

# **City of Waco, Texas**

## **Housing and Economic Development Services**

### **2014-2018 Consolidated Plan**

#### **Analysis of Impediments to Fair Housing**

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## *Introduction to Fair Housing*

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### **Federal Legislation and Regulations**

The Federal Fair Housing Act is Title VIII of the Civil Rights Act of 1968. The Act, as amended, prohibits discrimination in the sale, rental, advertising and financing of dwellings, and in other housing-related transactions and activities such as insurance, zoning and deed restrictions. It makes discrimination based on race, color, national origin, religion, sex, familial status and disability illegal. All housing related activities, regardless of funding source fall under the Fair Housing Act.

In summary, the following actions based on race, color, national origin, religion, sex, familial status or disability are prohibited:

- Refusing to show, rent, sell or transfer housing or property to be used for housing (vacant land, commercial property re-zoned for residential);
- Falsely denying that housing is available for inspection, sale or rent;
- Setting different terms, conditions or privileges for the sale or rental of a dwelling;
- Advertising or making any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status or disability, including housing that is otherwise exempt from the Fair Housing Act;
- Providing different housing services or facilities;
- Discriminating in appraising a property;
- Refusing to make a mortgage loan or to purchase a loan; or
- Refusing to make reasonable accommodations for disabled tenants and/or allow disabled tenants to make reasonable modifications to their units.

The familial status protection states that unless a building or community qualifies as housing for older persons, it may not discriminate against families in which one or more children under the age of 18 live with a parent, legal guardian, or designee of the parent or legal guardian. The protection also applies to pregnant women and anyone in the process of securing legal custody of a child.

The exception to the familial status protection is for housing for older persons if it is occupied solely by persons who are 62 or older; or houses at least one person who is 55 or older in at least 80% of the occupied units and adheres to a policy that demonstrates an intent to housing persons who are 55 or older.

Reasonable accommodations for disabled tenants would include allowing service animals in a “no pets” property, providing a reserved parking space near the unit, and providing curb-cuts in sidewalks. For buildings constructed after March 13, 1991 with more than three units, public and common areas must be accessible with doors and hallways must be wide enough for wheelchairs; and all ground-floor units (or all units if there is an elevator) must have:

- An accessible route into and through the unit;
- Accessible light switches, electrical outlets, thermostats and other environmental controls;
- Reinforced bathroom walls for later installation of grab bars; and
- Kitchens and bathrooms that can be used by people in wheelchairs.

While the Federal Fair Housing Act does not specifically include sexual orientation and gender identity as protected groups, lesbian, gay, bisexual or transgender (LGBT) persons experiencing housing discrimination may be covered by the Fair Housing Act depending on the type of complaint. HUD established a new rule regarding housing providers that receive HUD funding, have loans insured by the Federal Housing Administration (FHA), or are lenders insured by FHA. This includes Section 8, Public Housing, CDBG projects, HOME projects, HOPWA, Section 202/811 and FHA-insured properties or lenders. A private lender, seller, or landlord who does not receive HUD funding nor has an FHA-insured loan is not subject to the regulations. As of March 5, 2012, the new HUD rule regarding equal housing access to LGBT persons within HUD and FHA programs became effective.

The HUD program regulations intended to ensure equal access of persons without regard to actual or perceived sexual orientation, gender identity or marital status (24 CFR Section 5.105(a)(2)). The rule clarifies the definition of “family” as outlined in 24 CFR 5.403 and household as defined in 24 CFR 570.3 by adding LGBT inclusive language. The rule prohibits inquiries as to sexual orientation or gender identity except where the housing provided is temporary, emergency shelter that involves sharing of sleeping areas or bathrooms, or for the purpose of determining the number of bedrooms to which the household may be entitled. However, a person seeking shelter at an emergency shelter must be provided equal access through the use of separate quarters/bathroom, motel vouchers, or other accommodations.

Other Fair Housing Act provisions cover actions that are neighborhood-based, such as:

- Persuading, for self-profit, owners to sell using panic tactics for the purpose of blockbusting;
- Channeling or steering prospective buyers or tenants into neighborhoods of similar ethnic identity;
- Refusing to lend money or insure properties in certain neighborhoods, or require additional costs for the services for the purpose of redlining; or
- Establishing neighborhood, project or building deed restrictions that prohibit protected groups.

Blockbusting is an activity that began in the 1960s when real estate agents or their clients profited by using panic tactics to encourage majority (usually white) owners to sell because different racial or ethnic groups were moving into the area. Often the real estate agent or client would “plant” the first household of a different racial or ethnic group in the neighborhood and approach existing owners to sell before the neighborhood became undesirable. The realtors, or their clients, would purchase the houses at a reduced price and re-sell at a higher price, often to the new racial or ethnic group. While this practice isn’t as overt and prevalent today, it does happen in more subtle ways.

Steering or channeling occurs when realtors direct prospective buyers or tenants to dwellings in neighborhoods or developments of similar racial, ethnic or national origin composition or direct them

away from neighborhoods or developments of different composition. Often steering from more desirable neighborhoods or multi-family developments occurs when realtors do not advise the prospective buyer or tenant of the availability of listings.

Red-lining occurs when lenders or insurers either refuse their services to certain neighborhoods or require additional costs for their services. Other areas of red-lining occur when chain stores, banks, and other multi-site commercial entities charge more for products and services in areas that are predominately minority or low-income.

Another form of discrimination that has received much attention and has resulted in state laws is predatory lending. Predatory lending is unfair or fraudulent actions of a real estate or personal loan lender to profit through higher fees and interest rates. The practice is often aimed at low-income, elderly, minority and foreign-born residents who are not knowledgeable about loan procedures or believe their choices are limited. Various tactics include:

- Charging high fees or interest rates to those with a higher credit risk, or to those of a group that is perceived to have a higher credit risk;
- Packing excessive and hidden fees into the amount to be financed;
- Encouraging refinancing that will result in little long term benefit to the borrower and is for the purpose of generating additional fees and prepayment penalties;
- Using negative amortization to make it more difficult to reduce principal;
- Using balloon payments to conceal the true financial burden and/or to force foreclosures or refinancing at higher rates when the balloon payment is due;
- Requiring mortgage insurance through a specified insurance agent/company, usually at a higher rate; and
- Charging disproportionately higher fees for short-term loans such as payday loans, tax refund anticipation loans, car title loans, checking account overdraft fees, and credit card late fees.

While payday and car title loans are not related to fair housing, many of the companies providing such loans are located in low-income and minority neighborhoods as well as near areas where young adults or the elderly live.

The Fair Housing Act does not pre-empt local zoning and land use regulations, however, the Act applies to local government entities and prohibits them from making zoning or land use policies that exclude or otherwise discriminate against protected persons. In 1999, there was a joint statement of HUD and the Department of Justice regarding group homes, local land use ordinances and the Fair Housing Act. The statement clarifies that the Fair Housing Act makes it unlawful to:

- Utilize land use policies that treat groups of persons with disabilities less favorably than groups of non-disabled persons. For example, it is unlawful to prohibit housing for a specific type of disability, such as mental illness, from locating in a particular area while allowing other groups of unrelated individuals to live together in that areas;

- Take action against, or deny a permit for, a home because of the disability of the individuals who live or may live there. For example, it is unlawful to deny a building permit for a home because it is intended to provide housing for persons with intellectual disabilities or mental illness; and
- Refuse to make reasonable accommodations in land use and zoning policies where such accommodations may be necessary to afford persons or groups of persons with disabilities an equal opportunity to use and enjoy housing. What constitutes a reasonable accommodation is a case-by-case determination.

In addition to the Fair Housing Act, there is additional legislation that impacts discrimination when even one dollar of federal funding is involved. There include:

- Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color or national origin;
- Architectural Barriers Act of 1968 requires that building and facilities designed, constructed, altered or leased with federal funds after September 1969 be accessible to and useable by disabled persons;
- Title IX of the Education Amendments Act of 1972 prohibits discrimination based on sex in education programs;
- Section 504 of the Rehabilitation Act of 1973 prohibits discrimination based on disability (including failure to make activities or programs accessible);
- Section 109 of Title 1 of the Housing and Community Development Act of 1974 prohibits discrimination on the basis of race, color, national origin, sex or religion;
- Age Discrimination Act of 1975 prohibits discrimination based on age; and
- Title II of the Americans with Disabilities Act of 1990 prohibits discrimination based on disability in programs made available by public entities.

In addition to federal laws concerning discrimination, there are several applicable Presidential Executive Orders, including:

- Executive Order 11063 prohibits discrimination in the sale, leasing, rental or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds;
- Executive Order 11246, as amended, prohibits discrimination in federal employment based on race, color, religion, sex or national origin;
- Executive Order 12892, as amended, requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort. The EO also established the President's Fair Housing Council, which will be chaired by the Secretary of HUD.
- Executive Order 12898 requires that each federal agency conduct its program, policies and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color or national origin;

- Executive Order 13166 eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally-assisted and conducted programs and activities; and
- Executive Order 13217 requires that federal agencies evaluate their policies and programs to determine if any can be modified to improve the availability of community-based living arrangements for persons with disabilities.

### **State and Local Legislation**

Both the State of Texas and City of Waco have Fair Housing legislation. The Texas Fair Housing Act can be found in Title 15, Chapter 301 of the Property Code. The Civil Rights Division of the Texas Workforce Commission is responsible for receiving, investigating, seeking to conciliate and acting on complaints of alleged violations of the Texas Fair Housing Act. The provisions of the Act are in concert with the Federal Fair Housing Act. The complainant or respondent may elect to have the claims asserted in the complaint decided in a civil action or may agree to an Administrative Hearing. An Administrative Hearing must not begin or continue after the beginning of the trial of a civil action. The complete Texas Fair Housing Act is in the appendices.

Article IV, Chapter 12, Part II of the City of Waco's Code of Ordinances outlines the City's Fair Housing Ordinance. As with the State law, the local ordinance follows the legislation set forth in the Federal Fair Housing Act. The City's Fair Housing Administrator receives complaints and referrals of complaints from HUD or a third party and investigates the complaint. If the Administrator deems that a discriminatory practice has occurred, an attempt by informal measures to effect conciliation is made. If the efforts to secure voluntary compliance have been unsuccessful, the Administrator recommends that the City Attorney prosecute the violator in municipal court. During the process, the Administrator cooperates with HUD on any Federal or joint investigation, conciliation or prosecution. When necessary, the Administrator assists the complainant in filing a complaint with HUD to initiate a federal investigation. The complete Fair Housing Ordinance is in the appendices.

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## *Major Data Sources for Analysis*

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A number of databases were used to develop a complete community profile, including the analysis of impediments to fair housing choice (AI) in Waco. Due to the differences in sources, changes in reporting, and changes in geographic bases, the use of the data becomes complicated and confusing. Below is a summary of the databases as well as the issues surrounding their use.

### **Census Data**

Since 1790, the U.S. has been charged with completing a census of population every decade. This decennial census is a 100% count of the population by race/ethnicity, age, gender and other basic characteristics and is mandated for use in determining congressional and local redistricting. In 1940, the Census Bureau added a second questionnaire to the process. While the rather short 100% count of the population continued as mandated by law, a longer more detailed set of questions was asked of a sample of the population. Approximately every seventh household was asked to complete the long form, which included questions on employment, income, education, housing costs, and other detailed population and housing information.

After the 2000 Census, which included the short 100% count questionnaire and the long sample questionnaire, the Census Bureau adopted a new format for collecting sample information. The 100% count questionnaire would continue every 10 years, but a new “rolling” detailed survey would be conducted monthly on a much smaller population sample. Each year, 3 years and 5-years, the results of the samples would be aggregated and averaged using a complex set of formulas. This new American Community Survey (ACS) replaced the long form sample survey for the 2010 decennial census.

As a result of the introduction of the American Community Survey, there is no longer a single point in time survey for the 100% population/housing count and the detailed population/housing sample counts. This makes linking the 100% data from April 2010 with the sample data from an average of monthly surveys more difficult and less accurate. Adding to the difficulty and inaccuracy is the issue with data reliability and validity by geographic size. As the geographic section below explains, the country is divided into states, counties, cities, and then census-defined areas – Census Tracts, Block Groups and Blocks. The smaller percent of the population sampled, the larger the area or overall population must be to result in a semblance of accuracy. Therefore, while state, county and city data can be assumed relatively accurate for a one year of monthly sample surveys, sample surveys at the Census Tract and Block Group levels must be aggregated over 5 years to be as accurate as the 1-year county data. Block level data are not accurate and not reported in the American Community Survey. Additionally, the more substrata data, through cross-tabulations, the less accurate a single year aggregation becomes and more samples are required.

For the Fair Housing Plan, the racial/ethnic data from the 2010 Census is as accurate a population count as is possible, with an estimated 5-7% undercount in certain locales and among certain minority groups. However, the data sets from the American Community Survey, such as income, employment and general housing cost/condition information are only available for a 1-year sample at the state, county and large-city level. Other data, such as disability, housing information by race/ethnicity, income by

household size, housing information by income are only available for a 3-year sample at the state, county and large-city level and for a 5-year sample at the Census Tract or Block Group level.

All of the American Community Survey data have an inherent margin of error that, depending on the geographic size, may be larger than the reported estimate. For example, a Block Group's household estimate for low-income households may be 125, with a margin of error of +/- 150, making the range of estimate from a minus 25 to a positive 275. For the purposes of the analysis of impediments using Census data, the estimates are used without regard to the margin of error.

Despite the inaccuracies in the American Community Survey data, all of the information is similarly accurate/inaccurate, resulting in the ability to use the data to analyze comparisons across demographic characteristics, geography and/or time.

The American Community Survey database is used for delineating population by race/ethnicity/disability, households by income, and other general demographic information. Cross-tabulated data have been aggregated into the Comprehensive Housing Affordability Strategy (CHAS) database.

#### **CHAS Database**

HUD and the Census Bureau work together to develop a set of cross-tabulations related to housing for use in analyzing conditions for HUD programs. This Comprehensive Housing Affordability Strategy (CHAS) data set includes housing conditions by income by race/ethnicity, householder age, and disability. Due to the complications in deriving estimates on multiple cross-tabulations, the CHAS data based on the 5-year ACS samples are released approximately 2 years after the related ACS data. For example, currently the most recent ACS files are for 2008-2012 but the most recent CHAS files are for 2006-2010.

Because of the additional cross-tabulations for the CHAS data, the information cannot be reported at a geography smaller than the Census Tract level. Therefore, no Block Group CHAS data are available. Additionally, the Census Tract data are not split by political boundaries with information provided for partial Census Tracts within or outside of a city.

#### **HMDA Database**

A key database used to determine discrimination in mortgage lending is the Home Mortgage Disclosure Act (HMDA) annual database, the most recent of which is for 2012. The HMDA database is developed by the Federal Financial Institutions Examination Council (FFIEC) as a result of 1975 legislation enacted to require public loan data to be provided to assist in identifying possible discriminatory lending practices and determining if financial institutions are serving the housing needs of their communities.

The HMDA database provides information for each mortgage loan originated with a state, county and Census Tract designation attached to allow analysts to aggregate the records to any of the 3 geographic levels. For the Fair Housing Plan, the records have been analyzed as a whole as well as aggregated to the Census Tracts wholly or partially within Waco City Limits. The statistical analyses have been conducted on the record-level database and maps and tables have been provided on the city-level and Census Tract-level aggregations.

### **Geographic Delineations**

The databases used for the development of analyses of impediments to fair housing choice for the Fair Housing Plan are available at the city level, Census Tract level and/or Block Group level depending on the data source and information detail.

Census Tracts are moderate-size areas wholly within a county and having an average population of approximately 4,000 but usually range in size between 1,200 and 4,000 people. The Census Tract boundaries are determined with the intent that they can be maintained over several decades for data comparisons over time. As a result, they follow permanent visible physical features such as highways and waterways, with the exception that they never cross county boundaries.

Census Blocks are the smallest geographic area that can be created by visible physical features, such as a single residential block bounded by 4 streets. Census Blocks are wholly contained within Census Tracts.

Census Block Groups are, as the name implies, a group of Census Blocks with the same first digit in their numbering system. For example, Census Blocks 201-225 would be clustered to become Block Group 2 within a single Census Tract. As with Census Tracts, the Block Groups may cross local jurisdictional boundaries, such as city limit lines.

The decennial census counts are aggregated to partial Census Tracts, Block Groups and Blocks within political jurisdictions for use in redistricting. Counts from the 2010 Census, based on a 100% enumeration of the population, are available for only those Census Tract, Block Group and Block areas within Waco.

In summary, for small geographic areas, most data are aggregated/reported at the county level, city/place level, whole Census Tract level (regardless of city limit lines), whole Block Group level, and occasionally at the Block Level. For this Fair Housing Plan, the data are presented for the City of Waco and for Census Tracts that are wholly or partially contained within Waco. A few variables, such as total population by race/ethnicity are provided at the Block Group level. Where available, data for the 2012 single-year ACS or the 2008-2012 5-year ACS are used. For CHAS data and other HUD-provided data, the 2006-2010 ACS forms the basis for the aggregation. The HMDA database is for 2012.

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## *Resident & Stakeholder Surveys*

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During January through March of 2014 the City solicited information from residents and stakeholders regarding fair housing issues in Waco. Surveys were advertised and provided in English and Spanish through the City's website and in paper form. Stakeholders were interviewed in person and 40 were invited to roundtable discussions.

The main issues brought forth by both the residents and the stakeholders, including lenders, educators, grant-makers, social service providers, and housing providers, include:

- Lack of sufficient affordable housing;
- Limited housing choice;
- Lack of rental housing for large families and non-university students;
- Need for more homeownership;
- Overt and subtle discriminatory advertising by local realtors and landlords;
- Racial and sexual orientation discrimination in leasing and selling;
- Use of criminal and credit background as an excuse to not lease;
- Landlords not making reasonable accommodations for the disabled;
- Predatory lending practices, both with mortgages and payday/car-title loans;
- Lack of employment opportunities;
- Lack of adequate funding for social service agencies to help move clients out of poverty;
- Lack of adequate amenities such as grocery stores, pharmacies, clinics, sidewalks and street lights in low-income and minority neighborhoods;
- Lack of adequate transportation to existing employment and amenities;
- Lack of education about fair housing laws; and
- Too many red-tagged/unsound buildings that have not been demolished.

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## Community Profile

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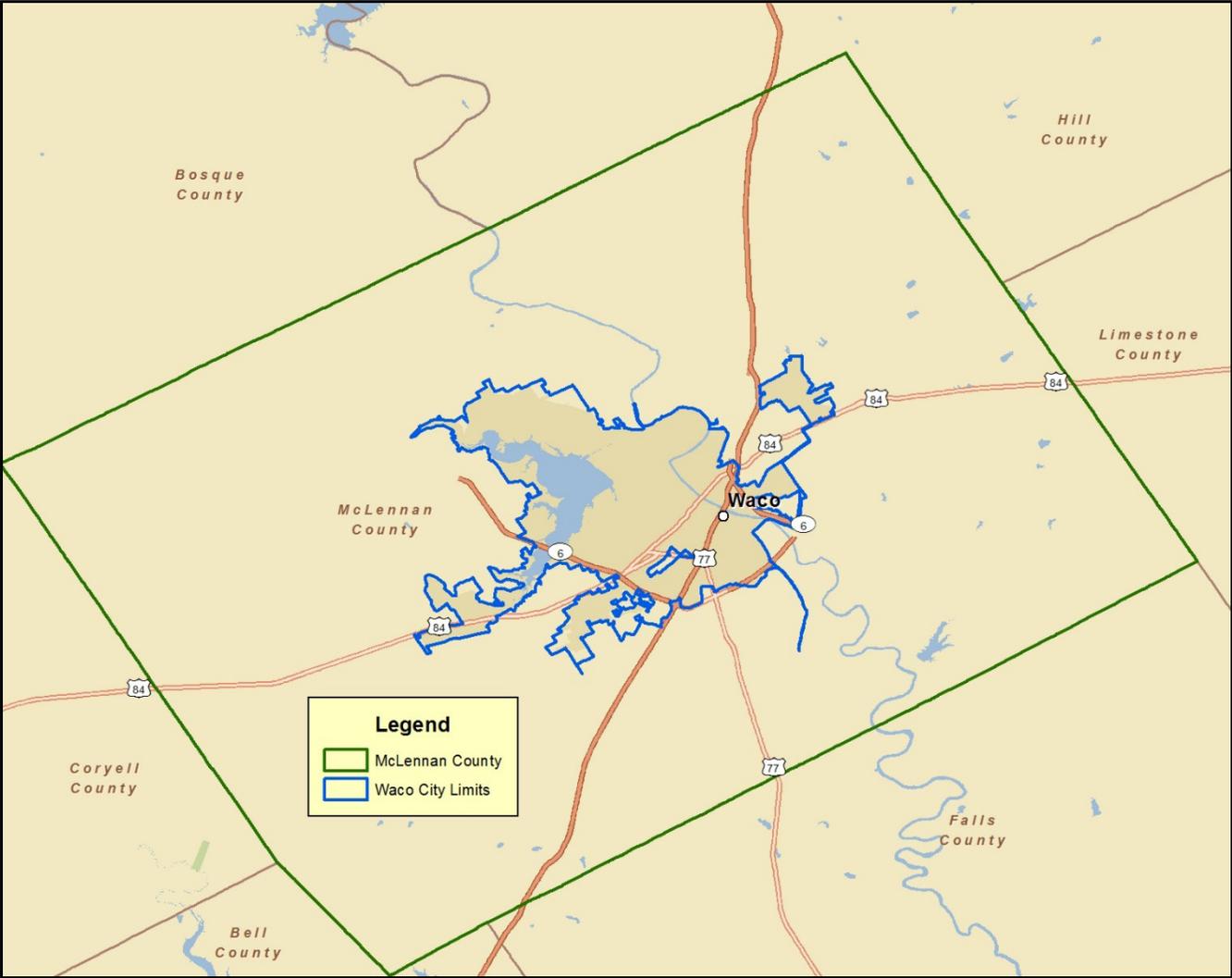
### Geography

The City of Waco is located in central Texas within McLennan County. The maps below show its location in Texas and in McLennan County as well as zoomed to the city limits.

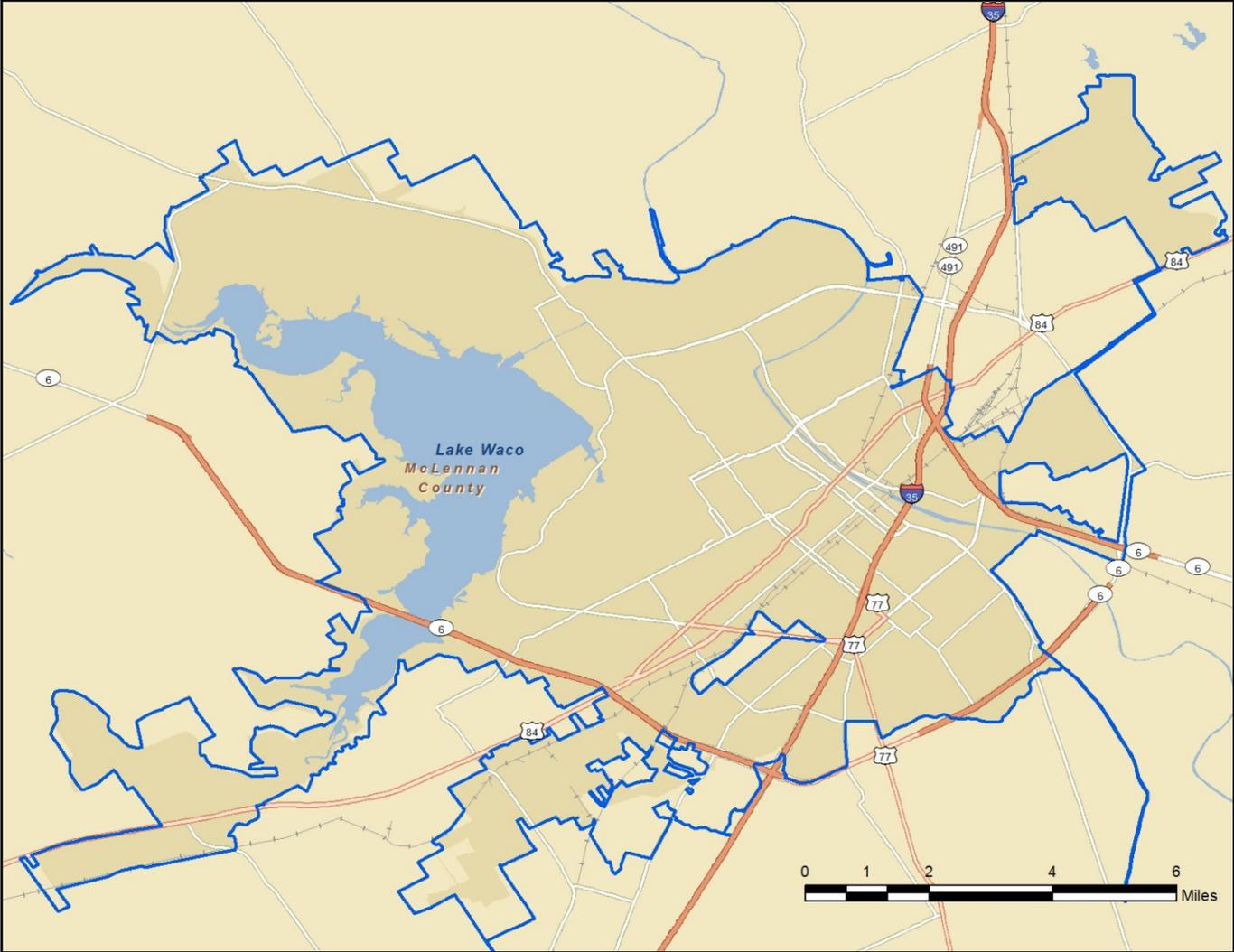
**Map 1 – Waco within Texas and McLennan County**



Map 2 – City of Waco within McLennan County



Map 3 – Waco City Limits



## General Demographics

The City of Waco currently has an estimated population of 127,003 (American Community Survey 2012), up from 122,212 in 2010 (Decennial Census) and 114,167 in 2000 (Decennial Census). Due to the presence of Baylor University in the heart of Waco, the city has nearly double the percent of 20 to 24 year olds than Texas, with a median age of 29.3 years as opposed to 33.9 for Texas and 33.2 for all of McLennan County. Waco’s percent of households with at least one person 65 years or older mirrors the state, though there is a considerably lower rate of households with at least one person under 18 years of age (31.9% for Waco as opposed to 38.1% for Texas).

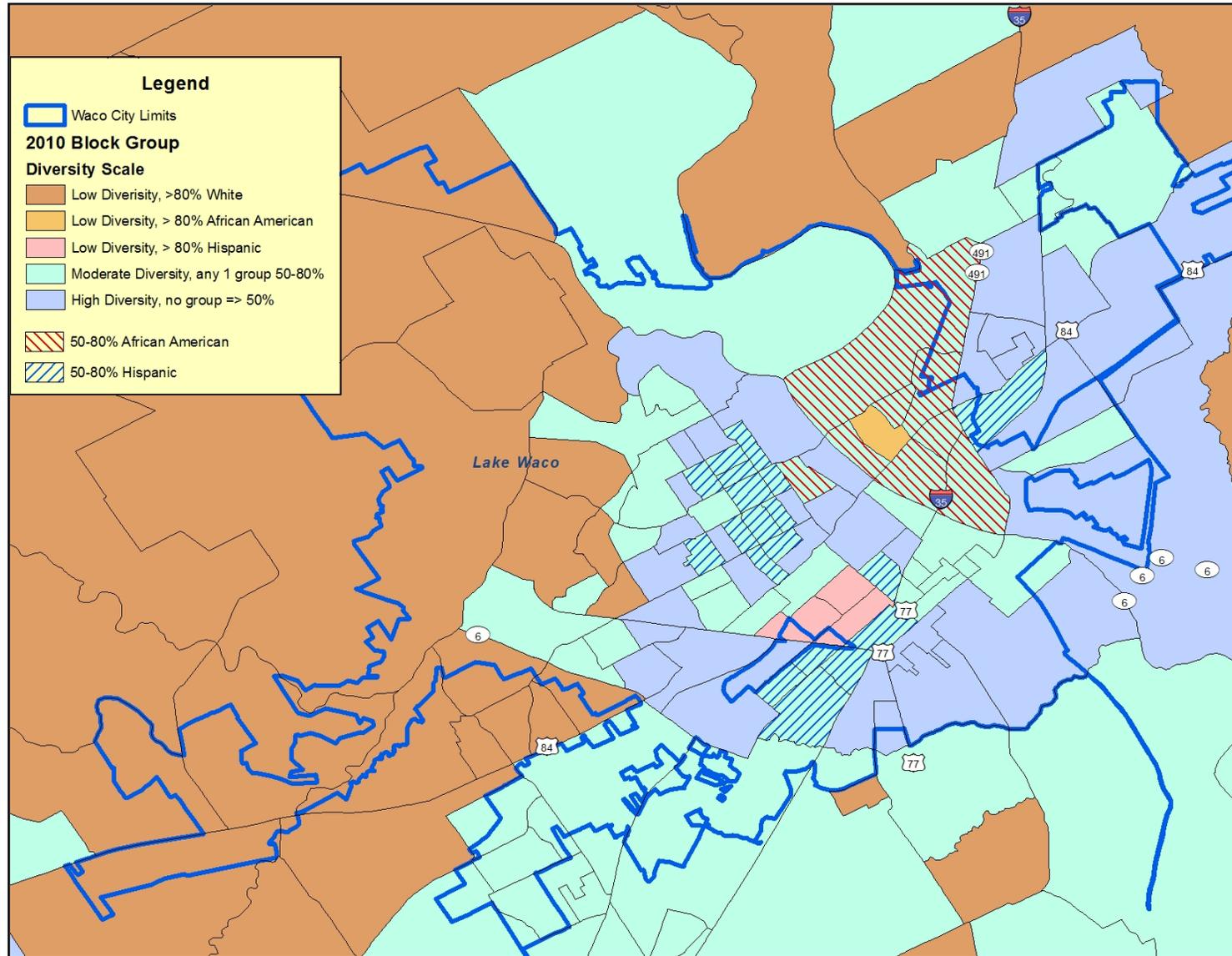
Between 2000 and 2010, the minority population in Waco became the majority, with Hispanics and African Americans comprising 63.22% of the total population. The table below details the racial/ethnic population, while Maps 4 and 5 show the geographic distribution of racial/ethnic diversity in Waco.

**Table 1 – Racial/Ethnic Distribution from 2000 to 2012**

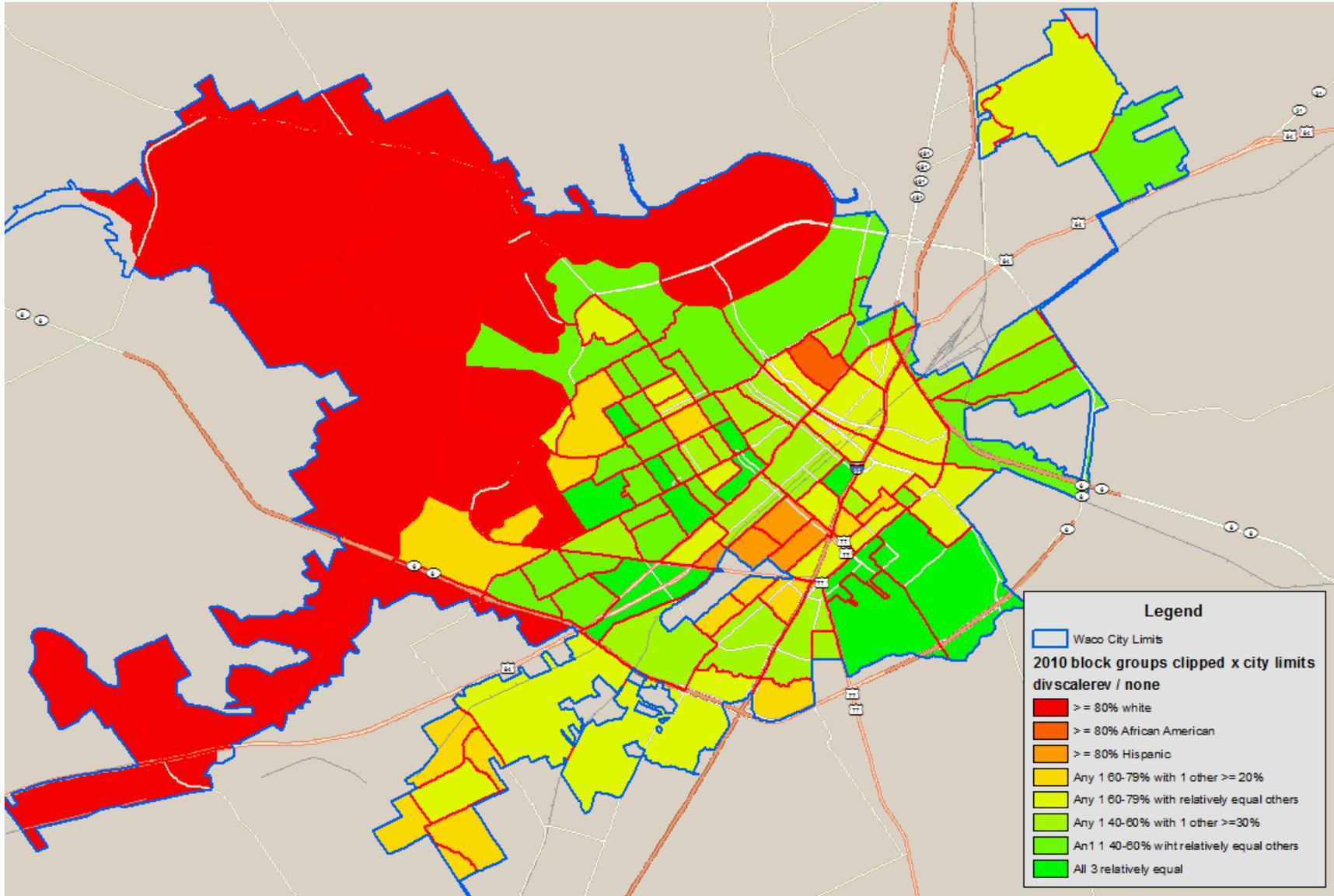
	2000 Census	% of Population	2010 Census	% of Population	2012 American Community Survey	% of Population
<b>Total Population</b>	114,167		122,212		127,003	
<b>Hispanic</b>	26,989	23.64	36,180	29.60	42,731	33.65
<b>Non-Hispanic White</b>	58,321	51.08	56,028	45.84	54,468	42.89
<b>African American</b>	25,576	22.40	25,640	20.98	25,821	20.33
<b>Asian</b>	1,548	1.36	2,103	1.72	2,517	1.98
<b>Other &amp; Multi- Race</b>	1,733	1.52	2,261	1.85	1,466	1.15

Mixed Metro US has derived a map of the United States at the Census Tract level that depicts racial/ethnic diversity. However, for the Waco area, the Census Tract areas are too large to truly describe the neighborhood diversity. Therefore, using the Mixed Metro US methodology as a model, the map below has been developed at the Block Group level. In both models, the inner core of Waco is primarily moderately diverse, with higher Hispanic population to the west, higher African American population to the east and higher white population in the center. Though the area is moderately to highly diverse, most of the block groups do have a single race/ethnicity that represents more than half of the population.

Map 4 – Citywide Racial/Ethnic Diversity in Waco (2010 Census at Block Group Level)



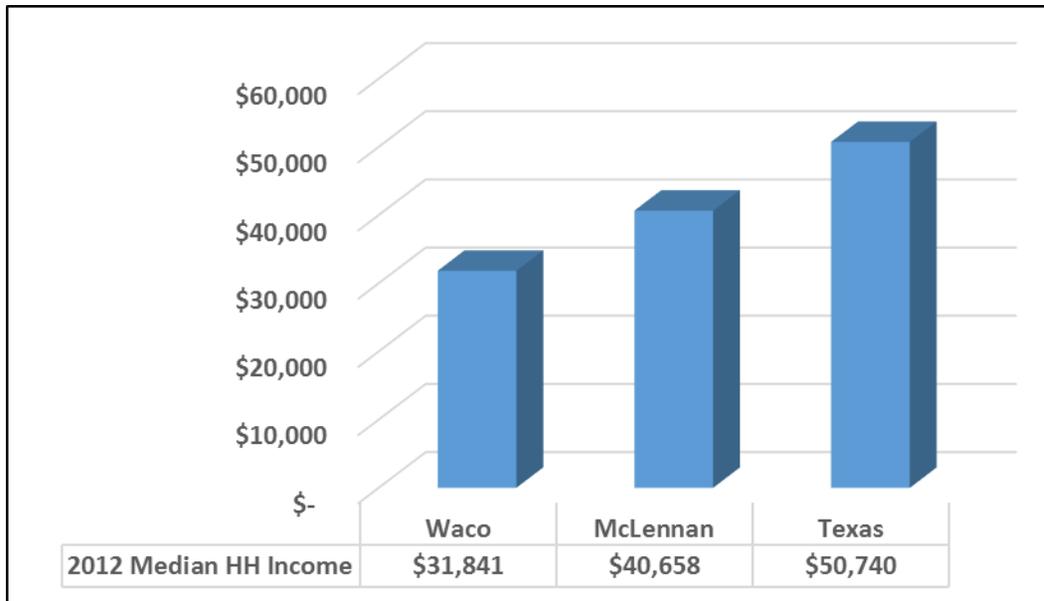
Map 5 – Racial/Ethnic Diversity in the Core Area of Waco (2010 Census at Block Group Level)



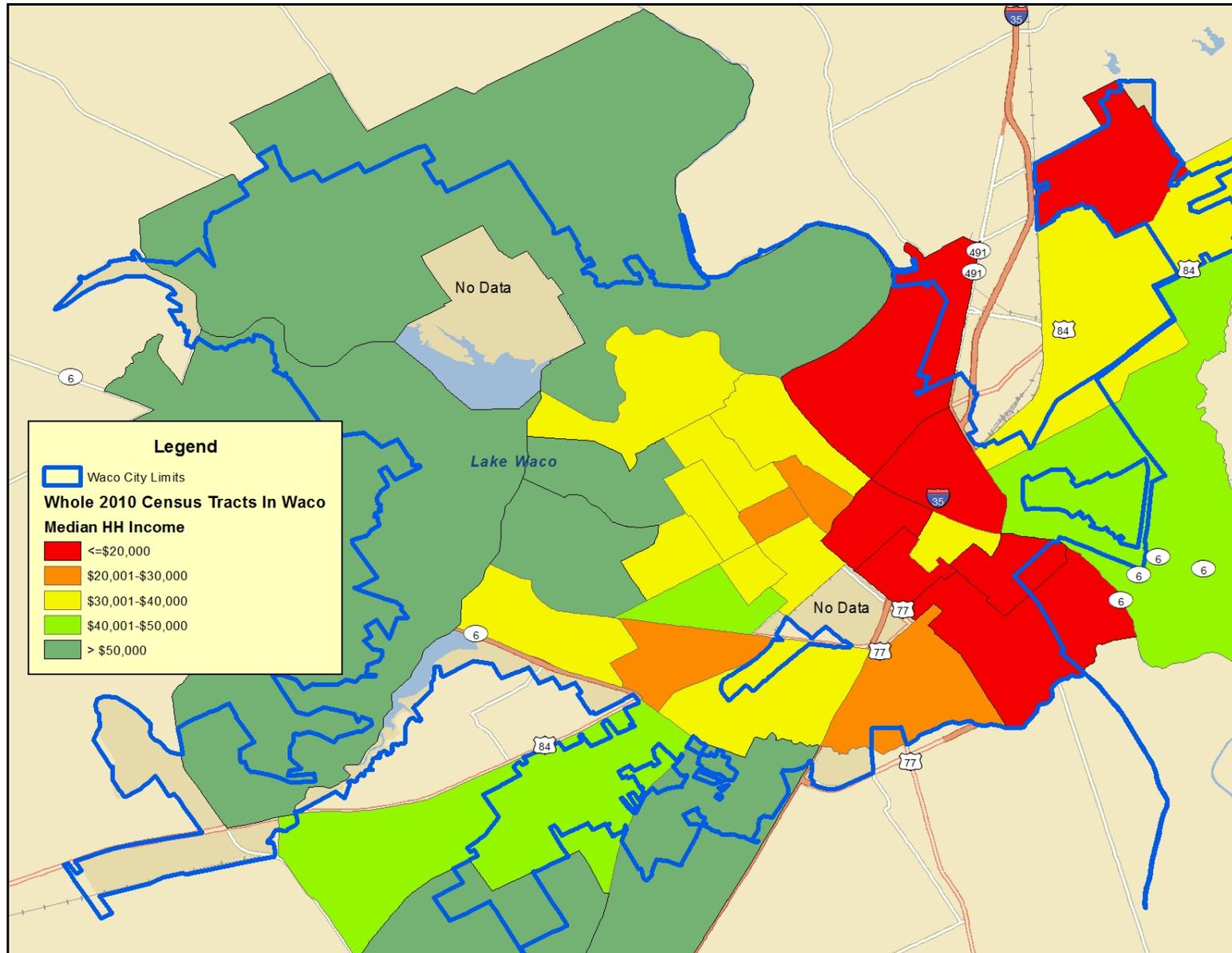
### Income Characteristics

The median income in Waco is considerably lower than that of McLennan County and Texas. The 2012 Texas median household income was \$50,740, while McLennan County's 2012 median household income was \$40,658 compared with Waco's median household income of \$31,841. Figure 1 compares the 2012 median household income for Waco, McLennan County and Texas. Map 6 shows the geographic distribution of the 2008-2012 median income ranges by 2010 Census Tract. The lower income areas in Waco are also the areas with moderate to high racial/ethnic diversity. The predominately white areas outside the city's core neighborhoods have the highest incomes. Due to the small sample size for the American Community Survey (ACS), income at the block group level is not sufficiently accurate and split census tract data for tracts straddling the city limits are not available.

**Figure 1 – Waco, McLennan County & Texas 2012 Median Household Income**



Map 6 – Median Household Income by Census Tract (2008-2012 American Community Survey)



## Housing Stock

The housing stock in Waco is predominately single-family, with 60.4% being single-family detached or attached. Additionally, the housing stock is older than the county, due to suburban growth, or the state. Despite the high percentage of single-family housing, 51.2% of the households are renters. There is a high percent of non-family households and a very high group quarters population due to the presence of Baylor University. However, unlike many university towns, there is a much lower percent of housing units with 3 or more bedrooms than the state as a whole. The table below summarizes housing stock and household information from the 2012 American Community Survey for Texas, McLennan County and Waco.

**Table 2 – Select 2012 Housing Stock Variables for Waco, McLennan County and Texas**

	Waco	McLennan County	Texas
<b>Vacant Units</b>	13.5%	11.3%	11.7%
For Sale Vacancies	9.6%	10.2%	12.6%
For Rent Vacancies	48.6%	37.8%	32.0%
Other Vacancies	41.8%	52.0%	55.4%
<b>Occupied Units</b>	86.5%	88.7%	88.3%
Owner Occupied	48.8%	62.4%	62.3%
Renter Occupied	51.2%	37.6%	37.7%
<b>Group Quarters Population</b>	6.3%	3.9%	2.2%
<b>Single Family</b>	59.7%	68.9%	68.1%
<b>Duplex</b>	5.7%	4.0%	1.9%
<b>3-4plex</b>	5.0%	3.2%	3.2%
<b>5-9 units per structure</b>	9.4%	5.9%	4.8%
<b>10-19 units per structure</b>	10.2%	5.8%	6.2%
<b>20 or more units per structure</b>	9.0%	5.5%	8.1%
<b>Mobile Home</b>	1.0%	6.6%	7.7%
<b>Built 2000 or later</b>	17.3%	17.4%	24.0%
<b>Built in 1990s</b>	7.6%	12.0%	15.4%
<b>Built in 1980s</b>	12.2%	14.9%	17.4%
<b>Built in 1970s</b>	18.4%	18.8%	17.1%
<b>Built in 1960s</b>	12.2%	11.2%	9.7%
<b>Built in 1950s</b>	17.7%	13.4%	8.5%
<b>Built before 1950</b>	14.5%	12.4%	7.9%
<b>Median Value of Owner Occupied</b>	\$89,700	\$104,600	\$129,200
<b>Median Gross Rent</b>	\$721	\$752	\$831

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## *Housing Affordability and Accessibility Issues*

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Though housing costs and affordability are not a fair housing issue, per se, in the United States it is closely correlated to protected groups, race/ethnicity and disability in particular. HUD, with assistance from the Census Bureau, produces a number of databases related to housing affordability by race/ethnicity, age, disability and household size. The information is at the city and Census Tract levels using 2006-2010 American Community Survey Data from which the Comprehensive Housing Affordability Strategy (CHAS) database was created. The information is aggregated by income range based on the HUD definitions of extremely low-income (30% or less of Area Median Income – AMI), low-income (30.1-50% of AMI), moderate-income (50.1-80% of AMI), and two categories of above moderate-income (80.1-100% and greater than 100% of AMI). The lower the income, the greater the probability that the household will (1) have a housing cost burden, paying more than 30% of their income for housing, and (2) have other housing problems, including overcrowding (more than 1 person per room), older housing, having lead-based paint, or lacking some or all heating, plumbing or kitchen facilities.

Table 3 below summarizes the households by type and income, while Table 4 details households with a housing problem by problem, tenure and income. Both tables are from the 2006-2010 CHAS database.

**Table 3 –Households by Household Type and Percent of Area Median Income**

	<b>0-30% AMI</b>	<b>&gt;30- 50% AMI</b>	<b>&gt;50- 80% AMI</b>	<b>&gt;80- 100% AMI</b>	<b>&gt;100% AMI</b>
<b>Total Households</b>	8,615	6,570	7,840	3,900	17,420
<b>Small Family Households</b>	2,485	2,560	3,090	1,525	7,550
<b>Large Family Households</b>	650	600	919	575	1,785
<b>Household contains at least one person 62-74 years of age</b>	685	945	1,085	580	3,100
<b>Household contains at least one person age 75 or older</b>	785	805	1,020	485	1,830
<b>Households with one or more children 6 years old or younger</b>	1,855	1,635	1,593	815	1,570

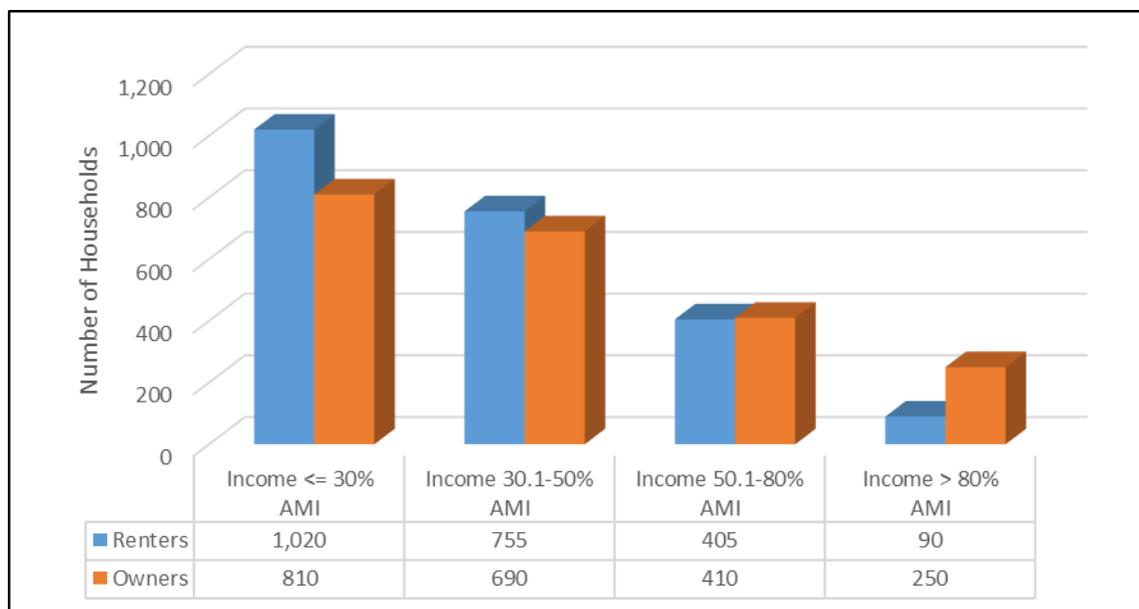
**Table 4 – Households by Tenure & Income with Only One Listed Housing Problems**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>Substandard Housing – Lacking complete plumbing or kitchen facilities</b>	195	60	155	25	435	30	0	20	0	50
<b>Severely Overcrowded – With &gt;1.51 people per room (and complete kitchen and plumbing)</b>	195	40	20	10	265	0	4	45	80	129
<b>Overcrowded – With 1.01-1.5 people per room (and none of the above problems)</b>	185	245	65	25	520	45	110	99	70	324
<b>Housing cost burden greater than 50% of income (and none of the above problems)</b>	4,395	1,800	520	10	6,725	670	645	385	90	1,790
<b>Housing cost burden greater than 30% of income (and none of the above problems)</b>	665	1,640	1,875	375	4,555	330	765	990	430	2,515

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>Zero/negative Income (and none of the above problems)</b>	1,000	0	0	0	1,000	125	0	0	0	125

Households with at least one disabled adult are generally lower income and have a higher cost burden than other households. The graph below shows the income distribution of renter- and owner-occupied units with at least one disabled adult. As with the other affordability data, this graph is based on the 2006-2010 CHAS data.

**Figure 2 – Households with Disabled Adult(s) by Tenure & Income**



Disparities by race/ethnicity in household income and/or households with at least one housing problem can indicate not only barriers to affordable housing for everyone but impediments to fair housing for racial/ethnic minorities. The table below, from the 2006-2010 CHAS, compares households by income and race/ethnicity for totals by income range and for those with one or more housing problem.

The table shows that there is no significant disparity among the race/ethnicities and no significant disproportion in low- to moderate-income or housing problems for minority populations.

When viewing income groups, the percent each race/ethnicity is of Waco's total for each income group closely mirrors the percent for all income groups combined. Likewise, when viewing each individual income group, the percent of households for each race/ethnicity with a housing problem is similar across racial/ethnic categories. African Americans and Hispanics are not disproportionately clustered in the lower income groups or in the group with housing problems. With the exception of Hispanics earning more than 80% of the Area Median Income, whites have a slightly higher percent of households with housing problems than other race/ethnicities, further indicating that there is no significant disproportion among minorities. However, all groups have a significant rate of housing with problems in all income groups, with approximately 3/4 of the households with incomes of 50% of the AMI or less having housing problems, regardless of race or ethnicity of the householder. Additionally, in reviewing the units with housing problems by tenure (owner versus renter occupancy), there is a disproportion by race/ethnicity for renters.

**Table 5 – Households by Income & Race/Ethnicity With 1 or More Housing Problems**

		Total Households by Row				Percent of Waco Total by Row		
		Waco	White	African American	Hispanic	White	African American	Hispanic
<b>&lt;= 30% AMI</b>	<b>Has 1 or more housing problems</b>	7,470	3,645	2,125	1,540	48.8	28.4	20.6
	<b>Percent with 1 or more housing problems</b>	76.5	78.4	70.8	80.5			
	<b>Total</b>	9,760	4,650	3,000	1,914	47.6	30.7	19.6
	<b>Percent Race/Ethnicity of Total by Income</b>		47.6	30.7	19.6			
<b>30.1-50% AMI</b>	<b>Has 1 or more housing problems</b>	5,485	2,695	1,345	1,385	49.1	24.5	25.3
	<b>Percent with 1 or more housing problems</b>	79.5	84.0	76.2	74.9			
	<b>Total</b>	6,900	3,210	1,765	1,850	46.5	25.6	26.8
	<b>Percent Race/Ethnicity of Total by Income</b>		46.5	25.6	26.8			
<b>50.1-80% AMI</b>	<b>Has 1 or more housing problems</b>	3,825	1,765	995	980	46.1	26.0	25.6
	<b>Percent with 1 or more housing problems</b>	48.0	49.6	47.6	44.7			
	<b>Total</b>	7,975	3,555	2,090	2,190	44.6	26.2	27.5
	<b>Percent Race/Ethnicity of Total by Income</b>		44.6	26.2	27.5			
<b>&gt; 80% AMI</b>	<b>Has 1 or more housing problems</b>	925	350	135	385	37.8	14.6	41.6
	<b>Percent with 1 or more housing problems</b>	24.2	18.8	15.9	38.3			
	<b>Total</b>	3,815	1,860	850	1,005	48.8	22.3	26.3
	<b>Percent Race/Ethnicity of Total by Income</b>		48.8	22.3	26.3			
<b>Total households all incomes</b>		<b>46,155</b>	<b>21,730</b>	<b>12,305</b>	<b>11,249</b>	<b>47.1</b>	<b>26.7</b>	<b>24.4</b>

Below is a series of maps delineating the geographic distribution of households by income and by those with housing problems.