

**CITY OF
ALBUQUERQUE, NEW MEXICO**

**ANALYSIS OF IMPEDIMENTS
TO
FAIR HOUSING CHOICE**

June 2013

**PREPARED BY
THE ALBUQUERQUE FAMILY AND COMMUNITY SERVICES
DEPARTMENT**

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INTRODUCTION

PURPOSE OF REPORT

The Fair Housing Act of 1968 states that it is the policy of the United States to provide for fair housing throughout the country and the Act prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including or otherwise making unavailable or denying a dwelling to any person because of race, color, religion, sex, national origin, handicap, or familial status. The State of New Mexico echoes such goal and has also adopted legislation protecting equal access to housing.

Nationally, fair housing and impediments to fair housing are monitored by the United States Department of Housing and Urban Development (HUD) through the use of Community Block Development Grant (CDBG) funding for fair housing advocacy groups. This role of HUD to act as an administrator of fair housing programs originated in 1968 with the passage of the Civil Rights Act, described below. As a qualified entitlement jurisdiction, the City of Albuquerque receives CDBG and HOME Investment Partnership Program (HOME) funds from HUD.

Each grantee which receives CDBG funding under Title I of the Housing and Community Development Act is required to further fair housing and fair housing planning by conducting an analysis to identify impediments to fair housing choice within those cities/communities within its jurisdiction. The grantee will also take appropriate actions to overcome the effects of any impediments identified and will maintain records which reflect the analysis and actions taken in this regard.

The City of Albuquerque Department of Family and Community Services has adopted the following Mission Statement:

Mission - The Department of Family and Community Services provides quality health and social services, housing, recreation and education to improve the quality of life for the entire Albuquerque Community

The City of Albuquerque has consistently supported the concept of the provision of fair housing for its residents without regard to race, color, religion, sex, national origin, handicap, or familial status. To that end, the City has consistently used a portion of its CDBG funding to support programs of fair housing services for low and moderate income households. The fundamental fair housing goal is to make housing choice a reality through fair housing planning, which includes the following:

1. Preparing an Analysis of Impediments to Fair Housing Choice (AI);
2. Acting to eliminate identified impediments; and
3. Providing fair housing records.

The purpose of this AI is to provide essential, specific, and detailed information and data to municipal officials and staff, policy makers, housing developers, lenders, and fair housing advocates. The AI helps build public support for fair housing efforts. This report represents Albuquerque's efforts in making an objective assessment of the nature and extent of fair

housing concerns in the City, and the potential impediments to making fair housing choice available to its residents.

The City's last AI was completed in 2004. This new AI considers the significant changes that have occurred since the development of the previous AI including the effects of population growth, an increasing diverse population, economic change with regard to jobs and the housing market, and the continued need for awareness, education and outreach about fair housing.

DEFINING FAIR HOUSING

Federal Laws

Over the years Congress has passed a number of key Federal laws that define and protect the rights of citizens with respect to their rights about living accommodations. The most significant are:

- The Civil Rights Acts of 1866 and 1870
- The Fair Housing Act (1968 and 1988 Amendments)
- The Civil Rights Act of 1964
- Title I of the Housing and Community Development Act of 1974
- The Age Discrimination Act of 1975
- The Home Mortgage Disclosure Act
- The Community Reinvestment Act
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act
- The Architectural Barriers Act
- Section 3 of the Housing and Urban Development Act of 1968
- The Equal Credit Act

Also, Executive Order 11063 (Equal Opportunity in Housing) directs all Federal agencies whose functions involve housing to prevent discrimination in providing or operating housing and in lending.

The federal Fair Housing Act of 1968 and Fair Housing Amendments Act of 1988 (42 U.S. Code §§ 3601-3619, 3631) are the key federal fair housing laws that prohibit discrimination in all aspects of housing, such as the sale, rental, lease or negotiation for real property. The Fair Housing Act prohibits discrimination based on race, religion, and national origin. In 1988, the Fair Housing Act was amended to extend protection to familial status and people with disabilities (mental or physical). In addition, the Amendment Act provides for "reasonable accommodations", allowing structural modifications for persons with disabilities if requested, at their own expense, and sets housing code standards for new multi-family dwellings to accommodate the physically disabled.

Discrimination against Families with Children and Persons with Disabilities are further defined:

Discrimination against Families with Children

Familial Status (often called "families with children") refers to a parent or another person having legal custody of one or more individuals under the age of 18 years. It refers also to a person who is pregnant or in the process of getting legal custody of a minor child. Families with children enjoy under the law the same protection against housing discrimination as other groups protected by the law. In only two instances, does the law permit, as exceptions, discrimination against families with children. Both exceptions pertain to so-called housing for older persons.

Housing intended for and occupied solely by people 62 years of age or older and housing in which 80 percent of the units are intended for and occupied by at least one person who is 55 years of age or older do not need to comply with the law's familial status provisions. Discrimination against families with children manifests itself in many ways, the most common of which are in advertising (e.g. indications that rentals are for "no children" or "adults only"), restrictive occupancy standards that unreasonably limit the number of children who may occupy a given space, and steering of families with children to separate buildings or parts of buildings.

Provisions for People with Disabilities

The Fair Housing Act defines "handicap" (or disability) as:

1. A physical or mental impairment which substantially limits one or more of such person's major life activities,
2. A record of having such an impairment, or
3. Being regarded as having such impairment, but such term does not include current illegal use of or, addiction to a controlled substance.

Special Protections

In addition to providing people with disabilities all of the protections against housing discrimination that are provided to members of the other six protected classes, the following provisions of the Fair Housing Act provide important additional protection.

The prohibition against discriminating in the terms and conditions of sale or rental prohibits a landlord from asking any questions of a person with a disability than would be asked of any other applicant. A landlord may not, for example, inquire about the nature or severity of a person's disability or ask whether that person is capable of living alone.

Reasonable Accommodations

It is unlawful to refuse to make such reasonable changes in rules, policies, practices and services, which may be necessary to afford a person with a disability an equal opportunity to enjoy and use a dwelling. These "reasonable accommodations" include such things as making an exception to a "no pets" policy for a person who needs a service animal and providing a reserved, designated parking place for a person with mobility impairment.

Reasonable Modifications

It is unlawful to refuse to permit a person with a disability to make, at his/her own expense, such reasonable changes in the premises as may be necessary to permit use and enjoyment of the premises. "Reasonable modifications" include such things as installing grab bars to facilitate use of bathroom facilities, cabinets lowered or the widening of a doorway to accommodate a wheelchair.

Full Accessibility of "New" Multi-family Housing

Multi-family housing constructed for first occupancy after March 13, 1991 (i.e. buildings consisting of 4 or more units) must be fully accessible to people with disabilities. If a building has an elevator, all units must be accessible; if there is no elevator, only "ground floor" units must be accessible. "Accessible" means: 1) There must be an accessible building entrance on an accessible route; 2) Public and common use areas must be readily accessible to and usable by people with disabilities; 3) All inside doors must be wide enough to accommodate a wheelchair; 4) There must be an accessible route into and through the dwelling; 5) Light switches, electrical outlets, thermostats and other environmental controls must be accessible; 6) Bathroom walls must be reinforced to allow later installation of grab bars; and 7) Kitchens and bathrooms must have enough space to permit maneuvering in a wheelchair.

Three significant changes to the Fair Housing Act were made. These changes are described briefly as follows:

- The Housing for Older People Act of 1995 (HOPA) made several changes to the 55 and older exemption. Since the 1988 Amendments, the Fair Housing Act has exempted from its familial status provisions properties that satisfy the Act's 55 and older housing condition. First, HOPA eliminated the requirement that 55 and older housing have "significant facilities and services" designed for the elderly. Second, HOPA establishes protection from damages for persons who in good faith believe that the 55 and older exemption applies to a particular property, if they do not actually know that the property is not eligible for the exemption and if the property has formally stated in writing that it qualifies for the exemption.
- Changes were made in the Act to enhance law enforcement, including making amendments to criminal penalties in section 901 of the Civil Rights Act of 1968 for violating the Fair Housing Act.
- Changes were made to provide incentives for self-testing by lenders for discrimination under the Fair Housing Act and the Equal Credit Opportunity Act. See Title II, subtitle D of the Omnibus Consolidated Appropriations Act, 1997, P.L. 104 - 208 (9/30/96)¹. In addition, it is also illegal for anyone to threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right and advertise or make any statement that indicates a limitation or preference based on race, color, religion, national origin, familial status or handicap. Both intentional discrimination and unintentional actions or conditions that limit choice are also prohibited.

New Mexico Laws

It is the policy of the State of New Mexico to provide, within constitutional limitations, for fair housing throughout the state. The State of New Mexico Human Rights Act (N.M.S.A. section 28-1-4 ff) prohibits discrimination against any person in the sale, rental, and financing of dwellings and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability), as well as ancestry, sexual orientation, gender identity, and spousal affiliation. The law applies to the sale, rental and financing of residential housing and apartments, houses, mobile homes. With a few exceptions, anyone who has control over residential property and real estate financing must obey the law. This includes rental managers, property owners, real estate agents, landlords, banks, developers, builders and individual homeowners who are selling or renting their property.

The entity with primary responsibility for addressing Fair Housing issues in the state is the New Mexico Human Rights Commission at the Department of Workforce Solutions. The Commission is charged with enforcing the Human Rights Act with reference to employment, housing and public accommodations. The Commission receives and investigates discrimination complaints, supports educational programs to eliminate prejudice, issues publications and releases results of research focused on the prevention or elimination of prejudice.

There is also a New Mexico Uniform Owner – Resident Relations Act (N.M.S.A. 47-8-1) which governs the rental of dwelling units and the rights and obligations of owners and residents, though it does not specifically address discrimination or fair housing.

It should also be noted that the New Mexico Mortgage Finance Authority has established its own Fair Housing Plan and Policy, and has a Fair Housing Officer who is responsible for the intake and processing of housing complaints and will assist complainants in submitting complaints to an appropriate body, including HUD and the New Mexico Human Rights Commission, or both.

Albuquerque Ordinance

The City of Albuquerque has its “Fair Housing Practices” ordinance, passed in 1963. This ordinance follows Federal regulations with respect to housing issues. The City of Albuquerque Human Rights Office was designated as the local civil/human rights enforcement agency charged with providing the resolution of discrimination complaints, and the protection and promotion of human rights and human dignity, and equal access and opportunities for all citizens. The Albuquerque Human Rights Office was empowered to investigate complaints of discrimination in employment, housing, and public accommodations. However, it should be noted that this Office has not been staffed for approximately two years because of budget considerations.

Fair Housing Defined

In light of the various pieces of fair housing legislation passed at the federal and state levels, fair housing throughout this report is defined as follows:

Fair housing is a condition in which individuals of similar income levels in the same housing market having a like range of housing choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor.

Impediments Defined

Within the legal framework of federal and state laws and based on the guidance provided by the U.S. Department of Housing and Urban Development (HUD) Fair Housing Planning Guide, impediments to fair housing choice are defined as:

Any actions, omissions, or decisions taken because of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or

Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation.

To affirmatively promote equal housing opportunity, a community must work to remove impediments to fair housing choice.

Fair Housing and Affordable Housing

When talking about “fair housing” and “affordable housing” the two phrases are often used interchangeably. The concepts are distinct, but intertwined. However, it is important to distinguish between the two in order to clearly identify issues and reduce fair housing discrimination. The phrase “fair housing,” in the context of preparation of an Analysis of Impediments to Fair Housing Choice (AI), refers to persons (families, seniors, individuals, and special needs populations) who are members of protected classes, as specified by federal statutes. It is illegal to discriminate against person on the basis of their membership in a protected class in the sale, rental, financing, and insuring of housing. On the other hand,

“affordable housing” generally refers to the ability of households to afford, based on income, to buy or rent housing. Specifically, most federal, state, and local funding programs to support the increase in the supply of affordable ownership and rental housing are targeted to low- and moderate-income households. Low-income households are defined by most of those publicly funded programs as earning less than 50 percent of the HUD determined area median income (AMI), with moderate-income households earning 50 to 80 percent of the AMI. In certain instances, affordable housing programs address households with greater incomes. The recently adopted Neighborhood Stabilization Program, for example, which focuses on foreclosed housing, has an income limit set at 120% AMI.

Because the two concepts are different, tools to address fair housing are distinguished from tools to increase the supply of affordable housing. One difference is that issues of discrimination regarding fair housing can apply to all income levels, because protected classes are represented in all income groups.

Clearly, there are many actions that can and should be taken that are directly aimed at elimination of discrimination against federally and locally protected groups in the selling, renting, financing, and insuring of housing, as recommended in this AI report. Those actions include: education of prospective homebuyers and tenants as to their rights to access to housing; and, enhancement of the system to study, receive complaints, investigate complaints, resolve complaints, and/or bring charges and prosecute violations of federal and local fair housing laws. While robust implementation of these actions will decrease discrimination in housing, it is not likely that such actions taken alone will eliminate housing discrimination.

Yet it is difficult to talk about addressing impediments to fair housing, and actions to eliminate discrimination in housing, without simultaneously talking about development of policies, plans, programs, and projects to increase the supply of affordable housing. Discrimination in housing will, in part, be reduced by the provision of housing opportunities and choices made affordable to all income groups in all communities, especially low- and moderate-income households.

Certain protected classes have disproportionate representation in the numbers of low- and moderate-income households in Albuquerque, and so it is reasonable to expect that as the supply of affordable housing is increased in all communities of the City, greater numbers of protected class members will have access to housing without discrimination.

SCOPE OF ANALYSIS

This Analysis of Impediments (AI) to Fair Housing Choice provides an overview of laws, regulations, conditions or other possible obstacles that may affect an individual’s or a household’s access to housing. The AI involves:

- 1) A comprehensive review of the laws, regulations, and administrative policies, procedures, and practices;
- 2) An assessment of how those laws, regulations, policies, procedures, and practices affect the location, availability, and accessibility of housing; and
- 3) An assessment of conditions, both public and private, affecting fair housing choice.

Geographic Area Covered

This report constitutes the AI for the City of Albuquerque.

DATA AND METHODOLOGY

The following are key data sources used to complete this AI:

- 2010 U.S. Census and the 2005-2009 American Community Survey
- The City's Consolidated Plan, 2007-2012 and the 2011 CAPER
- Comprehensive Housing Affordability Strategy (CHAS) Data from HUD
- Housing Authority Plans
- Home Mortgage Disclosure Act (HMDA) Data
- U.S. Department of Housing and Urban Development (HUD), Fair Housing and Equal Opportunity Complaint Data
- The City of Albuquerque 2004 Analysis of Impediments to Fair Housing Choice
- Housing Element of the Albuquerque/Bernalillo County Comprehensive Plan

Sources of specific information are identified in the text, tables and figures.

ORGANIZATION OF THE REPORT

The AI is divided into ten (10) chapters:

1. Background/Purpose: Defines "fair housing" and explains the purpose of the report.
2. Community Participation: Describes the community outreach program.
3. Community Profile: Presents the demographic, housing, and income characteristics in the City of Albuquerque
4. Fair Housing Practices: Identifies and explains the oversight of fair housing by both government and industry organizations
5. Private Sector Compliance: Assesses the nature and extent of fair housing complaints and violations, examines loan data and lending practices, and evaluates advertising
6. Public Sector Compliance: Analyzes public policies and actions that may impede fair housing within the City
7. Survey Results: Analyzes results of the resident surveys
8. Fair Housing Accomplishments: Describes recent activities and accomplishments related to Fair Housing
9. Identified Impediments: Describes the Impediments to Fair Housing Choice and summarizes AI findings regarding fair housing issues
10. Recommendations and Action Plan: Provides recommendations for furthering fair housing choice and lays out an Action Plan for implementation.

2) Community Participation

As with the development of the Consolidated Plan, this Analysis of Impediments to Fair Housing Choice (AI) results from a process of consultation and citizen participation, building upon existing participation mechanisms and venues. Citizens, not-for-profit organizations, and interested parties were afforded a variety of opportunities to:

- contribute during meetings, hearings and planning sessions,
- review and comment upon the participation plan, the Analysis of Impediments, and comments made about the Analysis,
- participate in public hearings,
- comment upon the plan and its amendments, and
- register complaints about the Analysis and its amendments.

The City complied with the citizen participation requirements of the regulations by doing the following:

- Preparing, adopting, and following a Citizen Participation Plan;
- Publishing informational notices about the document prior to public hearings;
- Holding public hearings in accessible places at convenient times after providing reasonable notice;
- Publishing a summary of the Analysis, describing its contents and purpose and a listing of locations where the entire document could be examined;
- Making the Analysis available for public examination and comment for a period of thirty (30) days before submission to HUD;
- Providing citizens, public agencies, and other interested parties reasonable access to records regarding any uses of any assistance for affordable and supportive housing that the City may have received during the preceding five years; and
- Considering the views and comments of citizens, and preparing a summary of those views for consideration with the submission.

Because of the decision to make the five year Consolidated Plan as "needs based" as possible, the City's Community Development Division chose to provide multiple opportunities for City residents, social service organizations, housing providers, housing developers, as well as other government departments and public entities to provide input into the identification and prioritization of community needs in the areas of affordable housing, suitable living environments, and economic development for low to moderate income City residents. These opportunities included: participating in any of Seven Focus Group discussions on the housing and social service needs of low to moderate income households and persons experiencing homelessness, and working with the City to prioritize these needs, and, completing a Community Survey which took the results of the focus group discussions and made these discussions available to the larger public and gave the public an opportunity to prioritize identified community needs for these same populations.

Over 75 organizations were invited to take part in the Focus Groups discussions. These organizations represented a wide cross cutting of agencies in Albuquerque serving minority

populations, persons experiencing homelessness, persons with disabilities (physical and/or emotional/behavioral health), children, youth, families, seniors, veterans, and immigrants in the areas of general health, education, behavioral health, emergency food assistance, employment opportunities, housing for persons experiencing homelessness, housing for low to moderate income residents, services for persons with HIV/AIDS, and housing opportunities for persons with disabilities. Topics for the seven Focus Groups included discussions on the housing opportunities, supportive housing needs, general social service needs and fair housing issues pertaining to: seniors and persons with physical disabilities including persons with HIV/AIDS; persons with behavioral health disabilities; Asian populations; African American populations; immigrant populations, children, youth and families; and veteran populations.

Information gathered during the focus group discussions was then compiled and analyzed and used to develop a Community Survey that targeted both the general public and low income to moderate income users of City funded services. The Community Survey was made available on the City of Albuquerque's website and posters and flyers were distributed at all City Community Centers, Senior Centers, Early Childhood Development Centers, the Albuquerque Housing Authority, all Albuquerque Public Schools, and local Flying Star and Satellite coffee shops and restaurants. Over 100 agencies providing general health care services, educational services, behavioral health services, homeless intervention and prevention services, housing services, and general case managements services were asked by the City to distribute surveys to clients and when necessary to help clients to complete surveys. As a result of this collaboration, over 900 Community Surveys were completed and submitted.

Additional opportunities for organizations and individuals to participate in and give input into the 2013-2017 Consolidated Plan included: Key Interviews, Public Meetings, and the Division's 30-day Public Comment Period.

The Analysis of Impediments process followed that of the Consolidated Plan, and thus received three public meetings prior to being presented to City Council. The first was held on June 14, 2012 at the office of the Apartment Association of New Mexico. The purpose of this meeting was to present the results of the City's initial Fair Housing assessment. The second public meeting was held at the Los Griegos Health and Social Services Center and provided the Public with an opportunity to review the City's 2013-2017 proposed programming priorities. This meeting initiated the City's 30-day Public comment period as per the City's Citizen Participation Plan. The draft document was then made available for public review and comment for thirty (30) days at the following locations:

- The Department Family and Community Services office;
- The City Website

City contact information was given out for every meeting so that copies of the draft AI could be requested at any time by residents. The draft document was also distributed to and reviewed by the Albuquerque Citizen Team.

The City did not receive any citizen comments regarding the AI during the thirty-day public review period.

A third public meeting to officially close out the 30-day Public Comment period was held at the Los Griegos Health and Social Services Center on October 4, 2012.

COMMUNITY PROFILE

Fair housing is concerned with ensuring that: 1) all people are treated equally in the rental, sale, or occupancy of housing; and 2) a range in types and prices of housing is available. This chapter examines the population, housing, and special needs characteristics and trends in the City that may affect equal housing opportunity.

This Community Profile provides insights for identifying potential impediments to fair housing choice. While not definitive indicators of impediments to fair housing choice in and of themselves, these data may point to conditions or situations that could be indicators of impediments to fair housing choice. Observations about and the implications of issues that could arise are made at the end of this section.

OVERVIEW

The City of Albuquerque is located in central New Mexico and is the largest city in the state. Founded in 1706, the city is now home to the University of New Mexico, the Sandia National Laboratories, and the Petroglyph National Monument. The Rio Grande River runs north to south through the City and Interstate Highways 25 (north-south) and 40 (east-west) intersect in the City. Historic highway US 66 runs through the city as well.

POPULATION

The population of the City has grown dramatically since the 2000 Census. There are currently 545,852 persons in the City per the 2010 Census, compared to 448,616 a decade earlier. The number of households has increased from 198,468 in 2000 to 219,858 in 2010, a 10.7 percent increase. Females constitute 51.4 percent of the population and exceed the number of males by almost fifteen thousand.

RACE AND ETHNICITY

The racial and ethnic composition of the City is close to that of the State as shown in the table below, but varies from national figures in several respects.

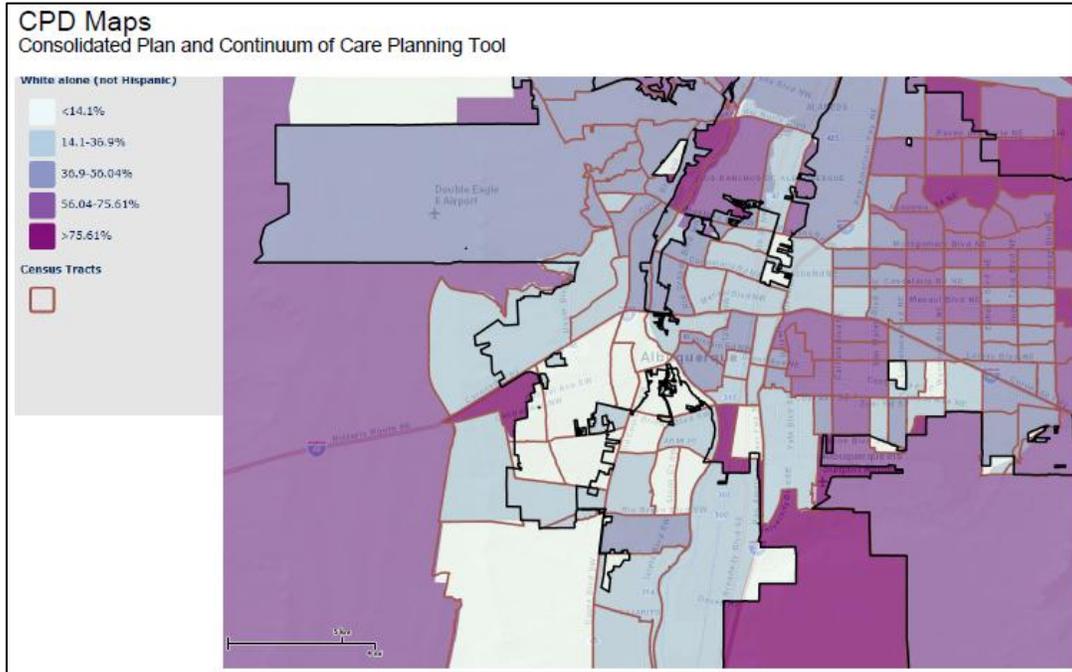
% of Population by Race - Albuquerque - NM - US			
Race	Albuquerque %	NM %	US %
White	69.7	68.4	72.4
African-American	3.3	2.1	12.6
Native American	4.6	9.4	0.9
Asian	2.6	1.4	4.8
Pacific Islander	0.1	0.1	0.2
Other Race	15.0	15.0	6.2
Two or More Races	4.6	3.7	2.9
Hispanic	46.7	46.3	16.3

Source: US Census, 2010

The percentages of White persons, African-Americans, and Asians are below the national figure, but the percentages of Native Americans, Two or More Races and Other Race are above

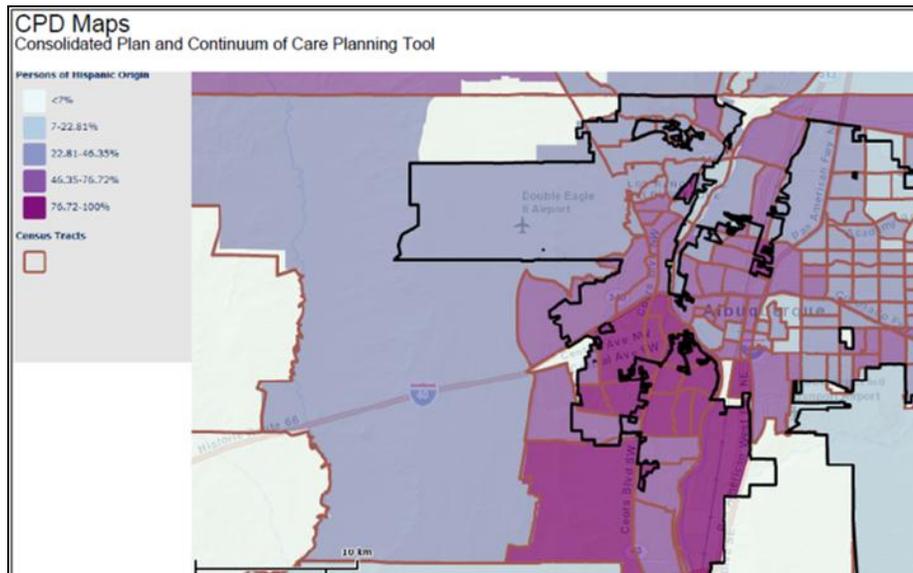
the national norms. The percentage of persons calling themselves Hispanic is almost three times the national percentage.

The map below, taken from the HUD CPD Map Program, shows the concentration of White persons by Census Tract in the City. Census tracts with the lowest percentage of persons identifying themselves as “white” are represented by the lightest shading.



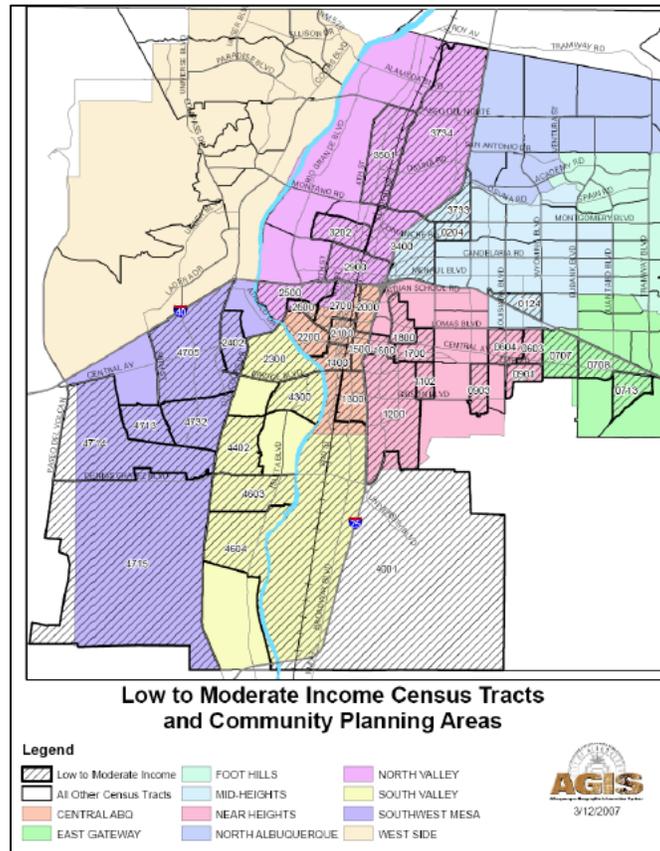
Source: HUD CPD Maps

As noted, almost one half of Albuquerque’s population is Hispanic. Though most Census Tracts have significant numbers of Hispanic residents, there are some, as shown below, in which the population is over 50 percent Hispanic.



Source: HUD CPD Maps

The areas of minority and Hispanic concentration shown in the maps above match the low-mod census tracts located in the Near Heights, Mid Heights, Central Albuquerque and Southwest Mesa Community Planning Areas (CPA) shown in the map below. As noted in the Consolidated Plan, the Near Heights, Mid Heights, Central Albuquerque, and the Southwest Mesa CPAs populations have a mix of African Americans, Native Americans, Asians, and persons self-identifying as Hispanic. Portions of these CPAs also report high crime rates, low school performance rates and older rental and homeowner housing stock.



LANGUAGE

In Albuquerque, 69.8 percent of the population five years and older speak English only at home. Spanish is spoken at home by 24.6 percent of the population while 2.0 percent of the population speaks Asian or Pacific Island language, 1.8 percent speaks other Indo-European languages and an additional 1.8 percent speaks some other language. Thus, almost one-third of the population frequently uses a language other than English.

AGE

The City has a significant number of children under the age of nine, relative to the national figures, and a much higher percentage of persons in the three age cohorts of 20-24, 25-29, and 30-34 (highlighted in the chart below). At the same time the percentages of elderly (65+), are lower with the result that the City's median age is 35.1, two years younger than the nation and a year and one-half younger than the State.

The elderly by HUD's definition (62+) number 82,565, or 15.1 percent of the population. It is interesting to note that the elderly 65 and over number 65,899 or 12.1 percent, indicating that over 17,000 persons are in the age bracket 62 to 65. The "extra elderly," those 75 or older, number over 21,000 and make up 5.7 percent of the population, a figure below the national 6.1 percent.

Elderly persons may need additional assistance to live independently and have additional requirements for their housing, such as elevators, grab bars in the bathroom, and special types of kitchen and bathroom fixtures. The elderly, especially in very low-income households, face housing difficulties based upon their particular housing needs (size of units, and types of fixtures and amenities), and on the basis of the cost burden they bear for housing and the fact that most are limited by fixed incomes.

Population by Age - Albuquerque - NM - US			
Age Cohort	Albuquerque %	NM%	US %
<5 Years	7.0	7.0	6.5
5 - 9	6.8	7.0	6.6
10-14	6.4	6.9	6.7
15-19	6.8	7.3	7.1
20-24	7.7	6.9	7.0
25-29	8.1	6.8	6.8
30-34	7.1	6.2	6.5
35-39	6.5	6.0	6.5
40-44	6.4	6.1	6.8
45-49	6.9	7.0	7.4
50-54	6.8	7.1	7.2
55-59	6.2	6.6	6.4
60-64	5.3	5.8	5.4
65-69	3.7	4.3	4.0
70-74	2.7	3.2	3.0
75-79	2.2	2.4	2.4
80-84	1.7	1.8	1.9
>85	1.8	1.6	1.8
Median Age	35.1	36.7	37.2

Source: US Census, 2010

HOUSEHOLDS

As the table below shows, households in Albuquerque are smaller than those nationally and in the State, and the percentage of householders living alone is higher than either the State or national figures. As would be expected based upon the age cohort figures, there are fewer households with persons over the age of 65, and the percentage of households with seniors living alone is below national and State figures.

The percentage of single parent households with children is twice the national figure, though the percentage of households with children under the age of 18 is slightly lower than both State and national figures.

It appears that there is a significant concentration of young adults living alone in Albuquerque, given the relatively high percentage of single person households and the lower percentage of seniors living alone.

SELECT HOUSEHOLD CHARACTERISTICS			
Albuquerque, NM, and US - 2010			
	Albuquerque	NM	US
Avg. HH Size	2.42	2.63	2.63
Avg. Family Size	3.11	3.26	3.23
	%	%	%
% Householders Living Alone	32.7	28.5	27.4
% HH with Persons 65+	21.1	25.0	24.8
% Households 65 or Older Living Alone	8.7%	9.4%	9.5%
% HH with persons Under 18	30.9	33.1	33.1
% Single Parent HH with Children	19.0	11.1	9.7

Source: US Census, 2010

SPECIAL NEEDS POPULATIONS

The 2010 figures for disability indicate that 11.7 percent of the City's population has some disability. This represents 62,471 persons. This percentage is slightly below the national figure of 11.9 percent. While only 2.9 percent of persons under 18 years have a disability, the Census reports that 39.2 percent of persons over 65 (24,588 people) are disabled. Information about specific types of disability is not available.

SELECT STATISTICS ON DISABILITY			
Albuquerque, NM, and US - 2010			
	Albuquerque	NM	US
Total % w/ Disability	11.7	13.5	11.9
% < 18 w/ Disability	2.9	3.5	4.0
% > 65 w/ Disability	39.2	41.3	36.7

Source: ACS, 2010

The Association for Retarded Citizens (ARC) indicates that the base definition of developmentally disabled is an IQ score of less than 70. ARC indicates that the nationally accepted percentage of the population that can be categorized as developmentally disabled is two and one-half to three percent of the population. By this calculation, there are an estimated 16,376 developmentally disabled persons in Albuquerque. Some percentage of these persons may need group homes and supportive housing.

The number of persons in Albuquerque with any type of disability is estimated to be over 62,471 according to the 2010 ACS. This figure, based upon the Census Bureau definition of disability, includes a wide range of disabilities. Persons with physical disabilities may require assistance with daily living, and additional requirements for their housing including, for example, special types of kitchen and bathroom fixtures.

Deducting the number of persons with developmental disabilities from the census figure for disabled persons gives an approximate figure of 46,095 persons of all ages who may be physically disabled.

The preferred housing options for the developmentally disabled are those that present a choice and integrate them into the community. This includes supervised apartments, supported living, a skill development home, and family care homes.

ECONOMIC FACTORS

The labor force in Albuquerque, persons sixteen years old and over, is 284,593, which means that Albuquerque has a labor force participation rate of 67.0 percent, which is higher than the US figure of 64.4 percent.

The mean travel time to work for Albuquerque residents was 21.4 minutes which was lower than the US figure of 25.3 minutes. Four percent of Albuquerque residents work at home compared to 4.3 percent nationally, and only 1.8 percent of residents walked to work compared to 2.8 percent across the nation.

Albuquerque's population has a high percentage of persons with Bachelor's and graduate degrees than the US, as well as a higher percentage of persons with Some College, No Diploma. The percentages of persons with a High School diploma or less are below the US norm, markedly so in the case of persons who are high school graduates.

EDUCATIONAL ATTAINMENT (POPULATION 25 AND OVER) ALBUQUERQUE AND THE UNITED STATES – 2010 ACS

	ALBUQUERQUE #	ALBUQUERQUE %	US %
< Ninth Grade	19,106	5.4	6.1
9th to 12th grade, no diploma	25,732	7.3	8.3
HS Grad	83,248	23.5	28.5
Some College, no diploma	87,053	24.6	21.3
Associate Degree	25,449	7.2	7.6
Bachelor's Degree	63,703	18.0	17.7
Graduate Degree	49,599	14.0	10.4

Source: ACS, 2010

EMPLOYMENT

The table below shows the percentage of employment in the major industry categories in Albuquerque. As noted in the Table below, Albuquerque has significantly fewer manufacturing jobs than the average for the nation but exceeds national averages in the employment categories of: “Construction”, “Professional, Scientific and Management”, “Education and Healthcare”, “Art, Entertainment, Accommodation, and Food Service”, and “Public Administration”.

PERCENTAGE OF WORKERS BY INDUSTRY ALBUQUERQUE AND THE UNITED STATES – 2010 ACS

Industry	Albuquerque %	US %	Difference
Agriculture, Mining, Forestry	0.9	1.9	1.0
Construction	7.2	6.2	1.0
Manufacturing	5.7	10.4	4.7
Wholesale	2.5	2.8	0.3
Retail	11.4	11.7	0.3
Transportation, Warehousing	4.0	4.9	0.9
Information	2.3	2.2	0.1
Finance, Insurance, Real Estate	6.0	6.7	0.7
Professional, Scientific and Mgmt	13.2	10.6	2.6
Education and Health Care	24.2	23.2	1.0
Art, Entertainment, Accommodation and Food Service	11.0	9.2	1.8
Other Services	4.9	5.0	0.1
Public Administration	6.7	5.2	1.5

Source: ACS, 2010

Major private sector employers in the City include Presbyterian and Lovelace Hospitals, T-Mobile and Verizon (call centers), PNM, Sitel, Tempur-Pedic World Mattress, Ethicon Endo-Surgery, and Fidelity Investments. In addition to the federal, state and government agency offices noted earlier, Kirkland Air Force Base employs over 23,000 people, including staff at the Sandia Laboratory and over 4,000 active duty military personnel.

UNEMPLOYMENT

Though Albuquerque has felt the effects of the recession and slow recovery, unemployment has not reached the levels that many other communities have seen over the past four years. Indeed, unemployment in Albuquerque has been below the national figure for some time. However, the current level (6.8%) remains high relative to pre-recession figures, which were in the three percent range.

The table below shows Bureau of Labor Statistics unemployment figures for the Metropolitan Statistical Area for the years 2010 through the most current figures for 2012.

Local Area Unemployment Statistics Albuquerque MSA

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2010	8.1	8.4	8.1	7.9	8.0	8.9	8.9	8.7	8.3	8.2	8.1	7.8	8.3
2011	8.1	8.1	7.8	7.5	7.6	8.6	8.6	8.2	7.8	7.6	7.1	7.0	7.8
2012	7.6	8.2	7.4	6.5	6.8								

Source: Bureau of Labor Statistics

INCOME AND POVERTY

The following table compares key income and poverty figures for the city, the County, the state, and the United States.

SELECT INCOME STATISTICS ALBUQUERQUE, NEW MEXICO and US - 2010			
	Albuquerque	NM	US
Median HH Income	\$46,532	\$43,589	\$50,046
Per Capita Income	\$25,612	\$22,789	\$26,059
% Persons in Poverty	16.3%	18.7%	15.3%

Source: ACS, 2010

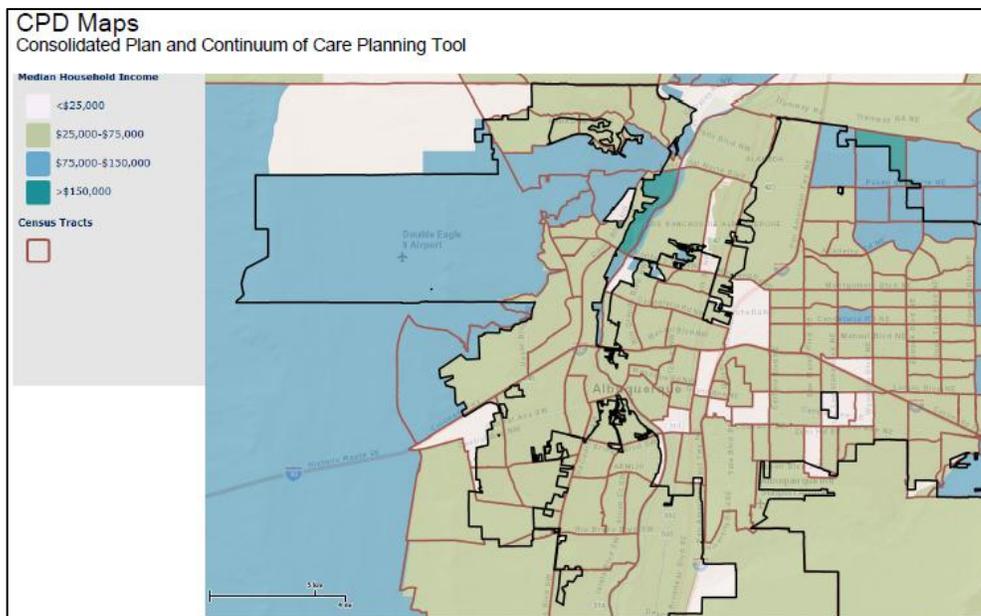
Income levels in Albuquerque are higher than those of the State, but the City's Median Household Income is 93.0 percent of the US figure. The City has fewer persons in the lowest income levels (under \$15,000), but this is offset by fewer households in the upper income levels. The percentages of persons in the income levels between \$25,000 and \$75,000 are above national norms.

**PERCENT OF POPULATION BY INCOME LEVEL
ALBUQUERQUE, NEW MEXICO AND THE US, 2010**

Income	Albuquerque %	NM %	US %
<\$10,000	8.80%	9.3%	7.6%
\$10,000-\$14,999	5.4%	6.6%	5.8%
\$15,000-\$24,999	11.8%	12.8%	11.5%
\$25,000-\$34,999	11.7%	11.9%	10.8%
\$35,000-\$49,999	15.1%	15.2%	14.2%
\$50,000-\$74,999	19.0%	17.9%	18.3%
\$75,000-\$99,999	11.0%	10.9%	11.8%
\$100,000-\$149,999	10.9%	10.0%	11.8%
\$150,000-\$199,999	3.7%	3.2%	4.2%
>\$200,000	2.5%	2.4%	3.9%
Median HH Income	\$46,532	\$43,569	\$50,046

Source: US Census, 2010

16.3 percent of the City's population lived in poverty at the time of the Census, compared to 15.3 percent nationally, and 18.7 percent Statewide. The current federal poverty figure of \$23,050 for a family of four means that the majority of persons in the lowest three income levels in Albuquerque are living in poverty.



Source: HUD CPD Maps

The map above shows these incomes in four ranges, the lowest of which (lightest shade) are living in poverty as defined by the Department of Health and Human Services. The very lowest income range Census Tracts are found in the North Valley, Central Albuquerque, and Near Heights Community Planning Areas.

HUD INCOME LEVELS

HUD has provided detailed income and housing condition data as part of its Comprehensive Housing Affordability Strategy materials to assist in preparing the Consolidated Plan and implementing HUD programs. HUD uses its own methodology to establish five income categories and the Area Median Income (AMI) for its analyses. The five income ranges are:

- Extremely Low (0-30% of the median income),
- Very Low-income (31-50% of the median income),
- Low-income (51-80% of the median),
- Moderate-income (81-95% of the median), and
- Upper-income (95% and above of the median).

The table below shows the distribution of Extremely Low-, Very Low-, Low- and Moderate-income households, both Owner and Renter, in the City based upon this data. The 2012 Median Income figure for a family of four in Albuquerque, calculated by HUD, is \$61,900.

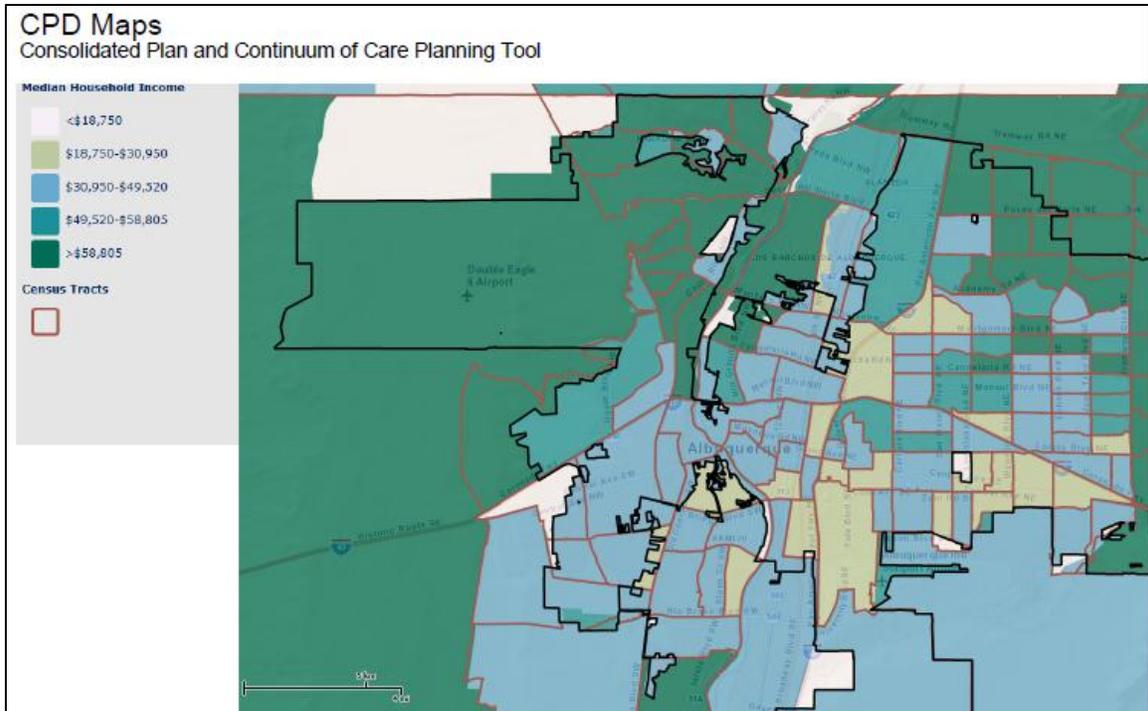
The upper-income households represent 39.5 percent of households and the moderate-income households are 7.6 percent of the total households in the City. However, as can be seen, by the HUD definitions, **53.0 percent of Albuquerque households are in the lowest income categories.**

HUD AREA MEDIAN HOUSEHOLD INCOME ALBUQUERQUE, 2012

Income Category	\$61,900	Approx. # of HH	Approx. % of HH	Approx. % of Low Income HH
	2012 Median HH Income			
<30% AMI	\$18,570	39,165	17.8%	
31-50% AMI	\$30,950	31,082	14.1%	
51-80% AMI	\$49,520	46,174	21.0%	
81-95% AMI	\$58,805	16,690	7.6%	
96%+ AMI	\$59,424	86,747	39.5%	
Total HH		219,858	100.0%	53.0%

Source: HUD Income Limits Documentation System, 2011 ACS, Swiger Consulting Analysis

The following map shows the City's Census Tracts stratified by the income levels in the preceding table; thus the tracts in the three lightest shades are those whose residents are in the lowest income categories.



Source: HUD CPD Maps

The Census Tracts in the light green and light blue coincide with the southwest Mesa, South Valley, Central Albuquerque, North Valley and Near Heights CPAs, as well as portions of the East Gateway CPA.

HOUSING STOCK AND CONDITION

The City's housing stock consists primarily of one unit structures, but there are more multi-unit structures of all sizes, except duplexes. The City has far fewer mobile homes than the State percentage.

Type of Structure	Albuquerque Number of Units	Albuquerque Percent of Units	NM Percent of Units	US Percent of Units
one unit, detached	147,666	61.9%	64.6%	61.4%
one unit, attached	13,472	5.6%	3.7%	5.8%
Two units	3,545	1.5%	12.0%	3.8%
3 or 4 units	17,160	7.2%	3.8%	4.4%
5 to 9 units	12,567	5.3%	3.0%	4.8%
10 to 19 units	12,452	5.2%	2.5%	4.5%
20 or more units	22,053	9.2%	3.9%	8.5%
Mobile home	9,508	4.0%	16.3%	6.6%
Boat, RV or van	134	0.1%	0.1%	0.1%
Total # of Units	238,557			

Source: US Census, 2010

The City has a higher percentage of renters than the nation – 39.3 percent of units versus 34.6 percent nationally.

The City's housing stock is relatively young. 78.9 percent of housing units are less than fifty years old, a figure ten percent lower than the US percentage.

Only 873 units (0.4%) lack complete plumbing and 1,198 units (0.5%) lack complete kitchens. Nor is overcrowding a significant problem as only 3,363 units have between 1.1 and 1.5 persons per room and 1,628 units have more than 1.51 persons per unit.

HOUSING COST, COST BURDEN, AND AFFORDABILITY

The median rent in Albuquerque was \$720 in 2010, which was 15.7% below the national median rent of \$855. Despite the apparent low rent, the impact of this level of expense is that 39.9 percent of households spent 35.0 percent or more of their income for rent, a figure that places them in the “severely cost burdened” category. An additional 8.6 percent spend over 30.0 percent for housing so that 48.5 percent of renters are cost burdened

The median Albuquerque home was worth \$195,000 in 2010 compared to \$179,900 for the United States and the median mortgage payment for a home in Albuquerque was \$1,316 in 2010 compared to \$1,496 for the nation, per the ACS data. Despite this \$180 difference, 26.8 percent of homeowners were paying 35.0 percent or more for housing, compared to 21.9 percent nationally.

The housing market in Albuquerque has fluctuated over the past five years, reflecting the housing “bust” of 2008, recovering in 2009 and early 2010, only to decline after late 2010, according to data from Trulia, a well-know and reliable source of housing data.



Source: Trulia Data, July 2012

It is interesting to note that though housing prices declined somewhat in 2008, they have remained fairly constant during 2010, but starting a gradual and persistent decline starting in 2011, as the following graph from Trulia shows.



Source: Trulia Data, July 2012

The July 2012 Market Trend Report from Trulia notes that the median sales price for homes in Albuquerque for Mar 12 to May 12 was \$133,958. This represents a decline of 2.4%, or \$3,258, compared to the prior quarter and a decrease of 4.9% compared to the prior year.

Homeowner affordability is calculated using HUD 2012 Income Limits established for a 4-person household. Given the current restrictive lending underwriting criteria that generally requires a minimum 20 percent down payment and FICO scores (credit scoring model) of 800 or greater, a conservative affordability computation was utilized that limits an affordable home purchase at a 3:1 median home value-to-median household income ratio. Debt ratios are not factored into the housing affordability calculations.

The median value of an owner-occupied housing unit in the City of Albuquerque is \$188,600 per the Census data. Affordability calculations based on the Albuquerque MSA AMI show substantial affordability gaps in the “extremely low,” and “very low” household income categories and a moderate affordability gap in the “low” household income category.

**Single-Family Home Affordability
Albuquerque, NM, 2010**

Household Income Category	Income	Affordable Home Purchase Price	Gap/Surplus
Extremely Low Income (30% of AMI)	\$18,550	\$55,650	(\$132,950)
Very Low Income (50% of AMI)	\$30,960	\$92,880	(\$95,720)
Low Income (80% of AMI)	\$49,500	\$148,500	(\$40,100)

Source: HUD 2012 Income Limits; 2010 ACS 3-Year Estimates.

As previously discussed, housing affordability is defined as housing costs that do not exceed 30 percent of a household’s monthly gross income. A significant percentage of the City of Albuquerque’s renter households pay in excess of 30 percent and are considered cost-

burdened. A rent affordability analysis, based on HUD 2012 Income Limits (based on a 4-person household) and the \$712 median monthly gross rent estimate from the 2010 U.S. Census, found a substantial rent affordability gap (\$248) at the “extremely low” household income category and a modest (\$62) to substantial (\$526) surplus at the “very low” and “low” household income categories.

**Rent Affordability
Albuquerque, NM, 2010**

Household Income Category	Affordable Rent	Median Monthly Gross Rent	Gap/Surplus
Extremely Low Income (30% of AMI)	\$464	\$712	(\$248)
Very Low Income (50% of AMI)	\$774	\$712	\$62
Low Income (80% of AMI)	\$1,238	\$712	\$526

Source: HUD 2012 Income Limits; 2010 ACS 3-Year Estimates.

The demand for **affordable** housing for low- and moderate-income households has been persistent in Albuquerque. According to the most recent Reis Report, a reliable source of housing market data, the apartment vacancy rate in the City is 4.0 percent. As described below, the Albuquerque Housing Authority has a long waiting list for its units and the waiting list for Section 8 vouchers has been closed because demand so far exceeds supply.

PUBLIC HOUSING

The Albuquerque Housing Authority (AHA) operates six Public Housing sites around the City. There are 953 units of public housing, of which 319 are for Seniors and the balance (634 units) are family-type units. According to the Housing Needs Analysis in the recent Consolidated Plan, the AHA has 66 units with 0 & 1 bedroom; 198 two-bedroom units; and 240 units with three or more bedrooms. There are thirty-two handicapped accessible units of which four can accommodate visually or hearing impaired persons.

There are over 2,200 persons residing in AHA units, and the vacancy rate for these units is below 2 percent. The application process is currently closed, but is opened when needed. The current waiting period for applicants who have preferences is 24 months. Additionally, the AHA has 4,097 Housing Choice Vouchers according to the 2011 Annual Plan.

As of February 2011 there were 3,892 households on the AHA wait list for both Public Housing and Housing Choice Vouchers. The vast majority of these applicants (80.7%) were extremely low-income households, and another 19.2 percent were very low-income households. Almost thirty percent of the applicants reported disabilities and 57.2 percent had children in the household.

The AHA has received no fair housing complaints in the past two years. Residents with fair housing complaints may avail themselves of the Authority’s established grievance procedures,

while non-resident complaints would be directed to the Fair Housing and Equal Opportunity Office of HUD. Information on the latter is posted at all AHA properties and offices.

OBSERVATIONS

Several key points relevant to potential impediments to fair housing emerge from the preceding discussion. While not definitive indicators of impediments to fair housing choice in and of themselves, they point to conditions or situations that may create impediments. These points are:

- ✓ There are concentrations of minorities across the City, especially in the Census Tracts identified as low-income.
- ✓ Over one-half of the population is in the low-income categories as defined by HUD, and significant percentages of persons are living in poverty according to Census data. Affordability is a problem for a very large portion of the population, both owners and renters.
- ✓ The City has a high percentage of single parent households (predominantly female heads). Consequently, the potential exists for housing discrimination based on familial status for female head households.
- ✓ The percentage of renter households in Albuquerque is high and current economic conditions, lower income levels, and, the number of small households creates a significant demand for rental units. Furthermore, the Housing Authority has a significant wait list for Section 8 vouchers and for public housing units, forcing low-income households to accept whatever housing is available.

FAIR HOUSING PRACTICES

This section provides an overview of the institutional structure of the housing industry in governing the fair housing practices of its members. The oversight, sources of information, and fair housing services available to residents in Albuquerque are described and their roles explained.

OVERSIGHT ORGANIZATIONS AND ENFORCEMENT PROCESSES

As described above, City residents are protected from housing discrimination by federal, state, and local laws. These laws are enforced by agencies at each level and persons have a number of alternatives for seeking assistance if they feel they have been discriminated against. At the federal level, the Department of Housing and Urban Development and the Department of Justice have enforcement authority. Reports and complaints are filed with these agencies and the Department of Justice may take legal action in some cases. Typically fair housing service providers work in partnership with HUD and state agencies to resolve problems. However, in some cases where litigation is necessary, the case may be 1) resolved via administrative filing with HUD or the state, 2) referred for consideration to the Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section; or 3) referred to a private attorney for possible litigation.

New Mexico has its own law, which provides protections to individuals in the sale or rental of housing, and includes a number of protected classes in addition to those defined in the federal statutes. This state law, known as the Human Rights Act, defines discriminatory practices and exemptions from the housing provisions. As described below the Human Rights Commission is the lead agency in enforcement actions.

As noted above, there are a number of avenues an Albuquerque resident can take to file a complaint. The New Mexico Human Rights Commission is the State agency responsible for enforcing statutes relating to discrimination in housing, employment and public accommodation, as well as coordinating State compliance with federal laws prohibiting discrimination. These types of complaints include alleged violations under the Fair Housing Act (Title VIII) and other HUD programs (Section 504 of the Rehabilitation Act of 1973, American with Disabilities Act of 1990, etc.).

The City of Albuquerque has its “Fair Housing Practices” ordinance, passed in 1963. This ordinance follows Federal regulations with respect to housing issues. The Department of Family and Community Services includes Fair Housing language in all of its housing-related contracts, whether based upon federal, state or local funding.

The City also provides a definition of housing discrimination and examples of it, on the City Website, as well as providing a form for filing a complaint. The City Website includes a page for persons with disabilities, and has a Universal Design Webpage.

The City of Albuquerque Human Rights Office is the local civil/human rights enforcement agency charged with providing the resolution of discrimination complaints, and the protection and promotion of human rights and human dignity, and equal access and opportunities for all citizens. The Human Rights Office was charged with investigating complaints of discrimination in employment, housing, and public accommodations.

Currently, the City of Albuquerque Human Rights Office is not staffed and inquiries about housing discrimination are referred to HUD. City staff members do make fair housing and anti-discrimination materials available to the public through the Family and Community Services Department and the Housing Authority.

The City Department of Senior Affairs provides a Quick Guide to Senior Services, which includes contacts concerning discrimination and about disabilities programs. The Housing Resources page provides a list of HUD subsidized housing across the City and a roster of various housing assistance programs.

HOME Investment Partnerships Program (HOME)

The City's affirmative marketing goal for the HOME program is to ensure that persons of all racial, ethnic and gender groups have the opportunity to rent or own a HOME assisted unit. The City carries out this policy through the affirmative marketing procedures established in accordance with the Final HOME Rule. These procedures are intended to further the objectives of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, Section 3 of the Housing and Urban Development Act of 1968, and Executive Orders #11063 (as amended by Executive Order #12259) and #11246.

Concerted efforts continue to be made to inform local governments, nonprofits, for-profit developers, public housing authorities, and others about the affirmative marketing requirements of the HOME program.

Local government officials, in agreeing to accept CDBG funds, certify that they will "affirmatively further fair housing". While the law does not specify what type of action recipients must take, it is clear that local government recipients are obligated to take some sort of action to affirmatively further the national goal of fair housing. The City keeps records that reflect all recipients take one or more actions to affirmatively further fair housing.

COORDINATION AND SUPERVISION IN THE HOMEOWNERSHIP MARKET

Many agencies are involved in overseeing real estate industry practices and the practices of the agents involved. A portion of this oversight involves ensuring that fair housing laws are understood and complied with. The following organizations have limited oversight within the lending market, the real estate market, and some of their policies, practices, and programs are described.

Federal Financial Institutions Examination Council (FFIEC)

The Federal Financial Institutions Examination Council (FFIEC) is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, and to make recommendations to promote uniformity in the supervision of financial institutions. The FFIEC provides data on loan originations, loan denials, and other aspects of the home loan process, as well as preparing Community Reinvestment Act rating reports on financial institutions.

National Association of Realtors (NAR)

The National Association of Realtors (NAR) is a consortium of realtors, which represent the real estate industry at the local, state, and national level. As a trade association, members receive a range of membership benefits. However, to become a member, NAR members must subscribe to its Code of Ethics and a Model Affirmative Fair Housing Marketing Plan developed by HUD. The term “Realtor” thus identifies a licensed real estate professional who pledges to conduct business in keeping with the spirit and letter of the Code of Ethics. “Realtors” subscribe to the NAR’s Code of Ethics, which imposes obligations upon realtors regarding their active support for equal housing opportunity.

Diversity Certification

The NAR has created a diversity certification, “At Home with Diversity: One America”, to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR “At Home with Diversity” course. The certification signals to customers that the real estate professional has been trained on working with the diversity of today’s real estate markets.

Realtors Association of New Mexico (RANM)

The Realtors Association of New Mexico is a trade association of realtors statewide. As members of the Association, realtors follow a strict code of ethics. The Association offers Professional Standards classes and continuing education classes on ethics and requires quadrennial ethics training to maintain one’s standing. The Association Website did not yield any information specifically on fair housing or discrimination.

New Mexico Real Estate Commission

The New Mexico Real Estate Commission is the licensing authority for real estate brokers and salespersons. The Commission has adopted education requirements that include courses in ethics and fair housing. To renew a real estate license, each licensee is required to complete continuing education. The courses approved by the Commission include three courses dealing specifically with ADA matters, six focusing on fair housing topics and a diversity issues course. The Commission Website includes a Complaint page, but this is only for complaints against real estate brokers and salespersons; no reference is made to fair housing complaints.

Greater Albuquerque Association of Realtors

This association of local Realtors includes the members of the local real estate community, including almost 2,700 members in the central New Mexico area, as the organization includes members in Bernalillo, Valencia, Sandoval, Torrance and parts of Socorro and Santa Fe Counties. The Website does not display the Fair Housing logo, and though there is a page devoted to professional standards, fair housing is not mentioned specifically.

COORDINATION AND SUPERVISION IN THE RENTAL MARKET

A number of agencies are involved with the apartment rental process and related practices. This oversight includes ensuring that fair housing laws are understood. The following organizations have limited involvement in fair housing issues within the rental housing market.
Apartment Association of New Mexico (AANM)

The Apartment Association of New Mexico is an affiliate of the National Apartment Association dedicated to serving the interests of apartment owners and managers and the businesses that service the apartment industry. Under “Resources – Resident Help” the association Website

does list a number of resources, related to tenant rights and to fair housing issues. The association also offers course of fair housing and owner-tenant relations.

National Association of Residential Property Managers (NARPM)

NARPM is an association of real estate professionals who are experienced in managing single-family and small residential properties. NARPM promotes the standards of property management, business ethics, professionalism, and fair housing practices within the residential property management field. NARPM certifies members in the standards and practices of the residential property management industry and promotes continuing professional education. NARPM offers designations to qualified property managers and management firms, and these certifications require educational courses in fair housing practices. The association has a local chapter that offers speakers and continuing education classes for members.

OTHER FAIR HOUSING ORGANIZATIONS

The Independent Living Resource Center of New Mexico is a community agency that encourages individuals with disabilities to participate fully in family, work, and civic life. The Albuquerque office is active in sixteen New Mexico counties, and provides some Fair Housing outreach services to the City.

Law Access is a not-for-profit organization in Albuquerque that provides free telephone legal advice to low- and moderate-income persons on civil law matters. The group assists the City by operating a Landlord-Tenant hotline.

The New Mexico Legal Aid Society notes on its Website that it provides housing discrimination assistance, though the links on the page are to the City's Office of Human Rights and the HUD Fair Housing complaint form.

LENDING AND COMPLAINT DATA; ADVERTISING

This section of the AI evaluates lending practices in Albuquerque, using Home Mortgage Disclosure Act (HMDA) data, information from banking oversight agencies, and complaint data from local, state, and federal organizations and agencies, as well as an assessment of advertising practices. Much of the data provided by the Federal Financial Institutions Examination Council (FFIEC) is at the Metropolitan Statistical Area (MSA) level, which includes Bernalillo, Sandoval, Valencia and part of Tarrant Counties. The figures presented in this analysis will reflect the entire MSA, though Albuquerque dominates the area. Some, limited data is available at the City level and is included to address some specific topics, especially high cost lending.

HOME LOAN ACTIVITY

Background

A key aspect of fair housing choice is equal access to financing for the purchase or improvement of a home. In 1977, the Community Reinvestment Act (CRA) was enacted to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate-income persons and neighborhoods. The Home Mortgage Disclosure Act (HMDA) requires financial institutions with assets exceeding ten (10) million dollars to submit detailed information on the disposition of home loans. HMDA data were evaluated in this AI with respect to lending patterns.

Two types of purchase financing – conventional and government-backed – are examined, as well as refinancing and home improvement loans.

Conventional financing refers to market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions.

Government-backed financing refers to loans offered at below-market interest rates that are typically issued by private lenders and are guaranteed by federal agencies. These loans are offered to lower and moderate income households who may experience difficulty in obtaining home mortgage financing in the private market due to income and equity issues. Several federal government agencies offer loan products that have below-market interest rates and are insured (“backed”) by the agencies. Sources of government-backed financing include the Federal Housing Administration, the Department of Veterans Affairs, and the Rural Housing Services/Farm Service Agency (RHA/FSA). Loans backed by local jurisdictions (such as silent second loans by cities and counties) are not covered under HMDA.

HMDA data provide some insight into the lending patterns that exist in a community. However, HMDA data is only an indicator of potential problems; the data cannot be used to conclude definite redlining or discrimination practices. In the format provided on the Website, HMDA data lack the detailed information on loan terms or specific reasons for denial to make conclusive statements.

LOAN ACTIVITY

In 2010, the most recent year for which complete data is available, there were 43,032 loans applications of the four types under review in the Albuquerque Metropolitan Statistical Area (MSA). The table below shows the total number of loans applied for, the numbers of loans originated, and the number denied as well as the results of other actions. It is interesting to note that the number of refinancing loans is almost twice the number of home purchase loans – 8,294 home purchase versus 15,534 refinancing loans. This reflects the situation in the housing market, which was still recovering from the recession and housing “bust.” Home sales were down from earlier years and many homeowners were seeking to refinance older, higher interest loans.

Aggregate Loan Applications - ABQ_MSA										
	FHA,FRS/RHS & VA (Purchase)	FHA,FRS/RHS & VA (Purchase)	Conventional (Purchase)	Conventional (Purchase)	Refinancing	Refinancing	Home Improvement	Home Improvement	TOTAL #	TOTAL %
	#	% of Total	#	% of Total	#	% of Total	#	% of Total		
Loans Originated	4,514	70.3%	3,780	66.7%	15,534	54.3%	987	42.1%	24,815	57.7%
Approved, Not Accepted	231	3.6%	361	6.4%	1,601	5.6%	83	3.5%	2,276	5.3%
Applications Denied	996	15.5%	876	15.5%	6,045	21.1%	996	42.5%	8,913	20.7%
Applications Withdrawn	599	9.3%	540	9.5%	4,136	14.5%	233	9.9%	5,508	12.8%
File Closed for Incompleteness	80	1.2%	108	1.9%	1,286	4.5%	46	2.0%	1,520	3.5%
TOTAL APPLICATIONS	6,420		5,665		28,602		2345		43,032	

Source: FFIEC, 2010 Data

These figures are for the entire MSA, and show that while 70.3 percent of government-backed and 66.7 percent of conventional home purchase loans were approved, 15.5 percent of government-backed and 15.5 percent of conventional loans were denied. Only a modest number of government-backed loans were approved but not accepted, indicating the potential buyer’s failure to close on the chosen property. However, the percentage of conventional loans accepted but not approved was close to half that of the percentage denied, indicating that a significant number of applicants had second thoughts about the purchase.

An important variable in dissecting lending outcomes is the percentage of withdrawn or incomplete loan applications. An understanding of the home buying and loan processes, income/equity requirements, and financial responsibility are important to a successful loan application and home purchase. Many households, particularly those entering the homeownership market the first time, lack financial knowledge to deal with the home buying process and may end up closing or withdrawing their application. A high rate of withdrawn or closed applications can be indicative of a lack of knowledge of the loan application and/or home buying process, or a lack of adequate assistance by the lender throughout the process. The lack of lender assistance may be discriminatory in motive or outcome. However, HMDA data are inadequate in proving motive. In any event, the percentage of withdrawn or incomplete purchase applications in Albuquerque was not excessive.

The rate of acceptance for refinancing loans was low, 54.3 percent of the applications. The percentage of refinancing loan denials is high, as is the figure for applications withdrawn. The topic is often a complicated one for the borrower and the rate of withdrawal may reflect this fact. The approval rate for home improvement loans is low, 42.1 percent; indeed the denial rate is slightly higher than the origination rate, though this is often the case in many areas.

LOAN DENIAL RATES BY RACE AND ETHNICITY

The HMDA data provide insight into the numbers of loans applied for, originated, and denied by race and ethnicity, though these figures are available only at the MSA level. Thus, a direct comparison or analysis of loan approvals and denials by census tract in Albuquerque is not possible. However, the figures are useful for examining trends in the larger market, and assessing the general trends in Albuquerque.

The table below provides the data and calculations for the Albuquerque MSA, showing the number of applications received, loans originated, applications denied, and those withdrawn or otherwise not approved by race and ethnicity of the applicant.

Denial Rates by Ethnicity						
Race/Ethnicity	Applications Received	# Loans Originated	Loan Origination Rate	Applications Denied	Loan Denial Rate	Withdrawn, Not Accepted, Closed or Incomplete Loans
American Indian/Alaskan Native	699	323	46.2%	218	31.2%	158
Asian	840	481	57.3%	182	21.7%	177
Black or African-American	611	310	50.7%	176	28.8%	125
Hawaiian or Pacific Islander	106	51	48.1%	31	29.2%	24
White	34332	20952	61.0%	6538	19.0%	6842
Two or More Minority Races	16	7	43.8%	3	18.8%	6
Joint (White/Minority Race)	742	460	62.0%	138	18.6%	144
Race Not Available	5666	2211	39.0%	1627	28.7%	1828
TOTAL FOR RACE	43012	24795	57.6%	8913	20.7%	9304
Hispanic or Latino	11904	6379	53.6%	3010	25.3%	2515
Not Hispanic or Latino	23756	14879	62.6%	4135	17.4%	4742
Joint Hispanic or Latino	2454	1565	66.0%	421	17.2%	468
Ethnicity Not Available	4898	1972	40.3%	1347	27.5%	1579
TOTAL FOR ETHNICITY	43012	24795	57.6%	8913	20.7%	9304

Source: FFIEC, 2010 Data

The figures for the MSA show that White loan applicants for all types of loans constituted 80% of all loan applications for this period which is above their 69.7% of the general population. This is in contrast to Native Americans who represented 1.6% of loan applications during this period despite being 4.6% of the general population and African Americans who represent 3.3% of the population but only submitted 1.4% of the applications. Likewise, Hispanics who represent 46.7% of the population only submitted 33% of all loan applications.

In terms of loan denial rates during this period, the loan denial rate was highest for Native Americans (31.2%), followed by African Americans (28.8%) and Race Not Available (28.7%). White applicants had the third lowest denial rate (19.0%), while Joint (White/Minority) had the lowest denial percentage of 18.6 percent.

Compared to the overall origination percentage (57.6%), Whites, and Joint (White/Minority) applicants only slightly exceeded the norm, while other minorities were below this figure and the Race Not Available figure was the lowest percentage.

The figures for Ethnicity (Hispanic or Non-Hispanic) indicates some disparity in loan origination and loan denial among Hispanic, non-Hispanic and Joint Hispanic applicants; the Hispanic loan origination rate is nine percentage points below that of Non-Hispanic applicants. Those in the Ethnicity Not Available group, however, were well below the overall origination percentage and well above the loan denial rate.

LOAN DENIAL BY INCOME LEVEL

The following table examines the loan data for the four types of loans, but from the perspective of the income levels of the applicants.

Loan denial rates by income							
Income of Applicant	# of Applications	# of Loans Originated	Loan Origination Rate	# of Loan Denials	Loan Denial Rate	# Withdrawn, Not Accepted, Closed, or Incomplete	Rate
< 50% of MHI	4,183	1,822	43.6%	1,489	35.6%	872	20.8%
50-79% MHI	8,376	4,658	55.6%	1,986	23.7%	1,732	20.7%
80-99%MHI	5,517	3,171	57.5%	1,136	20.6%	1,210	21.9%
100-119% MHI	4,339	2,519	58.1%	837	19.3%	983	22.7%
120+% of MHI	17,720	11,025	62.2%	2,903	16.4%	3,792	21.4%
Income Not Available	2,899	1,601	55.2%	560	19.3%	738	25.5%
TOTAL	43,034	24,796	57.6%	8,911	20.7%	9,327	21.7%

Source: FFIEC, 2010 Data

As might be expected the largest number of applications came from the 120% and above income category and the fewest applications came from the lowest income group. The 100 to 119% of MHI had the second smallest number of applications.

As is typically the case, the rate of loan denial rate decreased as income level increased. The percentage of loan denials was highest for the lowest income group – almost twice that of the

120%+ group. The percentage of loan withdrawal was close across all income levels, though the lower income ranges had the lower percentages of withdrawals.

REASONS FOR DENIAL BY RACE/ETHNICITY

The HMDA data also shows the reasons for denial by race and ethnicity. The table below shows that among all races and ethnicities the primary reasons for denial were Collateral (2,052), Credit History (1,930), and Debt to Income Ratio (1,814). This pattern varied among the different races; for example, White applicant denials varied in that Debt to Income Ratio was the second most common cause of loan denial.

Reasons for loan denial by race/ethnicity									
Race or Ethnicity	Debt to Income Ratio	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit Appl. Incomplete	Other	Total Denials
	# Cases	# Cases	# Cases	# Cases	# Cases	# Cases	# Cases	# Cases	# Cases
American Indian or Alaskan Native	40	1	89	25	5	9	15	25	209
Asian	53	7	20	39	8	11	18	36	192
Black or African-American	48	5	55	28	6	8	18	16	184
Hawaiian or Pacific Islander	4	0	7	7	1	4	4	5	32
White	1370	156	1314	1604	200	306	572	949	6471
Two or More Minority Races	1	0	1	2	0	0	0	0	4
Joint (White and Minority Race)	28	2	31	29	4	8	11	23	136
Race Not Available	270	24	413	318	33	73	177	178	1486
TOTAL FOR RACE	1814	195	1930	2052	257	419	815	1232	8714
Hispanic or Latino	651	70	786	598	81	134	187	424	2931
Not Hispanic or Latino	895	97	764	1079	130	202	426	616	4209
Joint Hispanic or Latino	64	8	89	104	14	21	49	55	404
Ethnicity Not Available	204	20	291	271	32	62	153	137	1170
TOTAL FOR ETHNICITY	1814	195	1930	2052	257	419	815	1232	8714

Source: FFIEC, 2010 Data

Note that some of the highest percentages of denial result from a small number of cases for some groups such as Native Americans and Pacific Islanders.

The same three causes for denial emerge when examining the data from the perspective of Ethnicity. Among Hispanic applicants Credit History is the leading cause of denial followed by debt to income ration and Collateral, while among Non-Hispanic applicants Collateral is the leading source, followed by Debt to Income and then Credit History.

REASONS FOR LOAN DENIAL BY INCOME

Though Collateral was the greatest source of loan denial, almost one-half of denials for this reason were concentrated in the 120%+ income group. The main reason for loan denial among the lowest income levels was Debt to Income Ratio and Credit History.

Reasons for loan denial by income											
Income as % of MSA Median	Total # of Applications	Debt to Income Ratio	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Info	Credit Appl. Incomplete	Other	Total Denials by Income Level	% Denials by Income Level
		# Denied	# Denied	# Denied	# Denied	# Denied	# Denied	# Denied	# Denied	# Denied	% Denied
< 50%	4163	501	48	445	135	18	66	61	133	1407	33.8%
50-79%	8376	513	51	458	358	51	84	129	231	1875	22.4%
80-99%	5517	217	19	246	256	35	49	99	145	1066	19.3%
100-119%	4339	162	18	181	222	25	52	65	105	830	19.1%
> 120%	17522	373	45	469	960	100	142	363	538	2990	17.1%
Income Not Available	3095	48	14	131	121	19	28	98	80	539	17.4%
TOTAL	43012	1814	195	1930	2052	248	421	815	1232	8707	20.2%

Source: FFIEC, 2010 Data

ALBUQUERQUE LOAN DATA

The FFIEC does provide some data that is specific to Albuquerque, and this data is shown below. All of the tables below are based upon FFIEC data accessed in May 2012.

In 2010, 12,139 home loans were originated in the City of Albuquerque.

All Originations	2004	2005	2006	2007	2008	2009	2010
City (Albuquerque)							
Number of Loans	20,150	20,530	20,953	16,497	11,467	14,951	12,139
Median Loan Amount	\$ 120,000	\$ 130,000	\$ 145,000	\$ 157,000	\$ 161,000	\$ 160,000	\$ 155,000
State (New Mexico)							
Number of Loans	57,080	57,981	59,917	49,792	35,956	45,765	37,142
Median Loan Amount	\$ 120,000	\$ 131,000	\$ 144,000	\$ 155,000	\$ 160,000	\$ 164,000	\$ 160,000
National							
Number of Loans	11,746,438	11,559,564	10,070,623	7,742,076	5,611,779	7,757,819	6,743,289
Median Loan Amount	\$ 147,000	\$ 161,000	\$ 163,000	\$ 168,000	\$ 170,000	\$ 176,000	\$ 175,000

Originations by Loan Purpose

33.54% of loans originated for the purpose of purchasing a home and 66.46% for refinancing in 2010, following the trend for the MSA noted earlier. Note that though the number and percentage of purchase loans declined after 2008, the number and percentage of refinance loans rose sharply in the City in 2009.

Purchase	2004	2005	2006	2007	2008	2009	2010
City (Albuquerque)							
Number of Loans	10,616	10,498	10,122	7,211	4,687	4,155	4,071
Median Loan Amount	\$ 128,000	\$ 140,000	\$ 157,000	\$ 171,000	\$ 168,000	\$ 159,000	\$ 158,000
Percent of All Loans	52.7%	51.1%	48.3%	43.7%	40.9%	27.8%	33.5%
State (New Mexico)							
Number of Loans	27,335	28,671	29,271	22,376	15,203	13,640	12,880
Median Loan Amount	\$ 129,000	\$ 140,000	\$ 155,000	\$ 168,000	\$ 166,000	\$ 157,000	\$ 160,000
Percent of All Loans	47.9%	49.5%	48.9%	44.9%	42.3%	29.8%	34.7%
National							
Number of Loans	4,879,019	5,146,333	4,667,928	3,524,874	2,562,011	2,413,549	2,181,851
Median Loan Amount	\$ 156,000	\$ 170,000	\$ 174,000	\$ 176,000	\$ 174,000	\$ 164,000	\$ 168,000
Percent of All Loans	41.5%	44.5%	46.4%	45.5%	45.7%	31.1%	32.4%

Refinance	2004	2005	2006	2007	2008	2009	2010
City (Albuquerque)							
Number of Loans	9,534	10,032	10,831	9,286	6,780	10,796	8,068
Median Loan Amount	\$ 111,000	\$ 120,000	\$ 133,000	\$ 145,000	\$ 155,000	\$ 160,000	\$ 154,000
Percent of All Loans	47.3%	48.9%	51.7%	56.3%	59.1%	72.2%	66.5%
State (New Mexico)							
Number of Loans	29,745	29,310	30,646	27,416	20,753	32,125	24,262
Median Loan Amount	\$ 110,000	\$ 120,000	\$ 130,000	\$ 143,000	\$ 155,000	\$ 167,000	\$ 160,000
Percent of All Loans	52.1%	50.6%	51.2%	55.1%	57.7%	70.2%	65.3%
National							
Number of Loans	6,867,419	6,413,231	5,402,695	4,217,202	3,049,768	5,344,270	4,561,438
Median Loan Amount	\$ 140,000	\$ 155,000	\$ 153,000	\$ 160,000	\$ 165,000	\$ 183,000	\$ 179,000
Percent of All Loans	58.5%	55.5%	53.7%	54.5%	54.4%	68.9%	67.6%

High-Cost Origination

A loan is considered high-cost when there is a rate spread reported. In the fourth quarter of 2009, HMDA changed its rules for reporting rate spreads in an effort to more accurately capture the current high-cost lending activity. Therefore, data shown separates the first three quarters of 2009 from the last quarter of 2009. The 2010 data in the table below represents the rate spread rule change implemented in 2009Q4.

For 2004-2009Q3, the rate spread on a loan was the difference between the Annual Percentage Rate (APR) on the loan and the treasury security yields as of the date of the loan's origination. Rate spreads were only reported by financial institutions if the APR was three or more percentage points higher for a first lien loan, or five or more percentage points higher for a second lien loan. A rate spread of three or more suggested that a loan was of notably higher cost than a typical loan.

For 2009Q4 and 2010, the rate spread on a loan is the difference between the Annual Percentage Rate (APR) on the loan and the estimated average prime offer rate (APOR). Rate spreads are only reported by financial institutions if the APR is more than 1.5 percentage points higher for a first lien loan, or more than 3.5 percentage points higher for a second lien loan.

The number of high cost loans declined markedly in Albuquerque, starting in 2008.

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4
City (Albuquerque)							
Number of Loans	2,288	4,315	5,329	2,611	906	412	44
Median Loan Amount	\$ 114,500	\$ 123,000	\$ 140,000	\$ 147,000	\$ 145,500	\$ 135,000	\$ 131,500
Percent of All Loans	11.4%	21.0%	25.4%	15.8%	7.9%	3.1%	2.8%
State (New Mexico)							
Number of Loans	7,691	12,916	15,471	8,521	3,580	1,674	159
Median Loan Amount	\$ 100,000	\$ 116,000	\$ 130,000	\$ 136,000	\$ 126,000	\$ 118,000	\$ 112,000
Percent of All Loans	13.5%	22.3%	25.8%	17.1%	10.0%	4.1%	3.3%
National							
Number of Loans	1,709,639	2,909,619	2,827,156	1,364,023	556,800	311,065	23,951
Median Loan Amount	\$ 116,000	\$ 145,000	\$ 152,000	\$ 144,000	\$ 107,000	\$ 103,000	\$ 81,000
Percent of All Loans	14.6%	25.2%	28.1%	17.6%	9.9%	4.5%	2.7%

High-Cost Lending by Loan Type

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010
Purchase								
Number of Loans	1,023	1,752	1,891	652	249	86	11	38
Median Loan Amount	\$ 123,000	\$ 132,000	\$ 150,000	\$ 166,000	\$ 152,000	\$ 144,500	\$ 155,000	\$ 132,000
Percent of Purchase Loans	9.6%	16.7%	18.7%	9.0%	5.3%	2.4%	2.0%	0.9%
Refinance								
Number of Loans	1,265	2,563	3,438	1,959	657	326	33	132
Median Loan Amount	\$ 105,000	\$ 116,000	\$ 135,000	\$ 140,000	\$ 143,000	\$ 132,000	\$ 122,000	\$ 129,000
Percent of Refinance Loans	13.3%	25.6%	31.7%	21.1%	9.7%	3.3%	3.3%	1.6%

High-Cost Lending by Race

An analysis of high-cost loans originated in 2010 shows 88.82% were to Whites, 2.35% to African Americans, 2.35% to Asians, and 34.71% to Hispanics. The percentage of high-cost loans to Whites is higher than the norm.

High-Cost	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010
Loans to Whites								
Number of Loans	1,691	3,434	4,031	2,005	732	341	40	151
Median Loan Amount	\$ 117,000	\$ 123,000	\$ 140,000	\$ 147,000	\$ 145,000	\$ 134,000	\$ 132,500	\$ 128,000
Percent of Loans to Whites	11.0%	20.2%	23.7%	14.9%	7.5%	3.0%	3.0%	1.5%
Percent of High-Cost Loans	73.9%	79.6%	75.6%	76.8%	80.8%	82.8%	90.9%	88.8%
Loans to African Americans								
Number of Loans	59	117	151	79	28	11	1	4
Median Loan Amount	\$ 120,000	\$ 129,000	\$ 148,000	\$ 147,000	\$ 173,000	\$ 122,000	N/A	N/A
Percent of Loans to African Americans	14.5%	30.0%	33.7%	24.9%	12.0%	5.4%	3.9%	2.0%
Percent of High-Cost Loans	2.6%	2.7%	2.8%	3.0%	3.1%	2.7%	2.3%	2.4%
Loans to Asians								
Number of Loans	23	76	116	38	9	3	1	4
Median Loan Amount	\$ 119,000	\$ 158,000	\$ 158,500	\$ 182,500	\$ 169,000	N/A	N/A	N/A
Percent of Loans to Asians	5.2%	14.9%	21.7%	10.1%	3.7%	1.1%	2.8%	1.4%
Percent of High-Cost Loans	1.0%	1.8%	2.2%	1.5%	1.0%	0.7%	2.3%	2.4%
Loans to Hispanics								
Number of Loans	917	1,790	2,146	1,117	377	170	12	59
Median Loan Amount	\$ 110,000	\$ 115,000	\$ 131,500	\$ 136,000	\$ 133,000	\$ 124,500	\$ 131,000	\$ 118,000
Percent of Loans to Hispanics	14.6%	28.6%	30.2%	20.0%	10.4%	4.4%	2.6%	1.7%
Percent of High-Cost Loans	40.1%	41.5%	40.3%	42.8%	41.6%	41.3%	27.3%	34.7%
Loans to Nonhispanics								
Number of Loans	1,014	2,074	2,534	1,166	453	216	30	103
Median Loan Amount	\$ 122,000	\$ 132,000	\$ 146,000	\$ 160,000	\$ 155,000	\$ 140,000	\$ 140,000	\$ 134,000
Percent of Loans to Nonhispanic	9.5%	17.1%	21.4%	12.6%	6.5%	2.5%	3.1%	1.3%
Percent of High-Cost Loans	44.3%	48.1%	47.6%	44.7%	50.0%	52.4%	68.2%	60.6%

*Indicates data for 2009Q1 - 2009Q3 only.

CRA RATING

The Community Reinvestment Act (CRA) is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate-income neighborhoods. CRA ratings are provided for the main or regional headquarters of the financial institution. Depending on the type of institution and total assets, a lender may be examined by different agencies for its CRA performance. Databases maintained by the Federal Reserve Board (FRB), Federal Financial Institutions Examination Council (FFIEC), Federal Deposit Insurance Corporation (FDIC), and Office of the Comptroller of the Currency (OCC) were researched for the performance of the top financial institutions issuing home loans.

The most active lenders by type of loan are shown in the table below.

Lender Name	FHA, FSA/RHS, VA Loans		Conventional Loans		Refinancings		Home Improvement	
	Originated	Denied	Originated	Denied	Originated	Denied	Originated	Denied
Wells Fargo Bank NA (SD)	287	82	323	70	1,872	834	146	391
Bank of America NA	304	54	251	49	1,607	603	41	36
Bank of Albuquerque NA	198	21	225	29	1,274	438	134	124
Superior Mortgage Services LLC (NM)	370	30	260	20	340	30	x	x
Legacy Mortgage, LLC (NM)	357	32	232	24	162	10	x	x
New Mexico Educators Federal FCU (NM)	24	6	93	12	430	123	153	80
Quicken Loans (MI)	6	7	10	x	616	244	x	x
Suntrust Mortgage, Inc. (VA)	22	6	79	11	485	79	x	x
HomeTrust Mortgage Company (TX)	280	9	139	2	227	14	x	x
First Community Bank (NM)	104	7	99	9	207	6	27	40
Kirtland Federal Credit Union (NM)	x		44	4	331	2	56	x
Suburban Mortgage Co of NM (NM)	74	10	35	4	186	52	x	x
US New Mexico FCU (NM)	3	2	40	21	223	43	6	
Main Bank (NM)	50	11	49	7	164	23		
Bank of the West (CA)	16	6	50	10	145	83	29	64

Source: Home Mortgage Disclosure Act (HMDA), 2012

The six most active lenders in the City received the following ratings from the FFIEC. All lending institutions examined received Outstanding or Satisfactory ratings.

**FFIEC Interagency Community Reinvestment Act (CRA) Ratings
Albuquerque MSA**

Institution Name	State	Supervising Agency	Year Rated	Rating
Bank of America, N.A.	NC	OCC	2009	Outstanding
Bank of Albuquerque	NM	OCC	2008	Outstanding
Bank of the West	CA	FDIC	2010	Satisfactory
First Community Bank	NM	FRB	2009	Outstanding
Main Bank	NM	FDIC	2009	Satisfactory
Wells Fargo Bank, NA	SD	OCC	2009	Outstanding

Source: Federal Financial Institutions Examination Council's (FFIEC), 2012

FAIR HOUSING COMPLAINT DATA

As described earlier, there are a number of organizations and agencies with oversight in the area of fair housing and discrimination in housing. This section of the Analysis of Impediments will review and assess information about housing discrimination complaints and reports on housing opportunity in Albuquerque.

There were no Title VIII complaints filed in Bernalillo County in 2010, nor are there any Department of Justice cases involving Entities in Bernalillo County.

The New Mexico Human Rights Commission documents and reports available on its Website do not contain any information about housing discrimination complaints pertaining to Bernalillo County or Albuquerque specifically.

However, since the Commission is the administrator for fair housing issues, the data obtained from the HUD Fair Housing Equal opportunity Website is very likely as accurate and current as any obtained from the Commission.

The FHEO data is available only at the County level and thus the figures presented here reflect the County, not simply the City. The data cover the period July 2006 to July 2010, and are the most recent and complete available. During this period there were one hundred thirty-eight complaints filed. A breakdown by year and type of complaint follows:

FHEO Cases - Bernalillo County									
Year	Total for Year	Race Basis	Color Basis	National Origin Basis	Disability Basis	Familial Status Basis	Religion Basis	Sex Basis	Retaliation Basis
2006	39	11	1	4	15	3	1	3	1
2007	27	10	0	4	11	0	0	2	0
2008	38	6	0	4	14	6	2	5	1
2009	16	2	0	2	11	1	0	0	0
2010	18	5	0	4	6	1	1	1	0
Total	138	34	1	18	57	11	4	11	2

Source: HUD, FHEO Files, 2010

A complaint may be filed on multiple grounds. The statistics also show what disability was the most prevalent source of complaint, accounting for over forty percent of complaints. Race followed as the second most common complaint, but represented the basis for only 24.6 percent of complaints. The number of complaints each year has varied, but the number of cases reported in 2009 and 2010 is well below the numbers reported earlier, perhaps due in part to the difficult economic times.

REAL ESTATE ADVERTISING

This assessment of fair housing practices in Albuquerque included a review of a number of publications containing advertisements for housing, both for sale and rental. Overall, there does not appear to be any attempt to exclude or discriminate against any of the protected classes. The real estate advertisements in *The Journal* were examined for four randomly selected Sundays and two weekdays in the period May through August 2012.

The paper presented a notice in each edition, stating that the paper would not accept any housing advertisement that contained language that indicated any type of discrimination. The amount of real estate advertising was modest and many of the ads referred the reader to the firm's Website for more detailed information about properties. The display advertisements for the larger real estate firms often contained the fair housing logo, though none displayed the accessibility logo.

A review of on-line housing Websites (Craigslist.com and homefinder.com) included some owner ads noting no students, income restrictions, no pets, or no smokers, but nothing discriminatory. Many of the listings on Craigslist.com and homefinder.com linked back to real estate agency Websites, which did not contain any discriminatory language and displayed the Fair housing logo, typically in the lower right corner of the Webpage.

OBSERVATIONS

- ✓ The figures for the MSA show that White loan applicants for all types of loans constituted 80% of all loan applications for this period which is above their 69.7% of the general population. This is in contrast to Native Americans who represented 1.6% of loan applications during this period despite being 4.6% of the general population and African Americans who represent 3.3% of the population but only submitted 1.4% of the applications. Likewise, Hispanics who represent 46.7% of the population only submitted 33% of all loan applications.
- ✓ In terms of loan denial rates during this period, the loan denial rate was highest for Native Americans (31.2%), followed by African Americans (28.8%) and Race Not Available (28.7%). White applicants had the third lowest denial rate (19.0%), while Joint (White/Minority) had the lowest denial percentage of 18.6 percent.
- ✓ Compared to the overall origination percentage (57.6%), Whites, and Joint (White/Minority) applicants only slightly exceeded the norm, while other minorities were below this figure and the Race Not Available figure was the lowest percentage.

- ✓ The figures for Ethnicity (Hispanic or Non-Hispanic) indicates some disparity in loan origination and loan denial among Hispanic, non-Hispanic and Joint Hispanic applicants; the Hispanic loan origination rate is nine percentage points below that of Non-Hispanic applicants.
- ✓ The number of FHEO complaints for the period under review declined sharply after 2008
- ✓ There was no clear sign of discrimination in the language or illustrations of housing advertisements in the area's real estate publications or on line sites.

PUBLIC POLICIES

A wide range of government policies affect fair housing choice. Though municipalities have broad powers with regard to land use and zoning in New Mexico, some of these policies are beyond the control of municipal government. An assessment of public policies and practices enacted by the City can help determine potential impediments to fair housing opportunity. To identify potential impediments to fair housing choice and affordable housing development, housing-related documents (e.g., zoning code materials, previous fair housing assessments) were reviewed, and interviews with fair housing advocates and practitioners were conducted in preparing this AI.

Albuquerque does not put any limitations on growth. Through vehicles such as zoning ordinances, subdivision controls, permit systems, and housing codes and standards, the City has attempted to ensure the health, safety, and quality of life of its residents while minimizing the barriers to fair housing choice or impediments to the development of affordable housing.

The following are public policy, zoning, and land issues identified in discussions with the municipal officials, developers, and other agencies and organizations that create impediments to fair housing choice.

Market Conditions

The major barrier to affordable housing in Albuquerque in general is the high cost of housing created by rising land, infrastructure, and construction costs. The Albuquerque area is perceived as a desirable place to live, and has experienced recent growth. Though housing costs are low relative to national figures, residents, in the lowest income ranges in particular, find cost burden (paying more than 30 percent of income for housing) to be a significant problem.

The City has an Affordable Housing Program and does have a Workforce Housing Trust Fund Ordinance which has been successful in developing affordable housing across the City, working with developers and property owners. Other key elements in place to provide affordable housing include the following programs: 1) homeowner rehabilitation with an emphasis upon improving energy efficiency, 2) lead-based paint hazard interim controls and abatement, 3) urgent repair/emergency assistance, 4) foreclosure counseling, and 5) neighborhood stabilization.

Zoning

The *Fair Housing Planning Guide* notes several key issues for review when assessing the impact of zoning on fair housing choice. A review of Albuquerque's Zoning Regulations in Chapter 14 of the Albuquerque Code of Ordinances showed that the City has addressed some of these topics. However, this review did not find definitions of key words and phrases, such as "family," "group home," "victims of domestic violence" or "transitional housing."

The City Zoning Ordinance provides for a full spectrum of housing. Also, Article 17, the Family Housing Development section, does state the City's intention "to foster stable, diverse neighborhoods with a robust quality of life..."

Building Codes

Building regulations are essential to protecting the health and safety of citizens and the general welfare of the community, as well as to ensure a reasonable building life. While building codes have positive contributions, they also contribute to increased construction costs. The City enforces the Uniform Administrative Code of the City of Albuquerque, which covers such items as structural stability, electrical, plumbing, mechanical, energy conservation, and some specialty items in certain circumstances. The City also enforces the Uniform Housing Code whose purpose is "...to provide minimum standards to safeguard life or limb, health, property and public welfare by regulating and controlling the occupancy level and maintenance of all residential buildings and structures within this jurisdiction." The enforcement of the Building Codes and the Uniform Housing Codes does not appear to be an impediment to fair housing choice.

Subdivision Regulations

The implementation of development standards and subdivision regulations sets minimum levels of protection for the public. These regulations and standards affect things such as street widths, sidewalks and drainage features. However excessive street widths, parking requirements, curbing and landscaping add to the cost of housing. Also, certain housing rehabilitation costs are increased because of the uniform construction code. As with zoning enforcement, affordability and fair housing choice are oftentimes closely related, but not necessarily.

In Albuquerque, based on a review of the City's Subdivision Regulations, it appears that these regulations do not impede fair housing choice within the City's jurisdiction. The City's Subdivision Ordinance is enforced uniformly throughout its jurisdiction.

The City addresses other related elements such as accessibility standards, energy conservation and universal design, in various parts of the Code. These standards are described in various publications and are increasingly incorporated in new residential and commercial developments. However, their use by design professionals needs to be increased.

Property Taxes

Property taxes generate revenue to support a broad array of public facilities and services at the local level of government. However, it is also recognized that property taxes are a significant housing cost and therefore can impact affordability. Though not a direct impediment to fair housing choice, property taxes can affect housing choice. One impact of high property taxes is that taxes are part of a household's monthly housing costs. Thus, a potential homeowner who can afford his mortgage may not qualify when property taxes are factored in.

Comprehensive Plan & Affordable Housing

The City's Comprehensive Plan dates from 2003, and states the City's goals and objectives for housing. The Plan cites the need for affordable housing, states the intent to provide a range of housing for all persons, as well as describing the need for a range of housing and the preservation of the City's neighborhoods and residential character. As noted earlier, the City has a Workforce Housing Trust Fund and very active Affordable Housing Program, which has developed affordable units across the City.

The City has acknowledged the need for a range of types and prices of housing and has steadily worked to obtain this range of housing opportunity in its development and redevelopment programs.

Public Transit

The Albuquerque public transportation system, ABQ Ride, a City-owned and operated service, serves major routes offering service to most parts of the City. There are forty routes, some of which are rush hour service, four transit centers, and late hour service on some routes. However, despite this late hour service, comments about the lack of night service was noted as an issue in at least one Focus Group meeting.

The SunVan Paratransit Service provides accessible transit service to persons with disabilities that make it impossible to use fixed route service. The service serves the entire City and operates during the same hours as scheduled transit, but does require advance reservations.

The linkage between residential areas of concentration of minority and LMI persons and employment opportunities is key to expanding fair housing choice. The City's public transportation system meets this need, and many respondents to the Community Needs Survey noted the importance of proximity to public transit in developing affordable housing.

OBSERVATIONS

The key points that emerge from the preceding discussion are:

- ✓ The City is proactively addressing problems created by market conditions (high housing costs) with the resources available, including the Workforce Housing Trust Fund and the Affordable housing Program.
- ✓ The Zoning Code, development standards and permitting processes are good and address HUD concerns, though more emphasis could be placed upon defining some of the key terms.

7) FOCUS GROUP DISCUSSIONS AND FAIR HOUSING SURVEY

FOCUS GROUP DISCUSSIONS

One element in obtaining community input into the development of the City of Albuquerque's Five Year Consolidated Plan, a series of focus groups elicited information from representatives of key populations, identified by the City's Department of Family and Community Services and its advisory bodies. The seven focus groups were:

March 13, 2012

***Los Griegos Multi-Service Center
1231 Candelaria NE (at 12th St.)***

Focus on: Seniors/Persons with Physical Disabilities
9:30-11:00 AM

Focus on: Persons with Behavioral Health Disabilities/Substance Abuse
1:00-2:30 PM

March 14, 2012

***PB&J Family Services
209 San Pablo SE***

Focus on: Asian-Americans
9:30-11:00 AM

Focus on: Immigrants
1:00-2:30 PM

***Cesar Chavez Community Center
7505 Kathryn SE 87108 (at Louisiana)***

Focus on: Veterans
5:30-7:00 PM

March 15, 2012

***John Marshall Multi-Service Center
1500 Walter SE***

Focus on: Children, Youth & Families
9:30-11:00 AM

Focus on: African-Americans
1:00-2:30 PM

A team of facilitators explained the focus group objectives: To identify and rank specific actions that can be taken by the City to increase access, affordability and sustainability of housing opportunities and options among key low-income subgroups of the City's population and to identify issues and concerns about fair housing and housing discrimination in the City.

Participants were led through a series of open-ended questions, stopping periodically to vote on priorities in terms of group needs and recommended actions to address these needs.

As noted, each of the focus group sessions had time devoted to a discussion of fair housing issues. The groups identified a number of issues that evidenced housing discrimination, though not all of the topics fell within the purview of the various fair housing statutes.

Several of the groups noted that persons with a criminal history, bad credit, nuisance complaints, and perceived behavioral problems have difficulties in finding and maintaining suitable housing. These issues are not dealt with per se in the fair housing laws, which address protected classes of persons. The consensus of the participants was that regulations concerning criminal history and drug use should be revisited and somehow made more flexible.

However, the groups did observe that there are language barriers and racial or ethnic stereotyping that sometimes preclude persons from obtaining housing in Albuquerque. It was generally felt that there is a lack of knowledge about fair housing issues, both on the part of real estate professionals and property managers, as well as on the part of buyer and renters. Overall, the groups noted that few people, in their experience, knew where or how to report discrimination. The African-American focus group mentioned redlining and steering, even steering to specific units within a building.

Asked what actions the City should undertake to reduce or eliminate discrimination, the groups presented a number of suggestions, many of which were common in their intent if not language. The first was that there needed to be better and broader education about fair housing. This applied to educating owners, real estate agents and property managers. At the same time, there was a felt need to educate consumers about this topic as well. Many of the participants felt people needed focused presentations on topics such as landlord-tenant relations, credit, and predatory lending and a general knowledge of rights and responsibilities. This education and outreach could be provided by the City, HUD, or private organizations, such as the banks. However, many participants from the several groups felt that it would be better to have faith-based entities, not-for-profit organizations, and the City to conduct these sessions, especially those intended for consumers.

Related to the last point, the groups felt that there needed to be a more aggressive and on-going public awareness campaign about the topic of fair housing. This would include not only the dissemination of information through various channels, but site visits to agencies, housing centers, and service providers.

One person did observe that the City's Human Rights Office was no longer active, and that organization should be the center for and driving force for increased activity in this area.

The need for enhanced enforcement was also expressed on several occasions. This included not only site visits, but a testing program as well.

COMMUNITY SURVEY

SURVEY RESULTS

Number of Responses and Demographics of Respondents

Because of the decision to make the five year Consolidated Plan as "needs based" as possible, the City's Community Development Division chose to provide multiple opportunities for City residents, social service organizations, housing providers, housing developers, as well as other government departments and public entities to provide input into the identification and prioritization of community needs in the areas of affordable housing, suitable living environments, and economic development for low to moderate income City residents. These opportunities included: participating in any of Seven Focus Group discussions on the housing and social service needs of low to moderate income households and persons experiencing homelessness, and working with the City to prioritize these needs, and, completing a Community Survey which took the results of the focus group discussions and made these discussions available to the larger public and gave the public an opportunity to prioritize identified community needs for these same populations.

Over 75 organizations were invited to take part in the Focus Groups discussions. These organizations represented a wide cross cutting of agencies in Albuquerque serving minority populations, persons experiencing homelessness, persons with disabilities (physical and/or emotional/behavioral health), children, youth, families, seniors, veterans, and immigrants in the areas of general health, education, behavioral health, emergency food assistance, employment opportunities, housing for persons experiencing homelessness, housing for low to moderate income residents, services for persons with HIV/AIDS, and housing opportunities for persons with disabilities. Topics for the seven Focus Groups included discussions on the housing opportunities, supportive housing needs, general social service needs and fair housing issues pertaining to: seniors and persons with physical disabilities including persons with HIV/AIDS; persons with behavioral health disabilities; Asian populations; African American populations; immigrant populations, children, youth and families; and veteran populations.

Information gathered during the focus group discussions was then compiled and analyzed and used to develop a Community Survey that targeted both the general public and low income to moderate income users of City funded services. The Community Survey was made available on the City of Albuquerque's website and posters and flyers were distributed at all City Community Centers, Senior Centers, Early Childhood Development Centers, the Albuquerque Housing Authority, all Albuquerque Public Schools, and local Flying Star and Satellite coffee shops and restaurants. Over 100 agencies providing general health care services, educational services, behavioral health services, homeless intervention and prevention services, housing services, and general case managements services were asked by the City to distribute surveys to clients and when necessary to help clients to complete surveys. As a result of this collaboration, over 900 Community Surveys were completed and submitted.

In total the City received 925 completed surveys. However, due to errors in completing the surveys, 129 of these surveys were unable to be used. Additionally, not all questions were answered by all respondents and at times answers could not be reasonable interpreted and therefore not all answers were usable. Consequently, there is some variation in the response rate to individual questions.

	English Language Survey	Spanish Language Survey	Chinese Language Survey	Vietnamese Language Survey	Total
Surveys Used	750	36	3	7	796
Surveys not Used	124	5	0	0	129
Total	874	41	3	7	925

Though the response was broad in terms of race, ethnicity, income level and housing tenure, the response from the low-income groups most affected by the CDBG and HOME programs, was especially strong. The table below shows that over one-quarter of respondents were in the lowest income bracket and that fifty percent of respondents were in the less than \$35,000 categories.

SURVEY RESPONSE BY INCOME CATEGORY

Income	<\$15K		205	27.1%
	\$15-\$35K		180	23.8%
	\$35-\$50K		118	15.6%
	\$50-\$75K		79	10.4%
	\$75-100K		54	7.1%
	\$100-\$150K		26	3.4%
	>\$150K		26	3.4%
	Prefer not to answer		68	9.0%
	TOTAL		756	

The 43.2 percent of respondents who identified themselves as Hispanic mirrors the percentage of Hispanic persons in the City (46.7%) though the table below shows that the racial breakdown of respondents varied from that of the City population. The percentage of White respondents was lower than the Census figure of 69.7 percent, the Native American percentage was over two times higher than the Census figure of 4.6 percent and the Two or More Races four times the Census figure of 4.6 percent.

SURVEY RESPONSE BY RACE

Race	White		378	52.8%
	Black		30	4.2%
	Native Am		85	11.9%
	Asian		29	4.1%
	Pacific Islander		6	0.8%
	Other		56	7.8%
	Two or More	48	132	18.4%
	TOTAL		716	

Living arrangements and tenure also differed from the City norm. Fewer than fifty percent of respondents were home owners, the number of persons in temporary housing or shelters reflects the fact that surveys were distributed (and responded to) at shelters and homeless assistance centers.

SURVEY RESPONSE BY LIVING QUARTERS

Living	Own		357	49.2%
	Rent		280	38.6%
	Shelter		15	2.1%
	Temporary Housing		73	10.1%
	TOTAL		725	

The City thus received responses from a good cross section of the population and a strong response from those most directly affected, persons in the lower income levels.

SURVEY RESULTS -- FAIR HOUSING QUESTIONS

As part of gathering information for the City’s new Analysis of Impediments to Fair Housing Choice, the survey included five questions about fair housing issues.

Asked if they believed that there is housing discrimination in Albuquerque, 261 persons responded “Often,” and 296 responded “Sometimes.” Ninety-one respondents had “No opinion,” and 113 persons felt that discrimination occurred “Rarely” or “Never.”

548 of the 755 persons who responded to the question asking whether people would know here to report discrimination if it occurred, answered in the negative. Clearly there is a lack of knowledge about reporting discrimination.

Interestingly, 332 people had no opinion about locations in Albuquerque in which discrimination was occurring, though 316 felt that there are specific areas. 172 respondents named specific areas of the City in which they felt there was discrimination, though some were unclear or ambiguous in their name or description. Also, many people named more than one area, so there were well over 172 designations. The Northeast Heights received thirty-five very clear and unambiguous mentions, followed by twenty-five votes for the city as a whole. The Southeast Heights received fifteen votes, the International District twelve and the South Valley eleven.

The respondents were asked what they felt were the bases for discrimination and allowed to choose as many as they thought applicable from a list of thirteen. The list included the protected classes defined by the statutes (race, color, religion, national origin, sex, familial status, or handicap). Race was selected most often as the table below shows, and History of Incarceration, which does not come under the protected class definition, was second. Family size, which is protected, was third, but Immigration Status, which is not covered, was fourth.

Sources of Discrimination	Race		467
	Origin		267
	Color		298
	Religion		131
	Age		298
	Sex		179
	Family Size		379
	Disability		307
	Veteran Status		122
	Sexual Orientation		258
	Immigration Status		360
	History of Incarcerati		423
	Transgender		235

Finally, asked what means are best employed to better inform people about fair housing, the respondents selected Public Service Announcements as the best means, followed by Outreach to Housing Providers as second. Advertisements and Brochures received the least support.

Outreach	Events		431
	PSA		452
	Media Attention		382
	Brochures		264
	Ads		254
	Outreach to Providers		440
	Outreach to Associations		381

OBSERVATIONS

The key points that emerge from the preceding discussion are:

- ✓ The community survey clearly indicated the perception that discrimination does exist in the City; the majority of Survey respondents reported discrimination “sometimes” or “often” and those who said it is present often identified specific areas in which it does occur.
- ✓ The means or process to report discrimination is not clear, a finding that emerged from both the survey and the focus group discussions.
- ✓ Both the survey results and focus group discussion noted the difficulty that criminal conviction posed for individuals seeking housing, though this is not a fair housing statute issue.
- ✓ Race emerged as the leading source of discrimination in the survey and was mentioned in the focus group discussions. Family size was frequently noted in the survey, but not raised by the focus groups.

- ✓ There is a clear need for increased awareness about housing discrimination, as evidenced by the number of persons selecting the various means of outreach, but also by the extensive discussion of this need by all of the focus groups.
- ✓ One of the most recommended means of outreach was outreach to housing providers, while holding fair housing events ranked second among survey respondents.

FAIR HOUSING ACCOMPLISHMENTS – 2011

The Action Plan for 2010-2011 for Albuquerque included initiatives specifically to further fair housing choices and increase access to housing and housing programs and services. The following paragraphs describe these initiatives and accomplishments.

In 2011, the City's Office of Human Rights Office was not active because of budget cuts in the City's General Fund. Consequently, the position of the Fair Housing Coordinator was not posted and filled by the City's Personnel Division as had been expected, and planned activities did not take place. However, planned activities continued in 2012 under a new contract with the Independent Living Resource Center conducting some Fair Housing Outreach activities. The City also contracts with Law Access to maintain a Landlord Tenant hotline.

The City produces and distributes written materials to market affordable housing and these materials all contain language relating to the prohibition of discriminatory acts against the protected classes. The City also has an outreach campaign focused on providing information on tenant and landlord rights and responsibilities.

The City has a fair housing brochure and HUD fair housing posters, which are available at the Department of Family and Community Services offices, at the Housing Authority offices and are made available at neighborhood and community meetings. Fair housing information is available on the City's Human Rights Office Website, where a discrimination complaint form is provided.

In response to the impediments to fair housing choice identified in the 2004 analysis, the City took the following actions:

The City continued to implement its homeowner and multi-family new construction programs and to provide down payment assistance loans to eligible first time low- to moderate-income homebuyers.

The City worked with non-profit providers and the New Mexico Coalition to End Homelessness to utilize additional ESG allocation for rapid re-housing of women and women with children who are staying at emergency shelter.

The City continued to fund emergency home repair and home retro fit projects.

The City also funded the Independent Living Resource Center (ILRC) to provide housing counseling services as well as assist persons with disabilities to purchase homes.

The City continues to require housing contractors to submit **affirmative marketing plans** with each application for funding and continues to provide Affirmative Marketing training to agencies as necessary.

The City continued to fund the landlord/tenant hotline to inform low-income persons of their rights and responsibilities under the New Mexico Tenant Landlord Law.

Through the Neighborhood Stabilization Program contractors were required to describe how they incorporated visitability elements into the rehabilitation of foreclosed properties or document why it was not feasible.

Universal Design-New Mexico, a statewide not-for-profit, was created as a result of eight years of work undertaken by the Affordable Housing Committee's Universal Design Subcommittee, with a purpose of increasing housing education and awareness.

The Department of Family and Community Services continued to work to establish and refine housing and community development objectives and activities.

The Department of Family and Community Services issued a Request for Proposals for assistance in preparing a new Analysis of Impediments to Fair housing Choice.

In addition to currently preparing an update to the Analysis of Impediments to Fair Housing Choice, the Family and Community Services Department carries out an annual review of CDBG and HOME programs to ensure that program participants are aware of and in compliance with the Affirmative Fair Housing Plan. Any changes in the programs will be advertised in the local newspaper at least seven days before any change takes place.

9) IDENTIFIED IMPEDIMENTS

Background

This section summarizes the key findings of the AI document, and makes recommendations for actions to eliminate impediments to fair housing choice in Albuquerque. This information is as comprehensive as possible, and there likely remain a number of additional remedies to these and other problems faced by home seekers.

Housing discrimination continues to occur, and manifests itself in different ways among different segments of the population. Since it continues to be the goal of the City to eliminate any existing discrimination and prevent future housing discrimination and other impediments to equal housing opportunity, the recommendations provided below provide a guide to ensure fair access to housing for all City residents.

This 2012 AI builds upon the previous AI, analyzes recent data, identifies the private and public sector conditions that foster housing discrimination, and provides recommendations for dealing with the fair housing issues identified. Based upon research in statistical materials, a review of HMDA and complaint data, interviews and focus group discussion, as well as surveys, the following is a list of key potential impediments identified in Albuquerque. The following chapter identifies actions to address these impediments.

Several of these topics are closely related and linkages among them are noted.

It should be noted that in some instances, it is necessary to strike a balance among issues. Land use policies and requirements and development standards, although sometimes adding costs to construction or rehabilitation, are necessary for the safety and health of residents

Key Points

The earlier sections of this analysis noted the following key points.

The Community Profile cannot identify discrimination by itself, but does point to issues of possible concern, or parts of the population that might suffer discrimination because of their numbers. The Profile observed that:

- ✓ Over one-half of the population is in the low-income categories as defined by HUD, and significant percentages of persons are living in poverty according to Census data. Affordability is a problem for a very large portion of the population, both owners and renters.
- ✓ The City has a high percentage of single parent households (predominantly female heads).
- ✓ There is a significant percentage of householders living alone, both elderly and apparently younger, thus creating a demand for smaller housing units.
- ✓ The percentage of renter households in Albuquerque is high and current economic conditions, lower income levels, and the number of smaller households may create a demand for rental units.
- ✓ The Albuquerque Housing Authority has a significant wait list for Section 8 vouchers and for public housing units, forcing low-income households to accept whatever housing is available.

- ✓ There are concentrations of these minorities across the City, especially in the Census Tracts identified as low-income.

The review of complaint and lending data from the Office of Fair Housing and Employment Opportunity (FHEO) and the Housing Mortgage Data Act, as well as a review of recent real estate publications indicated the following:

- ✓ The figures for the MSA show that White loan applicants for all types of loans constituted 80% of all loan applications for this period which is above their 69.7% of the general population. This is in contrast to Native Americans who represented 1.6% of loan applications during this period despite being 4.6% of the general population and African Americans who represent 3.3% of the population but only submitted 1.4% of the applications. Likewise, Hispanics who represent 46.7% of the population only submitted 33% of all loan applications.
- ✓ In terms of loan denial rates during this period, the loan denial rate was highest for Native Americans (31.2%), followed by African Americans (28.8%) and Race Not Available (28.7%). White applicants had the third lowest denial rate (19.0%), while Joint (White/Minority) had the lowest denial percentage of 18.6 percent.
- ✓ Compared to the overall origination percentage (57.6%), Whites, and Joint (White/Minority) applicants only slightly exceeded the norm, while other minorities were below this figure and the Race Not Available figure was the lowest percentage.
- ✓ The figures for Ethnicity (Hispanic or Non-Hispanic) indicates some disparity in loan origination and loan denial among Hispanic, non-Hispanic and Joint Hispanic applicants; the Hispanic loan origination rate is nine percentage points below that of Non-Hispanic applicants.
- ✓ The number of FHEO complaints for the period under review declined sharply after 2008.
- ✓ There was no clear sign of discrimination in the language or illustrations of housing advertising in the area's real estate publications or on line sites.

A review of Public Policy issues showed the following:

- ✓ The City is proactively addressing problems created by market conditions (high housing costs) with the resources available through its Workforce Housing Program.
- ✓ The Zoning Code, development standards and permitting processes are good and address HUD concerns, though more emphasis could be placed upon defining some of the key terms.

An analysis of the Community Survey and the focus group discussions showed:

- ✓ The community survey clearly indicated the perception that discrimination does exist in the City; the majority of Survey respondents (557) reported discrimination "sometimes"

or “often,” and 316 respondents identified specific neighborhoods in which they felt discrimination does occur.

- ✓ The means or process to report discrimination is not clear, a finding that emerged from both the survey and the focus group discussion.
- ✓ Race emerged as the leading source of discrimination in the survey and was mentioned in the focus group discussions. Family size was frequently noted in the survey, but not raised by the focus groups.
- ✓ There is a clear need for increased awareness about housing discrimination, as evidenced by the number of persons selecting the various means of outreach, but also by the extensive discussion of this need by all of the focus groups.
- ✓ Although the categories of a “history of incarceration” and “immigration status” are not among the Fair Housing protected classes, these populations are perceived as having significant barriers to obtaining affordable housing within the City of Albuquerque.

Based upon these findings, there appear to be three major impediments to fair housing in Albuquerque.

IMPEDIMENT ONE – FAIR HOUSING ADVOCACY AND OUTREACH; NEED FOR INCREASED AWARENESS, OUTREACH AND EDUCATION

At the present time, Albuquerque does not have a strong, highly visible fair housing advocacy program to provide outreach and education on fair housing issues. At the same time, there does not appear to be any well-known group or organization in the private sector that focuses on or provides assistance with fair housing concerns. Focus group discussions and survey results in particular note a lack of knowledge about fair housing law, policies, and practices. The need for on-going education, awareness, and outreach remains, especially among lower income households and minorities.

IMPEDIMENT TWO – NEED FOR INCREASED FINANCIAL EDUCATION AND OUTREACH TO TARGETED MINORITIES WHO ARE UNDERREPRESENTED IN THE HOMEOWNERSHIP MARKET

The Analysis found that Native Americans, African Americans, and Hispanics are underrepresented in the number of loan applications submitted by these populations for all home loan types. This corresponds to the data from the City’s Housing Needs Assessment which demonstrated that these populations are underrepresented among the City’s homeowner population. Additionally these same groups did have higher rates of loan denial than other groups, as noted in the analysis. The main reasons for loan denial were problems with “debt to income ratio”, “credit history”, and collateral”. Although these issues did not appear to have generated specific fair housing complaints, it does suggest that some populations may benefit from increased financial education and outreach.

IMPEDIMENT THREE – LIMITED SUPPLY OF AFFORDABLE HOUSING

Affordability is one aspect of housing discrimination and it is difficult to talk about addressing impediments to fair housing, and actions to eliminate discrimination in housing, without

simultaneously talking about development of policies, plans, programs, and projects to increase the supply of affordable housing. The City has been aggressive in attacking this problem, but the size of the issue and the limited funding available, call for continued efforts to develop affordable housing. Earlier sections of this Analysis and the Housing Market Analysis in the Consolidated Plan address the issue of affordability in detail, and the arguments and statistics will not be repeated here. Suffice to say that even moderate-income households face challenges in purchasing a home in Albuquerque, and low-income families face a significant cost burden for rental housing.

RECOMMENDATIONS AND ACTIONS

The City does have many policies and programs in place to promote fair housing and the development of accessible, affordable housing, as noted in section eight, Fair Housing Accomplishments.

However, as noted above, there are significant impediments to fair housing choice, and, based upon this analysis of issues and concerns, the following actions are recommended to address each of the identified impediments.

IMPEDIMENT ONE – FAIR HOUSING ADVOCACY AND OUTREACH; NEED FOR INCREASED AWARENESS, OUTREACH AND EDUCATION

Recommendations:

- 1) Ensure that all Fair Housing outreach and education activities are coordinated with the City's Human Rights Office.
- 2) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.
- 3) Related to the previous recommendation, ethnic, religious, and service groups should be educated about Fair Housing issues and encouraged to serve as conduits for information, questions, and complaint procedures for their membership. This will not only broaden the knowledge of Fair Housing practice in the City, but also provide more knowledge of the number and types of issues being confronted.
- 4) Update Fair Housing information regularly and adjust strategies and actions accordingly. In particular, the groups mentioned above should meet yearly or every eighteen months to review and update plans and programs.
- 5) Continue and expand efforts by City agencies, housing advocacy groups, and service organizations to inform renters and homebuyers of their rights and means of recourse if they feel they have been discriminated against.
- 6) Conduct City-led training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 7) Expand awareness efforts through school programs (e.g., poster contests, essay contests) coordinated with Fair Housing Month programs.
- 8) Integrate fair housing law and practices topics into meetings of the Affordable Housing Committee, the Albuquerque Citizen Team, and other housing/community service related committees.
- 9) Expand the role of fair housing organizations that will actively assist City residents with fair housing education and issues.
- 10) Increase the presence and visibility of fair housing information and links on the City Website Homepage and the Family and Community Services page, which should be more visible or more readily accessible.
- 11) Ensure that all Fair Housing activities are translated in appropriate languages.

IMPEDIMENT TWO – NEED FOR INCREASED FINANCIAL EDUCATION AND OUTREACH TO TARGETED MINORITIES WHO ARE UNDERREPRESENTED IN THE HOMEOWNERSHIP MARKET

Recommendations:

Consumer education and financial literacy were constant topics of discussion at public meetings and focus groups sessions and was identified as a high priority need on the Community Survey. The City should identify financial education resources and target these resources to minority populations, especially, Native Americans, African Americans and Hispanics as a way to provide increased access to affordable housing opportunities for these populations.

IMPEDIMENT THREE – LIMITED SUPPLY OF AFFORDABLE HOUSING

Recommendations:

- 1) Continue to use all available federal and state funding resources and programs to address high priority housing needs for rehabilitation, preservation, and development of affordable units.
- 2) Continue to work with community based organizations, affordable housing developers, and housing advocacy groups to increase the supply of disability accessible housing units, leveraging resources to the extent possible.
- 3) Continue to take advantage of the Neighborhood Stabilization Program resources to acquire housing units and make them affordable.
- 4) Continue and, if possible, expand housing rehabilitation programs to maintain the City's base of affordable units, both owner-occupied and rental.
- 5) Research other affordable housing programs for additional ideas and practices.
- 6) Review housing policies and practices to better understand the barriers to affordable housing opportunities for undocumented persons, and persons transitioning from the justice system.