

A photograph of a meeting room with several people seated around a table. A woman is standing at a podium in the background. The room has large windows and a flag.

Town of Normal Community Development Block Grant Program

Analysis of Impediments to Fair
Housing

Updated: 2020

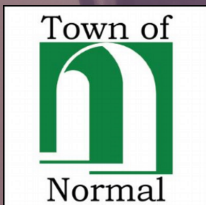


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Purpose:

The Civil Rights Act of 1968, Title VIII, commonly known as the Fair Housing Act (42 U.S.C. 3601) states that it is the policy of the United States to provide fair housing throughout the country. Each grantee that receives Community Development Block Grant (CDBG) funding under Title I of the Housing & Community Development Act is required to further fair housing and fair housing planning by conducting an analysis of impediments to fair housing choice in areas within its jurisdiction.

The Fair Housing Act protects people from discrimination when they are renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in other housing-related activities. Discrimination is prohibited on the basis of race, color, religion, national origin, sex and gender, physical or mental disability, and familial status.¹ The Illinois Human Rights Act also prohibits discrimination in housing based upon ancestry, age, military status, marital status, sexual orientation or Order of Protection status.²

Under Chapter 24 of the Town of Normal's Municipal Code, it is unlawful to make housing decisions using to race, color, religion, sex (including sexual harassment), sexual orientation, marital status, ancestry, national origin, age, disability, matriculation or familial status.³

The intent of this report is to provide a thorough and objective review of the current housing market in the community. The report aims to identify any barriers, which prevent or hinder a fair housing market in the community. The report also identifies steps the Town of Normal is currently taking to eliminate, reduce and prevent such impediments.

Along with the results of an extensive citizen and stakeholder outreach process for the purposes of the Consolidated Plan, this analysis includes an examination of demographic, economic and housing market data as they relate to housing opportunities in the town of Normal.

This report was initially created in 1989 and has been updated in 1996, 2004, 2010, 2014 and 2020.

¹ Title VIII of the Civil Rights Act of 1968 (Fair Housing Act)

² Prairie State Legal Services <https://www.pslegal.org/psls-pdf/FAIR-HOUSING-LAW-2012-revision.pdf>

³ Town of Normal Municipal Code, Chapter 24

Executive Summary:

Impediments to Fair Housing and Actions to Address Impediments

Impediments	Actions
<p>Housing Discrimination: A number of respondents to both the citizen and stakeholder surveys for the 2020-2024 Consolidated Plan identified discrimination based on income, race/ethnicity, and physical ability as an existing impediment to fair housing in Normal.</p>	<p>Beginning April 1, 2020, the Town of Normal will partner with Prairie State Legal Services to provide a new fair housing and anti-discrimination program for Normal residents. Additionally, the Town’s Human Relations Commission will continue to hear fair housing complaints and work to enforce the Town’s Fair Housing and Prohibited Practices Ordinance</p>
<p>Housing Market Conditions: The high costs of maintaining and rehabilitating renter- and owner-occupied housing in certain areas of the community is a barrier to many in Normal.</p>	<p>The Town’s annual multi-family apartment inspection program helps ensure safe, code compliant rental housing. Additionally, the Town’s new residential Emergency Repair Program and partnership with Habitat for Humanity of McLean County’s A Brush with Kindness Program will help preserve and rehabilitate income-qualified residences starting in April of 2020. Finally, the Town’s property acquisition program allows for the purchase of blighted or abandoned properties to then be developed as new, affordable housing by Habitat for Humanity.</p>
<p>Access to Housing: The high cost of owning or renting a residence in Normal makes access to housing difficult for many making less than 80% Area Median Income (AMI).</p>	<p>The Town of Normal offers a Down Payment Assistance Program to help low- to moderate-income persons purchase a home in Normal. Additionally, the Town will pursue the creation of a rental assistance program for income-qualified renters during the 2020-2024 Consolidated Plan period.</p>

<p>Supply of Income-Qualified Housing: Income-qualified housing needs in McLean County far exceed housing unit availability, and a significant number of existing income-qualified units are at risk of losing their affordability or income restrictions in the next 10 years.</p>	<p>The McLean County Regional Housing Staff Advisory Committee will continue its work of researching and tracking the number of income-qualified units throughout the county and begin reaching out to property owners to help and encourage the renewal of their subsidy and/or maintaining their low-income affordability.</p>
<p>Housing for Persons with Disabilities: During outreach for the Consolidated Plan, individuals and organizations that serve persons with disabilities frequently mentioned the need for more physically accessible housing.</p>	<p>Beginning April 1, 2020, the Town and the local chapter of AMBUCS will partner in the construction of accessibility ramps for income-qualified homeowners. Additionally, the Town will continue to pursue and support efforts that lead to the construction of universally accessible housing developments.</p>
<p>Public Perception of Affordable Housing: Outreach conducted for the Consolidated Plan illustrated that a stigma still exists surrounding affordable housing in the community.</p>	<p>The Town will continue to partner with the McLean County Regional Housing Staff Advisory Committee and area public service providers to educate the public and officials on the need for and benefits of affordable housing.</p>

Methodology:

Introduction

The Town of Normal's Planning Department is charged with the administration of Community Development Block Grant (CDBG) funds. Planning Department staff prepare all plans and reports, provide financial oversight alongside Finance Department staff, and monitor program compliance and subrecipient activities.

In an effort to look at housing and community development issues on a more regional level, the Town partnered with the City of Bloomington and the McLean County Regional Planning Commission (MCRPC) in the development of the 2020-2024 Consolidated Plan. All three agencies are members of the Regional Housing Staff Advisory Committee, which also includes representatives from the Behavioral Health Coordinating Council (BHCC), Providing Access to Help (PATH), and the Bloomington Housing Authority (BHA).

The McLean County Regional Planning Commission, in partnership with the Town of Normal and City of Bloomington, primarily used the results of the Consolidated Plan outreach process to provide the data needed for the five-year plan as well as this update to the Analysis of Impediments. The Consolidated Plan outreach process used a mixed research approach that incorporated both quantitative and qualitative methods to build a picture of McLean County's needs and priorities for housing and community development. Outreach and research activities included:

- A Citizen Survey that yielded 1,210 responses, 430 of which were from Normal
- A Stakeholder Survey of not-for-profits, governments and other organizations that provide services to populations which overlap with CDBG target populations that yielded 29 responses
- 5 stakeholder focus groups representing a wide range of issues, client populations and service providers associated with housing and community development in Mclean County.
- A public meeting for residents of Normal, which included a resource allocation activity, that was attended by 23 residents of Normal
- 2 focus groups for Illinois State University (ISU students)

The joint consolidated planning outreach process for the Town of Normal and City of Bloomington began in Fall 2018 with the development of the Citizen Participation Plan for both the Town and City and continued through July 2019. While the jurisdictions still receive separate funding allocations and submit individualized plans, conducting outreach and planning

processes jointly was a more effective use of resources and will allow for identifying any regional housing and community development priorities.

The data collection procedures used to develop the Consolidated Plan and Analysis of Impediments came together with the collaboration of the Town of Normal, City of Bloomington and McLean County Regional Planning Commission. Qualitative and quantitative data were collected via surveys, interviews, focus groups and public meetings.

Outreach Activities

Citizen Survey

The Citizen Survey consisted of seven open-ended and multiple-choice questions. The open-ended questions asked about 1) challenges faced in finding safe, sanitary and affordable housing, 2) specific neighborhoods that should be targeted for revitalization, 3) assistance that would help expand economic opportunities for low- to moderate-income persons, and 4) whether housing discrimination exists in the respondents' community. Respondents were also provided space to enter additional comments. The multiple-choice questions asked respondents to choose 1) what type of public facilities or activities they would like to see added or expanded in their community, and 2) what type of public services they would like to see added or expanded in their community.

Finally, the survey asked a series of demographic questions to provide a picture of who was responding to the survey. All told, 1,210 residents completed the survey: 430 from Normal and 774 from Bloomington.

Stakeholder Survey

In addition to the Citizen Survey, staff at the McLean County Regional Planning Commission, the Town of Normal, and the City of Bloomington conducted a secondary survey that targeted stakeholders representing not-for-profits and other organizations that provide services to populations which overlap with CDBG-eligible populations. The Stakeholder Survey asked similar questions to the Citizen Survey, but in a different format. Each survey question featured four geographical answers, from which the survey respondent could choose one: "Normal," "Bloomington," "Both," or "Neither." For each question, respondents selected which geography was most relevant. Twenty-nine stakeholders responded to the survey.

Public Meetings

After the survey period ended, MCRPC, Town and City staff held two public meetings that were open to all residents to supplement the findings of the survey. During the public meetings, staff coordinated a resource allocation activity. Each attendee was given stickers representing available CDBG funds. Attendees were asked to allocate funds to public services and public

facilities based on what they determined to be the most important and the best use of CDBG funds. Those public services and public facilities were then ranked based on the total amount allocated. The resource allocation activity provided an opportunity for residents to expand on survey results. While the resource allocation activity was an important part of the feedback gathered at the public meeting, the discussion that followed allowed attendees to explain their choices further. Not including staff, a total of 23 residents attended the Normal public meeting and 36 residents attended the Bloomington public meeting.

Stakeholder Focus Groups

Stakeholders were also given the chance to communicate directly with MCRPC, Town and City staff through a series of focus groups. Based on the results of the stakeholder and citizen surveys, as well as HUD guidelines, five different topical focus groups were held: Homelessness, Housing Programs, Services and Facilities, Health and Infrastructure. Staff gave a brief overview of CDBG regulations and procedures and discussed the results of both surveys. During the discussion, stakeholders were encouraged to elaborate on the needs and priorities they observe from the perspective of the populations they serve. A total of 40 stakeholders attended the focus groups.

Prioritization

Incorporating all feedback from these varied forms of outreach and consultation into the development of priorities for the Consolidated Plan was as complicated as it was important. To achieve this goal, the McLean County Regional Planning Commission (MCRPC) took inspiration from methods used by the McLean County Health Department in their recent Community Health Needs Assessment. Community health issues are similar to housing issues in that there are numerous, complex root causes, and not all solutions are created equal. In both cases, the range of interventions available are limited by funding availability and grant requirements, and some are impractical, ineffective, or may have unintended consequences.

To determine high, medium and low priorities over the five-year Consolidated Plan period, a prioritization matrix was created that incorporated numerical data from the surveys, public meetings, focus groups and interviews. Priorities were then rated on a numeric scale (1-4) based on three criteria—Dependence, Intent, and Effectiveness. See the 2020-2024 Consolidated Plan's Appendix for a full explanation of the Prioritization Method.

Community Overview:

Population

The Town of Normal has seen significant population growth within the last 50 years, from a population of 13,357 in 1960 to 52,497 in 2010.⁴ According to the latest 5-year population estimates from the American Community Survey (ACS), Normal's population is 54,808.⁵

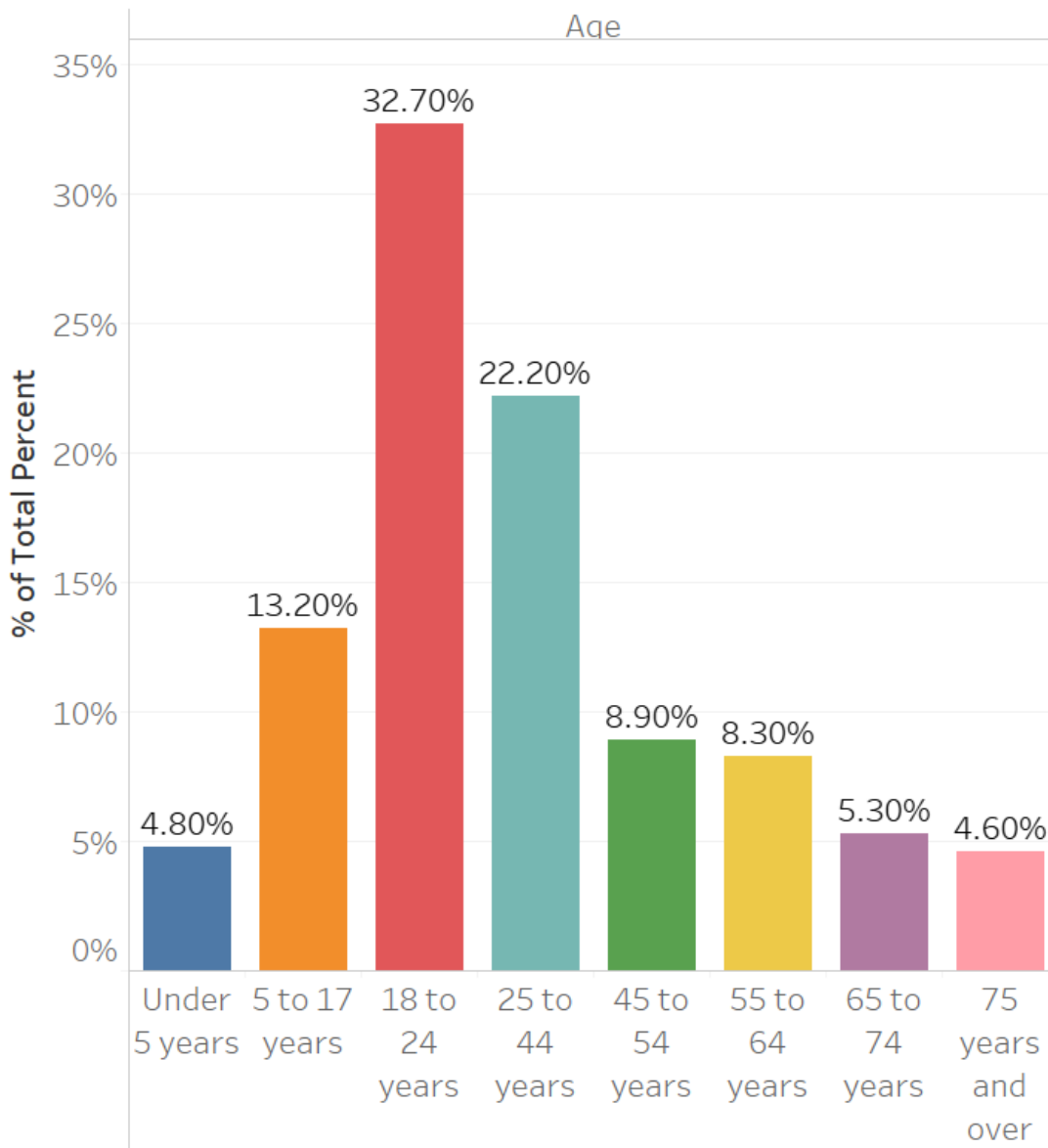
Age

As is true of many college towns, Normal has a proportionately high population of young adults 18 - 24 years of age. According to the latest estimates from the US Census Bureau, nearly 33% of Normal's population is between the ages of 18 and 24, followed by 25 - 44-year-olds at 22% of the population.

⁴ US Census Bureau, Decennial Census

⁵ American Community Survey 2013-2018 5 -Year Estimates, Table DP05

Age

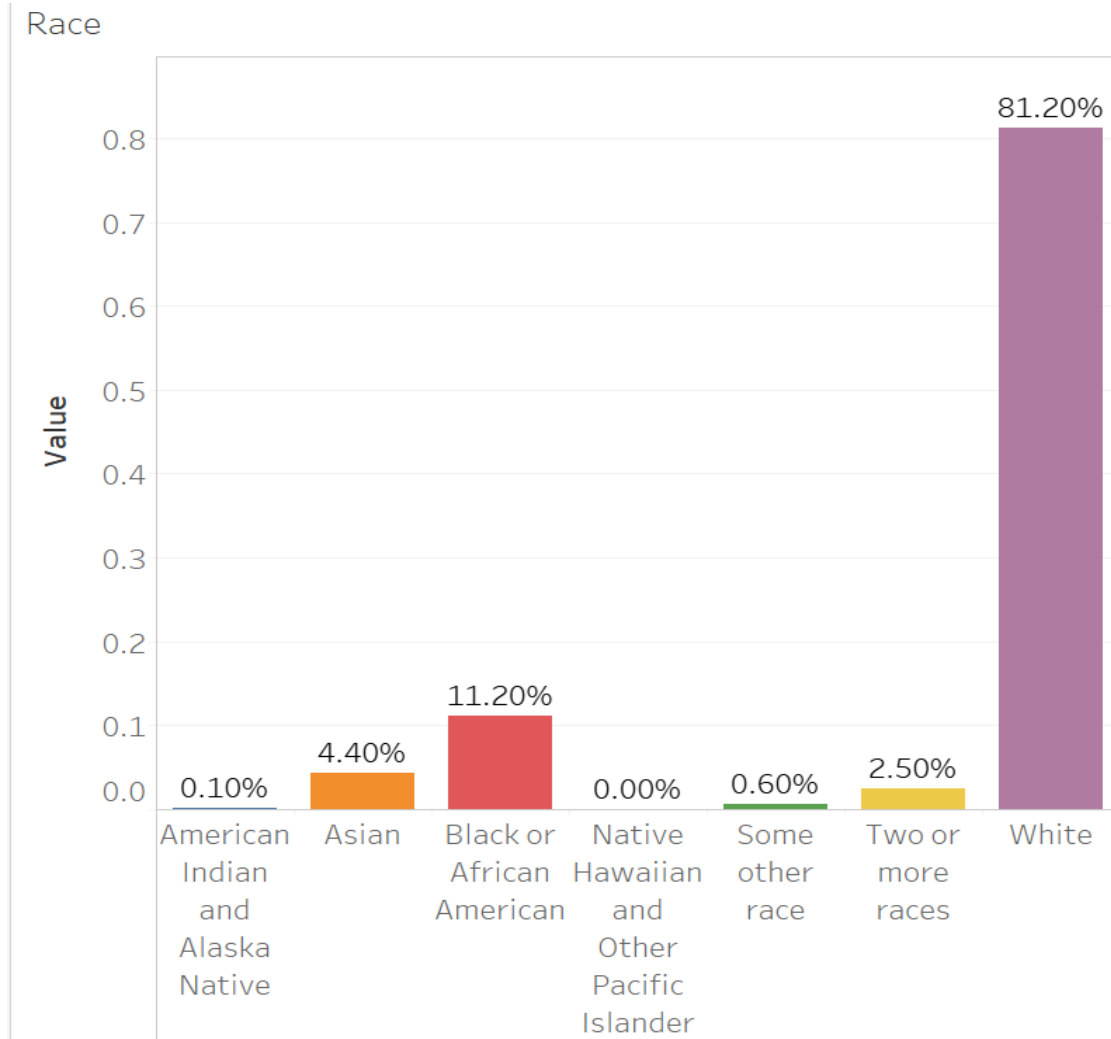


American Community Survey 5-Year Estimates (2013-2018)

Despite the relatively young population, Normal's senior population is growing. The senior dependency ratio grew from 11% in 2006 to 13.7% in 2018.

Race and Ethnicity

The Town of Normal is predominantly White, but the population is increasingly becoming more diverse. In 2010, approximately 85% of Normal residents were White, but that fell to 81% by 2018.⁶ The Black population is the second largest racial group in Normal, growing from 8.4% of the population in 2010 to 11.2% in 2018.⁷ Around 5% of the population is of Hispanic or Latino origin.⁸



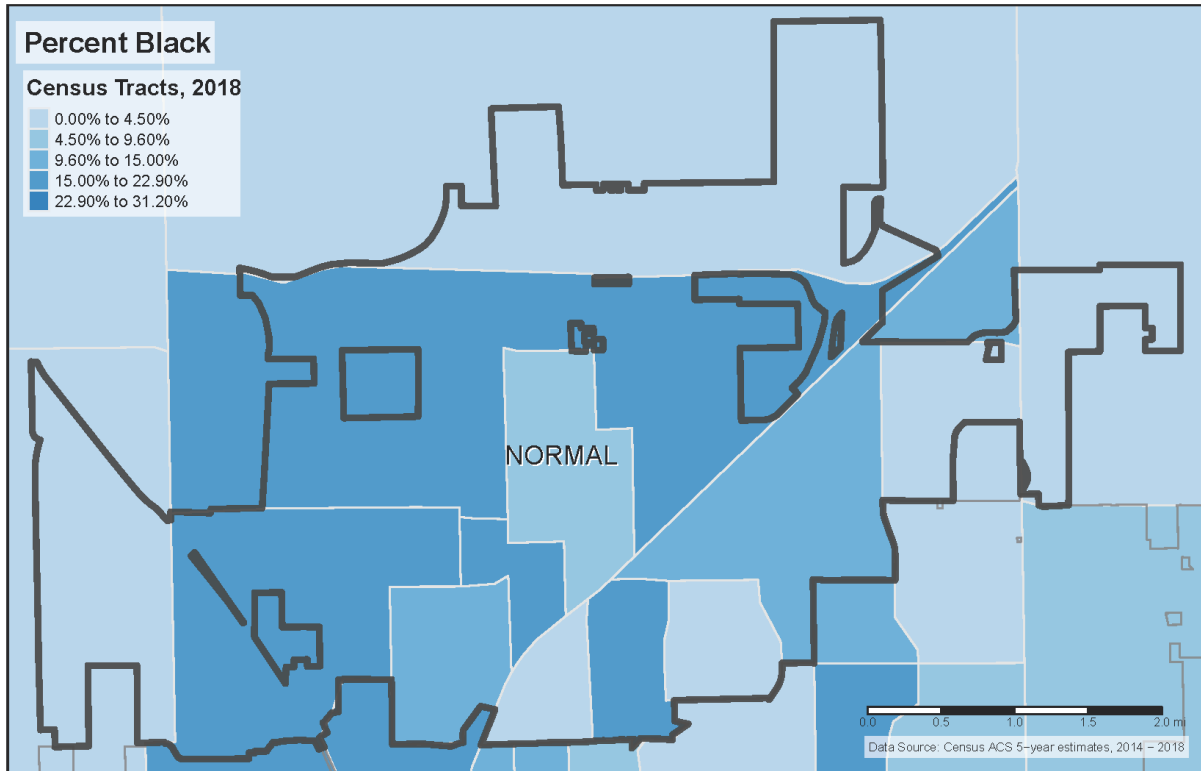
American Community Survey 5-Year Estimates (2013-2018)

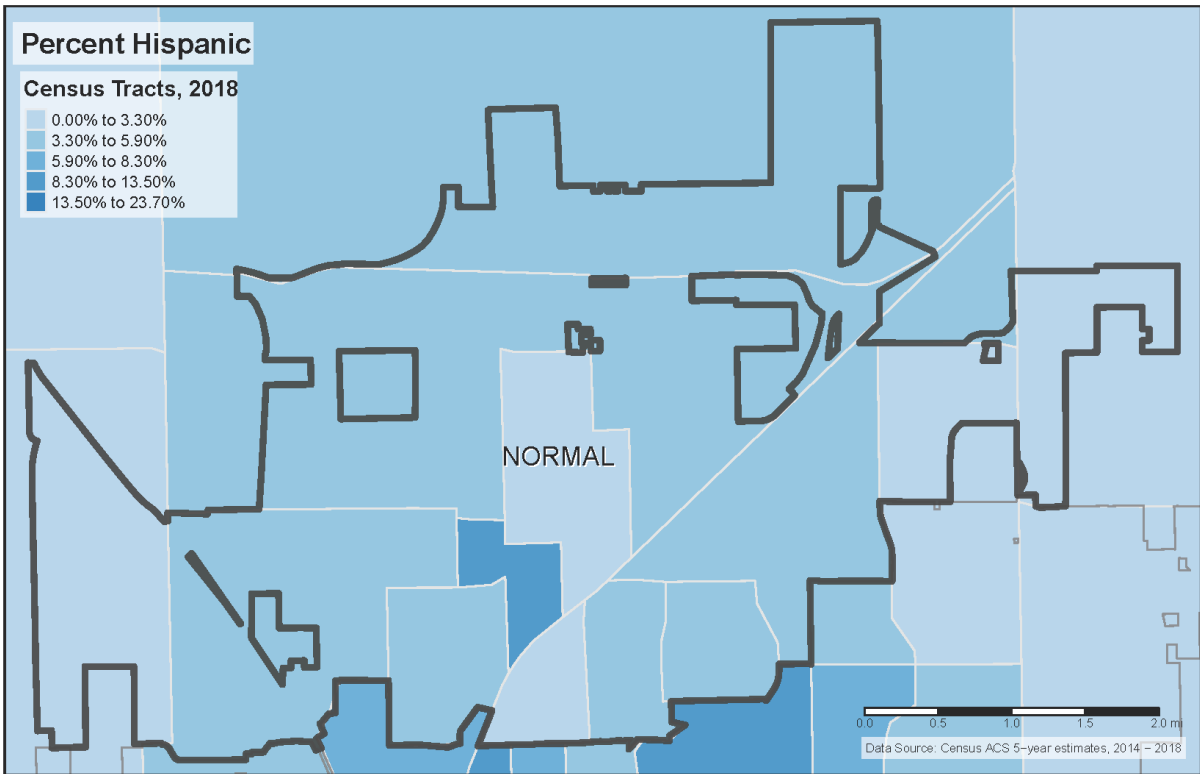
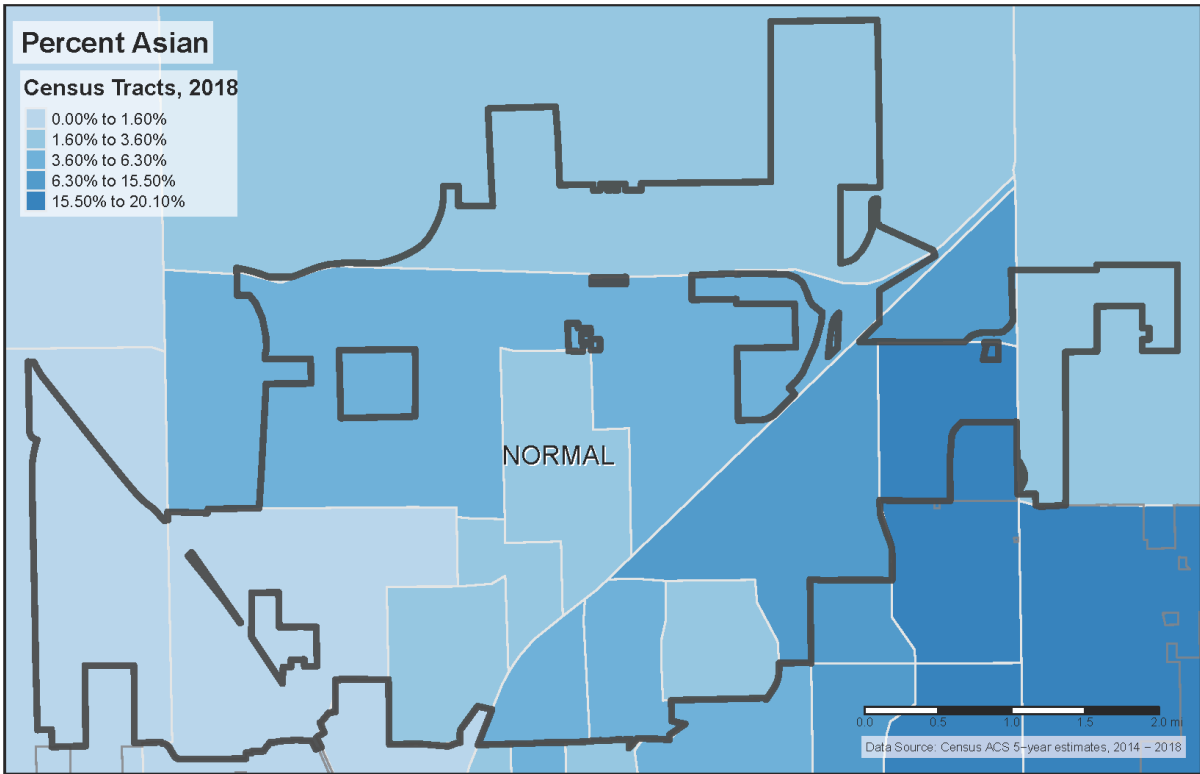
⁶ American Community Survey 5-Year Estimates (2013-2018)

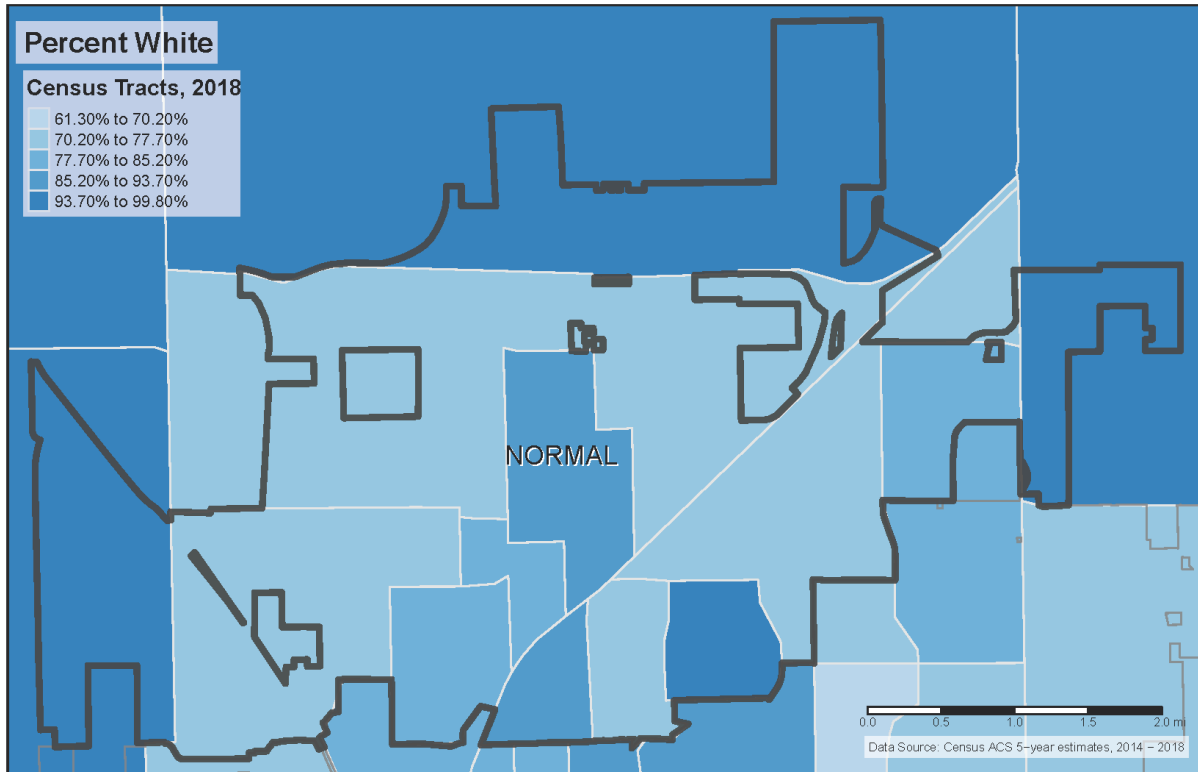
⁷ US Decennial Census 2010; American Community Survey 5-Year Estimates (2013-2018)

⁸ American Community Survey 5-Year Estimates (2013-2018)

As shown on the following maps, Black residents are primarily concentrated in the West part of Town, Asian residents are concentrated in the East, Hispanic residents are concentrated in the ISU area, and White residents are concentrated on the outer edges of the Town.







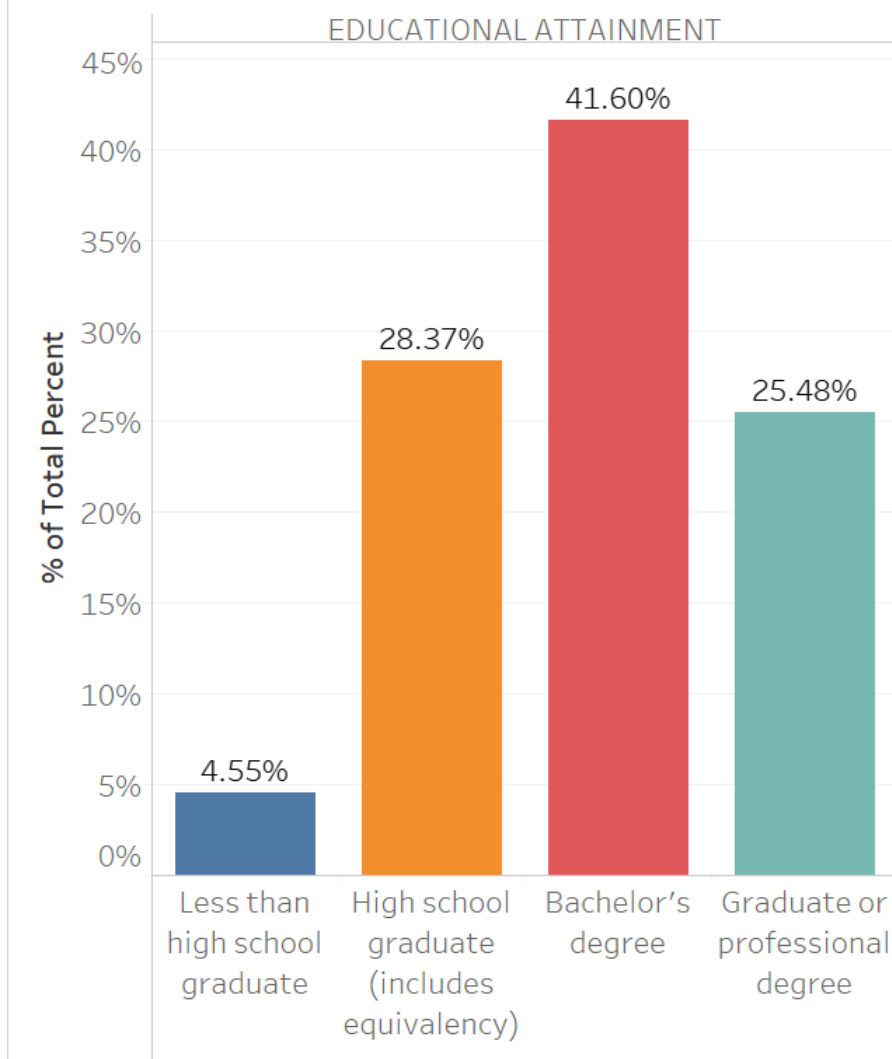
American Community Survey 5-Year Estimates (2013-2018)

Education and Employment

Normal is the home of three institutions of higher education: Illinois State University, Heartland Community College, and Lincoln College. As a result, it is estimated that over 20,000 of its residents are students enrolled in a college or university. This significant portion of Normal’s population influences the community’s demographic, economic and social makeup. The presence of these institutions also contributes to the relatively high percentage of the population with at least a bachelor’s degree (41%) compared to the overall population of Illinois (21%).⁹

⁹ American Community Survey 5-Year Estimates (2013-2018)

Educational Attainment

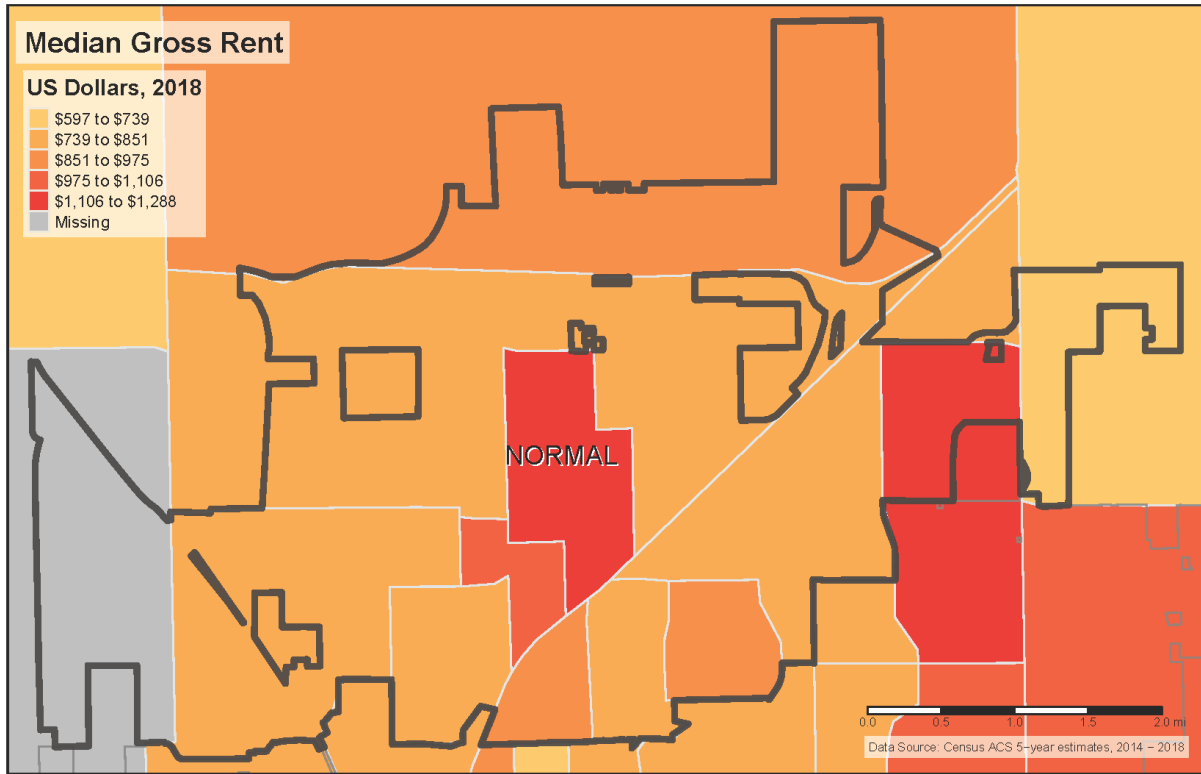


The community also benefits from the presence of several large, relatively stable employers. The top employers in the metropolitan area include State Farm Insurance Companies, Illinois State University, COUNTRY Financial, Unit 5 Schools, Advocate BroMenn Medical Center, and OSF St. Joseph Medical Center. The unemployment rate in McLean County continues to be one of the lowest among central Illinois counties. The November 2019 unemployment rate in McLean County was 3.1% (not seasonally adjusted).

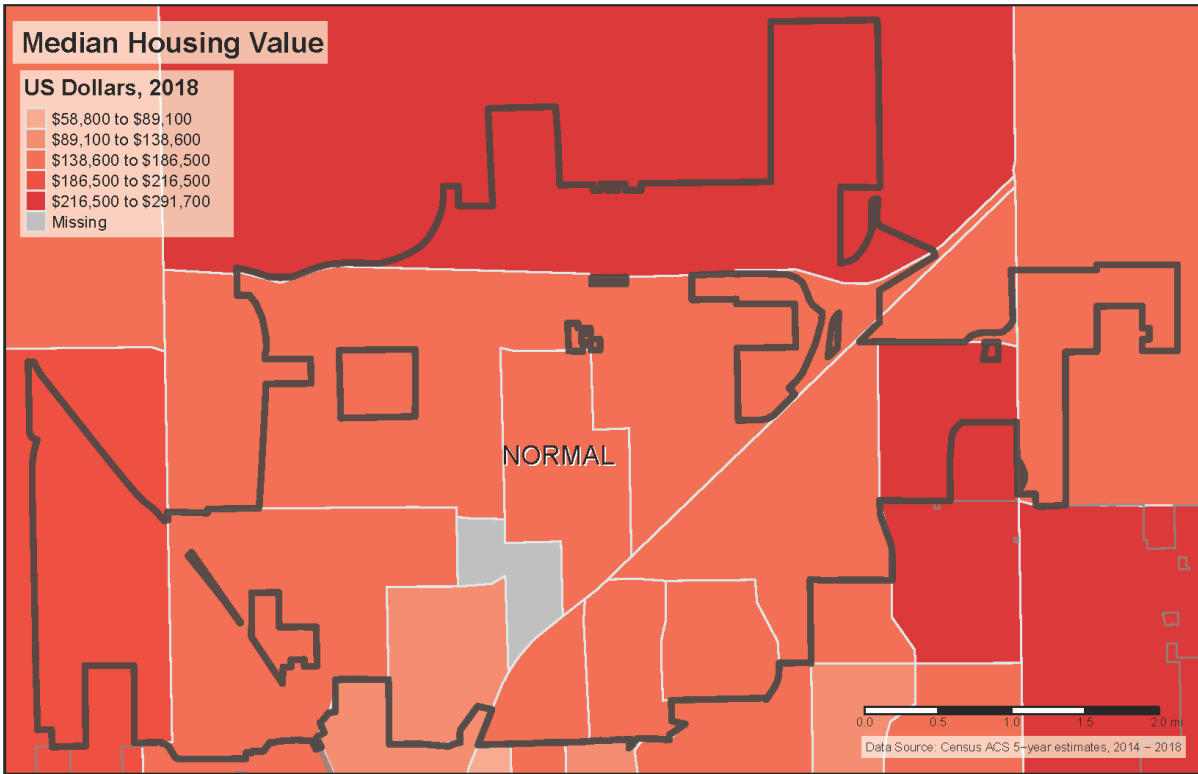
Local Housing Statistics:

The Regional Housing Study, completed in 2017, provides a general overview of the housing market in McLean County. The study found that McLean County is generally overbuilt, meaning that there is more housing than can be absorbed. Approximately two-thirds of McLean County housing units are single-family structures. While comparing the number of housing units to the number of households provides a general overview of how supply and demand are in balance, there are other factors that indicate whether there is a need for additional housing. Some households desire a new house, even if there are an adequate number of existing units from which to select a dwelling. The existing available housing may be largely for rent when households are looking for a unit to purchase, or the sizes of the houses available may be too large or too small for the households seeking housing. An analysis of the housing stock in McLean County indicates that between 2000 and 2010, the number of housing units with three or more bedrooms increased by more than 10,300, while the County added only 2,500 households with three or more persons. In contrast, the County added about 5,500 one- and two-person households but only 2,500 housing units with zero to two bedrooms. About 62% are single-family detached units, and 4.5% are attached. Mobile homes make up another 4% of the units. As households shrink in size, they generally shrink their demand for the size of their housing unit as well. Households are having fewer children, and there is an aging population, both of which contribute to a shrinking average household size. Therefore, there will be a stronger need for smaller housing units in the future.

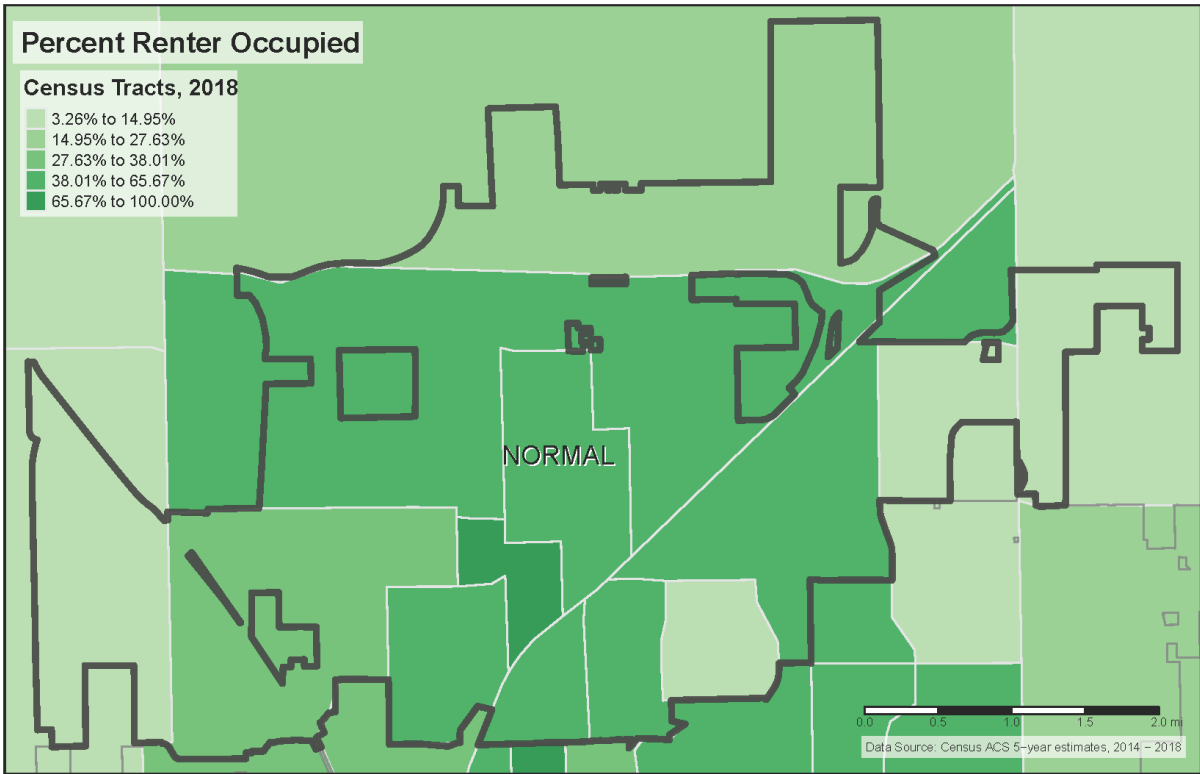
Between 2010 and 2018, the median rent grew by 21%. According to the American Community Survey (ACS) 2013-2018 5-Year Estimates, the median gross rent in the Town of Normal is \$854. However, as seen in the map below, some areas of Town are more expensive than others.



Between 2010 and 2018, the median home value (owner-occupied) grew by nearly 9%, as opposed to rent growth of 21%. The median home value (owner-occupied) is \$169,700, according to the 2013-2018 ACS 5-Year Estimates. As with median rents, median home values differ throughout the jurisdiction.



The Town of Normal has a relatively low percentage of owner-occupied housing units (54.7%) as compared to similar jurisdictions. This is mostly due to the large student population at ISU who primarily reside either on campus or rent a unit nearby.



Analysis of Potential Impediments to Fair Housing:

Housing Discrimination

The Citizen Survey posed a series of single choice and open-ended questions that asked respondents about their ability to find safe, sanitary and affordable housing in their community (Normal) and if they believe that housing discrimination exists. Analysis of this data helps identify certain factors as real, perceived or potential impediments to a fair housing climate in the Town of Normal.

Respondents were asked the question, “Are you able to find safe, sanitary and affordable housing in your community?” Roughly 80% of respondents said “Yes,” and 20% said “No.” However, those percentages look differently based on different demographics of respondents. Among the 20% who said they have difficulty finding safe, sanitary, and affordable housing, the following groups responded at a higher rate than the 20% average:

- African American: 34%
- 18-24 Age Group: 29%
- 65+ Age Group: 24%
- Homeless: 100%
- Renters: 30%

Respondents were then asked to elaborate on the challenges they have faced in finding safe, sanitary and affordable housing. The question was open-ended, and responses were tagged by keywords in order to discover which challenges were mentioned most often. The most common answer to this question was general “Affordability,” followed by “Neighborhood/Safe Area” and “Lack of Supportive Housing for Persons with Disabilities.” Both the 55-64 and 65+ age brackets ranked “Lack of Supportive Housing for People with Disabilities” first. Renters ranked “Cleanliness” third, whereas owners ranked it seventh.

Respondents were also asked, “Do you believe housing discrimination exists in your community?” 143 respondents (about 33%) said “No,” 124 (about 29%) said “Yes,” 57 (about 13%) replied “Don’t Know,” and the rest did not reply. Similar to the first question asked regarding respondents’ ability to find safe, sanitary and affordable housing, responses are different based on demographics.

- African Americans ranked “Yes” (11) higher than “No” (6).
- The 18-24 age group ranked “Yes” (19) much higher than “No” (7).

- Females marked “Yes” higher (80 “Yes,” 63 “No”), but males marked “No” higher (37 “Yes,” 70 “No”).
- Homeowners marked “No” much higher (116 “No,” 69 “Yes”), but renters marked “Yes” higher (21 “No,” 43 “Yes”).

Respondents were asked to elaborate further on what types of discrimination they have faced or believe exist in the community. The question was open-ended, and responses were tagged by keywords in order to discover which types of discrimination were mentioned most often. The top answer to this question was general “Income Based Discrimination,” followed by “Discrimination Against Minority Groups” and “Possibly but Have Not Personally Experienced It.” Renters ranked “Discrimination Against Minority Groups” much higher (first) than owners (fourth).

The stakeholder survey also asked respondents which populations they believe are having difficulty finding affordable housing in Bloomington-Normal. The highest-ranked answer among stakeholders was “Persons with Disabilities.” Stakeholders indicated that this is an issue in both Bloomington and Normal. Other populations identified included “Registered Sex Offenders,” “Formerly Incarcerated,” and “Low Income populations.”

From these responses, it is evident that some of the potential impediments to fair housing impact certain demographic groups more than others.

In addition to feedback received from the outreach process, fair housing complaints made to the Illinois Department of Human Services (IDHS) can help identify fair housing issues in the community. According to information submitted to IDHS, there have been 21 fair housing complaints in the Town of Normal between 2010 and 2019. The basis of the complaints are as follows:

- Disability - 12 complaints
- Marital Status - 2 complaints
- Race - 4 complaints
- Sex - 2 complaints
- Basis Not Available - 1 complaint

Housing Market Conditions

Many of the responses to the questions on the Citizen survey related to subpar conditions of rental units. One of the most prevalent barriers to residential investment in McLean County is low average market values in certain areas of the community. Many existing homes, both owner- and renter-occupied, in these areas are not in great condition and require significant

investment in order to make them liveable. Due to low market values, however, the investment required to purchase and improve the property is much higher than what the property will be worth after improvements. Market conditions such as this deter potential homeowners from purchasing in these areas, as well as deter property owners from making improvements to properties they own. Although there are fewer areas in Normal, specifically, that experience this reality, the high costs of maintaining or rehabilitating older, naturally affordable housing is a significant consideration that often becomes a barrier.

Market conditions of supply and demand certainly influence housing and rental prices. The for-sale housing market rapidly expanded in the early part of the 2000's. Even though supply increased substantially, the average housing prices of both new and used homes grew at a steady rate. However, according to the most recent report from the Bloomington-Normal Association of Realtors (2019), the local housing market has slowed down. Real estate agents identified low inventory as the main cause of the slow down. While average prices increased 3.4% statewide, the average price for a home sold in Bloomington-Normal remained the same. The number of newly built homes sold in 2019 fell to 49, down 43% from 2018.¹⁰

In the rental market, supply has increased, especially in the areas surrounding Illinois State University (ISU). In the last decade, the private market has increased supply in response to the University's closure and demolition of a number of on-campus residential developments of substantial size. Numerous student-orientated housing developments have been constructed in just the last five years. Much of the older, relatively small student-oriented apartment buildings have been targeted for redevelopment as larger, more high-end residences. Rents in these newer buildings are increased, as these facilities often offer more desirable furnishings and amenities. However, in the last year, Illinois State University announced that they will be building a new on-campus housing complex that will add up to 1,200 beds for freshmen and sophomores. This new development will likely have an effect on the newer off-campus housing and other rentals in the areas that primarily serve college students.

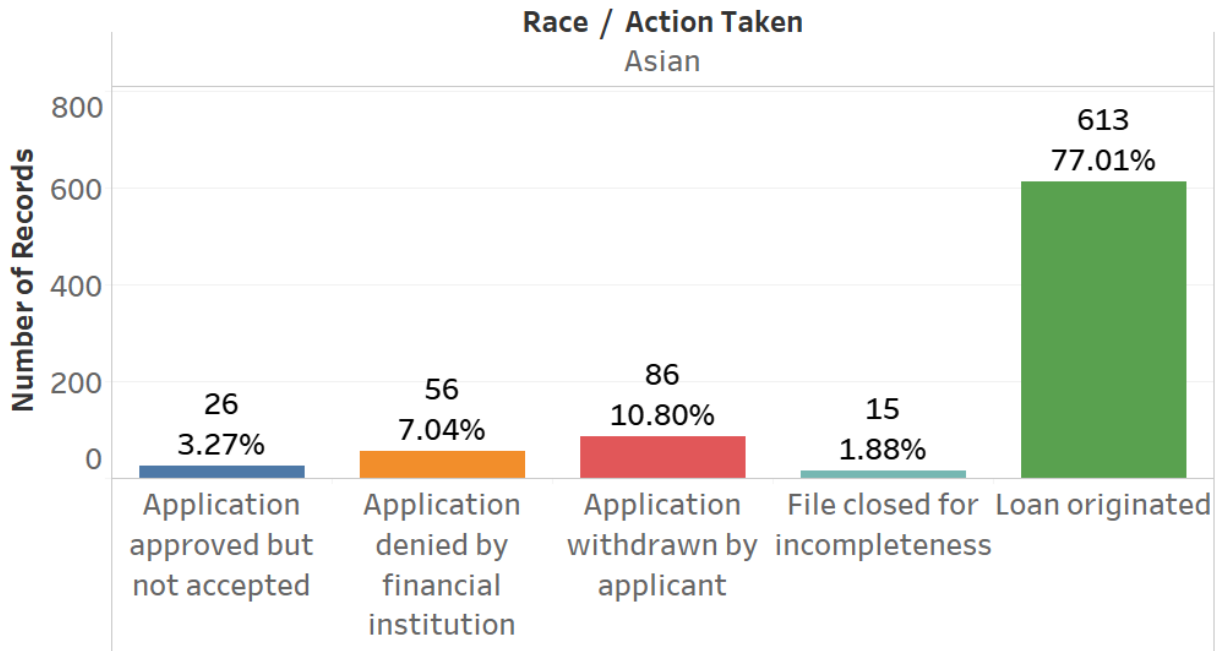
Access to Housing

One of the greatest Impediments to purchasing a home is a lack of access to mortgage credit. While numerous financial institutions in the area offer mortgage products, many potential buyers are unable to access them due to low credit scores, bad debt-to-income ratio, etc. Through the Home Mortgage Disclosure Act, banks are required to report their mortgage activity on a yearly basis. The following chart represents the actions taken on mortgage

¹⁰ <https://www.wglt.org/post/sales-slow-prices-flat-b-n-housing-market-2019>

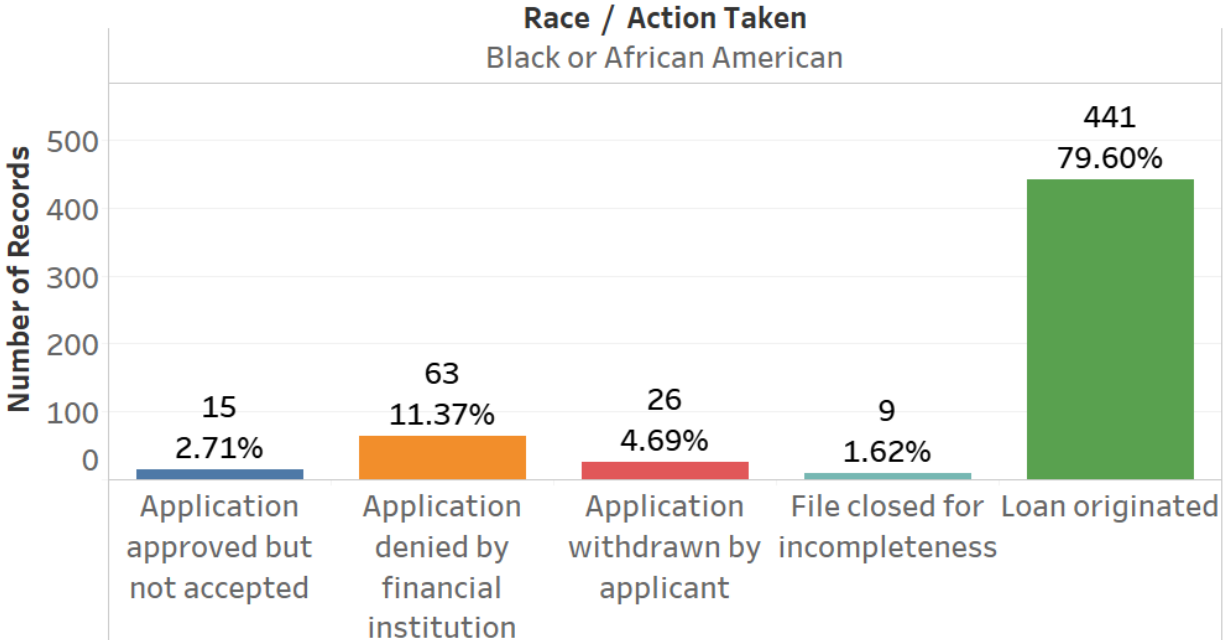
applications (home purchase only) in McLean County between 2010 and 2017 by selected races.¹¹

Asian

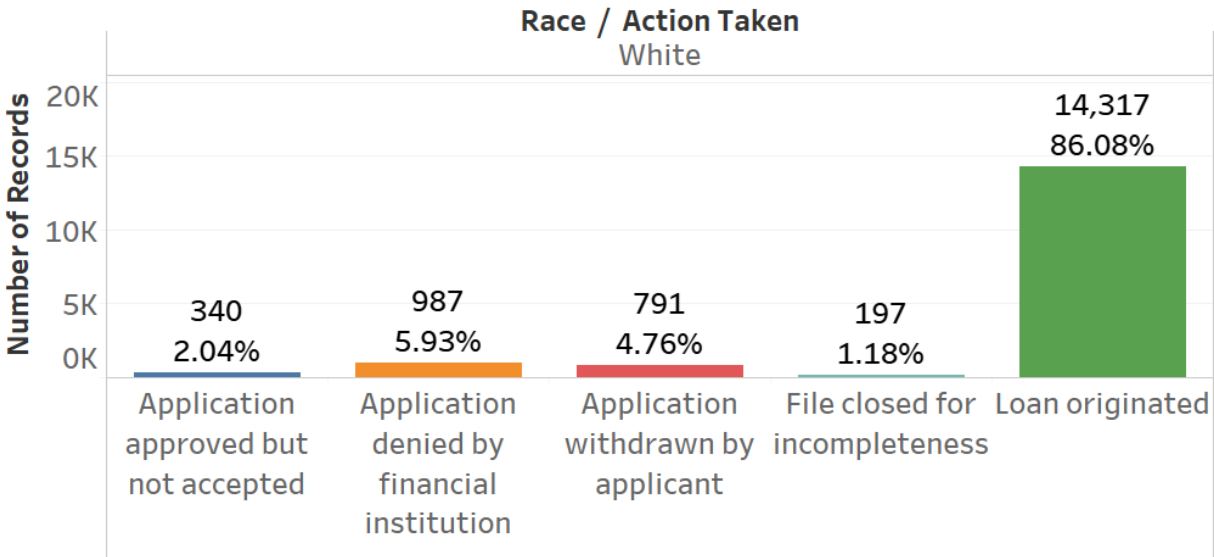


¹¹ Home Mortgage Disclosure Act (HMDA) data is reported to, and was sourced from, the Consumer Financial Protection Bureau. The data analyzed here includes mortgage applications for one-to-four-unit family dwellings (other than manufactured housing), owner-occupied as a principal dwelling where primary applicants identified a race between 2010-2017 in McLean County. Co-applicant race was not included due to the number of variables that would add. Data from 2018 was not included because the reporting format and variables changed, disallowing an analysis of multi-year data.

Black or African American



White



Of applicants who reported their race, Whites were most likely to have their loan originated (86.08%), followed by Black or African Americans (79.6%), then Asians (77.01%). However, Black or African Americans were most likely to have their application denied (11.37%), followed by Asians (7.04%), then Whites (5.93%).

The following table shows the number and percentage of mortgage applications (all actions taken) by race and the number and percentage of householders in McLean County that identify as that race alone.

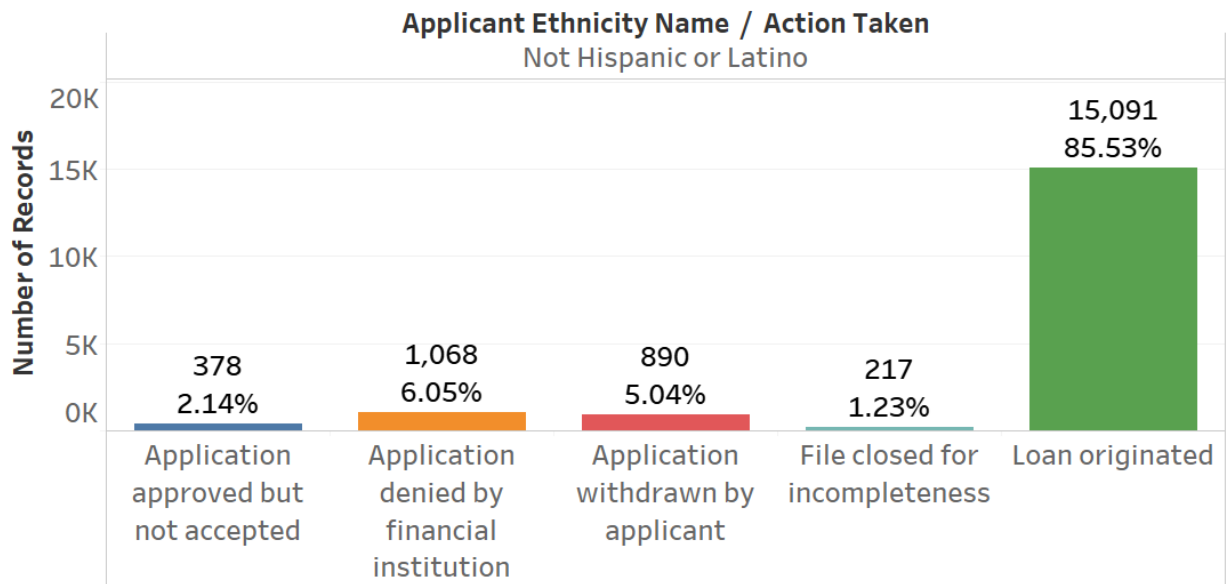
Race	Householders (ACS 2013-2018 5-Year Estimates)	% of Total Householders	Number of Mortgage Applications (HMDA 2010- 2017)	% of Mortgage Applications
White	56,568	87.05%	1,6632	92.17%
Black	5,156	7.93%	554	3.07%
Asian	3,182	4.9%	796	4.41%
(American Indian or Alaskan Native) *	80	0.12%	42	0.23%
(Native Hawaiian or Other Pacific Islander Alone) **	0	0	21	0.12%

*American Indian or Alaskan Native Alone and Native Hawaiian or Other Pacific Islander Alone are included for reference. They were not included in the analysis of mortgage applications action taken due to low numbers that preclude a meaningful analysis.

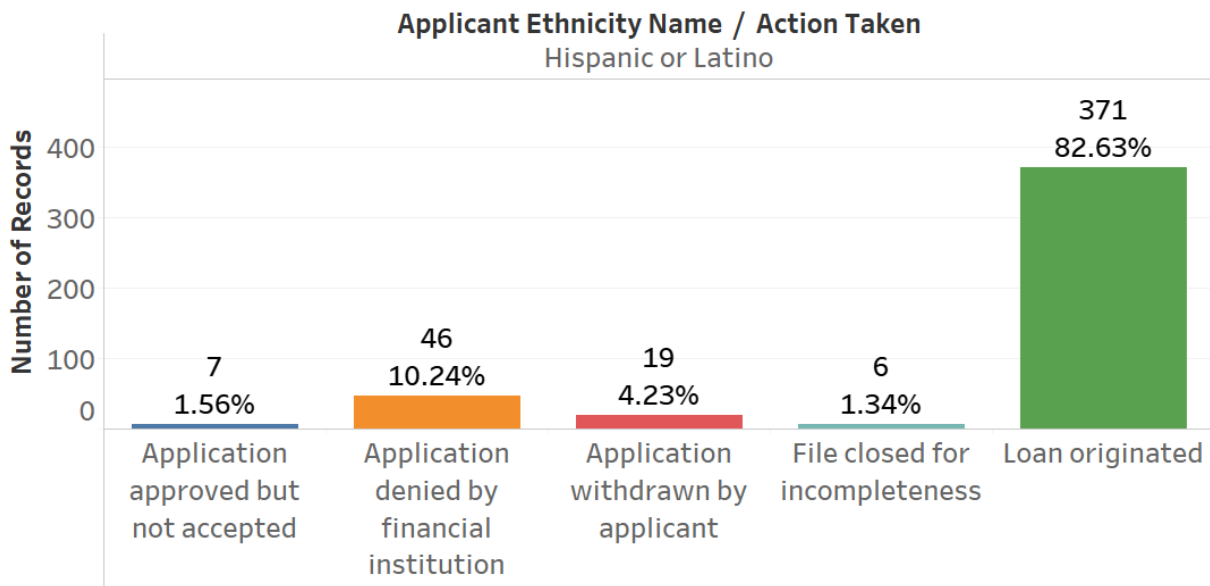
**The reason Native Hawaiian or Other Pacific Islander Alone shows a population of '0' is potentially due to the fact that the American Community Survey (ACS) is sent out randomly each year and may not have been sent to any households identifying as such during that time.

The Home Mortgage Disclosure Act data separates ethnicity from race. Of applicants who reported their ethnicity, those who identified as Not Hispanic or Latino were slightly more likely to have their loan originated (85.53%) than those who identified as Hispanic or Latino (82.63%). There was also a slight difference in the rates of application denials, with 6.05% of applications by those who identify as Not Hispanic or Latino denied and 10.24% of applications by those who identify as Hispanic or Latino were denied.

Not Hispanic or Latino



Hispanic or Latino



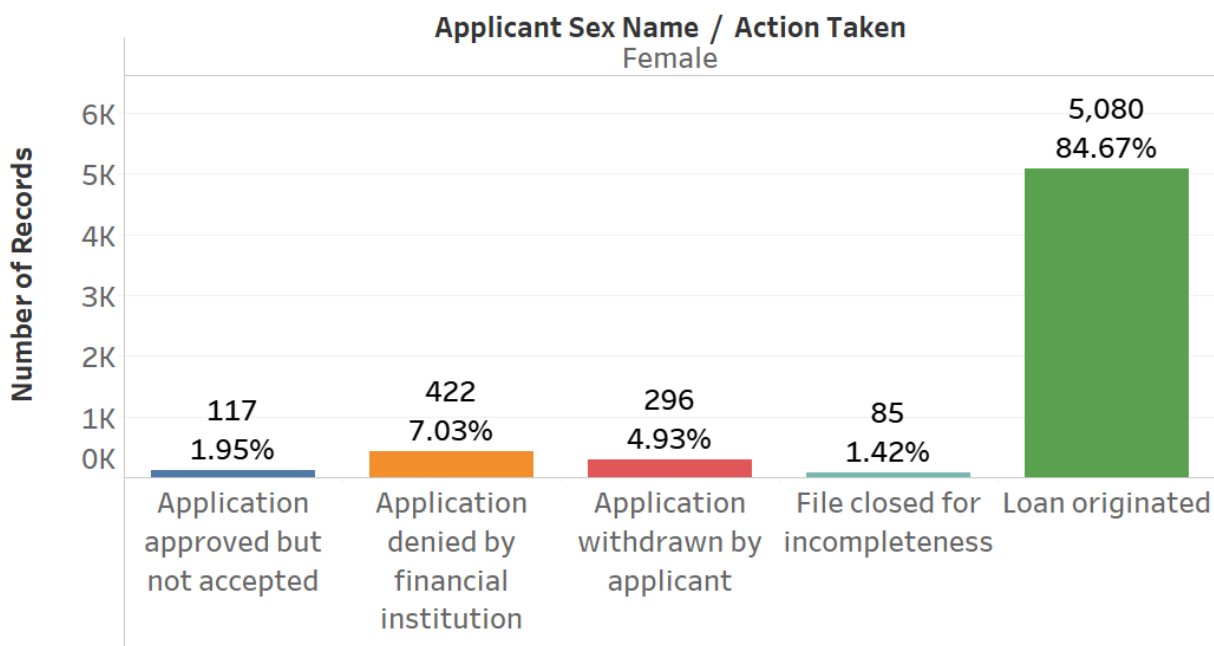
The following table shows the number and percentage of mortgage applications (all actions taken) by ethnicity and the number and percentage of householders in McLean County that identify as that ethnicity. Data for ethnicity of householder in McLean County comes from the 2010 Census, as that data is not collected through the annual American Community Survey (ACS).¹²

¹² Ethnicity of the population of McLean County is collected through the ACS, but this number includes children who are too young to be a householder. Thus, the data would not be comparable to the ethnicity of mortgage applicants.

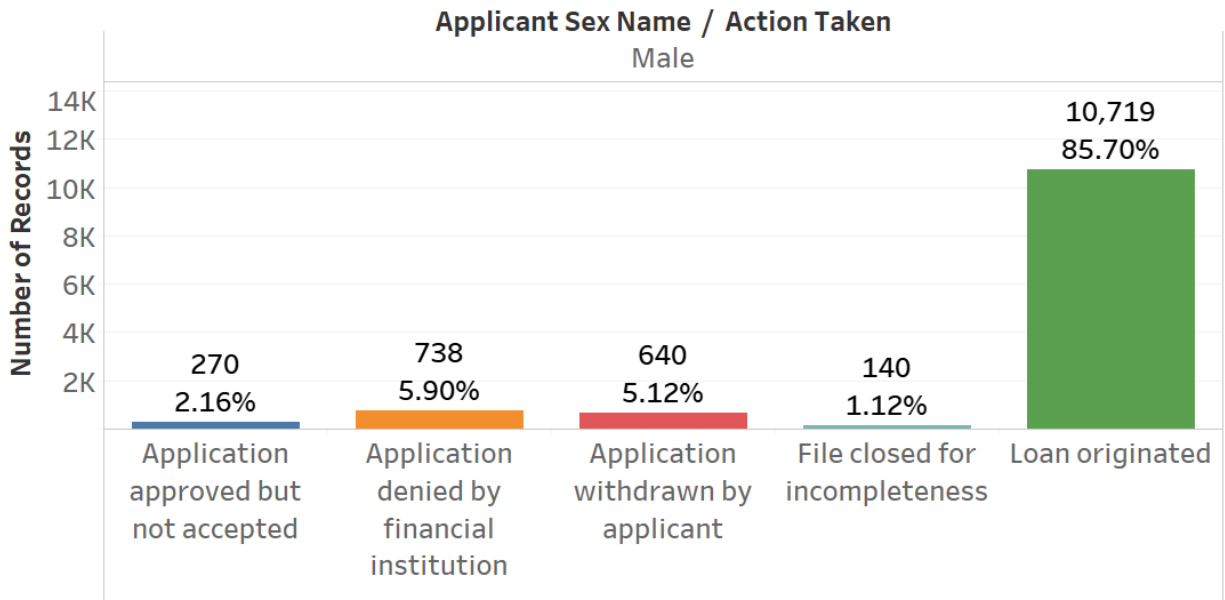
Ethnicity	Householders (2010 Census)	% of Householders	Number of Mortgage Applications	% of Mortgage Applications
Hispanic or Latino (of any race)	1,872	2.88%	449	2.48%
Not Hispanic or Latino	63,232	97.12%	17,644	97.52%

The following charts represent the actions taken on mortgage applications (home purchase only) in McLean County between 2010 and 2017 by gender for applicants that identified a gender.

Female



Female



Of applicants that reported their gender, there was little difference in the rates for actions taken. Male applicants had their mortgage applications originated at a rate of 85.7%, while female applicants had their applications approved at a rate of 84.67%. Male applicants had their applications denied at a rate of 5.9%, while females had their applications denied at a rate of 7.03%.

Based on 2011-2015 CHAS data, approximately 31% of households in Normal are experiencing high housing cost burdens, housing costs greater than 30% AMI. Of those with high housing cost burdens, 42% are experiencing costs greater than 30% AMI, and 58% have cost burdens greater than 50%. Of households with cost burdens greater than 30% AMI, roughly 82% are Caucasian, followed by 7% Black/African American and 8% Hispanic. The similar breakdown among households with cost burdens greater than 50% AMI experiencing disproportionately greater need. Approximately 79% are Caucasian, 14% are Black/African American, and 5% are Hispanic.

Each year the National Low Income Housing Coalition publishes a report titled “Out of Reach” that documents the gap between renters’ wages and the cost of rental housing across the United States. The report’s central statistic, the Housing Wage, is an estimate of the hourly wage a full-time worker must earn to afford a modest rental home at HUD’s fair market rent (FMR) without spending more than 30% of his or her income on housing costs, the accepted standard of affordability. The 2019 report found that a worker making minimum wage (\$8.25/hour) in McLean County would need to work 85 hours a week in order to afford a modest one-bedroom rental at fair market rent. The annual income needed to afford a two-bedroom rental is \$33,840 (National Low Income Housing Coalition, Out of Reach 2019: Illinois).

Supply of “Income-Qualified” Housing

While data from the American Community Survey (ACS) and other national data sets are informative, local planning initiatives and results of outreach efforts form the core of the Needs Assessment. A regional housing study, BN Home (October 2017), identified housing needs for the diverse populations of Bloomington and Normal, while providing guidance on housing policy to municipal officials, social service providers, housing authorities, homeowners, realtors, developers, management companies, and other stakeholders.

As a result of this study, the Regional Housing Advisory Committee completed research and published a variety of white papers on issues related to affordable housing in McLean County. One such white paper examined the different types of “income-qualified” housing in McLean County, quantifying the availability of those units and comparing that to the need for such units based on household income brackets. Income-qualified housing refers to rental housing units designated for households making less than 80% of the area median income; tenants in these programs must be “income-qualified.” In McLean County, income-qualified housing includes Low Income Housing Tax Credit (LIHTC) units, Project Based Section 8 Rental Assistance (PBRA) units, USDA Section 515 Rural Multifamily Housing units, Public Housing units and Section 8 Housing Choice Voucher units. This research found that only 14% of occupied rental units in McLean County are income-qualified, while nearly 72% of households that rent in McLean County qualify for housing units or vouchers restricted to 80% AMI and approximately 53% of them qualify for units restricted to 50% AMI. Additionally, the white paper examined the affordability requirements and subsidy expirations tied to income-qualified units and found that in the next 10 years, 625 of 1,721 total LIHTC units will reach their 30-year expiration and face a potential loss of affordability or income restriction. In the next 10 years, 266 out of 640 total PBRA units will reach the end of their current contracts and face a potential loss of affordability in the form of income-restricted units. Some of these units are also assisted by LIHTC and would maintain LIHTC affordability after the PBRA contract ends. Of those 266 units, about half are located in Normal. In the next 10 years, 27 of 117 USDA Section 515 units will reach their loan maturation date and face a loss of affordability or income restrictions. Some of these units are also assisted by LIHTC and would maintain LIHTC affordability after the Section 515 contract ends. None of these units are in Normal.

The key points of this research are that income-qualified housing needs in McLean County far exceed housing unit availability, and a significant number of existing income-qualified units are at risk of losing their affordability or income restrictions in the next 10 years.

Housing for Persons with Disabilities

During stakeholder outreach for the Consolidated Plan, organizations that serve persons with disabilities frequently mentioned the need for more physically accessible housing and that universal design can meet the needs of many special populations. More integrated housing (group homes within traditional neighborhoods) was also mentioned, along with a need for group housing with 24/7 support services for certain populations. Additionally, parents of teens and young adults with autism expressed a need for autism-friendly supportive housing for their children, especially as they become incapable of providing for the care themselves. Service providers also identified a gap in supportive services for youth with disabilities. Another need that was continually brought up by stakeholders in the Focus Groups was the need for additional employees to provide supportive services. Providers also expressed fear that the impending increase of the minimum wage to \$15/hr. in Illinois could negatively impact the number of supportive services that organizations, especially nonprofits, will be able to provide.

Respondents to the Citizen Survey also expressed a need for expanded housing for persons with disabilities in the community:

“Individuals with disabilities (specifically those with autism) who need support have limited to no options available to them. They need varying levels of support, access to services, in-home accommodations.”

“Twin sons with developmental disabilities including autism face challenges in finding appropriate, affordable, group home housing in McLean County. Waiting lists are too long, particularly for low functioning adults like them.”

“Our daughter is special needs and will require support in a group home. There is limited housing of this type available and PUNS funding has an extensive waiting list.”

Perception of Affordable Housing

Through the outreach conducted for the Consolidated Plan, it was evident that a stigma still exists surrounding affordable housing in the community.

Feedback indicated a shortage of landlords that are willing to rent to people with poor credit, unfavorable rent history, or criminal background. Additionally, it is difficult for people with housing choice vouchers to find landlords willing to rent to them. Comments received through the Citizen Survey reflect these challenges:

“Some landlords won't rent to you if you say you have a housing voucher.”

“Unwillingness to rent to people with subsidized housing”

“They won't rent to people with backgrounds.”

“Some students are not able to sign leases based on their credit score.”

Actions Intended to Eliminate Impediments:

The impediments identified in this analysis present current or potential barriers to fair and affordable housing in the Town of Normal. The Town intends to continue many of its meaningful efforts in eliminating these impediments and to undertake a number of new initiatives aimed at improving equitable, safe, and affordable housing throughout the community. Strategies and actions meant to combat each identified impediment are outlined below.

Housing Discrimination

As previously described, respondents to the Citizen and Stakeholder surveys identified various forms of housing discrimination as a potential impediment to fair housing in the Town of Normal. The Citizen Survey specifically asked respondents whether they believed housing discrimination exists in our community. In Normal, 33% of respondents said “No,” but the remaining two thirds replied “Yes” or were unsure. A deeper dive into the data collected reveals that a sizeable majority of low- to moderate-income respondents believe that it does exist (or are unsure). Additionally, the majority of African Americans respondents, persons between the age of 18 and 24, and renters all responded “Yes” to the question.

Considering this information, the Town intends to start a new partnership with the Bloomington-Normal office of Prairie State Legal Services (PSLS) for the offering of a fair housing program for Normal residents. Beginning on April 1, 2020, this program will provide income-qualified residents with an avenue to obtain legal advice for housing discrimination and other unlawful housing practices. This program will greatly bolster the Town’s effort to Affirmatively Further Fair Housing.

Additionally, the Town of Normal created its Human Relations Commission in 1969 to, among other things, address complaints relating to housing and employment discrimination and to foster and promote better conditions among all persons with respect to housing, employment, recreation, health, and other quality of life services. The Commission meets once per month and is composed of 6 Normal residents and 1 Illinois State University student. The Town’s Municipal Code also makes it unlawful to make housing decisions based upon race, color, religion, sex (including sexual harassment), sexual orientation, marital status, ancestry, national origin, age, disability, matriculation or familial status.

Housing Market Conditions

According to comments collected during the Consolidated Plan’s public outreach and consultation phase, owner-occupied housing tends to be in better condition than renter-

occupied housing in Normal. Comments received related to the condition of housing from the Citizen Surveys include:

“The majority of properties that are economical are run down and belong to property owners who don't care about the safety of their tenants.”

“We currently live in a complex that has some challenging neighbors, and it may be days before anyone shows up to address an issue with our place. The rent continues to rise, and the quality of conditions continue to decrease.”

Although a finite number of Citizen Survey respondents discussed the condition of rental units as a housing concern in Normal, the Town is unique in that its Inspections Department conducts annual inspections of multi-family rental properties in the community. A code enforcement officer employed by the Town and not through the use of CDBG funds inspects apartment buildings within Normal every 12-18 months to ensure basic life safety code compliance and to proactively monitor the exterior of all properties through the enforcement of the Town's property maintenance code. The inspection of single-family homes that are operated as rental properties is also conducted by the Inspections Department on a complaint basis. It is in part due to the Inspections Department's diligence and proactivity in this area that Normal's rental housing stock is so well maintained, and code violations are identified and remedied in a timely fashion.

The Consolidated Plan's outreach phase also identified the need for “homeowner housing rehabilitation” for low- to moderate-income residents of Normal. Overall, respondents ranked homeowner housing rehabilitation third amongst all potential public facilities and improvements programs for CDBG funding. Respondents who qualify for CDBG assistance based on income specifically ranked homeowner rehabilitation programs among their top five CDBG-funded needs. What's more, stakeholders ranked “repair/rehab programs” as a principle means of addressing housing affordability in Normal. Stakeholders also ranked homeowner housing rehabilitation as one of the top public activities that would help enhance the quality of life for low- to moderate-income residents.

For these reasons, beginning in April of 2020, the Town will provide CDBG funding for the administration of a homeowner emergency repair program, which will assist in the repair or replacement of damaged roofs and inoperable water heaters and furnaces. To assist in the rehabilitation of additional, exterior elements of income-qualified homes, the Town intends to partner with Habitat for Humanity of McLean County through it's a Brush with Kindness Program. Efforts like these help low- to moderate-income residents stay in their homes and ensure the Town's older, existing housing stock stays intact, safe, and affordable.

Finally, the Town intends to help increase the amount of affordable housing in the community by continuing to purchase blighted properties for subsequent donation to Habitat for Humanity for redevelopment as affordable housing. The Town will also continue to pursue and support efforts that aim to preserve our existing affordable housing and bring new developments to the community.

Access to Housing

The results of the 2017 Regional Housing Study clearly affirm that there is not sufficient housing for households at all income levels in McLean County. Further, nearly a third of all Normal households are experiencing high housing costs burdens – housing costs in excess of 30% of the Area Median Income for the Bloomington-Normal area.

With the understanding that every bit of money that can be saved during the homebuying process is of critical importance to a household's wellbeing, the Town of Normal will continue to offer its down payment assistance program for income-qualified homebuyers. This program provides a grant of up to \$3,000 to help offset the initial burden of closing and down payment costs upon the purchase of a home in Normal.

Additionally, based off of the results of the 2020-2024 Consolidated Plan's outreach process, the Town of Normal determined direct rental assistance to be a high priority for CDBG spending over the next five years. At this time, the Town does not intend to offer such a program in Program Year 2020-2021 but will continue to pursue the program over the course of the five-year plan. A major consideration in creating such a program is that the Town would have to contract a local service provider to administer the program and, thus, fund it through the very limited Public Services budget for CDBG, which is capped at 15% by HUD.

Supply of Income-Qualified Housing

Income-qualified housing needs in McLean County far exceed housing unit availability, and a significant number of existing income-qualified units are at risk of losing their affordability or income restrictions in the next 10 years.

In light of this fact, the Town will continue to work with the Mclean County Regional Planning Commission and all partners of the Regional Housing Advisory Committee to assist in the work of researching and tracking the number of income-qualified units throughout the county and begin reaching out to property owners to help and encourage the renewal of their different subsidies and/or maintain their low-income affordability. The Town will also continue to pursue and support efforts that aim to bring new affordable developments to the region and community.

Housing for Persons with Disabilities

The lack of supportive and more accessible housing was an important impediment listed in the last version of this document. In between 2014 and now, the community has made a good deal of progress in making public transit, public facilities and infrastructure more accessible, though work on the housing front is still a concern. However, at this time, a local union group is proposing to convert the McLean County-owned Fairview Building in Normal into 41 units of affordable senior housing.

To help preserve and improve the accessibility of existing housing for low- to moderate-income households in Normal, the Town is partnering with the local chapter of AMBUCS to construct accessibility ramps at income-qualified homes. Efforts like this help low- to moderate-income residents stay in their homes and ensure the Town's older, existing housing stock stays intact, safe, and affordable.

Additionally, the Town will continue to pursue and support efforts that propose to bring new and creative developments to the region and community that specifically aim to house persons with disabilities.

Public Perception of Affordable Housing

Like anywhere else in the country, the sentiment of "not in my backyard" does pose a potential barrier to much needed affordable housing projects in Bloomington-Normal. Although not a significant impediment, the Town does need to take an active role when it comes to educating the public and decisionmakers about the realities and benefits of affordable housing. Such an educational initiative is at the heart of the Regional Housing Advisory Committee's mission. Since its founding in 2018, the Regional Housing Advisory Committee completed research and published a variety of white papers on issues related to affordable housing in McLean County.

The committee, led by MCPRC staff, also published the McLean County Housing Data Dashboard in 2019, which gathers housing-related data and tracks changes on a continual basis. The purpose of this dashboard is to paint a picture of the Bloomington-Normal region's housing elements including demographics of residents, general data on housing units and costs, affordability and housing options for persons experiencing homelessness. This dashboard, along with the white papers, is designed to be used by stakeholders such as elected officials, city staff, housing providers, and community development professionals to make data-driven decisions. Education initiatives like this do not immediately or single-handedly affect public perception but are the ever-important first step in changing peoples' attitudes.

Conclusion:

The Town is committed to addressing all barriers and impediments to fair and affordable housing in Normal. As noted in this Analysis of Impediments and the Town's 2020-2024 Consolidated Plan, there are a number of actual and potential barriers which may affect an individual or family's ability to obtain housing in Normal. The Town does not intentionally create policies, codes, or rules aimed at creating barriers to affordable housing, but rather faces a lot of the same realities experienced by most municipalities – i.e. increasing construction costs, complexity of financing for larger projects, and an affordability gap between incomes and housing costs. Moreover, most policies, ordinances, and/or codes are established to maintain compliance with local, state, and federal guidelines or for safety considerations.

The Town of Normal will continue to address and remove impediments to fair and affordable housing opportunities whenever possible. Utilizing CDBG as well as municipal funds, the Town will work to eliminate housing discrimination, preserve and maintain existing affordable housing, offset the costs associated with buying a home in Normal, improve household and community accessibility, educate the public and community leaders as to the need for and benefits of affordable housing, and advocate for new housing developments that meet the needs of the community. On an institutional and administrative level, the Town will also continue to periodically evaluate building codes and fees, zoning ordinances, and Town policies to reduce barriers to affordable housing for both renters, homeowners, and those with special needs.