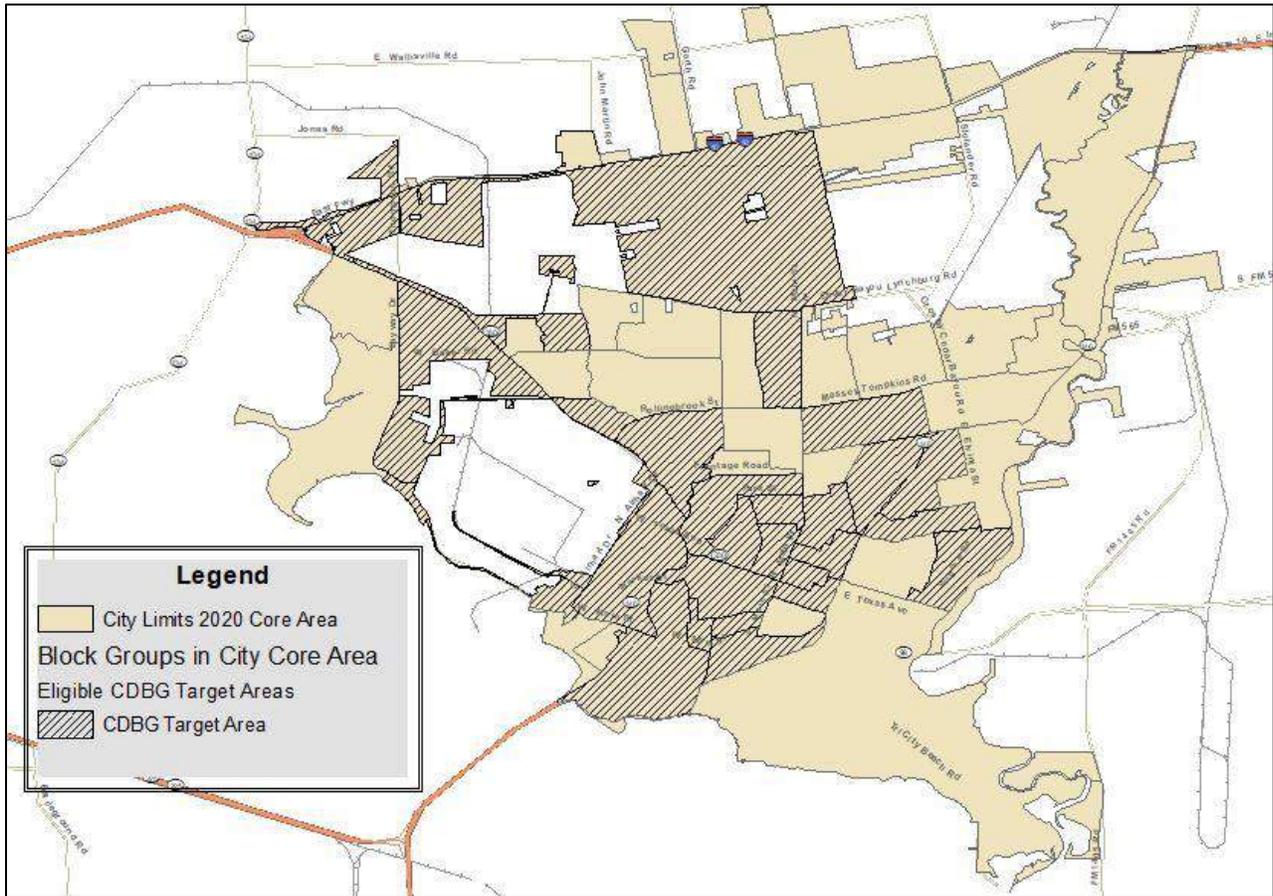
Map 1 – City of Baytown



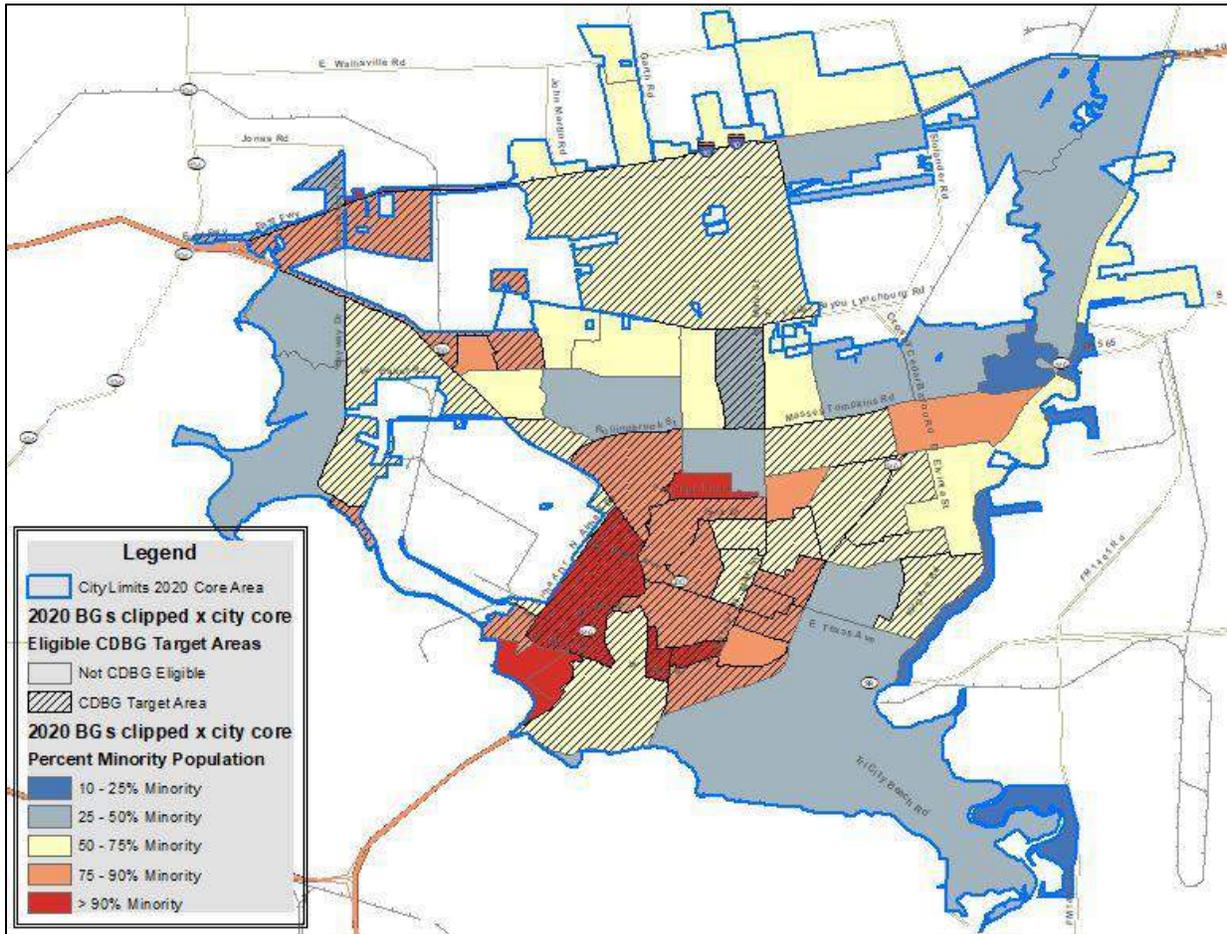
Table 1 – General Population and Household Characteristics (2014-2018 ACS)

Characteristic	Total Count	Characteristic	Total Count
Total Population	76,581	Total Housing Units	29,711
Hispanic or Latino	34,156	Households	26,581
Non-Hispanic White	24,744	Owner Households	15,016
Non-Hispanic African American	14,261	Renter Households	11,565
Non-Hispanic American Indian	83	Families	18,254
Non-Hispanic Asian	1,753	Households with Children < 18	9,132
Other	1,584	Grandparents responsible for grandchildren	1,048
Elderly (65+)	9,015	HH with computer access	23,349
Disabled	9,724	HH with broadband subscription	20,342
Working Age Disabled	5,142	Median Household Income	\$55,628
Elderly Disabled	3,710	Overcrowded HHs	1,242
Veteran	3,228	Owner HH w/Cost Burden >= 30%	3,093
Persons Below 150% of Poverty	6,603	Renter HHs w/ Cost Burden >= 30%	4,516
Limited English Proficiency	11,047	Population with health insurance	59,407

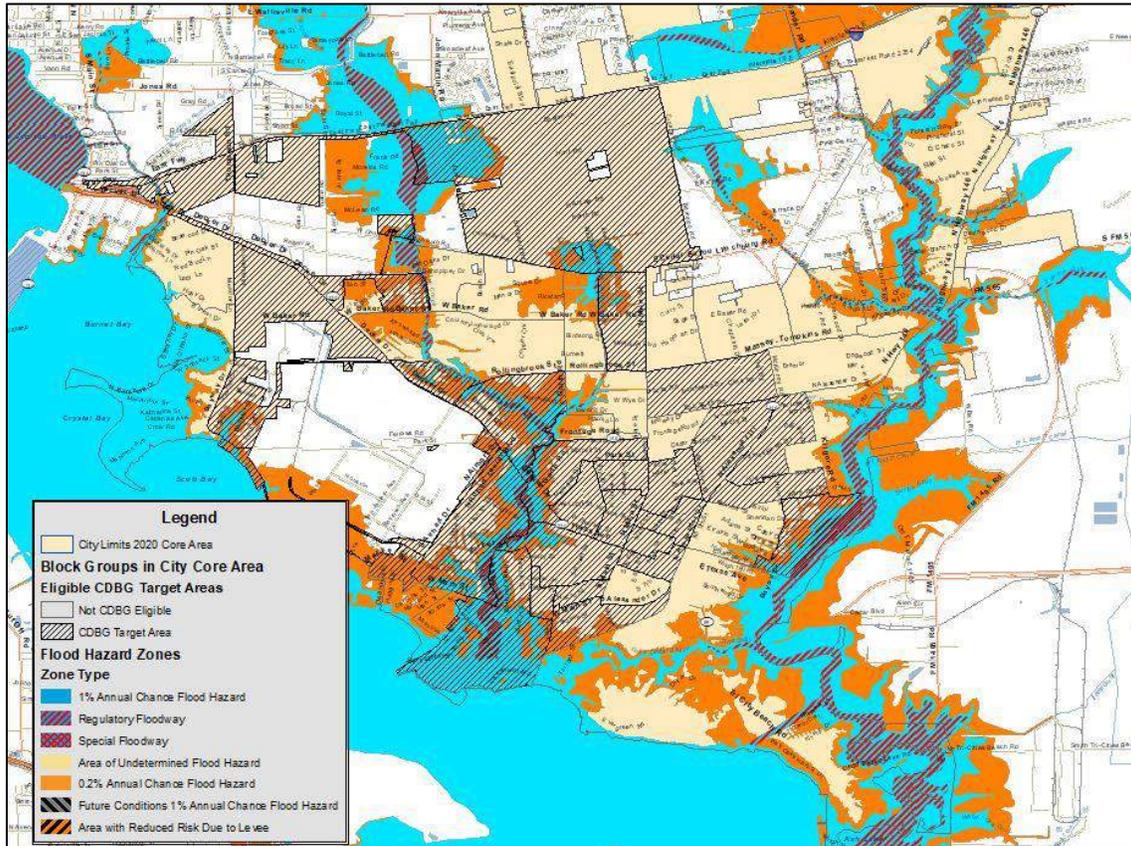
Map 2 – Areas > 51% Low- To Moderate-Income (<= 80% of Area Median Income)



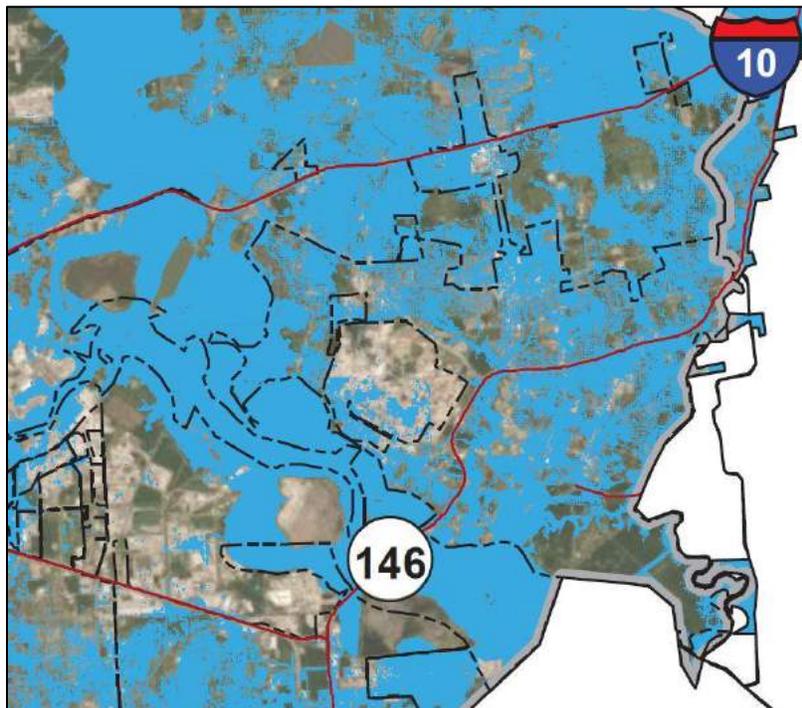
Map 3 – Percent Minority Population within Low-Mod Income Areas



Map 4 – Floodplain Areas over Low-Mod Income Areas



Map 5 – Hurricane Harvey Flooding

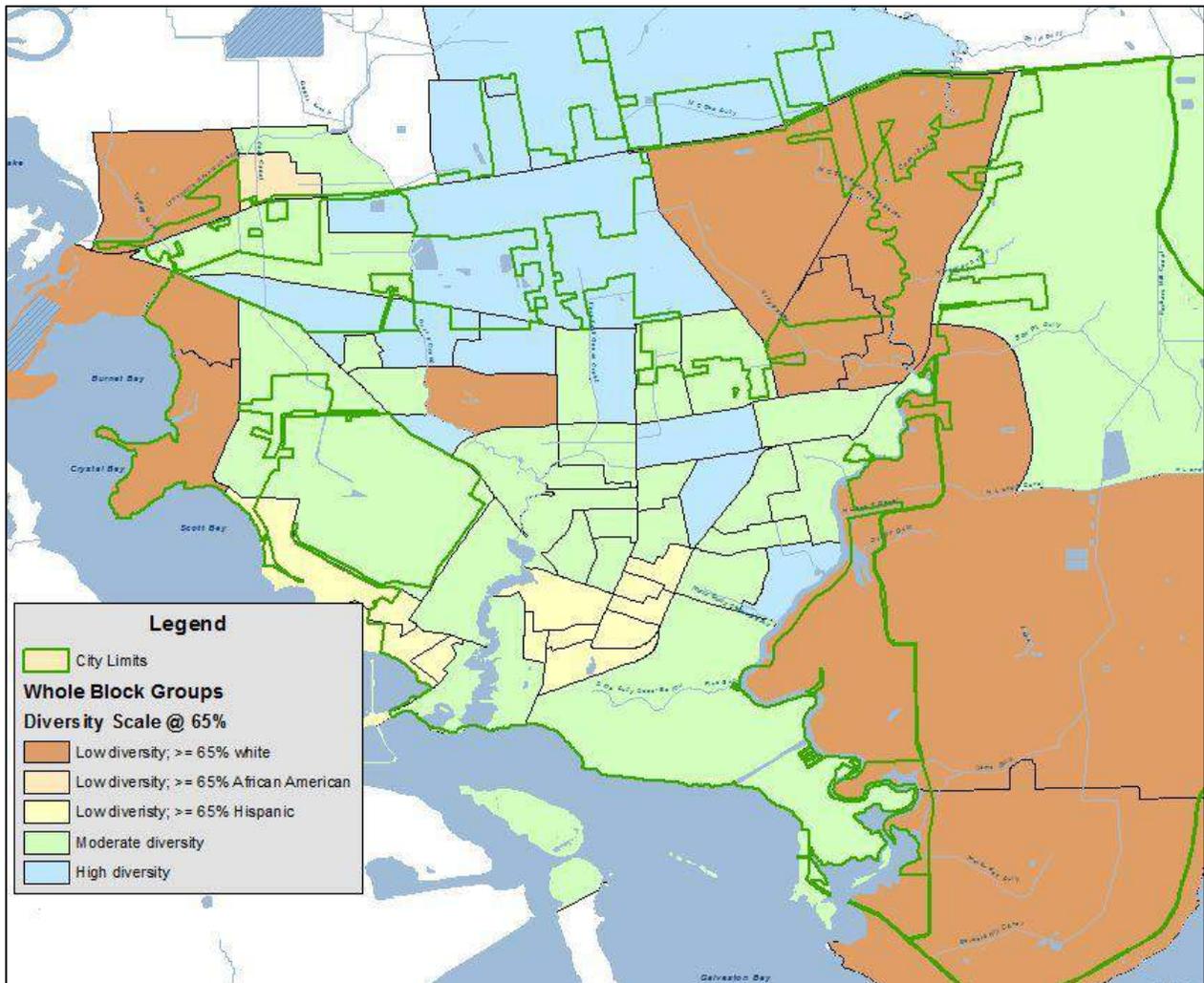


Racial and Ethnic Diversity

The maps below show various methods for illustrating the relative racial/ethnic diversity and dissimilarity among block groups in Baytown. Map 6 shows the block groups with a single race/ethnicity of 65% or greater, indicating low diversity; block groups with one race/ethnicity of between 45% and 65% regardless of the percentages of the other race/ethnic categories, indicating moderate diversity; and block group with no single race/ethnicity comprising 45% of greater of the population, indicating high diversity. The following map shows the same diversity scale with the low- to moderate-income block groups delineated. Of the 65 block groups in Baytown, 14 are at least 65% white, 1 is at least 65% African American, 11 are at least 65% Hispanic, 28 are moderately diverse, and 11 are highly diverse.

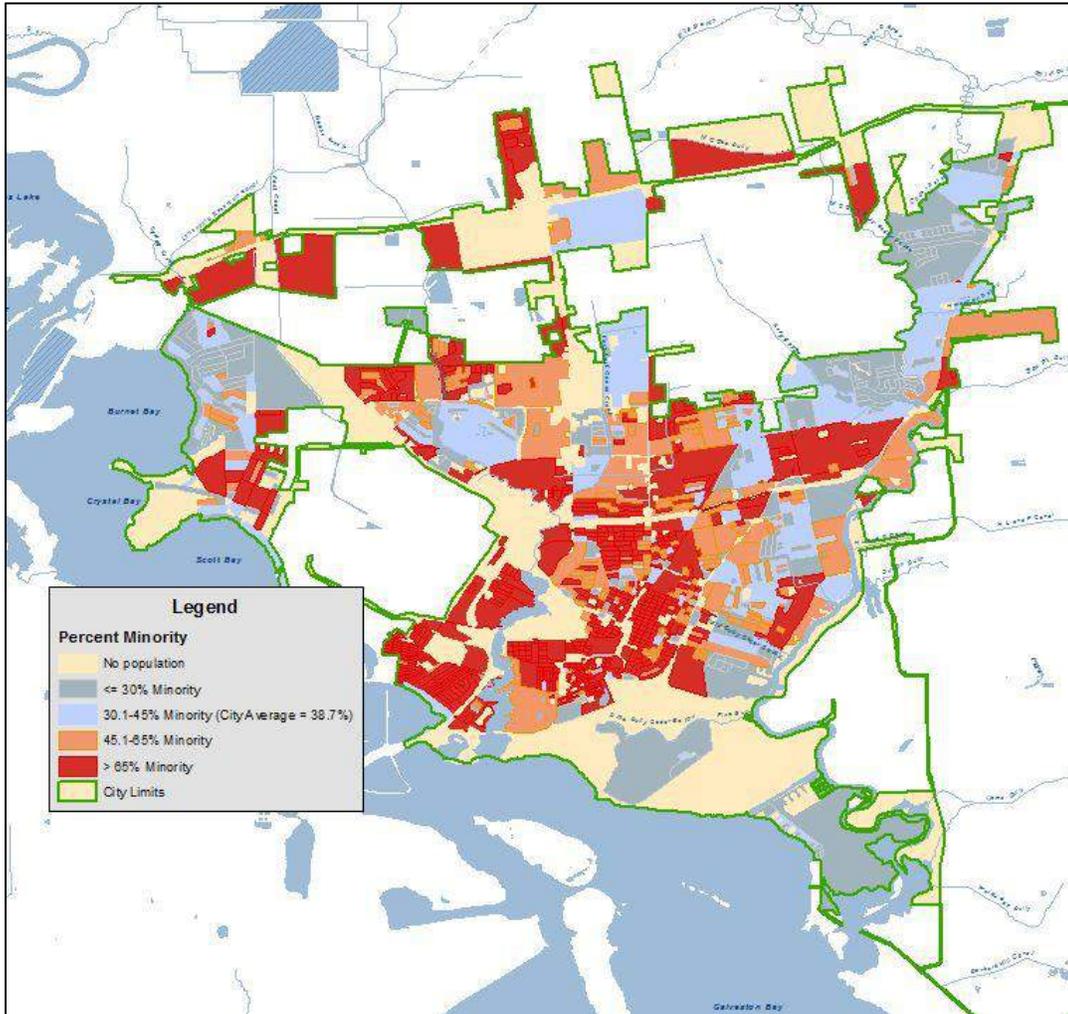
It should be noted that one limitation in comparing block group diversity is that Census Block Groups are established somewhat arbitrarily and do not follow neighborhood or community boundaries. In addition, block groups are relatively large geographically. While census tracts do somewhat follow socio-economic realities during the time they were created, in this case in the mid-1990s, they are even larger geographically than block groups and the population and development realities have changed.

Map 6 – Racial/Ethnic Diversity based on 2010 Census



Another way to view diversity is to map Census Blocks for their deviation from the city’s average minority population. Blocks with the same percent minority as the city as a whole mirror the city and are as equally diverse as the city overall. The map below shows the percent minority of each Census Block and represents the level of deviation from the city average of 38.7% minority.

Map 7 – Block-level Racial/Ethnic Diversity



The Beta version of the AFFH Tool has a dissimilarity index for all of Baytown based on census tract data for the entire CBSA, extrapolated to the City level. One way of looking at the dissimilarity index is the percent of the minority population that would have to move to a different geographic area in order to produce a small-area distribution that matches the larger area as a whole. The results show an African American/White index of 34.44 and Hispanic/White index of 39.44 for Baytown, versus 64.21 and 54.73 respectively for the CBSA. In other words, 34.44% of the African Americans and 39.44% of the Hispanics would have to move to more white census tracts to balance the population, versus 64.21% of the region’s African Americans and 54.73% of the region’s Hispanics. Census tracts are larger geographically and in population than their sub-unit block groups or blocks. As a result, the calculation does not truly represent dissimilarity at the neighborhood level. While block groups are still rather large, they give a better representation of the dissimilarity. Using block groups within Baytown as a part of Baytown only, the more localized African American/White index is 41.67 with a Hispanic/White index of 39.48, indicating that there is slightly more dissimilarity among block groups than census tracts.

The dissimilarity index is computed as:

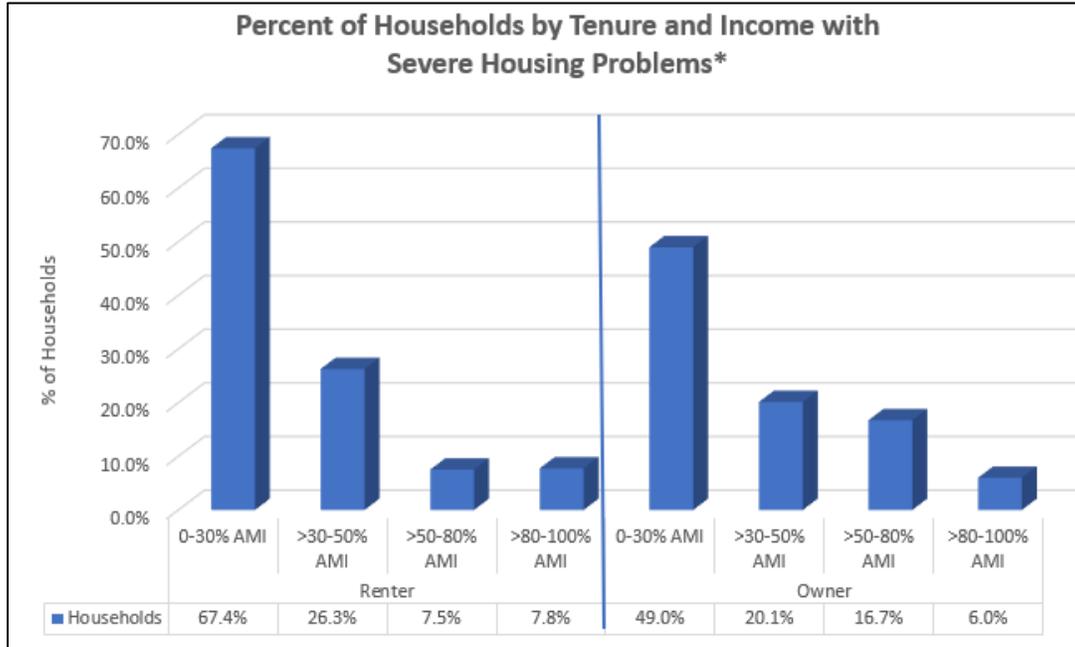
- where b_i = the African American population of the i block group
- and B = the total African American population of the entire jurisdiction
- and w_i = the non-Hispanic white population of the i block group
- and W = the total non-Hispanic white population for the entire jurisdiction

The absolute values of each $b/B-w/W$ for each block group are added and divided by 2. The formula is repeated for Hispanics where h_i and H replace b_i and B .

HOUSING AND HOUSEHOLD CHARACTERISTICS/NEEDS

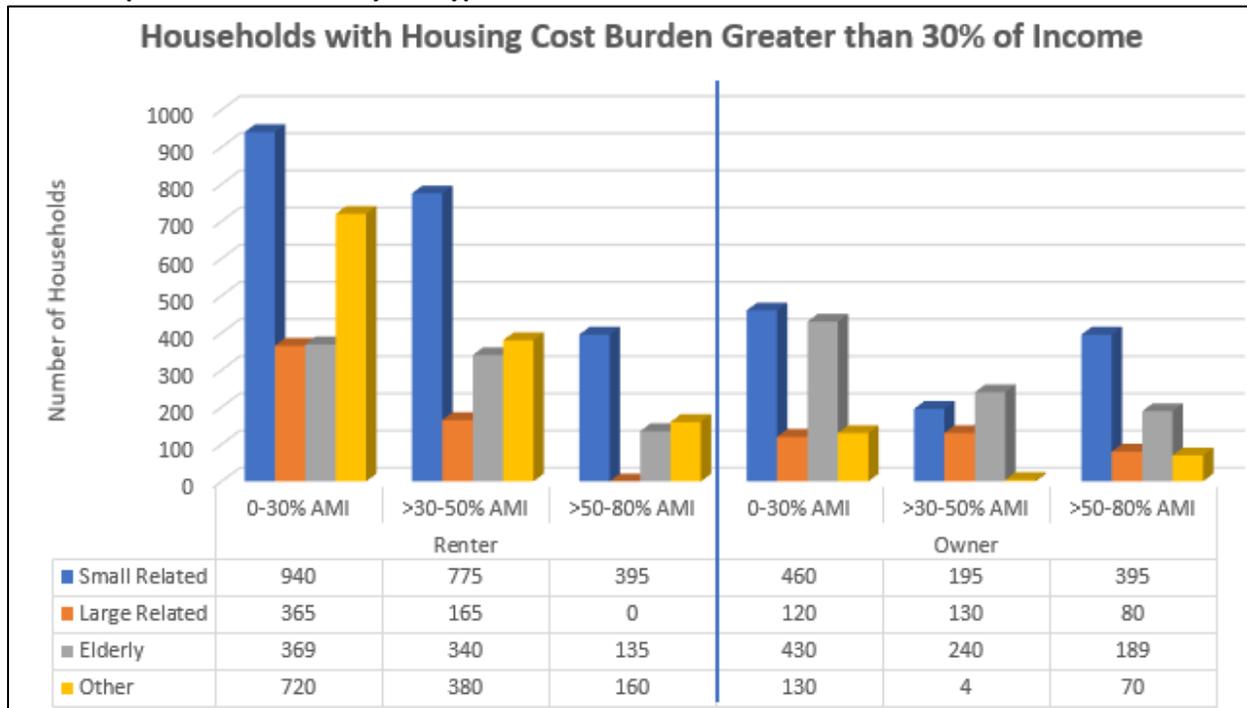
According to the data pre-populated by HUD in the eCon Planning Suite for the PY 2020-PY 2024 Consolidated Plan, nearly half of the households in Baytown are low- to moderate-income. The charts below show various housing conditions and needs in Baytown.

Graph 1 – Percent of HHs by Tenure and Income with Severe Housing Problems*

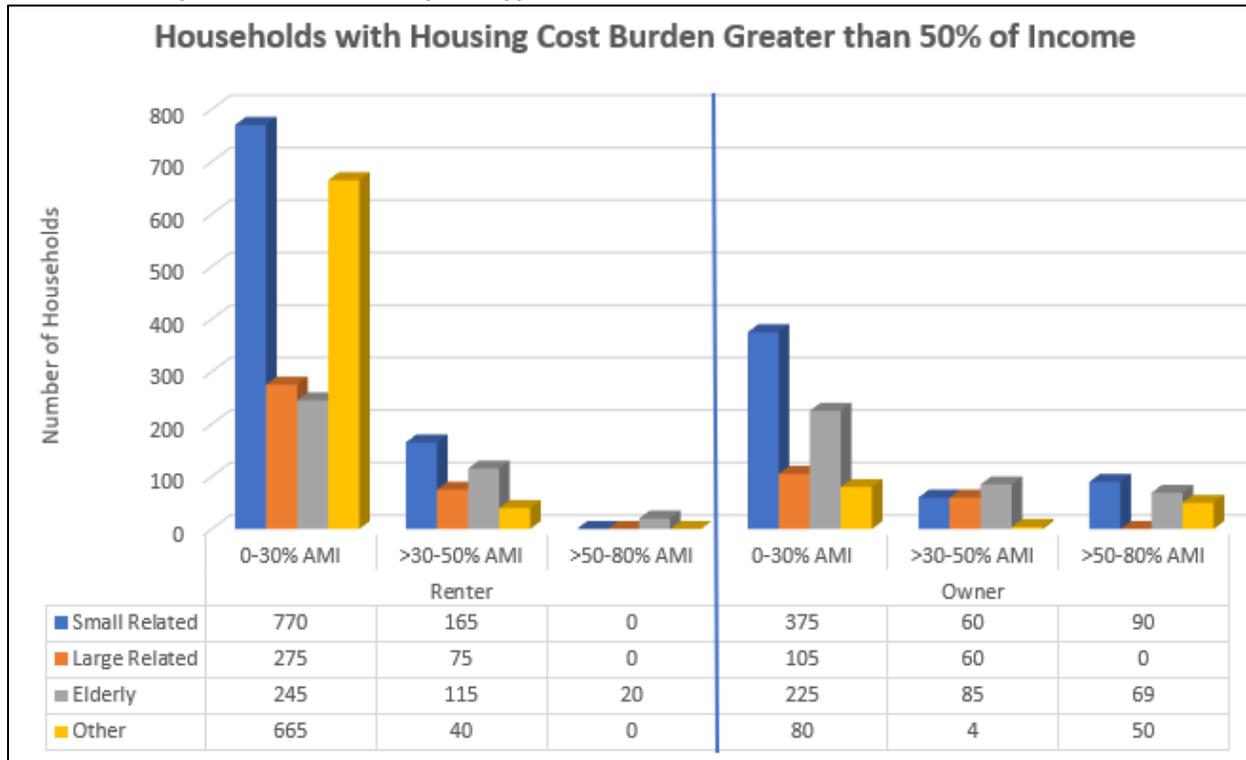


* Severe Housing problems consist of lacking incomplete plumbing, incomplete kitchen facilities, overcrowding, and/or a housing cost burden of more than 30% of income

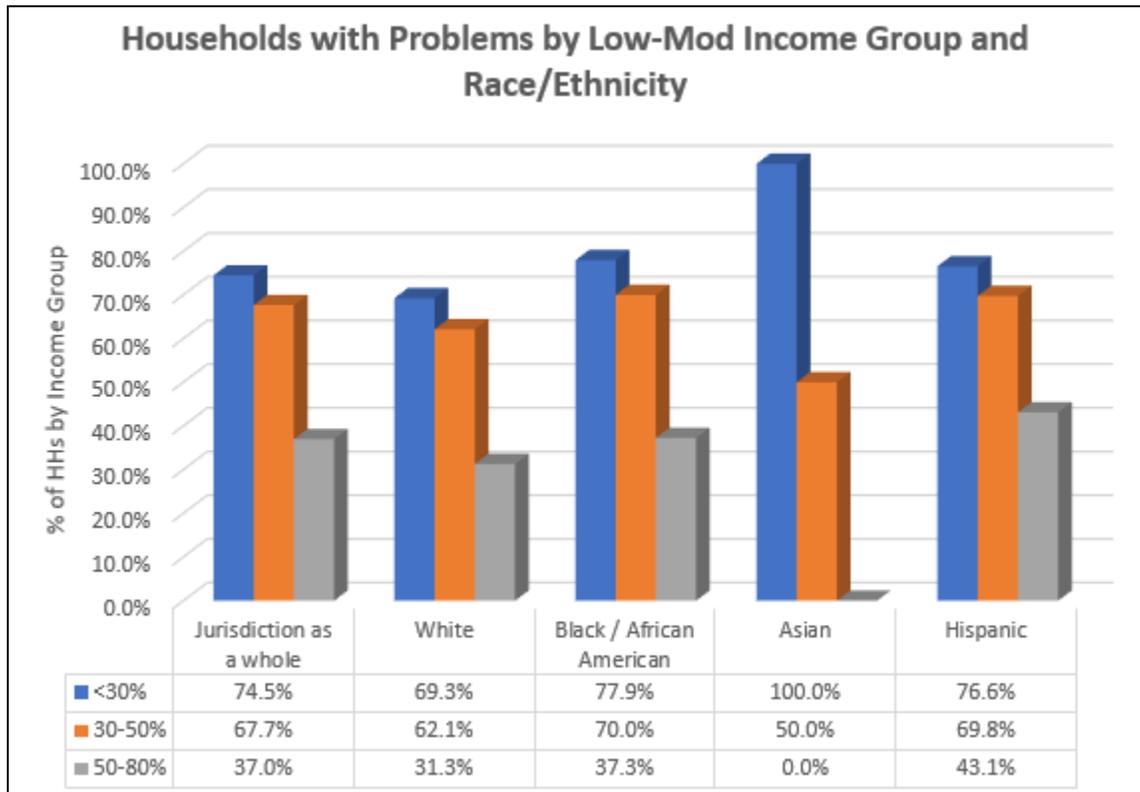
Graph 2 – Households by HH Type and Income with Cost Burden > 30% & < 50% of Income



Graph 3 – Households by HH Type and Income with Cost Burden > 50% of Income



Graph 4 – Percent of Households within each Low-Mod Income Group with Housing Problems by Race/Ethnicity



The graphs above show that, while the disparity between white and minority low- to moderate-income households with problems is not substantial (> 10 percentage points), the disparity is more evident when comparing each racial/ethnic group's internal percent with problems. Only 51% of low- to moderate-income whites have housing problems, compared with 64.9% African Americans, 61.2% Asians, 62.3% Hispanics, and 71.5% Others, including Native Americans and Hawaiian/Pacific Islanders.

As would be expected, all minority groups saw very high percentages of housing problems for those with incomes of 30% or less of area median income, and the percentages declined as incomes rose. However, for each income range, the percent of households with problems was lower for whites than any other group, with the exception of Asians with incomes of 50-80% AMI. This anomaly is due to the small number of Asian households and the disparity of incomes with a high percentage of Asians earning well above the median income, and only 129 total earning at or below the 80% of median. With the margin of error for each of the income categories greater than the total estimated Asian households, the percentages may be inaccurate for such a small population group.

Non-Hispanic whites and African Americans have relatively the same level of severe housing problems, though the total number of households is higher for whites. Hispanics across the board have a disproportionately greater housing need than others. This fact is especially true with regards to housing with severe problems, particularly high cost burden and severe overcrowding. The percent of housing problems that are severe declines rapidly as incomes rise for non-Hispanic whites and African Americans, but remains constant at more than 40% for Hispanics. Incomes for Hispanics are lower than other race/ethnicities and household sizes are larger. The two combined leads to higher cost burdens and more severe overcrowding.

While housing cost and affordability are not fair housing issues, the disparity in incomes between non-Hispanic whites and minorities results in affordability being a de facto indication of disparity. According to the National Low Income Housing Coalition's Out of Reach 2018 (OOR 2018) report, in Harris County, in which Baytown is primarily located, it requires a full-time hourly rate of \$20.50 to afford a two-bedroom rental at the Fair Market Rate (FMR) of \$1,066. This translates to an annual income of \$42,640. The affordable rent for a household at 30% of the Area Median Income is \$562 per month. Based on research conducted in March, 2020, only five such units were available for rent in Baytown. Though rents are generally affordable to the moderate-income, there is a housing affordability mismatch as higher income renters are absorbing most of the units affordable to the moderate-income, who in turn either must rent units out of affordability or units affordable to the lower income renters.

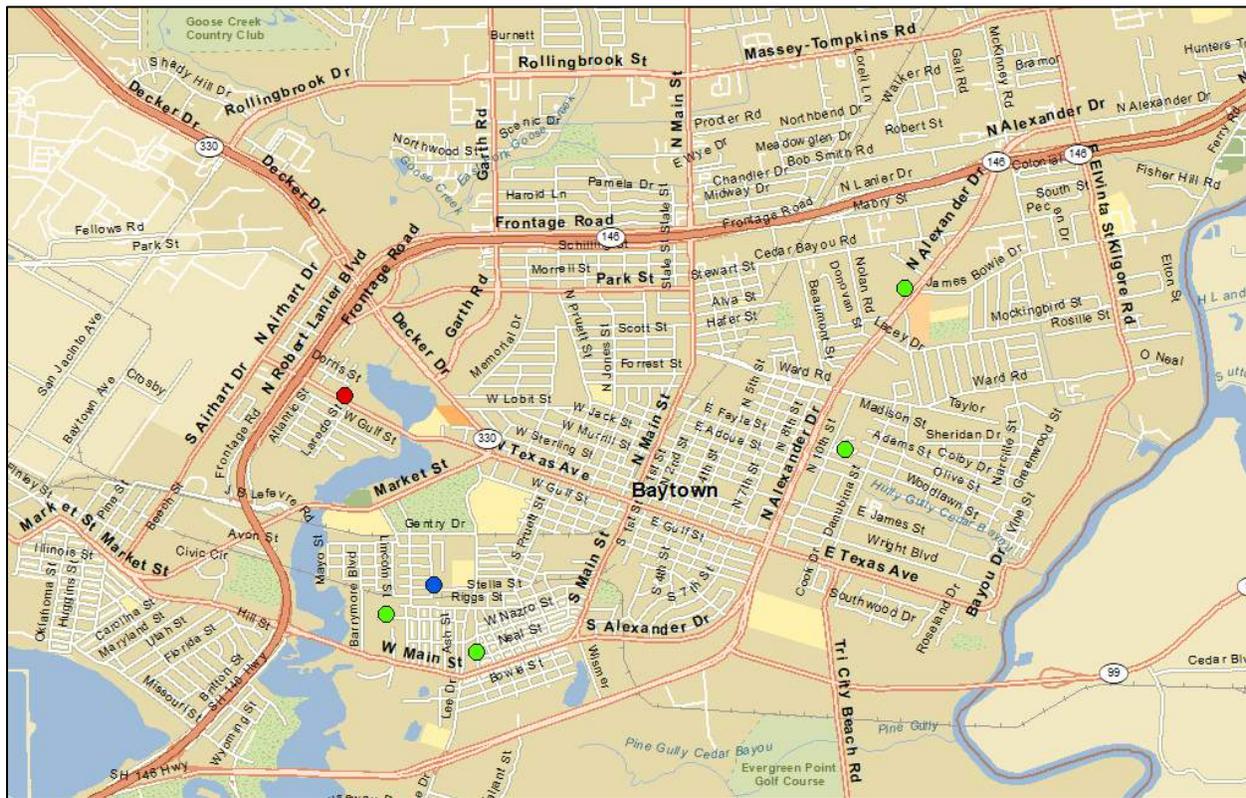
Subsidized Housing

Baytown Housing Authority manages five properties and 833 Housing Choice Vouchers. The three public housing developments for a total of 82 units and 18 set aside public housing units at Alexander Place for a total of 100 public housing units. Lincoln Courts is owned by BHA and has 30 units.

- Public Housing
 - Edison Court – 42 units for elderly and/or disabled tenants

- Sam Houston Place – 20 units
- Olive Courts – 20 units
- DeZavala Courts – sold to private party
- Alexander Place is a mixed finance property utilizing financing from HUD and Texas Department of Housing and Community Affairs
 - 18 units set aside for public housing tenants
 - 18 units have project-based vouchers
- Lincoln Courts – 30 units
 - The bond was paid off on this property and BHA owns this property as an asset. The rents are affordable and the property has less restrictions than the public housing properties. BHA often houses victims of domestic violence and households who have lost their housing due to fire or flood at Lincoln Courts.

Map 8 - Location of Baytown Housing Authority's Public Housing Developments



● HUD-funded ● TDHCA/Non-HUD ● Closed

The racial/ethnic distribution within the Public Housing units is 25% non-Hispanic white, 52% African American and 20% Hispanic, and 3% other. Within Housing Choice Voucher program, 14% non-Hispanic white, 74% are African American and 12% are Hispanic. Of the public housing units, 5% of all properties

are accessible to the disabled. BHA strives to find accessible units for those voucher holders who are disabled. The map below shows the five BHA-owned properties:

Table 2 – Race/Ethnicity of BHA Residents in 2020

Currently, there are 53 non-elderly disabled families and 30 elderly tenants in public housing.

Race/Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled*
Hispanic	0	0	17	87	0	87	0	0	0
Non-Hispanic	0	0	69	618	0	618	0	0	0
White	0	0	34	185	0	185	0	0	0
Black/African American	0	0	51	520	0	520	0	0	0
Asian	0	0	0	0	0	0	0	0	0
American Indian/Alaska Native	0	0	0	0	0	0	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	1	0	0	0	0	0	0

There is a sufficient percentage of accessible units to meet federal guidelines and to accommodate current residents and applicants on the waiting list when they progress to the top of the list. As the need for accessible units increases, Baytown Housing Authority will retrofit additional units for accessibility.

BHA has made great strides in providing quality up-to-date public housing for its tenants. Rather than relying solely on HUD PIH funding, BHA has used other funding sources to develop new properties. However, there is a shortage of public housing units and at least two more developments are needed. The most immediate needs for HCV holders are additional affordable units, and more landlords who will accept Housing Choice Vouchers. The Housing Choice Voucher program, formerly called Section 8, allows program participants to select rental housing of their choice within the HUD Fair Market Rents and providing the housing passes Housing Quality Standards. Baytown’s rental stock is priced at or below the area median but young professionals and other higher-income renters have absorbed much of the housing that would be affordable to HCV holders. Additionally, the major floods and Hurricane Harvey have left many units uninhabitable or demolished. There is a particular shortage of small units – efficiencies and 1-bedroom units, and large units – 4-bedroom units. While the 2- and 3-bedroom units are at or below the Fair Market Rents, many of the HCV holders who are single or are 2-person households

do not qualify for larger units based on their household size while many who are large families require a 4-bedroom unit to not be overcrowded.

Public housing residents' most crucial needs are for employment that provides a living wage and affordable childcare. BHA is in the process of upgrading older units to be more energy efficient which will reduce the utility costs for public housing residents.

Currently there are 770 on the public housing waiting list and 2,222 on the Housing Choice Voucher waiting list. Both lists were closed on March 12, 2020. There is a two to three year wait for both programs. Although the waiting list no longer tracks the need for accessible units historically the need varies between 5% and 10%, and 5% of the units at each public housing property are accessible.

BHA has switched to a lottery system to manage the waiting lists. When the waiting list is opened, applicants are advised to go on-line during a certain period of time (usually two weeks) to update their information. At the end of the two-week period, the computer generates a list of applicants that have been chosen through the lottery. This list is sent to BHA and staff begins the process of completing the applications and acquiring the needed documentation.

Of the 1,539 LIHTC units, only 966 (62.78%) are in service and all target the low-income. There are no units that target special populations, such as elderly, disabled, families, or homeless. There are no efficiency or 4-bedroom LIHTC units, and only 198 1-bedroom units that would be appropriate for singles, including elderly or disabled. The three Section 202/811 properties have 55 units that target the individuals with mental illness or intellectual and developmental disabilities. Centennial Square Apartments provides 100 units for low-income elderly through non-federal funding.

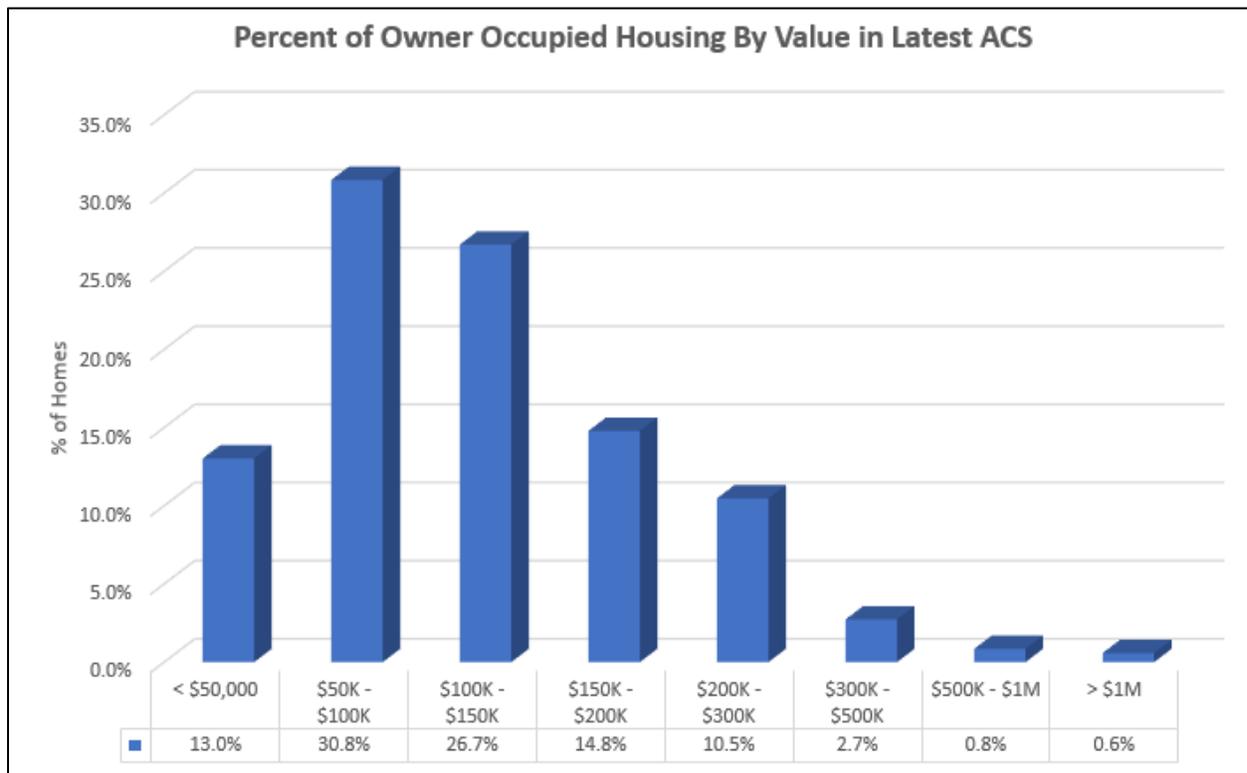
Baytown, unlike most jurisdictions, has nearly one-third of its rental stock being made up of subsidized units through public housing, Housing Choice Vouchers, LIHTCs, Section 202/811 grants, or other sources of subsidy. Additionally, the private sector housing market is priced below the rest of the region. However, there continues to be a shortage of housing for the extremely low-income and the elderly and disabled, many of whom are also extremely low-income. More efficiencies and 1-bedroom units are needed for individuals and couples without children. More rental units affordable to the low- to moderate-income and with 3 or more bedrooms are needed. Only 23% of the rental units are 3-bedroom and only 5% are 4-bedroom and none have more than 4 bedrooms. As a result, lower-income individuals are forced to rent larger units above affordability and large families are forced to rent 2-bedroom or 3-bedroom causing overcrowding. There is an affordability mismatch as higher income renters are renting units well below acceptable cost burden levels, occupying units that would be affordable to lower-income renters. The subsidized units are all located in lower-income census tracts and census tracts with less than 45% non-minority population, therefore majority minority, which tends to concentrate the subsidized housing in lower-income minority areas.

HOUSING MARKET

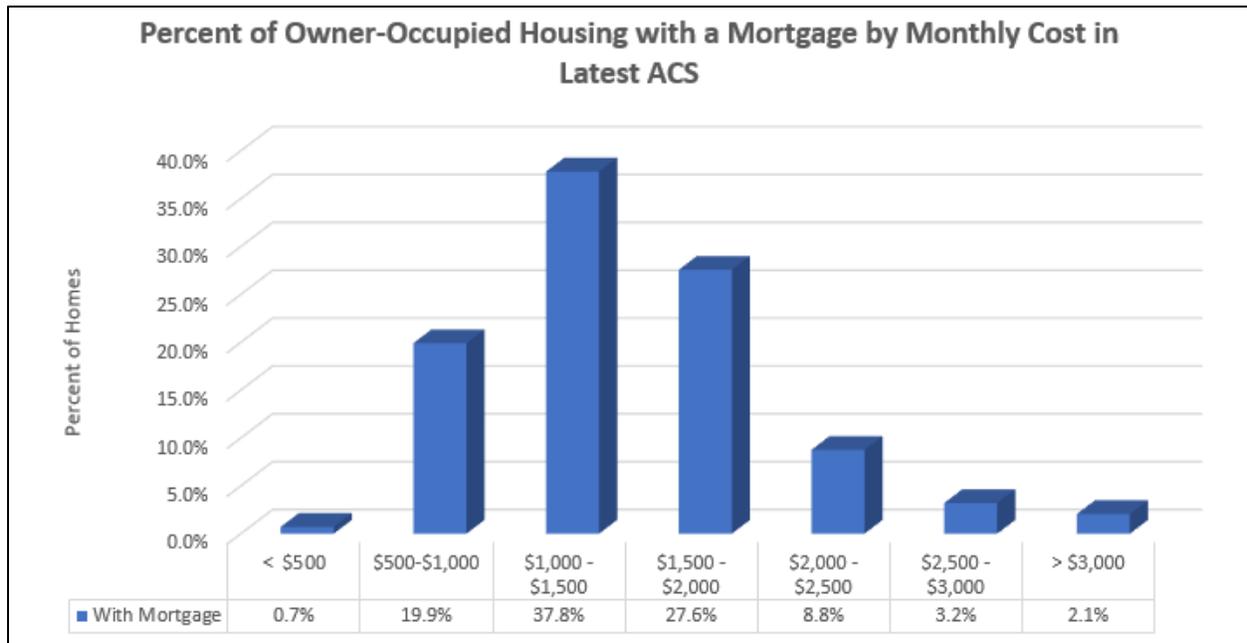
Baytown is somewhat of an anomaly regarding the housing market in that it has a large number of affordable unsubsidized units as well as subsidized rental units. Rents and values are, for the most part, below the MSA's median. The median housing value in Baytown in the 2014 – 2018 ACS was \$111,800

compared to Texas at \$161,700 and Harris County at \$165,300. Nearly three-fourths of the owner-occupied housing is valued at \$150,000 or less. The median monthly housing cost for owners with a mortgage is \$1,390 and for those without a mortgage is \$534. While 20.6% of owners with a mortgage are paying less than \$1,000 per month, 91.7% of those with no mortgage have housing costs of less than \$1,000 per month. The median gross rent in Baytown was \$924 according to the 5-year ACS for 2014-2018 compared to Texas at \$998 and Harris County at \$1,031. More than half of the renters are paying less than \$1,000 for rent with an additional 4.2% paying no rent. Though rents in Baytown are more reasonable than in the surrounding area, 42.2% of the renters have a housing cost burden greater than 30% of their income. As the graph below shows, there has been a significant change in the distribution of renters by rents paid since the 2011-2015 ACS. The data available now is for gross rent and it appears that the pre-populated table is for contract rent, but accounting for the difference in those two numbers, there has still been a considerable drop in the percent of renters paying \$1,000 per month or less, despite the fact that housing costs have increased since the 2015 data.

Graph 5 – Housing Value Based on 2014-2018 ACS



Graph 6 – Owner-Occupied Monthly Cost for Those with Mortgage Based on 2014-2018 ACS



Graph 7 – Monthly Gross Rents Based on 2014-2018 ACS

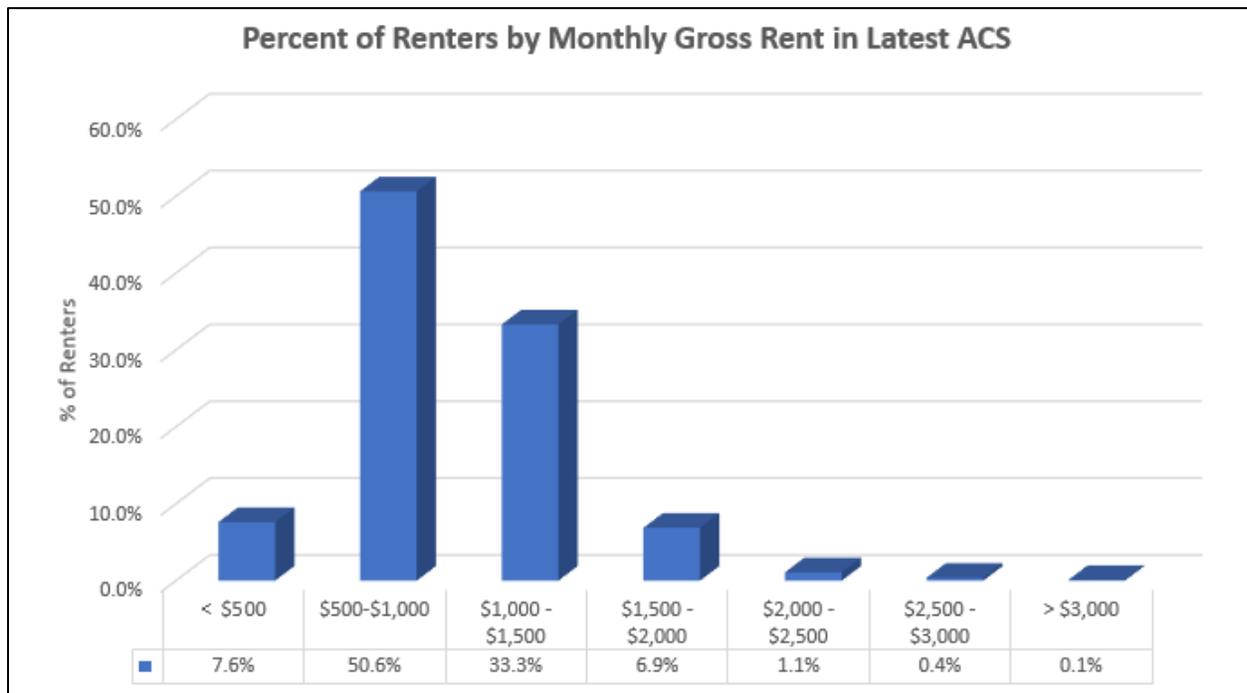
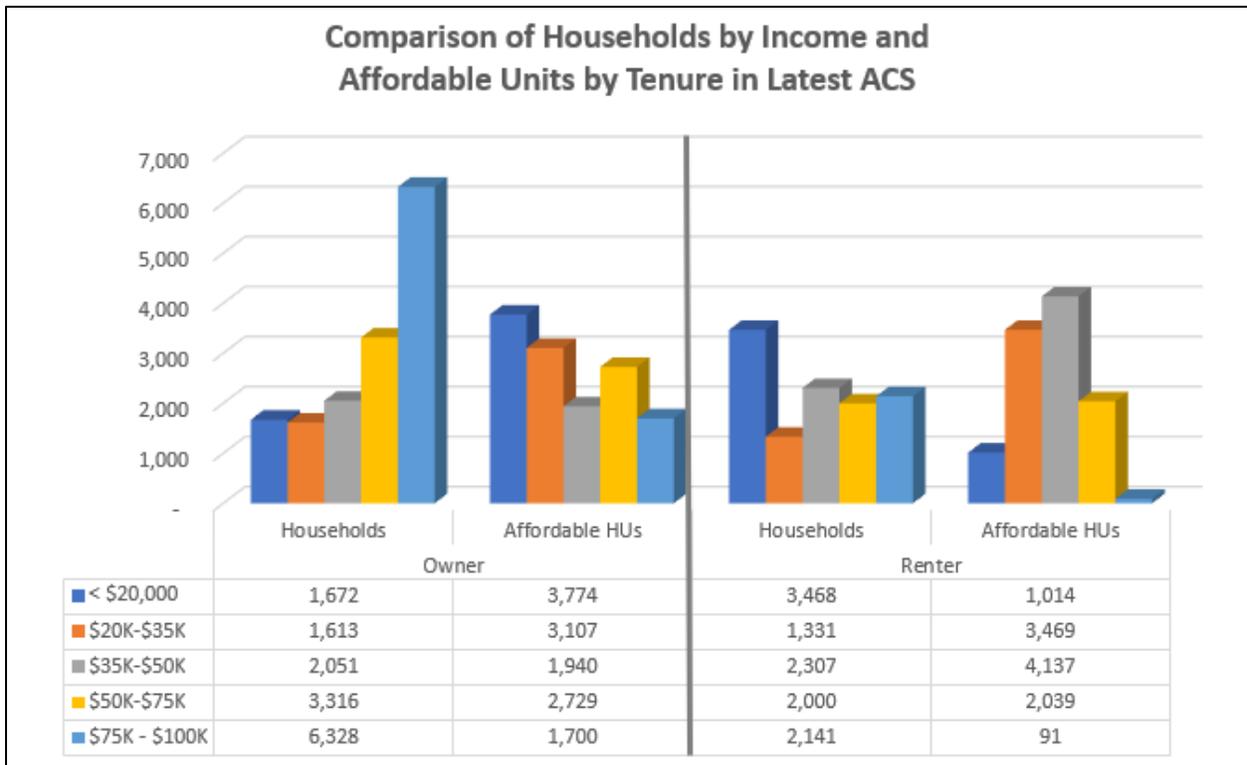


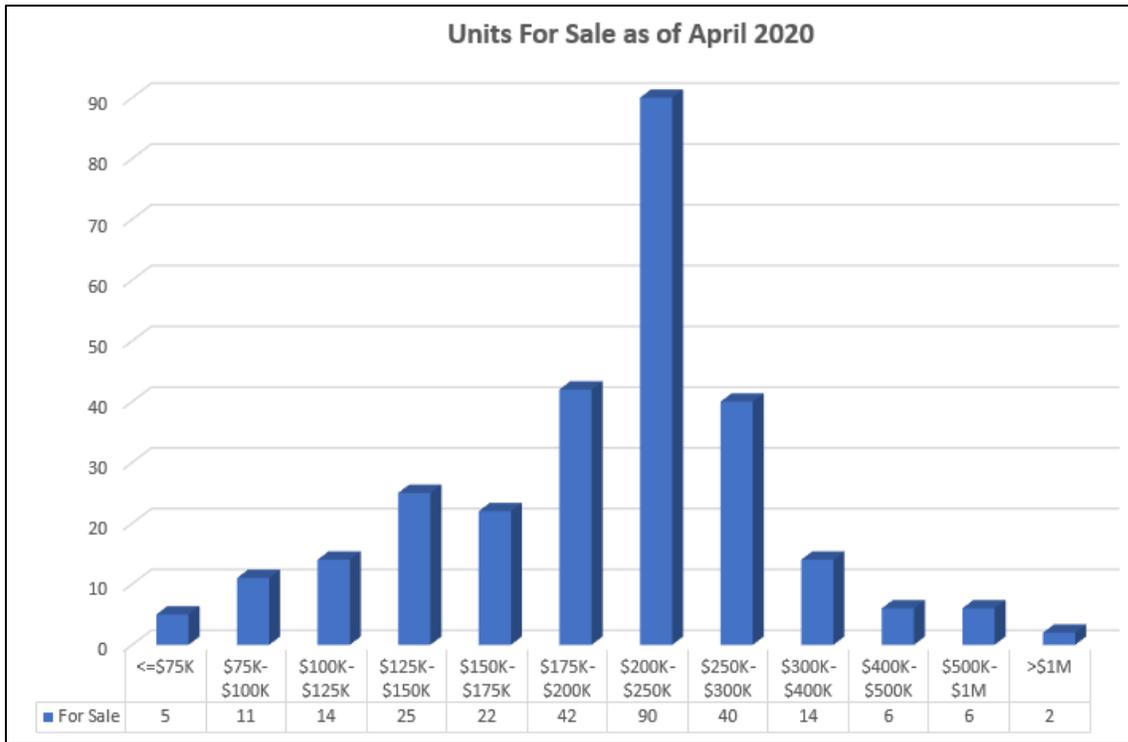
Table 3 - 2019 Fair Market Rents

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$812	\$907	\$1,104	\$1,509	\$1,897
High HOME Rent	\$812	\$907	\$1,104	\$1,304	\$1,435
Low HOME Rent	\$668	\$716	\$858	\$992	\$1,107

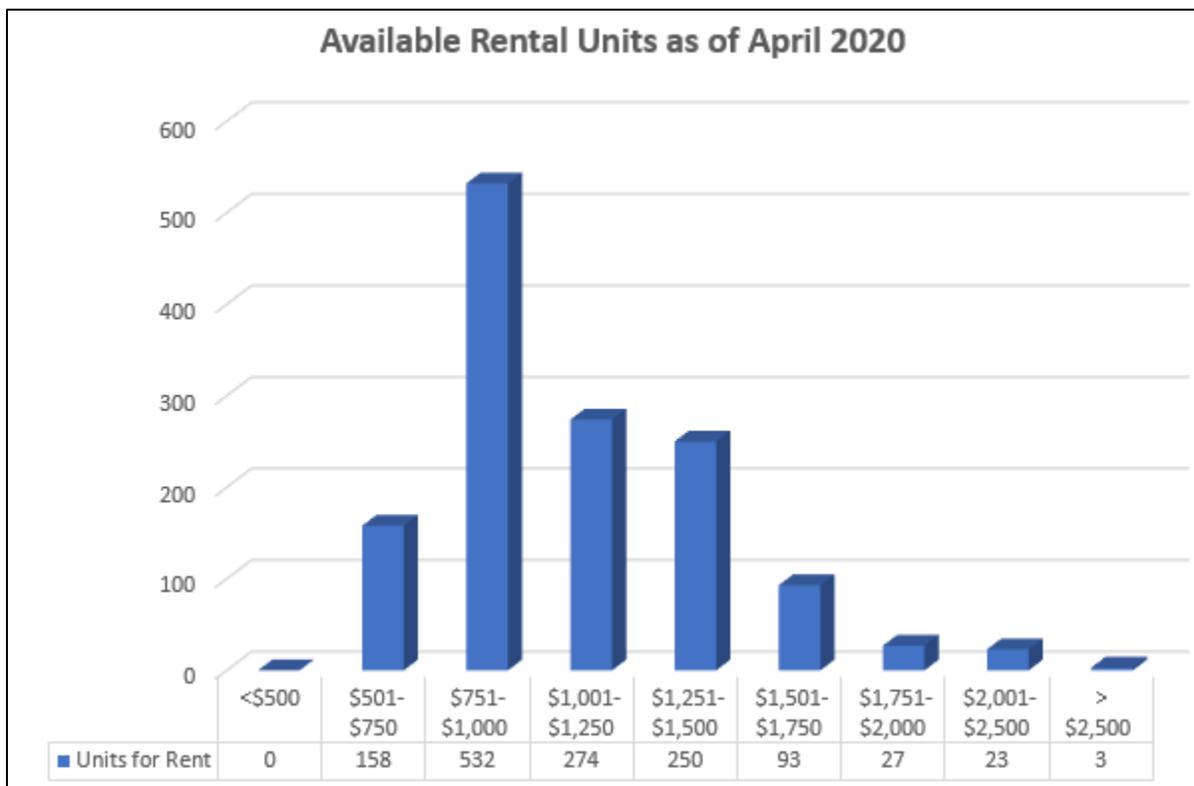
Graph 8 – Affordability and Income by Tenure Based on 2014-2018 ACS



Graph 9 – Housing Units for Sale as of April 2020



Graph 10 – Housing Units for Rent as of April 2020



More than half of Baytown's housing stock was built before 1980. However, despite the age of the housing, more than half have none of the four selected housing conditions. Less than 1% of the units are lacking complete plumbing, complete kitchen facilities, and/or heating source. Only 4.7% have overcrowded conditions, with only 1.4% being severely overcrowded (more than 1.5 persons per room). As a result, the vast majority of the housing has either no selected conditions or has cost burden as the one selected condition.

There is definitely a need for new housing for the extremely low-income renters. There is a greater than average number of older deteriorating units that are affordable that need to be rehabilitated or replaced. The Baytown Public Housing Authority has been making great strides in demolishing and replacing old deteriorating properties, but additional new units are needed. In addition, the greatest shortage is in housing affordable to the middle-income and higher-income households, both for rental and purchase. While it is of great advantage that Baytown has a much greater than average percent of housing affordable to the very low- and moderate-income, the households with incomes at or above median are displacing moderate-income households, which then trickles down to moderate-income displacing the very low-income. Additionally, the extremely low-income have too few units and are also causing displacement of very low-income households. The extremely low-income are faced with being at risk of homelessness and/or living in unsound housing. The graphs above illustrate the mismatch between income and number of affordable units.

Baytown's housing market is much more affordable than the rest of Harris County or the region, but the two converging economic crises that have hit Baytown are causing a rapid and devastating unemployment rate, that will make housing no longer affordable. As we navigate the crises, more employers are shutting their doors and it will leave a trail of unemployment throughout the city. Adding to this time of crisis is the fact that due to Baytown's housing being more affordable, the higher-income renters and owners are residing in housing that is well below their affordability and preventing low- to moderate-income residents from accessing what would be affordable to them. The trickle-down effect puts the greatest burden on the very low- and moderate-income (those at 30-80% of AMI) as the shortage of housing for the extremely low-income and for the middle-income bleed into the market affordable to the owners and renters in the 30-80% income range.

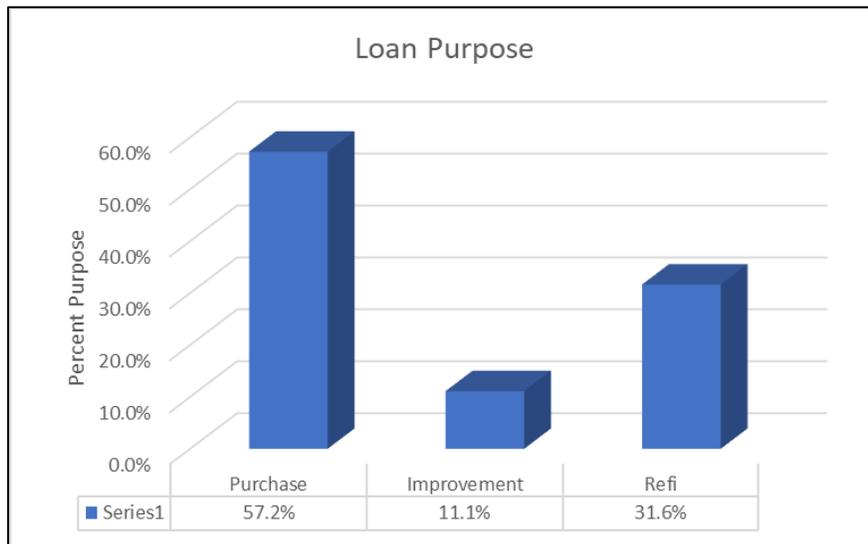
The City has put a very high priority on rehabilitation of owner-occupied housing, but the need remains greater than the City can fund and there is currently a long waiting list for assistance. The City uses CDBG and State HOME funds to provide up to \$25,000 to rehabilitate a home, up to \$5,000 for accessibility retrofits, and up to \$100,000 for reconstruction. One of the greatest needs in housing rehabilitation in older neighborhoods is the need to repair or replace the deteriorated/leaking sewer lines that run from the dwelling through the yard to the public lateral line. The leaks are seeping raw sewage into the ground and water table. The housing rehabilitation program is focusing on this form of rehabilitation to not only improve the owner's quality of life, but that of the neighborhood and city as a whole. The City utilizes CDBG funds for repairing and replacing decayed sewer lines on owner-occupied residential properties through a 5-year forgivable loan.

While there is a definite need for rental rehabilitation, the City has no information regarding the level of need.

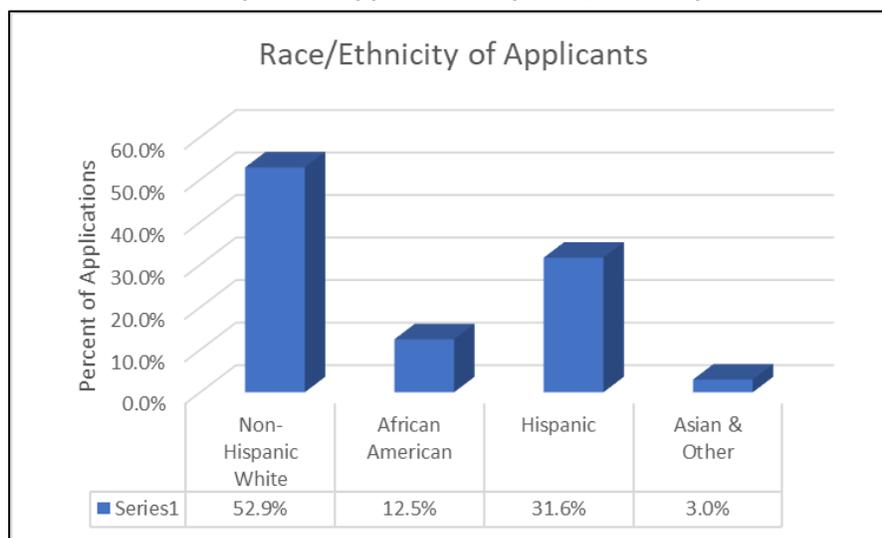
Fair Housing and the Home Mortgage Disclosure Act Data

The Federal Financial Institutions Examination Council (FFIEC) requires, through the Home Mortgage Disclosure Act (HMDA), that all mortgage lenders to report on loan applications by whole census tract, including areas that are outside the city limits. The 2017 HMDA data for Baytown’s whole census tracts, reveals that there were 297 completed mortgage applications for owner-occupied housing with race/ethnicity and income data included. Graph 11 shows the percent of applications by the loan purpose, followed by a graph of the racial/ethnic distribution of the applications.

Graph 11 – Applications by Loan Purpose

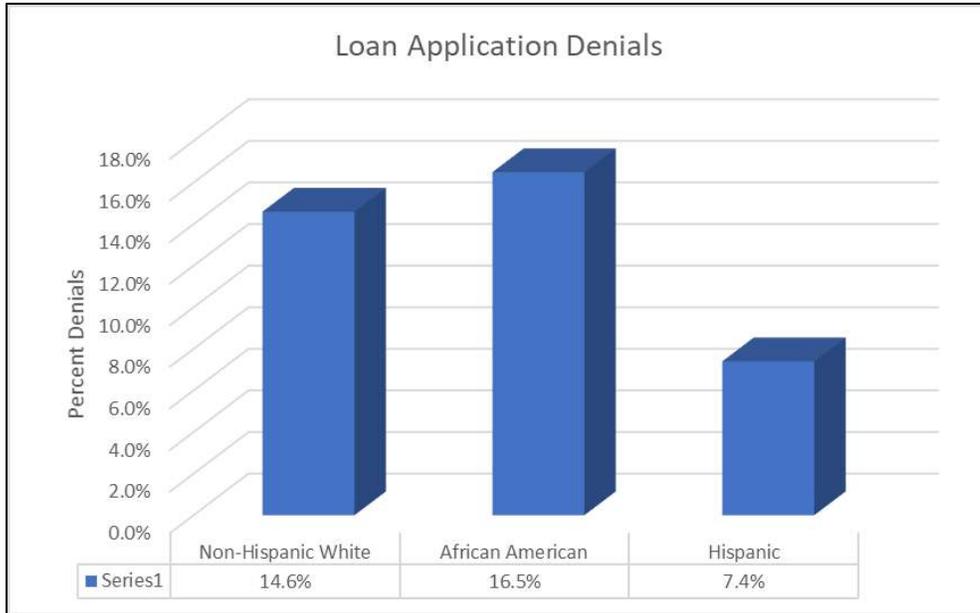


Graph 12 – Applications by Race/Ethnicity

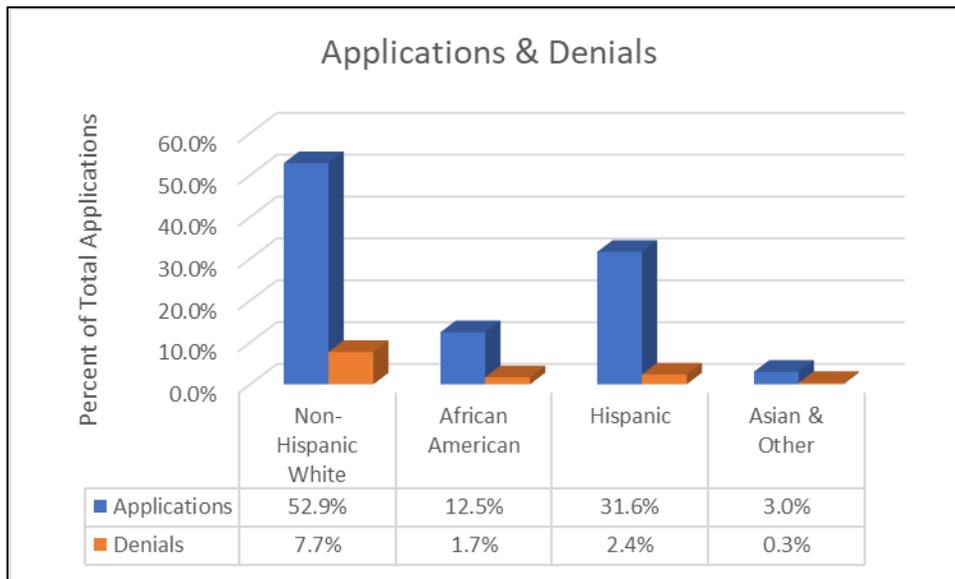


There does not appear to be any significant differences in the percent of applications denied by race/ethnicity. The graphs below illustrate the percent of loans, percent of loans denied and the reasons for the denials by the race/ethnicity of the applicant.

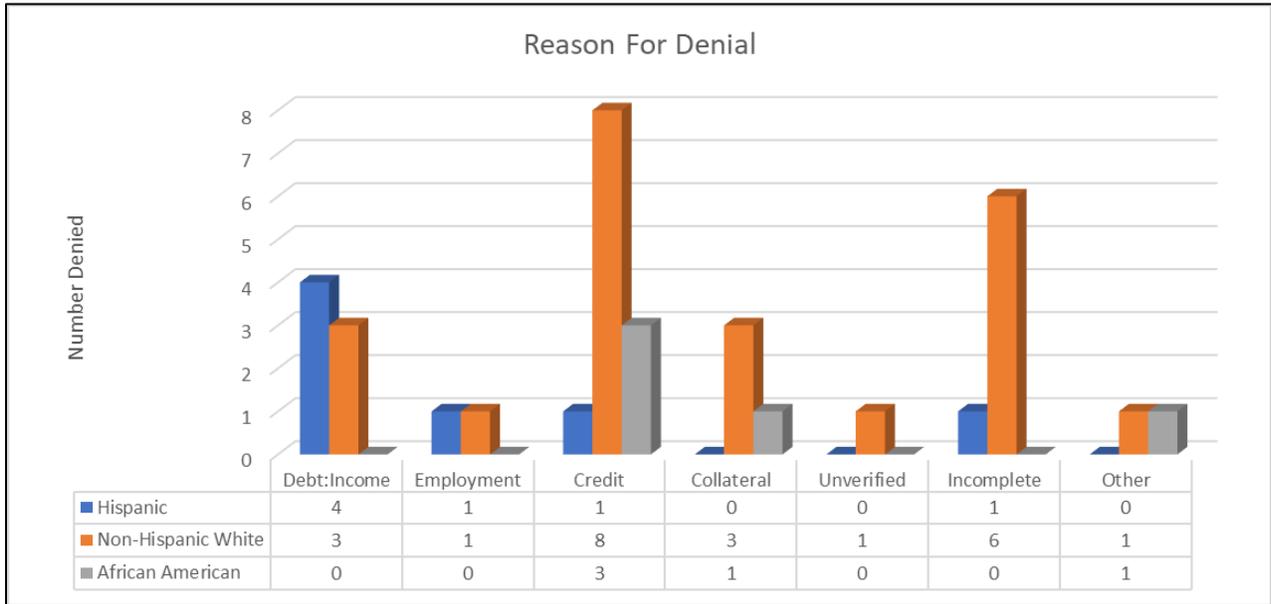
Graph 13 – Denials as Percent of Applications for each Racial/Ethnic Group



Graph 14 – Comparison of Percent of Applications & Percent of Denials by Race/Ethnicity



Graph 15 – Reason for Loan Denials by Race/Ethnicity



Map 9 – Whole Census Tracts with Baytown City Limits

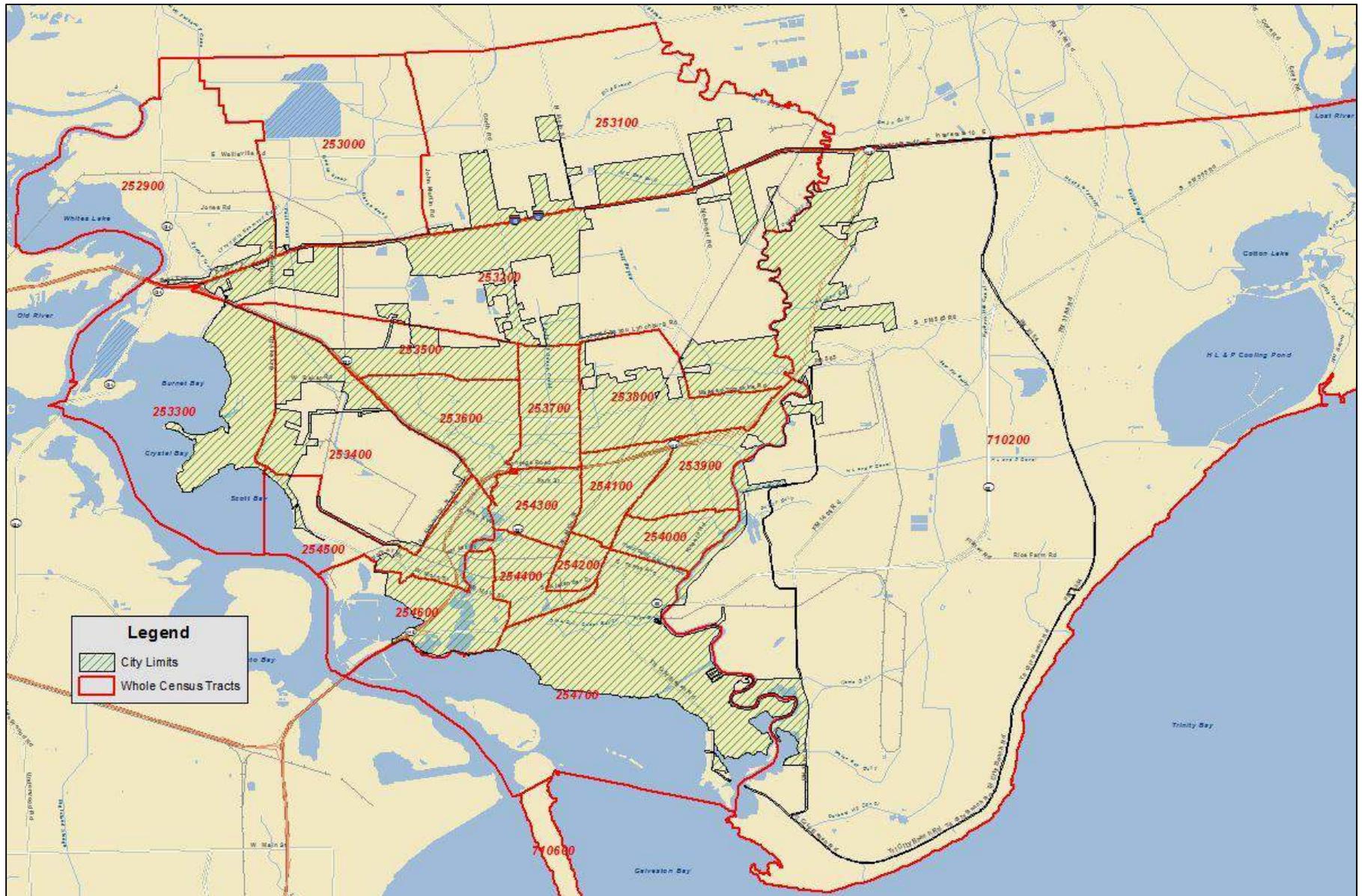


Table 4 – Owner-Occupied Applications by Census Tract

Census Tract	Applications	Non-Hispanic White	African American	Hispanic	Average Loan Request	Average Loan:Income	Denials	% Minority Population	Tract:MSA Income
2529.00	13	6	2	5	\$151,308	1.95	1	53.68	100.45
2530.00	11	5	3	3	\$115,364	1.81	2	61.48	95.92
2531.00	41	15	7	17	\$147,756	3.17	5	58.62	97.28
2532.00	33	17	3	11	\$146,091	2.38	6	55.63	98.31
2533.00	6	3	1	2	\$139,833	3.51	0	60.84	92.16
2535.00	15	6	4	5	\$100,667	1.63	0	64.94	104.90
2536.00	10	5	2	3	\$157,400	1.68	0	59.20	103.14
2537.00	7	3	0	4	\$96,857	1.18	0	65.27	75.10
2538.00	11	4	1	5	\$140,909	3.69	0	64.19	98.60
2539.00	7	0	3	4	\$120,429	2.67	3	49.20	96.93
2540.00	11	6	1	4	\$110,000	1.96	1	54.05	87.42
2541.00	2	0	0	2	\$55,500	0.92	0	50.02	99.07
2542.00	1	1	0	0	\$2,000	0.02	0	65.88	70.46
2543.00	2	1	0	1	\$103,000	1.36	0	49.09	115.30
2544.00	3	0	0	3	\$51,667	0.61	0	61.38	115.92
2546.00	3	1	0	2	\$26,667	0.36	2	58.94	95.51
2547.00	9	3	2	3	\$113,333	1.65	2	54.89	94.90
7101.00	37	27	5	5	\$220,784	3.23	3	58.31	101.60
7102.00	75	55	3	15	\$191,053	3.72	11	58.14	93.29
Total	297	158	37	95	\$156,199	2.78	36	58.19	96.79

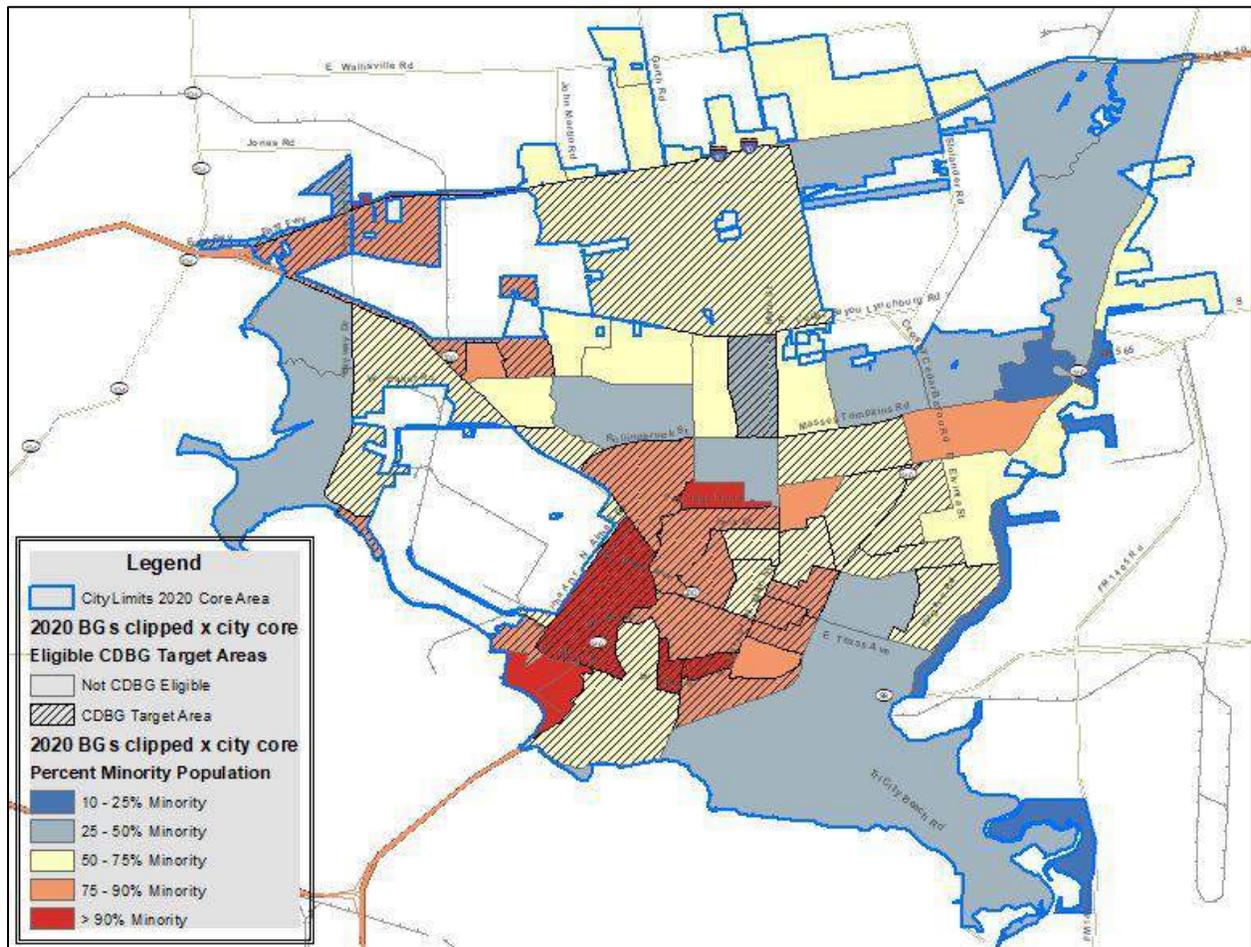
ENVIRONMENT AND ENVIRONMENTAL JUSTICE

Regardless of the quality of the housing unit, the location in relation to the area amenities, accessibility and negative impacts can affect fair housing choice. Environmental Justice refers to the fair distribution of environmental benefits and burdens for all, including protected classes.

The highest concentration of racial and ethnic minorities also corresponds with the highest concentration of low- to moderate income households. The area is generally located east and south of Hwy 146 in the older part of the city. The map at the end of this section shows the high concentration of minority population with the high level of low- to moderate-income households.

The definition used here for “concentration” is block groups with 75% or more minorities and more than 51% low- to moderate-income households.

Map 10 – Areas of High Minority Concentration and High Low-Mod Income

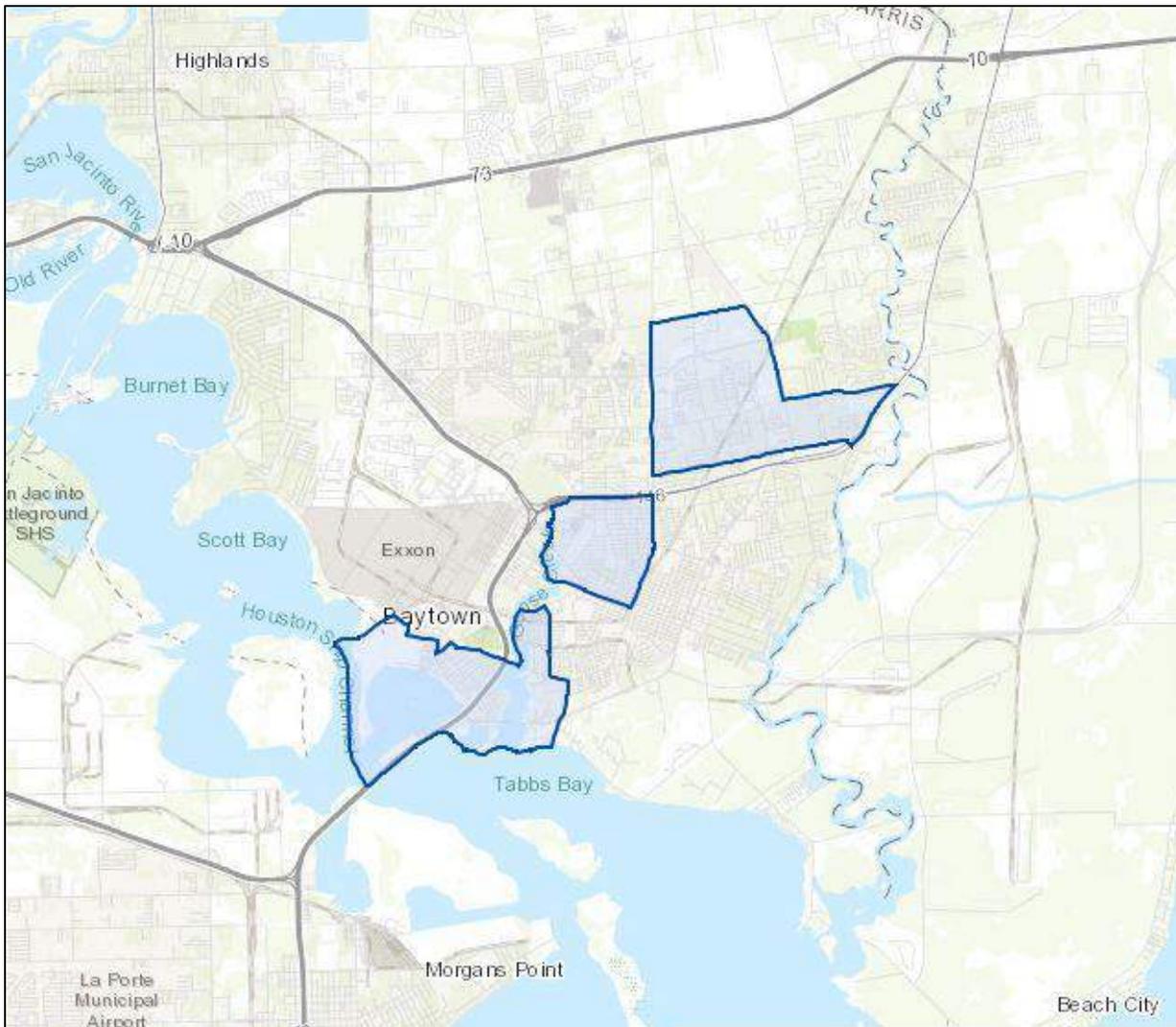


The area is older and, though it is going through some gentrification as a result of tax incentives and other economic development programs, there is still a significant lack of amenities and neighborhood-wide residential redevelopment. The City is concentrating much of its neighborhood improvement funding in this area.

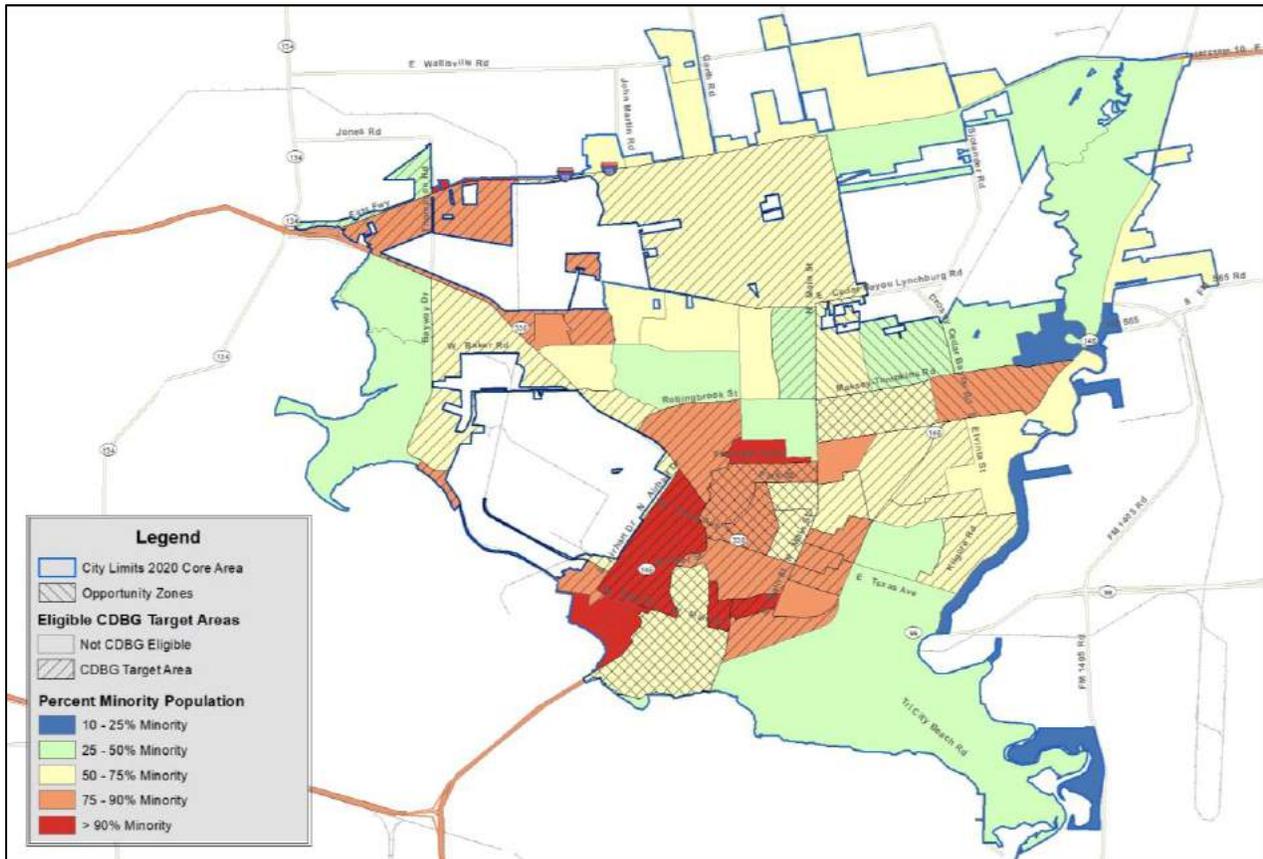
One of the primary strategic opportunities in these areas are the three Opportunity Zones for Equitable Development that are a new federal initiative as a result of the benefit of the Tax Cuts and Jobs Act. The purpose is to spur investment in low-income and undercapitalized communities. The program provides a number of incentives that can result in a positive economic impact in disadvantaged neighborhoods. The program is too new to see results at this time, but the Economic Development Department is working to maximize the benefits for these zones.

The maps below show the location of Baytown’s federally designated Opportunity Zones, which do coincide with the areas of low-income and high minority concentration.

Map 11 – Federally Designated Opportunity Zones



Map 12 – Federally Designated Opportunity Zones with Areas of Minority & Low-Mod Income Concentrations

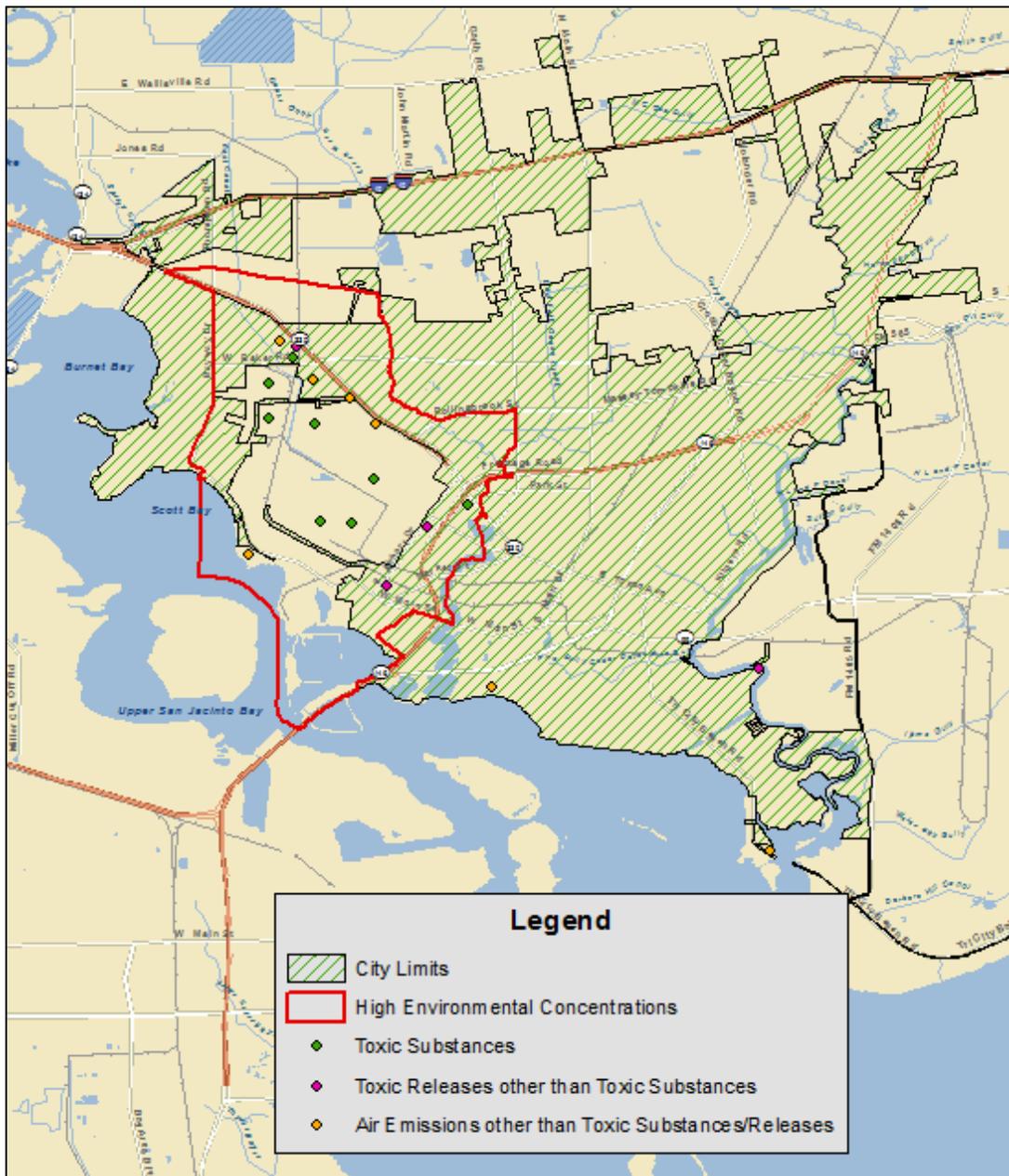


Environmental Issues

One of the major environmental issues in Baytown is its proximity to hazardous substances due to the petrochemical plants in the area and the city’s proximity to Galveston Bay and the potential flooding and storm surge that can occur during hurricanes.

The map below, from the EPA’s Environmapper program, shows the locations of toxic substances, toxic releases other than at the same location as toxic substances, and air emissions other than at the same location as toxic releases or substances. There are no brownfields in Baytown. An area of high environmental concentration is highlighted and accompanying table shows the demographics of this area. Overall, the area of high environmental concentration is nearly 61% low- to moderate-income and 76.3% minority. There is a very high housing vacancy rate in the area. In addition, the Goose Creek CISD’s Alternative School and Special Education Center are in the area.

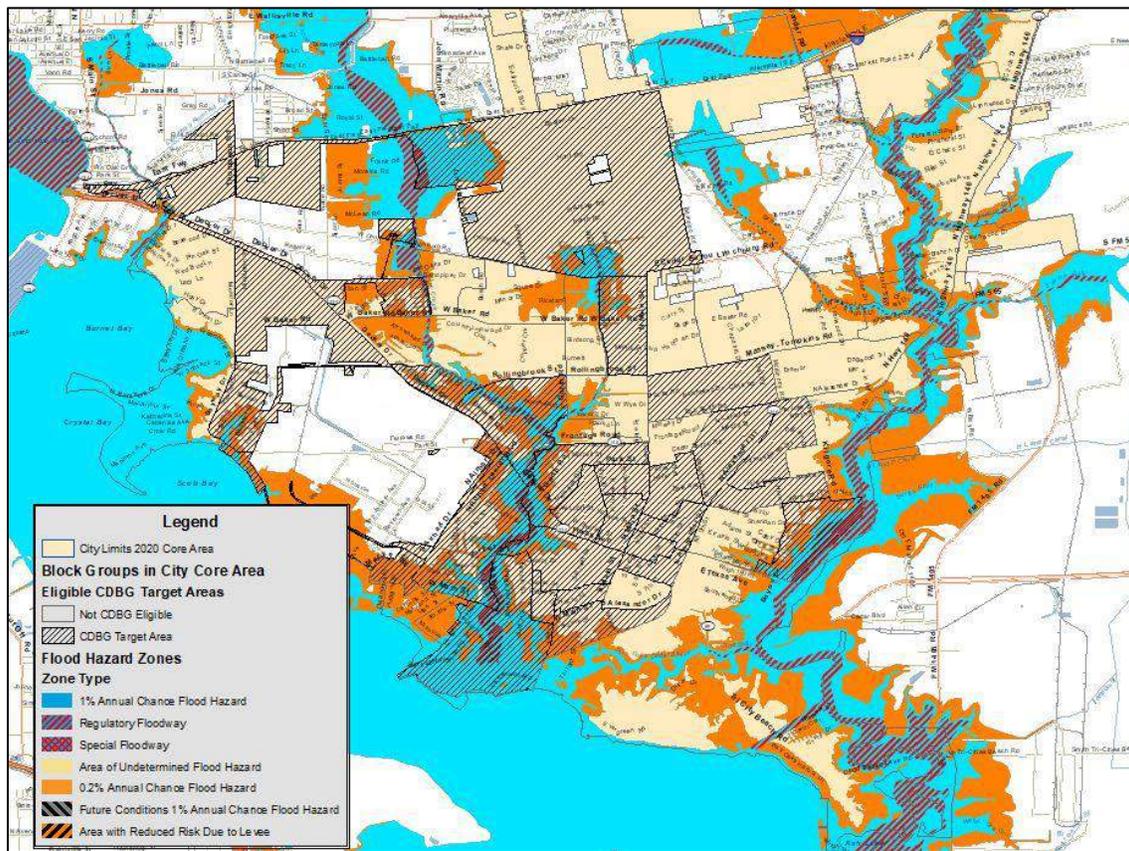
Map 13 – Location of Major Environmental Issues



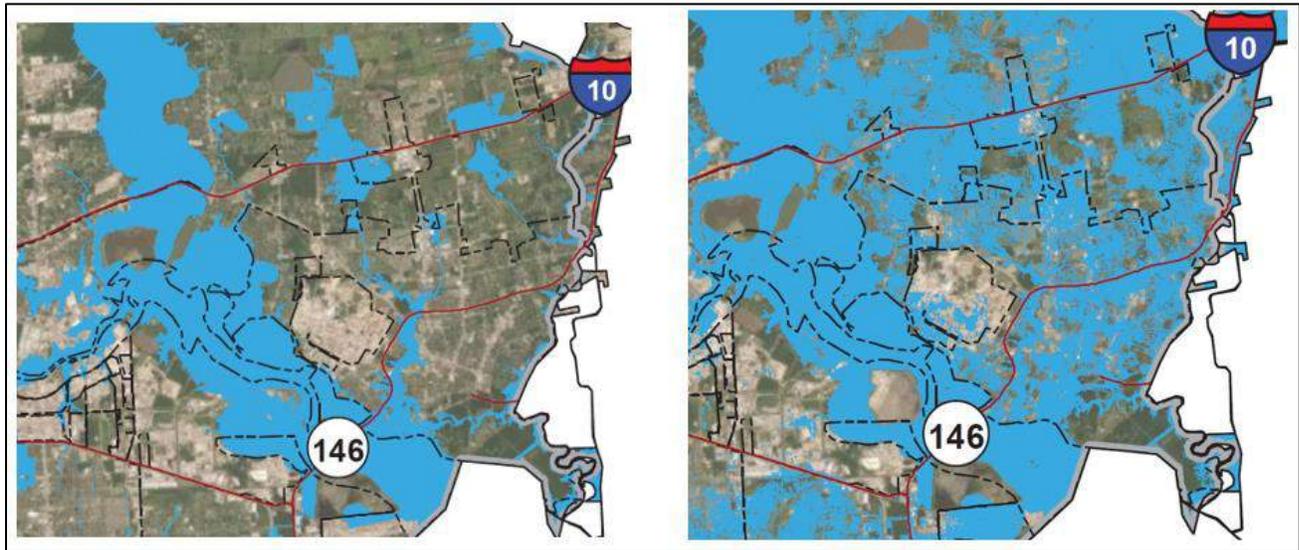
Natural Disasters and Hazard Mitigation

In addition to the toxic environmental issues, there are flooding hazards in much of the same lower-income areas. The map below from HUD's cpdmaps shows the 100-year floodplain for Baytown. However, the recent storms in Baytown have not adhered to the floodplain designations and Hurricane Harvey, along with several rain events have caused flooding throughout most of the City. The map below shows the current floodplain map over the low- to moderate-income areas, followed by a map of the flooding caused by Hurricane Harvey in 2017.

Map 14 – Floodplain Areas over Low-Mod Income Areas



Map 15-16 Floodplains in Baytown (left) versus Actual Flooding from Hurricane Harvey (right)



Storm hazards and drainage are important issues for Baytown due to its location on Galveston Bay, which saw the greatest impact by Hurricane Ike in 2008. Evacuation during impending storms poses problems for all residents, but particular problems for those without private transportation – low-income, disabled and elderly. There are limited evacuation routes from Baytown. Highway 146, Crosby-Lynchburg (FM 2100), and IH-10 are the only three major routes for leaving Baytown in the case of impending danger.

In April 2020, Harris County adopted its Harris County Multi-hazard Mitigation Plan with the primary purpose of identifying, assessing and reducing the risks to life and property from hazard events. The plan addressed risk assessment, capacity assessment, mitigation strategy and plan maintenance.

Upon a review of the full range of possible natural disasters, the primary disaster facing Baytown is flooding and rain damage, followed by wind damage. In the past 5 years, Baytown has endured six major declared natural disasters – two severe storms with tornadoes, flooding and straight line winds in 2015, two severe storms with flooding in 2016, Hurricane Harvey in 2017, and Tropical Storm Imelda in 2019. Hurricane Harvey was the largest rainfall event in U.S. history. The Cedar Bayou and Goose Creek area around Baytown received 51.88” and 44.08” respectively during Hurricane Harvey.

Coastal erosion at the mouth of Galveston Bay has resulted in more water flowing rapidly into the Galveston and Trinity Bays, causing higher surges into Baytown. Several more gates are being installed in the Lake Houston dam which, when opened will allow significantly more water to flow downstream flooding the San Jacinto River through Baytown.

The most recent FEMA FIRM map shows that most of Baytown is outside of a 100-year and 500-year floodplains. Unfortunately, that translates into very few households and businesses having flood insurance. The 2020 Harris County Multi-hazard Mitigation Plan shows that as of June 20, 2019 there were only 3,910 flood insurance policies at \$1,208,945,700 or coverage, despite Baytown having 20,309 residential and 1,849 non-residential buildings, with a total value (structure + contents) of \$11,458,106,691. Of the non-residential buildings 163 are critical facilities. The following map details the

latest FEMA flood plains with the low- to moderate-income areas delineated. Below that map are two maps from the Multi-hazard Mitigation Plan – one showing the flood plains and the other showing the areas flooded during Hurricane Harvey. As can be seen, Harvey flooded most of the city, though the vast majority of the properties are outside of even the 500-year flood plain.

Texas State’s Climatologist stated that “Hurricane Harvey produced the largest rainfall of any US hurricane on record. Much of the rain fell in the greater Houston metropolitan area, a low-lying region that has seen rapid growth in recent decades. The result was the largest natural disaster the nation has seen since Hurricane Katrina in 2005, causing damages that are expected to rise about \$150 billion.” The Hazards & Vulnerability Research Institute developed a Social Vulnerability Index using the 2010-2014 American Community Survey. Unfortunately, the worst storms affecting Baytown occurred after 2014 and have been coupled in 2020 with the results of COVID-19. Loss of housing stock, jobs and temporary food insecurity due to the natural and pandemic disasters has changed to physical, social, and emotional landscape of the community.

To help mitigate the effects of the flooding disasters along coastal areas, the U. S. Department of Homeland Security’s Coastal Resilience Center (CRC) was launched in 2015 to develop a Resilience Scorecard as an effective tool to evaluate existing plans and polices for community resilience and to use the results to maximize opportunities to transform communities into resilient coastal communities able to withstand future disasters. CRC uses modeling to predict the location and severity of coastal flooding that was used by the Texas State Operations Center during Hurricane Harvey to position resources in advance of the storm, aid evaluation, make preliminary damage assessments and execute search-and-clear operations.

The housing most vulnerable to wind, rain and flooding are the older multi-family and single-family units located in the areas with high rates of low- to moderate-income residents. In addition, the lower the income the less able the owners are to maintain and upgrade their homes to prevent more damage. The lower rents to accommodate low-income tenants, the less profit for the landlords to maintain and upgrade units to prevent damage. With storms coming to the area in such rapid succession, homes damaged in 2015 were not repaired by the time of the two 2016 floods which occurred only 6 weeks apart, and the 2016 damage was, in many cases, not repaired by Hurricane Harvey in 2017. Most of the low- to moderate-income homeowners and tenants, along with the landlords owning affordable rentals, do not have flood insurance. Many homeowners and landlords with and without flood insurance abandoned their structures after Hurricane Harvey, having experienced four flooding events in 3 years. The Texas General Land Office (GLO) is the state administrator for Community Development Block Grant – Disaster Recovery funds (CDBG-DR) for the 2016 floods and Hurricane Harvey. GLO and Harris County allocated funds to Baytown for projects designed to rebuild damaged infrastructure, increase resiliency, and promote long-term housing recovery. Some of the infrastructure projects will be administered by the GLO and some by Harris County, with Baytown serving as a subrecipient. Currently, the City of Baytown is managing three infrastructure grant allocations totaling approximately \$9.2 million. An additional \$1.8 million was awarded for acquisition and buyout of properties in Chambers County.

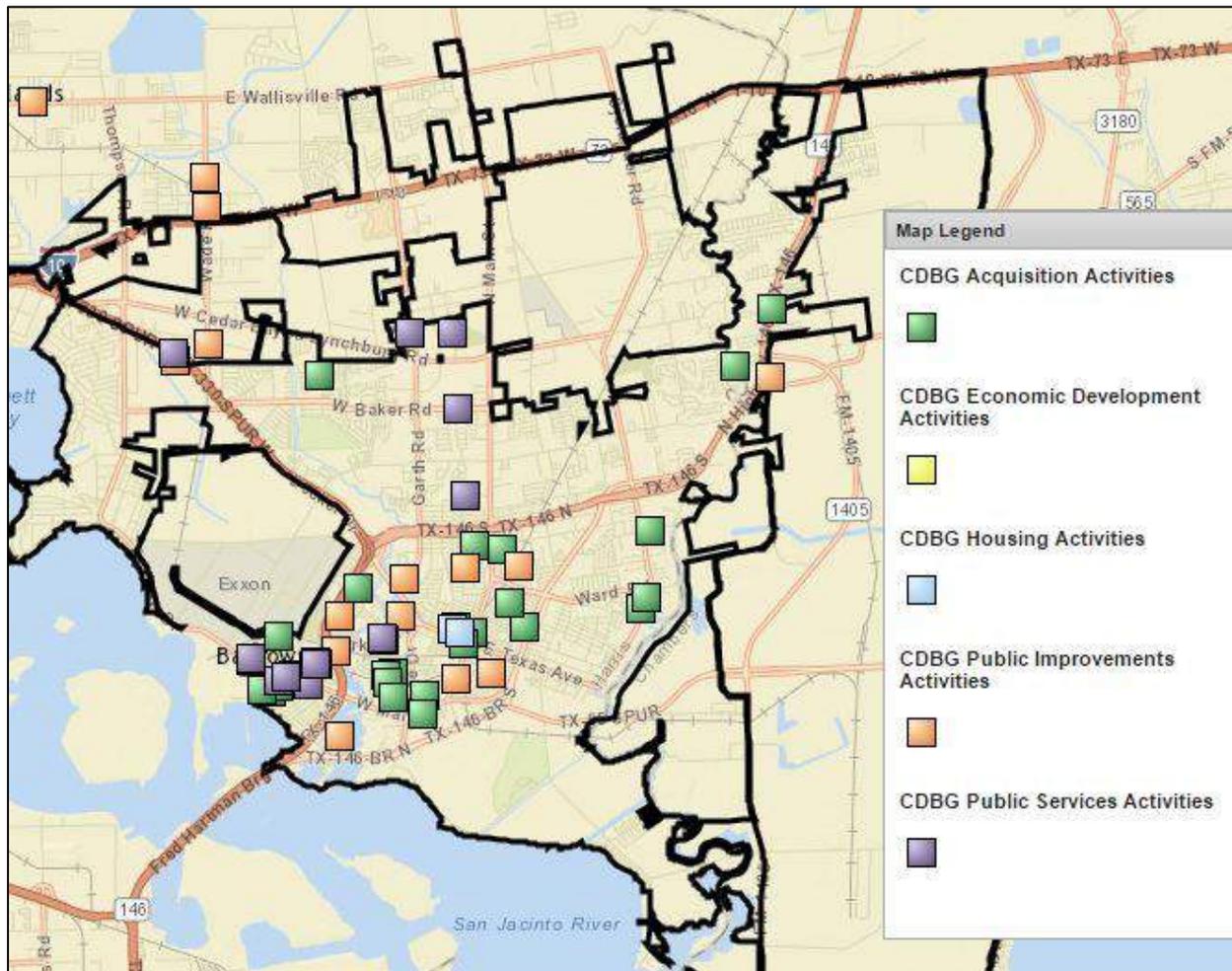
Though no figures are yet available for the level of funding Baytown will receive that will target low- to moderate-income residents, Texas GLO has committed 80% of the State-run Hurricane Harvey Homeowner Assistance Program to be award to low- to moderate-income homeowners for rehabilitation

or reconstruction of their homes. Region-wide, of the approved applicants for home rehabilitation or reconstruction, 40% are extremely-low income ($\leq 30\%$ of AMI), 20% are very-low income (31-50% of AMI), 20% are low/moderate-income (51-80% of AMI) and 20% are above low- to moderate-income levels. Area-wide 34% are Hispanic, 27% are white, 32% are African American and 7% are either other or not reported. Area-wide, the rental units that are being rehabilitated include 84.8% affordable to low- to moderate-income.

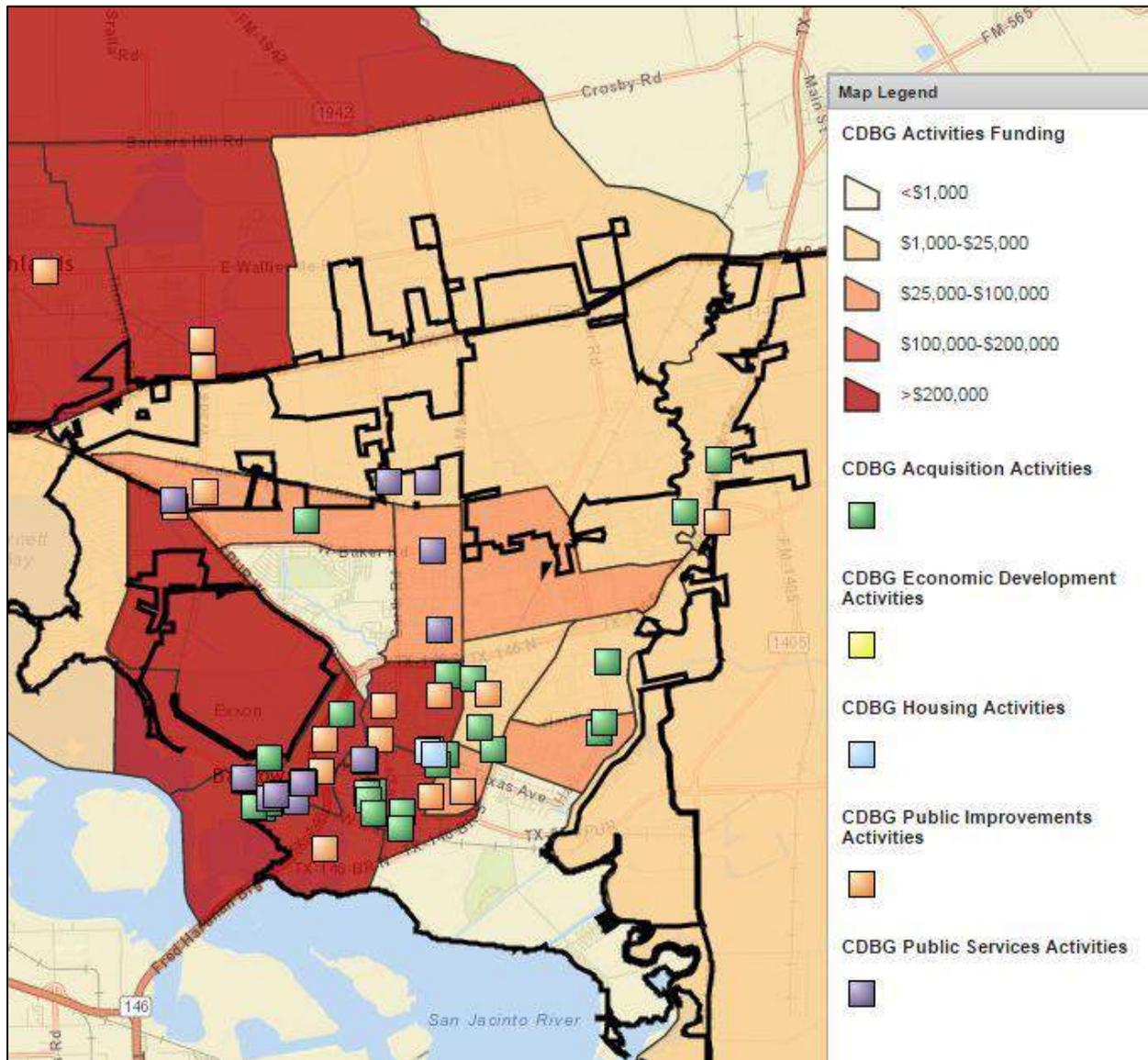
CDBG Activities

CDBG programs must be carried out to serve the low- to moderate-income residents, either directly or through activities serving predominately low- to moderate-income neighborhoods. The maps below show the CDBG activities carried out by the City of Baytown as well as the CDBG funding expended as reported by HUD in its cdbmaps. Not only are the most activities carried out south/southeast of Highway 146 in the area of greatest low- to moderate-income households and highest percent Hispanic population, but the most funding has been allocated there. The African American population is more dispersed than the Hispanic population, however the CDBG activities are in areas with some African American concentration.

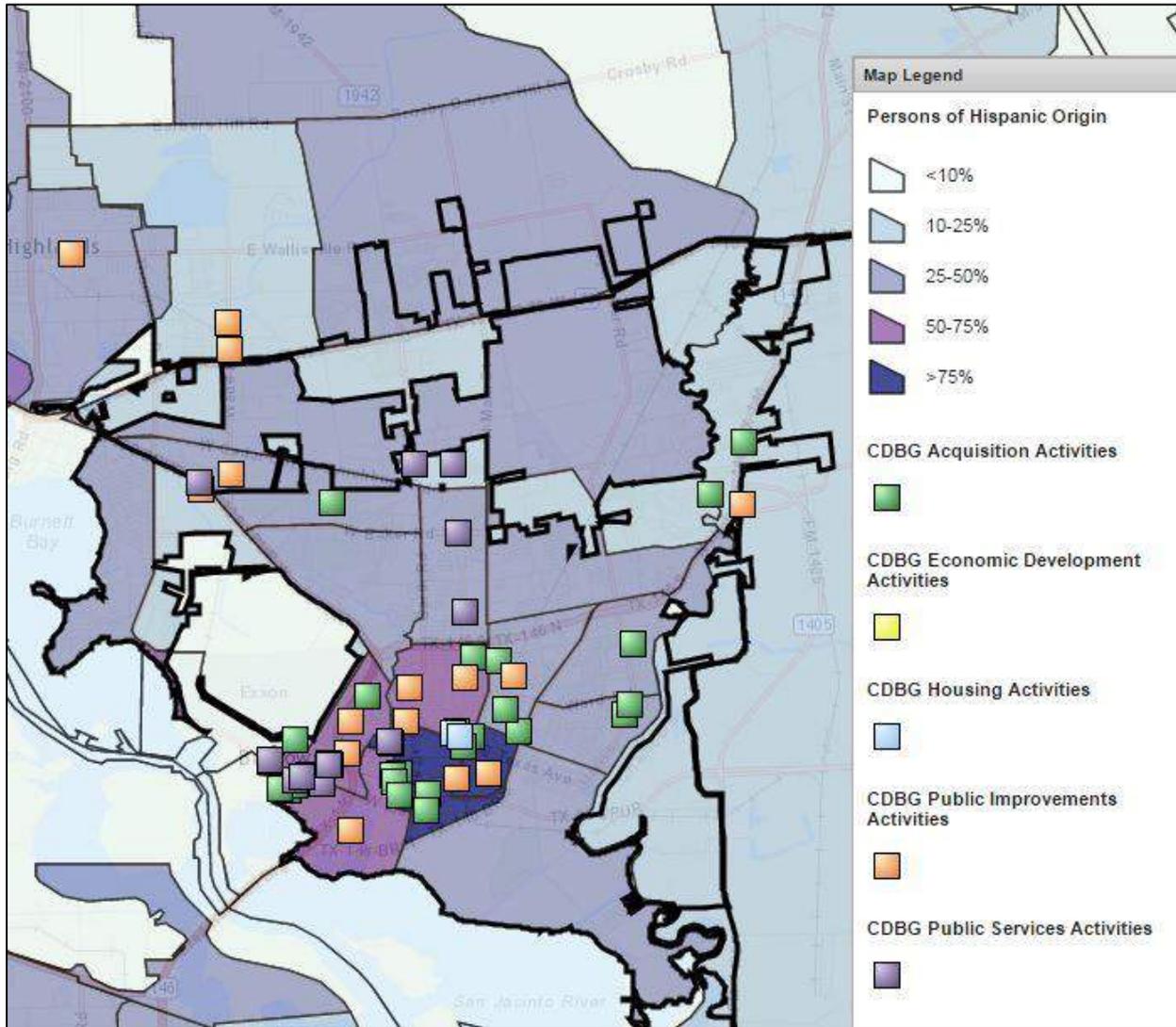
Map 17 – CDBG Activity Locations from HUD’s cdbmaps



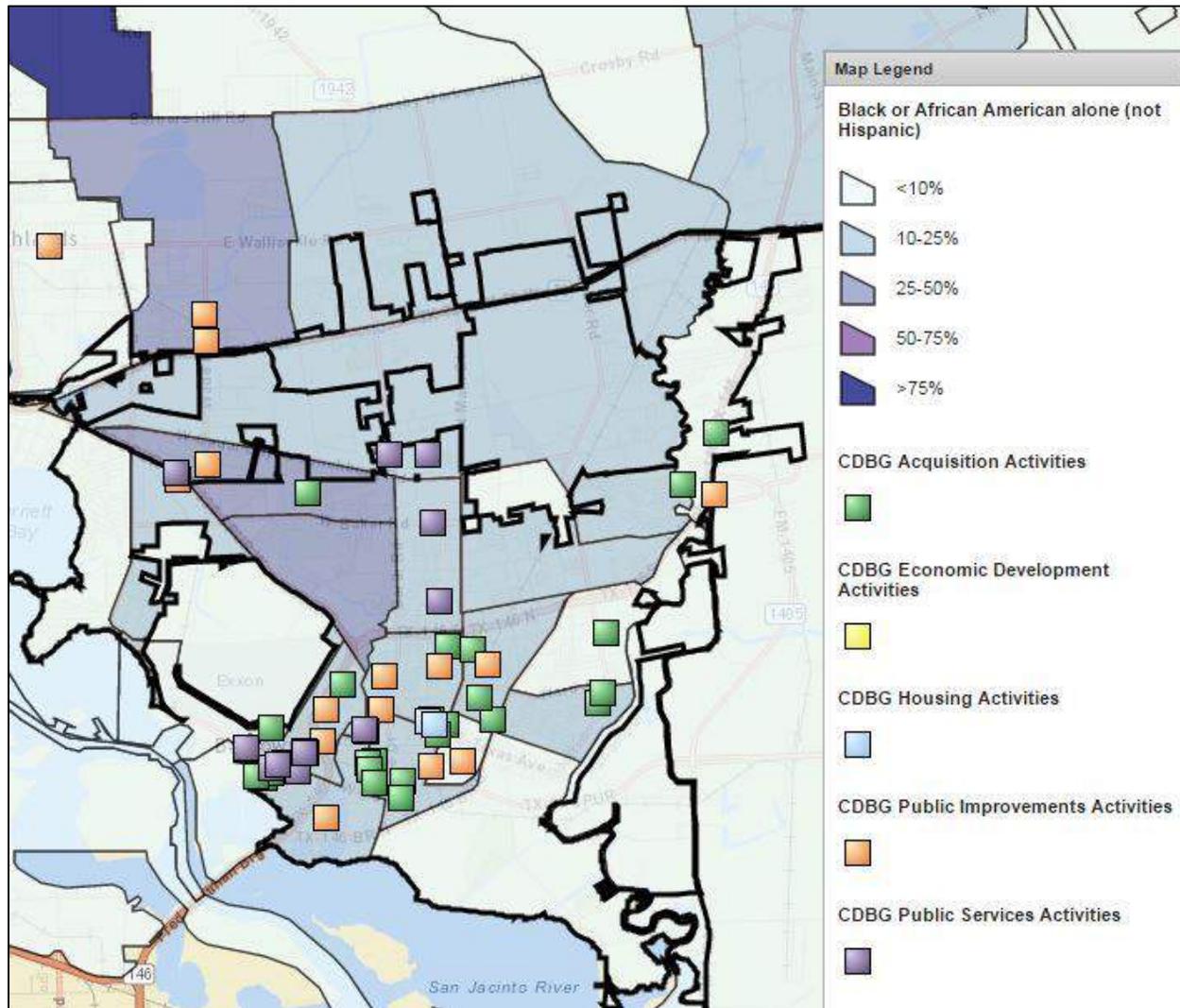
Map 18 – CDBG Activities over Amount of CDBG Funds Expended from HUD’s cpdmaps



Map 19 – CDBG Activities over Hispanic Population from HUD’s cpdm maps



Map 20 – CDBG Activities over African American Population from HUD cpdmaps



Education, Employment and Crime

For the most part, the schools in the southern area of Baytown perform more poorly than the Goose Creek Consolidated Independent School District as a whole. The table below compares the District with the elementary schools located in majority minority neighborhoods, primarily those south/southeast of Highway 146. Three of the schools have staff with masters degrees equivalent to the district as a whole, but three have a lower percent, with Lamar Elementary having less than half the percent of staff with masters. All of the schools have a higher percent of minority staff than the district as a whole. Four of the six have a higher student:teacher ratio, with Banuelos, Carver, and De Zavala being considerably above the district average. All but De Zavala have a considerably higher rate of LEP students. All but Banuelos have a considerably higher rate of economically disadvantaged students, and all six schools have a higher than district percent of at-risk students. As a result of the conditions at these six schools in high-minority

areas, all but Banuelos had lower to much lower percentages of students than the overall district passing the various STAAR standardized tests.

Table 5 – 2017 Comparison of Elementary Schools in High Minority Areas With School District Totals

Variable	District Total	Banuelos	Bowie	Carver	De Zavala	Lamar	San Jacinto
% Hispanic	58.7%	52.6%	62.8%	72.6%	53.7%	73.0%	85.5%
% African American	15.7%	23.0%	16.8%	17.2%	17.7%	14.1%	5.0%
% Economically Disadvantaged	61.9%	53.9%	74.3%	82.6%	80.4%	75.4%	84.6%
Limited English Proficiency	13.3%	23.7%	24.7%	36.0%	14.6%	25.7%	35.5%
Disciplinary Placements	1.6%	0.0%	0.3%	0.2%	0.7%	0.0%	0.0%
At Risk	51.3%	61.7%	65.0%	68.5%	55.8%	60.8%	72.1%
Minority Staff	33.7%	58.0%	41.4%	53.3%	45.0%	53.1%	42.8%
Staff with Masters	25.4%	26.2%	18.7%	24.5%	22.0%	12.4%	25.4%
Student:Teacher Ratio	15.4%	18.0	15.0	17.0%	17.3%	16.3%	14.7%
% Passing All STAAR Compared to District	Average	Higher	Lower	Much Lower	Lower	Much Lower	Mixed; Overall Lower

Baytown is the home of Lee College, a community college providing associate degrees and technical certifications. It ranks eighth in the nation for associate degrees awarded in science technologies and fourth in the nation for associate degrees awarded to Hispanic students. Lee College is located south/southeast of Highway 146 in the heart of the high-Hispanic/high low-income are of the city, making it accessible to the greatest number of individuals in search of continuing education, an associate degree or a technical certification. The student population is 43.6% white, 32.6% Hispanic, 18.7% African American, and 5.1% other. Additionally, 42.3% of the students are over the age of 25 and 77.5% are part-time students.

Lee College is a regional leader in workforce development, and has laid strong relationships with industry. The college collaborates with the East Harris County Manufacturers Association, which represents manufacturers along the Houston Ship Channel. The college provides specialized individual curricula for the corporations as well as more generalized training in the petrochemical industry, health care industry, and logistics. Lee College awards approximately 600 degrees and an additional 600 certificates each year. Lee College is also the home of Goose Creek CISD’s Impact Early College High School that provides the opportunity for students to earn a high school diploma and two years of college credit simultaneously.

In addition to Lee College, Lee High School and several elementary schools located south/southeast of Highway 146 have technical and vocational tracks to prepare those students who do not intend to go to college. There are also a number of vocational schools in and around Baytown, including the Industrial

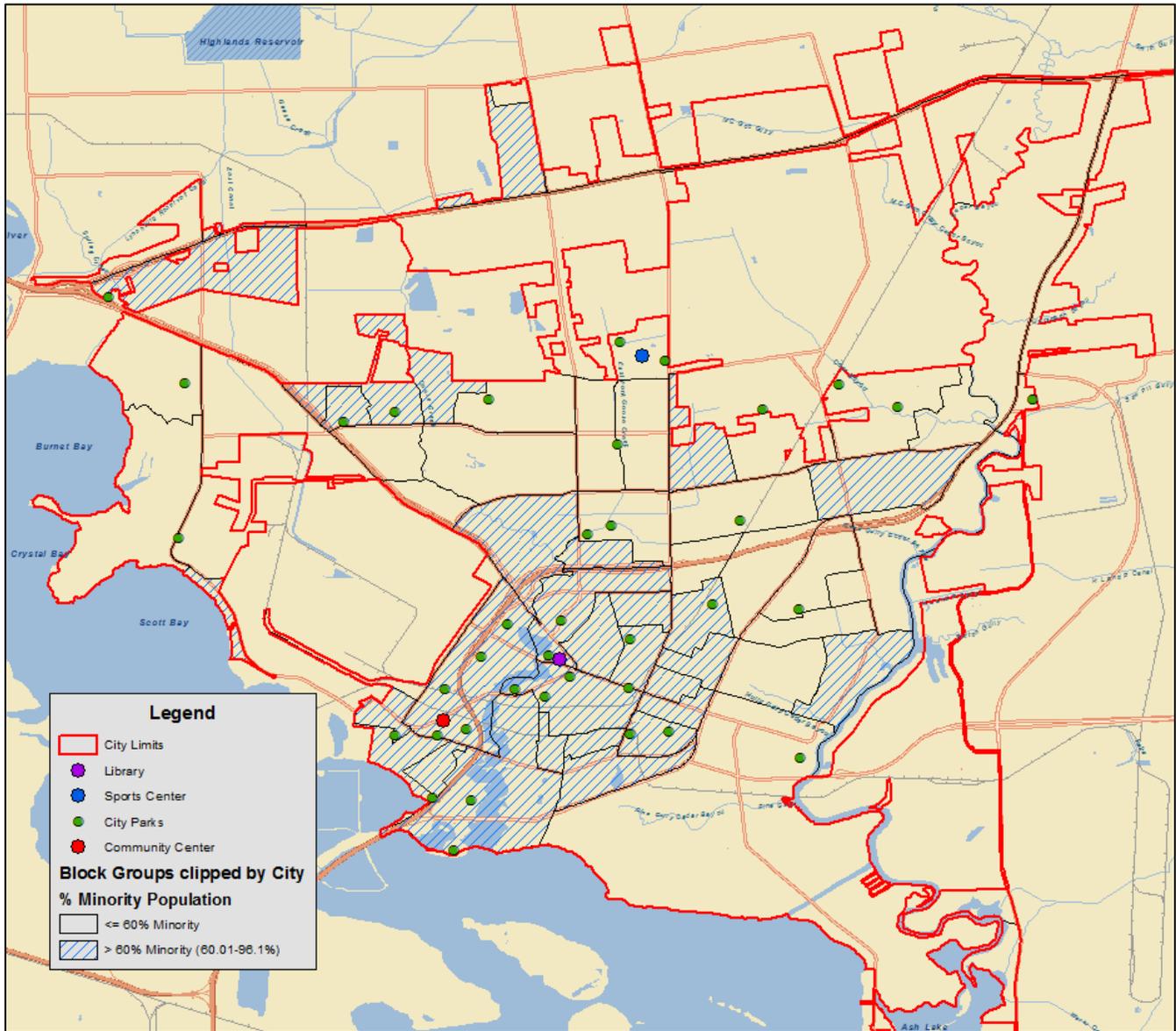
Welding Academy, ITT Technical Institute, Texas School of Business, Remington College, and the Stuart Career Center. Career and Recovery Resources provides job training and supportive services to veterans in Houston with a satellite office in Baytown.

Baytown's crimes per 100,000 population is very similar to Conroe, Pasadena and Texas City, comparably-sized cities within the Houston Metropolitan Area. Baytown's crime rate is considerably lower than Galveston, and considerably higher than Deer Park, League City, Missouri City, Pearland and Sugar Land. Baytown's violent crime rate is less than one-third of Houston's and property crime rate is slightly lower than Houston's. In 2014, Baytown reported one hate crime based on sexual orientation, for a crime rate of 1.31 per 100,000. This rate is somewhat less than other cities of the same size in the Houston area.

Public and Private Amenities

The City of Baytown provides its residents with a number of public amenities and facilities. The map below shows the public library, public parks, sports center and community center. The highest concentration of parks as well as the location of the library and community center are in the minority-concentrated area of the city to the south/southeast of Highway 146. This is also the area with the highest percent of low-to moderate-income households.

Map 21 – Public Library, Parks, Sports Center and Community Center

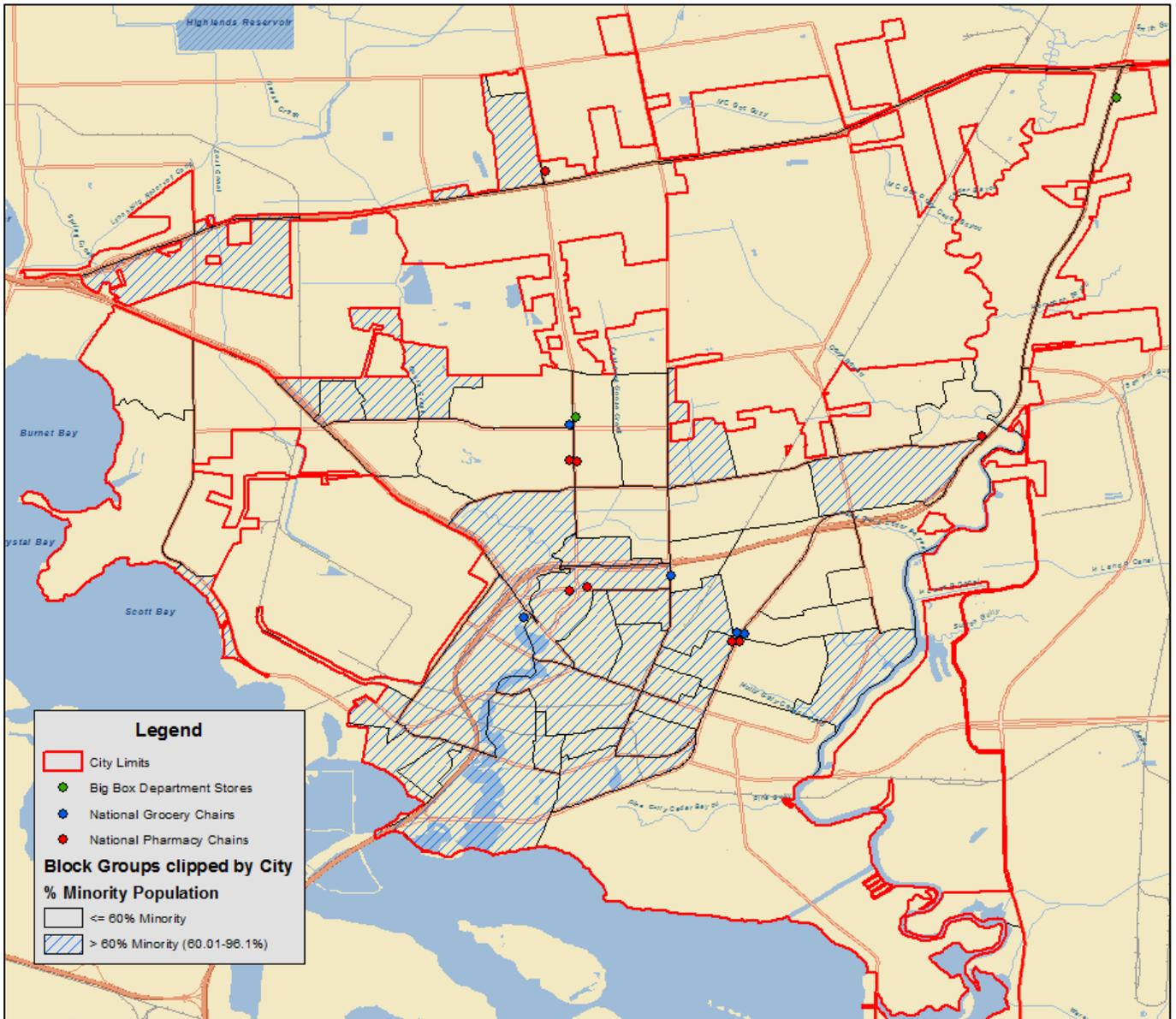


Harris County Transit (Harris County Rides) provides a fixed route bus service throughout Baytown as well as a demand-response service for elderly and disabled residents. The City of Baytown provides transportation subsidies to low- to moderate-income elderly, disabled and victims of domestic violence in the forms of bus passes, taxi vouchers and Harris County Rides vouchers.

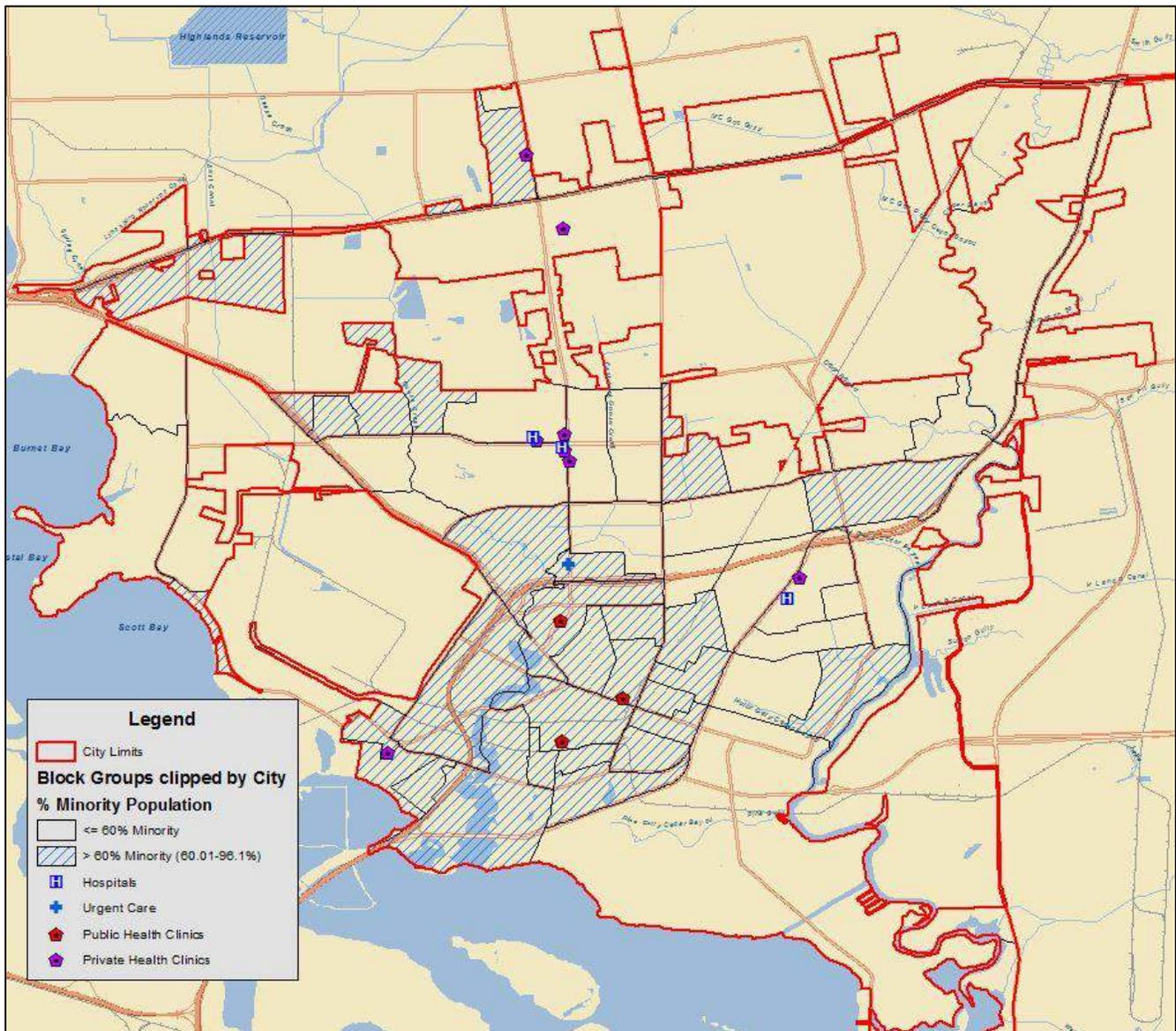
Baytown has a shortage of major chain grocery stores, but does have a number of national pharmacies and two big box stores – a Walmart and a Target. While there are two pharmacies and one grocery store in the high-minority/high-poverty area, the most are clustered on the far east side and north side of the city. The City is striving to encourage the major chains to locate within Baytown, particularly in the older areas of the city that are lacking such amenities. A number of incentives are being offered to the chains

to locate in areas of focus. There are also a number of medical care facilities from private clinics to public clinics, urgent care centers and hospitals. The maps below show the locations of these amenities.

Map 22 – Grocery Stores, Pharmacies and Big Box Stores



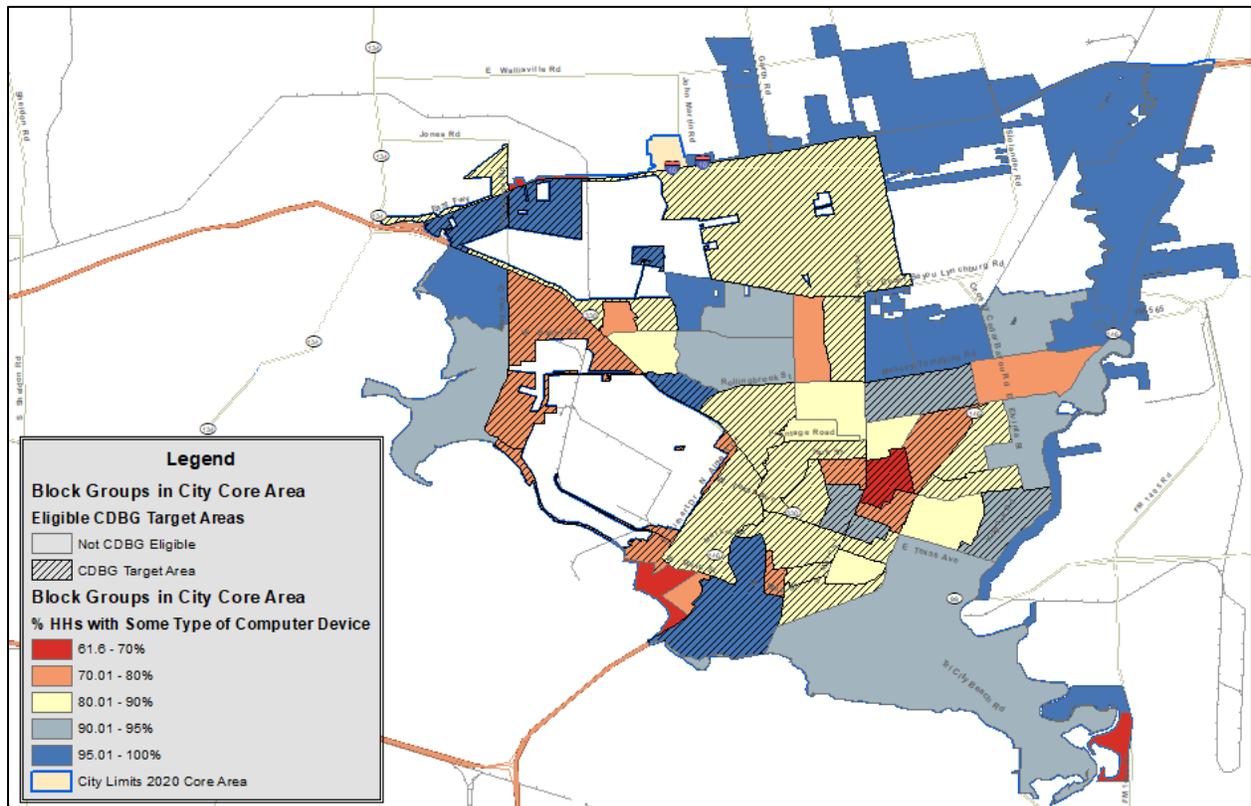
Map 23 – Medical Facilities



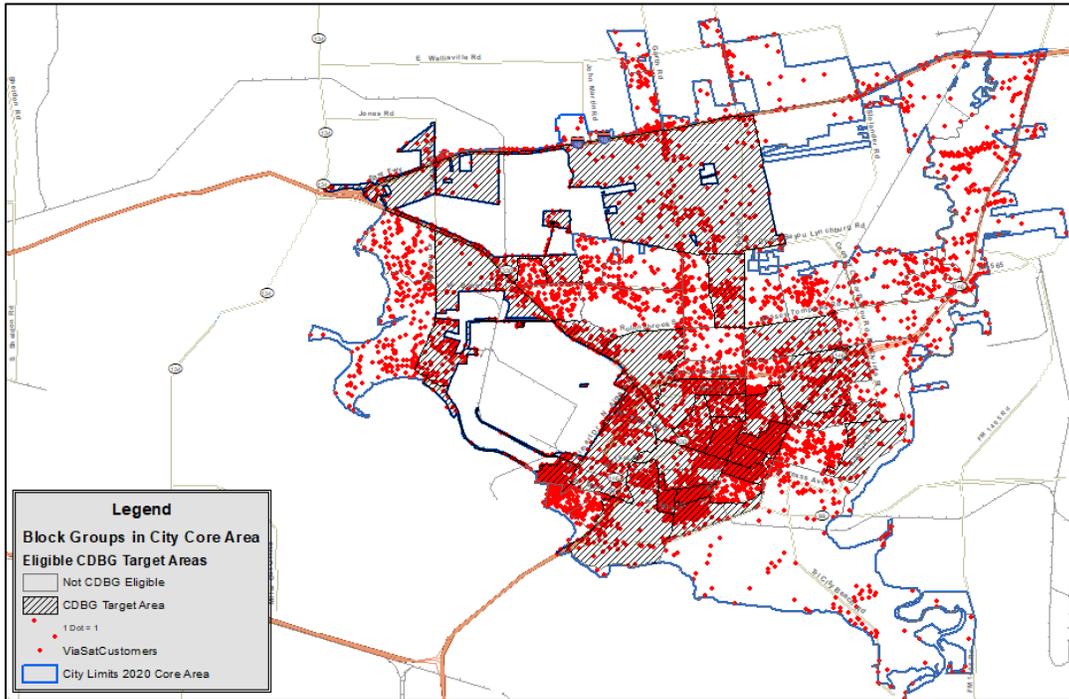
The COVID-19 pandemic brought to the forefront the need for adequate broadband activity throughout the city. Only two major providers serve Baytown, according to the Fixed Broadband Deployment Data of July 2018. These are Frontier Communications with access to 4,159 households and ViaSat with access to 3,717 households. Frontier is a cable provider and ViaSat is a Satellite provider. ViaSat, as with most Satellite providers, is more expensive than Frontier but prices vary widely within each company depending on many factors. Both provide service to all units for which they have approval/access. Five other providers have access to a total of 75 units but provide services to only 9 households. Both Frontier and ViaSat are concentrated southeast of SH-146 in the core of the city, however, as the map below shows, there are less than 80% of households with any type of computer device – desktop, laptop, tablet, or smartphone. While both major providers are concentrated in the older areas of Baytown, these are still the areas with the highest percent of low-income households and lowest percent of households with any

form of internet access – computer, tablet or smartphone. COVID-19 has produced a dramatic rise in the need for reliable internet access due to the closures of campuses resulting in students from Pre-Kindergarten through graduate school and employees to work from home. The Stay-at-home orders due to COVID-19 is rapidly changing the way schools and businesses operate and, according to researchers, will continue to offer more home-based options even after the stay-at-home orders are completely lifted. As a result, there is a definite need for competition and lower prices, particularly for low-income residents. Without availability at an affordable price, low-income students will fall far behind academically and employees may find that they are not able to remain employed without reliable internet access. The map below shows the households with some form of computer device – phone, tablet, computer – that could access the internet.

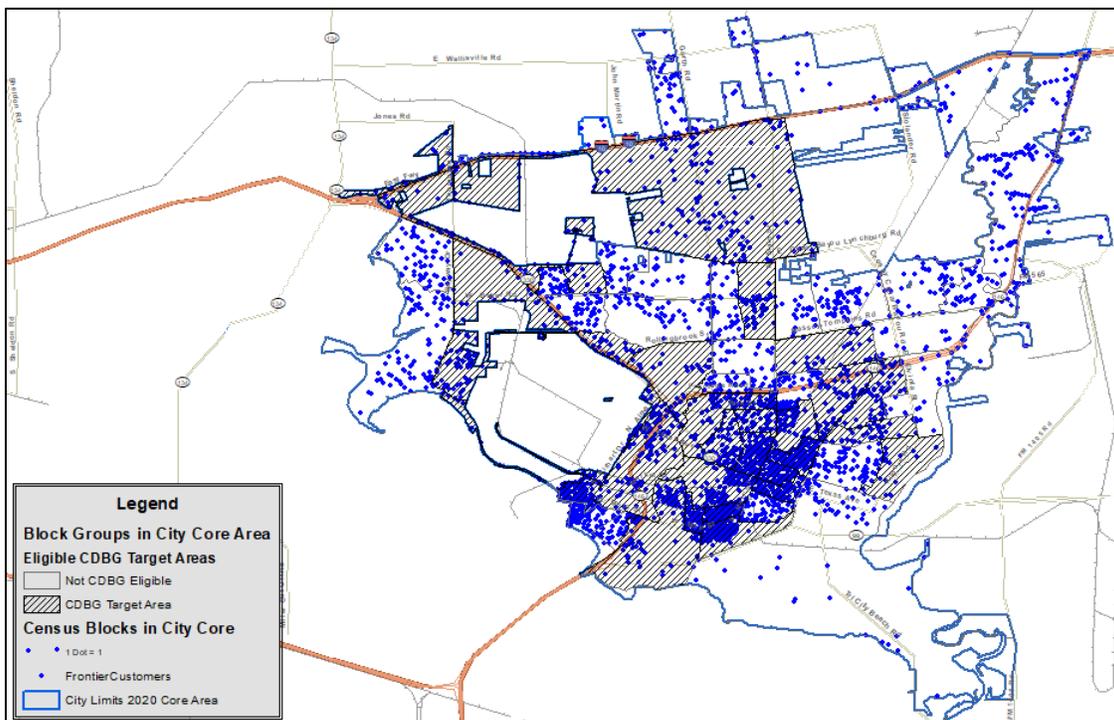
Map 24 – Households With At Least One Computer Device over Low-Mod Income Areas Based on 2014-2018 ACS



Map 25 – Viasat Customers by Census Block



Map 26 – Frontier Customers by Census Block



LEGISLATIVE AND REGULATORY ASSESSMENT

A review of the City of Baytown's ordinances, policies and procedures was conducted to determine any areas of potential discrimination or disparate impact.

Residential Codes

The City of Baytown's Zoning Regulations and other land use policies do not appear to be a barrier to minorities moving to opportunities of choice. In general, the City follows the latest International Codes for building construction, residential construction, electrical, plumbing, mechanical, fuel/gas, property maintenance, energy conservation and fire prevention/protection.

There are some regulations that can pose a barrier to affordable housing in Baytown. Mobile homes have not been allowed after 1997, though existing mobile homes were grandfathered in. However, the existing mobile homes may not be moved to another location within the city or enlarged. If a mobile home sits vacant for more than a year, it cannot be re-occupied and must be removed. In addition, a mobile home that the City Code Enforcement officers determine to be substandard must be removed. Manufactured homes are allowed within the city limits with a \$50 permit and inspection by the City. However, they must have a fire-resistant skirting that is in good repair, and, if not in a manufactured home park the minimum lot size is 4,000 square feet with a 15-foot setback. Manufactured homes cannot be placed in subdivisions with deed restrictions or covenants against them. The City does impose minimum lot sizes depending on the type of residential development. Townhomes require a 2,500 square foot lot with a 24-foot lot width. Townhomes, duplexes and patio homes zoned as SF2 cannot exceed nine units per acre. Single Family units zoned SF1 cannot exceed four units per acre. Large-lot developments must be a minimum of one acre with a width of 120 feet.

In general, the City does not impose minimum house size or specific construction materials, though some subdivisions do have deed restrictions that require certain minimum sizes and construction materials. The City does require that cement or concrete driveways no less than 5 inches thick on city right-of-way and 4 inches thick on private property be installed where there are sidewalks and gutters. The driveways must be a minimum of 8 feet wide on city right-of-way and no more than 11 feet wide per automobile stall. The requirement for the driveways does add to the cost of construction and reconstruction. All new structures must be constructed to meet the 120 mph @ 3 second gust requirements for windstorm resistance. This is a safety requirement but does add to the cost of construction and reconstruction.

Impact Fees

The City of Baytown has an ordinance regarding impact fees whereby each new development within the city limits and/or extraterritorial jurisdiction must pay an impact fee for water and wastewater improvements and/or facilities necessary as a result of the development. The maximum impact fee is \$3,430 per service unit. However, the city may waive the impact fee for units located within a neighborhood empowerment zone as a means to encourage new development and redevelopment in areas of high minority and low-income concentrations.

Tax Issues

The City does not offer general tax incentives to encourage the development of affordable housing, however it may waive fees and defer or abate taxes for new development or redevelopment in neighborhood empowerment zones. The City does have one Tax Increment Reinvestment Zone and may establish more as the need arises.

Individual homeowners with a homestead exemption may receive a tax deferral if they are elderly and/or disabled by federal definition.

Code Enforcement

The city recognizes that the enforcement of property codes is essential to the maintenance of quality housing stock. In response to the identified rehabilitation needs in the community, the City has dedicated a portion of its CDBG grant for code enforcement activities. The program aids in the prevention of slum and blight by addressing abandoned structures. In addition, code violations of owner-occupied residences may qualify for rehabilitation or demolition/reconstruction through the CDBG and Texas HOME set-aside programs.

City Boards

The City of Baytown has established a number of commissions and committees that concentrate on housing and community development issues. Each commission acts independently of city departments with members from non-profit agencies, businesses, city representatives and concerned residents. The participants are charged with the duty of identifying and rectifying various community concerns. These boards report directly to the City Council.

Planning and Zoning Commission: This Commission studies plans and plats of proposed developments and, within legal limits, approves developments that meet all the standards as required by the laws and ordinances regulating these developments. In addition, the Commission develops an action strategy to accomplish the objectives of each element of the City's Comprehensive Plan, monitor the implementation of the City's Comprehensive Plan, develop and submit to the City Council recommendations to revise the Comprehensive Plan, make at least annual reports to the City Council as to the status of efforts to implement the Comprehensive Plan, and present for City Council action a 5-year strategy for implementation of the Comprehensive Plan along with an Annual Action agenda.

Board of Adjustments & Appeals: The Board hears and decides appeals where it is alleged that there is an error in any order or decision by City officials in the administration and enforcement of the zoning ordinance, hears and decides appeals of any interpretation of the text of the zoning ordinance made by the Director of Planning and Development Services, hears and decides requests for variances from the terms of the zoning ordinance and hears and decides other matters as authorized by the zoning ordinance.

Community Development Advisory Committee: City Council appoints the members of this Committee proportionate to the city-wide percentage representation of low-income and minority residents. This is a 9-member citizen committee that conducts public hearings and develops a grant award recommendation for City Council.

Redevelopment Authority: City Council, Harris County, Lee College and Goose Creek CISD appoint

members to the authority, which is comprised of the same members as the Reinvestment Zone Number One. The purpose is to aid, assist and act on behalf of the City and the Board of Directors of Reinvestment Zone Number One to implement the project and financing plan for the zone.

Fair Housing

The City of Baytown has adopted a Fair Housing Ordinance with the stated purpose to bring about, through fair, orderly and lawful procedures, the opportunity for each person to obtain housing without regard to race, color, religion, sex, disability, familial status or national origin. The ordinance follows a format set by HUD and the State of Texas. The fair housing officer, designated by the city manager, is responsible for administering the ordinance and assisting complainants with the filing of complaints and charges of federal, state or local violations. The City is currently reviewing its Fair Housing Ordinance and intends to enhance it within the next year.

The City's Fair Housing Officer, who is also the Senior Program Manager of the Community Development Division within the Planning and Development Department, provides fair housing information to city staff, the Community Development Advisory Committee, the general public and those involved in complying with the federal Fair Housing Act. Each year the City provides fair housing information during Fair Housing Month as well as in at least one public meeting of the Community Development Advisory Committee. Additionally, each year the City hosts a meeting of realtors and lenders regarding the first-time homebuyers assistance program to ensure that those assisting the applicants are complying with all aspects of fair housing regulations.

Affordable Housing

The City of Baytown has more than two times the State's average of Low Income Housing Tax Credit (LIHTC) units per capita. The City Council passed a resolution associated with the Texas Department of Housing and Community Affairs' Low Income Housing Tax Credit Program. This resolution intends to make developers aware that, by state law, approval of LIHTC units by the local jurisdiction is required and that approval of additional LIHTC units in Baytown would not be automatic. It does not establish a moratorium, as it does not preclude developers from seeking the City's approval for LIHTC developments or any other affordable housing project in Baytown. It does, however, put the burden of proof of need on the developers. The CDBG program continues to pursue the objective of expanding housing development and opportunities with the Homebuyers Assistance Program and Counseling Workshops, as well as, continuing to provide technical assistance to the Baytown Housing Authority.

The City of Baytown utilizes CDBG funds to conserve and improve owner-occupied housing stock within the City. The Owner-Occupied Housing Rehabilitation Program provides deferred, forgivable loans to low-income homeowners whose homes are in need of major code compliance assistance. The Residential Sewer Line Repair/Replacement Program assists low- to moderate-income homeowners in repairing or replacing defective sewer lines running from the public lateral line/tap to the home.

The City's CDBG program also expands housing opportunities by providing deferred, forgivable loans to those seeking to purchase affordable housing at or below \$140,000. Not only does the assistance help to put low- to moderate-income renters into homeownership, but it encourages developers to develop affordable housing knowing that a program can be accessed to encourage and assist the purchases. Homebuyer Counseling Workshops are available to all regardless of income. The workshops provide information regarding credit, mortgages, processes for purchasing a home, fair housing and equal access laws and lead-based paint. The workshops assist more potential owners in understanding homebuying and qualifying for mortgages.

The City also encourages developers such as Habitat for Humanity and other private or state-funded Community Development Corporations (CDCs) or Community Housing Development Organizations (CHDOs) in the development of owner-occupied housing for low and moderate income renters. The City's CDBG program funds site clearance for qualified private affordable housing developers.

Affordable housing is concentrated in older, low-income neighborhoods south of Highway 146. In such neighborhoods, there can be substandard and vacant structures, aged public amenities and unkempt properties. Residents receiving rental assistance from the Baytown Housing Authority (BHA) do not have to live within a restricted area. However, many of the public housing units and subsidized units in private apartment complexes are located within these less-attractive areas.

The City's CDBG Program expends funds each year to improve the conditions and maintain a clean living environment where a majority of the city's affordable housing is located.

FAIR HOUSING PLAN AND ACTION STEPS

The City of Baytown is committed to affirmatively furthering fair housing choice throughout its jurisdiction. Title VIII of the Civil Rights Act of 1968 makes discrimination based on race, color, religion, sex, national origin, familial status or handicap illegal in connection with the sale or rental of housing and any vacant land offered for residential construction or use. The City is committed to doing all in its power and legal authority to ensure that Title VIII is followed where housing is concerned.

All low- to moderate-income households, regardless of their protected-class status under the Fair Housing Act, face impediments in accessing affordable housing and housing in choice locations. This is often especially true for minority, elderly and disabled individuals. The limited stock of the housing within a price range affordable to the low- to moderate-income is, for the most part, older housing that has not been retrofitted for ADA compliance and accessibility to the physically disabled and/or may not meet Housing Quality Standards as set forth by HUD. The destruction by Hurricane Ike has further exacerbated the problem of limited affordable housing, as has the influx of short-term construction workers for the expansion of industrial and commercial complexes. In addition, many middle-income residents are living in units well below their affordability limits, pushing the lower-income residents to higher-cost housing that is out of their affordability level. Environmental issues, both natural and manmade pose a threat to many of the residents, particularly the low- to moderate-income minority residents on the south side of the city.

As part of the City's plan to utilize Community Development Block Grant and state HOME Investment Partnership funds, the City is committed to addressing issues of fair housing choice. Based on the findings of the Analysis of Impediments, as detailed above, Baytown commits to the following actions:

DEMOGRAPHIC IMPEDIMENTS AND ACTION STEPS

Impediment 1: Areas of segregation and minority and low-income concentration throughout Baytown.

Observation: While using available census tract and block group data to determine levels of segregation, there are small pockets of minorities and low-income throughout the city that appear at the larger geographic level as well as areas not reflected by the large area of tracts and block groups. The minority concentrations are:

- (1) In more densely populated older areas where rental properties and proximity to employment are. These residents are lower-income and must go where they can afford to live and access jobs and amenities. These individuals and families may have a desire to move to areas of opportunity but do not have the resources to do so.
- (2) The more densely populated areas of Baytown are located on the south side of the city in close proximity to the petrochemical industry and its toxic hazards.

- (3) In newer subdivisions that are marketing to all population groups, including minorities, and in many cases providing more risky mortgages allowing minorities to move into the housing market as owners. These are areas of opportunity and the residents have purposely moved there, however, their residency is tenuous and may result in foreclosure or eviction.

Action Step 1a: Though the City acknowledges the impediment, there is no remedy it can take to address the issue of enclaves of minority concentration that were created a century ago and are maintained by minorities by choice.

Action Step 1b: The City will work with the Baytown Housing Authority to continue to encourage higher-end market-rate apartments in areas of opportunity to accept Section 8 Housing Choice Vouchers. The City will encourage the Baytown Housing Authority to talk with at least 3 apartment complexes over the next 5 years that are currently refusing to accept voucher recipients.

Action Step 1c: The City will continue to provide CDBG funding for public services that are accessible to low- to moderate-income, including protected classes. Transportation assistance will continue to be a major program funded through CDBG. Among the other services may be employment training/placement to increase incomes and opportunities for moving to locations of choice. Approximately 20 activities will be funded to 500 individuals over the next 5 years.

Action Step 1d: The City will continue to be an active participant in the Bay Area Resources Association (BARA) in order to encourage application by social service and economic development agencies for CDBG funds, to determine the level of need in the community, and to work with BARA members in addressing the needs of the low-income and protected-class populations. City staff members will attend at least 15 BARA meetings over the next 5 years and will lead or host at least 2 of them.

Action Step 1e: The City will continue and increase its activities in encouraging developers and commercial entities to take advantage of tax incentives provided by the Federally designated Opportunity Zones in Baytown. At least 2 firms will receive information and assistance.

HOUSING IMPEDIMENTS AND ACTION STEPS

Impediment 2: Shortage of rental housing in general, and affordable sound rental housing specifically.

Observation: There has always been a shortage of sound affordable rental housing in Baytown, in major part due to the shortage of middle-income housing forcing those earning above LMI to absorb those quality units that are affordable to lower-income residents. Hurricane Harvey in 2017 destroyed some of the units, including apartments and single family houses, that were rental properties. Since 2011, there has been a dramatic influx of temporary construction workers coming to Baytown, continuing for one to three more years each in order to rehabilitated and expand the industrial complexes, such as Exxon's petrochemical plants.

Action Step 2a: Though the City acknowledges the impediment, there is no remedy it can take to address the issue. Some apartment development is taking place at this time to accommodate the shortage, however, the degree of shortage in units is likely to be short-lived and an issue of overbuilding may result in vacancies once the construction workers have relocated.

Action 2b: Though the City is not responsible for the Baytown Housing Authority, it will continue to work with the agency in improving its public housing developments and securing quality rentals for the Section 8 Housing Choice Voucher holders.

Action 2c: The City will continue to support the Baytown Housing Authority in its applications for Low-Income Housing Tax Credits and other state and federal development incentives and supports. The City will support one application.

Impediment 3: Shortage of affordable owner-occupied housing.

Observation: There has always been a shortage of sound affordable housing for owner occupancy in Baytown. Hurricane Harvey and three other major storm events between 2016 and 2017 destroyed many units, and damaged even more without adequate insurance or federal assistance to repair or reconstruct. The constraints and slowness of releasing funding through FEMA and HUD have resulted in rehabilitation from even the damage from Hurricane Ike in 2008 being delayed. Very few households have received assistance for damage caused by Hurricane Harvey in 2017.

Action Step 3a: The City will rehabilitate or reconstruct 40 units during the next 5 years.

Action Step 3b: The City will continue to provide down-payment/closing cost assistance to first time homebuyers, providing assistance to 25 over the next 5 years.

Action Step 3c: The City will continue to periodically review the maximum allowable housing cost for houses assisted through down-payment/closing cost assistance to determine if the cost should be raised to qualify more houses in more areas of opportunity. The city will review the limits twice during the next 5 years.

Action Step 3d: To the extent possible, the City will encourage developers to develop housing that is affordable to moderate- and middle-income buyers, particularly in-fill and redevelopment in the Opportunity Zones.

Action Step 3e: To the extent feasible, the City will waive or reduce fees imposed on non-profits, CHDOs, CDCs, and the Community Development Division when constructing, rehabilitating or reconstructing homes for low- to moderate-income homeowners.

Action Step 3f: The City will alert applicants for housing rehabilitation, reconstruction and first-time homebuyers assistance of tax-saving methods, such as ensuring they have filed for a homestead exemption, and, when eligible, for elderly/disabled exemption and/or deferring taxes. At least 35 homeowners/buyers will receive information during the next 5 years.

Impediment 4: Possible predatory lending for homes in new subdivisions and denial of loans to minorities or moderate-income.

Observation: There are a number of new major single-family developments in the north and west area of the city and its ETJ where the home builders are the initial lenders and then either retain the papers or sell the mortgages to larger lenders. The HMDA data indicates that there is a higher than average loan-to-income ratio and many advertise 100% to 105% financing. This imprudent practice targets first-time homebuyers, particularly minorities, and leads to the buyers being over-extended with a housing cost burden of greater than 30%, resulting in either increased debt or foreclosure.

Action Step 4a: The City has no authority to recommend, much less require, builders and independent lenders to require down-payments and closing cost payments and to not over mortgage the property.

Action Step 4b: However, the City will encourage the area homebuyer education and financial stability/literacy providers to market their services to population groups who are likely to purchase homes in these new subdivisions. The City will make 5 contacts over the next 5 years to appropriate non-profits.

Action Step 4c: All households receiving first-time homebuyer assistance must complete homebuyer education and financial stability classes. The City will continue this requirement and encourage the 35 participants over 5 years to complete the classes prior to selecting the home to purchase.

Action Step 4d: The City will conduct an annual fair housing workshop for realtors and lenders, linking the workshop to information on the first-time homebuyer program and policies. The City will conduct 5 on-site, virtual or hybrid workshops.

ENVIRONMENT/ENVIRONMENTAL JUSTICE IMPEDIMENTS AND ACTION STEPS

Impediment 5: Due to the proximity to the Gulf of Mexico, Baytown has the danger of storm surge, windstorm damage and flooding.

Observation: The entire city is in danger of windstorm damage and much of the city, especially in the southern areas is in danger of flooding, according to FEMA.

Action Step 5a: The City will continue to require that new or rehabilitated homes, especially those constructed, reconstructed, or rehabilitated with CDBG and state HOME funds, meet all of the windstorm and floodplain requirements and ordinances. During the next 5 years 25 homebuyers will be required to purchase homes that meet all of the windstorm requirements and are outside of the 100-year floodplain. In addition, at least 15 houses reconstructed with CDBG and/or state HOME funds will meet all windstorm requirements. If reconstructed on a different site they must be outside of the 100-year floodplain. If reconstructed on the original site, the City will ensure that the elevation raises them out of the floodplain. To the extent feasible, 25 rehabilitated homes will be brought into compliance with the windstorm and floodplain requirements.

Action Step 5b: The City will ensure that all individuals purchasing, rehabilitating or reconstructing homes through the CDBG or state HOME programs have adequate windstorm and flood insurance, where applicable. At least 50 buyers/owners during the next 5 years will be

educated on property insurance and will have purchased appropriate insurance during the purchase or renovation/reconstruction process.

Impediment 6: Quality infrastructure and facilities are limited in some areas of the City.

Observation: Due to the age of some areas of Baytown, the public infrastructure is either inadequate or deteriorating. Though the number of parks in Baytown is adequate, the condition and the amenities in some of the parks are lacking.

Action Step 6a: The City will continue to use CDBG funds to conduct 3 infrastructure improvement projects in the older high-minority, low- to moderate-income areas of Baytown, serving approximately 1,000 people over 5 years.

Action Step 6b: During the next 5 years, the City will use CDBG funds to improve 1 public park in low- to moderate-income neighborhoods.

Impediment 7: Aging neighborhoods in Baytown have numerous code violations and abandoned properties that are hindering the health and safety of the residents and preventing the areas from being desirable.

Observation: Code Enforcement officers have identified more than 150 structures and 100 lots in low- to moderate-income, high minority neighborhoods that need to be brought to code.

Action Step 7a: During the next 5 years, the City will conduct 3 spot blight reduction campaigns to improve conditions in low- to moderate-income neighborhoods.

Action Step 7b: During the next 5 years, the City will use CDBG and local funds to bring 100 housing units and 50 non-residential structures to code or demolish them.

Impediment 8: There is a high number of locations emitting toxic substances in close proximity to areas of minority and/or low-income concentrations.

Observation: Areas, particularly on the south side of Baytown, near the petrochemical industries are negatively impacted by the toxic releases and toxic substances being produced. The areas are older and the homes are not as protected from air pollution as newer homes. There are nearly 12,000 residents who are or could be negatively impacted by living within 1 to 2 miles of the toxic releases.

Action Step 8a: The City acknowledges the impediment, however, there is no remedy it can take to eliminate the toxic releases at the petrochemical plants. The City staff will work with Houston-Galveston Area Council's environmental department to encourage the regional environmental work to have a focus in Baytown. During the next 5 years, the City staff will meet with H-GAC at least 2 times to determine the role each can play in reducing the emissions.

Action Step 8b: The City will ensure that the realtors and lenders involved in the first-time homebuyer program are not steering the applicants to homes that have a potential negative environmental impact. During the next 5 years, the City will review 25 homebuyer choices to ensure that they are not within 1 to 2 miles of the extensive toxic releases.

Action Step 8c: The City will ensure that the 20 homes in the areas in close proximity to the high levels of toxic releases that are being rehabilitated or reconstructed with CDBG/HOME funds are made as air-tight as possible and that the residents are given information about protection from environmental hazards.

Impediment 9: There is a shortage of grocery stores, pharmacies, big box stores and “dollar” stores in the areas of highest minority and low-income concentration. The assumed result is that the small stores and convenience stores attached to gas stations have higher prices, fewer selections, fewer large-quantity packages, and more limited hours of operation.

Observation: There is a lack of national and state grocery chains and big box stores in the south side of Baytown. While there are more national pharmacies, there is still a shortage.

Action Step 9a: The City will continue to encourage the development of national and state grocery chains and big box stores in the areas of high minority and low-income concentrations. The City’s Neighborhood Enhancement Zone program will negotiate with at least 2 stores during the next 5 years, providing incentives and assistance for locating in the targeted area(s).

Action Step 9b: The City will expand its outreach to commercial enterprises and developers to encourage 5 firms to use the tax benefits and other incentives provided through the Tax Cuts and Jobs Act of 2017 which established and supports Opportunity Zones.

Action Step 9c: The Baytown West Chambers County Economic Development Foundation is poised to grant \$170 million in funds for development within the Baytown Opportunity Zones. The City will meet 3 times over the next 5 years with the EDF.

Impediment 10: Many of the schools in the areas of high minority and low-income concentrations have lower standardized test scores, higher student:teacher ratios and lower percent of staff with advanced degrees.

Observation: The schools located south/southeast of Highway 146, where there is a high concentration of minorities, particularly Hispanics, and low-income residents, are performing below the other schools in the district on standardized tests. In addition, the student:teacher ratio is higher, despite the fact that the LEP and at-risk student counts are higher. Some of the schools in the area have significantly fewer teachers and other staff with advanced degrees.

Action Step 10a: The Goose Creek Consolidated Independent School District is independent of the City and the City has no power or influence over their staffing and policies.

Action Step 10b: With the impact of COVID-19 resulting in virtual classrooms, the City will investigate the use of CDBG-CV and other funds to support broadband access to 100 students over the next 5 years.

LEGISLATIVE AND REGULATORY IMPEDIMENTS AND ACTION STEPS

Impediment 11: There are land development and building requirements that add to the cost of housing in Baytown.

Observation: The various building codes and zoning ordinance are not oppressive on the surface but they do add to the cost of housing construction and reconstruction. Impact fees add \$3,430 to the cost of each new housing unit. Windstorm requirements add between \$1,000 to \$10,000 to the cost of new and reconstructed units. Driveway requirements for new units and in areas where new curb/gutter and sidewalks are installed can result in an additional \$5,000 to \$10,000 to the homeowner/buyer.

Action Step 11a: During the next 5 years, the City will continue to review areas with redevelopment and housing reconstruction to waive fees, and assist with exterior improvements. During the next 5 years, approximately 30 households will benefit from the City's assistance.

Impediment 12: Fair housing rights are not generally known throughout Baytown.

Observation: Individuals, realtors, landlords and lenders with whom the City staff come in contact are not aware of federal, state or local fair housing laws and requirements.

Action Step 12a: During the next 5 years, the City Community Development staff will host at least 5 public CDAC meetings that will include information about fair housing and housing rights.

Action Step 12b: During the next 5 years, the City Community Development staff will host 4 on-site and/or virtual workshops for potential realtors, lenders and homebuyer literacy educators that will include information about the first-time homebuyers program but will also include information about fair housing and common violations.

Action Step 12c: During the next 5 years, 25 homebuyers in the first-time homebuyer program will receive information about fair housing rights, focusing on fair housing in home purchase.

Action Step 12d: During the next 5 years, the City will support the Baytown Housing Authority in ensuring that the Section 8 voucher holders know their housing rights and that landlords are not discriminating against voucher holders. The City will meet twice with BHA to determine best practices in reducing rental discrimination.

Action Step 12e: During the next 5 years, Community Development staff, including the Fair Housing Officer, will attend 5 fair housing workshops, seminars, or on-line trainings.

Action Step 12f: During the next 5 years, Community Development staff will provide to new City staff and management staffers 3 training sessions and/or links to HUD on-line training about fair housing.

Action 12g: During the next 5 years, the City will annually inspect 110 apartment complexes for housing quality and code violations.

Impediment 13: While the most stringent enforcement of fair housing legislation rests with HUD and the U.S. Department of Justice, local jurisdictions have a role in compliance and enforcement, as well as in reporting steps taken to affirmatively further fair housing.

Observation: The City of Baytown has a Fair Housing Ordinance that needs review and possible updating to address the changing landscape and the increased role that local jurisdictions should take in affirmatively furthering fair housing.

Action Step 13a: The City of Baytown is in the process of reviewing and editing the current Fair Housing Ordinance. The Community Development staff will present the proposed revisions to City Council for approval during 2021.

Action Step 13b: The City will re-visit the Fair Housing Ordinance once more during the next 5 years to make any revisions deemed valid and viable.

Action Step 13c: The City's Fair Housing Officer will continue to maintain a Fair Housing Log that details action steps taken, dates, and outcomes as well as complaints received, steps to investigate, and disposition. The City will report the activities logged each year in the CAPER.

Table 11 – Summary of Action Steps for Affirmatively Furthering Fair Housing and Addressing Impediments to Fair Housing Choice

Impediment		Action Step	Number of Actions During PY 2020-PY 2024
Demographic			
	1. Areas of minority and low-income concentrations	1a. No remedy for those choosing to live in minority-concentrated areas can be carried out by City	0
		1b. City will work with Baytown Housing Authority to encourage landlords in market-rate apartments to accept voucher holders	5 meetings
		1c. City will continue to provide funding to public services, including transportation assistance to protected classes	20 activities/500 individuals
		1d. City will continue to participate in Bay Area Resources Association	15 meetings
		1e. City will encourage for-profits to take advantage of incentives in the Opportunity Zones and/or Revitalization Incentive Zones	2 entities
Housing			
	2. Shortage of rental housing	2a. No remedy can be carried out by City	0
		2b. City is not responsible for the Baytown Housing Authority that receives rental subsidies	0
		2c. City will continue to review LIHTC applications, as they are submitted.	1 application
	3. Shortage of affordable owner-occupied housing	3a. City will rehabilitate or reconstruct units	30 owners
		3b. City will continue to provide down-payment/closing cost assistance to first time homebuyers	15 - 20 buyers
		3c. City will review the maximum allowable housing cost for houses assisted through down-payment/closing cost assistance	2 reviews

		3d. To the extent possible, the city will encourage developers to develop housing that is affordable to moderate- and middle-income	0
		3e. To the extent feasible, the City will waive or reduce fees imposed on non-profits, CHDOs, CDCs, and the Community Development Division when constructing, rehabilitating, or reconstructing homes for low- to moderate-income	0
		3f. The City will educate applicants for CDBG or state HOME funds for housing rehabilitation, reconstruction and home buying about ownership cost savings	35 owners/ buyers
4. Possible predatory lending or denial of loans	4a.	The City has no authority to regulate lender requirements.	0
	4b.	The City will encourage area providers of homebuyer and financial stability education to market their services	5 contacts
	4c.	The City will require homebuyer and financial stability education to first-time homebuyers receiving assistance and encourage them to attend prior to selecting home	35
	4d.	The City will conduct an annual fair housing workshop for realtors and lenders linked to the first-time homebuyer’s program	5 on-site, virtual, or hybrid
Environmental/Environmental Justice			
5. Natural disasters such as storm surge, flooding, windstorm damage	5a.	The City will continue to require that new or rehabilitated homes meet all of the windstorm and floodplain requirements	25 buyers, 10 units reconstructed, 15 units rehabilitated
	5b.	The City will ensure any new homes built, rehabilitated or purchased with CDBG and HOME funds will have adequate insurance	20 buyers/owners

	6. Quality infrastructure and facilities are limited in some areas	6a. The City will continue to use CDBG funds to improve infrastructure in older LMI areas	3 projects/ 1,000 people
		6b. The City will use CDBG funds to improve public parks in LMI neighborhoods	1 park
	7. Aging neighborhoods have numerous code violations and abandoned buildings	7a. The City will conduct spot blight reduction campaigns	3 events
		7b. The City will use CDBG and local funds to bring housing units and non-residential structures to code or demolish them	100 residential and 50 non- residential structures
	8. High number of locations emitting toxic substances in close proximity to areas of minority and/or low-income concentrations	8a. City has no authority to remedy the emissions but will meet with H-GAC to determine the role each can play in reducing emissions	2 meetings
		8b. The City will ensure that the realtors and lenders involved in the first-time homebuyer program are not steering the applicants to homes that have potential negative environmental impact	20 buyers
		8c. The City will ensure that homes in the areas close to emission sites and receiving housing rehabilitation or reconstruction with CDBG/HOME funds are made as air-tight as possible and owners are given information about protection from environmental hazards	10 owners
	9. Shortage of grocery stores, pharmacies, big box stores and dollar stores	9a. The City will continue to encourage the development of grocery chains and big box stores in areas of high minority and low-income concentrations	2 negotiations
		9b. The City will expand outreach for access to benefits of locating in Opportunity Zones, and/or Revitalization Incentive Zones	5 firms

		9c. The City will continue to work with Baytown West Chambers County EDF to emphasize incentives within Opportunity Zones.	3 meetings
	10. Many schools in areas of high minority and low-income concentrations have lower standardized test scores, higher student:teacher ratios and lower percent of staff with advanced degrees	10a. The City has no power or influence over the Goose Creek CISD's staffing and policies	0
		10b. The City will investigate the potential of using CDBG-CV and CDBG funds to provide broadband access to students attending school virtually	100 students
Legislative and Regulatory			
	11. Land development and building requirements add to the cost of housing in Baytown	11a. The City will continue to review inner city redevelopment and housing reconstruction to waive feeds, and assist with exterior improvements.	30 houses
	12. Fair housing rights are not generally known throughout Baytown	12a. The City Community Development staff will host public CDAC meetings that include information about fair housing and housing rights	5 meetings
		12b. The Community Development staff will host workshops for potential realtors, lenders and homebuyer literacy educators serving first-time homebuyers	4 workshops
		12c. First-time homebuyers will receive information about fair housing rights	25 buyers
		12d. The City will support the Baytown Housing Authority in ensuring that Section 8 voucher holders know their housing rights and landlords are not discriminating	2 meetings
		12e. Community Development staff will attend fair housing workshops, seminars and/or on-line trainings	5 events

		12f. Community Development staff will provide to new City staff and management staffers training sessions and/or links to HUD on-line trainings about fair housing	3 events
		12g. The City will inspect apartment complexes for housing quality and code violations	110 complexes
	13. Fair Housing Ordinance needs regular review and possible revising over time	13a. The City will continue its current process of reviewing the Fair Housing Ordinance	1 ordinance
		13b. The City will re-visit the Fair Housing Ordinance over the next 5 years to make revisions	2 reviews
		13c. The Fair Housing Officer will continue to maintain a Fair Housing Log and will report on the activities logged	On-going maintenance, 5 reports