



# **STATE OF ILLINOIS ANALYSIS OF FAIR HOUSING IMPEDIMENTS**

**As submitted to the U. S. Department of  
Housing and Urban Development**



**Illinois Housing Development Authority  
February 2009**

**STATE OF ILLINOIS**  
**ANALYSIS OF FAIR HOUSING IMPEDIMENTS**  
**FINAL REPORT**  
**BY**  
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**Prepared for the State of Illinois and**  
**The Illinois Housing Development Authority**

**February 2009**

Final editing comments were provided by the Illinois Housing Development Authority's Office of Housing Coordination Services.

Pat Quinn, Governor

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February 2, 2009

Mr. Ray Willis  
Director, Office of Community Planning & DevelopmentMr. Maury McGough  
Director, Office of Fair Housing & Equal OpportunityU.S. Department of Housing & Urban Development  
77 West Jackson Boulevard  
Chicago, Illinois 60604

Dear Mr. Willis and Mr. McGough:

This letter hereby transmits to you the State of Illinois' Analysis of Fair Housing Impediments. This updates the State's previous document submitted in 1997.

Please feel free to contact Bill Pluta, Director of our Office of Housing Coordination Services, at 312/836-5354 if either of you or your staffs have any questions or concerns during your reviews of the document. Thank you for your cooperation and assistance.

Sincerely,

DeShana L. Forney  
Executive Director

CC: Mr. Michael McAfee, Community Planning &amp; Development

## TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY</b>		ix
Chapter 1:	Legislative History of Fair Housing: An Introduction	
1.1	Overview	1-1
1.2	Project Methodology	1-1
1.3	Legislative History of Fair Housing	1-2
Chapter 2:	Population, Households, and Housing Characteristics	
2.1	Population Distribution	2-1
2.2	Population and Household Characteristics	2-1
2.3	Housing Characteristics	2-16
2.4	Summary	2-20
Chapter 3:	Statewide Housing Complaints, and the Fair Housing Assistance and Fair Housing Initiatives Programs	
3.1	Federal Housing Discrimination Complaints	3-1
3.2	Illinois Department of Human Rights Housing Discrimination Charges	3-10
3.3	Fair Housing Initiatives Program	3-11
3.4	Other Nonprofit Organizations	3-15
3.5	Summary	3-15
Chapter 4:	Mortgage Finance and Fair Housing	
4.1	Home Mortgage Disclosure Act Data	4-1
4.2	Subprime Mortgages and Foreclosure Risks	4-6
Chapter 5:	The State's Role in Fair Housing Initiatives	
5.1	Illinois Fair Housing Enforcement and Programs	5-1
5.2	Key State of Illinois Fair Housing Laws, 1997–2008	5-12
5.3	Illinois Laws with Influence on Fair Housing Choices, 1997–2007	5-21
Chapter 6:	Local Government Practices	
6.1	Local Housing Laws	6-1
6.2	Local Government Policies and Practices	6-4
6.3	Housing Resources for Local Governments	6-6

Chapter 7:	Attitudinal Survey on Fair Housing in Illinois	
7.1	Respondents Identify Populations with Limited Housing Choices	7-1
7.2	Impediments to Housing Choices	7-6
7.3	Knowledge of Reasonable Accommodation	7-9
7.4	Changes in Complaints	7-9
7.5	Types of Education Seen as Needed	7-10
7.6	Perceived Performance, Assessment, and Recommendations	7-10
7.7	Assessment of State and Local Initiatives	7-11
7.8	Addressing the Impediments	7-13
7.9	Conclusion	7-15
Chapter 8:	Impediments and Strategies	
8.1	Impediment 1: Gaps in Geographic Coverage of Fair Housing Assistance	8-1
8.2	Impediment 2: Lack of Fair Housing Knowledge	8-2
8.3	Impediment 3: Lack of Affordable and Suitable Housing	8-3
8.4	Impediment 4: Unfair Lending and Real Estate Practices	8-5
8.5	Impediment 5: Lack of Enforcement	8-6
8.6	Impediment 6: Lack of Adequate Resources	8-7

## Appendices

Appendix 1-1: Fair Housing Working Group Members

Appendix 2-1: Counties Where Recent Immigration Tripled Since 1990

Appendix 3-1: Number of Complaints Filed by Illinois Counties from 1997–2007

Appendix 4-1: National Foreclosure Mitigation Counseling Program Awardees in Illinois

Appendix 6-1: Local Consolidated Plan Jurisdictions

Appendix 6-2: Northeastern Illinois Housing Endorsement Criteria

Appendix 6-3: Naperville Fair Housing Ordinance

Appendix 7-1: 2008 Fair Housing Survey

Appendix 8-1: Age by Language Spoken at Home

## Tables and Figures

Figure 2.1	State of Illinois showing Chicago metro, Other metro, and Non metro Metropolitan Statistical Areas (MSAs)	2-2
Table 2.1	Changes in Overall & Regional Population & Households, 1990–2000	2-3
Table 2.2	Changes in Population by Race/Ethnicity, 1990–2000	2-5
Table 2.3	Ancestry or National Origin Statistics, 1990–2000	2-6
Table 2.4	Changes in Households with Children and Female-Headed Households, 1990–2000	2-7
Table 2.5	Estimates of Disabled Population in Illinois - 2000 U.S. Census	2-8
Table 2.6	Statewide Statistics on HIV/AIDS Cases through 2005	2-9
Table 2.7	Percentage Having Poverty Status	2-11
Figure 2.2	Illinois Households with Cost Burden > 50%	2-12
Table 2.8	Homeless Services Received, by Race/Ethnicity	2-14
Table 2.9	Housing Units, 1990 and 2000	2-16
Table 2.10	Housing Types	2-17
Table 2.11	Characteristics of Housing Available to Households in Poverty	2-18
Table 2.12	Year Housing Units Were Built	2-18
Table 2.13	Share of Households with Occupancy of More than 1 Person per Room	2-20
Figure 3.1	Number of Federal Discrimination Complaints, 1997–2007	3-2
Table 3.1	Number of Complaints by Basis, 1997–2007	3-3
Table 3.2	Federal Complaints by State Geographical Regions	3-3
Figure 3.2	Number of HUD Complaints by Four Common Bases	3-4
Figure 3.3	Illinois Complaints Compared to National Complaints in 2007	3-4
Table 3.3	Illinois Complaints by Type, 1997–2007	3-5
Figure 3.4	Number of HUD Complaints by Four Common Types, 1997–2007	3-6
Figure 3.5	Illinois Type of Complaints Compared to National, 2007	3-6

Table 3.4	Complaint Closures in Illinois, 1997–2007	3-7
Figure 3.6	Closure Actions in Two Categories	3-8
Figure 3.7	Federal Complaints Filed by Counties, 1997–2007	3-9
Table 3.5	IDHR Housing Discrimination Records, 1997–2007	3-10
Table 3.6	IDHR Discrimination Charges, 1997–2007	3-11
Table 3.7	1997 and 2007 FHIPs and Types of Programs	3-12
Table 3.8	Illinois FHIPs Programs, Service Areas & Services Provided	3-13
Table 4.1	Disposition of Loans by Race/Ethnicity, 2006	4-2
Table 4.2	Percent of Applications Approved by Race/Ethnicity and Income	4-3
Table 4.3	Approval Rates for Selected Race/Ethnic Groups by MSA, 2006	4-4
Table 4.4	Reasons for Denial of Loans by Race/Ethnicity, 2006	4-5
Table 4.5	Reasons for Denial of Loans	4- 5
Table 4.6	Subprime Mortgage Data, December 2007	4- 11
Table 5.1	State Agencies' Roles in Furthering Fair Housing Choices	5- 2
Figure 5.1	Evolution of Illinois Fair Housing Laws, 1997–2008	5- 24
Figure 7.1	Housing Choices as Affected by Discrimination - Federal, State Protected Classes, and Other Categories	7- 2
Figure 7.2	Housing Choices as Affected by Discrimination, by Respondent Groups - Federal, State Protected Classes, and Other Categories	7- 4
Figure 7.3	Housing Choices as Affected by Discrimination, by Location - Federal, State Protected Classes, and Other Categories	7- 5
Table 7.1	Frequency of Mention (by %) of Housing Impediments, by Respondent Group	7- 6
Table 7.2	Frequency of Mention (by %) of Impediments to Fair Housing, by Location	7-7
Figure 7.4	Impact of Local Initiatives on Fair Housing Choices	7- 12

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## Executive Summary

A wide range of quality housing choices located in integrated neighborhoods is an essential factor for the creation of viable communities and for the success of individuals and families. Fair housing, otherwise known as equal housing opportunities, provides the means for many people to achieve their housing dreams. This report provides an analysis of the efforts of the State of Illinois to promote fair housing practices over the study span from 1997 to 2008.

Chapter 1 provides the basis for this study through background information and a brief legislative history. Chapter 2 provides information on the fair housing challenges faced by residents of Illinois. Those residents are described in terms of demographic groups, particularly of “protected classes,” and groups of people who are identified as being at risk for housing discrimination. Chapter 2 also includes a description of the housing stock in Illinois. Chapter 3 describes statewide fair housing complaints filed in Illinois from 1997 to 2007. It also provides a description of the ten Fair Housing Initiatives Programs.

Chapter 4 discusses how fair housing choices are affected by the recent mortgage finance crisis. Chapter 5 includes descriptions of programs and laws from 1997 to 2008 that affect fair housing choices in Illinois. Chapter 6 provides information on local government practices that further fair housing choices. Chapter 7 describes results from the survey that was conducted as part of this analysis. Combined, these chapters provide the framework for the strategies to address fair housing impediments.

Chapter 8 identifies impediments and strategies to further fair housing in Illinois.

This report was developed with the helpful guidance of the Analysis of Fair Housing Impediments Work Group. This group was formed by Illinois Housing Development Authority to provide technical assistance in identifying state and local issues that affect housing choices, and strategies to address those issues. Working group members were selected from statewide entities that administer programs addressing fair housing issues or that serve communities experiencing fair housing discrimination.

## Summary of Key Findings

- From 1990 to 2000, Illinois experienced an overall population increase of 8.6%. This is significant growth compared to the previous decade, when the population increased by less than one-third of one percent.<sup>1</sup> However, this rate change was smaller than the national population rate change of 13.2%. The national rate change between 1990 and 2000 represents the largest Census-to-Census increase in U.S. history.<sup>2</sup>
- In 2007, 67% people resided in the Chicago metro area, 20% in other metro areas (for a total of 87%), and 13% in non-metro areas. In 1997, 83% of the population resided in metro areas and 17% of the population in non-metro areas.<sup>3</sup> This is a decrease of 4% in the non-metro areas.

<sup>1</sup> *State of Illinois Consolidated Plan, Program Years 2005-2009*, page III-2.

<sup>2</sup> *US Census 2000: Population Change and Distribution from 1990 to 2000*; April 2001.

<sup>3</sup> *State of Illinois Analysis of Fair Housing Impediments*, Illinois Housing Development Authority, May 1997, p. 5.

- It is estimated that 32% of Illinois residents are members of the race-ethnic protected class; 16%, or 2 million, of Illinois residents have some type of disability; a total of 12%, or 1.5 million Illinois residents, are age 65 or older; and 12% or almost 1.5 million are foreign born.
- Three-quarters of the housing units in Illinois were built before 1980. Older units may lack accessible features and energy efficiency standards, thereby impacting livability, comfort, accessibility and affordability.
- Statewide, 3,352 complaints of housing discrimination were filed by people in the federal protected classes between 1997 and 2007. There were 19 counties where no complaints or charges were filed. These facts cannot be directly compared to 1997 data because statewide data was not available.
- Fair Housing Initiatives Programs (FHIPs) are designed to assist persons whom have experienced housing discrimination. FHIPs increased from seven to ten since 1997. However, most services are provided in the Chicago metro area. Many Illinois counties lack direct local access to fair housing enforcement and education.
- Thirty-two new public acts or amendments have been implemented by the State, along with one Governor's Executive Order and two Presidential Executive Orders that directly further fair housing choices. Some key laws include the Affordable Housing Planning and Appeal Act and the Comprehensive Housing Planning Act. One amended law included modifying the Environmental Barriers Act to include HUD's Fair Housing Accessibility Guidelines, making this law equivalent to current HUD Fair Housing Guidelines. There also has been a Human Rights Act amendment that prohibits interference with people in the exercise of their fair housing rights.
- Two new protected class categories for equal housing opportunity were added to the Illinois Human Rights Act in 2006: sexual orientation, including gender identity, and military status.
- Illinois has 102 counties and 1,309 incorporated municipalities. The State constitution enables the availability and types of housing choices to be shaped by local governments' housing policies, zoning practices, and land use plans. Some local communities are creating innovative solutions to create more diverse housing choices.
- Members of the protected race/ethnic classes have a higher incidence of poverty than the general population, limiting their housing choices. 10% of households are at or below the poverty level. The availability of affordable housing deserves attention as a fair housing issue.
- In 2003, the IDHR housing unit was reorganized as the Fair Housing Division to provide a more focused program for statewide fair housing enforcement, outreach, and educational efforts.

With the estimated growth in the members of the protected classes, older housing stock, budgetary limitations on statewide fair housing education and enforcement, current national trends such as the mortgage loan crisis and the high cost of energy, and federal actions such as the Olmstead Decision, the State has a wide range of impediments to address.

## Identified Impediments

The identified impediments and strategies are listed below.

### Impediments

1. Gaps in geographical coverage of nonprofit fair housing agencies
2. Lack of fair housing knowledge
3. Shortage of affordable, accessible, and suitable housing
4. Unfair lending and real estate practices
5. Lack of enforcement
6. Lack of funding

### Suggested Strategies

- Expand fair housing initiatives programs to provide statewide coverage.
- Provide more education, outreach, and training to the general public and members of protected classes through IDHR efforts and the creation of more partnerships with other agencies.
- Encourage local communities to increase incentives for developers who provide housing that exceeds the requirements for visitability and accessibility set forth in the Illinois Environmental Barriers Act.
- Encourage more housing research and the development of various housing types.
- Expand home modification and repair programs.
- Increase housing counseling services by expanding the Illinois Foreclosure Mitigation and Prevention Network to provide statewide coverage.
- Enforce the CDBG and CDAP requirements that recipients of CDBG and CDAP funding affirmatively further fair housing choices in their communities by providing more technical assistance on implementation.
- Provide more funding to expand training and outreach efforts and key housing programs.



# 1 Legislative History of Fair Housing: An Introduction

## 1.1 Overview

Title VIII of the Civil Rights Act of 1968, also known as the Fair Housing Act, requires the Secretary of the U.S. Department of Housing and Urban Development (HUD) to administer housing and development programs and activities that “affirmatively further” (actively support and encourage) fair housing. In addition, the Housing and Community Development Act of 1974, Section 109, requires Community Development Block Grant (CDBG) recipients to certify that they will take steps to actively support and encourage fair housing practices in their local jurisdictions. In 1995, HUD further committed to this policy by requiring all states and Entitlement Jurisdictions that directly receive Housing and Community Development funds to also affirmatively further fair housing practices. HUD’s key community planning and development programs include:

- Community Development Block Grants (CDBG)
- Emergency Shelter Grants (ESG)
- HOME Investment Partnership Program (HOME)
- Housing Opportunities for Persons with AIDS (HOPWA)

In addition, HUD’s Fair Housing and Equal Opportunity Office (HUD-FHEO) is responsible for monitoring greater compliance under these programs with the following laws:

- Section 504 of the Rehabilitation Act of 1973
- Title II of the Americans with Disabilities Act of 1990

This report provides an analysis of the State of Illinois’s efforts to eliminate discriminatory housing practices and further the purpose of the Fair Housing Act. It provides information on fair housing activities and data collected over the past ten years from 1997–2007, along with a review of fair housing legislation and legal developments since 1997.<sup>4</sup> The Illinois Human Rights Act provides equal access to residential housing choices regardless of race, color, religion, sex, age, handicap or disability, familial status, national origin, marital status, ancestry, military status, unfavorable military discharge, sexual orientation, or citizenship status.

## 1.2 Project Methodology

The project methodology for conducting the research and analysis for this project involved:

- Data collection and analysis on key data sources such as Home Mortgage Disclosure Act (HMDA), U.S. Census data, other reports and studies
- Review and analysis of fair housing laws and legislation from 1997–2008
- Development and administration of attitudinal survey on fair housing choices and impediments. The 2007 survey was compared to the 1997 survey.

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<sup>4</sup> The *State of Illinois Analysis of Fair Housing Impediments* was submitted to HUD for Governor Jim Edgar by IHDA in May, 1997.

- Review and analysis of statewide housing discrimination data from the Illinois Department of Human Rights and HUD-FHEO.
- Coordination with the Analysis to Fair Housing Impediments Work Group formed by IHDA to assist with the identification of key data sources, studies, and attitudinal survey questions and survey distribution list. Appendix 1.1 lists the workgroup members.

### 1.3 Legislative History of Fair Housing

Fair housing is otherwise known as **equal housing opportunity**. Federal, state, and various local laws legally define fair housing and identify specific protected classes, based on documentation of past patterns of discrimination. **Protected class** is a term used in U.S. anti-discrimination law to describe groups of people who are protected from discrimination and harassment. The following descriptors characterize protected classes' members, as defined by federal and Illinois state laws.

**Federal:** race, color, religion, national origin, sex, handicap or disability, and familial status.

**State (includes federal plus the following):** marital status, age, ancestry, military status, unfavorable military discharge, sexual orientation, and gender identity. One additional category, citizenship status, is protected for employment opportunity but not for housing.

In addition, local governments have the option to pass laws that include other members. A recent local example has been discussions to include very-low to low-income persons (especially those seeking housing with Section 8 Certificates and Vouchers) as protected class members (in this case, protection based on source of income).

For the purposes of this report, discussions will be confined to these protected classes as identified in the federal and state laws.

The legislative history of fair housing began with the Civil Rights Act of 1866. The Act prohibited private acts of discrimination on the basis of race or color. During the late 1800s through the early 1900s however, housing segregation on the basis of race and ethnicity occurred, but became much more pronounced at the time of World War I, with increasing industrialization and the demand for labor, when many white immigrants and blacks began to migrate in large numbers to northern cities. Intolerance and discrimination were manifested in extreme segregation of housing.

Violence, exclusionary zoning, restrictive covenants, and private housing industry policies and practices helped enforce segregation, and not until post-WWII, when racial, gender, and other barriers were challenged on a variety of fronts, did change begin to occur. In 1962, Executive Order #11063 was issued by President Kennedy prohibiting discrimination in the rental or sale of housing funded by the federal government and by institutions making loans insured by the federal government. In 1964, the Civil Rights Act was passed, followed by passage of the Voting Rights Act in 1965. However, the federal law prohibiting discrimination in housing—the Federal Fair Housing Act (Title VIII)—was not enacted until 1968, after the Kerner Commission Report and within a week following the assassination of Dr. Martin Luther King, Jr. The effort to

promote fair housing - the right to choose a place to live - has proven to be one of the most intractable civil rights issues.

The 1968 federal Fair Housing Act prohibited discrimination in housing based on race, color, religion, and national origin. This law was amended in 1974 to include the prohibition of discrimination based on sex. And finally, in 1988 the law was amended to expand coverage to people with disabilities and families with children, and to strengthen the existing law's enforcement mechanisms.

The State of Illinois amended its Constitution in 1970 and included in the Bill of Rights, in Section 17, a provision that states, "All persons shall have the rights to be free from discrimination on the basis of race, color, creed, national origin, ancestry, and sex in the...sale or rental of property." In 1980, the state enacted the Illinois Human Rights Act, which included the same protected classes as the federal law, as well as marital status, age, and unfavorable military discharge.<sup>5</sup> The Human Rights Act was amended on January 1, 2006 to add two additional protected categories for housing discrimination: sexual orientation and military status.

Illinois's responsibilities in furthering fair housing are outlined in a provision of the Human Rights Act mandating all state programs to be administered affirmatively to further the purposes of the Act. In 1991, the Human Rights Act was amended, becoming substantially equivalent to the federal law and providing expanded enforcement powers.<sup>6</sup> In January 1, 2006, the Human Rights Act was amended to prohibit interference with people in the exercise of their fair housing rights.

The intent of fair housing and human rights legislation is to end housing discrimination and foster integration. In order to assess Illinois's successes and challenges, Chapter 2 provides an analysis of protected classes' demographics and housing stock conditions statewide.

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<sup>5</sup> *State of Illinois: Analysis of Fair Housing Impediments*, May 1997, pp. 17–18.

<sup>6</sup> *Ibid.*



## 2 Population, Households, and Housing Characteristics

Assessing impediments to fair housing must begin with an understanding of the diverse populations and households represented across Illinois, and how their unique population and household characteristics impact the state and local housing markets.

Much of this information in this chapter comes from the 2000 U.S. Census data and the *State of Illinois Consolidated Plan, Program Years 2005-2009*, hereinafter referred to as “*Consolidated Plan*.” A comparison of demographic changes in Illinois from the 1990 to 2000 Census is provided. The review of demographic data is followed by a description of the existing housing stock and a discussion on its significance for fair housing issues. For the purposes of this report, discussions address the protected classes as identified in the federal and state laws, with additional comments on groups identified by the State as priority populations.

### 2.1 Population Distribution

Illinois is demographically diverse, containing highly concentrated metropolitan areas as well as low-density rural areas. For the purposes of this report, Illinois has been divided into three regions (Figure 2.1): the Chicago metropolitan area, other metropolitan areas, and nonmetropolitan areas. Specifically:

- 1) The Chicago metropolitan area includes the nine counties defined by the Census as being part of the Chicago Consolidated Metropolitan Statistical Area (CMSA): Cook, DuPage, DeKalb, Grundy, Kane, Kendall, Lake, McHenry, and Will counties. **Note:** The Census last revised its Metropolitan Statistical Areas (MSA) definitions in 2003, using data from the 2000 Census to categorize counties; these 2003 classifications are used in this report. This region is called “Chicago metro” in this report.
- 2) Other metropolitan areas in the State (called “Other metro” in this report), also Census-defined, include the twenty-seven counties associated with the following cities:  
     Bloomington-Normal, Champaign-Urbana, Danville, Kankakee, Moline-Rock Island, Peoria-Pekin, Rockford, Decatur, Springfield, and the Illinois area around St. Louis.
- 3) All counties not included in an MSA are considered nonmetropolitan. In Illinois, sixty-seven counties comprise this category, referred to in this report as “Non metro.”

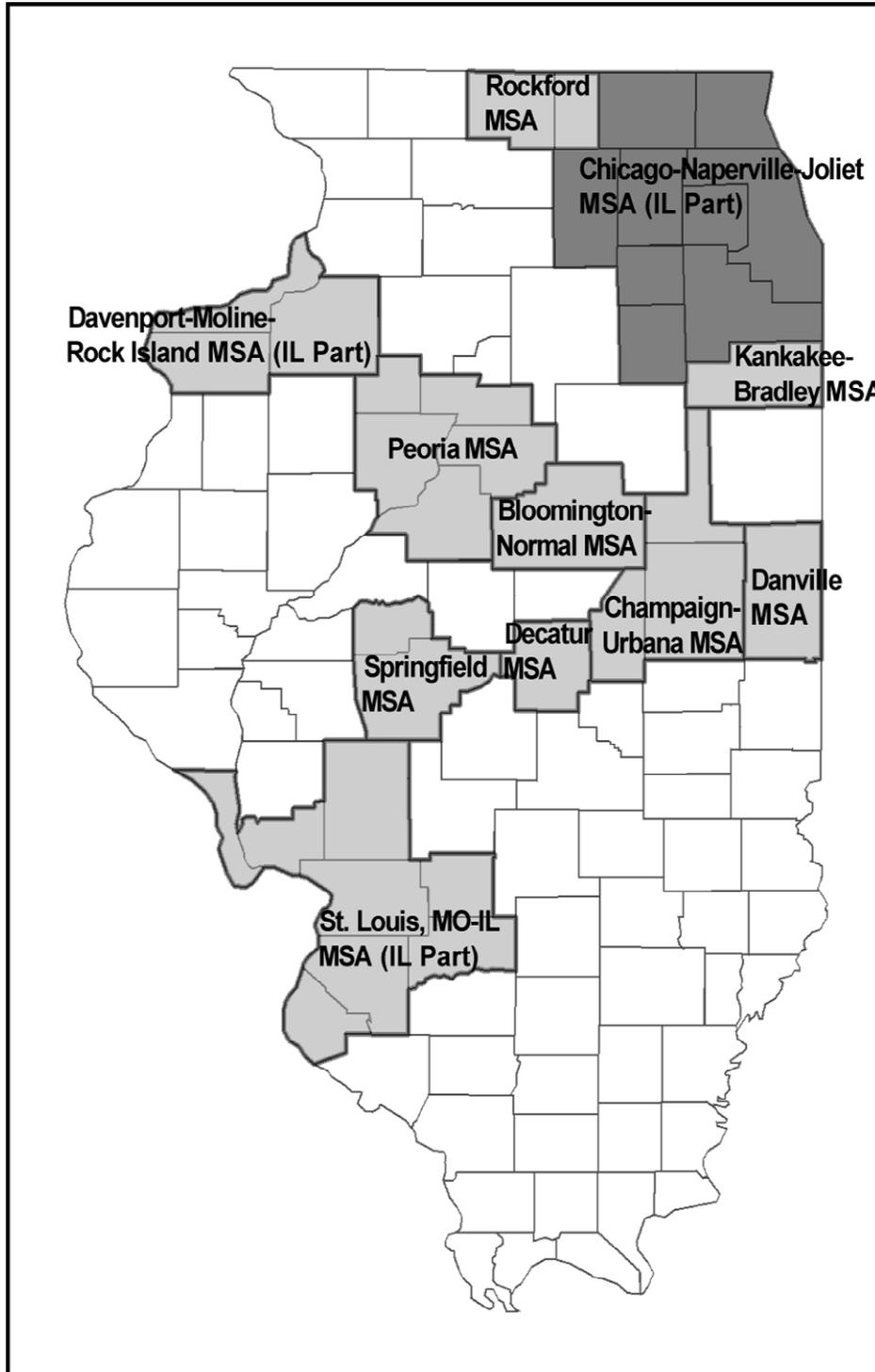
### 2.2 Population and Household Characteristics

#### 2.2.1 Growth

According to the 2000 U.S. Census, the population of Illinois is 12,419,293. This is an 8.6% increase over the 1990 figure, 11,430,602. Two-thirds (67%) of all people in Illinois live in the Chicago (CMSA), which also is the area that grew the most since 1990, with a population increase of 11.6%. One-fifth (20%) of the Illinois population lives in Other metro areas, an increase of 4.3% since the 1990 Census. Non metro areas were home to 14% of Illinois residents in 2000, and had the least growth: 1.5%.<sup>1</sup> In the nonmetropolitan areas of Illinois, there has been

<sup>1</sup> For comparison purposes, 1990 data are also grouped using the current MSA classifications. Ten counties were reclassified from nonmetropolitan in 1990 to metropolitan in 2000.

a 20.0% increase in the *non-household* population, which includes residents of prisons and other group quarters, such as military barracks.



**Figure 2.1: State of Illinois showing Chicago metro, Other metro, and Non metro Metropolitan Statistical Areas (MSAs).**

### 2.2.2 Numbers of Households, 2000 vs. 1990

A change in the number of households indicates the demand for housing in an area more accurately than does the change in the total population. In 2000, Illinois had 4,591,779 households, a 9.3% increase since 1990 (Table 2.1). The Chicago metro area included nearly 3 million households, a growth rate since 1990 of 11.2%; that rate is close to its population growth rate of 11.6%. The Other metro category showed a 7.4% increase in the number of households. This is larger than their population increase of 4.3%, signaling a decrease in average household size in these regions compared to 1990. The Non metro category experienced a 3.7% increase in the number of households, despite a smaller change (1.5%) in population.

**Table 2.1: Changes in Overall and Regional Population and Households, 1990 – 2000.**

	All Illinois	Chicago metro	Other metro	Non metro
Population	12,419,293	8,272,768	2,440,638	1,705,887
Change 1990–2000	8.6%	11.6%	4.3%	1.5%
Household population	12,097,512	8,117,053	2,359,152	1,621,307
Change 1990–2000	8.6%	11.7%	4.1%	0.7%
Number of households	4,591,779	2,971,690	952,119	667,970
Change 1990–2000	9.3%	11.2%	7.4%	3.7%

Source: U.S. Census 2000

Illinois's overall population and household growth, combined with federal and state legislative changes, has resulted in many new challenges to providing fair housing choices for residents. The discussion on population changes in the protected classes from 1990–2000 provides further insights into the challenges of providing equal, integrated housing opportunities in Illinois.

### 2.2.3 Protected and Priority Classes

The federal protected classes are based on race/color, ethnicity/ancestry/national origin, age, gender of householder/familial status, handicap/disability, and religion. U.S. Public Law 94-521 prohibits asking a question on religious affiliation on a mandatory basis; therefore, the Bureau of the Census is not a source for information on religion. Some statistics on religion can be found at (<http://www.census.gov/compendia/statab/cats/population/religion.html>), the Statistical Abstract of the United States.

Effective January 1, 2006, the Illinois Legislature amended the Illinois Human Rights Act with two additional protected categories for equal housing opportunity: military status (including unfavorable discharge), and sexual orientation.

Also, “priority” classes (underserved people in Illinois not currently included in the federal or state protected classes) are discussed here.

Population in the protected classes indicates the number of people potentially affected by a lack of fair housing choices. The exact numbers of some people in the protected classes are unknown, since many people identify themselves as members of two or more protected classes, but it is clear that a substantial share of Illinois residents are members of at least one protected class.

### 2.2.3.1 Race/Ethnicity

The 2000 Census attempted to collect information on multi-racial and multi-ethnic population characteristics by giving respondents the choice of self-identifying as a member of more than one race. For purposes of this report (except where noted otherwise), race/ethnic identifications are grouped into the following categories: Hispanic, all races, and the non-Hispanic population of the following groups: white, black, American Indian and Alaska Native, Asian, Native Hawaiian and Pacific Islander, Some other race, and Two or more races. These categories also existed for the 1990 Census, with the exception of the new category, Two or more races. This last category makes the data from 1990 and 2000 not fully comparable.

Table 2.2 documents the growth in population for members of the race/ethnicity protected class. In the Chicago metro area, 42% (3,474,235) of residents identified themselves as members of one or more protected race or ethnic categories (particular race or ethnic categories other than non-Hispanic white). In the Other metro region, 16% (398,367) of the residents self-identified as members of a protected race/ethnicity group. In Non metro areas, 7% (122,551) of the residents put themselves into a protected race/ethnic category.

In the 2000 Census, 1.9 million (1,856,152) Illinois residents self-identified as black—nearly 15% of the total population. In the Chicago metro area, 19% (1,541,641) of the population said they are black. In the Other metro areas, 10% (255,093) said they are black. In the Non metro areas, 3% (59,418) identified themselves as black.

The Hispanic population forms the next largest minority group, at 12% (1,530,262) of the Illinois population. In the Chicago metro area, 17% (1,416,584) identified themselves as Hispanic, as did 3% (75,534) in Other metro areas, and 2% (38,144) in Non metro areas.

Other race/ethnic groups, including Native Americans and Asian and Pacific Islanders, as well as groups identifying themselves in the Census categories Some Other Race or Two or More Races, each form 3% or less of the Illinois population.

In terms of growth since 1990, the fastest growing minority populations in Illinois are Hispanic, with a 69% (625,816) increase; and Asian and Pacific Islander, with a 53% (147,464) increase. The rates of increase of the Hispanic population in the Chicago metro and the Non metro areas were about the same, indicating an across-the-board increase throughout Illinois. However, in the Other metro areas, the Hispanic population increased even more, at a rate of 86% (35,028).

**Areas of minority concentration.** Table 2.2 documents the growth in population based on race/ethnicity. Statewide, the non-white population is 32.2%. The *Consolidated Plan* identifies five counties that have larger proportions of non-white persons than Illinois as a whole: Cook (52.4%), Alexander (37.8%), Pulaski (34.1%), St. Clair (33.2%), and Kane (32.3%). Two of these counties are in the Chicago metro area, one is in the St. Louis metropolitan area, and two are Non metro counties located at the southern tip of Illinois.

Focusing more particularly on specific subgroups of the non-white population, seven counties have higher proportions of blacks than the statewide share of 14.9%: Alexander (34.8%), Pulaski (30.6%), St. Clair (28.6%), Cook (25.9%), Brown (18.1%), Peoria (16.0%), and Kankakee (15.4%). Four counties in Illinois have proportions of Hispanics greater than the statewide proportion of 12.3%: Kane (23.7%), Cook (19.9%), Lake (14.4%), and Boone (12.5%). Finally,

four counties have proportions of Asian-Pacific Islanders greater than Illinois as a whole (3.4%): DuPage (7.9%), Champaign (6.5%), Cook (4.8%), and Lake (3.9%).

**Table 2.2: Changes in Population by Race/Ethnicity, 1990 – 2000.**

	All Illinois	Chicago metro	Other metro	Non metro
White (non-Hispanic)	8,424,140	4,798,533	2,042,271	1,583,336
as % of pop.	68%	58%	84%	93%
change 1990–2000	-1%	-2%	<0.5%	-1%
Black (non-Hispanic)	1,856,152	1,541,641	255,093	59,418
as % of pop.	15%	19%	10%	3%
change 1990–2000	11%	9%	16%	34%
Hispanic (all races)	1,530,262	1,416,584	75,534	38,144
as % of pop.	12%	17%	3%	2%
change 1990–2000	69%	68%	86%	72%
Native American (non-Hispanic)	18,232	10,585	4,754	2,893
as % of pop.	<0.5%	<0.5%	<0.5%	<0.5%
change 1990–2000	<0.5%	-5%	9%	8%
Asian & Pacific Islanders (non-Hisp.)	423,032	380,391	33,729	8,912
as % of pop.	3%	5%	1%	1%
change 1990–2000	54%	56%	46%	11%
Some other race alone (non-Hisp.)	13,479	10,410	2,324	745
as % of pop.	<0.5%	<0.5%	<0.5%	<0.5%
change 1990–2000	59%	61%	71%	20%
Two or more races (non-Hispanic)	153,996	114,624	26,933	12,439
as % of pop.	1%	1%	1%	1%
change 1990–2000	9%	12%	4%	2%
Nonwhite	3,995,153	3,474,235	398,367	122,551
as % of pop.	32%	42%	16%	7%
change 1990–2000	39%	38%	37%	57%
Nonwhite household population	3,880,559	3,411,363	377,819	91,377
as % of household pop.	32%	42%	16%	6%
change 1990–2000	Not available*	Not available*	Not available*	Not available*

Source: U.S. Census 2000

\*Changes in the reporting method preclude a comparison.

### 2.2.3.2 Ancestry or National Origin

In Illinois, the foreign-born population in 2000 was 1,529,058, or 12% of the total population. This is another instance where characteristics of the population vary in different locations statewide. In the Chicago metro area, 17%, or one in six residents, was not native to the United States. This stands in sharp contrast to the Other metro areas and the Non metro areas of Illinois, in which respectively 3% and 2% of residents are foreign-born. All areas experienced an increase

in the foreign-born population over the decade. In Illinois overall, the number of foreign-born residents increased by 61%. The Chicago metro (61% increase) and Other metro areas (58% increase) changed at nearly the same rate. Even in Non metro areas, the foreign-born population increased at a rate (42%) much higher than did the general population (8.6%), although there are some notable differences in the Non metro counties. Table 2.3 illustrates the changes from 1990–2000.

**Table 2.3: Ancestry or National Origin Statistics, 1990 – 2000.**

	All Illinois	Chicago metro	Other metro	Non metro
People who are foreign-born	1,529,058	1,425,978	75,570	27,510
as % of all people	12%	17%	3%	2%
change 1990–2000	61%	61%	58%	42%
Arrived in country in the last 5 years	391,875	360,050	23,453	8,372
as % of all people	3%	4%	1%	0%
change 1990–2000	83%	82%	106%	84%

Source: U.S. Census 2000

“Recent immigrants” (people who entered the country in the previous five years) are at particular risk for housing discrimination because they lack familiarity with the local housing market and may also lack knowledge about their fair housing rights. They may not be fully comfortable communicating in English; may not know where to turn for information about the housing market; and may be reluctant to complain if they do feel discriminated against, particularly if their immigration, citizenship, or legal alien status is ambiguous in any way. In Illinois, the number of recent immigrants increased 83% from 1990 to 2000. An increase was experienced in all three demographical sectors of Illinois, with Other metro areas having a larger increase over the decade, 106%. Some counties tripled the number of recent immigrants over the decade; thirty Illinois counties (Appendix 2-1) had at least twice as many recent immigrants in 2000 as in 1990. In many of the Non metro counties, the sizeable percentage increases occur because the number of recent immigrants in 1990 was so low that even relatively small numbers in 2000 represented a large increase.

According to the Center for Urban Economic Development at the University of Illinois at Chicago, there are about 432,000 undocumented immigrants residing in Illinois.<sup>2</sup> These people may be vulnerable on numerous fronts—sometimes being ineligible for social programs and housing, denied employment opportunities, and facing possible deportation issues.

<sup>2</sup> Center for Urban Economic Development, UIC, Education for All: Chicago’s Undocumented Immigrants and Their Access to Higher Education. Chirag Mehta, Asma Ali, March, 2003.

### 2.2.3.3 *Familial Status, and Gender of Householder*

**Households with related children.** In the 2000 Census count, the population under 18 years living in households was 99.6% (3,233,943) of the total population under 18 years (3,245,451). The under-18 population living in households included related children (3,172,863), non-related children (58,495), and under-18-year-old householders or spouses themselves (2,585). Approximately 1,641,406 households (36%) had related children. The region with the highest share of related children in households was the Chicago metro area, where 37% of all households included related children. Non metro regions had the fewest households with related children (32%).

There was a 9% increase statewide in the number of households with related children. The Chicago metro area is the only region where the number of households with related children (14%) increased more than the total change in households over the decade. In contrast, Other metro areas show an increase of only 2%, while Non metro areas had a 2% decrease in the number of households with related children.

**Female-headed households.** Families headed by women have lower average incomes, making them more vulnerable to housing discrimination because there are limited affordable housing choices. Households headed by a female with no adult male present constitute 12% of all households in Illinois (U.S. Census 2000). Two-thirds (66%) of these, or 8% of *all* households, are female-headed households with related children. This group has grown faster (16%) than the growth in households (9.3%) and the growth in all households with children (9%). Table 2.4 documents the changes in households with related children and female-headed households from 1990–2000.

**Table 2.4: Changes in Households with Children and Female-Headed Households, 1990 – 2000.**

	Illinois	Chicago metro	Other metro	Non metro
Households with related children	1,641,106	1,104,907	321,942	214,257
As % of all households	36%	37%	34%	32%
Change 1990–2000	9%	14%	2%	-2%
Female-headed households with related children	373,804	254,958	77,125	41,721
As % of all households	8%	9%	8%	6%
Change 1990–2000	16%	16%	16%	17%

Source: U.S. Census 2000

### 2.2.3.4 Disability Status

In the 2000 Census, nearly 2 million people in Illinois (16%) were reported as having a disability. Categories of disabilities reported through the Census include sensory, physical, mental, self-care, go-outside-home, and employment. Some of these categories overlap, and a person may have more than one disability. Many disabilities may require specific housing attributes, such as wheelchair accessibility. Table 2.5 documents the estimated physically disabled population in Illinois at 814,354 and the mentally disabled population at 466,288, according to the 2000 Census. Changes in the wording of the Census questions mean that the 1990 and 2000 data cannot be compared.

**Table 2.5: Estimate of Disabled Population in Illinois – 2000 U.S. Census.**

Disability	All Illinois	Chicago metro	Other metro	Non metro	Census definition includes...
Any	1,999,717	1,314,249	390,879	294,589	NA
% of pop.	16%	16%	16%	17%	
Sensory	351,469	205,769	79,436	66,264	blindness, deafness, severe vision/ hearing loss
% of pop.	3%	2%	3%	4%	
Physical	814,354	490,684	177,225	146,445	substantially limited walking, stairs, reach/lift/carry
% of pop.	7%	6%	7%	9%	
Mental	466,288	287,593	102,046	76,649	difficulty learning, remembering, or concentrating
% of pop.	4%	3%	4%	4%	
Self-care	276,505	178,365	53,947	44,193	difficulty dressing, bathing, or getting around home
% of pop.	2%	2%	2%	3%	
Outside-home	774,087	544,868	129,034	100,185	difficulty leaving home to shop/visit Dr. (age >16)
% of pop.	6%	7%	5%	6%	
Employment	856,080	600,179	149,465	106,436	difficulty working at a job or business (age 16-64)
% of pop.	7%	7%	6%	6%	

Source: U.S. Census 2000

**Persons with HIV/AIDS.** The Department of Public Health's HIV/AIDS Surveillance Unit indicated that there were 32,685 persons reported living with HIV/AIDS in Illinois from 1981–2005. HIV/AIDS statistics through 2005 are shown in Table 2.6.

**Table 2.6 Statewide Statistics on HIV/AIDS Cases through 2005.**

Category	Reported 2004	% 2004	Reported 2005	% 2005	Difference (# of Cases)	% Change	Total 1981-2005	Total % 1981-2005
<b>Race Ethnicity</b>								
White, not Hispanic	361	25.35%	393	29.75%	32	8.86%	11,911	36.44%
Black, not Hispanic	791	55.55%	696	52.69%	-95	-12.01%	16,272	49.78%
Hispanic*	244	17.13%	209	15.82%	-35	-14.34%	4,173	12.77%
Asian/Native American	21	1.47%	18	1.36%	-3	-14.29%	293	0.90%
Multi-race	5	0.35%	2	0.15%	-3	-60.00%	24	0.07%
Unknown	2	0.14%	3	0.23%	1	50.00%	12	0.04%
<b>TOTAL</b>	<b>1,424</b>	<b>100%</b>	<b>1,321</b>	<b>100%</b>	<b>-103</b>	<b>-7.23%</b>	<b>32,685</b>	<b>100%</b>
<b>Gender</b>								
Male	1,117	78.44%	1,070	81.00%	-47	-4.21%	27,157	83.09%
Female	307	21.56%	251	19.00%	-56	-18.24%	5,528	16.91%
<b>TOTAL</b>	<b>1,424</b>	<b>100%</b>	<b>1,321</b>	<b>100%</b>	<b>-103</b>	<b>-7.23%</b>	<b>32,685</b>	<b>100%</b>
<b>Transmission (Male)</b>								
MSM	635	56.85%	603	56.36%	-32	-5.04%	16,100	59.28%
Injection Drug Use (IDU)	149	13.34%	108	10.09%	-41	-27.52%	5,647	20.79%
MSM/IDU	54	4.83%	37	3.46%	-17	-31.48%	2,040	7.51%
Heterosexual Contact	78	6.98%	64	5.98%	-14	-17.95%	1,174	4.32%
Blood Trans/Hemophilia	7	0.63%	2	0.19%	-5	-71.43%	423	1.56%
Perinatal	1	0.09%	1	0.09%	0	0.00%	115	0.42%
Unknown	193	17.28%	255	23.83%	62	32.12%	1,658	6.11%
<b>TOTAL</b>	<b>1,117</b>	<b>100%</b>	<b>1,070</b>	<b>100%</b>	<b>-47</b>	<b>-4.21%</b>	<b>27,157</b>	<b>100%</b>
<b>Transmission (Female)</b>								
Injection Drug Use (IDU)	77	25.08%	54	21.51%	-23	-29.87%	2,418	43.74%
Heterosexual Contact	148	48.21%	106	42.23%	-42	-28.38%	2,208	39.94%
Blood Trans/Hemophilia	9	2.93%	1	0.40%	-8	-88.89%	158	2.86%
Perinatal	1	0.33%	0	0.00%	-1	-100.00%	136	2.46%
Unknown	72	23.45%	90	35.86%	18	25.00%	608	11.00%
<b>TOTAL</b>	<b>307</b>	<b>100%</b>	<b>251</b>	<b>100%</b>	<b>-56</b>	<b>-18.24%</b>	<b>5,528</b>	<b>100%</b>
<b>Geography</b>								
Metropolitan Chicago**	1,252	87.92%	1,154	87.36%	-98	-7.83%	28,318	86.64%
Chicago	929	65.24%	801	60.64%	-128	-13.78%	22,388	68.50%
Downstate	172	12.08%	167	12.64%	-5	-2.91%	4,367	13.36%
<b>TOTAL</b>	<b>1,424</b>	<b>100%</b>	<b>1,321</b>	<b>100%</b>	<b>-103</b>	<b>-7.23%</b>	<b>32,685</b>	<b>100%</b>

Based on federal standards for classifying data on race and ethnicity, effective January 1, 2003 Hispanic is reported as an ethnicity instead of race.

\*\* Includes Cook, DuPage, Kane, Lake, McHenry, and Will counties

#### 2.2.3.5 “Over 65” Status

There are 1.5 million (1,500,025) persons age 65 years and older living in Illinois. Of these, 192,031 persons are age 85 and older. The Illinois Department on Aging recognizes that the population of older persons will continue to grow and that people in that category will live longer. In terms of demographics, the 2000 U.S. Census revealed that the population of older adults is becoming increasingly more linguistically and culturally diverse, which has implications for special services that they may need.<sup>3</sup> 8.3% or 117,931 of Illinois residents are over 65 years of age and live below the poverty line. This group clearly faces hardships in housing choices due to the cost burden. Further details on poverty status are in Table 2.7.

#### 2.2.3.6 Active-Duty Military and Veteran Status

Effective in May 26, 2006, the Illinois Human Rights Act was amended to protect Illinois veterans from unlawful discrimination by changing the definition of military status. Under the new law, military status now includes a veteran of the Armed Forces of the United States, a reserve component of the Armed Forces of the United States, the Illinois Army National Guard and the Illinois Air National Guard. Persons with “unfavorable discharge status” also are protected. The Legislature is working to clarify the description of veterans in this latter category.

The *Consolidated Plan* reports 21,856 persons in Illinois serve in the armed forces (96% living in metro counties), and 2,479 veterans are homeless<sup>4</sup>.

#### 2.2.3.7 Sexual Orientation Status

Effective January 1, 2006, the Illinois Human Rights Act was amended by adding sexual orientation as a protected class. Sexual orientation is defined as “actual or perceived heterosexuality, homosexuality, bisexuality, or gender-related identity, whether or not traditionally associated with the person’s designated sex at birth. ‘Sexual orientation’ does not include a physical or sexual attraction to a minor by an adult.” The sexual orientation protection applies to discrimination in real estate transactions and financial credit, and public accommodations. No data are collected on this protected class except through IDHR complaints, which are confidential.

#### 2.2.3.8 Limited-Income Households

Income significantly affects housing choices and locations. Persons with limited incomes are more vulnerable to a lack of choices and to patterns of housing segregation. Households with limited incomes have fewer housing options because there are fewer affordable housing units than are needed. Also, a lack of affordable transportation can also tend to isolate poor households in specific geographical areas.

In Illinois, 10% of all households, or 11% of the total population (Table 2.7), live at or below the poverty level, which is a statewide figure determined by the Office of Management and Budget/U.S. Department of Health and Human Services. Poverty status correlates most strongly with race and ethnicity. While only 6% of white, non-Hispanic people are below the poverty threshold, 26% of blacks live in poverty. People identified as Hispanic, American Indian, Some other race, or Two or more races include 16 to 18% of people living in poverty. Taken as a

<sup>3</sup> *State of Illinois Consolidated Plan; Program Years 2005-2009*; p. II-31.

<sup>4</sup> *State of Illinois Consolidated Plan; Program Years 2005-2009*; p. II-25.

group, 20% of members of protected race/ethnic groups (the population excluding white, non Hispanic) are at or below poverty level. A slightly higher share of females (12%) than males (10%) lives in poverty. Age does not appear to be among the protected classes that are more vulnerable to poverty. In fact, a smaller share of people 65 years and older live in poverty than younger people.

**Table 2.7: Percentage Having Poverty Status.**

	All Illinois		Chicago metro		Other metro		Nonmetro	
	Number*	%	Number*	%	Number*	%	Number*	%
All households	471,133	10%	292,839	10%	99,435	10%	78,859	12%
All people	1,291,958	11%	853,800	11%	253,304	11%	184,854	11%
<b>Age</b>								
Under 65 years	1,174,027	11%	780,514	11%	231,119	11%	162,394	12%
65 years and over	117,931	8%	73,286	9%	22,185	7%	22,460	9%
<b>Race/Ethnicity</b>								
White Alone	618,955	7%	300,640	6%	154,304	8%	164,011	11%
Black or African American Alone	462,799	26%	371,244	25%	79,390	33%	12,165	36%
American Indian and Alaska Native Alone	5,239	18%	3,574	18%	891	16%	774	22%
Asian Alone	39,930	10%	32,863	9%	5,317	18%	1,750	23%
Native Hawaiian & Other Pacific Islander Alone	456	13%	406	16%	45	9%	5	2%
Some Other Race Alone	126,680	18%	117,771	18%	6,260	21%	2,649	22%
Two or More Races	37,899	16%	27,302	14%	7,097	20%	3,500	23%
Hispanic or Latino	248,402	16%	228,614	16%	13,256	18%	6,532	20%
White Alone, Not Hispanic or Latino	515,344	6%	205,804	4%	148,692	8%	160,848	11%
<b>Gender</b>								
Male	572,138	10%	383,637	10%	108,803	10%	79,698	10%
Female	719,820	12%	470,163	11%	144,501	12%	105,156	13%

Population for whom (or households for which) poverty status is determined.

Source: U.S. Census 2000

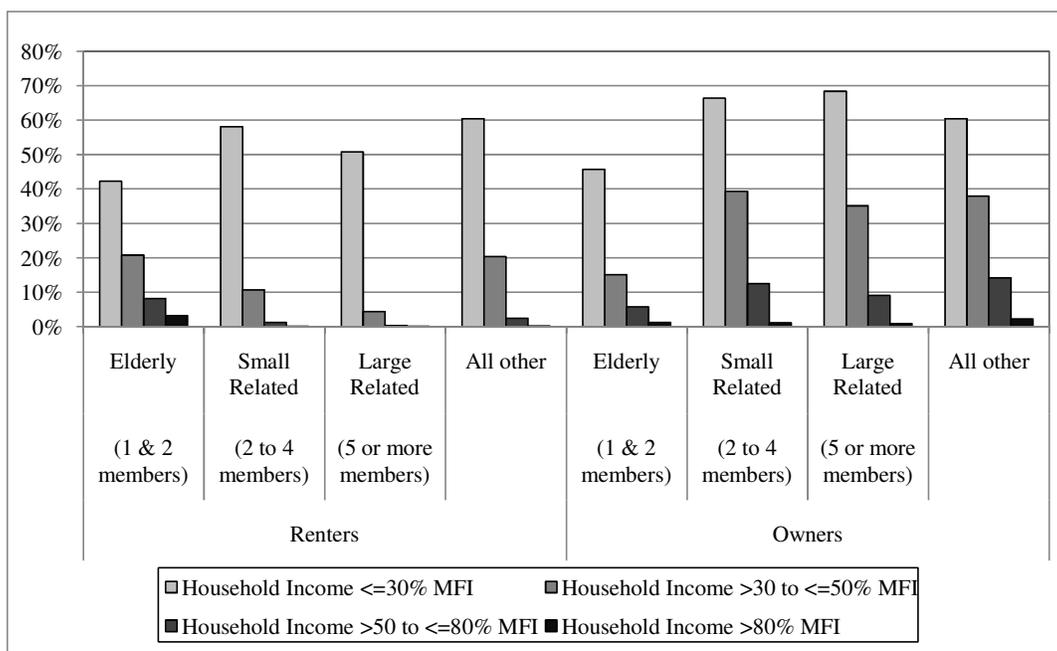
**Areas of concentrated low income.** Most housing data is discussed in HUD terminology, using Area Median Income (AMI) as its basis. **Low Income** households are those with incomes that are 80 to 50% of the AMI. **Very Low Income** households have incomes that are 50 to 30% of the AMI. **Extremely Low Income** households have incomes that are less than 30% of the AMI.

Counties with the largest percentages of low-income households are all in the Non metro area. The *Consolidated Plan* lists six counties where more than 50% of the households are in the low income category and eight counties where more than 30% of the households are classified as very-low income. All of these counties are located in the southernmost part of Illinois, most of them clustered along the Ohio River.

**High housing cost burden, and other “housing problems.”** The term **housing cost burden** refers to the percent of household income that is used for shelter. **High** housing cost burden exists when the cost of shelter exceeds 30% of the household income. According to HUD

definitions, a moderate cost burden exists when 30–50% of income is spend on housing, while a severe cost burden exists when housing costs exceed 50% of income.<sup>5</sup> Households with low incomes experience high housing cost burden because a greater percentage of their income must address the cost of shelter. Other common housing issues (referred to as “housing problems” in the *Consolidated Plan*) are lead-based paint, inaccessibility for persons with physical limitations, mold and moisture, and energy inefficiency. Here, the focus is on cost burden.

Overall, one-quarter (25%) of all households in Illinois are paying more than 30% of their income for housing, and thus have high cost burden. 75% of extremely low income households have housing problems. 72% of these households have cost burdens over 30%, and 54% pay more than half of their income for housing. Among the extremely low income renters, 76% of large households of related individuals are cost burdened at over 30% of household income.<sup>6</sup> Figure 2.2 illustrates severe cost burden (greater than 50% of income) both for renters (left) and owners (right).<sup>7</sup>



Source: CHAS 2000

**Figure 2.2: Illinois Households with Housing Cost Burden >50%.**

**High-cost housing areas.** The *Comprehensive Plan* discusses the need to develop affordable housing in high-cost areas of Illinois. The Affordable Housing Planning and Appeal Act (P.A. 93-595, as amended by P. A. 93-678) defines “affordability” as housing costs of no more than

<sup>5</sup> <http://www.huduser.org/publications/affhsg/worstcase/appendixb.html>

<sup>6</sup> *State of Illinois Consolidated Plan, Program Years 2005-2009*, p. II-3.

<sup>7</sup> *Ibid.*, p. II-2.

80% AMI for homeowners and 60% AMI for renters. Research for the Act revealed that in 49 Illinois communities, less than 10% of the housing is affordable. Communities where more than 10% of the housing is affordable are exempt from the Act, and communities where 10% or less of the housing is affordable are non-exempt. Many of the 49 non-exempt communities are in high-cost, job-rich areas. The law requires that non-exempt communities develop affordable housing opportunities, especially for workers who are vital to local economies and provide critical community services, including police, fire personnel, nurses, and teachers.

#### 2.2.3.9 *Unemployment*

Unemployment is a barrier to housing choice because of the lack of income it usually represents and its contribution to poverty status. Unemployment also impedes access to credit. In 2000, 6% of Illinois residents in the job market were unemployed. In June of 2008, the state rate was 6.8%. The national rate for the same month was 5.5%. For the most current figures, go to the website of the Illinois Department of Employment Security (IDES), <http://www.ides.state.il.us/>.

Unemployment levels are consistent across the different regions in Illinois. Some race/ethnic groups have relatively higher unemployment levels. African Americans and Native Hawaiians have unemployment rates of 15% and 16%, respectively. Only whites and Asians have unemployment levels below the Illinois average.

#### 2.2.3.10 *Homeless Persons*

The number of people who are homeless or at-risk of being homeless in Illinois is difficult to estimate. The *Consolidated Plan* cites numbers of people served through various State programs, which provides some basis for estimating service needs (Table 2.8). For example, in 2007 the Illinois Department of Human Services provided shelter services to 47,967 people, representing a 19% increase since 2004. Its Homeless Prevention program, targeted to help households at risk of losing their housing because of a temporary shortage of funds, estimates that it will provide assistance to 10,000 households. More than 1,500 families and 2,300 people are chronically homeless in Illinois, according to a December 11, 2003 news release from the office of Governor Rod R. Blagojevich.

**Table 2.8: Homeless Services Received, by Race/Ethnicity.**

Race/Ethnic group	Population (2000)	IDHS Emergency food shelter (2003)	IDHS supportive housing (2003)	IDCEO homeless (2003)**
Total population	12,419,293	42,359	7,058	63,248
Population per person served		293	1,760	111
White (non-Hispanic)	8,424,140	12,370	1,895	38,457
Population per person served		681	4,445	153
Black (non-Hispanic)	1,856,152	24,616	4,633	21,961
Population per person served		75	401	21
Hispanic (all races)	1,530,262	4,528	377	1,765
Population per person served		338	4,059	260
Native American (non-Hispanic)	18,232	174*	13	83
Population per person served		105*	1,402	138
Asian (non-Hispanic)	419,916		60	95
Population per person served			6,999	1,706
Hawaiian and Pacific Islander (non-Hispanic)	3,116		N/A	17
Population per person served				82
Two or more races (non-Hispanic)	153,996	459	80	871
Population per person served		336	1,925	177

Source: State of Illinois Consolidated Plan, Program Years 2005-2009 and Census 2000

\*Includes Asian and Pacific Islanders

\*\* Does not include Cook County

### 2.2.3.11 Migrant and Seasonal Farm Workers

The Illinois Migrant Council (IMC) is a community-based nonprofit organization with a primary mission of promoting employment, educational, and other opportunities for migrant and seasonal farmworkers and their families to achieve economic self-sufficiency and stability<sup>8</sup>. IMC is a partner in the Illinois workforce development system under the Workforce Investment Act (WIA), and is the provider of WIA Title I-D Section 167 services to migrant and seasonal farmworkers (MSFW) in Illinois. **Migrant farmworkers** are those who annually return to work in Illinois for a season, typically to the same site or region. **Seasonal farmworkers** live in Illinois year-round; most are underemployed, working only in the agricultural season. IMC estimates that there are approximately 32,000 such workers in Illinois, some with families who live with them, adding to the housing need for agricultural workers.

Migrant and seasonal farmworkers live in a variety of housing arrangements. The Illinois Department of Public Health (IDPH) requires that camps housing ten or more workers, or four or more families, be inspected and licensed. In 2006, there were twenty-eight licensed locations, representing housing for 1,611 workers in twenty counties. These licensed camps are located statewide. In the Chicago metro area, Kane, Lake, and Will counties have licensed camps; in the Other metro area, they are located in Champaign, Clinton, Kankakee, McHenry, McLean, Peoria,

<sup>8</sup> [www.illinoismigrant.org](http://www.illinoismigrant.org)

and Sangamon counties. The Non-metro counties are Coles, Douglas, Gallatin, Jefferson, Johnson, Lawrence, Livingston, Union, Washington, and Woodford.

A survey conducted by the IMC shows that housing costs can vary tremendously for migrant and seasonal farmworkers. Employers provide some housing units at no cost; other workers live in private-market housing. In the survey, the median cost of private-market housing was \$800 per month. The median household size was 4.5 people, with 4.2 wage earners, suggesting that overcrowding (defined as more than one person per room) may result from efforts to obtain affordable housing. Not covered by the IDPH licensing rules are the temporary homes of the many farmworkers who must find their own housing. The unregulated housing conditions are often substandard, and in some cases, landlords increase their rents during the migrant season. It is common for families to double up in order to afford the housing cost. Homelessness is a constant threat. One program designed to assist low income farmworkers is funded through IHDA, the United States Department of Labor Housing Program, and the Illinois Department of Commerce and Economic Opportunity. The Rental Assistance Program provides rent subsidies to eligible low-income farmworkers, using funds from the IHDA Affordable Housing Trust Fund.

#### *2.2.3.12 Ex-Offenders Status*

Illinois's incarceration and reentry trends mirror those observed at the national level. Between 1970 and 2001, the Illinois prison population increased more than 500 percent, from 7,326 to 44,348 people. In 2001, 30,068 men and women were released from Illinois prisons. For the purposes of this report, "reentry" is defined as the process of leaving the adult state prison system and returning to society.<sup>9</sup> The Governor's Community Safety and Reentry Commission works with local communities to develop and provide permanent supportive housing for parolees who would otherwise be homeless and in need of long-term services due to disabilities. There are often many factors that contribute to ex-offenders' difficulties in obtaining housing, such as a lack of proper identification upon release from prison, and gaps in employment and credit history for housing applications. Also, there is a general stigma that follows ex-offenders, and an apprehension by many housing providers to offer tenancy to those with criminal records who may not be rehabilitated.

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<sup>9</sup> Urban Institute: A Portrait of Prisoner Reentry in Illinois: April 17, 2003, Executive Summary

## 2.3 Housing Characteristics

Affordable housing choices are affected by the number and type of available units, the age and conditions of units, and the number of occupants residing in units. This section provides information on Illinois's overall housing stock.

### 2.3.1 Overview—Number of Units, Vacancy

The total number of occupied units in Illinois increased 9% from 1990 to 2000, to 4,591,779 (Table 2.9). In 2000, 67% of these occupied units were owner-occupied. One-third were rental units. Non metro and Other metro areas had the higher ownership rates, with 75% and 70%, respectively.

In all areas, the number of owner-occupied units grew more than the number of rented units. In Illinois as a whole, owner-occupied units increased 14%, while the number of renter-occupied units stayed the same. The most growth was found in owner-occupied units in the Chicago metro area, which increased 18%. Renter-occupied units in the same area increased 1%. Renter-occupied units in Other metro areas and Non metro areas decreased 1% and 4%, while owner-occupied units in those areas increased 11% and 6%, respectively.

In Illinois, 5% of housing units were vacant in 2000. The vacancy rate was highest (7%) in Non metro areas.

**Table 2.9: Housing Units, 1990 and 2000.**

Housing Units	All Illinois	Chicago metro	Other metro	Non metro
Total year-round units	4,855,496	3,120,046	1,014,108	721,342
% of housing units that are vacant	5%	5%	6%	7%
Total occupied units	4,591,779	2,971,690	952,119	667,970
Change 1990–2000	9%	11%	7%	4%
Owner occupied	3,088,884	1,920,201	670,613	498,070
Share of housing units	67%	65%	70%	75%
Change 1990–2000	14%	18%	11%	6%
Renter occupied	1,502,895	1,051,489	281,506	169,900
Share of housing units	33%	35%	30%	25%
Change 1990–2000	0%	1%	-1%	-4%

Source: U.S. Census 2000

### 2.3.2 Types of Housing Units

Nearly two-thirds of all housing units in Illinois are single family units, either detached or attached as row houses (Table 2.10). Thirteen percent (13%) of units are in duplexes in small developments of two to four units. Medium and large buildings of five to nineteen units, and twenty units and above, each account for 10% of units, while mobile homes and nontraditional shelters, such as boats, account for 3% of units. This distribution of housing types varies among the different regions. In the Chicago metro area, nearly 44% of units are in multi-family buildings of at least two units. In Other metro areas, these buildings account for 20% of units, and in Non metro areas they comprise only 13% of units. Single-family housing is much more predominant in Other metro areas and Non metro areas, at around three-quarters of all units, compared to the Chicago metro area, where single-family homes account for 56% of units. In Non metro areas, mobile homes and other non-permanent housing types account for 10% of units, compared to 5% in Other metro areas and 1% in the Chicago metro area.

**Table 2.10: Housing Types.**

Description	All Illinois	Chicago metro	Other metro	Non metro
Single family detached and attached	3,066,496	1,743,207	758,985	564,304
% of all housing units	63%	56%	74%	77%
2 to 4 units	656,559	520,338	86,261	49,960
% of all housing units	13%	17%	8%	7%
5 to 19 units	512,843	408,340	77,987	26,516
% of all housing units	10%	13%	8%	4%
20 units and above	491,167	432,716	41,949	16,502
% of all housing units	10%	14%	4%	2%
Mobile home and other	158,550	28,037	54,189	76,324
% of all housing units	3%	1%	5%	10%

Source: U.S. Census 2000

#### 2.3.2.1 Types of Housing Available to Households in Poverty

Table 2.11 provides information on the tenure (rental vs. owned) of households living in poverty. A much higher share of households living in poverty are renters (22%), compared to 5% of households that own their homes. Similarly, older housing units are home to a larger percentage of households living in poverty than are newer units. Older units are more likely to have problems such as lead-based paint, adding to the vulnerabilities faced by households living in poverty. Poverty level is determined nationally by income and family size and is used by the U.S. Census Bureau in this instance.

**Table 2.11 Characteristics of Housing Available to Households in Poverty.**

Tenure	All Illinois	Chicago Metro	Other Metro	Non Metro
Owner occupied	5%	4%	5%	7%
Renter occupied	22%	21%	24%	26%
Age of structure				
Built 1990 to March 2000	6%	5%	7%	9%
Built 1980 to 1990	9%	7%	11%	15%
Built before 1980	11%	11%	11%	12%

### 2.3.3 Potential Problems with Low-Cost Housing, and Some Solutions

#### 2.3.3.1 Older Housing Units

Illinois' housing stock is largely over 40 years old (Table 2.12). In 2000, nearly half of all housing units in Illinois had been built before 1960. More than three-quarters of all units were built before 1980. 10% of housing units in Illinois were built during the 1980s, and 12% of units were built in the 1990s. Older units tend to be more affordable for households with limited incomes. However, older units tend to have more maintenance issues, which can be an added cost for residents. If unaddressed, maintenance problems may affect health and safety.

**Table 2.12: Year Housing Units Were Built.**

	All Illinois	Chicago metro	Other metro	Non metro
Built from 1990 to 2000	604,961	387,396	136,897	80,668
% of all housing units	12%	12%	13%	11%
Built from 1980 to 1989	473,462	308,287	100,665	64,510
% of all housing units	10%	10%	10%	9%
Built from 1960 to 1979	1,513,302	976,280	327,830	209,192
% of all housing units	31%	31%	32%	29%
Built before 1960	2,293,890	1,460,675	453,979	379,236
% of all housing units	47%	47%	45%	52%

Source: U.S. Census 2000

Problems with older housing units include energy inefficiency, mold, and lack of accessible features for the disabled and elderly with mobility impairments, and lead-based paint. Housing units built while lead-based paint was in use pose a risk, particularly to children, because of the dangers of lead exposure. The sale of lead-based paint for residential use was phased out by 1978; lead-painted surfaces are most prevalent in units built before 1960.<sup>10</sup> Low-cost, poorly maintained housing is at particular risk of having lead-based paint, since a lack of maintenance leads to exposure to the peeling, flaking paint.

<sup>10</sup> "Eliminating Childhood Lead Poisoning: A Federal Strategy Targeting Lead Paint Hazards." President's Task Force on Environmental Health Risks and Safety Risks to Children. 2000.

Older homes are also less likely to be accessible for residents with physical disabilities, because of characteristics such as narrow doorways, or steps. Fair Housing Act provisions require covered multi-family units built after 1991 to be accessible and usable for people with disabilities. This includes all units in buildings with an elevator containing four or more units, and all ground-floor units in buildings of four or more units without an elevator.

**Solutions from the Comprehensive Plan.** Preservation is one approach to improving older housing stock. Single-family programs help to improve the quality of the current affordable housing stock for low and moderate income families. An estimated 20% of the subsidy-only resources will be used to provide quality improvements to the single-family housing stock.

Energy conservation is another solution. Lower energy costs help low income households remain in their homes. The IDHFS administers the Energy Conservation and Home Repair Program by providing financial assistance to Community Action Agencies in Illinois. DCEO administers an Energy Efficiency Program that has been very valuable in both rehabilitation efforts of single and multi-family units, as well as new construction. The program works with Illinois-based nonprofit and now also for-profit affordable housing developers to improve energy efficiency and provide energy-cost savings to residents. A maximum grant of \$2,500 per unit can be used for high-efficiency heating systems, increased insulation, low-E double-blazed windows, and additional energy-saving measures.

In 2008, IHDA and DCEO began working on a partnership program that will provide energy efficiency dollars to IHDA-financed single- and multi-family developments to ensure efficient construction, to help keep utility costs low for lower income residents. The details of this partnership are being worked out.

#### 2.3.3.2 *Overcrowding*

Only 5% of households live in units with more than one person per room, the usual definition of overcrowding.<sup>11</sup> The differences among race/ethnic groups, however, are striking (Table 2.13). In particular, more than one-quarter of all households with a Hispanic householder report overcrowding by this standard. Householders identified as Some Other race also have a very high overcrowding rate, at 30% of households. Other groups with high rates of overcrowding include American Indian/Alaska Native, Asian, Native Hawaiian/Pacific Islander, and Two or more races, with rates ranging from 12 to 15%. In contrast, only 1% of non-Hispanic white households (as identified by the householder) are overcrowded. Overcrowding, however, is a complex issue, and is impacted by an area's affordable housing supply, unavailability of larger (3 BR+) rental units, cultural practices (e.g., extended families living together), and other socio-economic factors. Overcrowding is most common in the Chicago metro area, at 6% of all households, compared to only 2% of all households in the Other metro and Non metro areas. However, a substantial share of the race/ethnic groups listed above do experience overcrowding, statewide.

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<sup>11</sup> Reference for overcrowding can be found at [http://www.huduser.org/periodicals/researchworks/march\\_08/RW\\_vol5num3t4.html](http://www.huduser.org/periodicals/researchworks/march_08/RW_vol5num3t4.html).

**Table 2.13: Share of Households with Occupancy of More than 1 Person per Room.**

	All Illinois	Chicago metro	Other metro	Non metro
All householders	5%	6%	2%	2%
White alone*	3%	3%	1%	1%
White alone, non Hispanic	1%	2%	1%	1%
Black or African American alone*	8%	8%	6%	5%
American Indian and Alaska Native alone*	13%	17%	5%	6%
Asian alone*	15%	16%	12%	10%
Native Hawaiian and Other Pacific Islander alone*	12%	17%	0%	0%
Some other race alone*	30%	30%	21%	17%
Two or more races*	14%	16%	6%	5%
Hispanic, all races	27%	28%	17%	14%

Source: U.S. Census 2000

Note\* : Race groups include Hispanic households.

### 2.3.4 Live-Near-Work, or Developing Affordable Housing in High-Cost Areas

Developing affordable housing in job-rich, high-cost areas has become a statewide issue in recent years. Through technical assistance and matching funds, Illinois has enhanced Employer-Assisted Housing (EAH) efforts that are a cost-effective way for employers to help their employees buy or rent homes close to work. Local housing agencies can administer an EAH Program on behalf of partner companies and provide homeownership education and financial counseling, as well as management of the down payment or rental assistance provided by employers. State funded incentives, including tax credits and matching funds, create financial incentives for both employers and employees to participate. Future efforts to expand the EAH Program may focus on industry-specific retention programs addressing the needs of targeted shortages such as nurses, teachers, and other vital workers<sup>12</sup>.

## 2.4 Summary

This chapter has presented the demographic characteristics of Illinois and their changes over time, to provide background information regarding 1) the number of members of protected classes in Illinois, 2) the number of households, 3) characteristics of the housing stock and the implications for protected class members' ability to secure fair housing choices, and 4) the State's ability to provide fair housing opportunities. To recap:

- The overall population in Illinois increased by 8.6% from 1990–2000.
- Most population growth in the state between 1990–2000 is attributable to growth in the race/ethnic protected classes (42%). Non metro areas had the largest percentage of increase. Specifically, the largest percentage increase in the black non-Hispanic population occurred in these areas. The Hispanic population increased most in Other metro areas, as did the Native American population. The greatest increase in the Asian/Pacific Islander population occurred in the Chicago metro area.
- In 2000, there were 1.5 million persons age 65 years and older living in Illinois. Of these, 192,031 persons were age 85 and older, and 117,931 (8.3%) live below the poverty line. The number and share of foreign-born residents (1,529,058) comprised 12% of the Illinois

<sup>12</sup> "Prime Solutions for Affordable Housing: Illinois' 2008 Comprehensive Housing Plan," pg. 13

population in 2000. The number of “recent immigrants” (those who immigrated within the past 5 years) comprised 3% (391,875) of the total population statewide, an 83% increase compared to the 1990 Census.

- In the 2000 census, 16% of the Illinois population reported some kind of self-identified disability. 7% have a physical disability that substantially limits walking, climbing stairs, reaching, lifting, or carrying. In the Non metro counties, 9% (nearly one in eleven residents) has a physical disability.
- Members of protected race/ethnic classes have a higher incidence of poverty, limiting their housing choices. 10% of these households are at or below the poverty level.
- 8% of all households statewide are headed by females with related children.
- Three-quarters of all housing units in Illinois were built before 1980.
- The number of owner-occupied units grew more than the number of rental units.
- Single family housing units comprise two-thirds of the housing stock in Illinois.



### **3 Statewide Fair Housing Complaints and the Fair Housing Assistance (FHAP) and Fair Housing Initiatives (FHIP) Programs**

The examination of housing discrimination complaints provides another tool in identifying obstacles to achieving equal housing opportunity. HUD shares its authority to investigate housing discrimination complaints with state and local government agencies that are certified through its Fair Housing Assistance Program (FHAP). FHAP agencies enforce state and local laws that provide rights, resolutions, procedures, and opportunities for judicial review that are substantially equivalent to those provided in the federal Fair Housing Act. In the State of Illinois, the Illinois Department of Human Rights (IDHR) and the Springfield Human Relations Commission are FHAP agencies. This chapter presents statewide discrimination complaints filed with HUD's Office of Fair Housing and Equal Opportunity (FHEO) and FHAP agencies from 1997–2007. This chapter also presents the Fair Housing Initiatives Program (FHIP—not to be confused with FHAP), as well as a few other non-governmental organizations that deal with fair housing issues in Illinois.

FHEO compiles information on all complaints related to housing discrimination in Illinois that are filed with the HUD Regional Office in Chicago. These include complaints that are investigated by HUD as well as those investigated by Fair Housing Assistance Program partners. The Springfield Human Relations Commission handles complaints in the City of Springfield, and the IDHR has jurisdiction over the State of Illinois. HUD's Chicago Regional Office, which has jurisdiction over eight states, also has jurisdiction over Illinois and may choose to investigate any federally filed complaint within Illinois. People who feel that they have faced discrimination in their search for a home, based on their color, race, national origin, sex, religion, disability, or familial status, have a year to file a complaint with HUD. Information collected on these complaints includes the local jurisdiction of the complaint, the basis (there may be multiple bases), the type of complaint, and the complaint outcome.

As discussed in Chapter 2, in addition to the groups protected by federal law, the State of Illinois prohibits discrimination based on sexual orientation (including gender identity); ancestry; age (40 and over); marital status; unfavorable military discharge; and military status. Complaints related to these violations, filed as charges with the IDHR, also are described in this chapter.

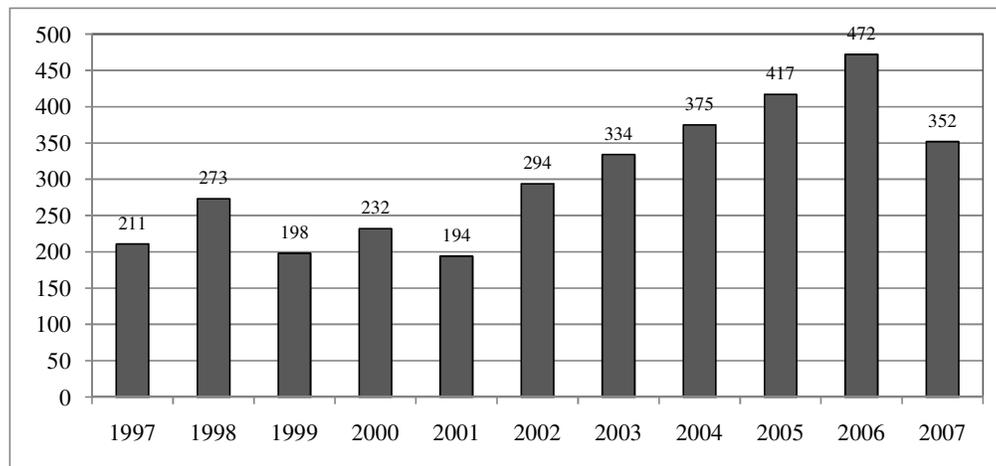
Residents also may register complaints of housing discrimination at other venues. Local governments with human rights commissions may take complaints. Private fair housing organizations also accept complaints. HUD provides funding to these organizations under the Fair Housing Initiatives Program (FHIP) to conduct intake, investigation, mediation, and litigation of housing discrimination complaints.<sup>1</sup> However, these organizations do not provide full services statewide. See Section 3.3 for more details on FHIP and the role of these agencies.

#### **3.1 Federal Housing Discrimination Complaints**

Complaint information from 1997 through 2007 from HUD indicates that complaints in Illinois dropped 25% in 2007 after increasing steadily over the previous five years (2002–2006) at a rate of 11% to 14% each year (Figure 3.1). Since 1997, the number of complaints has increased 67%.

<sup>1</sup> HUD's Office of Fair Housing and Equal Opportunity, Fair Housing FY 2007 Annual Report, Pg. 59.

The increase could reflect an increase in incidents in Illinois. However, since the national study completed by HUD<sup>2</sup> confirms that only a small percentage of people who feel they have experienced housing discrimination file a complaint, it could also reflect an increase in the reporting, rather than an increase in discrimination. Increases in reporting could be due to increases in the general understanding of fair housing rights, changes in procedures that make it easier to file complaints (such as a web-based complaint system), or greater outreach and enforcement efforts on the part of HUD, the Illinois Department of Human Rights, and nonprofit groups. The decrease in complaints from 2006 to 2007 is consistent with other states in the region, with several neighboring states experiencing similar drops in the number of complaints. The FHEO Regional Office in Chicago has reported that in 2007 the number of complaints also dropped in Michigan (469 complaints in 2006, to 300 in 2007), Ohio (565 complaints in 2006, to 490 in 2007), Wisconsin (144 complaints in 2006, to 76 in 2007), and Minnesota (106 complaints in 2006, to 81). In contrast, complaints nationwide dropped almost imperceptibly (2%) in 2007.



**Figure 3.1 Number of Federal Discrimination Complaints, 1997–2007**

### 3.1.1 Basis of Federal Housing Discrimination Complaints

A person filing a complaint indicates the basis for the alleged discrimination. Complaints to HUD indicate one of the seven prohibited bases—race, color, religion, national origin, sex, disability, and familial status, as described in the Fair Housing Act. In addition, a complaint may indicate the allegation of sexual harassment or retaliation. An individual complaint can indicate multiple bases, such as both disability and race. One-fifth of all complaints cite more than one basis. Summing the basis data in Table 3.1, there were **3,352 complaints filed** based on the nine federal basis categories from 1997–2007. The number of **bases cited** was larger (total: 4,064), reflecting the fact that complaints often cite more than one basis.

<sup>2</sup> *Do we know more now? Trends in public knowledge, support, and use of fair housing law.* February 2006. Abravanel, Martin. HUD Office of Policy Development and Research, p. 36.

**Table 3.1 Number of Complaints by Basis, 1997–2007**

Basis	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Color	4	1	2	3	1	1	13	10	1	3	3
Race	99	129	102	93	76	131	141	180	204	208	150
Disability	62	70	44	60	64	83	97	103	142	160	113
Sex	8	20	6	12	12	19	18	24	16	29	17
National origin	16	29	23	40	18	37	66	51	45	57	42
Familial status	58	50	48	45	40	62	45	55	43	84	65
Religion	1	3	2	12	1	8	10	13	13	14	15
Retaliation	0	2	9	7	5	6	19	11	18	24	17
Sexual harassment	6	42	2	4	2	4	6	9	11	11	4
Total bases cited*	254	346	238	276	219	351	415	456	493	590	426
Total complaints*	211	273	198	232	194	294	334	375	417	472	352

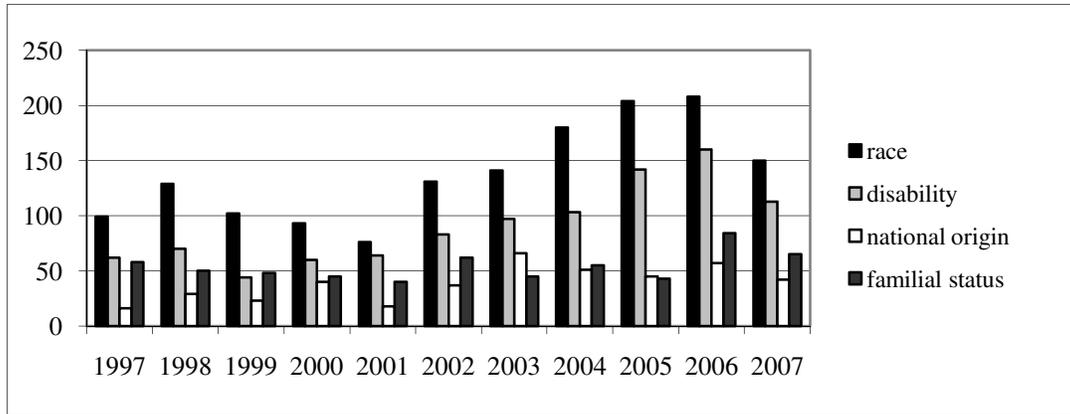
\*The totals are not equal. Complaints represent individuals and may contain more than one basis.

Over the period 1997–2007, 75% of the complaints in Illinois were filed in the Chicago metro region, 16% in Other metro areas, and 9% in the Nonmetro areas of Illinois. Table 3.2 provides information on the number and percentage of complaints filed in the different Illinois regions.

**Table 3.2 Federal Complaints by State Geographical Regions**

	State	Chicago metro	Other metro	Nonmetro
Number	3,352	2,529	525	298
Percent	100%	75%	16%	9%

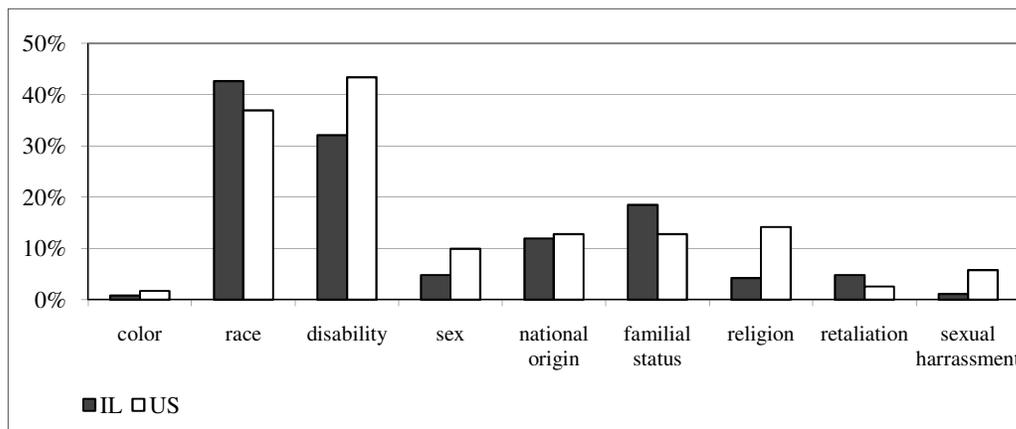
In order to assess housing discrimination barriers in Illinois, the four most common bases for housing complaints filed with HUD in 2007 are reviewed. The four bases have remained fairly constant, with race, alone or in combination with another basis, the most common, at 43%. Disability is the second most commonly cited basis in complaints, at 32%. Familial status comprised 18% of the complaints, and national origin was a basis in 12% of complaints. Figure 3.2 provides the information.



**Figure 3.2 Number of HUD Complaints by Four Common Bases**

**Note:** Complaints may have more than one basis.

Comparing Illinois to national complaints, the order of the two most common bases are reversed, with disability cited in 43% of Illinois complaints and race cited in 37%, as shown in Figure 3.3. Other differences between Illinois and nationwide complaints occur in familial status, which is cited more frequently in Illinois than in the United States as a whole, and sexual harassment and religion, which are cited less frequently in Illinois.



**Figure 3.3 Illinois Complaints Compared to National Complaints in 2007**

**Note:** Complaints can have more than one basis.

### 3.1.2 Types of Federal Housing Discrimination Complaints

Complaints are classified (Table 3.3) by the type of complaint, or issue that occurred that violates Fair Housing law. Comparison over the 11 years (1997 to 2007) shows fluctuation in numbers, rather than a clear trend, for many of the issues. The most common issue listed in complaints is that of Discriminatory terms or conditions related to a sale or rental. Examples would be 1) quoting a higher rent to an African American than to a white person, 2) refusing to accept a valid purchase offer from someone based on their race or color, and 3) requiring a larger rent deposit from a family with children than from other households. Discriminatory terms or conditions were cited in half of all complaints in 2007. The next most common type of complaint was refusal to rent, cited in 30% of complaints in 2007. Failure to provide reasonable

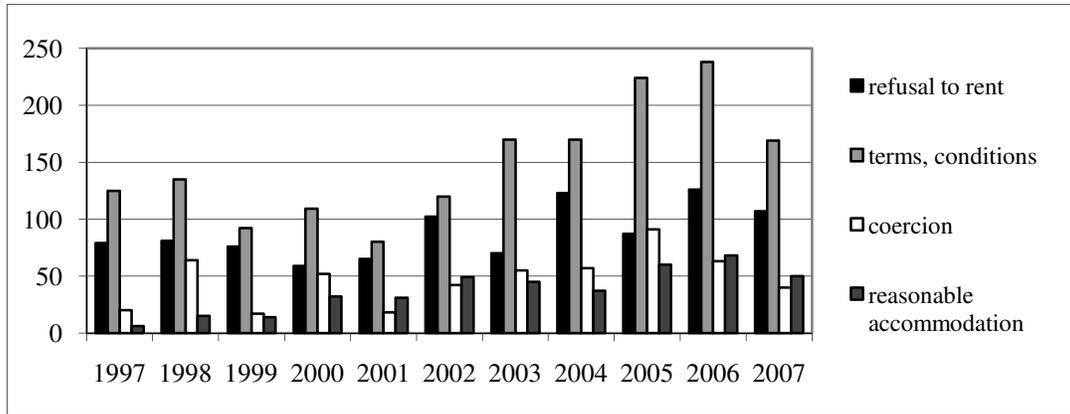
accommodations (defined as “a change, exception or adjustment to a rule, policy, practice or service that may be necessary for a person with a disability to have equal opportunity to use and enjoy a dwelling, including public and common use space”)<sup>3</sup> was cited in an additional 14% of complaints in 2007.

**Table: 3.3 Illinois Complaints by Type, 1997–2007**

Type of complaint	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Refusal to sell	10	12	4	5	10	12	8	29	19	10	9
Refusal to rent	79	81	76	59	65	102	70	123	87	126	107
Discriminatory notices, advertisement	19	25	24	11	6	16	21	37	32	59	38
False representation that a unit is not available	12	9	9	5	3	4	7	12	11	15	16
Discriminatory financing	16	10	17	20	13	21	22	15	54	31	18
Terms, conditions of rental or sale	125	135	92	109	80	120	170	170	224	238	169
Insurance	1	0	0	0	0	0	0	1	0	0	0
Steering	8	2	0	0	1	4	10	5	4	6	3
Redlining	0	0	0	0	0	0	1	4	0	0	0
Other restrictions	14	4	4	4	4	13	19	12	47	10	7
Coercion/intimidation, Section 818	20	64	17	52	18	42	55	57	91	63	40
Ordinances	0	3	4	18	5	1	30	3	1	3	0
Noncompliance, design/construction requirements	53	28	10	7	4	6	12	8	12	14	6
Section 901—intimidation, threat of violence	0	0	3	0	1	0	1	0	1	0	1
Modification	0	1	2	1	3	0	4	4	3	1	3
Reasonable accommodation	6	15	14	32	31	49	45	37	60	68	50

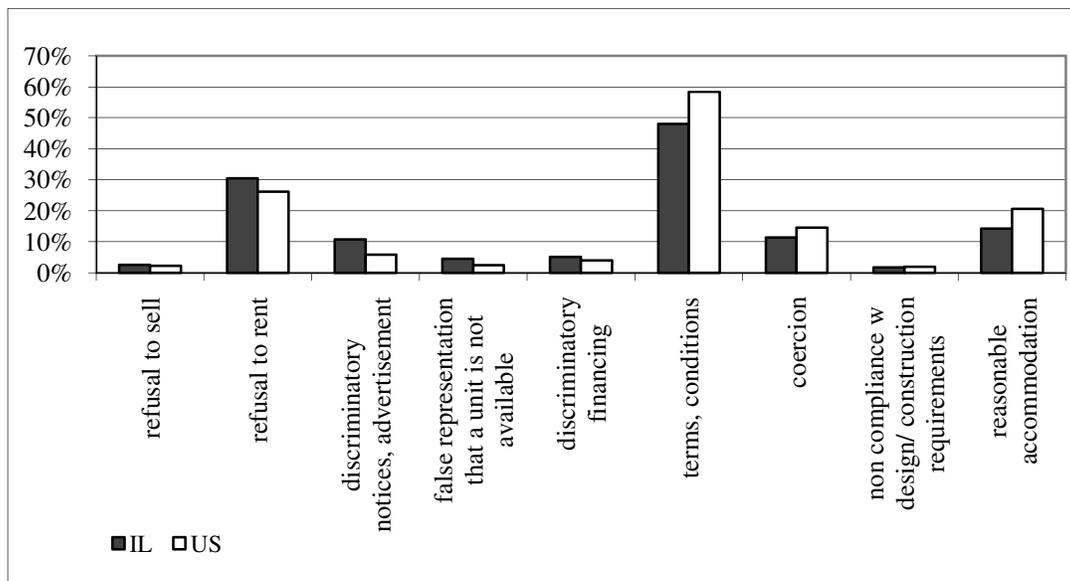
The four most common types of complaints are shown in Figure 3.4. In 2007, [discriminatory] “terms, conditions” was the most common complaint, at 48%; “refusal to rent” was the second most common, at 30%; “reasonable accommodation” was third, at 14%; and the use of coercion, intimidation, or threat was fourth, at 11%.

<sup>3</sup> Joint Statement of the Department of Housing and Urban Development: Office of Fair Housing and Equal Opportunity and the Department of Justice: Civil Rights Division Reasonable Accommodations Under the Fair Housing Act: Washington DC, May 17, 2004.



**Figure 3.4 Number of HUD Complaints by Four Common Types, 1997–2007**

Once again, comparing complaint types in Illinois to nationwide complaints, the common categories are fairly similar, with similar proportions. Figure 3.5 shows the types of complaints filed in Illinois in comparison to the type of national complaints filed in 2007.



**Figure 3.5 Illinois Type of Complaints Compared to National, 2007**

### 3.1.3 Resolution of Federal Housing Discrimination Complaints

Complaints can be resolved, or closed, in several ways by HUD and/or the two FHAP agencies. One means of closure is through conciliation, settlement, or other resolution, arranged either privately or through the investigating agency. Conciliation/settlement typically closes more than one-third of all cases and accounted for 37% of all closures in 2007 (Table 3.4). Cases closed because no reasonable basis was found for the complaint typically account for another third of all complaints. “Administrative” closures (complaint withdrawn by complainant, unable to locate complainant, complainant failure to cooperate, or lack of jurisdiction) account for one-fifth to one-third of complaints. A fraction of cases—approximately 10% in past years—are referred for

“further action”: complaints indicating a pattern of discrimination are referred to the Department of Justice, where they are settled or go to trial, and remaining cases go to an Administrative Law Judge.

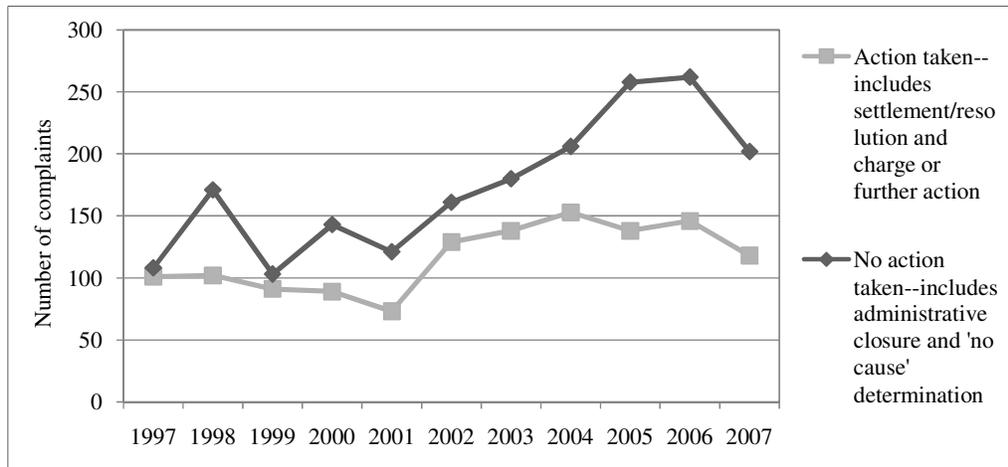
**Table 3.4 Complaint Closures in Illinois, 1997–2007**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Conciliation/ settlement	71	82	75	65	65	100	103	140	133	146	117
Further action*	30	20	16	24	8	29	35	13	5	0	1
No reasonable cause	76	83	73	108	79	103	109	119	118	127	100
Administrative dismissal**	32	88	30	35	42	58	71	87	140	135	102
Not yet closed	2	0	4	0	0	3	16	16	21	64	32
<b>Total</b>	<b>211</b>	<b>273</b>	<b>198</b>	<b>232</b>	<b>194</b>	<b>293</b>	<b>334</b>	<b>375</b>	<b>417</b>	<b>472</b>	<b>352</b>

\* Further action = referral to Department of Justice, or Administrative Law Judge.

\*\*\*“Administrative dismissal” reasons = complaint withdrawn by complainant, unable to locate complainant, complainant failure to cooperate, or lack of jurisdiction

Figure 3.6 shows the closure data in two categories. Closures with an action taken, including settlement or resolution, along with complaints that have been referred to the U.S. Department of Justice or to an Administrative Law Judge, are shown in one group. Closures reflecting that the case either was determined to have no reasonable basis for determining an occurrence of discrimination, as well as cases that have been dismissed for administrative reasons, are grouped together as “no action taken.” The data on complaint closures shows that much of the increase in complaints from 1997 to 2007 is attributable to complaints that are eventually closed without further action. These totaled 108 in 1997 and 202 in 2007. The number of complaints that prompted some sort of action, including conciliation or settlement or referral for further action, remains relatively unchanged, at 100 in 1997 and 118 in 2007, although the 2007 numbers may be undercounted because of the cases that are still in process.



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Action taken	48%	37%	46%	38%	38%	44%	41%	41%	33%	31%	34%
No action taken	51%	63%	52%	62%	62%	55%	54%	55%	62%	56%	57%

**Figure 3.6 Closure Actions in Two Categories**

**3.1.4 Location of Federal Housing Discrimination Complaints**

Federal housing discrimination complaints have been filed in 83 of the 102 counties in Illinois from 1997–2007, for a total of 3,352 complaints statewide over that period. In 2007, the number of counties in Illinois with complaints was 43. In looking at the 11-year history of complaints, 19 counties have not had any complaints. Figure 3.7 shows those counties where federal complaints have never been filed. Appendix 3-1 provides information by county on the total number of complaints filed from 1997–2007.



### 3.2 Illinois Department of Human Rights Housing Discrimination Charges

The Illinois Department of Human Rights (IDHR) is responsible for administering the Illinois Human Rights Act, which covers housing discrimination. The Human Rights Act was passed in 1979 and went into effect July 1, 1980. In 1992, HUD certified IDHR as a “legally substantially equivalent agency.” From 1995 to 1999, the department did not participate in the program. In March of 1999, IDHR and HUD initiated contact to engage in new initiatives. A three-year Interim Agreement was signed between HUD and IDHR in August 2002. In the fall of 2003, the IDHR housing unit was reorganized as the Fair Housing Division. A Memorandum of Understanding was executed with HUD in June 2006 and the first annual Cooperative Agreement was signed in September 2006.

With IDHR’s program recertified as substantially equivalent, the housing division accepts complaints and investigates charges of housing discrimination on the bases of federal and state protected classes. If IDHR’s investigation leads to substantial evidence of discrimination, and conciliation is not successful, the complainant can elect to have the case heard administratively before the Illinois Human Rights Commission or in circuit court, in which case the Illinois Attorney General’s Office represents the matter.

#### 3.2.1 IDHR Inquiries, Charges, and Completed Investigations

The IDHR has steadily increased the number of charges investigated each year since 2002, now investigating almost all complaints that come to HUD from Illinois locations, in addition to the ones filed directly with IDHR. Together, IDHR and HUD coordinate their databases to avoid duplication of records. Table 3.5 shows the increase in activity of the IDHR since 2000, including complaints originating both with HUD and with the IDHR.

**Table 3.5 IDHR Housing Discrimination Records, 2000–2007**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Inquiries received	604	396	445	275	178	231	262	340	419	711	936
Charges filed	65	62	63	66	56	34	126	191	264	310	397
Completed investigations	341	89	44	63	65	44	88	161	255	250	374

#### 3.2.2 Statewide IDHR Housing Discrimination Charges

While much of the IDHR caseload addresses complaints of federally prohibited housing discrimination, IDHR also accepts charges that investigate allegations of discrimination violating only the Illinois Human Rights Act. The protected classes in Illinois that are not covered by the federal Fair Housing Act include age, marital status, ancestry (grouped here with the federally protected category of national origin), sexual orientation (added in 2006), military status, and unfavorable military discharge. Table 3.6 shows charges by bases in Illinois, including federally covered bases (summarized earlier in the chapter), as well as bases covered by the Illinois Human Rights Act.

**Table 3.6 IDHR Discrimination Charges, 1997–2007**

Basis of Discrimination*	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Age	3	4	2	3	2	3	4	4	3	3	6
Marital Status	1	4	3	1	2	1	1			2	2
Other**	1			2	1			4	3	8	5
Total*** bases	65	63	62	84	57	40	145	223	301	363	462

\*Charges can have more than one basis of discrimination.

\*\* "Other" includes sexual orientation, military status, and unfavorable military discharge

\*\*\*Includes federally covered bases as well as bases covered by the Illinois Human Rights Act.

### 3.3 Fair Housing Initiatives Program

The Fair Housing Initiatives Program (FHIP) was created under Section 561 of the Housing and Community Development Act of 1987 to help promote equal housing opportunities. Under it, the U.S. Department of Housing and Urban Development (HUD) provides funding to public, private, and nonprofit groups to conduct fair housing enforcement and education activities. The role of local programs (commonly referred to as "FHIPs") created under FHIP is to: 1) increase compliance with the Fair Housing Act and substantially equivalent State and local fair housing laws; 2) educate the public and housing industry about their rights and responsibilities under the Fair Housing Act; and 3) establish a network of experienced fair housing enforcement organizations throughout the country. Most FHIP funds are available competitively, through Notices of Funding Availability (NOFAs) or requests for proposals (RFPs) nationwide.

FHIPs are generally provided under three main categories: the Education and Outreach Initiative (EOI), the Private Enterprise Initiative (PEI), and the Fair Housing Organizations Initiative (FHOI). Each of these is discussed below.

#### 3.3.1 Education and Outreach Initiative (EOI)

An EOI provides funding to develop, implement, and carry out or coordinate education and outreach programs that inform the public about their rights and responsibilities under federal, state, and local fair housing laws. (EOIs also can make referrals to HUD for possible fair housing violations.) The primary ways that EOIs educate the public are through workshops, seminars, and other public events. Under the EOI there are three components: 1) a general component (EOI-GC), for providing general fair housing education and outreach activities; 2) a clinical law component (EOI-CLC), for developing a fair housing clinical law school program at a minority-serving institution; and 3) a national media component (EOI-NMG), for providing funding to a national media group to develop and implement a national media campaign designed to inform the public about lending discrimination.

#### 3.3.2 Private Enforcement Initiative (PEI)

A PEI provides funding for the investigation of housing discrimination complaints and the administrative or judicial enforcement of federal, state, or local fair housing laws. There are two components under PEI. 1) A general component (PEI-GC) provides grants that support the investigation of housing discrimination complaints and the enforcement of federal, state, and local fair housing laws. PEI-GC funding recipients conduct intake, investigation, mediation, and litigation of housing discrimination complaints and also perform testing of the housing lending and insurance markets. 2) A performance-based component (PEI-PBC) provides exceptional fair

housing enforcement organizations with the necessary funding to conduct systemic investigations that span multiple fiscal years. PEI-PBC funding recipients conduct intake, investigation, mediation, and litigation of housing discrimination complaints and perform testing of the residential lending and insurance markets.

### 3.3.3 Fair Housing Organizations Initiative (FHOI)

FHOI provides funding that builds the capacity and effectiveness of non-profit fair housing organizations by providing funds to handle fair housing enforcement and education initiatives more effectively. FHOI also strengthens the fair housing movement nationally by encouraging the creation and growth of organizations that focus on the rights and needs of underserved groups, particularly persons with disabilities.<sup>4</sup>

In Illinois in 1997, there were seven FHIPs. In 2007, there are 10 FHIPs. Table 6.1 lists the 1997 and 2007 FHIPs and types of programs. Since 1997, two programs were discontinued: the Lawyers' Committee for Better Housing and the Leadership Council for Metropolitan Open Communities. Five new agencies were added since 1997, namely: John Marshall Law School; Prairie State Legal Services; SER-Jobs for Progress; Metropolitan St. Louis Equal Housing Opportunity Council; and Oak Park Regional Housing Center. Two programs received funding for education and outreach, and eight programs received funding to conduct enforcement activities and resolve complaints.

**Table 3.7 1997 and 2007 FHIPs and Types of Programs**

1997 FHIPs	Type of Program	2007 FHIPs	Type of Program	Complaints Resolution
Access Living	PEI-GC	Access Living	PEI-PBC	Y
Chicago Lawyers' Committee for Civil Rights Under Law, Inc.	PEI-PBC	Chicago Lawyers' Committee for Civil Rights Under Law, Inc.	PEI-PBC	Y
Hope Fair Housing Center	PEI-PBC	Hope Fair Housing Center	PEI-PBC	Y
Interfaith Housing Center of the Northern Suburbs	PEI-PBC	Interfaith Housing Center of the Northern Suburbs	PEI-GC	Y
Lawyers' Committee for Better Housing	PEI-GC	John Marshall Law School	PEI-PBC	Y
Leadership Council for Metropolitan Open Communities	PEI-GC	Prairie State Legal Services, Inc.	EOI-GC	NA
South Suburban Housing Center	PEI-PBC	South Suburban Housing Center	PEI-PBC	Y
		SER-Jobs for Progress	PEI-GC	Y
		Metropolitan St. Louis Equal Housing Opportunity Council	PEI-PBC	Y
		Oak Park Regional Housing Center	EOI-GC	NA

EOI = Education and Outreach Initiative  
 GC = General Component  
 NA = Does not apply to an educational organization

PBC = Performance-Based Component  
 PEI = Private Enforcement Initiative

<sup>4</sup> U.S. Department of Housing & Urban Development: Office of Fair Housing & Equal Opportunity: The State of Fair Housing: 2007 Annual Report, pp. 59-60.

These FHIP organizations can provide important services to further fair housing in Illinois. Their direct services to clients serve as a less formal alternative to filing a government complaint. Their programs, designed to prevent or eliminate discriminatory housing practices, include:

- Conducting recipients’ complaint intake and investigations
- Mediating and litigating housing discrimination complaints
- Testing the housing, lending, and insurance markets
- Administrating judicial enforcement of federal, state, and local fair housing laws
- Providing education and outreach programs to inform the public about fair housing laws.<sup>5</sup>

Table 3.8 provides information on ten active FHIP programs in Illinois, their service areas and types of services, and the number of persons served in 2007.

**Table 3.8 Illinois FHIPs Programs, Service Area, and Services Provided**

2007 FHIPs; Service Area	Services	Number Served (2007)
Access Living of Metropolitan Chicago; Cook County	Tested for disparate treatment of persons with disabilities, unlawful denial of requests for reasonable accommodations or modifications.	Conducted and participated in 119 separate education and outreach seminars reaching approximately 2,663 people. Conducted 65 differential treatment tests and 13 accommodation/modification tests. Conducted 22 new construction tests. Thus, conducted a total of 100 tests.
Chicago Lawyers’ Committee for Civil Rights under Law, inc.;; Chicago Metro area	Receive and investigate housing discrimination complaints; perform 120 complaint-based tests for discrimination in sales, rental, lending, and insurance markets, and provide education and awareness for housing providers and the public	(1 <sup>st</sup> Year Performance-Based Grant) Conducted 40 complaint-based and systemic matched pair tests; 15 rental tests; 15 sales tests; and 10 mortgage lending tests. Conducted six education sessions and participated in 10 outreach activities.
Hope Fair Housing Center; NW and W Cook, DuPage, Kane, McHenry counties; 26 rural counties in northern IL; metro areas of Aurora, Elgin, Rockford, Peoria, Peru, Bloomington, Moline, Rock Island, La Salle, and Ottawa	Fair housing enforcement services, including testing to detect either discrimination in the rental market or illegal steering.	(2 <sup>nd</sup> Year Performance-Based Grant) Conducted three tests of Realtors and Real Estate; 39 systemic tests for steering; 16 complaint-based tests; 70 traditional rental tests; 44 disability tests; 479 telephone tests; seven sales tests to provide homeownership opportunities; 11 sales tests of retirement facilities. All of these reaching 3,850 households and 13,475 persons.

*continues...*

**Source:** Unless otherwise noted, information was provided by HUD’s Office of Fair Housing and Equal Opportunity (FHEO), Region 5 Midwest Office/Chicago Program Center.

<sup>5</sup> U. S. Department of Housing & Urban Development: The State of Fair Housing: FY 2006 Annual Report on Fair Housing: Chapter 5: The Fair Housing Initiatives Programs: pgs. 57-66.

**Table 3.8 Illinois FHIPS Programs, Service Area, and Services Provided (cont.)**

2007 FHIPs; Service Area	Services	Number Served
Interfaith Housing Center of the Northern Suburbs*	Complaint intake and investigation, testing, and educational programs	30 fair housing complaints investigated. 51 audits, which are planned investigations of a municipality, realtor, landlord, etc., based on advertisements or previous need for followup. Gave 21 Fair Housing-specific presentations to 256 people. Attended additional 174 meetings or training sessions on fair housing; for example, CAFHA (Chicago Area Fair Housing Alliance).
John Marshall Law School; City of Chicago	Legal representation to persons with complaints of housing discrimination in the residential rental and sales markets, mortgage lending market, or the homeowner's insurance market; conduct testing	(1 <sup>st</sup> Year Performance-Based Grant) Processed 478 complaints; recruited and trained 34 individuals as testers; conducted 13 education and outreach sessions with 200 in attendance; completed 92 tests.
Prairie State Legal Services, Inc.; Northern-most 35 counties in IL (excluding Cook and Will Counties)	Presentations and workshops on recognizing and reporting unlawful discrimination in rental, sale, or lending of housing.	Through a series of 27 workshops and community meetings, 1,793 individuals were served, and 1,218 pieces of fair housing literature were distributed.
South Suburban Housing Center; Southern Cook, Will, and Kankakee counties	Complaint intake, investigation, mediation, and referrals; testing; and public presentations	(2 <sup>nd</sup> Year Performance-Based Grant) 210 complaints processed; 213 tests conducted; 31 testers recruited; 16 public presentations conducted, with 1,935 people in attendance.
SER-Jobs for Progress; Lake County	Refer housing discrimination complaints to appropriate agencies; supply fair housing education to individuals, agencies, and organizations; and provide outreach.	Conducted 33 educational presentations, manned 10 fair housing informational booths; provided fair housing assistance to 89 landlords. Filed 22 discrimination complaints and resolved tenant issues; referred 123 individuals.
Oak Park Regional Housing Center**; Oak Park and DuPage counties	Fair housing and education outreach activities via workshops, seminars, and conferences for real estate professionals and governmental officials to ensure awareness and obligations under federal, state, and local fair housing laws.	3,091 households counseled on fair housing and affirmative rental housing options in the western suburbs. Encouraged 864 affirmative rental moves in the Chicago region.  70 homeownership clients counseled and provided with fair housing and anti-predatory lending information.
Metropolitan St. Louis Equal Housing Opportunity Council; Madison, Monroe, and St. Clair counties ***	Complaint intake, fair housing counseling and investigations, enforcement; and training.	17 sales audits in so. / central Illinois. 4 fair housing complaints filed in Illinois. 37 rental audits in performed in so. / central Illinois. Filed complaints for: race discrimination against a lender in Swansea, IL (house in Missouri but lender in IL); sex and race discrimination in Madison County; familial status discrimination in Fairview Heights; religious discrimination in Swansea, IL. Conducted 1 educational workshop in Madison County. Most sales testing in Illinois was part of an IDHR contract that required us to forward all findings to IDHR rather than to file complaints based on our findings. Therefore, no complaints have been filed by EHOC.

\* Information provided by the Interfaith Housing Center of the Northern Suburbs

\*\*Info provided by the Oak Park Regional Housing Center

\*\*\*Info provided by the Metropolitan St. Louis Housing Opportunity Council

### 3.4 Other Nonprofit Organizations

In addition to the FHIP institutions, other organizations and groups also play a significant role in addressing fair housing in Illinois. One such organization is the Woodstock Institute, which focuses on finance issues. They publish data on lending in Illinois and address related issues through research and advocacy. Their web address is [www.woodstockinst.org](http://www.woodstockinst.org).

Illinois also has a number of organizations that provide coordination and collaboration between other organizations. The Illinois Association of Realtors, for example, not only provides fair housing training as required by law, it also hosts a website promoting fair housing and providing a clearinghouse for fair housing information and resources. Other groups serve to bring together groups working on similar fair housing issues, such as the Chicago Area Fair Housing Alliance, and the statewide Illinois Fair Housing Network. The Illinois Fair Housing Network on the Internet was created by the Illinois Department of Human Rights (IDHR) to bring Illinois fair housing agencies and resources to Internet users. The site was initially created by IDHR under funding from HUD. See [www.state.il.us/dhr/Housenet/index.html](http://www.state.il.us/dhr/Housenet/index.html).

### 3.5 Summary

This chapter has provided information of housing discrimination complaints and charges filed from 1997-2007. Examination of complaint data provides insight for identifying major bases and types of housing discrimination. To recap:

- 3,352 federal housing discrimination complaints were filed from 1997-2007. Of these, 75% were filed in the Chicago metro area, 16% in Other metro areas, and 9% in the Non metro areas.
- In 2007, race was the most common basis for housing discrimination complaints filed: 43%; disability was second: 32%; familial status was third: 18%; and national origin was fourth: 12% of complaints filed.
- In 2007, the four most common types of housing discrimination complaints were as follows. terms and conditions of rental or sale: 48%; refusal to rent: 30%, reasonable accommodations: 14%; and coercion/intimidation: 11%.
- Since 1997, 19 counties in Illinois have not filed **any** federal housing discrimination complaints.
- In 1997 there were seven federally funded FHIPs. In 2008 there are ten. Seven of these programs serve the Chicago metro area, and three are in southern Illinois. Many smaller metro areas and counties are not included in the FHIPs' service areas.
- In addition to FHIP institutions, other organizations and groups also play a significant role in addressing fair housing in Illinois. The Woodstock Foundation publishes data on lending in Illinois and addresses related funding issues through research and advocacy. Other groups include the Chicago Area Fair Housing Alliance, the statewide Illinois Fair Housing Network, and the Illinois Association of Realtors.
- In 2003, the IDHR housing unit was reorganized as the Fair Housing Division to provide a more focused program for statewide fair housing enforcement, outreach, and educational efforts.



## 4 Mortgage Finance and Fair Housing

Mortgage finance plays an important part in assuring fair and equal access to housing for all groups. The purchase of a home typically is only possible through mortgage credit. Current laws, including Section 805 of the Fair Housing Act (“Discrimination in Residential Real Estate-Related Transactions”), the Home Mortgage Disclosure Act (HMDA), and the Community Reinvestment Act (CRA), prohibit discrimination and require the documentation of lending patterns by sex, race, ethnicity, and geographic area. For many years, evidence has shown different rates of loan approval by race and ethnicity. In recent years, with the growth of subprime mortgages and increasing rates of foreclosure, analysis moves beyond approval rates to look at the structure of loans contracted by households of different race and ethnic groups. Both of these are key aspects that also relate lending practices to fair housing.

The first part of this chapter examines HMDA data, particularly loan approval rates for different racial and ethnic groups. The next part looks at recent data on loan types and foreclosures in Illinois to determine the extent to which the recent subprime lending crisis is impacting the State.

### 4.1 Home Mortgage Disclosure Act Data

Congress passed the Home Mortgage Disclosure Act (HMDA) in 1975. It requires lending institutions located in metropolitan areas with assets above a specified threshold to provide data on loans, including loan applications. Covered institutions submit data through various supervisory and regulatory agencies, including the Federal Reserve System (for which two district branches, Chicago and St. Louis, cover the northern and southern parts of the State respectively), the National Credit Union Association, and others, with the data processed by the Federal Financial Institutions Examination Council. The HMDA data are useful to fair housing analyses because they can be grouped by race or ethnicity. Their primary use is to compare racial and ethnic disparities within an institution, but once aggregated, HMDA data can show disparities among various racial and ethnic groups in terms of loan approvals in Illinois. One limitation, however, is that institutions outside of metropolitan areas are not required to submit lending information; thus, the “totals” for the State of Illinois constitute the aggregate of its metropolitan areas, rather than Illinois as a whole.

Additionally, some metropolitan areas span more than one state. For purposes of this analysis, data are included for metropolitan areas having a substantial share of loans in Illinois. Thus, the metropolitan area of St. Louis is excluded because, although part of it is geographically in Illinois, most is in Missouri. The counties this affects include Madison, Monroe, and St. Clair. Two other metropolitan areas that spill over into other states, Lake County-Kenosha County, and Davenport-Moline-Rock Island, are included in the analysis of Illinois, because a substantial portion of these areas *does* lie within Illinois.

The 2006 HMDA data included here are for conventional home-purchase loans, for homes in buildings with one to four units, and for manufactured homes.

#### 4.1.1 Loan Approvals by Race/Ethnicity

The data indicate clear disparities in loan approval rates for different race and ethnic groups. White non-Hispanics and people who identify themselves as two or more races have the highest

approval rates, at 80% of all loan applications from members of that ethnic group reviewed by lenders. The lowest loan approval rates by race or group are experienced by blacks, for whom 55% of loan applications are approved. Hispanics/Latinos, people not reporting race, and American Indians and Alaska Natives also have relatively low loan approval rates, ranging from 62% to 68%.

**Table 4.1: Disposition of Loans by Race/Ethnicity, 2006.**

Race/Ethnicity	Applications received	Approved	Denied	Withdrawn or closed as incomplete
<b>Total</b>	397,316	71%	18%	10%
White	268,769	76%	15%	9%
Black or African American	63,993	55%	32%	13%
Asian	20,958	74%	16%	10%
American Indian/Alaska Native	2,437	68%	22%	11%
Native Hawaiian/Other Pacific Islander	1,671	70%	20%	10%
2 or more races	3,591	81%	11%	7%
Race not available	35,897	64%	18%	18%
Hispanic/Latino	68,050	62%	26%	11%
White non-Hispanic	201,205	80%	12%	8%
Non-white	160,817	62%	26%	12%

Source: HMDA data

#### **4.1.2 Including Income in the Analysis**

Grouping loan applications by applicant income as well as race (Table 4.2) shows that the differences in approval rates between different racial/ethnic groups exist at all income levels. Table 4.2 shows that white non-Hispanics have the highest loan approval rates at all levels of income, while blacks consistently have the lowest loan approval rates. The loan approval gap between these race/ethnic groups ranges from 25 percentage points at the lowest income level—50% approval for blacks compared to 75% approval for white non-Hispanics—to 26 percentage points for the highest income group. Approval rates also are comparatively low for Hispanics at all income levels compared to white non-Hispanics, especially at income groups above median family income. For example, for applicants with incomes of 100 to 119% of median family income, Hispanics have loan approval rates of 61% compared to 81% for white non-Hispanics. Native Americans also have relatively low approval rates, with the biggest disparities showing up in the lowest and highest income groups.

Approval rates within each race/ethnic group do not vary much by income, except for applicants with incomes less than 50% of median family income. For applicants above this income level, loan approval rates remain fairly consistent for applicants within the same race/ethnic group.

**Table 4.2: Percent of Applications Approved, by Race/Ethnicity and Income.**

Race/Ethnicity	less than 50% of MFI	50-79% of MFI	80-99% of MFI	100-119% of MFI	120% or more of MFI
<b>Total</b>	65%	69%	69%	70%	74%
White	70%	74%	74%	75%	78%
Black or African American	50%	57%	56%	54%	55%
Asian	68%	73%	74%	74%	75%
American Indian/Alaska Native	58%	70%	67%	67%	65%
Native Hawaiian/Other Pacific Islander	61%	67%	69%	74%	71%
2 or more races	64%	73%	79%	80%	84%
Race not available	59%	60%	61%	63%	67%
Hispanic/Latino	57%	62%	63%	61%	63%
White non-Hispanic	75%	80%	80%	81%	81%
Non-White	55%	61%	61%	61%	64%

Source: HMDA data

### 4.1.3 Loan Approvals in Chicago Metro vs. Other Metro

The Chicago metropolitan areas have lower loan approval rates than almost all of the other metropolitan areas in the State. Higher housing costs—and corresponding loan amounts—undoubtedly contributes to this difference. Table 4.3 shows loan approval rates by metropolitan area for the most populous race and ethnic groups in Illinois. It shows that, in general, this pattern of higher loan approval rates in the non-Chicago metropolitan areas holds true within race/ethnic groups. The least variation is shown by Hispanic applicants, who have (except for the Champaign metropolitan area) loan approval rates ranging from 61 to 80%, a relatively narrow band.

Comparisons within metropolitan areas show some striking differences in comparative loan approval rates. Champaign and the Davenport-Rock Island-Moline areas have the least difference in approval rates between race/ethnic groups. Differences between approval rates for various race/ethnic groups located in different metro areas of the State are more striking when looking at comparisons between whites and other specific groups. For example, the difference in loan approval rates between whites and blacks ranges from five or six percentage points in Danville and Davenport-Rock Island-Moline, to 19 or 20 percentage points in Chicago, Lake County, Kankakee, Rockford, and Springfield. The difference in loan approval rates between whites and Asians in Danville and Kankakee is another disparity, with a difference of 17 or 19 percentage points. The difference in approval rates between whites and Hispanics is evidenced most notably in Bloomington-Normal, Decatur, and Springfield, with percentage point differences of 22 to 24. There is no evidence, given the information provided, to identify discrimination—rather than relative income, assets, or employment or credit history—as the cause for these disparities. However, such disparities in home purchase credit approval rates between race/ethnic groups identify opportunities where increased consumer credit education may have an impact. Legitimate reasons may account for much, or most of the difference in

approval rates between ethnic groups. HMDA data are not provided in sufficient detail to identify widespread discrimination within a community.

**Table 4.3: Approval Rates for Selected Race/Ethnic Groups by MSA, 2006.**

	White	Black	Asian	Hispanic	Total
<b>Chicago metro</b>					
Chicago-Naperville-Joliet	65%	69%	69%	70%	74%
Lake County-Kenosha	70%	74%	74%	75%	78%
<b>Other metro areas</b>	50%	57%	56%	54%	55%
Bloomington-Normal	68%	73%	74%	74%	75%
Champaign	58%	70%	67%	67%	65%
Danville	61%	67%	69%	74%	71%
Davenport	64%	73%	79%	80%	84%
Decatur	59%	60%	61%	63%	67%
Kankakee	57%	62%	63%	61%	63%
Peoria	75%	80%	80%	81%	81%
Rockford	55%	61%	61%	61%	64%
Springfield	65%	69%	69%	70%	74%

Source: HMDA data

#### 4.1.4 Reported Reasons for Denial of Loans

As mentioned above, loans are denied for a variety of legitimate reasons. Table 4.4 shows reasons reported for denial of loans in Illinois by race and ethnicity, in order to consider possible causes behind the denial of credit. Lenders may report up to three reasons for denial of each loan, but this reporting is often optional. The most commonly cited reason (30%), is “Other,” which is not defined in the handbook used by lenders. Of the specified reasons, the most common is credit history, at 18% of loan denials statewide. Several other reasons, including debt-to-income ratio, collateral, unverifiable information, and incomplete credit application, each account for more than 10% of loan denials in Illinois. Credit history is the most common reason for loan denial for all race and ethnic groups, with two exceptions. For Asians, incomplete loan applications slightly edge out credit history for the most common denial reason. For Native Hawaiians and other Pacific Islanders, debt-to-income ratio is the most common reason for denial, followed by collateral and credit history.

**Table 4.4: Reasons for Denial of Loans by Race/Ethnicity, 2006.**

	Debt-to-income ratio	Employment history	Credit history	Collateral	Insufficient cash	Unverifiable information	Credit app. incomplete	Other
<b>Total</b>	12%	2%	18%	12%	4%	11%	11%	30%
Race								
White	12%	2%	18%	12%	4%	12%	12%	28%
Black or African American	11%	1%	20%	12%	3%	11%	8%	34%
Asian	12%	3%	14%	11%	3%	12%	15%	30%
American Indian or Alaska Native	16%	3%	19%	12%	4%	13%	9%	25%
Native Hawaiian or Other Pacific Islander	17%	2%	14%	15%	4%	11%	11%	27%
2 or more races	12%	2%	22%	11%	5%	8%	17%	24%
Race not available	15%	2%	19%	10%	3%	8%	13%	29%
Ethnicity								
Hispanic/Latino	12%	2%	17%	11%	3%	15%	10%	30%
White non-Hispanic	13%	2%	18%	12%	4%	10%	14%	27%
Non-White	12%	2%	18%	11%	3%	13%	9%	32%

Source: HMDA data

#### 4.1.5 Differences in Loan Approvals among Metro Areas

Table 4.5 shows that reasons for loan denial are fairly consistent in different metropolitan areas of the State. Problems with credit history play a less important role in loan denials in the Chicago metro area than in the Other metro areas, where credit history accounts for a full quarter of loan denials. One reason might be that in the Chicago metro area a higher percentage of subprime mortgages are offered, typically with less stringent qualification requirements (see Section 4.2).

**Table 4.5: Reasons for Denial of Loans.**

	Debt-to-income ratio	Employment history	Credit history	Collateral	Insufficient cash	Unverifiable info	Credit app. incomplete	Other
<b>All Illinois metro*</b>	12%	2%	18%	12%	4%	11%	11%	30%
<b>Chicago metro</b>	12%	2%	17%	12%	3%	12%	11%	31%
<b>Other metro*</b>	15%	3%	26%	11%	5%	8%	10%	23%

Note: Some metropolitan counties in Illinois do not have sufficient data to release.

Source: HMDA data

#### **4.1.6 Community Reinvestment Act Data of Limited Use for Fair Housing**

The Community Reinvestment Act (CRA) was passed in 1977 in order to ensure that financial institutions meet the credit needs of the communities in which they are located. Under the CRA, banks and savings institutions of a certain asset size must report on their lending for small businesses, small farms, and community asset development in metropolitan areas in which they do business. They also report for the entire nonmetropolitan area of each state in which they do business. They do not collect and report data on home loans. The CRA data track loans made but, unlike HMDA, provide no information on loan applications in general, including denials. Because of this, these data are unable to reveal any unmet demand for credit, nor could they show differential treatment to protected classes. While the CRA provides an important tool for oversight of local lending institutions, ensuring that they do not “redline” a community or channel deposits outside of these locations, the data it provides are not suited for analysis of fair housing conditions or issues at a regional or state level.

#### **4.1.7 Reporting on Rural Areas**

The lack of data on rural areas leaves a gap in knowledge and understanding about lending practices in these areas. Since HMDA data are produced only for metropolitan depository institutions over a threshold level of assets (\$35 million in 2005), many smaller and rural-centered institutions provide loans that are not tracked. One national study used the limited data available to show that a slightly higher share of rural mortgage loans originated in 2004 were classed as “high APR loans,” 17.4%, compared to 15.5% of metropolitan area loans.<sup>1</sup> This study also shows that while fewer than 17% of rural non-Hispanic white borrowers received high APR loans, 46.5% of rural African American borrowers took out these higher priced loans in 2004. Around one-third of Hispanic/Latino and Native American borrowers in rural areas took out high APR loans.

National data show that the cost of a mortgage is higher in rural areas than in urban areas. A number of market factors explain why mortgage costs are higher in rural areas, according to a USDA analysis.<sup>2</sup> According to this source, these reasons include the lack of competition, smaller loan sizes, prevalence of banks as lending institutions, and decreased access to secondary markets. In addition, some common characteristics of these loans may class them as higher-risk loans. For example, the property may have a higher risk characteristic such as excessive distance from a public water supply for fire suppression. Also, manufactured homes, which are classed as higher risk properties, are more common in rural areas than in metro areas. Furthermore, the property value-to-income ratio is frequently higher in rural areas, due to the fluctuating self-employment income of some rural workers in agricultural and other sectors.

## **4.2 Subprime Mortgages and Foreclosure Risks**

Beginning in mid-2007, subprime mortgages have become an area of great concern nationwide because of the individual, community, and national costs of their recent high foreclosure rates. Subprime mortgages are defined in many places as loans with a term or structure that prevents

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<sup>1</sup> “Subprime and predatory lending in rural America: Mortgage lending practices that can trap low-income people.” Fall 2006. University of New Hampshire Carsey Institute Policy Brief No. 4.

<sup>2</sup> “Can federal policy changes improve the performance of rural mortgage markets?” August 1998. United States Department of Agriculture Economic Research Service “Issues in Agricultural and Rural Finance” Agriculture Information Bulletin No. 724-12.

them from resale in the primary mortgage market; another definition classes them as loans made to borrowers who would not qualify for a prime, or standard-term, mortgage. In general, subprime loans are differentiated from prime loans by their level of risk. Characteristics of subprime loans include higher interest rate, adjustable rate payments, interest-only payments, and other instruments that aim to promote short-term over long-term affordability. Subprime mortgages are at particular risk for foreclosure for two reasons. First, they are usually made to relatively high-risk borrowers. Second, the payments on these loans often increase over time. As the loans age, often interest rates reset to a higher rate, and for some loans, balloon payments become due. In many cases, little equity is built up by the homebuyer. When housing prices fall, as they have done recently, homeowners may find that they owe more than their home is worth.

In addition, expansion of the secondary subprime market—the resale of subprime loans bundled together in securitized form to investors—enticed lenders to increase the availability of subprime mortgages to buyers with more troubled credit records, undocumented income, or other risk factors.

All of these reasons contribute to the high incidence of foreclosure for subprime mortgages. The increased share of these loans makes communities, in turn, vulnerable to the risks of foreclosure, which include the loss of collected property tax revenue as well as other civic issues, such as property abandonment and neighborhood deterioration. Nationally, according to the Center for Responsible Lending, subprime mortgages as a share of all loans originated increased from 8% of loans originated in 2003 to 28% of loans originated in 2006, with 14% of all outstanding loans in 2006 being subprime.<sup>3</sup> They also report that 64% of all foreclosures from July 2006 to June 2007 were for subprime mortgages.

#### **4.2.1 Lending Practices**

The lending practices leading to the subprime mortgage crisis are not unique to Illinois. The expansion of subprime mortgages and their link to the recent increases in foreclosures are well documented nationwide. Responses to the crisis take two forms: programs and laws to prevent future borrowers from taking on overly risky loans, and programs to address the needs of households facing loan repayment problems that could lead to foreclosure. Illinois has one of the highest shares of mortgages at risk of foreclosure in the country. According to the State of the Nation's Housing 2008 report<sup>4</sup>, one out of every 25 loans in Illinois was seriously delinquent (at least 90 days overdue, or in foreclosure) at the end of 2007, putting Illinois behind only seven other states. Subprime loans are particularly affected. In Illinois, 15.7% of subprime loans included in a nationally used database<sup>5</sup> are in foreclosure or are real estate owned by the lender ("REO"), compared to 13.1% of loans nationwide. In addition, 75% of subprime, owner-occupied loans are variable rate loans. Subprime loans, which are particularly vulnerable to foreclosure, are disproportionately held by borrowers from protected race or ethnic groups. In addition, neighborhoods with a population predominantly in these groups have higher shares of subprime mortgages, making this an issue which disproportionately affects members of protected

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<sup>3</sup> "A Snapshot of the Subprime Market." Center for Responsible Lending. November 28, 2007. CPL Analysis based on 2006 HMDA data. Accessed at <http://www.responsiblelending.org/pdfs/snapshot-of-the-subprime-market.pdf>.

<sup>4</sup> *State of the Nation's Housing 2008*. 2008. Joint Center for Housing Studies of Harvard University.

<sup>5</sup> Loan performance data presented by the Federal Reserve Bank, accessed at <http://www.newyorkfed.org/regional/subprime.html>. This database includes securitized, subprime mortgages not guaranteed by governmental or quasi-governmental agencies.

groups. Foreclosures, especially if clustered, can reduce nearby property values, widening the negative impact of foreclosure beyond the affected borrowers.

Illinois has already identified lending practices and foreclosure prevention as high priorities. The state has developed programs and laws to protect borrowers through the prevention of predatory lending, and is implementing programs to assist borrowers struggling with loan repayment. However, gaps in housing counseling availability exist in the state, with only 34 counties included in the service area of the Illinois Statewide Foreclosure Prevention Network. These counties cover most metropolitan areas in the state and thus cover most of the population, but some counties with high rates of subprime mortgages lack coverage.

The need for additional progress in addressing the needs of struggling homebuyers has also been identified recently. The States Attorneys General Foreclosure Prevention Working Group, a multi-state group including Illinois which focuses on mitigating foreclosure related losses, issued two reports in spring 2008 that call for additional actions because the share of borrowers facing foreclosure who have not received any loss mitigation remained constant (at seven out of 10 borrowers), despite measures put in place in many states<sup>6</sup>. One measure suggested is to require a longer foreclosure process, enabling struggling borrowers more time to identify and put in place alternatives to foreclosure, such as repayment plans or loan restructuring. Another is to replace the individualized counseling-based approach in some cases with a more systematic approach, to assist more borrowers quickly while relieving some of the load processed by the loan counseling system.

#### **4.2.2 Subprime Crisis As a Fair Housing Issue**

The subprime mortgage crisis is seen as a fair housing issue because protected racial and ethnic classes are more likely than non-Hispanic whites to have received subprime loans. According to one advocacy group, in 2006 a total of 22% of all mortgage loans issued to non-Hispanic whites were subprime, compared to 41% of all mortgage loans issued to Hispanic borrowers, and 52% of all mortgage loans issued to black borrowers.<sup>7,8</sup> These disparities could result from dissimilar credit records and similar factors, or from differences in loan availability to different communities, but available data cannot determine the cause. In any case, the disparities indicate that some protected classes are likely to be affected disproportionately by the subprime crisis.

Data from the Federal Reserve Board<sup>9</sup> provide details on subprime lending in Illinois. These data describe subprime loan characteristics and default and foreclosure status as of December 2007. For confidentiality purposes, county-level data only includes counties with more than 200 loans, and loans are rounded to the nearest 100.<sup>10</sup>

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<sup>6</sup> “Analysis of Subprime Mortgage Servicing Performance: (Federal) Data Report No. 2.” April 2008. State Foreclosure Prevention Working Group.

<sup>7</sup> Ibid.

<sup>8</sup> Note that these figures do not represent 100% of the data, because some rural loans are made by institutions that fall below the HMDA reporting threshold, as described in Section 4.1.7.

<sup>9</sup> “Nonprime Mortgage Conditions in the United States,” United States data for December 2007, accessed at <http://www.newyorkfed.org/regional/subprime.html>. Loans included in this data source are first-lien, securitized subprime loans representing about 47% of subprime loans nationwide.

<sup>10</sup> Ibid., Technical Appendix.

Table 4.6 shows the share of subprime loans that are in foreclosure or that are real estate owned by the lender (“REO,” or completed foreclosure). In Illinois, 15.7% of subprime loans are in foreclosure or in REO, compared to 13.1% of loans nationwide.<sup>11</sup> As seen in Table 4.6, Cook County has one of the highest shares of subprime loans in foreclosure or in REO. Fulton County and Marion County are the other locations in Illinois with high shares of loans in foreclosure.

Table 4.6 also shows the share of subprime loans that have variable interest rates, or adjustable rate mortgages (ARMs). These loans have historically had a higher rate of default than fixed rate loans—a comparison that holds true for prime loans as well as subprime loans. In Illinois, 75% of subprime, owner-occupied loans are ARMs. More than a third of these loans in Illinois are due to reset their rates within the next year. The increase in payments associated with rate resets means that additional households will feel the pinch of higher housing costs, making them vulnerable to foreclosure. An especially high share of subprime loans in the Chicago metro area has variable rates. In some counties, up to 83% of subprime loans have variable rates. Other metro and nonmetro areas have lower shares of variable rate loans. In some counties these account for 50% of subprime loans. However, it is important to note that subprime loan structures other than variable rates, such as interest-only payments and balloon payments, are vulnerable to foreclosure, as well.

### 4.2.3 Predatory Lending

Subprime mortgages have historically been linked with predatory lending. In a joint HUD-Treasury Department report in 2000, predatory lending was categorized into four main types of problems: 1) loan flipping, or repeated refinancing to generate fees; 2) excessive fees added without a clear understanding on the part of the borrower; 3) lending without regard to a borrower’s ability to pay; and 4) outright fraud and abuse.<sup>12</sup> Subprime mortgages are vulnerable to predatory lending because they are generally more complex than prime mortgages, subprime borrowers may have less financial literacy than prime borrowers, and subprime mortgages are often issued by lenders who have lower levels of government regulation. These conditions mean that borrowers may be getting their loan information from lenders or brokers who present minimal, often misleading, information about the fees, long-term costs, and restrictions of their loans.

Studies linking predatory lending to members of protected classes, including race and ethnic groups, recent immigrants, female-headed households, and elderly people, focus on available data on subprime mortgages, since predatory loan actions are not consistently documented.

The HUD-Treasury report, analyzing national HMDA data from 1998, looked at subprime refinance loans, which are vulnerable to loan flipping and equity stripping. In predominantly black neighborhoods, 51% of refinancing loans were subprime, compared to only 9% of refinance loans made in predominantly white neighborhoods.<sup>13</sup> In a 2004 report, ACORN Housing looked at borrower race using data from 2002 in Chicago and Springfield, finding

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<sup>11</sup> Since the length of time a property is in foreclosure can vary from state to state, this share can measure the stock of loans in foreclosure or in REO, but the rate of foreclosures between states cannot be compared.

<sup>12</sup> *Curbing Predatory Home Mortgage Lending: A Joint Report*. July 2000. United States Department of Housing and Urban Development and United States Department of Treasury. Accessed at <http://www.hud.gov/library/bookshelf12/pressrel/treasrpt.pdf>.

<sup>13</sup> *Ibid.*, p. 47.

similar differences in the use of subprime loans.<sup>14</sup> In Chicago, 31.8% of African Americans' refinance loans were subprime, compared to 15.7% of refinance mortgages contracted by Hispanics/Latinos and 4.3% of these loans taken by white borrowers. Similar percentages were found in initial home purchase loans, and disparities in the share of subprime loans existed at all income levels. Data on the Springfield metropolitan area show that race-based disparities exist for initial home purchase loans, for which 32.1% of loans by African Americans are subprime, compared to 9.1% of loans by Hispanics/Latinos and 3.1% of loans by whites. However, refinancing loans do not show quite so dramatic a difference. For African American borrowers, 7.2% of refinancing loans are subprime; for Hispanics/Latinos, 5.9% are subprime; for white borrowers, 1.2% of these loans are subprime.

Another study examined Chicago area data from 1995 to 2002.<sup>15</sup> This research documented the rapid increase in foreclosures, especially in neighborhoods with predominantly minority residents. Overall, foreclosures rose 238%; the increase in neighborhoods where minority residents represent more than 90% of the population was a remarkable 544%. All these data show the particular vulnerability of protected race and ethnic groups to foreclosure and to subprime loans.

#### **4.2.4 Illinois Actions**

Illinois has focused on the prevention of predatory lending through a series of laws and programs aimed at helping homeowners. The High Risk Home Loan Act (HRHLA)<sup>16</sup>, effective January 1, 2004, covers high-risk loans, defined as loans with points and fees exceeding 5% of the loan, or with an annual percentage rate (APR) exceeding 6% of the comparable term Treasury Rate. This prohibits loan terms that put the borrower at particular risk. Provisions of the HRHLA include prepayment penalty limits, prohibitions on negative amortization, and discretionary lender call provisions, among others. The Illinois Fairness in Lending Act<sup>17</sup> was also amended at the same time to prohibit two other predatory lending practices, equity stripping and loan flipping, which involve the use of loans to generate fees, in cases where the financial institution does not "reasonably believe" that the borrower can make the payments or that the borrower will benefit from refinancing.

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<sup>14</sup> *Separate and Unequal: Predatory Lending in America*. February 2004. Association of Community Organizations for Reform Now (ACORN). Accessed at

[http://www.acorn.org/fileadmin/Community\\_Reinvestment/Reports/S\\_and\\_E\\_2004/separate\\_and\\_unequal\\_2004.pdf](http://www.acorn.org/fileadmin/Community_Reinvestment/Reports/S_and_E_2004/separate_and_unequal_2004.pdf)

<sup>15</sup> Immergluck, Dan, and Geoff Smith. 2006. "The External Costs of Foreclosure: The Impact of Single Family Mortgage Foreclosures on Property Values." *Housing Policy Debate* Vol. 17, No. 1.

<sup>16</sup> 815 ILCS 137

<sup>17</sup> 815 ILCS 120

**Table 4.6: Subprime Mortgage Data, December 2007.**

	Loans in foreclosure or REO per 1000 units	% of loans in foreclosure or in REO	Share of subprime loans with variable rates	Share of variable rates loans resetting in 2008
<b>United States</b>	3.39	13.1%	65.0%	38.4%
<b>Illinois</b>	4.29	15.7%	75.2%	35.9%
<b>Chicago metro counties</b>				
Cook	6.06	17.7%	77.7%	37.1%
DeKalb	3.03	12.5%	74.6%	34.2%
DuPage	2.68	12.7%	80.2%	36.9%
Grundy	0.00	13.1%	78.6%	38.7%
Kane	6.47	14.7%	83.0%	38.2%
Kendall	5.12	13.0%	83.2%	35.1%
Lake	4.43	14.6%	78.6%	37.0%
McHenry	5.38	13.8%	79.2%	33.5%
Will	6.27	13.3%	78.1%	37.2%
<b>Other metro counties</b>				
Boone	6.49	14.4%	75.6%	36.3%
Champaign	1.33	10.3%	61.6%	28.0%
Henry	0.00	11.9%	65.6%	29.9%
Kankakee	7.39	17.8%	73.2%	33.4%
Macon	1.99	13.9%	61.3%	27.9%
Macoupin	0.00	14.5%	65.6%	27.1%
Madison	3.67	13.3%	62.9%	31.0%
McLean	1.67	10.9%	70.9%	28.4%
Peoria	1.28	11.9%	61.7%	31.5%
Rock Island	1.55	11.8%	61.4%	33.2%
Sangamon	1.17	10.9%	62.6%	32.0%
St. Clair	3.83	13.5%	58.9%	29.3%
Tazewell	1.89	11.0%	59.1%	31.6%
Vermilion	0.00	12.4%	55.3%	27.3%
Winnebago	3.50	13.3%	69.0%	30.4%
<b>Nonmetro counties</b>				
Bureau	0.00	10.9%	65.2%	31.4%
Christian	0.00	11.7%	54.7%	29.9%
Coles	0.00	12.2%	59.3%	27.3%
Franklin	0.00	12.5%	49.3%	29.9%
Fulton	0.00	16.5%	75.4%	27.7%
Iroquois	0.00	11.2%	60.1%	32.0%
Knox	0.00	10.3%	64.1%	24.3%
LaSalle	2.15	14.8%	71.7%	33.4%
Lee	0.00	8.9%	68.4%	37.2%
Marion	0.00	17.7%	51.7%	22.8%
Ogle	0.00	12.4%	71.0%	37.4%
Stephenson	0.00	15.5%	67.5%	29.4%
Whiteside	0.00	13.4%	65.7%	30.9%
Williamson	0.00	10.4%	52.5%	30.6%

Source: Federal Reserve Board

A new Illinois law which amended a number of existing laws and also created the Anti Predatory Lending Database Program (PA 95-0691), was signed into law on November 2, 2007, replacing a prior program based on HB 4050. That earlier program was suspended in January 2007 after a few months. It required potential borrowers to receive housing counseling before completing a loan if the borrower had a low credit score and if the loan property was located in one of 10 zip codes on Chicago's south side. It was heavily criticized for its unintended impact of discouraging all home purchases in the targeted areas.

The new law extends the housing counseling requirement to all properties purchased or refinanced throughout Cook County, if they are originated with a mortgage broker and if the proposed loan has certain high-risk features, including interest-only payments, high points, prepayment penalty, adjustable rate with resetting within three years, and possible negative amortization. It also includes statewide provisions aimed at increasing the accountability of mortgage brokers.

This legislation, which took effect July 1, 2008, does not cover all loans. Loans originated through banks and other depository institutions are exempt from the housing counseling requirement. Geographically, the requirement only applies to loans for homes located in Cook County. In addition to these coverage limitations, criticisms have included privacy concerns, particularly for undocumented immigrants, and worries that the housing counseling capacity is insufficient to meet the legal requirement. In spite of these limitations, the law is generally considered to be a positive step toward educating consumers and preventing predatory lending and an increase in the number of high-risk loans in Illinois.

The laws to prevent predatory lending are complemented by a number of programs developed in the past year to directly assist homeowners who are at risk of foreclosure. These programs usually rely on partnerships between State agencies, including IHDA and the Department of Financial and Professional Regulations, nonprofit housing agencies, and lenders. The Homeowner Assistance Initiative, announced by Governor Blagojevich's office in February 2008, presents several programs, including the Housing Assistance Pool, the Illinois Foreclosure Prevention Network, Homeowner Outreach Days, and the Governor's Mortgage Fraud Hotline.

- The Housing Assistance Pool represents a commitment by Illinois lenders of more than \$310 million in loans for homeowners struggling to make payments on subprime or adjustable rate loans. The loans provide affordable fixed rate mortgages and low fees, and include a requirement for qualified borrowers to go through mortgage counseling.
- Homeowner Outreach Days, scheduled during 2007 and the first half of 2008, presented workshops throughout the State to help Illinois residents avoid losing their homes. In addition to workshops on the foreclosure process and alternatives to foreclosure, the outreach days gave homeowners a chance to meet individually with lenders, loan servicers, and housing counselors.
- The Governor's Mortgage Fraud Hotline provides a toll-free number for consumers to report suspected fraud and trigger an investigation.

- The fall of 2007 also signaled the start of the Illinois Foreclosure Prevention Network, a coalition of 15 nonprofit groups providing statewide access to a foreclosure help line, a free hotline providing immediate counseling. In addition, the network provides referrals and more extensive counseling for borrowers within the members' service areas. These service areas currently cover 34 of Illinois' 102 counties; the network may add agencies as funds and organizational capacity permit. Support for the network was provided by IHDA and by NeighborWorks America and coordinated by Neighborhood Housing Services of Chicago and Housing Action Illinois.

Additionally, two new Federal sources of funds for housing counseling for Illinois borrowers were announced in the spring of 2008. The National Foreclosure Mitigation Counseling program channels \$2.4 million, covering 7,500 families, into foreclosure counseling programs in Illinois through more than 40 local agencies (see Appendix 4.1). In 2008, NeighborWorks America provided a \$1.57 million grant for IHDA to distribute among 18 nonprofit agencies in Illinois for the provision of housing counseling for 4,000 families. IHDA was recently awarded a second year grant to further expand the NeighborWorks foreclosure prevention counseling network. This grant was a \$3.08 million grant for IHDA to distribute among 26 nonprofit agencies in Illinois for the provision of housing counseling for 7,000 families. The expansion of housing counseling represented by these two programs should provide needed assistance to a greater number of Illinois borrowers. Illinois is also working with other states to better assist struggling homebuyers.



## 5 The State's Role in Fair Housing Initiatives

The State of Illinois has a number of tools and approaches to improve fair and equal access to housing. State agencies are involved in several ways. Some State agencies are involved in enforcing fair housing laws and conducting fair housing law education and training. Others directly provide housing and related services to members of protected classes. Another role is to direct funds to target housing and services to underserved groups and protected classes. The State legislature passes laws that protect rights or establish programs to increase housing access of some of these same protected classes or special needs populations.

This chapter presents state laws and programs that affect fair housing access in Illinois. The first part is excerpted from the State of Illinois Consolidated Plan, a HUD-required annual document that describes programs affecting fair housing choices. The second section outlines State laws affecting housing access since 1997.

### 5.1 Illinois Fair Housing Enforcement and Programs

A number of state agencies are involved with fair housing enforcement and administration of programs that address fair housing issues. This section outlines enforcement activities and programs that directly or indirectly impact furthering fair housing. Table 5.1 below provides a summary of the state agencies involved with fair housing enforcement.

#### 5.1.1 Illinois Department of Human Rights (IDHR)

The Illinois Department of Human Rights (IDHR) is responsible for administering the Illinois Human Rights Act (HRA), which was enacted in 1980 and substantially amended in 1989. The IDHR accepts and investigates charges of housing discrimination on the bases of race, color, religion, sex, national origin, ancestry, age (40 and over), marital status, physical, mental and perceived handicap, military status, familial status (children under 18), sexual orientation (including gender identity), and unfavorable military discharge. Retaliation and interference with housing rights are prohibited under the HRA. In 1999, HUD certified IDHR as a legally substantially equivalent agency through its Fair Housing Assistance Program (FHAP). With this certification, HUD shares its authority to investigate housing discrimination complaints with IDHR. FHAP agencies enforce state and local laws that provide rights, case resolutions, administrative procedures, and opportunities for judicial review that are substantially equivalent to those provided in the federal Fair Housing Act. In the fall of 2003, the IDHR's housing unit was reorganized as the Fair Housing Division.

Public Act 95-0042 amended the HRA effective August 10, 2007 to change the exemption under the HRA to match the exemption under federal law. Specifically, buildings of four or fewer units that are owner-occupied are exempt from the HRA, whereas previously, buildings of five units or less qualified for exemption if the owner or the owner's family lived in the building. However, IDHR will now have jurisdiction over cases where the complainant alleges a discriminatory statement was written, stated or published, even if the building is owner-occupied with four units or less.

**Table 5.1: State Agencies' Roles in Furthering Fair Housing Choices.**

State Agency	Fair Housing Role
Illinois Department of Human Rights (IDHR)	Enforcement of Illinois Human Rights Act; accepts all types of complaints; provides technical assistance and training statewide; has HUD substantial equivalency status
Attorney General (AG) Civil Rights and Disability Rights Bureaus	Enforces Civil and Equal Rights Laws that prohibit housing discrimination and enforces the Illinois Environmental Barriers Act to ensure physical access to housing as defined by people with disabilities; and investigation of related complaints; also deals with mortgage and contract fraud cases
Illinois Housing Development Authority (IHDA)	Staffs the Governor's Housing Task Force; Review of IHDA-funded housing projects to ensure fair housing marketing and other affirmative measures; implementation of accessibility requirements in IHDA-funded housing projects; development of Affordable Housing; Coordination of State Analysis of Fair Housing Impediments; administration of HUD Section 8 Housing Choice Voucher Program (Project-Based), HOME, Affordable Housing Trust Fund, Low Income Housing Tax Credits, Rental Housing Support Program, and other housing assistance programs; referrals; coordinates State Consolidated Plan
Illinois Department of Commerce & Economic Opportunity (DCEO)	Administers State CDBG (Community Development Assistance Program) and HUD Section 8 Housing Choice Voucher Program; Review by DCEO of funded local governments for fair housing plans affirmatively furthering fair housing; providing technical assistance and training; funding of accessibility rehabilitation (CDAP/MARS); administers Emergency Shelter Grant Program
Illinois Department of Financial & Professional Regulation (IDFPR)	The Division of Banks and Real Estate has oversight of real estate brokers; state banks; appraiser, and mortgage lenders; houses and staffs the Mortgage Fraud Task Force and regulation of predatory lending. The Division of Insurance has oversight of insurance companies; reviews and investigates complaints; education of industry and consumers; and Foreclosure Intervention Program
Illinois Department of Public Health (IDPH)	Administers HUD Housing Opportunities for Persons with AIDS (HOPWA) and Lead-Based Paint Hazard Reduction Programs affirmatively furthering fair housing
Illinois Council on Development Disabilities (ICDD)	Works to build the capabilities of individuals, families, and communities, enabling each to become more self-sufficient through the Developmental Disabilities Assistance and Bill of Rights Act
Illinois Department on Aging (IDoA)	Helps older adults live independently in their own homes and communities; Staffs the Older Adult Services Advisory Committee, the Senior Helpline, the Elder Abuse and Prevention hotline, and Long-Term Care Ombudsman's office; administers Community Care Program and works with Area Agencies on Aging in complying with the Older Americans Act requirements and subsequent OAA services for older adults.
Illinois Department of Healthcare and Family Services(DHFS)	Lead Agency to implement Money Follows the Person Demonstration Grant; Partnership with IHDA, IDHS and IDoA to transition people from nursing facilities to reintegrate to community-based housing and services; Also operates the Supportive Living Facility Program under a Medicaid waiver
Illinois Department of Human Services (IDHS)	Provides supportive housing and services for persons with mental illness, persons with developmental disabilities, homeless and other special needs; operates Temporary Assistance to Needy Families Program; staffs Disabilities Services Advisory Committee operates a number of rehabilitation services, including Home Services Program

IDHR will continue its primary fair housing activity of docketing and investigating housing discrimination cases, including cases referred to IDHR from HUD's Office of Fair Housing and Equal Opportunity under a Memorandum of Understanding in accordance with a work sharing agreement under HUD's Fair Housing Assistance Program (FHAP). Where the IDHR's investigation leads to a substantial evidence finding of discrimination and conciliation is not successful, either the complainant or the respondent (the party alleged to have discriminated) can elect to have the case heard administratively before the Illinois Human Rights Commission or in circuit court, in which case the Illinois Attorney General's Office represents the matter. IDHR expects the number of inquiries and charges filed to continue to increase due to amendments to the HRA and IDHR's increased outreach efforts. The IDHR will continue working toward greater affordability and choice for Illinois residents through its participation on the Interagency Subcommittee of the Illinois Housing Task Force. IDHR will continue its membership in the Chicago Area Fair Housing Alliance and Housing Action Illinois. IDHR will continue to provide training, networking opportunities, and support for the regional and annual meetings of the Illinois Municipal Human Relations Association on issues related to fair housing.

IDHR will continue improving and expanding its web content and maintaining fair housing web pages that were developed in 1998 and 1999 with a HUD grant. IDHR will continue to increase its education and outreach efforts to disseminate information about Illinois residents' fair housing rights and responsibilities, and IDHR's enforcement activities, via workshops, seminars, speaking appearances, housing fairs and distribution of literature through collaboration with numerous non-profit organizations. IDHR will continue to expand its outreach efforts to other State agencies in accordance with Illinois' Comprehensive Housing Plan.

In 2005-2006, IDHR used special project funding from HUD involving testing and outreach to Hispanics, in follow-up to the HUD Discrimination Study that found significant discrimination towards Hispanics in the Chicago area. The project included a subcontract for testing, production of bilingual outreach materials, community education targeted to the Chicago-area Hispanic population, and a bilingual print media campaign during early 2006. In 2007, IDHR participated in another HUD-funded testing project. The disability portion of this testing project focused on access of people in wheelchairs and users of TTY machines in the Chicago metro area. The "Sundown Towns" portion of the project consisted of subcontracts for testing in select areas of downstate Illinois that were known to be historically restricted to whites. This project was completed during 2008. Since receiving HUD funds, IDHR has worked to conduct as much outreach and education as possible. Most of this has been conducted in the Chicago area, but where resources are available, downstate areas have also been sites for IDHR fair housing education and outreach.

### **5.1.2 Attorney General's Office (AG)**

The Illinois Attorney General is responsible for enforcing the Illinois Environmental Barriers Act ("EBA"). This duty involves investigating any alleged violation of the EBA and its implementing rules, known as the Illinois Accessibility Code ("Code") and may include the filing of a lawsuit where necessary to ensure compliance with the EBA. The EBA and Code apply to the construction and alteration of public facilities and qualifying multi-story housing units. For purposes of housing discrimination, the Attorney General has jurisdiction over multi-story housing which is defined as "any building of four or more stories containing ten or more

dwelling units, constructed to be held out for sale or lease by any persons to the public." Housing owned or financed by a governmental unit, which consists of five or more dwelling units on each project site is also considered multi-story housing pursuant to the Code. The Attorney General also has the duty to implement the Civil and Equal Rights Enforcement Act ("CEREA"). CEREA (15 ILCS 210) gives the Attorney General the power to investigate violations of laws related to discrimination and, when such violations are established, to undertake necessary enforcement action. Thus the Attorney General is authorized under CEREA to investigate and if necessary litigate any housing discrimination violations that implicate the general public interest of the people of the State of Illinois.

### **5.1.3 Illinois Housing Development Authority (IHDA)**

The Illinois Housing Development Authority (IHDA) promotes fair housing in the marketing and development of all of its financed and assisted units. This is particularly emphasized with the Illinois Affordable Housing Trust Fund, Low-Income Housing Tax Credit, and HOME Programs, all of which require affirmative fair housing marketing plans as part of their application processes. IHDA recognizes the importance of non-discriminatory practices with regard to residential property and related facilities. IHDA's goal in this regard is to promote conditions in which all individuals in the same housing market area have available to them a like range of choices in housing. Therefore, IHDA requires that all multifamily projects with five or more HOME-or Illinois Affordable Housing Trust Fund-assisted units comply with IHDA's affirmative fair housing policies and procedures. IHDA also evaluates proposals involving single-family projects with five or more HOME-assisted units to determine the appropriateness of affirmative marketing efforts. A full copy of IHDA's Affirmative Marketing Policy is available from IHDA upon request.

The Affordable Housing Trust Fund Program requires that projects with 5 or more units financed in whole or in part for family housing must have at least 20% of the units built to be a least adaptable for future accessibility improvements. Projects located in the City of Chicago must also meet a 10% unit accessibility required by local ordinance. Projects involving funding under the HOME or the Risk Sharing Program must, at a minimum, comply with the 5% minimum accessibility requirements of Section 504 of the Rehabilitation Act of 1973. New incentives added to the 2008-2009 Qualified Allocation Plan for Low-Income Housing Tax Credits encourage developers to include beyond the required minimum number of accessible units in a given project by providing bonus scoring points.

For single-family programs, in particular IHDA's Illinois Homebuyer (I-Loan) Program and the Mortgage Credit Certificate Program, fair housing provisions are regularly discussed at IHDA-hosted local lender training sessions and included in each lender's procedures manual, which is signed off by each participating lender's chief executive. Lenders located in urban areas of the State also must comply with the provisions of the Home Mortgage Disclosure Act of 1975 and the Community Reinvestment Act of 1977, which includes monitoring by federal bank examiners for their particular category of lending institution (Office of Thrift Supervision, Federal Reserve Bank, or Office of the Comptroller of the Currency).

The Rental Housing Support Program signed into law by Governor Rod Blagojevich in July 2005 is also administered by IHDA. The program provides rent subsidies to landlords throughout

the State to make rental units affordable to households who earn less than 30% of the Area Median Income (AMI), with fifty percent of the assistance targeted to households at 15% of AMI or below. Local Administrating Agencies (LAAs) and developers approved for participation in the program must develop Outreach Programs and work with those agencies serving the homeless, disabled, senior citizens and other special needs populations in their service areas, and actively publicize the availability of these subsidized units. The outreach efforts will be in addition to all other applicable fair housing and equal opportunity provisions, including the Illinois Human Rights Act, the Fair Housing Act, the Illinois Environmental Barriers Act and the Illinois Accessibility Code. Workshops held around the State allow potential LAAs to learn more about the program and its implementation.

IHDA's Office of Housing Coordination Services continues to regularly refer inquiries on landlord/tenant issues and fair housing information to local tenant assistance groups, housing counseling agencies, fair housing agencies and legal service organizations throughout the State. This is part of its housing information clearinghouse function.

On September 16, 2003, Governor Blagojevich issued Executive Order 2003-18, establishing the first statewide comprehensive housing initiative and appointing the Housing Task Force to improve the planning and coordination of the state's housing resources through 2008. The Executive Director of the IHDA was appointed Chair of the state's Housing Task Force and was joined by a panel of thirty-four representatives from state agencies and the housing community. Six underserved populations were identified in the Executive Order:

1. Low-income households (with emphasis on earning below 30% of area median income)
2. Low-income seniors
3. Low-income persons with disabilities
4. Homeless persons and persons at-risk of homelessness
5. Low and moderate income persons unable to afford housing near work or transportation (Live Near Work) and
6. Low-income persons in existing affordable housing that is in danger of becoming unaffordable (Preservation)

The Housing Task Force organized the working groups to investigate the specific housing needs of the State's priority populations and to formulate recommendations for action that would be compiled into a Technical Plan that remains the centerpiece of the state's Comprehensive Housing Plan.<sup>1</sup> This Executive Order was codified into law in 2006 with the passage of the Comprehensive Housing Planning Act (PA 94-965)

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<sup>1</sup> Illinois Housing Development Authority, Prime Solutions for Affordable Housing: Illinois's 2008 Annual Comprehensive Housing Plan, January 1, 2008-December 31, 2008, pg. 6.

### *5.1.3.1 Housing Locator Database*

In 2007 the State was approved for a five year enhanced federal match program, Money Follows the Person, to support moving 3,500 residents in care facilities into community-based living options. To successfully meet these demands, housing strategies are being developed. One key strategy is the web-based housing locator for affordable and accessible housing for disabled residents. The housing locator database will provide: 1) a single data-base across programs that includes information on accessible features in units, housing and community descriptions for people with disabilities; 2) a centralized one-stop-shop where residents can register and determine eligibility for housing; 3) a single consumer-application process for all housing programs; and 4) an accessible audit of existing and new subsidized properties.<sup>2</sup>

### *5.1.3.2 Development of Affordable Housing and Mixed-Income Neighborhoods*

The Illinois Housing Development Authority (IHDA) continues its role in developing a state policy for mixed-income housing for use in its programs. IHDA will continue to consult with relevant parties and other State agencies in proposing any major administrative actions. IHDA will also continue to develop and implement affordable housing demonstration projects in selected communities. As an example, special needs housing has been one of three (now seven) priorities in IHDA's housing plans, going back to 1991. Projects involving persons with disabilities or physically accessible housing have generally been very competitive, especially under IHDA's HOME, Affordable Housing Trust Fund, and Low-Income Housing Tax Credit Programs. Creating set-asides is a frequent request made of IHDA's programs. In the 2008-2009 Qualified Allocation Plan for Low-Income Housing Tax Credits, projects are offered incentives in the scoring process to offer 10 percent of units to households with Extremely Low-Incomes (30% AMI), with additional incentives to target the units to supportive housing populations (households headed by persons with disabilities, and/or household that are homeless or at-risk of homelessness). There is also a supportive housing set-aside.

### *5.1.3.3 Review and Expansion of IHDA Activities*

The work of IHDA is vital to providing new affordable housing for the State. IHDA activities are reviewed internally to ensure that affordable housing needs continue to be met with available funding and in accordance with the state Consolidated Plan. The review determines whether programs are being administered affirmatively, and that concentration of assisted/subsidized housing, where the agency has responsibility, is avoided where practicable. Efforts also need to be made to expand state financial resources available to the Illinois Affordable Housing Trust Fund and through other sources. Similarly, reauthorization and at least maintenance-level funding of other federal housing programs is strongly encouraged, especially for the federal CDBG, HOME, and the new state-funded Rental Housing Support Program (RHSP). The renewal of Section 8 contracts is the largest concern to IHDA regarding the potential loss of existing affordable housing stock. In addition, IHDA's Office of Housing Coordination Services will review (with DCEO's assistance) the role of affordable housing in relation to other State development incentive programs, such as tax increment financing (TIF) districts and State Enterprise Zones.

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<sup>2</sup> Nathalie P. Voorhees Center for Neighborhood and Community Improvement, University of Illinois at Chicago, Illinois Assisted Housing Action Research Project: Locating Affordable and Accessible Housing for People with Disabilities in Illinois, April, 2007, pg. 28.

#### *5.1.3.4 Affordable and Accessible Housing Research and Development*

Illinois needs more barrier-free and accessible housing. There is growing awareness of the need for universal barrier-free design that does not significantly raise the cost of housing, but rather changes the design and building practices being currently or historically employed by architects and builders. The state will continue to work with interested groups to further explore this option as a future incentive under its programs. Further, IHDA has added incentives in the 2008-2009 Qualified Allocation Plan for Low-Income Housing Tax Credits to encourage increased production of fully accessible units for persons with mobility impairments. The Home Modification Program first funded from the Illinois Affordable Housing Trust Fund in 2006, funds qualifying, and eligible agencies to administer Home Modification programs locally. Program clients must be elderly persons/households or persons with disabilities, with household incomes at 50% or below their area's median income. Individual households are eligible for up to \$5,000 in home modification repairs and improvements to increase accessibility and help them remain in their homes. IHDA has worked closely with IDHS and IDoA to involve service provider agencies in both potential administrative and referral roles for this new program. Twenty local awards were made in 2006 and 2007 with the third round of applications due in June of 2008.

It should be noted that there are a number of other federal (CDBG, USDA Rural Development), State (DCEO), and local CDBG Entitlement cities and counties) housing programs available that can and regularly do fund accessibility as part of their housing rehabilitation programs. Persons with disabilities often are priority populations under local programs. USDA Rural Development funds individual loans (and grants to qualifying elderly households) for emergency repairs, which can include handicapped accessibility repairs or improvements. Also, the use of existing resources to identify available accessible housing that is also affordable should be fully recognized. IHDA added an accessible and adaptable housing registry to its website ([www.ihda.org](http://www.ihda.org).) This allows IDHS Field Offices, Centers for Independent Living (CILs), and other interested parties to obtain information on available, affordable and accessible housing financed by IHDA.

#### *5.1.3.5 Foreclosure Prevention Activities*

Illinois experienced a significant increase in foreclosures and homeowner filing activities in 2007. Mortgage foreclosures are also affecting homeownership on a national level. Throughout 2007, state-sponsored Homeowner Outreach events brought one-on-one counseling and workshops to communities to educate homeowners on resources available for loan modifications and refinancing options to avoid foreclosure. Funding for a statewide Foreclosure Prevention Network in cooperation with Neighborhood Housing Services of Chicago and the national NeighborWorks Program was launched in 2008. This program will increase counseling and mediation assistance for Illinois homeowners facing increased mortgage costs

### **5.1.4 Department of Commerce and Economic Opportunity (DCEO)**

#### *5.1.4.1 Fair Housing Action Plans*

DCEO administers two of the four state HUD-formula grants in the non-entitlement communities DCEO has required an acceptable fair housing action plan as part of its state-administered non-entitlement CDBG Program for small cities and counties, and will continue to do so. DCEO

requires all grantees to comply with applicable civil rights laws, including fair housing laws, as a condition of receiving CDBG funds. As part of the application, grantees are required to describe the efforts that they will undertake to affirmatively further fair housing. Once an application is approved for funding, a grant agreement is executed that outlines the grantee's compliance requirements, including furthering fair housing. As part of monitoring a grantee's performance, DCEO reviews EEO/Fair Housing compliance. A report is then issued to the grantee outlining any areas where corrective action is required. If a grantee does not have a fair housing ordinance, DCEO will recommend, as part of its written report to the grantee, that the community adopt such an ordinance.

The State Community Development Block Grant (CDBG) Program, known in Illinois as the Community Development Assistance Program (CDAP), is also a vital element in financing the maintenance of older, affordable, single-family housing stock to keep it in standard condition. DCEO funds accessibility improvements on privately-owned housing through housing rehabilitation grantees under the CDAP Housing Rehabilitation Grants and Mobility and Accessibility Rehabilitation Services (MARS) component. To further fair housing through CDAP, DCEO has undertaken and will continue the following actions:

- Provide fair housing posters to grantees on an as needed basis.
- Recommend grantees adopt a fair housing ordinance.

#### *5.1.4.2 Housing Rehabilitation Grants*

DCEO will set-aside \$4.3 million of FY 2009 funds for rehabilitation of substandard housing, with an emphasis on single-family, owner-occupied units. Many of the local programs will target protected classes, such as elderly and persons with disabilities. Accessibility improvements (e.g., ramps) are eligible activities when units occupied by persons with disabilities are rehabilitated with CDAP funds through the M.A.R.S program.

#### *5.1.4.3 Emergency Shelter Grants*

DCEO administers the HUD-funded Emergency Shelter Grant program for the rehabilitation, renovation or conversion of emergency shelter, for operational and essential service expenses, and for homeless prevention. Every grant agreement between DCEO and the not-for-profit sub-recipients includes a requirement for compliance with the Federal Civil Rights Act. All shelters and service providers must submit copies of the non-discrimination policies to DCEO for review. These policies include compliance with federal and State civil rights and fair housing laws.

#### *5.1.4.4 Tax Incentives*

DCEO is working with IHDA on potential affordable housing opportunities that can be realized through Tax Increment Financing and Empowerment Zones.

### **5.1.5 Illinois Department of Public Health (IDPH)**

The Illinois Department of Public Health (IDPH) administers HUD's Housing Opportunities for Persons with AIDS (HOPWA) and the Lead-Based Paint Hazard Reduction Programs at the state level. IDPH enforces the Lead Poisoning Prevention Act which requires property owners to correct lead-based paint hazards in their buildings if residing children have been poisoned and prohibits the eviction of a tenant because an individual with an elevated blood lead level or

suspected lead poisoning resides in the unit, or because rent is withheld under provisions of the act to insure repairs are made. The HOPWA program enables IDPH to provide housing and services for low-income people living with HIV/AIDS in Illinois.

#### **5.1.6. Illinois Department of Financial and Professional Regulation (IDFPR)**

The Illinois Department of Financial and Professional Regulation (IDFPR) has four divisions, three of which are involved in fair housing activities with real estate professionals, including real estate brokers, salespersons and appraisers. The Division of Professional Regulations both licenses and requires continuing education of real estate professionals, including course work relating to fair housing and fair lending practices.

The Division of Banking is responsible for regulating state commercial banks, residential mortgage bankers, brokers and loan originators. The Mortgage Fraud Task Force (MFTF), of the Division of Banking was established to ensure mortgage companies comply with standards set for loan originators under the 2003 High Risk Home Loan Act. Regarding fair lending, most attention has focused on federal regulatory actions to better insure non-discrimination and community reinvestment.

Reports on any examinations, whether for safety, soundness or compliance, conducted by the Federal Deposit Insurance Corporation are always shared with IDFPR and become part of the institution's permanent file and record. In addition, Section 3-8 of the Illinois Residential Mortgage Act (IRM) of 1987 prohibits licensees from discrimination and redlining. In establishing the scope of examinations, all aspects of the statute have been considered. The Division of Banking continues to monitor consumer complaints that allege violations of the IRM.

On September 1, 2006 the Division of Banking implemented the P.A. 94-280 (HB 4050) Predatory Lending Database (PLD) Pilot Program covering ten designated zip code areas in the City of Chicago which were locations experiencing high home foreclosures due to predatory lending practices. Following the suspension of P.A. 94-280 and its replacement with P. A. 95-0691, which took effect July 1, 2008, the Division of Banking will implement the expanded PLD Program. The Division of Banking is administering the PLD to 1) collect residential mortgage loan data submitted by mortgage brokers and registered loan originators, HUD-certified housing counseling agencies, and title insurance companies/closing agents, and 2) direct borrowers in higher risk categories due to a specified credit score and/or loan features to attend mandatory housing counseling prior to closing a residential mortgage loan. The Division of Banking will use the PLD data for enhanced enforcement and reporting to the General Assembly during the course of this four-year pilot program.

On November 2, 2007, after passing both houses of the Illinois General Assembly, P.A. 95-0691 was signed by Governor Rod Blagojevich. P.A. 95-0691, among other things, 1) amends the Home Equity Assurance Act to establish a Foreclosure Prevention Loan Fund, 2) allows the Department of Financial and Professional Regulation to issue written interpretations of the Residential Mortgage License Act of 1987, 3) allows the Attorney General to enforce violations of sections of the Act and allows borrowers injured by a violation of sections of the Act to have a private right of action and 4) requires licensees, brokers, originators, HUD-certified counseling agencies, title insurance companies, and closing agents to submit a range of data to a predatory

lending database to be maintained and administered by the Department of Financial and Professional Regulation, beginning July 1, 2008.

The Division of Insurance conducts both regulatory and consumer protection activities. In keeping with an open-competition regulatory philosophy, its emphasis in the fair housing area is on education and actual complaint resolution rather than on testing and investigation, or regulatory reform of industry practices based on anecdotal evidence. In the complaint process, Divisional analysts assess written complaints, documentation, and responses from the company or agent mentioned in the complaint. An analyst would review the company's/producer's actions for compliance with Illinois insurance laws, and initiate appropriate action if laws have been violated. All housing-related complaints are tallied and included in each company's "complaint ratio" (number of complaints per million dollars of premium), which is made public. The Division also monitors complaint substance by company: if a complaint pattern emerges, Division officials may meet informally with the company to discuss the problem. The Division also has the authority to initiate special market conduct exams in which the company's practices are reviewed. No fair housing complaints have been filed in the past few years, despite the Division's efforts to make the complaint resolution process readily available to community groups who state they have specific fair housing complaint cases.

The Division of Insurance has focused its efforts in two areas: education and improvements in the Fair Access Insurance Requirements (FAIR) Plan. Its focus on these areas is in response to recommendations made in 1993 and 1994 by its Urban Insurance Issues Task Force. The FAIR Plan makes insurance available to households who cannot or choose not to obtain insurance through customary channels. A major concern with consumers and community groups was that homeowners who are insured through the FAIR Plan could not buy the same coverage that was available in the commercial market. To remedy those concerns, the FAIR Plan now includes the same coverage available in the commercial market, including replacement cost coverage. The improvements include the expansion of risks offered and a raise in the policy limits to \$750,000. The Division's Consumer Outreach personnel speak to various citizen groups and on radio call-in programs.

#### *5.1.6.1 Monitoring / Regulation of Banking, Real Estate, Appraisal, and Insurance Industry*

The Division of Banking, in cooperation with IDHR, will continue to monitor the fair housing practices of real estate and appraiser licensees, including conducting independent investigations of fair housing complaints, and taking appropriate actions where discrimination is confirmed. The Department of Financial and Professional Regulation, in cooperation with IDHR on an as-needed basis, will continue to monitor fair housing practices in the lending and insurance industries through both the Division of Insurance and the Division of Banking.

#### **5.1.7 Illinois Council on Developmental Disabilities (ICDD)**

The Illinois Council on Developmental Disabilities (ICDD) is dedicated to leading change in Illinois so that all people with developmental disabilities are able to exercise their rights to freedom of choice and equal opportunity. The Council's work is carried out across the state through a network of advocates that educates the public on systems issues while encouraging change. ICDD continues to listen to the needs of individuals with developmental disabilities and

their families and invest in new programs to improve the delivery of services and supports they deserve.

ICDD focuses on a wide range of programs to help improve the opportunities people with developmental disabilities in Illinois are afforded, including education, employment, transportation, community living, and health care. Just as importantly, ICDD works to build the capabilities of individuals, families and communities, enabling each to become more self-sufficient through the Developmental Disabilities Assistance and Bill of Rights Act. ICDD programs are developed in direct response to the concerns and ideas voiced by consumers, families, service providers, policy-makers and other professionals. By listening to these collective voices, ICDD is taking the critical steps toward a dialogue for change in how Illinois regards and addresses its citizens with developmental disabilities.

### **5.1.8 Illinois Department on Aging (IDoA)**

The Illinois Department on Aging (IDoA) helps older adults live independently in their own homes and communities. Comprehensive Care Residential Settings (CCRS), formerly known as the Community Based Residential Facility Program Demonstration Program, provides housing with assisted living services for underserved low and moderate-income seniors. IDoA provides reimbursement for the cost of some of the supportive services received by Community Care Program clients residing in a CCRS. Public Act 95-0565, effective June 1, 2008, amends the Community Care Program by clarifying eligibility requirements for new applicants seeking in-home and community-based services. The Aging and Disability Resource Centers (ADRCs), funds help to better coordinate and redesign existing methods for providing seniors and the disabled with information and personalized assistance in accessing services. IDoA has been awarded funds for existing programs in Rockford and Decatur to expand into surrounding, underserved areas. A major goal of ADRCs is to coordinate assistance from various agencies and organizations into a single "Service Point of Entry" to provide "one stop shopping" for persons needing assistance. The Older Adult Services Advisory Committee (OASAC) has worked in an advisory capacity to assist efforts of the ADRC.

### **5.1.9 Illinois Department of Human Services (DHS)**

The Illinois Department of Human Services (DHS) assists residents to achieve maximum self-sufficiency, independence and wellness through the provision of Temporary Assistance to Needy Families, rehabilitation services, and other integrated services to special needs populations (seniors, persons with disabilities, developmentally disabled, mentally ill, homeless and at-risk homeless families) and work with immigrants and refugees to provide case management services for Limited English Proficient (LEP) persons residing in the state. Team Illinois is an interagency committee designed to coordinate additional targeted community-based development initiatives and provide valuable opportunities to coordinate resources throughout the state. The Home Services Program (HSP) is a Medicaid waiver program that offers individuals with disabilities who are at risk of premature or unnecessary institutionalization the alternative of in-home care when the cost of home care does not exceed the cost of a health care facility.

The Community Reintegration Program (CRP) is designed to reintegrate individuals between the ages of 18 and 59 who are interested in moving back into the community from a nursing facility setting. CRP is able to provide services and purchase items to establish a home in the

community. This program is partially reimbursed by Medicaid. The goal is to identify the services and support systems that a nursing facility resident may need in order to move into his or her own residence and to live independently again.

## **5.2 Key State of Illinois Fair Housing Laws, 1997–2008**

What follows is a survey of State Public Acts, Executive Orders, and legal developments since 1997 (1997–2008) that impact fair housing choices. The 90<sup>th</sup> Illinois General Assembly covers any legislation and enacted laws in 1997. A search was conducted on the General Assembly Web Page: <http://www.ilga.gov>, and included General Assemblies from 90-95. Additionally, research was conducted at the UIUC Government Documents Library: *Final Legislative Synopsis and Digest of the General Assembly: State of Illinois*. Thirty-two key public acts or amendments and one Governor’s Executive Order have been identified. In addition, two Presidential Executive Orders have impacted national, state, and local fair housing laws. Figure 5.1 provides a timeline of state fair housing laws from 1997 to 2008.

### **5.2.1 State Mandates Act**

*P.A. 90-568: Amends 30ILCS 805/8.22*

*Effective: October 10, 1997*

The State Mandates Act provides for the publication of information on state and federal mandates, and requires that any additional service or action required of local government by passage of a law by the Illinois General Assembly that also increases local expenditure or decreases tax revenues can become law only if the legislature also passes on appropriations to pay for same. This amendment to the State Mandates Act provides for an abatement of taxes in occupied housing units for older persons age 55 years and over whose income does not exceed 80% of Area Median Income.

### **5.2.2 Accessible Housing Demonstration Grant Program Act**

*P.A. 91-451 310 ILCS 95*

*Effective: August 6, 1999*

This Act created an Accessible Housing Demonstration Grant Program to encourage the building of single-family spec homes accessible to the disabled population. Through the program, IHDA provided grants to builders to build spec homes meeting the following basic access standards : 1) one no-step exterior entrance with a 36-inch wide entrance door to allow wheelchair access into the home; 2) all interior passage doors in the home allowing at least 32 inches of clearance in width; 3) no electrical outlet in the home lower than 15 inches from the finished floor and all environmental controls in the home in accessible locations; and 4) for each bathroom or other room containing a toilet, bathtub, shower stall, or shower seat, the walls adjacent to those fixtures be reinforced to allow the later installation of grab bars. The goal of the demonstration program is at least 10% of all new spec homes within a development participating in the demonstration program meet the minimum standards for basic access. The timeframe for this demonstration program was 2003-2007. This act is the first instance of a definition of accessible “visitability” in Illinois state law.

### **5.2.3 Real Estate License Act of 2000**

*P. A. 91-245: Amends ILCS 454*

*Effective: December 31, 1999*

The intent of this act is to evaluate the professional competency of persons engaged in the real estate business and to regulate this sector for the protection of the public. There are continuing education requirements, disciplinary actions, which include license revocation and additional reprimands based on fair housing issues, and a discrimination clause based on the state's fair housing laws.

### **5.2.4 Disabled Veterans Housing Act**

*P.A. 91-216: Amends 330 ILCS 65/2; 65/2.1*

*Effective: January 1, 2000*

Any veteran of the military or naval services of the United States, who is a resident of Illinois, is entitled to a suitable dwelling unit with special fixtures or movable facilities made necessary by the veteran's service-connected disability. Illinois Department of Veteran's Affairs provide assistance to eligible veterans for remodeling a dwelling acquired by the veteran prior to the application for federal assistance to meet the requirements of the veteran's disability. The amount of assistance provided by the State shall be equal to the difference between the total cost of remodeling and the amount of assistance provided by the federal government, not to exceed \$3,000. If the amount of federal assistance equals the total remodeling cost then no state assistance will be granted under this Section.

### **5.2.5 Federal Executive Order 13166**

*Improving Access for Persons with Limited English Proficiency (LEP)*

*Effective: August 11, 2000*

The purpose of this Presidential Executive Order is to improve access to services for persons with limited English proficiency. The goals are for each federal agency to develop and implement a system by which LEP persons can meaningfully access services consistent with, and without unduly burdening, the fundamental mission of the agency. The Department of Justice issued a general guidance document, LEP Guidance, which sets forth the compliance standards that recipients must follow to ensure that the programs and activities normally provided in English are accessible to LEP persons and do not discriminate on the basis of national origin in violation of Title VI of the Civil Rights Act of 1964, as amended, and its implementing regulations.

### **5.2.6 Assisted Living and Shared Housing Establishment Act**

*P.A. 91-0656 210 ILCS 9*

*Effective: January 1, 2001*

The main purpose of this law is licensing. This Act (i) permits the development and occupancy of assisted living establishments based on a social model that promotes the dignity, individuality, privacy, independence, and decision-making abilities; (ii) provides for the health, safety, and welfare of those residents in assisted living and shared housing establishments; and (iii) encourages the development of innovative and affordable assisted living establishments and shared housing with services for elderly persons of all income levels. The Act provides an exemption for properties assisted under Supportive Living Facilities programs under the

administration of the Department of Public Aid (now Healthcare and Family Services) in order to obtain the CMMS waiver for payment of services via Medicaid.

### **5.2.7 Federal Executive Order 13217**

*Community-Based Alternative for Individuals with Disabilities (New Freedom Initiative)*

*Effective: June 18, 2001*

The purpose of this Presidential Executive Order is to ensure community-based alternatives for individuals with disabilities and to recognize that such services effectively foster independence and participation in the community for persons with disabilities. Unjustified isolation or segregation of qualified individuals with disabilities through institutionalization is a form of disability-based discrimination. States must avoid disability-based discrimination unless doing so would fundamentally alter the nature of the service, program, or activity provided by the state. This Presidential Executive Order also requires that the federal government assist the states and localities in swiftly implementing the decision in *Olmstead v L. C.*, 527 U. S. 581 (1999) (the “Olmstead Decision”), the Supreme Court construed Title II of the Americans with Disabilities Act to require states to place qualified individuals with mental disabilities in community settings, rather than in institutions whenever treatment professionals determine that such placement is appropriate, the affected persons do not oppose such placement, and the state can reasonably accommodate the placement while taking into account the resources available to the state and the needs of others with disabilities. Also known as the “New Freedom Initiative”, this Presidential Executive Order led to the “Real Choice System Change” and “Money Follows the Person Initiative” programs at the U.S. Department of Health and Human Services and the Centers for Medicare and Medicaid.

### **5.2.8 Prevention of Unnecessary Institutionalization Act**

*P.A. 92-122 310 ILCS 100*

*Effective: July 20, 2001*

The purpose of this Act is to authorize the Departments of Human Services and Aging to jointly establish a program to provide funding for necessary structural modifications and assistive technology devices to enable older persons and adults and children with disabilities to remain in or return to their homes, or other dwellings of their choice within their community, in order to allow them to live as independently as possible for as long as possible. The implementation of this Act is subject to annual appropriations.

#### **5.2.9.1 Illinois Affordable Housing Tax Credit Program**

*P.A. 92-0491: 20 ILCS 3805/7.28*

*Effective Date: August 1, 2001*

This program, administered by IHDA, provides a 50% state income tax credit to non-profit developers of newly constructed or substantially rehabilitated housing for low-income persons. Set-sides are also available for technical assistance and general operating support, as well as employer assisted housing. The credit must be taken in one year if there is sufficient state tax liability, or spread over up to five years if there is not. The low-income use provisions are for a minimum of ten years. For all but employer-assisted housing developments, 25% of the units in each development must serve persons with incomes of up to 60% of the area median income. Rents or mortgage payments may not exceed 30% of the household income.

### **5.2.9.2 Illinois Affordable Housing Tax Credit Program Extension**

*Public Act 94-046: Amends 35 ILCS 5/214*

*Effective: June 17, 2005*

Extends Illinois Affordable Housing Tax Credit Program to December 31, 2011

### **5.2.10 Real Estate Appraiser Licensing Act of 2002**

*P.A. 92-180: 225 ILCS 458/ART*

*Effective: July 1, 2002*

The purpose of this Act is to evaluate the competency of the persons engaged in the appraisal of real estate and to license and regulate those persons for the protection of the public. Additionally, grounds for disciplinary action include developing valuation conclusions based on race, color, religion, sex, national origin, ancestry, age, marital status, family status, physical or mental handicap, or unfavorable military discharge, as defined under the Illinois Human Rights Act, of the prospective or present owners or occupants of the area of property under appraisal. This is scheduled to be repealed Jan. 1, 2012.

### **5.2.11 Local Planning Technical Assistance Act**

*P.A. 92-0768 20 ILCS 662f*

*Effective: August 6, 2002*

The Local Planning Technical Assistance Act requires any local government requesting planning assistance from the Department of Commerce and Economic Opportunity to include a “housing element” in their comprehensive plan. Section 25(a) (6) of the Local Planning Technical Assistance Act stipulates that the purpose of this Act is to document the present and future needs for housing within the jurisdiction of the local government, including affordable housing and special needs housing, and to take into account the housing needs of the larger region; identifying barriers to the production of housing, including affordable housing; assessing the current condition of the local housing stock; and developing strategies, programs, and other actions to address the needs for a range of housing options.

### **5.2.12 Affordable Housing School Costs**

*P.A. 95-330: Amends P.A. 20 ILCS 662/25*

*Effective: January 1, 2008*

This Act amends the Local Planning Technical Assistance Act to provide, subject to appropriations, reimbursement to school districts for increased education costs associated with affordable housing that is part of an adopted housing plan pursuant to the Affordable Housing Planning and Appeals Act. Also included in the category of affordable multifamily housing are such housing types as condominiums, apartments, and townhomes.

### **5.2.13 Governor's Executive Order 2003-18**

*The Illinois Housing Initiative*

*Effective: September 16, 2003*

This Executive Order creates the Illinois Housing Task Force, which is charged with developing an Annual Comprehensive Housing Plan to be submitted to the Governor and Illinois General Assembly. Executive Order 2003-18 also requires an annual report of the progress made toward achieving goals for the number and type of housing units to be constructed, preserved or rehabilitated each year for historically underserved populations. The six priorities identified in

the Executive Order are housing for seniors, housing for persons with disabilities; housing for low income families (with an emphasis on housing for families at 30% of Area Median Income or less), housing for homeless and at-risk homeless populations, affordable housing preservation, and housing-near work.

#### **5.2.14 Disabilities Services Act**

*P.A. 93-638 405 ILCS 80*

*Effective December 31, 2003*

This Act created an advisory committee to develop a Disabilities Services Implementation Plan to ensure compliance by the State with the federal Americans with Disabilities Act and to address service issues regarding the U.S. Supreme Court decision in the Olmstead Decision. This Act also specifies items that must be included in the implementation plan and recommends that certain services may be described under the Disabilities Services Implementation Plan.

#### **5.2.15 Older Adult Services Act**

*P.A. 93-1031 320 ILCS 42*

*Effective: Jan. 1, 2004*

The purpose of this Act is to promote the transformation of Illinois' comprehensive long-term care system of older adults' services from funding a primarily facility-based service delivery system to primarily a home-based and community-based system, taking into account the continuing need for 24-hour skilled nursing care and congregate housing with services. The restructuring encompasses the provision of housing, health, financial, and supportive older adult services.

#### **5.2.16 High Risk Home Loan Act**

*P.A. 93-561*

*Effective: Jan. 1, 2004*

The purpose of this Act is to protect Illinois consumers seeking residential mortgage loans and to ensure that the residential mortgage lending industry is operating fairly, honestly, and efficiently, free from deceptive and anti-competitive practices. The Act states that licensees will not engage in any discrimination or redlining activities. Administered by the Department of Financial and Professional Regulation, the Act further protects buyers of high risk loans (APR of 6% or more on first mortgage, 8% or more on second mortgage) from various abuses by creditors and brokers.

#### **5.2.17 Affordable Housing Planning and Appeal Act**

*P.A. 93-678: Amends 93-595 310 ILCS 67*

*Effective: Jan. 1, 2004*

The purpose of this Act is to encourage counties and municipalities to incorporate affordable housing within their housing stock that is sufficient to meet the needs of their county or community. "Non-Exempt" local governments (i.e. those with fewer than 10% of their total housing stock deemed affordable) must develop and implement an affordable housing plan. IHDA is the State-level administrating entity. In 2009, the State Housing Appeals Board (SHAB) will be created. Affordable housing developers who believe that their project has failed to get approval, or has been approved with conditions that render the proposed development infeasible,

because the proposal contains an affordable component, can appeal the decisions of a non-exempt government to the SHAB.

### **5.2.18 Affordable Housing Planning and Appeal Act Amendment**

*Public Act 94-303: Amends 310 ILCS 67/, 55 ILCS 5/5, and 65 ILCS 5/*

*Effective: July 21, 2005*

This Act amends the Affordable Housing Planning and Appeal Act by making changes relative to the administration of the Act, as well as to the resources non-exempt local governments have available to increase affordable housing opportunities. This Act also amends the Illinois Counties Code and Municipal Code to allow for the use of resources such as community land trusts and housing trust funds by counties and municipalities in Illinois. The Act provides that counties and municipalities may use their zoning powers to promote the creation and preservation of affordable housing. The Affordable Housing Planning and Appeal Act 1) provides that upon recalculation of non-exempt list of local governments using new decennial census data, shall have 18 months from the date of notification of its non-exempt status to approve an affordable housing plan, 2) authorizes local governments to adopt certain measures to promote the goals of the Act. Some of the measures include: Community Land Trusts, housing trust funds, rental-payment assistance, homeownership purchase assistance, Weatherization, Emergency Repairs, and grants or loans to non-profits to engage in affordable housing needs for low to moderate income households. 3) provides that a non-exempt local government may enter into intergovernmental agreements with local governments within 10 miles of its corporate boundaries in order to create affordable housing units to meet the goals of the Act, 4) makes changes in connection with appeals to the State Housing Appeals Board, and 5) changes date from July 1, 2006 to January 1, 2008 for the creation of the State Housing Appeals Board.

### **5.2.19 Federally Assisted Housing Preservation Act**

*P.A. 93-727: Amends 310 ILCS 60/1*

*Effective: July 14, 2004*

The purpose of this Act is to preserve affordable housing for low and moderate income individuals or families and protect tenants from displacement due to the loss of use restrictions attached to their units. The Act requires owners of “covered” housing developments (primarily HUD Section 8, Section 236, USDA-RD Section 515, and LIHTC developments) to provide notice to tenants of the assisted housing, at least 12 months in advance, in the event that the owner wishes to sell or otherwise dispose of the assisted housing, complete prepayment, or complete a termination, and gives the rental housing tenants the right to form a tenant association to purchase the property. The amendment expands the coverage of the Act in two significant ways. It now covers a wider range of federally-subsidized housing developments, including project-based Section 8 developments and developments receiving Low Income Housing Tax Credits. Moreover, tenants now have the right to enter into an agreement with not-for-profit corporations to represent them in the purchase of the development, which may make it more likely that the tenants will exercise this option.

**5.2.20 Property Tax Code Amendment**

*P.A. 94-1086: Amends 35 ILCS 200*

*Effective: January 19, 2007*

This Act amends the valuation of supportive living facilities by requiring the local assessment officers to outlining assessment procedures.

**5.2.21 Comprehensive Care in Residential Settings Demonstration Project**

*P.A. 93-775: Amends 20 ILCS 105*

*Effective: January 1, 2005*

This Act allowed the Department of Aging to continue to fund a demonstration program of bundled services designed to support the specialized needs of clients currently residing in projects that were formerly designated as Community Based Residential Facilities. Participating projects must hold a valid license and the license must remain unsuspended, unrevoked, and unexpired, under the provisions of the Assisted Living and Shared Housing Act.

**5.2.22 Illinois Health Facilities Planning Act Amendment**

*P.A. 94-342: Amends 305 ILCS 5/5-5*

*Effective: July 26, 2005*

The purpose of this Act is to amend the Illinois Public Aide Code (305 ILCS 5), specifically the Supportive Living Facilities (SLF) demonstration project. The SLF is changed from a demonstration project to a program. The program shall provide supportive living facilities that seek to promote resident independence, dignity, respect, and well-being in the most cost-effective manner. This was the original Medicaid Wavier Program which allowed for payment of community-based supportive living services.

**5.2.23 Rental Housing Support Program**

*P. A. 94-118 310 ILCS 105*

*Effective: July 5, 2005*

This Act created a state program to help localities address the need for decent, affordable, permanent rental housing through rental assistance. The Act provides subsidies for landlords in order to allow them to charge rent that is affordable for very-low-income tenants, and to developers of new, affordable housing. The program provides a new resource for rental housing support in the state. It increases the housing choices available to very-low income families by making privately owned rental housing affordable to them. The Rental Housing Support Program does this by serving extremely low income households at 30% of Area Median Income or lower, with half of the funds targeted to households at or below 15% Area Median Income. The source of these funds is a ten dollar recording fee on residential real estate mortgage documents. The funds are distributed by formula in the following four geographic areas: Chicago; Metro-Suburban (six collar counties and suburban Cook); Small Metro Areas; and Rural Areas (20% of rural funds might be administered by one entity over a large area of the state). Within these four specific geographic areas, the funds are distributed to non-for-profit Local Administrating Agencies that are selected through a competitive application process. There is also a Long Term Operating Support (LTOS) component (10% minimum of the annual appropriation) geared toward developing newly created affordable housing units.

**5.2.24 Illinois Human Rights Act Amendment**

*P. A. 94-078: Amends 775 ILCS 5*

*Effective: Jan. 1, 2006*

The purpose of this Act is to prohibit interference with people in the exercise of their fair housing rights as provided under the Illinois Human Rights Act.

**5.2.25 Illinois Human Rights Act Amendment**

*P. A. 94-803: Amends 775 ILCS*

*Effective: Jan. 1, 2006*

The purpose of this Act is to add the following three protected categories of sexual orientation, citizenship status, and military status to the Illinois Human Rights Act.

**5.2.26 Illinois Human Rights Act Amendment**

*P. A. 95-042: Amends 775 ILCS 5/3-106*

*Effective: Aug. 10, 2007*

The Act amends the Illinois Human Rights Act, incorporating federal Fair Housing Accessibility guidelines, so that only buildings of four units or less are now exempt under state law. Previously, buildings of five units or less were exempt. The exemption now applies only if the owner is living in the building. Previously the owner, or a member of the owner's family living in the building, qualified a building for exemption. The Act also provides that the exemptions listed in the amendment for the private sales of single family homes and for apartments do not include any exemption to the Publication of Intent, the requirement that any written/broadcast communication relating to the sale of a single family home or apartment building not express any limitation based on the intention of engaging in unlawful discrimination.

**5.2.27 Environmental Barriers Act Amendment**

*P. A. 94-283: Amends 410 ILCS 25/5*

*Effective: Jan. 1, 2006*

This Act amended the Illinois Environmental Barriers Act (IEBA) to include both HUD's current Fair Housing Accessibility Guidelines, and its latest Supplement to Notice of Fair Housing Accessibility Guidelines, making the IEBA equivalent to current HUD Fair Housing guidelines. The Illinois Environmental Barriers Act and Illinois Accessibility Code apply to the construction and alteration of public facilities and qualifying multi-story housing units. For purposes of discrimination, multi-story housing units are defined as any buildings of four or more stories containing ten or more dwelling units, constructed for sale or lease to the public. Housing owned or financed by a governmental entity consisting of five or more dwelling units on each project site is also classified as multi-story pursuant to the Code.

**5.2.28 Redevelopment Project Rehousing and Capital Improvement Act**

*P.A. 94-793: Amends 310 ILCS 30/2*

*Effective: May 19, 2006*

This Act established that the state shall contribute to the rehousing of persons of low income residing in the areas of redevelopment projects undertaken in blighted areas. The implementation of this Act is subject to initial annual appropriations.

**5.2.29 Comprehensive Housing Planning Act**

*P. A. 94-965 310 ILCS 110/1*

*Effective June 30, 2006*

This Act codified Governor's Executive Order 2003-18, extending its effective date through June 30, 2016. Pursuant to the Act, the State of Illinois shall continue to prepare and be guided by an annual comprehensive housing plan addressing the six underserved populations:

1. Households earning below 50% of area median income, with particular emphasis on households earning below 30% of area median income;
2. Low-income seniors;
3. Low-income persons with any form of disability, including but not limited to physical disability, developmental disability, mental illness, co-occurring mental illness and substance abuse disorder, or HIV/AIDS;
4. Homeless persons and persons determined to be at risk or homelessness;
5. Low and moderate income persons unable to afford housing near work or transportation; and
6. Low-income persons residing in existing affordable housing that is in danger of becoming unaffordable or being lost (Preservation).

Annual Comprehensive Housing Plans must include an identification of funding sources for which the state has administrative control that are available for housing construction, rehabilitation, preservation, operative or rental subsidies, and supportive services. The plans shall state goals for the number and types of housing units to be constructed, preserved, or rehabilitated each year for the specified underserved populations. The Act also extends the operation of and increases the number of state agencies with representation on the Housing Task Force, and provides for an Executive Committee and an Interagency Subcommittee of member agencies. The Act requires IHDA, in consultation with the Interagency Subcommittee, to annually issue a joint notice of funding availability to notify potential applicants of funding for specific programs expected to be available through state agencies to meet housing needs identified in the Annual Comprehensive Housing Plan. In addition, the Act requires interim annual reporting on progress towards meeting the provisions of the Annual Comprehensive Housing Plan. During the period from the effective date of this Act through June 30, 2016, the state of Illinois shall prepare and be guided by an annual comprehensive housing plan that is consistent with the affirmative fair housing provisions of the Illinois Human Rights Act and specifically addresses the six underserved populations listed above.

**5.2.30 Safe Homes Act**

*P.A. 94-1038 765 ILCS 750*

*Effective: Jan. 1, 2007*

The purpose of this Act is to promote the state's interest in reducing domestic violence, dating violence, sexual assault, and stalking by enabling victims of domestic or sexual violence and their families to flee existing dangerous housing in order to leave violent or abusive situations, achieve safety, and minimize the physical and emotional injuries from domestic or sexual violence, and to reduce the devastating economic consequences.

### **5.2.31 National Guard and Reservist Homebuyer Assistance**

*P.A. 95-285: Amends 20 ILCS 3805*

*Effective: August 20, 2007*

This Act, subject to annual appropriation, authorizes the Illinois Housing Development Authority to establish and administer a program through approved lenders that provides financial assistance by covering a portion of the home down payment costs for Illinois National Guard members and reservists.

### **5.2.32 Teacher Homebuyer Assistance Act**

*P.A. 95-449 310 ILCS 115*

*Effective: August 27, 2007*

This Act, subject to annual appropriation, authorizes the Illinois Housing Development Authority to establish and administer a teacher homebuyer assistance program and allocate funds in accordance with the Act. The purpose of the program is to provide down payment assistance to teachers for purchasing residences within the jurisdiction in which they are employed.

### **5.2.33 Money Follows the Person Implementation Act**

*P.A. 95-0438: 20 ILCS 2407/51*

*Effective Date: January 1, 2008*

This Act created the Money Follows the Person Implementation Act as a new Article in the Disabilities Services Act of 2003. The new Act contains legislative intent provisions and defines certain terms. The new Act provides: 1) that the state will endeavor to increase the percentage of community-based, long-term care spending over the next 5 years, 2) that the allocation of public funds shall not diminish the quality of services available to residents of long-term care facilities or force those residents to involuntarily accept home and community-based long-term care services, 3) that specified departments shall develop a plan for quality assurance and quality improvement for home and community-based long-term care services and 4) provides that the Department of Healthcare and Family Services shall report to the Governor and the General Assembly about the implementation of the Act.

### **5.2.34 Home Equity Assurance Act Amendment**

*P.A. 95-0691 65 ILCS 95*

*Effective: June 1, 2008*

The Illinois Department of Financial and Professional Regulation (IDFPR) is responsible for the administration of the Home Equity Assurance Act. This Act was designed to establish a Foreclosure Prevention Loan Fund, and allows IDFPR to issue written interpretations of the Residential Mortgage License Act of 1987. This Act also allows the Attorney General to enforce violations of sections of that Act and allows a private right of action to borrowers injured by a violation of sections of the Act. It also requires licensees, brokers, originators, HUD-certified counseling agencies, title insurance companies and closing agents to submit a range of data to a predatory lending database to be maintained and administered by IDFPR beginning July 1, 2008.

## **5.3 Illinois Laws with Influence on Fair Housing Choices, 1997–2007**

What follows is a survey of Public Acts, Executive Orders, and legal developments since 1997 (1997–2007) that influence fair housing choices. The 90<sup>th</sup> General Assembly covers any legislation and enacted laws in 1997. A search conducted on the Illinois General Assembly Web

Page, <http://www.ilga.gov>, included the 90<sup>th</sup> through 95<sup>th</sup> General Assemblies. Additionally, research was conducted at the UIUC Government Documents Library: *Final Legislative Synopsis and Digest of the General Assembly: State of Illinois*. Six public acts, amendments, programs or demonstration projects have been identified as influencing fair housing choices

The following is a chronological summary of the evolution of the six State laws that have been identified as influencing state and local fair housing choices. A time line illustrates how these State laws have evolved since 1997. These laws are implemented by the Executive Branch, via the Illinois Department of Human Services, and the Illinois Department on Aging.

### **5.3.1 Community Service Act**

*P. A. 89-507: Amends 405 ILCS 85/1/2/7*

*Effective: July 1, 1997*

This Act states the intent of the General Assembly that the Department of Human Services assumes leadership in facilitating the establishment of comprehensive and coordinated arrays of private and public services for persons with mental illness, developmental disabilities, and alcohol and drug dependent citizens. The goal of the service system includes but is not limited to, the following: 1) to strengthen the disabled individual's independence, self-esteem and ability to participate in and contribute to community life, 2) to insure continuity of care, 3) to enable persons to access needed services regardless of where they reside in the state, 4) to prevent unnecessary institutionalization and the dislocation of individuals from their home communities, 5) to provide a range of services so that persons can receive these services in settings which do not unnecessarily restrict their liberty, and 6) to encourage clients to move among settings as their needs change. These Community Service System services should be planned, developed, delivered, and evaluated as part of a comprehensive and coordinated system.

### **5.3.2 Home Environmental Living Program Act**

*P.A. 89-507: Amends 405 ILCS 30/1, 2*

*Effective: July 1, 1997*

The purpose of this Act is to create a program which provides services and care in substitute family homes for persons with developmental disabilities and which allows individuals who have skills in parenting, and who are recipients of public assistance, to apply those skills in caring for persons with disabilities.

### **5.3.3 Community Support Systems Act**

*P.A. 89-507: Amends 405 ILCS 35*

*Effective: July 1, 1999*

The purpose of this Act is the statewide development and implementation of local community support systems to serve the chronically mentally ill, with emphasis on care and treatment of extended and/or repeated users of inpatient and/or other intensive mental health services. This shall be a priority for the Department of Human Services in community program funding.

**5.3.4 Developmental Disability and Mental Disability Services Act**

*P.A. 92-111: Amends 405 ILCS 80*

*Effective: January 1, 2002*

The Department of Human Services will create a Home-Based Support Services Program for mentally disabled adults. The program is designed to provide an alternative to the institutionalization of mentally disabled adults, permitting these individuals to live in their own home.

**5.3.5 Community Senior Services and Resources Act**

*P.A. 93-246: Amends 320 ILCS 60*

*Effective: July 22, 2003*

The intent of this Act is for the Illinois Department on Aging to advocate on behalf of seniors and promote their financial stability through direct grants and identification of alternative funding sources. The creation of Community Senior Services and Resource Centers will provide assistance to seniors in avoiding inappropriate institutionalization and address the health, safety, and well-being of those who receive senior services at home and those who receive them in an institutional setting.

**5.3.6 All-Inclusive Care for the Elderly Act**

*P.A. 94-04: Amends 320 ILCS 40*

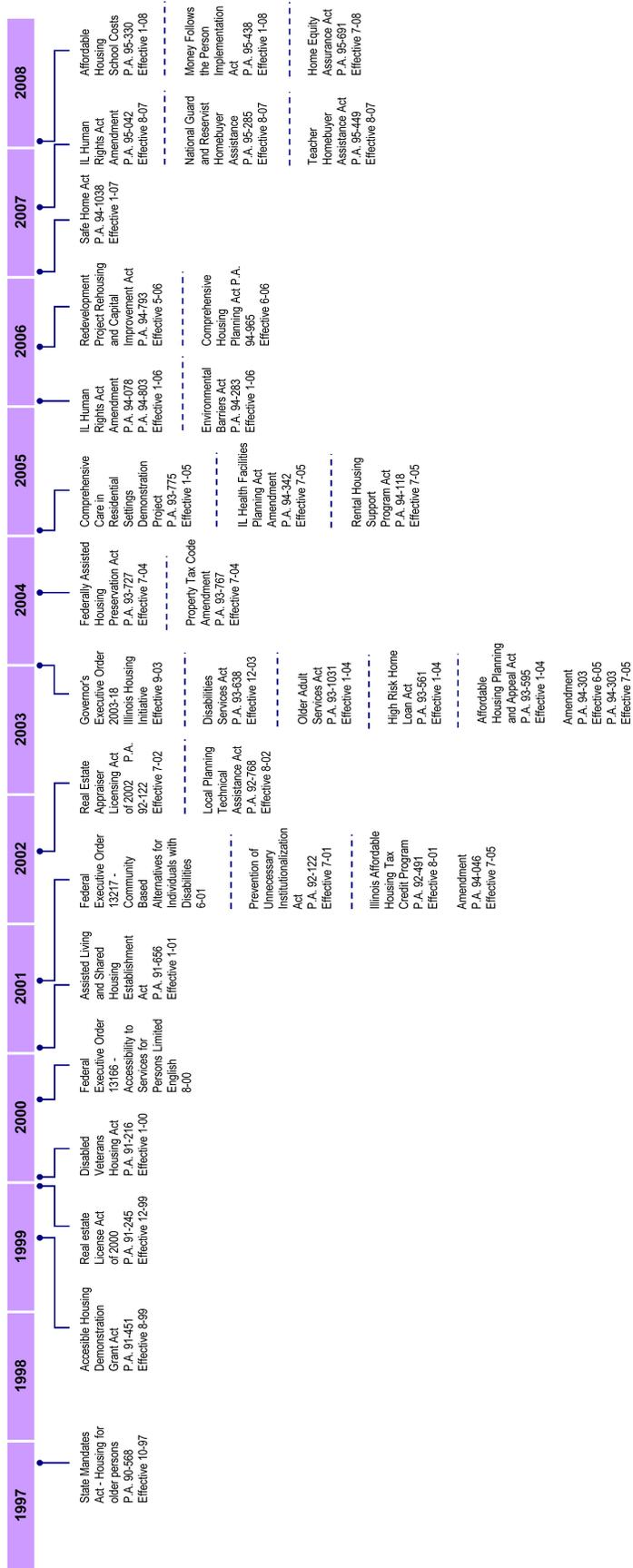
*Effective: June 1, 2005*

The purpose of this Act is to provide services that would foster the following goals:

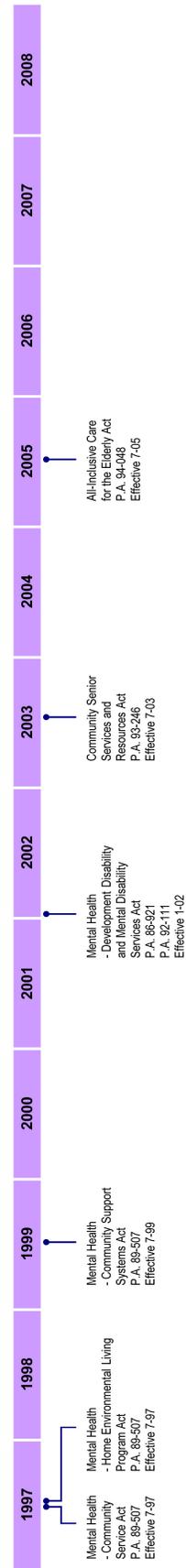
- Maintain frail elderly at risk of institutionalization at home as an alternative to long-term institutionalization
- Provide optimum accessibility to various social and health resources that are available to assist eligible persons in maintaining independent living;
- Provide that eligible persons designated as frail elderly, but who have the capacity to remain in an independent living situation, have access to the appropriate social and health services, without which independent living would not be possible;
- Coordinate, integrate, and link these social and health services by removing obstacles that impede or limit improvements in delivery of these services and;
- Provide the most efficient and effective use of capital funds for the delivery of these social and health services.

Figure 5.1. Evolution of Illinois Fair Housing Laws 1997 - 2008

State of Illinois Fair Housing Laws



State of Illinois Laws with Indirect Influence on Fair Housing Choices



## 6 Local Government Practices

As the *Illinois Annual Comprehensive Housing Plan* states:

Quality housing, affordable to each household, with accessible and appropriate services where needed, is an essential asset and economic engine for neighborhoods, integral to the creation of robust communities for the citizens of Illinois.<sup>1</sup>

The development and preservation of affordable housing units is also a key factor in furthering fair housing choices statewide. The two issues are often closely linked. Without access to a full range of available, affordable quality housing stock for the protected classes and for all State residents, access to fair housing choice cannot be ensured. Thus, all levels of government, as well as nongovernmental agencies, are essential to promoting affordable and fair housing choices.

Chapter 5 discussed key Illinois fair housing laws and programs. Chapter 3 discussed the FHIP agencies and the role that public, private, and nonprofit groups have in conducting fair housing enforcement and educational activities. This chapter discusses the impact that local governments have on furthering quality fair housing choices.

### 6.1 Local Housing Laws

#### 6.1.1 The State's Local Government Structure

The State of Illinois leads the nation in the number of local governments. In 1996, the Illinois Comptroller's Office documented 7,239 local governments. This included 102 counties, 1,284 municipalities, 1,433 townships, 1,399 township roads and bridge districts, and 3,021 special districts.<sup>2</sup> Illinois has been described as the nation's largest experiment in decentralized government.<sup>3</sup> And according to the *Encyclopedia of Chicago* entry on special districts (author: Donald F. Stetzer), "While the number of special districts has been growing steadily in the United States since the 1950s, Illinois has consistently had more special districts than any other state."

#### 6.1.2 Illinois State Constitution and Home Rule Local Governments

Home rule authority was established in Illinois with the 1970 State Constitution. In Article VIII, Local Government, the Illinois constitution establishes home rule powers that have been described as among the most liberal in any state. The State of Illinois Constitution provides to local governments with a population of at least 25,000 the automatic option to become a "home rule" community. For counties, the home rule option was initially available only if the county had a popularly elected chief executive. When the new State constitution took effect in 1971, there were sixty-seven municipalities with automatic home rule status,<sup>4</sup> but only Cook County

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<sup>1</sup> Illinois Housing Development Authority, Prime Solutions for Affordable Housing, Illinois 2008 Annual Comprehensive Housing Plan, January 1, 2008-December 31, 2008, pg. 4.

<sup>2</sup> *Illinois Counties and Incorporated Municipalities*. May 2006. Secretary of State Jesse White.

<sup>3</sup> *Home Rule in America: A Fifty-State Handbook: Illinois*. Richard Wandling, pp. 128-137.

<sup>4</sup> *Ibid.*

had an elected chief executive office.<sup>5</sup> Other counties now may become home rule counties via the County Executive Act of 1971, which gives county voters the opportunity to adopt home rule status by creating the county executive form of government. In 2008, Cook County remains the only home rule county in Illinois.

The State Constitution also grants municipalities with a population of 25,000 or less the opportunity to vote on home rule status through a local referendum. Finally, anticipating the possible misuse of home rule powers, the State Constitution established three key safeguards to prevent abuses. The safeguards are that any home rule unit may abandon home rule status by: 1) referendum, 2) state legislative preemptions, or 3) judicial review.

The Illinois Constitution provides that a home rule community has the power to regulate in order to protect the public health, safety, morals, and welfare and to license, tax, and incur debt. Home rule status gives the community flexibility to make changes in policies that are not specifically denied by the State legislature. Home rule status allows local governments more authority in addressing local issues, granting them authority in all areas not specifically prohibited by the legislature.<sup>6</sup> For example, home rule municipalities are not limited to the State statutes and may deviate from statutory procedure. To invoke home rule authority, a municipality need only enact an ordinance.

Local home rule governments have broad authority over zoning and subdivision controls; they can directly impact the location, type, and cost of housing in a community. Through decisions such as the location of public water and sewer line extensions, the pace of residential development can be directed. By providing publicly controlled surplus land and other resources, local governments can be a catalyst in the community to encourage financial institutions, developers, and other interested parties to address unmet affordable housing needs. A 2002 home survey sponsored by Illinois City/County Management Association and the Illinois Municipal League noted a range of innovative ways that home rule communities are using their powers to address local problems of community blight and development. Municipalities can establish inclusionary housing ordinances, housing trust funds, teardown fees, and community land trusts to encourage the development of affordable housing.

### **6.1.3 Other Relevant State Statutes**

While relevant state and local level public policies can positively affect the development of affordable housing, public policies can also have negative effects. Various regulations and rules (see below) could be construed by some as adversely affecting the development of affordable housing, largely as the rules contribute to increased housing costs. However, the effects on housing costs of such rules and regulations as those listed below should be viewed in the context of the public health, safety, and welfare issues which they were initially passed into law to address. While most municipalities and counties have adopted and enforce residential building codes, there is no State housing/residential building code per se in Illinois statute. However, the following laws do exist for public health and safety purposes:

- State and local plumbing codes

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<sup>5</sup> *Ibid.*

<sup>6</sup> The Times, [www.mywebtimes.com](http://www.mywebtimes.com), Home Rule Q & A, January 1, 2008.

- Lead Poisoning Prevention Act: removal of lead-based paint
- Real Estate Transfer Tax
- State Asbestos Abatement Act: asbestos removal
- State Environmental Barriers Act/Illinois Accessibility Code
- State Manufactured Housing and Mobile Home Safety Act
- State Private Sewage Disposal Code/Illinois Private Sewage Disposal Licensing Act
- State Septic Code
- Storm Water Requirements

The inclusion here of various State laws/regulations or resulting local ordinances is not meant to imply that any of them are excessive, exclusionary, discriminatory, or duplicative. These laws address legitimate public health and safety concerns, and represent sound public management practices. And, of course, any law construed by an individual or group as discriminatory or excessive is open to court challenge under federal fair housing laws, as well as the Illinois Human Rights Act.

In addition, the State Mandates Act of 1981 requires the Illinois General Assembly to pass appropriations to pay (per a fiscal note) for any additional service or action required of local government when a law is passed that increases local expenditures or decreases tax revenues.

For more than two decades, unfunded State and federal mandates have also been an issue of major concern. The State generally opposes new federal mandates that impose responsibilities on its departments and agencies without the necessary resources to implement them, and supports Congressional proposals to limit unfunded federal mandates. Likewise, as an agency charged with numerous duties under the State Mandates Act, DCEO continues its role to review legislation which may result in State mandates imposed on local governments by the State legislature without appropriate State funding to implement such new requirements.

The increase of affordable, quality housing choices in all regions, areas, and communities of the State is necessary not just for the protected classes, but for all individuals and families. Two key Illinois laws that have had significant impact on the development of local communities' affordable housing practices are the Affordable Housing Planning and Appeal Act and the Comprehensive Housing Planning Act. As a result of these two laws and the other thirty-one direct laws discussed in Chapter 5, some Illinois local communities are working to create innovative strategies to develop and promote fair housing choices and practices. Chapter 6 summarizes 1) some key local housing strategies to develop and promote fair housing practices, 2) affordable accessible housing developments, 3) various housing options, and 4) the coordination of housing and necessary services.

Local governments (municipalities or counties), especially those that qualify as home rule communities, have expansive powers to carry out a variety of innovative program and policies that could positively impact affordable housing.

## **6.2 Local Government Policies and Practices**

To promote affordable housing and affirmatively further fair housing, there are a variety of activities and practices that a local government may undertake. These include, but are not limited to, the following:

### **6.2.1 Housing Endorsement Criteria**

This is a region-wide housing policy endorsement in the Chicago metropolitan area sponsored by the Metropolitan Mayors' Caucus. The endorsement validates the work of municipalities and local housing commissions to increase the availability of, and access to, quality housing choices. Once adopted by a local government, the endorsement sets standards for local affordable housing policy review, planning efforts, and development proposals to help localities achieve the goals outlined in the housing endorsement criteria. Municipalities in other areas can consider adapting similar criteria. Appendix 6-2 provides a copy of the Metropolitan Mayors' Caucus Northeastern Illinois Housing Endorsement Criteria.

### **6.2.2 Diversity Statement**

Local governments adopt policies to encourage the creation and maintenance of diversity within the community. An example is a village board passing a resolution to encourage the development of an accessible and integrated community with a commitment to diversity and equal opportunity. While writing a statement might seem symbolic rather than practical, it is an important first step for engaging public discussion of fair housing issues in local communities and can pave the way for more substantive action later.

### **6.2.3 Fair Housing Ordinance**

Fair housing ordinances are adopted by local governments to ensure that all residents have equal opportunity to obtain quality housing within their community. An example would be the Naperville Fair Housing Ordinance, which is available in Appendix 6-3.

### **6.2.4 Landlord–Tenants Relations Ordinance**

Local governments establish this type of ordinance to foster positive community relations between landlords and tenants, and to provide assistance in resolving complaints when they arise. A landlord–tenant ordinance lays out the rights and responsibilities of landlords and tenants, addressing issues such as security deposits, maintenance of the unit, and damage to the unit. Implementing such an ordinance can stabilize the relationship between the parties by clearly defining each one's obligations. A landlord–tenant ordinance can assist in the preservation of affordable housing in the community, because requiring both parties to maintain the housing in good condition decreases the likelihood that smaller, more affordable rental units will be lost due to neglect, decline and eventual abandonment.

### **6.2.5 Accessibility / Visitability Ordinance**

Local governments can adopt building codes requiring that visitability and/or accessibility design features be incorporated into all new housing construction. These types of ordinances ensure that the physically challenged population can enter, maneuver, and live independently in a home located anywhere in the community.

### **6.2.6 Local Planning and Building Code Incentives**

Municipalities and qualifying counties can streamline the development process by expediting building permit procedures, resulting in significant cost savings for property developers that can then be passed along to buyers or renters. Communities also waive building fee revenues in exchange for the development of affordable housing. A community can also require that a percentage (e.g., 10–20%) of a new development or redevelopment of more than five existing units must be for sale or rent at affordable rates to income-qualified households, via the adoption of an inclusionary housing ordinance.

Some examples of incentives that innovative communities have put into practice include:

- New building development fee waivers
- Teardown taxes
- Expedited permitting practices
- Reduced parking requirements
- Density bonuses
- Creation of community land trusts
- Tax Increment Financing Districts for Affordable Housing
- Mortgage revenue bonds for First-time Homebuyer and Rental Housing Development
- Employer-assisted housing
- Creation of local affordable housing trust funds.

### **6.2.7 Local Homeowner/Homebuyer Assistance**

Working with banks, IHDA finances mortgages that are below the market rate, making it easier for low- and moderate-income families to qualify for and afford a home. IHDA can also provide financial assistance to help with down payments and closing costs, finance local homebuyer programs through the State that are run by local nonprofit organizations and municipalities, and finance home repair programs with grants for low-income homeowners who need to bring their homes up to code. As discussed earlier, IHDA also works with cities and counties to cede/allocate their local bond cap to IHDA to allow it to administer a First-time Homebuyer Program on their behalf. DCEO also administers home repair programs through CDAP. See paragraph 6.3.2.

### **6.2.8 Foreclosure Prevention and Mitigation**

Municipalities, in conjunction with nonprofit and State agencies, can work to prevent foreclosures by providing homeowners with access to financial counseling and assistance during times of need, with efforts such as the Governor’s Homeowner Assistance Initiative and the series of free Homeowner Outreach Days that the Illinois Department of Financial and Professional Regulations has been holding throughout Illinois. These events have brought together mortgage loan providers, local housing assistance groups, and State agencies in one place to help homeowners who are struggling to pay their mortgages. Various workshops educate homeowners on timely subjects, including:

- How Foreclosure Works and What You Can Do

- What To Do When Your Mortgage is Too Expensive
- Borrower Beware: How to Refinance.

Education on the options available to homeowners who face foreclosure are explained, including such topics as refinancing, loan modification, repayment planning, forbearance, mortgage reinstatement and, in extreme cases, deeds-in-lieu of foreclosure (i.e. “short selling”).

In 2008, Governor Blagojevich announced a \$370,000 grant to help fund a statewide Foreclosure Prevention Network. Beginning this year, Neighborhood Housing Services of Chicago will use these and other funds from national organizations to build the capacity of agencies that provide counseling and mediation assistance to Illinois homeowners facing foreclosure. Other sources to help avoid foreclosure or refinance include the National Training Information Center and its “Hot Card” program, and the State Treasurer’s “Finally Home” Program.

More proactively, homebuyer education and financial counseling can be provided upfront through such programs as the First Time Homebuyer’s Program, available through IHDA, its network of participating lenders, and statewide partners. Participants in this program receive both homebuyer education and credit counseling as a requirement for their participation, with education on the various kinds of mortgages and their assorted benefits and liabilities. The First Time Homebuyers program also assists eligible, low-income families with down payments and closing costs while assuring they are moving into quality housing affordable to them. IHDA is a partner with a number of statewide organizations through its homebuyer initiative, including the rural-focused Partnership for Homeownership and the Homeownership Coalition for Persons with Disabilities Program through the Illinois Assisted Technology Program.

## **6.3 Housing Resources for Local Governments**

Quality housing choices, combined with a range of housing types, is a vital component to a community’s economic success and neighborhood stability. Local community leadership plays a key role in furthering fair housing choices. Community support for housing plans reduces negative stereotypes of affordable housing for members of the protected classes and other underserved population groups. It is important to educate and work with community members in the development of housing plans. Helpful tools for achieving community support include creating local fair housing ordinances, housing commissions, and trust funds; adopting inclusion policy statements; and sponsoring fair housing workshops.

### **6.3.1 HUD Community Development Block Grant (CDBG) Entitlement Funding**

The Community Development Block Grant program was created as one of the first federal block grants through the Housing and Community Development Act of 1974. Cities over 50,000 in population and counties over 200,000 in population generally receive annual funding for carrying out a variety of housing, public facilities and economic development activities that primarily benefit low to moderate income persons. Besides preparing Five Year and Annual Consolidated Plans and Annual Performance Reports, these CDBG entitlement grantees must also prepare an Analysis of Fair Housing Impediments and annually certify that they will affirmatively further fair housing. The development of these documents can provide a useful

way to educate the community and outline proactive fair housing initiatives along with the allocation of resources.

In 1997, there were forty-three CDBG Entitlement Communities; in 2008 there are forty-nine. As a condition for receiving federal funds, Entitlement Communities are required to certify that they will affirmatively advance fair housing by conducting an analysis of local impediments to fair housing choices, and write a local Consolidated Plan. See Appendix 6-1 for a list of FY 2008 Local Consolidated Plan Jurisdictions.

### **6.3.2 State-Funded Non-Entitlement CDBG Grantees**

The State CDBG Program, known in Illinois as the Community Development Assistance Program (CDAP), is a grant program administered by DCEO and funded through HUD that assists State non-Entitlement Communities by providing annual competitive grants to local governments. The program is targeted to assist low-to-moderate income persons. The main program funding categories are:

- Housing rehabilitation for single family owner-occupied homes
- Mobility and accessibility rehabilitation services
- Public facilities construction
- Economic development projects
- Planning assistance and design engineering

CDAP grants were cumulatively awarded to about 1,925 non-Entitlement Communities statewide from 1997–2007. As required by the Housing and Community Development Act of 1974, all CDAP grantees must agree to comply with all applicable federal and State program requirements. One key requirement is that all CDAP grantees must administer their projects in a manner that affirmatively furthers equal opportunity and fair housing.

### **6.3.3 Community Development Block Grant: Home Modification and Repair Programs**

Additional statewide single-family preservation activity occurs under the federal Community Development Block Grant program, known in Illinois as the Community Development Assistance Housing Program. DCEO uses these housing grants to address deteriorated housing stock in small communities throughout the State. An additional component, the MARS Program, specifically addresses the housing modification needs of persons with disabilities, allowing them to remain in their homes. In the period from 1997 to 2007, 2,772 units were rehabilitated statewide, with an additional 94 single-family homes rehabilitated under the MARS program from 2002–007 (DCEO database, as of 8/26/2008).

### **6.3.4 HOME Participating Jurisdictions and Consortium Funding**

The HOME program was created as a HUD formula funding grant through the passage of the National Affordable Housing Act of 1990. As funded through HUD, federal HOME funds are available via a formula grant to states and local Participating Jurisdictions (PJs). HOME funds can be used for rental housing production and rehabilitation loans and grants, first-time homebuyer assistance, rehabilitations loans for homeowners and tenant-based rental assistance. A portion of HOME funds (15%) is also required to be available annually to eligible Community Housing Development Organizations (CHDOs). All housing developed with HOME funds must

serve income-eligible households (low to very-low income). IHDA is the designated State agency to oversee HOME funds within the State. IHDA can allocate HOME funds throughout the State. Information on IHDA's HOME funds can be found at [www.ihda.org](http://www.ihda.org), and a list local PJ's found at [www.hud.gov](http://www.hud.gov)

### **6.3.5 State HOME Rehabilitation**

In awarding State HOME funds for the preservation of affordable multi and single-family housing, the State initially targets areas that do not receive direct allocations of HOME funds from HUD, with priorities that include:

- Rehabilitation of existing rental housing to increase the supply of affordable rental units and decrease the cost burden for low and very-low-income families
- Rehabilitation of units for households that have identified a high incidence of housing problems and other special-needs households
- Rehabilitation of owner-occupied units for low-income households
- Homebuyer assistance for low- and very-low-income households
- Providing acquisition costs directly related to rehabilitation activities for both rental and owner-occupied units
- Rehabilitation of Single Room Occupancy (SRO) units and development of other types of very-low-cost units

Under the HOME "Small Rental Properties Program," IHDA also annually allocates federal HOME funds to help landlords throughout Illinois pay for rehabilitation work to their properties. The Small Rental Properties Program provides the owners of small rental properties with financial assistance needed to maintain the properties, thus helping to keep rents low. HOME funds are awarded to cities around the State, to be administered as forgivable loans to owners of eligible properties. Landlords conduct rehabilitation and repair work on roofs, windows, furnaces, and plumbing. If units are kept affordable for five years after receiving the funds, the loan does not have to be repaid. Since 1995, more than \$14.5 million has been allocated under the Small Rental Properties Program, assisting over 930 low-income families maintain safe, decent, and affordable homes.

### **6.3.6 Home Modification Program**

IHDA continues to finance home improvements for mobility-impaired seniors and persons with special needs through a new statewide pilot program. Qualifying eligible applicant organizations (nonprofits or public agencies) apply to administer Home Modification programs locally. Each applicant must have or partner with agencies that have capacity in home repair, as well as aging and disabilities services programs. Individual project sponsor awards average \$200,000. Program clients must have household incomes at 50% or below their area's median income. Further assistance up to \$15,000 (total) per household may be available for more extensive modification needs and/or to correct other health/safety code violations, where necessary. IHDA worked closely with IDHS and IDoA to involve service provider agencies in both potential administrative and referral roles for this program.

### **6.3.7 Bond Financing**

Bond financing is a tool that can be applied to both single-family and multi-family housing programs. Bonds can be issued locally or by ceding/allocating the local bond cap to IHDA, which can issue such bonds on behalf of the local government. Local governments often ask IHDA to create homeownership programs in their community to help stimulate economic growth, to build more vibrant communities through homeownership, to help create affordable housing near jobs and support the businesses in the community, and for many other reasons. IHDA is a designated public agency that is authorized to issue bonds within the State. By ceding/allocating bond cap to IHDA, local governments can not only allow IHDA to issue the bonds that can fund housing and take advantage of the many other funding programs that IHDA offers, but are also relieved of major local administrative duties to operate such a program.

Municipalities cede tax-exempt bond volume cap to IHDA so that the authority can create a customized program for the community. The program can be tailored to address any specific population or concern of the community, and will likely contain most of these elements:

- Below-market-rate mortgages
- Closing cost and down-payment assistance
- I-Loan Certificates that provide credit to federal income taxes

### **6.3.8 Tax Increment Financing (TIF) Districts**

TIF districts can be established by municipalities for areas designated as conservation or blighted areas. When a community creates a TIF district, the amount of tax revenue the area currently generates is set as a baseline, which will serve as the amount that the local government taxing bodies will receive from that area for the life of the TIF, which is twenty-three years. As vacant and dilapidated properties are developed with TIF assistance, the value and tax revenue from those properties increases. The “increment” above the baseline is then captured and used solely for improvements and redevelopment activities in the TIF district.

### **6.3.9 Other Funding**

There are a variety of other programs available through IHDA (Low Income Housing Tax Credit/Affordable Housing Trust Fund, State Donation Tax Credit), HUD, USDA Rural Development, the Federal Home Loan Bank (Affordable Housing Program), and others. Please see the State of Illinois Consolidated Plan for additional information at [www.ihda.org](http://www.ihda.org).



## 7 Attitudinal Survey on Fair Housing in Illinois

The study's Survey on Fair Housing in Illinois gathered information on attitudes and opinions from people working on housing and related issues in the State. The purpose of the survey was to gather input on fair housing impediments and issues from a broad variety of perspectives, including representatives of businesses, advocacy groups, and government agencies. It was administered online, with respondents able to send, receive, and submit hard copies, if desired.

The survey included 16 questions designed to identify impediments and issues affecting fair housing in the State, to assess the level of knowledge of groups with different perspectives, and to gather feedback on the State's efforts to address fair housing, both generally and for specific programs. Responses addressing these issues are included in this chapter. Appendix 7-1 includes a copy of the survey, describes the survey methodology, and has additional survey results.

### 7.1 Respondents Identify Populations with Limited Housing Choices

The survey asked two questions intended to identify people in the State with limited housing choices. The questions asked respondents to rate the extent to which discrimination or a lack of affordable or suitable housing affects the access to fair housing choices for various populations groups. The listed groups included groups protected under the State law, as well as other groups of interest as identified by IHDA and the researchers. Respondents could respond that the group had "full housing choices available," "some housing choices available," or "limited housing choices available," as well as a "don't know" response. Responses are averaged to show an overall picture of the perceived level of housing choices available in the state for various groups of people, using a value of 3 to represent "full housing choices" and 1 to represent "limited housing choices." The lower the average response for the identified group of people, the more the respondent group as a whole felt that that group of people's housing choices are limited in the State. In most cases, the responses to the two questions did not identify differences between access due to discrimination and access due to a lack of affordable and suitable housing.

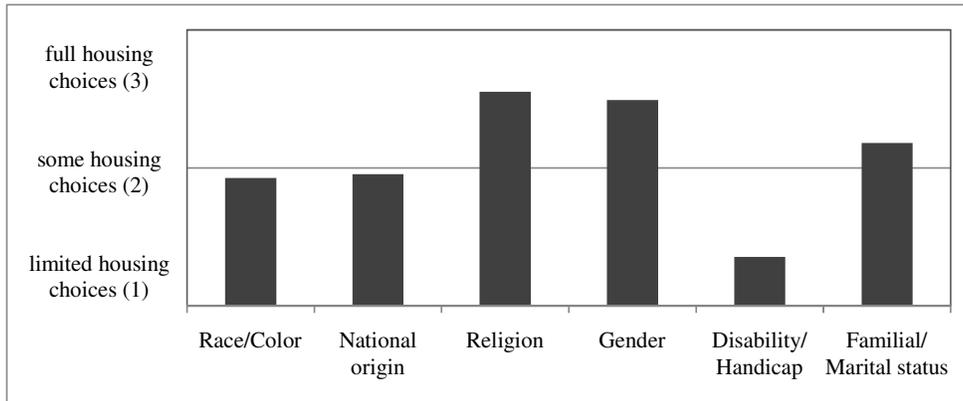
Responses addressing the extent to which discrimination affects housing choices show that no group is perceived uniformly as having full choices (Figure 7.1). Among protected classes, people with a disability are reported to have the fewest housing choices available because of discrimination, with an average of 1.36 reported. This reflects that the most frequently cited response for this group was "limited housing choices." Several protected categories had averages near 2, indicating that on average, respondents perceive them as having "some housing choices." These include federal protected classes of race/color, national origin, and familial/marital status<sup>1</sup>, in addition to the State protected classes of age and sexual orientation. The federal protected classes of religion and gender, and the State protected classes of military status and military discharge status, were relatively high, indicating that many respondents consider that these groups have full housing choices.

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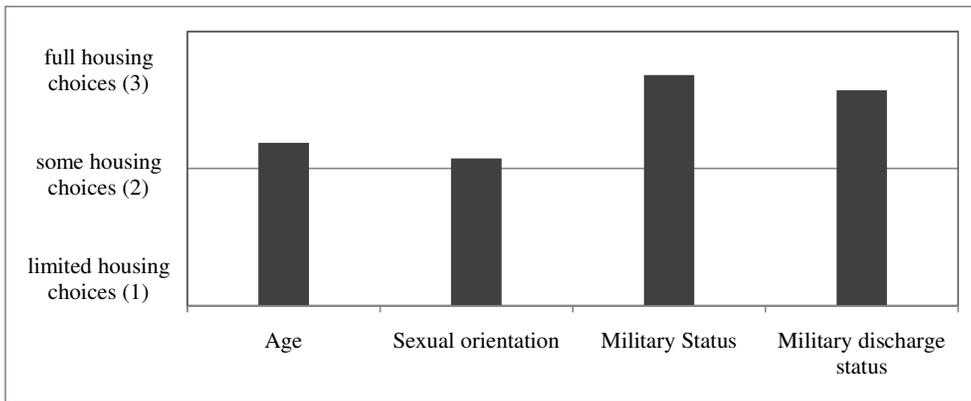
<sup>1</sup> Federal protection is for familial status, specifically households with children under 18. Marital status is a State Protected class.

**Figure 7.1. Housing Choices as Affected by Discrimination**

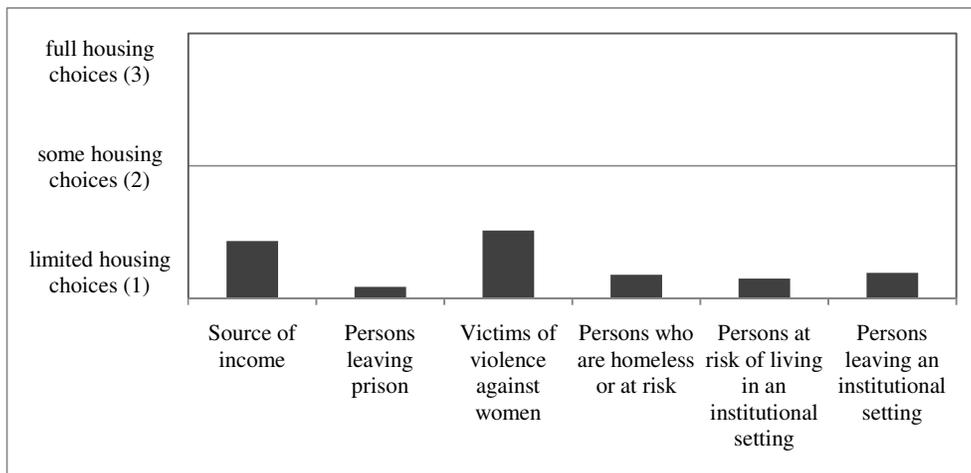
**Federal protected classes**



**State protected classes**



**Other categories of discrimination**



Among the other classes included, source of income, which is a protected class in Chicago, Cook County, Naperville and Urbana, was ranked as having fairly limited housing choices, with an average of 1.43. Several groups leaving a variety of institutions, or at risk of being in institutions, had particularly low averages, indicating a widespread perception that they have limited housing choices. These include persons leaving prison, persons who are homeless or at risk of becoming

homeless, persons who are living in an institution or at risk of living in an institution, and persons leaving an institutional setting. Averages for these groups ranged from 1.09 to 1.19. Women who are victims of violence were also reported to have fairly limited housing choices, with an average of 1.51 reported, midway between “some” and “limited” housing choices.

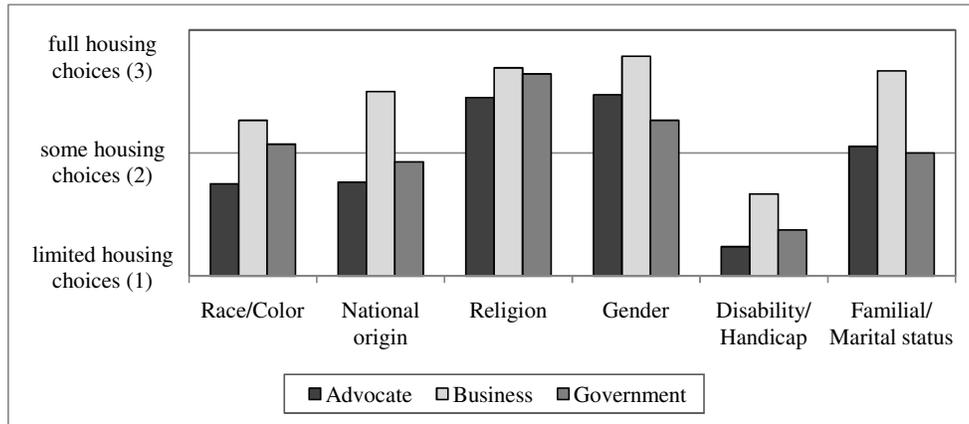
Perceptions of housing choices vary somewhat by respondent group (Figure 7.2). Business respondents had the most positive view, reporting the highest level of choices for all of the protected classes. However, responses from the business, advocate and government groups were consistent with regard to how the choices of different protected and other groups compare with each other. Disability was seen by all groups to limit housing choices the most among the protected classes. The biggest divergence in opinion appeared for national origin, familial/marital status, and sexual orientation, with business respondents ranking choices between “some” and “full,” while the other groups ranked them either between “limited” and “some” or exactly at “some” housing choices. There was little divergence in opinion between business, advocate and government respondents for the non-protected groups.

Among the four geographic groups of respondents, the general pattern is that respondents representing Chicago and statewide activities report choices as being more limited, while respondents from Other metro areas in the State report choices as more full (Figure 7.3). The most notable exceptions are for 1) disability, which is reported as equally limited by respondents from the Chicago, statewide, and Non metro areas, and less limited by respondents in Other metro areas; 2) age, which has the lowest rankings for Chicago and Non metro areas; and 3) sexual orientation, which reverses the usual pattern, with choices reported as more limited by respondents from Other metro and Non metro areas.

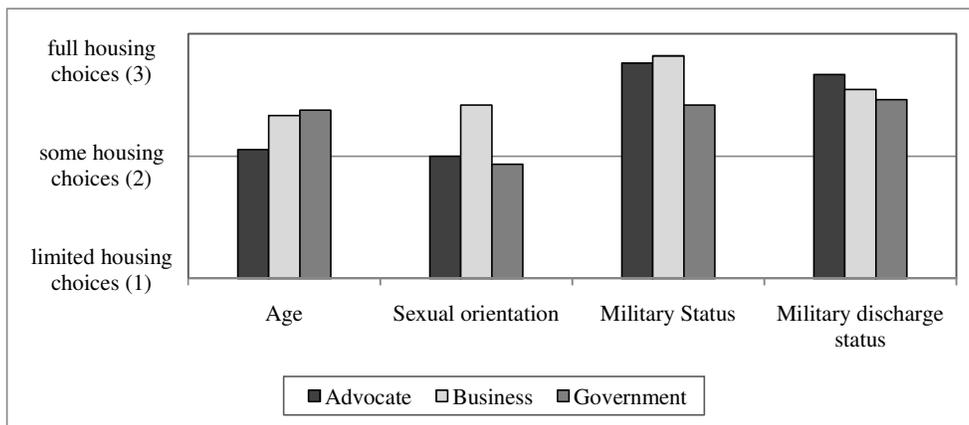
Results for the extent to which fair housing choices are limited by a lack of affordable or suitable housing were similar to responses on discrimination, with some exceptions. Overall, respondents felt that most groups had few choices due to a lack of affordable or suitable housing than due to discrimination. The difference was greatest across the board from business respondents, who viewed protected classes as having fewer choices because of a lack of affordable or suitable housing, compared to their responses concerning discrimination. Statewide respondents had similar responses, with comparatively fewer choices for race/color and familial status.

**Figure 7.2. Housing Choices as Affected by Discrimination, by Respondent Group**

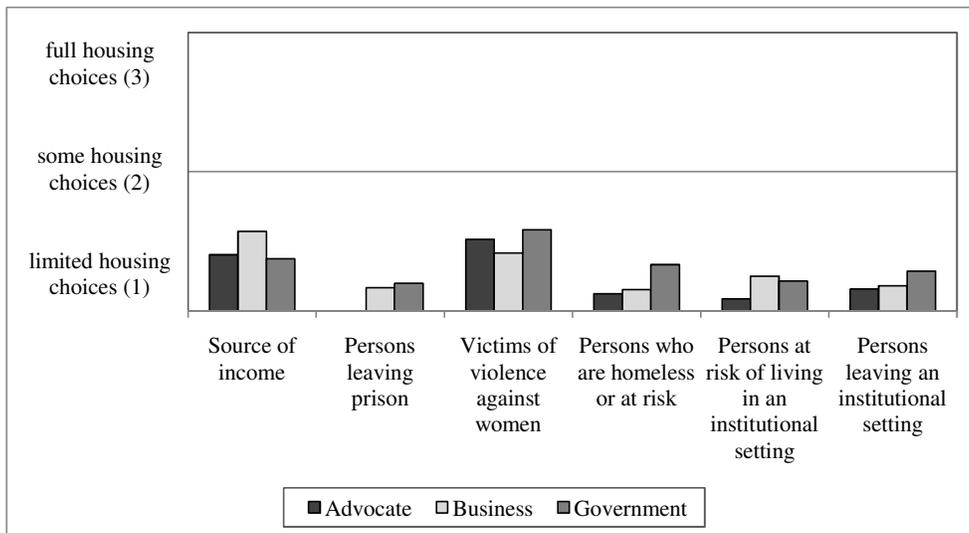
**Federal protected classes**



**State protected classes**

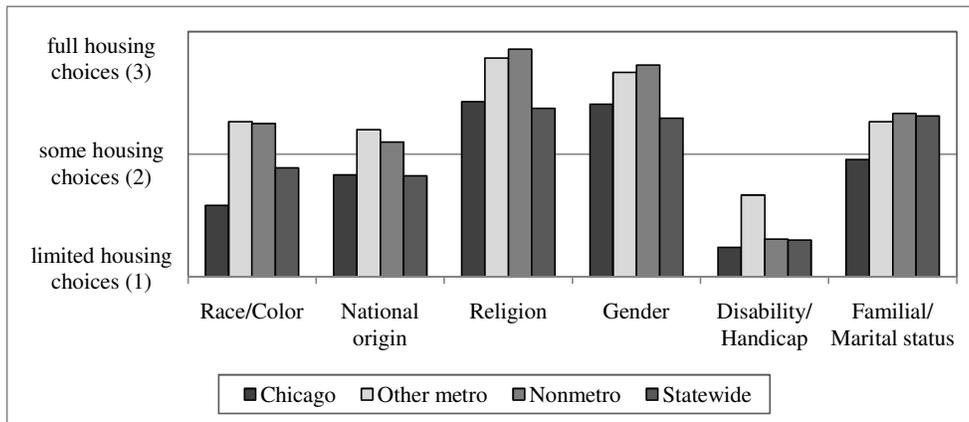


**Other categories of discrimination**

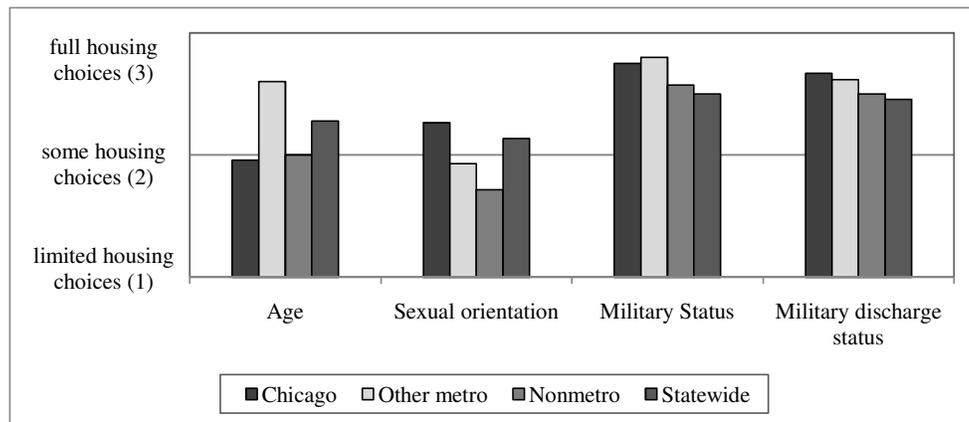


**Figure 7.3. Housing Choices as Affected by Discrimination, by Location**

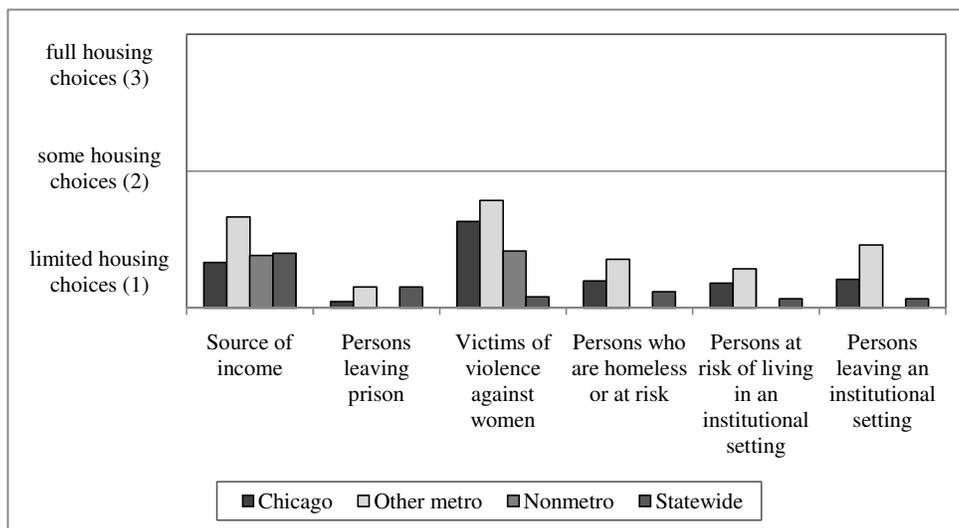
**Federal protected classes**



**State protected classes**



**Other categories of discrimination**



## 7.2 Impediments to Housing Choices

Both the 1997 and 2007 surveys asked the respondents to identify the top three impediments to fair housing in the state and in the region served by the respondents' organization, if applicable. This was an open-ended question; respondents wrote their own answers. Responses to the regional impediments tended to be the same as statewide, so responses from the two questions were combined. In addition, in most cases only the type of impediments and not the type of household facing the impediments was recorded. This also made the comparison compatible with the way the 1997 responses were analyzed. An exception is made in categorizing impediments related to accessibility, for two reasons. First, access to fair housing by people with disabilities is affected substantially by the housing stock itself. Second, reports of impediments related to this group were extremely numerous.

The field of responses can be grouped into the following five themes in 1997 and seven themes in 2007. Three of the five themes reported in the 1997 are repeated as major themes in 2007. In order of frequency mentioned, the five housing impediment themes in 1997 were: 1) income/affordability (mentioned by 78% of respondents); 2) discrimination by landlords and sellers (48%); 3) exclusionary practices by municipal governments (44%); 4) limitations of physical housing stock (37%); and 5) institutional discrimination (26%).

By order of frequency mentioned, the seven housing impediment themes in 2007 were: 1) income/affordability (61%); 2) discrimination by landlords and sellers and continuing segregation patterns in the sale and rental of housing (46%); 3) a need for government action, including enforcement and program funding (36%); 4) limitations of the physical housing stock and housing needs of people with disabilities (30%); 5) lack of public awareness/lack of counseling and education of housing buyers and sellers (26%); and 6) exclusionary actions by municipalities (23%). Other responses included housing finance issues, including predatory lending practices (20%), and miscellaneous responses. Tables 7.1 and 7.2 show the share of respondents in each respondent group and location that mentioned each impediment.

**Table 7.1 Frequency of Mention (by %) of Housing Impediments, by Respondent Group**

Impediment	Advocate	Business	Government	Total
Poverty and affordability	53%	81%	63%	61%
Segregation and discrimination	56%	38%	32%	46%
Need for government action	38%	31%	37%	36%
Lack of public awareness/need for counseling and education	24%	31%	26%	26%
Physical housing stock, housing needs for disabilities	33%	19%	32%	30%
Housing finance issues, including predatory lending	16%	25%	26%	20%
Exclusionary actions by municipalities	20%	38%	16%	23%

**Table 7.2 Frequency of Mention (by %) of Housing Impediments, by Location**

Impediment	Chicago	Other metro	Non metro	Statewide
Poverty and affordability	66%	73%	58%	50%
Segregation and discrimination	59%	27%	42%	46%
Need for government action	45%	27%	42%	29%
Lack of public awareness/need for counseling and education	28%	27%	17%	29%
Physical housing stock, housing needs for disabilities	21%	20%	50%	38%
Housing finance issues, including predatory lending	21%	27%	25%	13%
Exclusionary actions by municipalities	28%	20%	25%	17%

### 7.2.1 2007 Respondents' Themes in Detail

The following are detailed descriptions of the major themes from responses to the 2007 Survey.

#### 7.2.1.1 *Income, Poverty and Housing Affordability*

The lack of affordable housing and its primary cause, lack of adequate household income, continues to be designated as the most common reason for housing impediments in 2007, as was the case in 1997. All of the protected classes as well as unprotected classes of homeless, near-homeless, at risk of being institutionalized or leaving institutions are mentioned by the key informants to the 2007 survey. Many respondents said that the mismatch between household income and housing costs has become greater over the last 10 years. As in 1997, some 2007 respondents noted the continued disparity in spatial distribution of what little affordable housing exists. Adequate dispersion of affordable housing is needed to provide reasonable opportunities to live where one chooses. The most pressing location for new affordable units is where those with limited income and with disabilities can find jobs that pay a living wage, and where travel times and travel costs are minimized.

#### 7.2.1.2 *Discrimination by Landlords and Sellers and Continued Segregation Patterns*

The second most common response is discrimination in the private sector and segregation in the housing market. As in 1997, landlords are most often cited as discriminating, but realtors and mortgage brokers are included in the 2007 responses. The most commonly mentioned discrimination by household types were minority households and larger families with children in 1997; in 2007 they are still mentioned, but households with disabled persons get the most mention. Sixteen of the 45 responses under this theme mentioned that segregation by race, ethnicity, income and disability persist, partly the result of historic settlement patterns, which are then maintained through "steering" or the marketing of particular areas to home seekers because of their ethnicity or race. Settlement patterns may also be maintained by housing providers and sellers who discriminate and also by the management policies of public housing and HUD Section 811 programs and by landlords who refuse to rent to Section 8 voucher holders. It should be noted that Section 8 is a voluntary program regarding landlord participation, but protection against discrimination by source of income is provided in Chicago and Cook County, as well as some other municipalities, such as Naperville and Urbana, via local ordinance.

### *7.2.1.3 Need for Government Action*

This housing impediment theme, new in 2007, groups two main areas of government action: enforcement and funding needs. A need for enforcement was named as a frequent response. The respondents listed a wide number of problems including a lack of adequate fair housing laws, poor and spotty fair housing law enforcement, inadequate proactive testing to uncover illegal activity, delay in investigations for resolution of violations, and minimum penalties for guilty offenders. Much of this is blamed on low political priority for fair housing laws and funding for the enforcement of the laws that are already on the books. Many respondents noted that the identification of fair housing illegalities should not be left to the victims of housing discrimination, but that it requires proactive testing and vigorous enforcement by state and federal government agencies. These comments came from respondents active throughout the State, but most strongly from non-government organizations representing the Chicago metro area and statewide fair housing advocacy groups. This theme also includes responses indicating that additional funding is needed for housing. Some respondents called for funding for general housing needs, while others cited areas of funding need for specific populations.

### *7.2.1.4 Lack of Public Awareness/Lack of Counseling and Education*

This theme was an important addition in the 2007 survey for advocate and business group representatives. These respondents are emphatic about the importance of a knowledgeable public in order to make meaningful progress in eliminating impediments to fair housing. It is their impression that the general public misunderstands the meaning of fair housing and what currently is legal and illegal in the sale, rental, and design of housing. Nor does the general public appreciate how many people lack affordable and suitable housing choices or are restricted from choices when they can afford suitable accommodations in suitable locations. There were three markets mentioned for new and better counseling and education. The general public needs better information about the meaning of fair housing laws and how they can help be a more informed citizenry. The providers of affordable and suitable housing and those who sell, rent, and manage housing need to know about their legal responsibilities and what the fair housing design requirements are. Finally, protected classes under the law need to know their legal rights, and that counseling about housing choices is available, and that, in some locations, counselors are available to actually accompany them in their search of appropriate housing choices. The education and counseling programs are also in need of increased funding because so few impacted households are currently being informed of their rights or provided counseling.

### *7.2.1.5 Limitations of the Housing Stock & Housing Needs of People with Disabilities*

This is the last of the four themes repeated in 1997 and 2007. The housing barriers faced by people with physical disabilities were the most-often mentioned impediment in this category in both surveys, but special needs and unique discrimination experienced by people with mental disabilities, and the housing environment modifications and changes needed as people with disabilities age, were also mentioned. The respondents not only mentioned the need for more new barrier-free affordable housing, but also the fact that so much of the standing stock contains barriers as noted in Chapter 2. Even older homes that were considered accessible years ago are deteriorated or insufficient by current standards or deteriorating even while in continuous use. Where physical barriers exist, there may be landlord resistance to making or allowing modifications. This reluctance may stem from ignorance of the law, from fear of liability, or discriminatory tendencies.

### *7.2.1.6 Predatory Lending and Mortgage Finance Impediments*

The emergence of widespread predatory lending and mortgage finance problems that began to make headlines just about the time the 2007 survey was implemented has made this a new and important theme. Relatively few respondents from government organizations mentioned this theme, but an equal number of advocates and business representatives were already seeing a rise in housing foreclosures and were blaming it on the predatory practices used by some lending brokers and the lack of financial knowledge of many buyers. In addition, credit histories were cited as a problem, both in that some borrowers suffer from unfair negative credit histories, and that others were able to obtain credit even in cases where the broker should have known, after a review of the client's history, that the borrower was highly likely to default, especially in the case of subprime, adjustable rate mortgages. New penalty laws and better education and counseling of borrowers needs consideration.

### *7.2.1.7 Exclusionary Practices by Municipal Governments*

This theme is much less prominent in 2007 than it was in 1997. This group of respondents cited municipal land use plans, mostly in suburban cities and towns that restrict or exclude the development of multifamily housing, smaller manufactured housing units and any form of government subsidized affordable developments. In the worst cases, exclusionary zoning is accompanied by restrictive building codes and other ordinances that drive up the cost of even conventional housing. All of the respondents mentioning exclusionary practices represented advocacy groups or business; none of these responses came from government respondents.

## **7.3 Knowledge of Reasonable Accommodation**

One question addressed by the survey concerned the concept of “reasonable accommodations or modifications” to be made to a unit at the request of a prospective or current resident with a disability. The Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and the American With Disabilities Act of 1990 state that persons with disabilities are entitled to request “reasonable accommodations and modifications” to ensure equal opportunity to use and enjoy a dwelling unit or a development's public areas. Respondents were asked to describe what types of accommodations and modifications can be requested. The responses show that among the key informants, there is widespread but not universal knowledge of the requirement for reasonable accommodations. Over half of the respondents indicated their knowledge through lists of accommodations or references to relevant information sources. All groups—advocates, business, and government respondents—had a majority familiar with the general idea of reasonable accommodations. A smaller group provided responses that showed an extensive understanding of the “reasonable accommodations” provision. By this measure, nearly a third of advocate and government groups showed extensive understanding, compared to nearly one-fifth of business respondents. Several respondents listed aspects of accessible design rather than modifications that might be made to existing units, suggesting that they may not be aware of the ways in which existing units can be adapted to the needs of persons with disabilities. In general, while these results show that many of the survey respondents are familiar with the legal requirement of reasonable accommodations, this survey did not cover private market housing providers and residents.

## **7.4 Changes in Complaints**

Another angle of the survey looked at whether, and how, complaints have changed in the past five years. Around two-thirds of respondents said that their organization has guidelines or

procedures for dealing with complaints of housing discrimination. The survey asked respondents whether complaints have changed over the past five years. Most respondents to this question—81% overall—said that complaints have not changed. A higher share of business respondents reported that complaints have not changed (93%) while 69% of government respondents said that complaints have changed. Across respondent locations there is almost no difference in the reports of whether complaints have changed over the last five years.

Respondents reporting that complaints have changed were asked to elaborate. The most frequent response was that disability complaints have increased. Other types of complaints that have increased that were mentioned repeatedly include family status, and lending-related complaints. Additional responses mention increases in religious or national status-related complaints from Muslims, complaints from voucher holders related to source of income, complaints related to real estate sales, and an increase in complex complaints.

### **7.5 Types of Education Seen as Needed**

Education was identified in 1997 as a vital element in furthering fair housing choices in Illinois<sup>2</sup>, and its importance was reaffirmed in 2007. In 2007, survey respondents were asked to describe the types of education they are involved in and the types they would like to see funded. Over one-third of the respondents indicated that their organization has some sort of fair housing education, ranging from yearly seminars on fair housing to regular presentations, from education targeted to real estate professionals to housing counseling for homebuyers and renters.

Types of education respondents would like to see funded run a similar gamut. Several respondents would like to see education aimed at the general public, covering issues such as the harmful effects of discrimination, risk of prosecution for people who discriminate, benefits of fair and equal housing, as well as affirmative advertisements to promote open and welcoming communities. Suggestions for expanded education for potential housing consumers include information about their rights. Several people mentioned the need for additional housing counseling, particularly in the area of credit counseling and counseling for homebuyers. Developers and landlords were also identified as target groups for additional education, including information on fair housing obligations. As one respondent commented, “I don’t think people always realize that what they are doing is in violation of the law.” Rural areas were mentioned by some respondents as particularly needing this type of education. The final group mentioned education for local government officials in the area of code enforcement and general fair housing regulations.

### **7.6 Perceived Performance, Assessment, and Recommendations**

How well is the State dealing with fair housing choices and impediments? About average, but better than it was five years ago, is the general feeling among all the respondent groups surveyed. Respondents in both the 2007 and 1997 surveys were asked to rate Illinois on a scale from one to five, or poor to excellent, on how the State is dealing with fair housing choices and impediments now, and how well it was doing five years before. Three was “average” one the scale from 1 to 5.

Overall, averaged responses from the 2007 survey showed an assessment that the State is just above average in dealing with fair housing choices now, with an average rating of 3.1. This is an

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<sup>2</sup> *State of Illinois Analysis of Fair Housing Impediments*, IHDA, May 1997, p. 42.

improvement compared to the response to the same question in the 1997 survey, when the State's average score was 2.5. Business and government groups had a more positive view in 2007, rating the State currently at 3.4 each, while advocates rated the State as doing slightly below average, at 2.8. In looking at responses by location, Chicago is the only location group rating the State's current performance as below average, at 2.7, while the ratings provided by other location groups range from 3.2 to 3.4. All groups indicated that the State has improved over its performance five years ago.

In a closer comparison with the 1997 survey, advocates and government respondents show a higher average rating for the State in 2007 than in 1997, while business respondents show a slightly lower rating than they did in 1997. As in the current survey, all 1997 respondent groups indicated that the State had improved over five years before. The current survey shows that the three respondent groups provided more similar assessments than they did in 1997. This is an indication that the three groups are not as polarized as they used to be.

Respondents listed a number of reasons for their opinions on how well the State is doing now compared with five years before. A few stated reasons why they think Illinois is doing about the same, citing insufficient enforcement of existing laws, a lack of sufficient funding, and the feeling that fair housing was not a State priority. Specific areas of concern mentioned included a lack of effective enforcement, a lack of commitment to providing alternatives to institutions for people with disabilities, and a need for more education for residents.

Many more comments focused on the progress Illinois has made, referencing increased enforcement, good use of funds, development of new programs, and increased priority given to housing. "Illinois has taken many steps to enhance its awareness of the current housing situation [and] develop strategies on how to improve the situation," wrote one person. Another stated, "The issue of creating practical solutions to dealing with fair housing choices is more prominent today as compared to 5 years ago." Particular areas of improvement were also mentioned, such as "In the last few years however, state policy makers have been much more active in pursuing laws to protect Illinois homeowners from abusive lenders," and "The state has taken more initiative in addressing the issue of discrimination, especially with regards to people with disabilities." Legal approaches, including the addition of protected classes and the reduction of exemptions, along with the State's equivalency status for investigating fair housing complaints, were stated as one area of improvement. Finally, the State's Housing Task Force was mentioned with a respondent saying, "The increased coordination across State agencies, and the new initiatives and programs have greatly improved the State's efforts to provide access to fair housing."

## **7.7 Assessment of State and Local Initiatives**

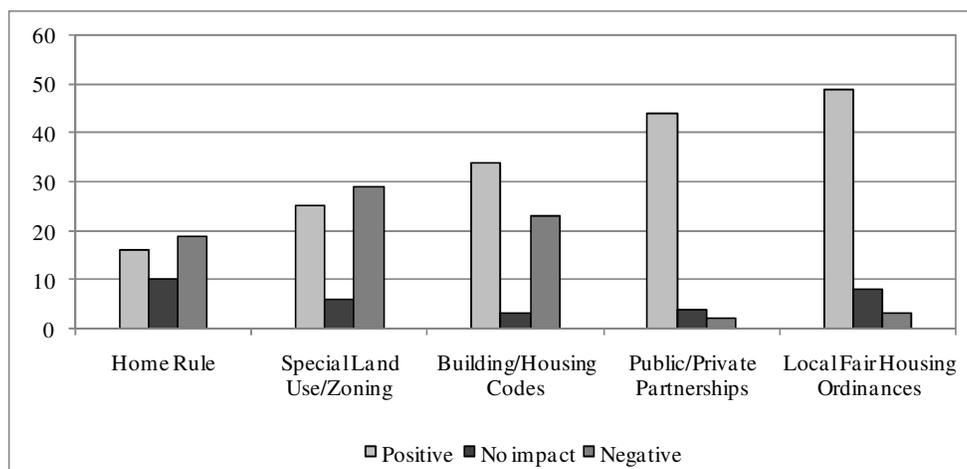
Questions 8 and 9 of the survey asked respondents to rate how well specific State and local initiatives have impacted fair housing choices. Respondents were able to indicate if initiatives had a strong positive impact, slight positive impact, no impact, slight negative impact, or strong negative impact. While State-level initiatives were generally viewed as having positive impacts, perspectives on local initiatives were often mixed (Figure 7.4).

The State initiatives typically were noted as having a positive impact or no impact; only rarely did a respondent indicate that a State initiative had a negative impact on fair housing. Four State

initiatives were rated as having a positive impact by 80% or more of respondents to the question. The Illinois Human Rights Act had the greatest number of responses indicating positive impact, with 94% of responses. State housing initiatives (92%), the home modification program (92%), and the State Mandate Act (88%) also had a high proportion of “positive impact” responses.

A majority of respondents (53%) indicated the Illinois Affordable Housing Planning and Appeal Act (AHPA) 32% of respondents indicated the AHPA had no impact (the highest share of “no impact” responses among State Initiatives). This viewpoint was particularly prominent in the Chicago region, where 42% of respondents said that the AHPA had had no impact.

Local initiatives had a more mixed response (Figure 7.4). Only two of the five initiatives listed were viewed predominantly as having had positive impact: public/private partnerships (88%) and local fair housing ordinances (83%). The other three initiatives had mixed responses. Building and housing codes, with 57% of responses citing a positive impact and 38% reporting a negative impact, had the most positive responses of the three. Special land use/zoning and home rule were fairly evenly divided, with more reports of negative impact than positive impact.



**Figure 7.4. Impact of Local Initiatives on Fair Housing Choices**

These divided responses reflect, perhaps, the flexibility inherent in local tools, which can be used to promote fair housing or to preserve a status quo. Similarly, local land use and zoning rules, depending on how they are written, can encourage or discourage diverse housing types to meet the needs of a varied population. Building and housing codes can have a double-edged effect. They may apply standards that make residences usable for people with disabilities, for example, but these standards may be considered to raise housing costs, limiting access for other groups. In contrast, public/private partnerships (arrangements in which some combination of public and private funds, management, and program design are coordinated to implement a specific program) are almost unanimously viewed as having a positive impact.

Differences in the local situation and how these flexible initiatives are used may account for the dramatic difference in responses between Chicago respondents and those in other parts of the State. Approximately two-thirds of Chicago respondents thought each of these initiatives—home rule, special land use/zoning, and building and housing codes—have had a negative impact on

fair housing. In other parts of the State, the highest negative impact share received by any of these was home rule, which was considered to have a negative impact by 40% of respondents in Other metro areas. Except for this group's perspective on home rule, local initiatives were viewed as having a positive impact by a majority of respondents in Other metro and Non metro locations.

There was a wide disparity between the views of advocates and business respondents regarding government-controlled initiatives compared with the view of government respondents. The effect of Home rule was viewed as having a negative impact on fair housing by 54% of advocate respondents and 63% of business respondents, compared with 8% of government respondents. Similarly, building and housing codes were reported as having a negative impact by 53% of advocates and 42% of business respondents, while 0% of government respondents reported them as having a negative impact.

## **7.8 Addressing the Impediments**

Many thoughtful replies emerged in response to the question asking, "In summary, what are the key issues for addressing impediments and furthering fair housing choices in Illinois?" The responses can be broadly grouped into categories of enforcement, education, housing policy, funding, legal, accessibility, and "other" issues. Of these, education issues were the most frequently cited, mentioned by 48% of respondents, followed by funding, at 33% of respondents. Affordable housing, enforcement, and policy issues were each mentioned in a quarter of the responses to this question, with accessible housing issues and legal approaches meriting 15% and 11% of responses, respectively.

### **7.8.1 Education**

Many types of education, targeted to several different groups, were suggested as key fair housing issues. The most common theme was that education on fair housing rights should be provided to both consumers and producers. One respondent commented "If an excellent law is on the books, but no one is aware of it, its ability to accomplish anything is impaired." Several respondents believe that informing consumers of their fair housing rights will go a long way to reducing discrimination, stating "I'm sure there are many people turned away that don't even know their rights are being violated," and "Illinoisans are not aware of what fair housing covers and therefore is [sic] not aware that they have a right to complain. We need to get the message out and keep it in the face of those being discriminated against." Education in the form of credit counseling and addressing predatory lending risks was another common theme mentioned.

### **7.8.2 Funding**

Increased funding was frequently mentioned as a key issue. Respondents identified a need for funding for existing agencies, for additional affordable housing, for specific programs such as the Low Income Housing Tax Credit program and other federally funded programs, for case management for supportive housing, for the preservation of affordable rental housing, and for maintenance and upkeep for low income homeowners. Other specific needs identified included the need for accessible modification of existing housing; permanent supportive housing for people at risk of being homeless; permanent, supportive, service-enriched housing for veterans, housing for ex-offenders and those with HIV positive status; and employment training support programs for people to build job skills and otherwise enhance their ability to better afford housing. One response stated that the current tax structure linking affordable housing funds to

real estate and transfer taxes and mortgage recording fees may be insufficient, as housing prices fall and sales decline. It was also suggested that the State's bonding authority be used to expand funding for housing.

### **7.8.3 Enforcement**

Many respondents identified enforcement as a key approach to further fair housing choices in Illinois. They called for "active and aggressive enforcement of existing law" and for "uniform enforcement of state and federal laws statewide," noting that "as chances of being caught are minimal, and penalties are low, housing providers may not be sufficiently motivated to change their behavior even when they know they are wrong." Some respondents pointed to specific areas where enforcement could be improved. They noted that complaints need to be fully investigated so complainants have confidence in the system and will report violations. One respondent suggested that the State investigate and prosecute discriminators "in a swift, severe, and highly public way." Another pointed to the need for more resources directed to testing programs, particularly downstate.<sup>3</sup> Other respondents suggested that there is a need to create practical, enforceable rules, "using a common sense approach to implementing and enforcing rules and guidelines." In general, though, the emphasis of most of these recommendations was on improving the enforcement of existing laws, summed up in this response: "More resources and political will devoted to systemic measures would go a long way to further fair housing choices in Illinois."

### **7.8.4 Affordable Housing**

The need for more affordable housing emerged again for this question, as an issue mentioned in relation to fair housing impediments and choices. Some responses mentioned specific locations where affordable housing is needed (statewide, in affluent communities, near transportation) and others targeted specific populations needing affordable housing, such as elderly persons, persons with mental and physical disabilities, homeless, HIV-positive persons, and ex-offenders.

### **7.8.5 Housing Policy**

Many of the suggested housing policies addressed ways in which State housing programs could reward or favor actions that counter discrimination. Examples included directing funding to projects that provide housing for protected classes, working with developers who promote and uphold fair housing laws and regulations and marketing to diverse populations. One suggestion was to provide incentives for municipalities, rewarding those that improve their diversity. A second group of suggested housing policies focused on broad, statewide structural issues, such as the need for a long-term statewide plan to support affordable housing through funding and regulatory action, and the need for reform of the current property tax-based school funding system, which, the respondent stated, "contributes to anti-child and anti-rental housing biases, and may also contribute to racial discrimination...and discrimination against people with disabilities." Finally, respondents called for the promotion of methods through which local governments could promote more inclusionary housing, such as the principles developed by the housing task force of the Metropolitan Mayors Caucus. One respondent suggested that this be

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<sup>3</sup> In a 2005 survey, 80% of respondents who thought they had experienced housing discrimination (and had claims reported as plausible by survey administrators) reported that they did nothing. Five percent said that they had either sought help from or filed a complaint with a fair housing or other group, filed a complaint with a government agency, or had consulted a lawyer. *Do we know more now? Trends in public knowledge, support and use of fair housing law.* 2006. Prepared for the Department of Housing and Urban Development by the Urban Institute.

required, as in a “fair share” approach requiring all housing developments to include some affordable housing.

### **7.8.6 Accessibility**

The need for accessible housing was frequently mentioned in connection with the need for affordable housing. Specific comments about the need for accessible housing included, “Provide a wider variety of affordable, less restrictive housing options for persons with mental and physical disabilities,” and “Left as challenges are the structural issues for disabilities, which will get more intense as the population ages and higher percentages require wheelchair, etc. accessibility.”

### **7.8.7 Legal**

Several respondents suggested legal methods to address fair housing issues. Some of these were targeted at local regulatory systems, including the elimination of local regulatory barriers and the adoption of uniform accessibility codes at the local level, as well as a suggestion to license landlords. Others focused on state-level laws, calling for actions such as raising the minimum accessibility requirement, increasing oversight of mortgage lending, and adding “source of income” as a protected category under fair housing law.

## **7.9 Conclusion**

The 2007 Fair Housing Survey primarily measured attitudes of housing-related professionals and advocates on the impediments and issues concerning fair housing in Illinois. Key issues that emerged repeatedly include a need for affordable housing, for accessible housing, for enforcement, and for education concerning fair housing laws, mortgage counseling, and related training. While state initiatives were generally thought of as having a positive impact, opinions on local initiatives such as local land use laws, home rule, and building codes were split between viewing them as having a positive or negative impact on fair housing.

Despite the list of concerns mentioned by survey respondents, the survey showed that there is a widespread—though not universal—opinion that Illinois is doing better in the area of fair housing than it was five years ago. A comparison of the 2007 survey with the 1997 survey also shows a more positive assessment today. Responses cited improvements in enforcement, in the expansion of fair housing laws, in the development of new housing programs, and in the commitment of Illinois to work on housing issues in general in recent years.



## 8 Impediments and Strategies

Since 1997, much has occurred at the State level to address the impediments identified in the last Analysis of Fair Housing Impediments (AFHI, 1997). Chapter 3 discussed complaint and charge data collected statewide. Chapter 5 discussed significant State laws that directly or indirectly further affirm fair housing choices throughout Illinois. Chapter 6 discussed local government efforts to creatively address fair housing choices.

Still, further progress can be pursued. Since the first AFHI in 1997, the protected classes have grown in number and scope; new federal laws encourage the matching of affordable housing with necessary community-based services; and a subprime/predatory lending and foreclosure crisis is occurring. This chapter summarizes identified impediments to fair housing choices and some underlying causes, measures that have been taken or are underway at the State and federal level, and strategies recommended for further action.

The impediments are addressed as follows:

Impediment 1: Gaps in geographical coverage of nonprofit fair housing agencies

Impediment 2: Lack of fair housing knowledge

Impediment 3: Shortage of affordable, accessible, and suitable housing

Impediment 4: Unfair lending and real estate practices

Impediment 5: Lack of enforcement

Impediment 6: Lack of funding

### 8.1 Impediment 1: Gaps in Geographic Coverage of Fair Housing Assistance

#### 8.1.1. Current Status of Fair Housing Organizations' Coverage Statewide

In 1997 there were seven federally funded Fair Housing Initiatives Programs (FHIPs) in Illinois. Eleven years later, there are three additional, for a total of 10 FHIPs (see Table 3.7 for the list). These nonprofit agencies play an important role in furthering fair housing choices through education and outreach, private enforcement initiatives, and establishing fair housing organization initiatives. They have each developed programs to prevent or eliminate discriminatory housing practices.

Most of these programs serve the Chicago metro area. One program covers Madison, Monroe, and St. Clair counties in southern Illinois, two programs cover northern counties in Illinois, and one covers southern Cook, Will, and Kankakee counties. Many smaller metropolitan areas and counties are not included in FHIPs service areas. Since 1997, 19 counties<sup>1</sup> have **no** record of filing federal fair housing complaints. Rather than reflecting complete, nondiscriminatory

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<sup>1</sup> The counties with no filed complaints include Calhoun, DeKalb, Douglas, Gallatin, Greene, Hancock, Henderson, Jasper, Johnson, Massac, Menard, Moultrie, Pope, Putman, Scott, Shelby, Stark, Wabash, and White (see Figure 3.7, Federal Complaints filed by Counties, 1997-2007.)

housing conditions in those counties, this statistic possibly reveals that people in those counties may be unaware of fair housing laws and the potential for filing complaints. The challenges posed by a disparate population and a lack of a statewide organizational infrastructure point out the need for innovative approaches to education, outreach and enforcement in smaller metropolitan and nonmetropolitan areas of Illinois.

### **8.1.2 Strategies for Increasing Statewide Coverage**

As discussed in Chapter 3, in 2003, the IDHR housing unit was reorganized as the Fair Housing Division to provide a more focused program for statewide fair housing enforcement, outreach and educational efforts. IDHR should continue their statewide efforts and partner with agencies throughout Illinois to continue to provide more education and outreach to serve these uncovered counties.

Another option is to expand the location and type of local housing support groups/agencies in Illinois to allow the expansion of FHIPs funding opportunities and to develop the organizational capacity to include the underserved Illinois counties. Examples would be to use existing statewide networks which have a documented long-term interest in fair housing education; these could include Illinois Community Extension Service, Rural Partners, Community Action Agencies, and similar groups.

Another approach could be to develop an employer-based education and outreach program to inform employees of their fair housing rights. For example, often the development or expansion of industry leads to an influx of new residents. Since most new residents of such a locale have ties to a single employer, the employer could function as an efficient and effective source of information.

## **8.2 Impediment 2: Lack of Fair Housing Knowledge**

### **8.2.1 Current Status of Fair Housing Knowledge**

This impediment is related to the previous one, gaps in geographical coverage, because that affects the statewide level of housing rights awareness. IDHR has sponsored numerous outreach efforts throughout the State. These efforts include workshops, seminars, speaking engagements, housing fairs, and distribution of literature through collaboration with various nonprofit agencies. Furthermore, contact data provided by the FHIPs is presented in Table 3.8. Although commendable, the numbers reached via FHIPs represent a small portion of the State's residents.

The general public and members of the protected classes need to be continually informed about changing fair housing laws and practices. This is also true for providers of affordable housing who sell, rent, develop, or manage housing. Managers and landlords need to be well-informed about their legal responsibilities with regard to fair housing design and the requirements for reasonable accommodations, as well as general tenant issues.

Households of recent immigrants may be at particular risk for housing discrimination because they may have limited skill in speaking and understanding English, and possibly, because they are newcomers, may have less knowledge of fair housing laws and the complaint filing process than do native persons. The 2000 Census reported that 12% of the Illinois population is foreign-

born. The percentage who self-reported that they have limited or no use of English is 4.3% of the State population. The largest group with limited or no English are those who speak Spanish (3%). See Appendix 8-1, “Age by Language Spoken at Home...” for more details.

### **8.2.2 Strategies to Address Lack of Knowledge**

Fair housing education needs to be continued and expanded so affected households understand their rights. Outreach efforts, fair housing seminars, training programs for sellers and renters, and workshops for the general public need to be continued and expanded statewide. Cultural and language issues should be taken into consideration when outreach activities are planned. If the issue of reaching the underserved areas of the State is addressed (possibly by formation and capacity building of new FHIPs in these areas), then the lack of outreach and education could potentially be addressed.

Another strategy involves curriculum in the public schools. As young people mature and eventually gain householder status, they would be well-served by having reasonable background knowledge in financial literacy and fair housing issues. There are some State-mandated social studies requirements that touch on this, but it is likely that they could be strengthened. The Illinois Association of Realtors has done this through the Partnership for Homeownership Program for financial literacy, and also maintains a Fair Housing website. Agencies providing housing counseling for persons in housing voucher programs and homeownership programs should be trained to provide fair housing education. In addition, more training is needed for the small “mom-and-pop” landlords and property managers. HUD approved housing counseling agencies throughout the State provide a wide array of homebuyer and homeowner counseling services which also need to be expanded.

## **8.3 Impediment 3: Lack of Affordable and Suitable Housing**

### **8.3.1 Current Status of Housing Affordability and Suitability**

The development and preservation of affordable and accessible housing units and types is a key factor in providing for fair housing choices. Results from the 2007 Fair Housing Survey of professionals across the broad field of housing affairs in Illinois (see Chapter 7) identified the lack of an adequate supply of affordable and accessible housing choices as the most common reason for housing impediments.

Helpful tools for achieving community support should include the creation of local fair housing ordinances, housing commissions, and trust funds; the adoption of inclusionary policy statements; and the sponsorship of fair housing workshops.

Many new laws and programs have been developed since 1997 (see Figure 5.1 Fair Housing Timeline). The Affordable Housing Planning and Appeal Act was designed to encourage local governments to plan for affordable housing, in the identified undersupplied communities. The State Housing Appeals Board, which by 2009 should be ready to review developers’ appeals of local decisions impacting proposed affordable housing developments.

### *8.3.1.1 Age, Condition, and Size of Housing Stock*

Half of all Illinois housing stock is more than 40 years old. At the time of the 2000 Census, more than 75% of all housing units in Illinois were at least 20 years old. The age of a housing unit impacts housing choices in many ways. Older units are less likely to be suitable for residents with disabilities, to have more maintenance problems that may impact health and safety issues (e.g., lead-based paint), and to have higher energy costs for heating and cooling the unit. The size of the unit is also a key issue for households with children.

### *8.3.1.2 Availability of Affordable and Accessible Housing*

In the 2000 Census, nearly two million people in Illinois reported that they have a disability. In addition, new federal initiatives provide community-based alternatives to institutions for housing and providing services for the disabled population, resulting in even greater demand for accessible housing located near public transportation, shopping, schools, jobs, and other community services. There is insufficient housing to meet the demand for affordable and accessible housing, given the documented growth of the protected classes in Illinois. There needs to be more education and awareness on affordable and accessible building practices and rules. There needs to be stronger enforcement of the Illinois Environmental Barriers Act Amendment that included both HUD's current Fair Housing Accessibility Guidelines and the latest Supplement to Notice of Fair Housing Accessibility Guidelines, making this law equivalent to the current HUD Fair Housing Guidelines.

## **8.3.2 Strategies to Increase Housing Affordability and Suitability**

1. Fund additional housing research to encourage the development of various housing types such as assisted living, mixed-income neighborhoods, and “green buildings” in sustainable, energy-efficient communities<sup>2</sup> to lower future energy costs for owners and/or the occupants, thereby promoting more affordable housing.
2. Encourage local jurisdictions to increase incentives for developers who build or rehabilitate housing and provide housing units that exceed the requirements for visitability and accessibility set forth in P.A. 94-283, Illinois Environmental Barriers Act.
3. Advocate increased federal funding for housing subsidies to promote more assisted living and permanent supportive housing opportunities, diversity in housing types and the combination of affordable housing and supportive services.
4. Expand the Home Modification Program, CDAP Housing Rehab Programs, DCEO MARS and the USDA Rural Development Section 504 Emergency Home Repair Program to assist elderly and disabled residents living in housing units that need accessibility modifications or energy efficiency improvements to avoid premature institutionalization.
5. Continue working to implement the federal “Money Follows the Person” initiative. This will require extensive coordination of community-based affordable housing and services provided by State agencies, programs, and resources, especially in rural areas of the

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<sup>2</sup> “Assisted living” is for persons who need some help with daily household functions but do not require daily medical care. “Mixed-income” areas are economically diverse neighborhoods, and green buildings are high-performance, sustainable buildings.

State, to enable persons now living in nursing homes who would be able to live in community-based housing to obtain such housing.

## **8.4 Impediment 4: Unfair Lending and Real Estate Practices**

### **8.4.1 Current Status of Unfair Lending and Real Estate Practices**

#### *8.4.1.1 Refusal to Rent or Sell*

There is continued documentation of unfair, discriminatory and predatory practices in the real estate industry from both survey and complaint data. Real estate agents and brokers receive continuing education on fair housing laws as part of the professional training and certification process. Many landlords and building managers are unaware of their role and responsibilities to provide fair housing choices and reasonable accommodations. In addition to a need for continuing education on these matters, there is a need for enforcement of the regulations to be ongoing and timely, in order to be effective.

At the local level, communities have a great deal of control over their local housing policies and development practices. Therefore, local community efforts are essential to promoting fair and affordable housing choices. While some local governments address this need, others do not and engage in exclusionary practices through land use plans, building codes and zoning.

#### *8.4.1.2 Lending Practices*

In the State, 15.7% of subprime loans included in a nationally used database<sup>3</sup> are in foreclosure or are real estate-owned by the lender (“REO”), compared to 13.1% of loans nationwide. In addition, 75% of subprime, owner-occupied loans in the State are variable rate loans. Subprime loans, which are particularly vulnerable to foreclosure, are disproportionately held by borrowers from protected racial or ethnic groups. In addition, neighborhoods with a population predominantly in these groups have higher shares of subprime mortgages, making this an issue that disproportionately affects members of protected groups. Foreclosures, especially if clustered, can reduce nearby property values, widening the negative impact of foreclosure beyond the affected borrowers. One out of every 25 loans in Illinois was seriously delinquent (at least 90 days overdue, or in foreclosure) at the end of 2007, putting it behind only seven other states. Subprime loans are particularly affected.

Chapter 4 discusses lending practices nationwide and in the State. One antidote to unfair lending practices is an informed citizenry. In the State, homebuyer education and financial counseling are provided through such programs as the First-Time Homebuyer’s Program, available through IHDA, its participating lenders and statewide partners. Participants in this program receive both homebuyer education and credit counseling as a requirement for their participation. They become familiar with the various types of mortgages and their assorted benefits and liabilities. The program also can provide eligible, low-income families assistance with down payment and closing costs.

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<sup>3</sup> Loan performance data presented by the Federal Reserve Bank, accessed at <http://www.newyorkfed.org/regional/subprime.html>. This database includes securitized, subprime mortgages not guaranteed by governmental or quasi-governmental agencies.

IHDA partners with a number of statewide organizations through its homebuyer initiative, including the rural-focused Partnership for Homeownership and the Homeownership Coalition for Persons with Disabilities Program through the Illinois Assisted Technology Program. These groups promote independent living for disabled residents through technology transfer and assistance with homeownership opportunities.

#### **8.4.2 Strategies to Improve Lending and Real Estate Practices**

1. Continue IHDA's practice of requiring credit counseling for first-time homebuyers.
2. Increase housing counseling services on topics such as default and foreclosure prevention, and offer rental and reverse-mortgage counseling.
3. Continue to work with the real estate sector by providing training on fair housing laws and rights.
4. Continue the financial counseling and assistance provided by the Governor's Homeowner Assistance Initiative and the Homeowner Outreach Days held by IDFP and IHDA throughout Illinois. These events bring together mortgage loan providers, local housing assistance groups, State agencies and homeowners in one place.
5. Continue the Statewide Foreclosure Prevention Network, started in 2007 by Governor Blagojevich, with a \$370,000 grant through the Affordable Housing Trust Fund.
6. Examine gaps in the geographical coverage of housing counseling available in Illinois (only 34 counties are now included in the service area of the Illinois Statewide Foreclosure Prevention Network) and expand housing capacity building.

### **8.5 Impediment 5: Lack of Enforcement**

#### **8.5.1 Enforcement of CDBG and CDAP Requirements**

As required by the Housing and Community Development Act of 1974, all local government grantees receiving CDBG Entitlement funds as well as State CDAP funds must document their activities to affirmatively furthering fair housing. Grantees and their sub recipients who receive HUD funding must report annually on their efforts in these areas. Some groups, however, are critical of the extent of local commitment.

In a study conducted in 2005, fewer than 25 [Chicago] suburban municipalities had commissions that met at least annually. In fact, few of these commissions even provided information about fair housing and any municipal ordinances regarding housing rights.<sup>4</sup>

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<sup>4</sup> "The 2008 State of Fair Housing in the Six-County Chicago Region: 40 Years After the Fair Housing Act and A Blueprint for Change For the Next Five Years," by Chicago Area Fair Housing Alliance, 2008, p. 23.

### **8.5.2 Strategy**

The CDBG Entitlement Jurisdictions and small communities receiving CDAP Grants should be closely reviewed for their fair housing efforts, such as local enforcement of their fair housing plans to affirmatively further fair housing choices. Lack of affirmative fair housing actions could result in a delay and/or denial of funding. HUD's Office of Fair Housing and Equal Opportunity (FHEO) and Community Planning and Development (CPD) and DCEO would be responsible for this review and enforcement.

## **8.6 Impediment 6: Lack of Adequate Resources**

### **8.6.1 Current Status of Housing Conditions**

As was discussed in Chapter 2, about 32% of the State's residents are members of protected racial and ethnic classes, 16% have some type of disability, 12% are age 65 years and older and 12% are foreign born. Almost half of all housing units in Illinois have been built before 1960 (Table 2.12). These older units, while often more affordable, present both safety and accessibility issues. Such characteristics directly impact the amount and type of housing funding needed to ensure fair and equal choice, affordability and equal access to suitable housing.

As the Illinois Annual Comprehensive Housing Plan states:

Stable and affordable housing is a prerequisite to the achievement of individual and family success. A full range of quality housing options available and accessible in communities throughout the State is an essential part of meeting the needs of all income groups and special needs populations. Strategies employed to assure affordability and choice must promote equal access, create housing options in the least restrictive environments, prevent homelessness, support homeownership, and coordinate housing and services.<sup>5</sup>

In addition, strategies are also needed to provide more homeownership counseling and education and awareness of fair housing laws, rights and obligations.

### **8.6.2 Strategies to Address Need for Funding**

The State of Illinois should provide more funding to:

1. Expand the State's Home Modification Program to assist elderly residents and persons with disabilities living in housing units who need accessibility modifications.
2. Expand education, outreach and training on Fair Housing issues, rights and responsibilities.

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<sup>5</sup> State of Illinois, 2008 Annual Comprehensive Housing Plan; Prime Solutions for Affordable Housing, January 1-December 31, 2008, pg. 5.

3. Strengthen technical assistance by providing additional training to grantees and project sponsors on fair housing issues and encouraging municipalities to adopt some of the innovative local housing policies discussed in Chapter 6.
4. Increase the number of housing counseling agencies that offer services such as default and foreclosure prevention and pre-purchase, rental and reverse-mortgage counseling.
5. Provide more housing research and development to encourage the development of various housing types and programs such as assisted living, permanent supportive housing and sustainable energy efficient communities.
6. Research and access federal resources whenever possible to offset program costs by leveraging and/or funding program development and operational costs. Two examples of recent federal legislation actions are:
  - a) Green Resource for Energy Efficient Neighborhoods (GREEN) Act. If approved in the US House of Representatives, this act would make energy-efficient practices more affordable, accessible and achievable.
  - b) Housing and Economic Recovery Act of 2008. This act has allocated nearly \$4 billion in a one-time Community Development Block Grant program, the Neighborhood Stabilization Program (NSP). NSP funds for foreclosure mitigation efforts, as well as the establishment of a Government Sponsored Entities (GSE) National Housing Trust Fund.

**Appendix 1-1: Fair Housing Working Group Members**



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Village of Rantoul  
333 South Tanner Street  
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**Appendix 2-1: Counties Where Recent Immigration Tripled Since 1990**



## **Illinois Counties Where “Recent Immigration” Tripled since 1990**

List of counties in which the number of “recent immigrants” (entered in the previous five years) increased more than 200% (tripled) between 1990 and 2000:

Boone County  
Brown County  
Cass County  
Christian County  
Clinton County  
Crawford County  
Cumberland County  
De Witt County  
Douglas County  
Effingham County  
Franklin County  
Grundy County  
Henry County  
Jo Daviess County  
Kankakee County  
Lee County  
McHenry County  
Mercer County  
Morgan County  
Ogle County  
Perry County  
Pope County  
Saline County  
Stephenson County  
Union County  
Vermilion County  
Will County  
Winnebago County  
Woodford County



**Appendix 3-1: Number of Complaints Filed by Illinois Counties from 1997-2007**



Appendix: 3.1 Number of Complaints Filed by Illinois Counties from 1997-2007.

County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
Adams	2			1	1	2		2	1	3	4	16
Alexander	1				1							2
Bond									2		1	3
Boone		1				1			1	2	1	6
Brown					1							1
Bureau										1		1
Calhoun												0
Carroll						1				2	1	4
Cass	1	34			1		1		1			38
Champaign	4	6	3	12		3	3	6	3	4	2	46
Christian	2	1						1				4
Clark					1							1
Clay									1			1
Clinton											1	1
Coles		1		1		1			6	5	1	15
Cook	135	136	123	112	117	182	216	207	174	245	192	1,839
Crawford			1							1		2
Cumberland									1			1
DeKalb	1				1	1	1	5	6	8	3	26
DeWitt												0
Douglas												0
DuPage	28	23	16	34	26	34	23	29	38	44	32	327
Edgar					2					1		3
Edwards												0
Effingham									1	1	2	4
Fayette										1		1
Ford								14	1		1	16
Franklin				1	1	1				1	2	6
Fulton							1					1
Gallatin												0
Greene												0

County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
Grundy		2			1	1			1			5
Hamilton	1				1							2
Hancock												0
Hardin							1					1
Henderson												0
Henry			2								2	4
Iroquois								1	1		3	5
Jackson			2				1	2	3	2	5	15
Jasper												0
Jefferson		1	1			2	1	1	1	3	1	11
Jersey				1								1
Jo Daviess									3	1		4
Johnson												0
Kane	6	7	4	26	4	2	1	4	6	14	2	76
Kankakee	1	2	7	3	4	4	10	1	2	7	2	43
Kendall		1		1					1	2	3	8
Knox			1					1	3	1	4	10
La Salle		2		1	2	1	1	1	3	1	6	18
Lake	3	17	10	6	6	11	10	9	20	15	18	125
Lawrence	1									1		2
Lee		1						1			1	3
Livingston				1				3	6	1		11
Logan							1		1	3		5
Macon	1	1	1	2			3	1		1	1	11
Macoupin			1					1	1	1		4
Madison	5	2	3	2	1	3	3	8	5	7	6	45
Marion		2		1	1				1	3		8
Marshall									1			1
Mason					1		1					2
Massac												0
McDonough						1		1	2	1	2	7
McHenry		3		1		4	1	9	1	2	1	22
McLean		2		1		4	2	1	5	5	2	22

**Appendix: 3.1 Number of Complaints Filed by Illinois Counties from 1997-2007**

County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
Menard												0
Mercer									1		1	2
Monroe								1				1
Montgomery				1						1		2
Morgan			1	1				1		2		5
Moultrie												0
Ogle					1		1		1	2	2	7
Peoria		3	4	2	2	4	3	2	7	4	5	36
Perry								1		1		2
Piatt									2			2
Pike						1					1	2
Pope												0
Pulaski				1								1
Putnam												0
Randolph							2			2		4
Richland									1			1
Rock Island	2	2	5	2	5	7	5	5	8	10	3	54
Saline	1			2	1	1		1	1			7
Sangamon	4	2		1	2	5	5	14	13	7	4	57
Schuyler		4										4
Scott												0
Shelby												0
St. Clair	2	3	7	5	3	6	19	14	16	11	11	97
Stark												0
Stephenson		1					2	2	6	3		14
Tazewell	1	1	1	1				2	2	2		10
Union					1							1
Vermilion	2	1	1			2	2	2	2		2	14
Wabash										1		1
Warren							2		2	1		5
Washington											1	1
Wayne										1		1

County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
White												0
Whiteside		1		1			2	1			1	6
Will	6	8	3	7	4	2	5	15	43	23	11	127
Williamson						1		1			1	3
Winnebago	1	2	1	1	2	6	4	4	8	8	6	43
Woodford							1		1	3	1	6
Total	211	273	198	232	194	294	334	375	417	472	352	3,352

**Appendix 4-1: National Foreclosure Mitigation Counseling Program Awardees in Illinois**



## **Appendix 4-1: National Foreclosure Mitigation Counseling Program Location of Awardees and Sub-grantees in Illinois**

ACORN Housing, Chicago  
Affordable Housing Corporation of Lake County, Gurnee  
Attorney General's Office, Springfield  
Beyond Housing, Madison and St. Clair Counties  
Brighton Park Neighborhood Council, Chicago  
CCCS Greater Chicago (a division of MMI), Chicago  
CCCS of Elgin (23003), Elgin  
CCCS of Elgin (23003), Hoffman Estates  
CCCS of Elgin (23003), Streamwood  
CCCS of McHenry County (23007), Ingleside  
CCCS of McHenry County (23007), McHenry  
CCCS of McHenry County (23007), Waukegan  
CCCS of McHenry County (23007), Woodstock  
CEFS Economic Opportunity Corporation, Effingham  
Central Illinois Debt Management & Credit Education, Inc., Peoria  
Central Illinois Organizing Project, Bloomington  
Chicago Urban League  
Chinese American Services League, Chicago  
ClearPoint Financial Solutions (56003), Marion, IL  
ClearPoint Financial Solutions (56003), Mount Vernon  
ClearPoint Financial Solutions (56003), Quincy  
ClearPoint Financial Solutions (56003), Springfield  
ClearPoint Financial Solutions (56003), Swansea  
Community & Economic Development Association of Cook County, Inc.  
DuPage Homeownership Center, Wheaton  
Family Credit Counseling Service, Rockford  
Greater Southwest Development Corporation, Chicago  
Illinois Assistive Technology Program, Springfield  
Illinois Housing Development Authority (statewide)  
Institute for Consumer Credit Education, Tinley Park  
Interfaith Housing Center of Northern Suburbs, Winnetka  
Joseph Corporation, Aurora  
Lakeside CDC, Chicago  
Land of Lincoln Legal Assistance Foundation, East St. Louis, IL  
Latin United Community Housing Association Chicago  
Legal Assistance Foundation of Metropolitan Chicago  
METEC, Peoria  
Mid-Central Community Action, Inc.  
Mortgage Education Foundation, Lombard  
NACA Chicago  
Neighborhood Housing Services of Chicago, Chicago  
Neighborhood Housing Services of Freeport, Freeport  
Neighborhood Partners of Kankakee, Kankakee  
NHS of Chicago  
NHS of the Fox Valley  
Nobel Neighbors, Chicago  
Northwest Side Housing Center, Chicago  
Oak Park Regional Housing Center, Oak Park  
Partners in Community Building, Chicago  
Partnership for Homeownership, Springfield  
Project NOW, Inc.  
Regional Fair Housing Center, Evergreen Park  
Resurrection Project, Chicago  
Rockford Area Affordable Housing Coalition, Rockford  
Rogers Park Community Development Corporation, Chicago  
Smart Money, Chicago  
Spanish Coalition for Housing, Chicago  
Springfield Urban League, Springfield  
Urban League of Champaign County, Champaign  
Voices of Community Ministerial Association, Chicago  
Western Egyptian Economic Opportunity Council



**Appendix 6-1: Local Consolidated Plan Jurisdictions**

## Local Consolidated Plan Communities

### Cities

- |   |  |
|---|--|
| (1) Arlington Heights                             | (26) North Chicago (PE - Lake County Consortium) |
| (2) Aurora (PE- DuPage County Consortium)         | (27) Oak Lawn                                    |
| (3) Belleville (PE – St. Clair County Consortium) | (28) Oak Park (PE - Cook County Consortium)      |
| (4) Berwyn (PE – Cook County Consortium)          | (29) Palatine                                    |
| (5) Bloomington                                   | (30) Pekin                                       |
| (6) Bolingbrook                                   | (31) Peoria                                      |
| (7) Champaign (PE - Urbana Consortium)            | (32) Rantoul (PE - Urbana Consortium)            |
| (8) Chicago                                       | (33) Rockford                                    |
| (9) Chicago Heights (PE - Cook County Consortium) | (34) Rock Island                                 |
| (10) Cicero (PE - Cook County Consortium)         | (35) Schaumburg                                  |
| (11) Danville                                     | (36) Skokie                                      |
| (12) Decatur                                      | (37) Springfield                                 |
| (13) DeKalb                                       | (38) Tinley Park                                 |
| (14) Des Plaines                                  | (39) Urbana (LE)                                 |
| (15) Downers Grove (PE- DuPage County Consortium) | (40) Waukegan (PE – Lake County Consortium)      |
| (16) East St. Louis                               | (41) Wheaton (PE- DuPage County Consortium)      |
| (17) Elgin (PE – Kane County)                     |  |
| (18) Evanston                                     | <b>Counties</b>                                  |
| (19) Hoffman Estates                              | (42) Cook County (LE)                            |
| (20) Joliet                                       | (43) Champaign County (PE)                       |
| (21) Kankakee                                     | (44) DuPage County (LE)                          |
| (22) Moline                                       | (45) Kane County (LE)                            |
| (23) Mount Prospect                               | (46) Lake County (LE)                            |
| (24) Naperville (PE - DuPage County Consortium)   | (47) Madison County                              |
| (25) Normal                                       | (48) McHenry County                              |
|   | (49) St. Clair County (LE)                       |
|   | (50) Will County                                 |

PE = Participating Entity in a HOME Consortium

LE = Lead Entity of a HOME Consortium

**Formula Grant Funding in Illinois FY 2008\***

<b>NAME</b>	<b>CDBG FY2008</b>	<b>HOME</b>	<b>ADDI</b>	<b>ESG</b>	<b>HOPWA</b>
ALTON CITY	991,413		0		
ARLINGTON HTS	285,272	0	0	0	
AURORA	1,220,476	0	0	0	
BELLEVILLE	718,455		0	0	
BERWYN	1,347,278	0	0	0	
BLOOMINGTON	598,625	0	0	0	
BOLINGBROOK	314,648	0	0	0	
CHAMPAIGN	754,153	0	0	0	
CHICAGO	82,723,276	28,779,956	184,456	3,702,707	5,819,000
CHICAGO HEIGHTS	582,422		0	0	
CICERO	1,399,092	0	0	0	
DANVILLE	956,751	0	0	0	
DECATUR	1,500,808	519,821	0	0	
DEKALB	407,155	0	0	0	
DES PLAINES	331,922	0	0	0	
DOWNERS GROVE	217,350		0	0	
EAST ST LOUIS	1,806,672	386,545	0	81,400	
ELGIN	835,687	0	0	0	
EVANSTON	1,929,762	513,050	0	86,480	
GRANITE CITY	779,325		0		
HOFFMAN ESTATES	298,483	0	0	0	
JOLIET	917,009	445,197	0	0	
KANKAKEE	590,753	0	0	0	
MOLINE	884,957	0	0	0	
MOUNT PROSPECT	361,634	0	0	0	
NAPERVILLE	481,463	0	0	0	
NORMAL	402,821	0	0	0	
NORTH CHICAGO	304,256	0	0	0	
OAK LAWN	274,889	0	0	0	
OAK PARK	1,868,013	0	0	85,537	
PALATINE VILLAGE	408,622	0	0	0	
PEKIN	414,300	0	0	0	
PEORIA	1,903,140	805,103	0	85,165	
RANTOUL	363,122	0	0	0	
ROCKFORD	2,073,299	911,588	7,287	93,622	
ROCK ISLAND	1,149,213	0	0	0	
SCHAUMBURG VILLAGE	344,252	0	0	0	
SKOKIE	489,754	0	0	0	
SPRINGFIELD	1,242,889	547,723	0	0	
URBANA	460,655	1,010,254	9,506	0	
WAUKEGAN	1,048,558	0	0	0	
WHEATON CITY	233,184		0	0	
COOK COUNTY	9,922,687	5,599,793	44,853	445,665	
DU PAGE COUNTY	3,476,208	2,275,426	19,977	155,766	
KANE COUNTY	1,245,786	735,592	5,896	0	
LAKE COUNTY	2,545,309	1,504,992	13,104	113,440	
MCHENRY COUNTY	1,301,979	479,739	4,027	0	
MADISON COUNTY	1,365,196	1,051,583	8,664	135,489	
ST CLAIR COUNTY	1,411,970	939,683	8,113	0	
WILL COUNTY	1,450,153	453,361	3,700	0	
ILLINOIS STATE PROGRAM	31,644,905	21,684,401	131,697	2,644,492	916,000

- Funded jurisdictions not listed on previous chart cede funds to local consolidated plan community and are not part of a consortium



**Appendix 6-2: Northeastern Illinois Housing Endorsement Criteria**



## Northeastern Illinois

# HOUSING ENDORSEMENT CRITERIA

A variety of recent housing studies document that the median home price in most job growth corridors places homeownership out of reach for many working families. Furthermore, during the 1990s, the six-county Chicago region grew by 11 percent in population and 16 percent in jobs, but lost more than 28,000 apartments. Private sector interest in housing investment is becoming stronger. For our region to remain competitive, we must expand the supply of housing options to meet growing demands. By securing broad-based support for these Housing Endorsement Criteria, municipal leaders, neighbors, employers and community-based organizations can more effectively attract, identify and promote proposals for quality developments.

To promote housing and mixed-use developments that meet community needs while also addressing broader regional sensible growth goals, new housing should meet most of the principles and criteria below:

### GENERAL PRINCIPLES

#### **Promote Economic Development and Sustainability**

Housing, when appropriately located, encourages the expansion of existing and the location of new businesses and industries within the region. The mismatch between where the jobs are and where workers can afford to live has significant costs. Increasingly, employers recognize that local housing for all levels of their workforce promotes stability and productivity for the workers as well as the individual company.

#### **Encourage an Array of Quality Housing Options throughout the Region**

Developments with units at price points accessible to a wide range of income levels are needed to provide the local workforce and residents with a housing supply that is critically needed and currently lacking. By the year 2020, northeastern Illinois is expected to increase 25 percent in population, or 1.5 million people, and the housing market must be expanded at all price points to accommodate this dramatic growth.

#### **Support Innovative Community Development and Design**

Quality residential and mixed-use developments maintain, enhance, or create livable streets, neighborhoods, and public spaces oriented to the pedestrian. A variety of housing types provides a healthy mix of residents from different age groups, racial and cultural backgrounds, income levels, and household types. New developments foster a sense of community, while promoting people's choice of housing, privacy, and convenient access to nearby amenities.

#### **Provide for Mixed Uses Within a Neighborhood**

In order to enhance community livability and decrease auto dependency, a mix of land uses within a neighborhood combine residential with retail, restaurants, schools, and other amenities in close proximity. The location of schools, entertainment districts, parks, businesses, institutions, and recreational facilities will be consciously integrated with new and existing residential developments to encourage ease of pedestrian access.

#### **Minimize Cost of Municipal Services**

Clustering housing near existing infrastructure minimizes the per capita costs of municipal services by allowing for more efficiency and economies of scale.

## **Promote the Use of Public Transit**

Housing, together with commercial space and public amenities, should be planned for, and built first, within walking distance of existing or planned transit service in order to strengthen transit ridership and decrease traffic congestion.

## **Support Sensible Growth**

There are ample opportunities within existing service areas of our older cities and suburbs to provide for a portion of projected housing needs over the next 20 years. Infill development and redevelopment within existing municipal areas and conservation developments are of tremendous value. Adhering to development policies that encourage compact, mixed-use development will promote an array of housing types and expand individual choice. This will advance other regional and community needs, such as the protection of open space and the growth of the local tax base.

## **SPECIFIC CRITERIA**

### **Location**

Infill development and redevelopment within existing cities and towns, as well as new conservation developments, will receive preference. In order to maximize compatibility with public transit and minimize auto use, housing within one mile of major transit service, a job hub or town center, provides a future market for transit. The project may be within two miles of a rail transit station if provisions are made to provide ongoing shuttle service to the future residents. Major transit service is defined as a bus or rail stop with peak period wait times of no more than 30 minutes. Major transit service also includes funded, but not yet built, fixed rail stations.

### **Land-Use**

New developments that aim to cluster housing in an efficient manner, in context with the surrounding community, to preserve natural resources and open space will be given priority attention. Higher densities and mixed uses are particularly appropriate near Metra and CTA stations to reduce the growth of traffic congestion on local and regional roads.

### **Attainability**

Mixed-income housing developments, which include units accessible to moderate-income working families and to households with lower incomes, along with market rate units in the same complex, will be given preference. Developments that help balance affordability levels within communities, while assuring consistent quality and design, will receive strong support.

### **Design**

New developments that stress quality design and construction to help ensure its long-term contribution to the improvement of the neighborhood will be given preference. The proposed buildings will fit their setting, complementing and enhancing the existing neighborhood, and promoting a sense of community, pedestrian friendly design and the other principles of good village design. Proposals will address transit use and access and, where appropriate, the potential for mixed use.

### **Management**

The management and maintenance of developments are as critical as the initial design and construction to meeting the goals of enhancing communities. Therefore, the capacity of the development team to successfully address long-term needs, as evidenced by its track record in selling, leasing and managing development properties, and its history with neighborhood and/or tenant relations, will also be considered.



The Housing Endorsement Criteria is a joint initiative of the Metropolitan Planning Council and the Metropolitan Mayors Caucus Housing Task Force lead by Mayor Zenovia Evans of Riverdale and Mayor Rita Mullins of Palatine. For more information, contact Robin Snyderman, housing director, Metropolitan Planning Council, at 312-863-6007 or [rsnyderman@metroplanning.org](mailto:rsnyderman@metroplanning.org); or Beth Dever, housing director, Metropolitan Mayors Caucus, at 312-201-4507 or [Beth.Dever@mayorscaucus.org](mailto:Beth.Dever@mayorscaucus.org).



**Appendix 6-3: Naperville Fair Housing Ordinance**

## Naperville Fair Housing Ordinance

### 10-5-3: UNLAWFUL DISCRIMINATION PROHIBITED:

No person shall engage in unlawful discrimination in violation of any provision of the Fair Housing Act, article 3 or 4 of the Illinois Human Rights Act, chapter 11 of the BOCA National Building Code (Accessibility), as amended, the Illinois Accessibility Code (71 Illinois Administrative Code section 400 et seq.), as amended, or any other applicable law or ordinance. Any amendments to those laws made after the effective date of this Chapter shall be incorporated by reference into this Section without formal action by the City. If any provisions of the laws and codes are in conflict or are otherwise inconsistent, then the more stringent or restrictive provision shall prevail and shall be enforced by the City. (Ord. 00-92, 6-6-2000)

### A Comparison of USA, Illinois, and Naperville Fair Housing Laws

This chart summarizes the various fair housing laws applicable to rental and sale of housing in Naperville. It is not an exhaustive review of the various laws, and there are important provisions not listed here.

	<b>Federal Fair Housing Act</b> 42 USC § 3601	<b>Illinois Human Rights Act</b> 775 ILCS 5/3-101	<b>Naperville Fair Housing Ordinance</b> 00-92
<b>What does the law cover?</b>	Most housing in the United States.	Most housing in Illinois.	Most housing in Naperville.

	<b>Federal Fair Housing Act</b> 42 USC § 3601	<b>Illinois Human Rights Act</b> 775 ILCS 5/3-101	<b>Naperville Fair Housing Ordinance</b> 00-92
<b>What's protected?</b>	<ul style="list-style-type: none"> <li>- Race</li> <li>- Color</li> <li>- Religion</li> <li>- Sex (including sexual harassment)</li>   <li>- National origin</li>   <li>- Disability</li> <li>- Familial status</li> </ul>	<ul style="list-style-type: none"> <li>- Race</li> <li>- Color</li> <li>- Religion</li> <li>- Sex (including sexual harassment)</li>   <li>- National origin</li> <li>- Ancestry</li> <li>- Age (40+)</li> <li>- Marital status</li>   <li>- Disability</li> <li>- Familial status</li>   <li>- Sexual orientation</li>   <li>- Unfavorable military discharge</li>   <li>- Military status</li> </ul>	<ul style="list-style-type: none"> <li>- Race</li> <li>- Color</li> <li>- Religion</li> <li>- Sex (including sexual harassment)</li>   <li>- National origin</li> <li>- Ancestry</li> <li>- Age</li> <li>- Marital status</li>   <li>- Disability</li> <li>- Familial status</li>   <li>- Sexual orientation</li>   <li>- Military status</li>   <li>- Legal source of income (does not include section 8)</li> </ul>



	<b>Federal Fair Housing Act</b> 42 USC § 3601	<b>Illinois Human Rights Act</b> 775 ILCS 5/3-101	<b>Naperville Fair Housing Ordinance</b> 00-92
<b>What's exempted from the law?</b>	<p>Owner-occupied 4-unit (or fewer) buildings. (But not exempted from discriminatory statements.)</p> <p>Rental of single family house by owner (if he/she owns fewer than 3 houses). (But not exempted from discriminatory statements.)</p> <p>Religious organizations and private clubs.</p> <p>Reasonable occupancy limits.</p> <p>Housing for older persons.</p>	<p>Same</p> <p>Rental of room in private home.</p> <p>Rental of rooms to persons of the same sex.</p> <p>Same.</p> <p>Same.</p> <p>Same.</p>	<p>Naperville's Fair Housing Ordinance aligns with the more stringent of the Federal Fair Housing Act and Illinois Human Rights Act provisions.</p>
<b>Where to go if you believe your fair housing rights have been violated:</b>	<p>U.S. Dept. of Housing &amp; Urban Development (HUD)</p> <p>312-353-7776 800-669-9777 800-927-9275 tdd</p>	<p>Illinois Dept. of Human Rights (IDHR)</p> <p>312-814-6200 800-662-3942 312-263-1579 tdd</p>	<p>City of Naperville Fair Housing Advisory Commission</p> <p>630-420-6065</p>
<b>How long do you have to file a complaint?</b>	<p>- One (1) year from alleged violation.</p> <p>- Two (2) years if you file directly in federal court.</p>	<p>- One (1) year from alleged violation.</p> <p>- Two (2) years if you file directly in circuit court.</p>	<p>- Ninety (90) days from alleged violation.</p>



**Appendix 7-1: 2008 Fair Housing Survey**

## Introduction to Fair Housing Survey

The Department of Housing and Urban Development is committed to eliminating racial and ethnic segregation, illegal physical and other barriers to persons with disabilities and other discriminatory practices in housing. Equal and free access to residential housing (housing choice) is fundamental to meeting essential needs and pursuing personal, educational, employment, or other goals. Because housing choice is so critical, fair housing is a goal that government, public officials, and private citizens must achieve if equality of opportunity is to become a reality. (Fair Housing Planning Guide, Volume 1, US Department of Housing and Urban Development)

The State of Illinois needs information on the existence, nature, extent, and causes of all fair housing problems in order to address them. We need your help in identifying impediments to fair housing. Please take 20 - 25 minutes of your time to respond to this survey. Please be sure to complete the survey and submit it ("Done") before closing out of the survey window, as your answers will not save.

Thank you for your cooperation with this important survey.

## Organization Information

You are included in a carefully selected list of organizations and your response is very important. Though your name and organization name are required, your response is confidential. We will report only group statistical answers in the final report.

### 1. Please type in your name and the name of your organization.

Name:

Organization:

## Impediments to Fair Housing Choices

PLEASE SUBMIT SURVEY BEFORE CLOSING SITE - IT WILL NOT SAVE YOUR ANSWERS!

Fair Housing is defined as:

Equal and free access to residential housing choices regardless of race, color, religion, sex, age, handicap or disability, familial status, national origin, marital status, creed, ancestry, unfavorable military discharge, or sexual orientation.

Impediments to Fair Housing Choices are defined as:

Any actions, omissions, or decisions which have the effect of restricting housing choices for groups defined above, through sale or rental of housing, the financing of housing, or the provision of brokerage services.

### 2. What does your organization see as the top three impediments to fair housing choices in Illinois?

1

2

3

Impediments to Fair Housing Choices

PLEASE SUBMIT SURVEY BEFORE CLOSING SITE - IT WILL NOT SAVE YOUR ANSWERS!

Fair Housing is defined as:

Equal and free access to residential housing choices regardless of race, color, religion, sex, age, handicap or disability, familial status, national origin, marital status, creed, ancestry, unfavorable military discharge, or sexual orientation.

Impediments to Fair Housing Choices are defined as:

Any actions, omissions, or decisions which have the effect of restricting housing choices for groups defined above, through sale or rental of housing, the financing of housing, or the provision of brokerage services.

3. If applicable, what does your organization see as the top three impediments to fair housing choices in your region of the state?

1

2

3

Impediments to Fair Housing Choices

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4. Please rate the extent to which DISCRIMINATION affects the access to fair housing choices on the basis of the following:

	Full Housing Choices Available	Some Housing Choices Available	Limited Housing Choices Available	Don't Know
Race/Color	jn	jn	jn	jn
National origin	jn	jn	jn	jn
Religion	jn	jn	jn	jn
Age	jn	jn	jn	jn
Gender	jn	jn	jn	jn
Disability/Handicap	jn	jn	jn	jn
Familial/Marital status	jn	jn	jn	jn
Sexual orientation	jn	jn	jn	jn

## State of Illinois Impediments to Fair Housing Survey 2007

Source of income	jn	jn	jn	jn
Military discharge status	jn	jn	jn	jn
Persons leaving prison	jn	jn	jn	jn
Victims of violence against women	jn	jn	jn	jn
Persons who are homeless or at risk of becoming homeless	jn	jn	jn	jn
Persons who are now or imminently at risk of living in an institutional setting	jn	jn	jn	jn
Persons leaving an institutional setting	jn	jn	jn	jn

Please explain.

## Impediments to Fair Housing Choices

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5. Please rate the extent to which a LACK OF AFFORDABLE AND SUITABLE HOUSING affects the access to fair housing choices on the basis of the following:

	Full Housing Choices Available	Some Housing Choices Available	Limited Housing Choices Available	Don't Know
Race/Color	jn	jn	jn	jn
National origin	jn	jn	jn	jn
Religion	jn	jn	jn	jn
Age	jn	jn	jn	jn
Gender	jn	jn	jn	jn
Disability/Handicap	jn	jn	jn	jn
Familial/Marital status	jn	jn	jn	jn
Sexual orientation	jn	jn	jn	jn

## State of Illinois Impediments to Fair Housing Survey 2007

Source of income	jñ	jñ	jñ	jñ
Military discharge status	jñ	jñ	jñ	jñ
Persons leaving prison	jñ	jñ	jñ	jñ
Victims of violence against women	jñ	jñ	jñ	jñ
Persons who are homeless or at risk of becoming homeless	jñ	jñ	jñ	jñ
Persons who are now or imminently at risk of living in an institutional setting	jñ	jñ	jñ	jñ
Persons leaving an institutional setting	jñ	jñ	jñ	jñ

Please explain.

## Impediments to Fair Housing Choices

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6. What are the problems that cause the groups you listed in questions 4 and 5 to be denied fair housing choices?

## Impediments to Fair Housing Choices

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7. The Fair Housing Act, Section 504 of the Rehabilitation Act, and the American Disabilities Act state that persons with disabilities are entitled to request "Reasonable Accommodations and Modifications" to ensure equal opportunity to use and enjoy a dwelling unit or a development's public areas. Please describe what types of accommodations and/or modifications can be made.

Impediments to Fair Housing Choices

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8. Please rate how well the following STATE initiatives have impacted fair housing choices.

	Strong Positive Impact	Slight Positive Impact	No Impact	Slight Negative Impact	Strong Negative Impact	Don't Know
State Mandate Act	jn	jn	jn	jn	jn	jn
State enforcement of Community Reinvestment Act (CRA)	jn	jn	jn	jn	jn	jn
Affordable Housing and Planning Appeals Act	jn	jn	jn	jn	jn	jn
Illinois Environmental Barriers Act	jn	jn	jn	jn	jn	jn
Accessible Housing Demonstration Grant	jn	jn	jn	jn	jn	jn
Home Modification Program	jn	jn	jn	jn	jn	jn
Illinois Human Rights Act	jn	jn	jn	jn	jn	jn
Civil and Equal Rights Enforcement Act (CEREA)	jn	jn	jn	jn	jn	jn
State Housing Initiatives	jn	jn	jn	jn	jn	jn
Other (Please Specify Below)	jn	jn	jn	jn	jn	jn

Other Initiatives or Comments

## Impediments to Fair Housing Choices

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9. Please rate how well the following LOCAL initiatives have impacted fair housing choices.

	Strong Positive Impact	Slight Positive Impact	No Impact	Slight Negative Impact	Strong Negative Impact	Don't Know
Home Rule	jn	jn	jn	jn	jn	jn
Special Land Use/Zoning	jn	jn	jn	jn	jn	jn
Building/Housing Codes	jn	jn	jn	jn	jn	jn
Public/Private Partnerships	jn	jn	jn	jn	jn	jn
Local Fair Housing Ordinances	jn	jn	jn	jn	jn	jn
Other (Please Specify Below)	jn	jn	jn	jn	jn	jn

Other Initiatives or Comments

## Involvement in Fair Housing Choices

Now we would like to ask about your organization's involvement in these issues. If an issue does not apply to you and your organization, please respond with "N/A."

## Involvement in Fair Housing Choices

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10. How does your organization contribute to improving fair housing choices in Illinois?

## Involvement in Fair Housing Choices

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11. Does your organization have guidelines/procedures for dealing with complaints of housing discrimination?

yes

no

If yes, please briefly describe them.

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12. Have the complaints from those you deal with changed over the last five years?

yes

no

If yes, please elaborate. What were the complaints five years ago? What are they today?

## Involvement in Fair Housing Choices

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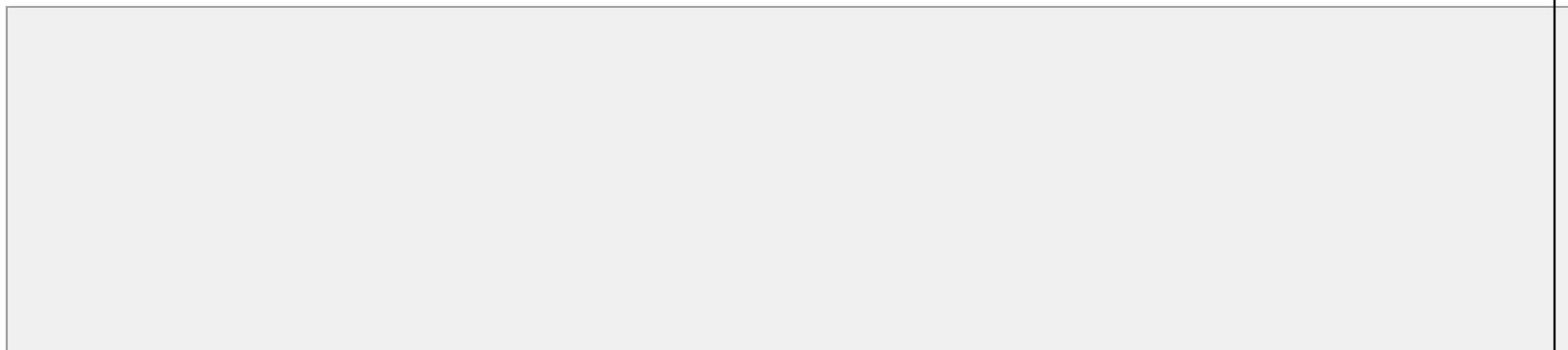
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13. What types of fair housing education are you engaged in and what types would you like to see funded?



## Fair Housing Choices Summary

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14. In summary, please rate how well the state of Illinois is dealing with fair housing choices and impediments five years ago and today.

	Excellent (5)	(4)	Average (3)	(2)	Poor (1)
Five Years Ago	jn	jn	jn	jn	jn
Today	jn	jn	jn	jn	jn

Please explain.

## Fair Housing Choices Summary

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15. In summary, what are the key issues for addressing impediments and furthering fair housing choices in Illinois?

## Comments

16. If you have any further comments, please enter them here. Thank you!

This completes the survey. Thank you for your participation. Your opinions are highly valued.

## **A. Survey Methodology**

### **Development of the Survey Instrument Tool**

For this survey, a key informant survey was used. Key informant surveys are an efficient way to explore issues and consolidate opinions from experts. In this type of survey, by design, respondents are purposefully rather than randomly selected to ensure a broad, representative coverage. The knowledge gained from the Fair Housing Survey provides a broad range of perspectives from respondents based on their own extensive experience working on fair housing issues. The careful selection of survey respondents is intended to ensure a wide range of background experience working with various groups of stakeholders as a basis for respondent perspectives on fair housing issues. Stakeholders might include housing consumers that are members of protected classes or other groups of interest in Illinois, local governments, state government, financial institutions, landlords, and others.

In May-June 2007, project staff worked on the development of the survey instrument tool with the IHDA staff. It was determined that the survey would be administered on-line using SurveyMonkey.com. After discussions and revisions, a sixteen question survey instrument was developed and, after input of the Working Group, finalized on July 25<sup>th</sup>. Similar questions from the 1997 survey were incorporated in the 2007 survey. This was for ease of comparison between the current and past surveys.

### **Administration of the Survey**

The survey was distributed to the key informants by the following approach:

#### *Pilot Test*

A survey pilot or pre-test was conducted in late June and early July 2007. The purpose of the pilot test was 1) to pre-test the survey questions for ease of understanding and responding and 2) to pre-test the survey distribution method. There were four participants in the pilot test and two responses. Responses were complete and no comments on revising the survey were received. Accordingly, the survey remained the same for the full distribution.

#### *Survey Distribution Timeline*

The full survey distribution began on August 1, 2007 with the mailing of introductory, hard copy letters describing the survey to invited participants and indicating when the survey would be available. Recipients were then contacted by email with a link provided to SurveyMonkey.com, the website survey service used to house the survey. Additionally, a website was made available to accommodate people unable to use the Survey Monkey link because of computer setup incompatibilities. This additional website was also used for additional responses from the key informant organizations surveyed, at their request. The survey was completed on September 28, 2007. Table 1 provides information on the tasks and dates of the survey distribution.

**Table 1: Survey Tasks and Distribution Dates**

Task	Dates
Mail hard copy introduction cover letter describing the survey to invited participants	August 1, 2007
Distribute Survey via Survey Monkey	August 7, 2007
Survey Due Date	August 21, 2007
First Follow-Up Email	August 14, 2007
Second Follow-Up Email	August 21, 2007
Thank You Email to Respondents of Completed Survey	August 28, 2007
Third Follow-Up Email to Partial Respondents	September 4, 2007
Final Follow-Up via Telephone	Early-Mid September
Survey Completion	September 28, 2007

The original list of participants was generated by IHDA, with input from the working group. For comparison purposes with the 1997 survey, seven additional surveys were emailed or re-mailed on August 23 and 28<sup>th</sup>. The final distribution list for the 2007 survey had 134 recipients. It was designed to have representatives from three types of organizations: businesses, advocacy groups, and governmental agencies. A list follows. Ninety-one responses were received. After the removal of responses with insufficient data for analysis, the survey yielded 80 usable responses. A comparison analysis between the 1997 and 2007 survey distribution list revealed that in 1997, 28 entities were surveyed. Table 2 provides information on the total numbers surveyed and numbers for each of the three categories. Table 3 summarized the response rate for the 2007 survey. Comparable numbers are not available for the 1997 survey because of differences in survey administration.

### **Organizations included in the Fair Housing Survey**

#### *Advocacy Groups*

Access Living of Metropolitan Chicago  
 Alliance to End Homelessness in Suburban Cook County  
 BCMW Community Services, Inc.  
 Business and Professional People for the Public Interest  
 Chicago Area Fair Housing Alliance  
 Chicago Coalition for the Homeless  
 Chicago Lawyers' Committee For Civil Rights Under Law, Inc.  
 Chicago Metropolis 2020  
 Chicago Rehab Network  
 Coalition for Citizens with Disabilities in Illinois  
 Coalition of African Asian European and Latino Immigrants of Illinois  
 Community and Economic Development Association of Cook County  
 Decatur Housing Authority  
 Diversity, Inc.  
 DuPage Homeownership Center, Inc  
 East Central Illinois Area Agency on Aging

East Central Illinois Community Action Agency  
Equip for Equality  
Fair Housing Legal Support Center  
HOPE Fair Housing Center  
Housing Action Illinois  
Housing Choice Partners of Illinois  
Illinois Assistive Technology Program  
Illinois Association of Housing Authorities  
Illinois Coalition for Immigrant and Refugee Rights  
Illinois Coalition to End Homelessness  
Illinois Community Action Association  
Illinois Council on Developmental Disabilities  
Illinois Housing Council  
Illinois Institute for Rural Affairs - Western Illinois University  
Illinois Manufactured Housing Association  
Illinois Migrant Council  
Interfaith Housing Center of the Northern Suburbs  
Lake County Housing Authority  
Latin United Community Housing Association  
Latinos United  
Legal Assistance Foundation of Chicago  
Life Services Network  
Metropolitan Mayor's Caucus  
Metropolitan Planning Council  
Metropolitan St. Louis Equal Housing Opportunity Council  
Mid Central Community Action, Inc.  
NAACP of DuPage County  
National Fair Housing Alliance  
National Training and Information Center  
Options Center for Independent Living  
Peoples Resource Center  
Prairie State Legal Services  
Professional Development Group Midwest  
Project Life Area Agency on Aging  
Project NOW Community Action Agency  
Reznick P.C.  
Rural Partners, Inc.  
Rural Rental Housing Association of Illinois  
Sargent Shriver National Center on Poverty Law  
Schiff, Hardin & Waite  
Shawnee Development Council, Inc.  
South Suburban Housing Center  
Southern Illinois Coalition for the Homeless  
Statewide Independent Living Council of Illinois  
Supportive Housing Providers Association  
The Arc of Illinois

Voorhees Center for Neighborhood and Community Improvement  
 Wabash Area Development Inc.  
 YWCA Pekin

*Businesses*

Capital Development Board  
 Central Illinois Debt Management & Credit Education, Inc.  
 Chicago Community Development Corp.  
 Chicago Community Loan Fund  
 Community Bankers Association of Illinois  
 Community Investment Corporation  
 Corporation for Supportive Housing  
 Federal Home Loan Bank of Chicago  
 Federal Reserve Bank of Chicago  
 Fifth Street Renaissance  
 Greater Southwest Development Corp.  
 Harris Bank, Neighborhood Lending Group  
 Homebuilders Association of Illinois  
 Homestead Corporation of Champaign-Urbana  
 Housing & Development Services, Inc.  
 Housing Opportunity Development Corp.  
 IEF / Development Services Group, Inc.  
 Illinois Association of Realtors  
 Illinois Bankers Association  
 Illinois Facilities Fund  
 Illinois Mortgage Bankers Association  
 Institute of Real Estate Management  
 LaSalle Bank  
 Life Services Network  
 Local Initiatives Support Corporation  
 NHS of Chicago  
 Rock Island Economic Growth Corporation  
 Tax Increment Financing

*Government organizations*

City of Bloomington  
 City of Danville  
 Illinois Housing Development Authority  
 Illinois Housing Development Authority  
 St. Clair County Intergovernment Grants Department  
 Central Illinois Center for Independent Living  
 Central Illinois Economic Development Corporation  
 Champaign County Regional Planning Commission  
 City of Chicago Department of Housing  
 Cook County Commission on Human Rights  
 Decatur Housing Authority  
 Department of Human Rights

Governor's Rural Affairs Council  
 Illinois Association of County Board Members and Commissioners  
 Illinois Department of Commerce and Economic Opportunity  
 Illinois Department of Financial and Professional Regulation  
 Illinois Department of Healthcare and Family Services  
 Illinois Department of Human Services  
 Illinois Department on Aging  
 Illinois Dept. of Healthcare and Family Services  
 Illinois Municipal League  
 Macoupin County Housing Authority  
 Madison County Board  
 Mayor's Office for People with Disabilities  
 Office of Illinois Attorney General, Disability Rights Bureau - Springfield  
 Representative Danny Davis Office - Ex-Prisoner Relocation  
 United States Department of Agriculture - Rural Development  
 United States Department of Housing and Urban Development  
 Village of Rantoul  
 Western Illinois Regional Council – Community Action Agency  
 Woodford County Housing Authority

**Table 2: 1997/2007 Survey Entities**

Number of 1997 Survey Entities		Number of 2007 Survey Entities	
Government: 8	29%	Government: 19	24%
Advocacy: 11	39%	Advocacy: 45	56%
Banks, Buildings, Real Estate: 9	32%	Banks, Buildings, Real Estate: 16	20%
Total: 28	100%	Total: 80	100%

Table 3 below listed the total number of surveys emailed and the type and number of responses.

**Table 3: Surveys and Response Rates**

Number of Surveys	Responses
Numbers Sent	134
Total Respondents	91
Removed because insufficient	11
Total usable responses	80
Response Rate	60%

**Note:** Response rate includes unsolicited responses

## B. Survey Respondents

Survey questions are analyzed as a complete group and are also broken down into respondent types for two variables: type of respondent, and location of respondent activity. Respondent types are advocate, business, and government. Location categories include Chicago metro, Other metro areas, Non metro areas, and statewide activity.

### Respondent types

A	advocacy group
B	business group
C	government group
	Total

### Respondents by location/service areas

Chicago	28
Other metropolitan areas	15
Non metropolitan areas	13
Statewide	24
Total	80

Respondents were assigned to location groups after considering their address and their service area, as shown by organization websites and information from IHDA and other sources. In a few cases, groups appeared to be active in both in metropolitan areas and Non metropolitan areas. These groups were assigned to the Non metropolitan group because this group has historically been under-represented. It should be noted that differences between these groups may therefore be understated slightly.

Respondents were assigned to one of the three type groups—advocate, business, or government—based on the initial classification by IHDA. Some reclassifications were made to the groups. For example, local non-profit housing developers were reclassified from business to advocates, because of their direct service, client-centered missions. These types of reclassifications were made after consultation with IHDA, based on the researchers' and IHDA's understanding of each organization represented.

Care must be taken in the analyses comparing these grouped responses because the groups are not distributed equally. For example, Chicago area respondents are 68% advocates and 7% government, while Other metropolitan groups are 40% advocates and 33% government. If there are differences between advocates and government responses on a question, differences in responses by location may be attributable to these perception differences rather than location differences. However, both analyses are useful. Analysis by respondent type shows areas where there is consensus between groups and issues on which they have different perspectives, and ensures that all perspectives are heard. Similarly, analysis by location will point out differences in issues between different locations in the state. It will also enable perspectives from under-represented areas to be noted if they are different from the majority.

## C. Comparison with the 1997 Key Informant Survey

This survey differs in a number of critical ways from the survey conducted ten years ago:

- In 1997, most respondents participated in a telephone interview. A few were contacted by letter.
- Only 28 respondents were surveyed in 1997. The 28 were grouped by Advocates, Businesses, and Government just as in the 2007 survey, but not by location in the state.
- The 1997 survey was not able to include respondents from places other than metropolitan Chicago and Springfield because of a lack of appropriate organizations in other parts of the state.
- We could not duplicate the 28 organizations from the 1997 survey for the 2007 survey. All but one of the Government organizations remained in 2007, but none of the same interviewees. In the Advocacy and Business areas many of the organizations had disappeared or merged with other organizations or business.

Comparability between the 1997 and 2007 surveys is limited somewhat by these differences, but comparisons are made whenever possible. Several open-ended questions were asked in both the 1997 and 2007 surveys. While the responses cannot be compared directly, because of the differences in survey respondents and survey format, we are able to discuss how some key issues, choices and impediments remain the same and change and what the two sets of overall findings suggest have changed over the decade. One question, Question 14, has a numerical scale response in both surveys. These responses, to the question "Please rate how well the state of Illinois is dealing with fair housing choices and impediments five years ago and today," are directly numerically comparable between the 1997 and 2007 surveys.

## D. Survey Results

- 1. What does your organization see as the top three impediments to fair housing choices in Illinois?**
- 2. If applicable, what does your organization see as the top three impediments to fair housing choices in your region of the state?**

Results from these two questions were consolidated. The questions provided space for three responses for each of these questions. Given the open-ended structure of the question, some responses were coded as more than one type of impediment. The percentages represent the share of respondents mentioning each impediment in one of their responses.

**What does your organization see as the top three impediments to fair housing choices in Illinois?**

**If applicable, what does your organization see as the top three impediments to fair housing choices in your region of the state?**

		Poverty and affordability	Need for government action	Lack of public awareness/ counseling and education	Physical housing stock, has needs for disabilities	Predatory lending	Exclusionary actions by municipalities	Miscellaneous	Discrimination and segregation
Chicago metro	Advocate	11	9	6	4	3	5	2	12
Chicago metro	Business	6	3	2	1	2	3	0	3
Chicago metro	Government	2	1	0	1	1	0	0	2
Non metro	Advocate	4	4	2	5	2	2	0	4
Non metro	Business	1	0	0	1	0	0	0	1
Non metro	Government	2	1	0	0	1	1	0	0
Other metro	Advocate	3	1	1	1	2	1	1	3
Other metro	Business	4	1	2	0	1	2	0	0
Other metro	Government	4	2	1	2	1	0	0	1
Statewide	Advocate	6	3	2	5	0	1	0	6
Statewide	Business	2	1	1	1	1	1	1	2
Statewide	Government	4	3	4	3	2	2	0	3
Chicago metro	Total	19	13	8	6	6	8	2	17
Non metro		7	5	2	6	3	3	0	5
Other metro		11	4	4	3	4	3	1	4
Statewide		12	7	7	9	3	4	1	11
Advocate		24	17	11	15	7	9	3	25
Business		13	5	5	3	4	6	1	6
Government		12	7	5	6	5	3	0	6
Total		49	29	21	24	16	18	4	37

*continues...*

(cont.)

**What does your organization see as the top three impediments to fair housing choices in Illinois?****If applicable, what does your organization see as the top three impediments to fair housing choices in your region of the state?**

<b>Impediment</b>	<b>Chicago</b>	<b>Other metro</b>	<b>Non metro</b>	<b>statewide</b>
poverty and affordability	66%	73%	58%	50%
segregation and discrimination	59%	27%	42%	46%
need for government action	45%	27%	42%	29%
lack of public awareness/need for counseling and education	28%	27%	17%	29%
physical housing stock, housing needs for disabilities	21%	20%	50%	38%
predatory lending and other finance issues	21%	27%	25%	13%
exclusionary actions by municipalities	28%	20%	25%	17%

<b>Impediment</b>	<b>Advocate</b>	<b>Business</b>	<b>Government</b>	<b>Total</b>
poverty and affordability	53%	81%	63%	61%
segregation and discrimination	56%	38%	32%	46%
need for government action	38%	31%	37%	36%
lack of public awareness/need for counseling and education	24%	31%	26%	26%
physical housing stock, housing needs for disabilities	33%	19%	32%	30%
predatory lending and other finance issues	16%	25%	26%	20%
exclusionary actions by municipalities	20%	38%	16%	23%

**Please rate the extent to which DISCRIMINATION affects the access to fair housing choices on the basis of the following.**

<b>Group</b>	<b>Advocate</b>	<b>Business</b>	<b>Government</b>	<b>Total</b>
<b>Federal protected classes</b>				
Race/Color	1.75	2.27	2.07	1.93
National origin	1.76	2.50	1.93	1.95
Religion	2.45	2.69	2.64	2.55
Familial/ Marital status	2.05	2.67	2.00	2.18
Gender	2.47	2.79	2.27	2.49
Disability/ Handicap	1.24	1.67	1.38	1.36
<b>State protected classes</b>				
Age	2.05	2.33	2.38	2.19
Military Status	2.76	2.82	2.42	2.68
Military discharge status	2.67	2.55	2.46	2.57
Sexual orientation	2.00	2.42	1.93	2.07
<b>Other groups</b>				
Source of income	1.40	1.57	1.38	1.43
Persons leaving prison	1.00	1.17	1.20	1.09
Victims of violence against women	1.52	1.42	1.58	1.51
Persons who are homeless or at risk of becoming homeless	1.13	1.15	1.33	1.18
Persons who are now or imminently at risk of living in an institutional setting	1.09	1.25	1.21	1.15
Persons leaving an institutional setting	1.16	1.18	1.29	1.19

*continues...*

(cont.) Please rate the extent to which **DISCRIMINATION** affects the access to fair housing choices on the basis of the following.

Group	Chicago metro	Other metro areas	Non metro areas	statewide
<b>Federal protected classes</b>				
Race/Color	1.58	2.27	2.25	1.89
National origin	1.83	2.20	2.10	1.82
Religion	2.43	2.79	2.86	2.38
Familial/ Marital status	1.96	2.27	2.33	2.31
Gender	2.41	2.67	2.73	2.29
Disability/ Handicap	1.24	1.67	1.31	1.30
<b>State protected classes</b>				
Age	1.96	2.60	2.00	2.28
Military Status	2.75	2.80	2.57	2.50
Military discharge status	2.67	2.62	2.50	2.45
Sexual orientation	2.26	1.93	1.71	2.13
<b>Other groups</b>				
Source of income	1.33	1.67	1.38	1.40
Persons leaving prison	1.05	1.15	1.00	1.15
Victims of violence against women	1.63	1.79	1.42	1.08
Persons who are homeless or at risk of becoming homeless	1.20	1.36	1.00	1.12
Persons who are now or imminently at risk of living in an institutional setting	1.18	1.29	1.00	1.07
Persons leaving an institutional setting	1.21	1.46	1.00	1.07

**Please rate the extent to which a LACK OF AFFORDABLE AND SUITABLE HOUSING affects the access to fair housing choices on the basis of the following.**

Group	Advocate	Business	Government	Total
<b>Federal protected classes</b>				
Race/Color	1.51	1.69	2.00	1.65
National origin	1.69	2.20	1.93	1.83
Religion	2.62	2.33	2.64	2.57
Familial/ Marital status	1.79	2.15	1.93	1.90
Gender	2.16	2.25	2.21	2.19
Disability/ Handicap	1.10	1.36	1.44	1.23
<b>State protected classes</b>				
Age	1.90	1.86	2.00	1.91
Military Status	2.50	2.20	2.60	2.45
Military discharge status	2.33	2.11	2.33	2.28
Sexual orientation	2.12	1.90	2.14	2.08
<b>Other groups</b>				
Source of income	1.20	1.31	1.31	1.25
Persons leaving prison	1.04	1.09	1.20	1.09
Victims of violence against women	1.25	1.31	1.71	1.37
Persons who are homeless or at risk of becoming homeless	1.13	1.08	1.25	1.15
Persons who are now or imminently at risk of living in an institutional setting	1.18	1.09	1.21	1.17
Persons leaving an institutional setting	1.17	1.10	1.14	1.15

*continues...*

(continued) **Please rate the extent to which a LACK OF AFFORDABLE AND SUITABLE HOUSING affects the access to fair housing choices on the basis of the following.**

Group	Chicago	Other metro areas	Non metro areas	statewide
<b>Federal protected classes</b>				
Race/Color	1.50	2.07	2.00	1.25
National origin	1.81	2.14	2.00	1.43
Religion	2.61	2.69	2.57	2.36
Familial/ Marital status	1.91	2.00	2.30	1.53
Gender	2.21	2.29	2.45	1.85
Disability/ Handicap	1.20	1.43	1.08	1.21
<b>State protected classes</b>				
Age	1.80	2.43	1.69	1.83
Military Status	2.50	2.57	2.38	2.17
Military discharge status	2.38	2.25	2.29	2.14
Sexual orientation	2.25	1.92	1.88	2.17
<b>Other groups</b>				
Source of income	1.17	1.57	1.23	1.11
Persons leaving prison	1.10	1.08	1.10	1.08
Victims of violence against women	1.35	1.57	1.36	1.21
Persons who are homeless or at risk of becoming homeless	1.13	1.38	1.00	1.11
Persons who are now or imminently at risk of living in an institutional setting	1.10	1.50	1.00	1.13
Persons leaving an institutional setting	1.09	1.45	1.00	1.13

**What are the problems that cause the groups you listed in questions 4 and 5 to be denied fair housing choices?**

Review of the open-ended responses given by survey respondents showed that most answers repeated responses given to the questions on identifying impediments. Therefore, no separate analysis or summary was done.

**The Fair Housing Act, Section 504 of the Rehabilitation Act, and the American Disabilities Act state that persons with disabilities are entitled to request "Reasonable Accommodations and Modifications" to ensure equal opportunity to use and enjoy a dwelling unit or a development's public areas. Please describe what types of accommodations and/or modifications can be made.**

Seventy responses to this question were received. Forty-nine responses provided a list describing types of reasonable accommodation and modifications. Four responses provided referrals to additional information. Five responses described accessibility in a more general sense than is meant by reasonable accommodation and modification. Eight answers did not address the

question that was asked, but rather identified a problem or recommended some action, and an additional three expressed some difficulty in understanding the question. Three respondents answered that they don't know. Blank answers, not included here, may also indicate a lack of knowledge.

Fifty-three respondents expressed some knowledge of reasonable accommodation and modification, including those listing examples and those referring to another information source, representing 76% of responses. There was some variation between respondent groups. 82% of advocate answers indicated some knowledge, compared to 63% of business responses and 75% of government responses. Among location groups, 75% of Chicago respondents answering this question indicated knowledge, compared with 92% of Non metro respondents, 71% of Other metro respondents, and 70% of statewide respondents. Note that these reflect the share of responses to this particular question, rather than the share of all survey respondents.

**Please rate how well the following STATE initiatives have impacted fair housing choices.**

State initiative	Positive	No impact	Negative
State Mandate Act	22	3	0
State enforcement of Community Reinvestment Act (CRA)	40	10	0
Affordable Housing and Planning Appeals Act	29	14	1
Illinois Environmental Barriers Act	33	6	2
Accessible Housing Demonstration Grant	26	6	2
Home Modification Program	44	3	1
Illinois Human Rights Act	51	1	2
Civil and Equal Rights Enforcement Act (CEREA)	29	6	2
State Housing Initiatives	47	4	0
Other (Please specify below)	16	5	4

*continues...*

(cont.) Please rate how well the following STATE initiatives have impacted fair housing choices.

State Initiative		Positive	No impact	Negative
State Mandate Act	Advocate	7	2	0
	Business	5	0	0
	Government	10	1	0
State enforcement of Community Reinvestment Act (CRA)	Advocate	20	4	0
	Business	11	1	0
	Government	9	5	0
Affordable Housing and Planning Appeals Act	Advocate	16	7	1
	Business	6	2	0
	Government	7	5	0
Illinois Environmental Barriers Act	Advocate	18	4	1
	Business	6	0	1
	Government	9	2	0
Accessible Housing Demonstration Grant	Advocate	14	2	2
	Business	5	1	0
	Government	7	3	0
Home Modification Program	Advocate	25	1	1
	Business	8	1	0
	Government	11	1	0
Illinois Human Rights Act	Advocate	29	0	1
	Business	8	0	1
	Government	14	1	0
Civil and Equal Rights Enforcement Act (CEREA)	Advocate	13	3	1
	Business	7	1	1
	Government	9	2	0
State Housing Initiatives	Advocate	26	3	0
	Business	9	0	0
	Government	12	1	0
Other (please specify below)	Advocate	4	4	3
	Business	4	0	0
	Government	8	1	1

*continues...*

(cont.) Please rate how well the following STATE initiatives have impacted fair housing choices.

State Initiative		Positive	No impact	Negative
State Mandate Act	Chicago metro	6	2	0
	Other metro	3	0	0
	Non metro	6	0	0
	Statewide	7	1	0
State enforcement of Community Reinvestment Act (CRA)	Chicago metro	16	3	0
	Other metro	10	3	0
	Non metro	5	2	0
	Statewide	9	2	0
Affordable Housing and Planning Appeals Act	Chicago metro	10	8	1
	Other metro	6	1	0
	Non metro	5	1	0
	Statewide	8	4	0
Illinois Environmental Barriers Act	Chicago metro	12	3	2
	Other metro	5	1	0
	Non metro	6	1	0
	Statewide	10	1	0
Accessible Housing Demonstration Grant	Chicago metro	5	4	2
	Other metro	6	1	0
	Non metro	6	0	0
	Statewide	9	1	0
Home Modification Program	Chicago metro	17	2	1
	Other metro	9	0	0
	Non metro	6	0	0
	Statewide	12	1	0
Illinois Human Rights Act	Chicago metro	20	0	2
	Other metro	9	0	0
	Non metro	6	0	0
	Statewide	16	1	0
Civil and Equal Rights Enforcement Act (CEREA)	Chicago metro	7	3	2
	Other metro	8	1	0
	Non metro	6	1	0
	Statewide	8	1	0
State Housing Initiatives	Chicago metro	15	2	0
	Other metro	10	0	0
	Non metro	10	0	0
	Statewide	12	2	0
Other (Please specify below)	Chicago metro	2	2	3
	Other metro	7	0	0
	Non metro	3	1	0
	Statewide	4	2	1

**Please rate how well the following LOCAL initiatives have impacted fair housing choices.**

Local Initiative	Positive	No impact	Negative
Home Rule	16	10	19
Special Land Use/Zoning	25	6	29
Building/Housing Codes	34	3	23
Public/Private Partnerships	44	4	2
Local Fair Housing Ordinances	49	8	3
Other (Please specify below)	9	5	1

Local Initiative		Positive	No impact	Negative
Home Rule	Advocate	5	6	13
	Business	2	1	5
	Government	9	3	1
Special Land Use/Zoning	Advocate	10	4	21
	Business	5	1	4
	Government	10	1	4
Building/Housing Codes	Advocate	14	2	18
	Business	7	0	5
	Government	13	1	0
Public/Private Partnerships	Advocate	21	3	2
	Business	11	0	0
	Government	12	1	0
Local Fair Housing Ordinances	Advocate	25	6	1
	Business	9	1	2
	Government	15	1	0
Other (Please specify below)	Advocate	5	3	1
	Business	1	0	0
	Government	3	2	0

*continues...*

Local Initiative		Positive	No impact	Negative
Home Rule	Chicago metro	2	4	10
	Other metro	4	2	4
	Non metro	3	2	1
	Statewide	7	2	4
Special Land Use/Zoning	Chicago metro	5	2	17
	Other metro	6	2	3
	Non metro	5	1	3
	Statewide	9	1	6
Building/Housing Codes	Chicago metro	6	1	15
	Other metro	11	1	2
	Non metro	8	0	2
	Statewide	9	1	4
Public/Private Partnerships	Chicago metro	15	2	2
	Other metro	11	1	0
	Non metro	8	0	0
	Statewide	10	1	0
Local Fair Housing Ordinances	Chicago metro	17	4	1
	Other metro	10	2	0
	Non metro	7	1	0
	Statewide	15	1	2
Other (Please Specify Below)	Chicago metro	3	1	1
	Other metro	3	0	0
	Non metro	1	3	0
	Statewide	2	1	0

**How does your organization contribute to improving fair housing choices in Illinois?**

Responses are too complex and extensive to be summarized.

**Does your organization have guidelines/procedures for dealing with complaints of housing discrimination?**

	Yes	No
Advocate	28	13
Business	8	7
Government	13	3
Chicago	17	8
Other metro	11	3
Non metro	10	2
Statewide	11	10
Total	49	23

**Have the complaints from those you deal with changed over the last five years?**

	Yes	No
Advocate	8	33
Business	1	14
Government	5	11
Chicago	5	20
Other metro	3	11
Non metro	2	10
Statewide	4	17
Total	14	58

**What types of fair housing education are you engaged in and what types would you like to see funded?**

Thirty-one respondents listed some type of fair housing education that they are engaged in. Thirteen described fair housing education in general terms. Six described housing or lending counseling activities. Other responses listed specific topics covered, including the accessibility code, design and construction, special needs housing, affordable housing programs, and tenants' rights. Some responses specified a particular audience for their educational activities, including developers and architects, municipalities, and elderly housing providers.

Twenty-five respondents listed a need for funding relating to fair housing education. Two said that they thought there is no need for additional funding for fair housing education. This open ended question yielded a wide range of responses. Repeatedly mentioned were a need for general fair housing education and a need for credit counseling and anti-predatory lending education. Other responses mentioned specific target audiences needing education. Of these, bankers, builders/developers, and policy makers received repeated mentions. Also mentioned were housing providers, housing seekers, renters, and municipalities.

**In summary, please rate how well the state of Illinois is dealing with fair housing choices and impediments five years ago and today.**

**2007 Survey**

	now	5 years ago
Advocate	2.80	2.37
Business	3.40	2.73
Government	3.38	2.81
Chicago	2.72	2.36
Other metro	3.36	2.79
Non metro	3.17	2.75
Statewide	3.19	2.48
Total	3.06	2.54

**1997 Survey**

	now	5 years ago
Advocate	2.30	2.11
Business	3.67	2.80
Government	3.25	3.13

**In summary, what are the key issues for addressing impediments and furthering fair housing choices in Illinois?**

response category	# of responses	% of respondents
education	29	48%
enforcement	16	26%
funding	33	54%
policy	16	26%
legal	7	11%
other	6	10%
accessible	9	15%
Total	61	100%

**Appendix 8-1: Age by Language Spoken at Home**

Appendix 8-1: Age by Language Spoken at Home by Ability to Speak English for the Population 5 Years and Over

AGE BY LANGUAGE SPOKEN AT HOME BY ABILITY TO SPEAK ENGLISH FOR THE POPULATION 5 YEARS AND OVER

Universe: Population 5 years and over

	5 to 17 years:	18 to 64 years:	65 years and over:	Total	Percent of
Subtotal	2,367,441	7,681,135	1,498,929	11,547,505	state pop:
Speak only English	1,906,780	6,110,984	1,309,022	9,326,786	0.80768841
Speak Spanish:	321,898	884,768	47,010	1,253,676	0.10856683
Speak English "very well"	190,950	380,468	16,263	587,681	0.05089247
Speak English "well"	75,715	193,541	10,395	279,651	0.02421744
Speak English "not well"	42,436	205,978	11,043	259,457	0.02246866
Speak English "not at all"	12,797	104,781	9,309	126,887	0.01098826
Speak other Indo-European languages:	89,345	432,856	118,036	640,237	0.05544375
Speak English "very well"	68,882	254,940	63,063	386,885	0.03350377
Speak English "well"	14,636	107,327	27,772	149,735	0.01296687
Speak English "not well"	5,351	60,032	20,908	86,291	0.0074727
Speak English "not at all"	476	10,557	6,293	17,326	0.00150041
Speak Asian and Pacific Island languages:	34,439	195,060	19,301	248,800	0.02154578
Speak English "very well"	23,617	108,019	6,099	137,735	0.01192768
Speak English "well"	7,361	55,576	4,211	67,148	0.00581494
Speak English "not well"	3,142	27,174	5,401	35,717	0.00309305
Speak English "not at all"	319	4,291	3,590	8,200	0.00071011
Speak other languages:	14,979	57,467	5,560	78,006	0.00675523
Speak English "very well"	11,659	39,452	2,585	53,696	0.00465001
Speak English "well"	2,346	12,530	1,465	16,341	0.00141511
Speak English "not well"	910	4,545	927	6,382	0.00055267
Speak English "not at all"	64	940	583	1,587	0.00013743

Data on ability to speak English were derived from the answers to long-form questionnaire Item 11c, which was asked of a sample of the population. Respondents who reported that they spoke a language other than English in long-form questionnaire Item 11a were asked to indicate their ability to speak English in one of the following categories: "Very well," "Well," "Not well," or "Not at all."

The data on ability to speak English represent the person's own perception about his or her own ability or, because census questionnaires are usually completed by one household member, the responses may represent the perception of another household member. Respondents were not instructed on how to interpret the response categories in Question 11c. People who reported that they spoke a language other than English at home, but whose ability to speak English was not reported, were assigned the English-language ability of a randomly selected person of the same age, Hispanic origin, nativity and year of entry, and language group.