



The City of  
**ANNAPOLIS**  
Maryland

**DRAFT**

# **Analysis of Impediments to Fair Housing**

Submitted to  
The U.S. Department of Housing and Urban Development



May 15, 2015

Prepared by:

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Department of Planning and Zoning  
Community Development Division

# **City of Annapolis**

## **Five-Year Consolidated Housing and Community Development Plan**

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## Table of Contents

Executive Summary .....	2
I. Introduction .....	6
II. Background Data .....	7
A. Population and Race:.....	8
B. Households: .....	17
C. Income and Poverty: .....	19
D. Employment: .....	22
E. Housing Profile:.....	24
F. Financing:.....	27
G. Household Types: .....	31
H. Cost Overburden:.....	34
I. Housing Problems:.....	35
J. Disproportionately Greater Need: Severe Housing Problems: .....	37
K. Disabled Households: .....	40
L. Maps: .....	41
III. Review/Update to Original Plan .....	43
A. Summary of Impediments – 2006 .....	43
B. Actions Taken .....	44
IV. Impediments to Fair Housing 2014 .....	46
A. Fair Housing Complaints:.....	46
B. Public Sector:.....	52
C. Private Sector:.....	67
V. Actions and Recommendations.....	77
VI. Certification .....	80
VII. Appendix .....	81

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## Executive Summary

The City of Annapolis, Maryland is an entitlement community under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant Program (CDBG). In accordance with the Housing and Community Development Act of 1974, as amended, each entitlement community must "affirmatively further fair housing." In order to "affirmatively further fair housing," each entitlement community must conduct a Fair Housing Analysis, which identifies any impediments to fair housing choice.

The City of Annapolis prepared an Analysis of Impediments to Fair Housing Choice in 2006. The City has now prepared this FY 2015-2019 Analysis of Impediments to Fair Housing Choice. The analysis focuses on the status and interaction of six (6) fundamental conditions within the community:

- The sale or rental of dwellings (public or private);
- The provision of housing brokerage services;
- The provision of financial assistance for dwellings;
- Public policies and actions affecting the approval of sites and other building requirements used in the approval process for the construction of publicly assisted housing;
- The administrative policies concerning community development and housing activities, which affect opportunities of minority households to select housing inside or outside areas of minority concentration; and
- Where there is a determination of unlawful segregation or other housing discrimination by a court or a finding of noncompliance by HUD regarding assisted housing in a recipient's jurisdiction, an analysis of the actions which could be taken by the recipient to remedy the discriminatory condition, including actions involving the expenditure of funds made available under 24 CFR Part 570.

The methodology employed to undertake this Analysis of Impediments included:

- **Research:**
  - A review of the City's Zoning Ordinance, Comprehensive Plan, land use policies and procedures was undertaken
  - Demographic data for the City was analyzed from the U.S. Census and the HUD-CHAS data and tables
  - A review of the real estate and mortgage practices was undertaken
- **Interviews & Meetings:**

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- Meetings and/or interviews were conducted with the City and County Department heads, community and social service/advocacy agencies, housing providers, and real estate firms
  - **Analysis of Data:**
    - Low- and moderate-income areas were identified
    - Concentrations of minority populations were identified
    - Fair housing awareness in the community was evaluated
  - **Potential Impediments:**
    - Public sector policies that may be viewed as impediments were analyzed
    - Private sector policies that may be viewed as impediments were analyzed

The City of Annapolis's FY 2016-2020 Analysis of Impediments to Fair Housing Choice has identified the following impediments, along with the goals and strategies to address those impediments.

Impediment 1: FAIR HOUSING EDUCATION AND OUTREACH – There is a need to educate members of the community concerning their rights and responsibilities under the Fair Housing Act and to raise awareness, especially for low-income households, that all residents of the City have a right under federal law to fair housing choice.

Goal: Improve the public's knowledge and awareness of the Federal Fair Housing Act, and related laws, regulations, and requirements to affirmatively further fair housing in the City.

In order to meet this goal, the following activities and strategies should be undertaken:

1-A: Continue to promote Fair Housing awareness through the media and with assistance from local/regional social service agencies, by providing educational awareness/opportunities for all persons to learn more about their rights and requirements under the Fair Housing Act and Americans with Disabilities Act.

1-B: Continue to make available and distribute literature and informational material, in English and Spanish, concerning fair housing issues, an individual's rights, and landlord's responsibilities to affirmatively further fair housing.

1-C: Improve the information on the City's website about whom to contact and how to file a fair housing complaint, as well as general Fair Housing information for homeowners and renters.

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1-D: Strive for better intergovernmental cooperation between Federal, State, County, and local partners, as well as community groups and developers, to effectively identify and address potential barriers to affordable housing choice.

1-E: Continue to support the efforts of the City's Human Relations Commission.

Impediment 2: PUBLIC POLICIES AND REGULATIONS – The City's Zoning Code needs additional definitions, provisions, and revisions to be compliant with the Federal Fair Housing Act, Section 504, and the Americans with Disabilities Act to affirmatively further fair housing.

Goal: Revise the City Zoning Code to affirmatively further fair housing.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

2-A: The Planning and Zoning Department should review the existing ordinances and zoning regulations for compliance with the Fair Housing Act, as amended.

2-B: Revise the definitions and add new definitions for the words: "Family," "Handicap (Disabled)," "Fair Housing Act," "Accessibility," "Visitability," etc.

Impediment 3: CONTINUING NEED FOR AFFORDABLE AND ACCESSIBLE HOUSING UNITS – The cost of rent for apartments in the City has increased over the past ten years to the point that 50.6% of all renter households in Annapolis are paying more than 30% of their monthly incomes on the cost of their housing, which means that these households are considered cost overburdened.

Goal: Promote and encourage the construction and development of additional affordable rental housing units in the area, especially for households whose income is less than 80% of the median income.

In order to meet this goal, the following activities and strategies should be undertaken:

3-A: Support and encourage both private developers and non-profit housing providers to develop plans for the construction of new affordable and accessible renter occupied and owner occupied housing that would be located in areas that provide access to employment opportunities, transportation, amenities, and services throughout the Region.

3-B: Support and encourage the rehabilitation of existing housing units in the City to become decent, safe, and sound renter occupied and owner occupied housing that is affordable and accessible to lower income households.

3-C: The Housing Authority of the City of Annapolis should partner with private and non-profit housing developers to continue to construct affordable rental housing utilizing Low Income Housing Tax Credits (LIHTC) and other financing tools through federal, state, and local units of government.

3-D: Continue to enforce the ADA and Fair Housing requirements for landlords to make “reasonable accommodations” to their rental properties so they become accessible to tenants who are disabled, as well as educating the disabled how to request special accommodations.

Impediment 4: PRIVATE LENDING AND INSURANCE PRACTICES – The Home Mortgage Disclosure Act (HMDA) data suggests that there is a disparity between the approval rates of home mortgage loans originated from White and those originated from Minority applicants.

Goal: Approval rates for all originated home mortgage loans and insurance coverage should be fair, risk based, unbiased, and impartial, regardless of race, familial status and location.

In order to meet this goal, the following activities and strategies should be undertaken:

4-A: Federal, state, local, and private funding should be used to provide a higher rate of public financial assistance to potential homebuyers in lower income neighborhoods to improve loan to value ratios, so that private lenders will increase the number of loans made in these areas.

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## I. Introduction

The City of Annapolis is an entitlement community under the U.S. Department of Housing and Urban Development's Community Development Block Grant Program. In accordance with the Housing and Community Development Act of 1974, as amended, each entitlement community must "affirmatively further fair housing." In order to "affirmatively further fair housing," the community must conduct a Fair Housing Analysis that identifies any impediments to fair housing choice.

"Fair housing choice" is defined as:

*"The ability of persons, regardless of race, color, religion, sex, national origin, familial status, or handicap, of similar income levels to have available to them the same housing choices."*

The Fair Housing Analysis consists of the following six (6) conditions:

- The sale or rental of dwellings (public or private);
- The provision of housing brokerage services;
- The provision of financial assistance for dwellings;
- Public policies and actions affecting the approval of sites and other building requirements used in the approval process for the construction of publicly assisted housing;
- The administrative policies concerning community development and housing activities, which affect opportunities of minority households to select housing inside or outside areas of minority concentration; and
- Where there is a determination of unlawful segregation or other housing discrimination by a court or a finding of noncompliance by HUD regarding assisted housing in a recipient's jurisdiction, an analysis of the actions which could be taken by the recipient to remedy the discriminatory condition, including actions involving the expenditure of funds made available under 24 CFR Part 570.

The City of Annapolis previously prepared an Analysis of Impediments to Fair Housing Choice in 2006. Annapolis has now prepared this FY 2015-2019 Analysis of Impediments to Fair Housing Choice to comply with the City's Five Year Consolidated Plan for FY 2015-2019.

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## II. Background Data

In order to perform an analysis of fair housing in the City of Annapolis, the demographic and socio-economic characteristics of the City were evaluated as a basis for determining and identifying if there are any existing impediments to fair housing choice.

Annapolis is the county seat of Anne Arundel County and the state capital of Maryland. City of Annapolis is located within Anne Arundel County and borders Parole and Hillsmere Shores.

The City of Annapolis was the capital of the United States when the Treaty of Paris, which ended the Revolutionary War, was signed. Today, the City of Annapolis is a popular sailing destination, as well as home to the United States Naval Academy. Long been referred to as the “Athens of America” due to its wealth of cultural activities, gracious hospitality, and intellectual stimulation, Annapolis draws more than four million tourists per year to visit the colonial city.

The City of Annapolis was originally called “Providence” when settled by the Puritans, followed by “Anne Arundel’s Towne” after the wife of Lord Baltimore; The City did not get its current name until a Royal Governor, Sir Francis Nicholson, moved the capital here from St. Mary’s City in 1708, honoring Princess Anne; once Queen, Anne chartered her colonial namesake as a city; her royal badge is depicted on the Annapolis flag.

The City of Annapolis was designed by Sir Francis Nicholson off of some of the capitals of Europe, complete with radiating streets that influenced the design of Washington D.C. Annapolis became a wealthy city thanks to a thriving shipping industry and landed gentry making homes there; due in part to these gentry, horse racing and the arts thrived. In addition to the United States Naval Academy, Annapolis is home to St. John’s College, which was founded in 1696 as King William’s School and is the third oldest college in the country (after Harvard and William and Mary).

This Analysis of Impediments to Fair Housing Choice uses 2000 and 2010 U.S. Census data, as well as the 2007-2011 American Community Survey, which offers recent estimations of general demographics of the City of Annapolis. This Census and ACS data, along with other databases such as CHAS and HMDA Data, have been used to evaluate the City of Annapolis’s demographic and socio-economic characteristics, as well as other conditions affecting fair housing choice.

Part VI, Appendix A of this report contains extensive demographic data that is summarized and/or illustrated in the following sections. Part VI, Appendix B

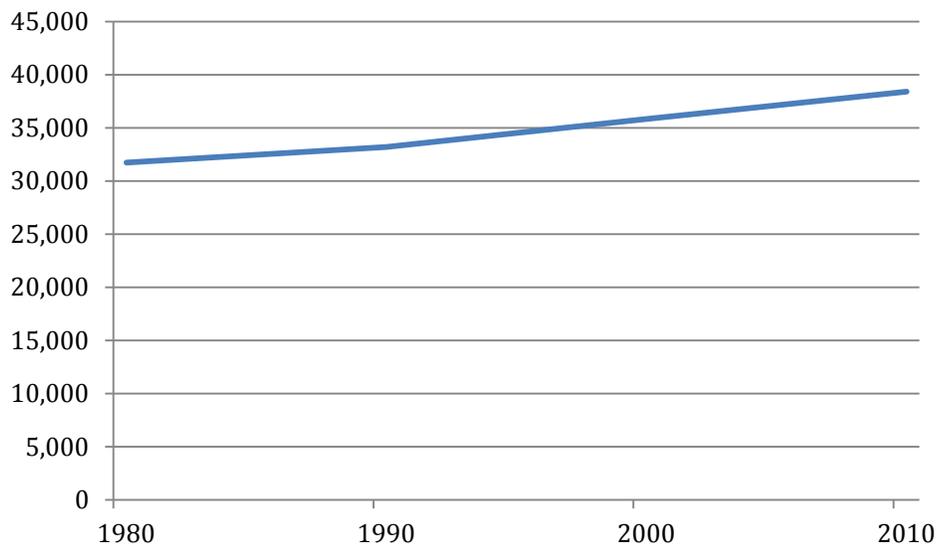
includes full-page maps of the demographic data which are also shown on the following pages.

**A. Population and Race:**

**Population -**

The total population for the City of Annapolis at the time of the 2010 Census was 38,394, and the 2011 estimate was 38,124. In the 2000 Census, the population was 35,838. This illustrates a general population increase. However, based on the 2011 American Community Survey, the City’s population decreased by an estimated 270 people (0.7%) between 2010 and 2011.

**Population Increase in the City of Annapolis, MD**



**Race and Hispanic or Latino Population -**

**Table II-1** below illustrates that “White alone” is the largest racial cohort in Annapolis. It has increased in number, but decreased in ratio from 63.8% in 2000 to 62.2% in 2010. “Black or African American alone” remains the largest minority cohort, and has decreased from 32.1% in 2000, to 27.2% in 2010. The Hispanic population has increased in the past decade, from 6.4% in 2000, to 16.8% in 2010.

**Table II-1 – Race and Hispanic or Latino Population  
in the City of Annapolis, MD**

Race and Hispanic or Latino	2000 U.S. Census		2010 U.S. Census	
	#	%	#	%
<b>Total</b>	<b>35,838</b>	<b>100.0</b>	<b>38,394</b>	<b>100.0%</b>
One race	35,241	98.3%	37,409	97.4%
White alone	22,877	63.8%	23,881	62.2%
Black or African American alone	11,519	32.1%	10,432	27.2%
American Indian and Alaska Native alone	205	0.6%	314	0.8%
Asian alone	826	2.3%	1,036	2.7%
Native Hawaiian and Other Pacific Islander alone	45	0.1%	49	0.1%
Some other race alone	1,021	2.8%	3,750	9.8%
Two or More Races	597	1.7%	985	2.6%
Hispanic or Latino	2,301	6.4%	6,448	16.8%

Source: 2000 U.S. Census & 2010 U.S. Census

HUD defines an Area of Minority Concentration as, “A neighborhood in which the percentage of persons of a particular racial or ethnic minority is at least 20 points higher than that minority's percentage in the housing market as a whole; the neighborhood's total percentage of minority persons is at least 20 points higher than the total percentage of minorities for the housing market area as a whole; or in the case of a metropolitan area, the neighborhood's total percentage of minority persons exceeds 50 percent of its population.”

The most recent data available on the concentration of racial or ethnic minorities is the 2010 U.S. Census data. According to this data, the City of Annapolis has a minority population of 39.9% of its total population. Based on the above HUD definition there is only one Census Tract in the City of

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Annapolis that qualifies as an Area of Minority Concentration with a percentage of minority persons over 20% of the City's minority percentage: Census Tract 7025.

Another way to consider racial distribution in a community is to look at the dissimilarity indices for an area. Dissimilarity indices measure the separation or integration of races across all parts of the city, county, or state. The dissimilarity index is based on the data from the 2010 U.S. Census and was calculated as part of Brown University's American Communities Project (<http://www.s4.brown.edu/us2010/>). The dissimilarity index measures whether one particular group is distributed across census tracts in the metropolitan area in the same way as another group. A high value indicates that the two groups tend to live in different tracts. It compares the integration of racial groups with the White population of the City, or MSA, on a scale from 0 to 100, with 0 being completely integrated and 100 being completely separate. A value of 60 (or above) is considered very high. It means that 60% (or more) of the members of one group would need to move to a different tract in order for the two groups to be equally distributed. Values of 40 or 50 are usually considered a moderate level of segregation, and values of 30 or below are considered to be fairly low. The chart below highlights the dissimilarity indices for various racial and ethnic groups, as compared to the White population in the City of Annapolis.

The Black/African American population is the largest minority group in the City, making up approximately 27.2% of the population (2010 Census) and with a dissimilarity index of 27.8. The Asian population has a dissimilarity index of 22.4 and the Hispanic Population has a dissimilarity index of 43.7. All other minority groups have relatively small populations, which introduces some error into the calculation of the dissimilarity indices. More specifically, for populations under 1,000 people, the dissimilarity index may be high even if the population is evenly distributed across the City, MSA, or State.

The dissimilarity numbers are lower for some races when compared to the 2000 Census, and are somewhat indicative of a City that is more integrated. However, when looking at the exposure index, the numbers reflect that neighborhoods are not as integrated as the index of dissimilarity indicates. Exposure indices refer to the racial/ethnic composition of the tract where the average member of a given group lives. For example, the average Hispanic in some metropolis might live in a tract that is 40% Hispanic, 40% non-Hispanic white, 15% black, and 5% Asian. (Note that these various indices must add up to 100%.) These are presented in two categories: exposure of the group to itself (which is called the Index of Isolation) and exposure of the group to other groups.

The isolation index is the percentage of same-group population in the census tract where the average member of a racial/ethnic group lives. It has a lower bound of zero (for a very small group that is quite dispersed) to 100 (meaning that group members are entirely isolated from other groups). It should be kept in mind that this index is affected by the size of the group -- it is almost inevitably smaller for smaller groups, and it is likely to rise over time if the group becomes larger. The isolation index of White to White in the City of Annapolis is 60.8, Black to Black is 33.2, Hispanic to Hispanic is 25.3, and Asian to Asian is 2.8.

Indices of exposure to other groups also range from 0 to 100, where a larger value means that the average group member lives in a tract with a higher percentage of persons from the other group. These indices depend on two conditions: the overall size of the other group and each group's settlement pattern. The exposure to other groups index for Black to White in Annapolis is 45.7, and for White to Black, 22.8. The index for Hispanic to White is 42.8, and Asian to White is 51.2.

**Table II-3 – Dissimilarity and Exposure Indices – City of Annapolis**

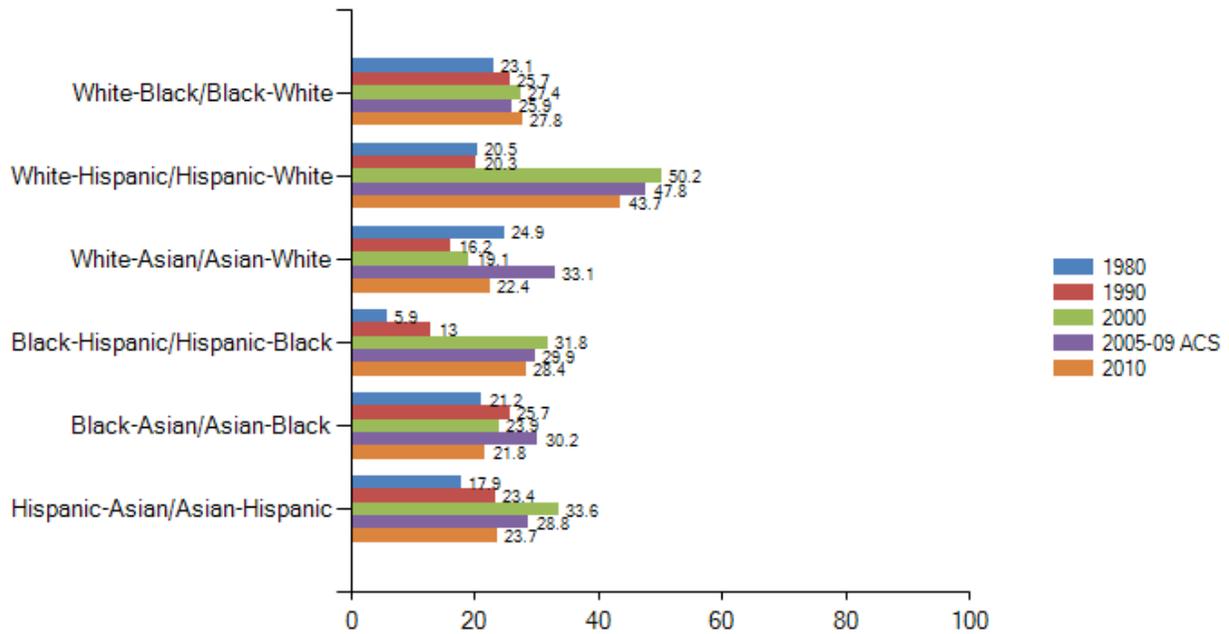
	Dissimilarity Index With Whites	Isolation Index	Exposure to Other Groups*
White	--	60.8	22.8**
Black	27.8	33.2	45.7
Asian	22.4	2.8	51.2
Hispanic	43.7	25.3	42.8

Source: American Communities Project, 2010 Census

\* *Exposure of minorities to Whites*

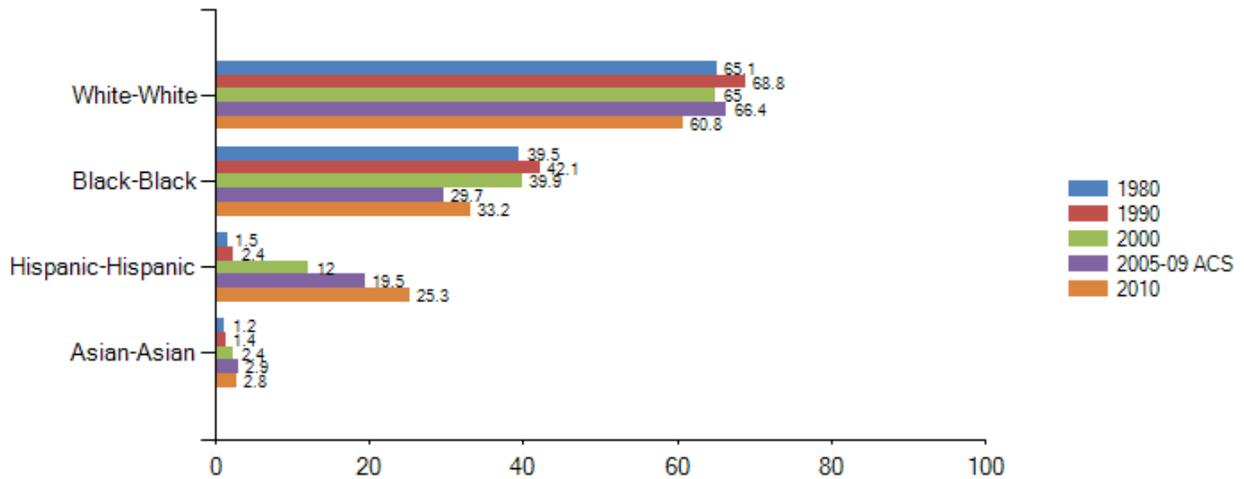
\*\* *Exposure of Whites to Blacks*

**Chart II-1 – Dissimilarity Index in the City of Annapolis**



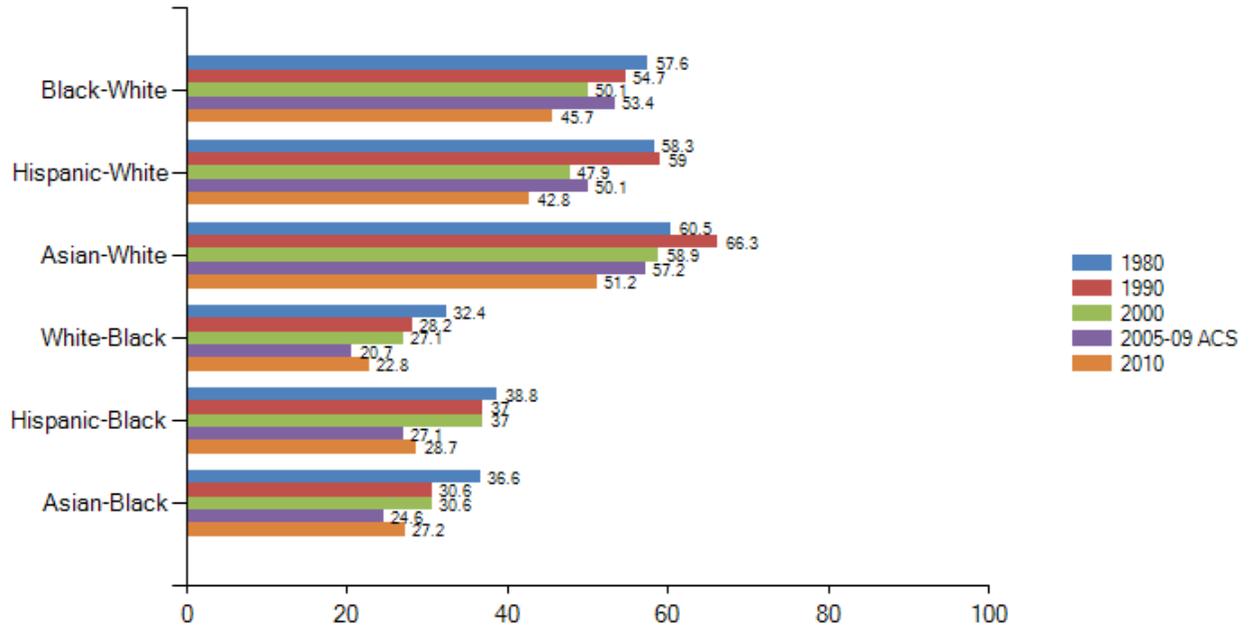
Source: American Communities Project, U.S. Census

**Chart II-2 – Isolation Index in the City of Annapolis**



Source: American Communities Project, U.S. Census

**Chart II-3 – Exposure Index in the City of Annapolis**



Source: American Communities Project, U.S. Census

**Ethnicity -**

**Table II-3** highlights the ethnicities of Annapolis’s residents at the time of the 2000 U.S. Census and more recent reports.

**Table II-3 – Population by Ethnicity in the City of Annapolis, MD**

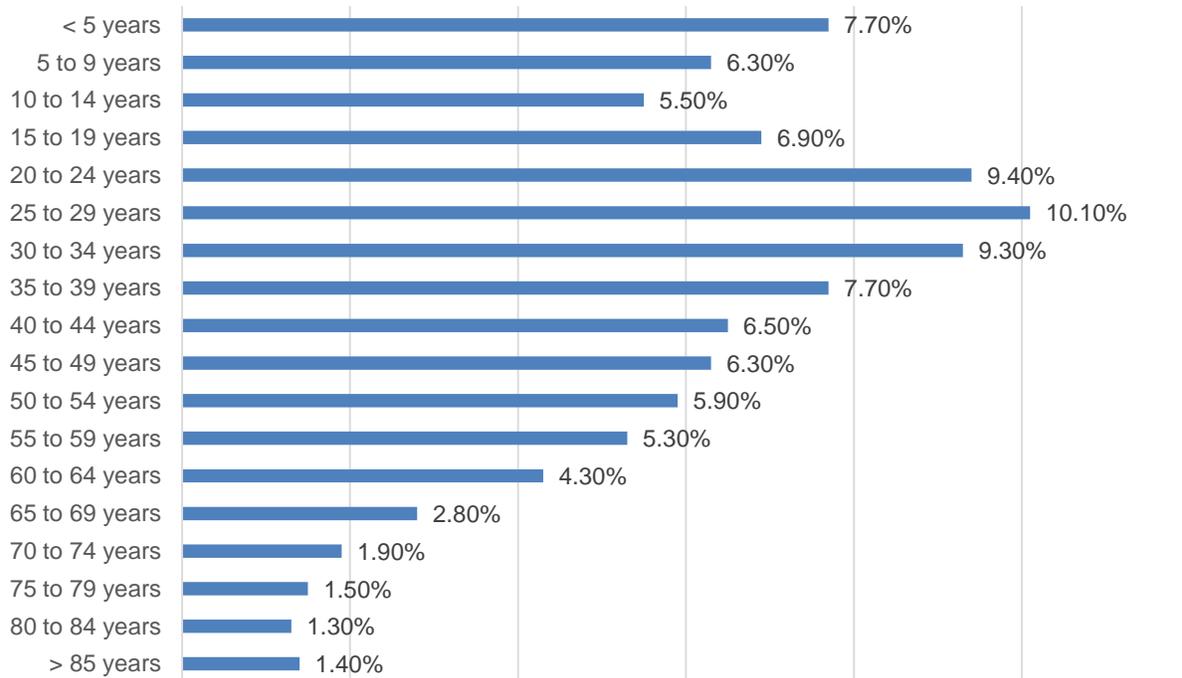
ANCESTRY	2000 U.S. Census		2007-2011 American Community Survey	
	#	%	#	%
<b>Total Population</b>	<b>35,806</b>	<b>-</b>	<b>38,124</b>	<b>-</b>
Arab	149	0.4%	209	0.5%
Czech	87	0.2%	180	0.5%
Danish	155	0.4%	76	0.2%
Dutch	295	0.8%	422	1.1%
English	3,647	10.2%	4,484	11.8%
French (except Basque)	822	2.3%	905	2.4%
French Canadian	121	0.3%	120	0.3%
German	4,238	11.8%	5,255	13.8%
Greek	416	1.2%	385	1.0%
Hungarian	222	0.6%	456	1.2%
Irish	4,376	12.2%	5,856	15.4%
Italian	1,754	4.9%	2,324	6.1%
Lithuanian	158	0.4%	110	0.3%
Norwegian	290	0.8%	284	0.7%
Polish	888	2.5%	914	2.4%
Portuguese	97	0.3%	14	0.0%
Russian	436	1.2%	329	0.9%
Scotch-Irish	746	2.1%	585	1.5%
Scottish	1,039	2.9%	996	2.6%
Slovak	55	0.2%	61	0.2%
Subsaharan African	356	1.0%	252	0.7%
Swedish	368	1.0%	449	1.2%
Swiss	123	0.3%	31	0.1%
Ukrainian	174	0.5%	192	0.5%
United States or American	1,601	4.5%	1,114	2.9%
Welsh	305	0.9%	417	1.1%
West Indian	100	0.3%	70	0.2%
Other ancestries	14,345	40.1%	-	-

Source: 2000 U.S. Census and 2007-2011 American Community Survey

The largest ethnicities in Annapolis include English, German, and Irish. Between 2000 and 2011, Annapolis experienced a very slight increase in the percentage of residents identifying themselves as Dutch, English, German, Irish, Italian, Swedish, and Welsh. Many of the other ethnicities experienced slight fluctuations between 2000 and 2011.

**Age -**

**Chart II-1** below illustrates age distribution within the City of Annapolis for 2010. Children under five years of age represent 7.7% of the population; 26.4% of the City’s population was under 20 years of age; and 8.9% were 65 years of age or older.



Source: 2010 U.S. Census Data

The median age in the City of Annapolis at the time of the 2010 U.S. Census was 36 years. The median age in Anne Arundel County is slightly higher at 38.4 years, and the median age in the State of Maryland is similar at 38 years.

**Religion -**

The U.S. Census does not collect data on the religious affiliations of the population in the United States. In an effort to better understand the religious affiliations of the residents of Annapolis, the City used the data made available by The Association of Religion Data Archives (ARDA). ARDA surveys the congregation members, their children, and other people who regularly attend church services within counties across the country. Although this data appears to be the most comprehensive data that is available, it is unfortunately not entirely complete as it does not accurately include traditional African American denominations. The total

number of regular attendees was adjusted in 2010 (the most recent year for which data is available) to represent the population including historic African American denominations. However, the total value cannot be disaggregated to determine the distribution across denominational groups.

The table below shows the distribution of residents of Anne Arundel County across various denominational groups, as a percentage of the population that reported affiliation with a church.

### Religious Affiliation in Anne Arundel County

	1980		1990		2000		2010	
	#	%	#	%	#	%	#	%
Evangelical Protestant	19,638	5.3%	40,334	9.4%	32,626	6.6%	44,446	8.2%
Black Protestant	189	0.1%	189	0.1%	-	-	5,609	1.0%
Mainline Protestant	53,272	14.4%	55,558	13.0%	55,617	11.3%	49,450	9.2%
Catholic	58,480	15.8%	72,508	16.9%	107,463	21.9%	95,116	17.6%
Orthodox	-	-	-	-	1,501	0.3%	3,250	0.6%
Other	1,703	0.5%	5,034	1.2%	6,168	1.3%	7,076	1.3%
<b>Total Adherents:</b>	133,282	35.9%	173,623	40.6%	203,375	41.5%	204,947	38.1%
<b>Unclaimed (% of total population)</b>	237,493	64.1%	255,254	59.1%	288,019	58.5%	332,709	61.9%
<b>Total Population:</b>	370,775	-	428,877	-	491,394	-	539,191	-

Source: The Association of Religious Data Archives; <http://www.thearda.com/>

Between 1980 and 2010, Anne Arundel County experienced a slight decrease in people identifying themselves as “Mainline Protestants,” while the number identifying as Catholic, Orthodox, and Evangelical Protestant

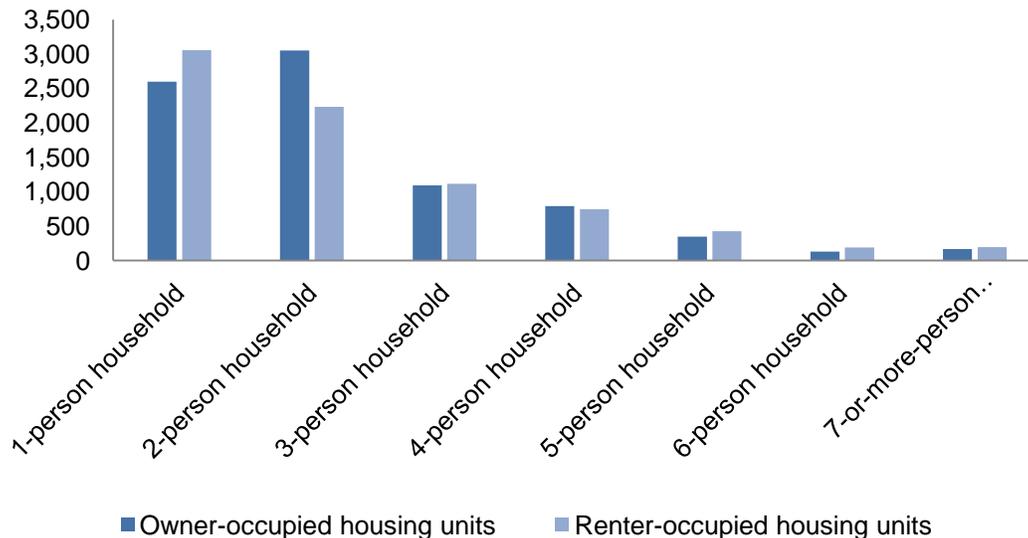
fluctuated. Between 1980 and 2010, Anne Arundel County saw an overall decrease in the number of people identifying with religious traditions. While the number of total adherents has increased since 1980, the percentage of the population unclaimed to any religion has stayed about the same.

**B. Households:**

According to the U.S. Census for 2010, there were 16,136 housing units in the City of Annapolis. This is an increase of 5.44% compared to the 2000 Census, when there were 15,303 households in the City of Annapolis. Of the households in 2010, 50.7% were owners and 49.3% were renters. The 2000 Census data is similar, with 51.7% owner-occupied units and 48.3% were renter-occupied. This shows that there was a slight decrease in homeownership in the past decade. However, the 2007-2011 American Community Survey shows an increase in homeownership to 53.0%.

The 2010 Census data shows that the average size of the owner-occupied households was 2.33 persons and the average renter household was 2.35 persons. **Chart II-2** illustrates household size breakdown for owner and renter households.

**Chart II-2 – Occupancy by Tenure in the City of Annapolis, MD**



Source: 2010 U.S. Census

**Table II-3** compares homeowners and renters by race using U.S. Census data. This table shows that “White” households represent the largest percentage of homeownership (25.5%) with “Black or African American” households comprising (15.7%) of total homeowners.

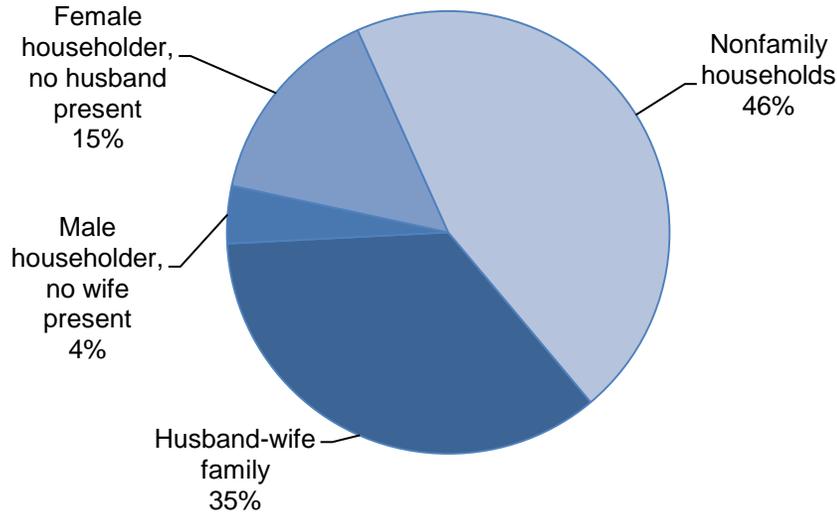
**Table II-3 – Household Tenure by Race in Annapolis**

Cohort	2000 U.S. Census		2010 U.S. Census	
	Owner (51.9%)	Renter (48.1%)	Owner (50.7%)	Renter (49.3%)
Householder who is White alone	78.1%	59.3%	38.9%	25.5%
Householder who is Black or African American alone	20.3%	35.9%	8.0%	15.7%
Householder who is American Indian and Alaska Native alone	0.1%	0.2%	0.1%	0.1%
Householder who is Asian alone	0.9%	1.8%	1.9%	0.8%
Householder who is Native Hawaiian and Other Pacific Islander alone	0.0%	0.0%	0.0%	0.0%
Householder who is some other race alone	0.2%	1.6%	1.0%	0.0%
Householder who is two or more races	0.3%	1.3%	0.2%	0.7%
Householder who is Hispanic or Latino	-	-	2.4%	6.3%

Source: 2000 & 2010 U.S. Census

Families comprised 54.4% of households in the City; 23.1% of households included families with own children less than 18 years of age. Almost fifteen percent (14.9%) of families were female-headed households with no husband present. **Chart II-3** illustrates households by type in Annapolis.

**Chart II-3 – Households by Type in the City of Annapolis, MD**



Source: 2010 U.S. Census Data

**C. Income and Poverty:**

The 2000 Census reported that the per capita income for the City of Annapolis was \$27,180. The median household income for the City was \$49,243, compared to \$61,768 for Anne Arundel County and \$52,868 for the State of Maryland. The 2007-2011 American Community Survey reported that the per capita income for the City in 2011 was \$42,901. The median household income for Annapolis was \$70,908, compared to \$85,690 for Anne Arundel County, and \$72,419 for the State of Maryland. **Table II-4** illustrates household income trends.

**Table II-4 – Household Income in the City of Annapolis, MD**

Items	2000 U.S. Census		2007-2011 American Community Survey	
	Number of Households	Percentage	Number of Households	Percentage
Total Households	15,231	100.0	16,466	16,466
Less than \$10,000	1,405	9.2%	927	5.6%
\$10,000 to \$14,999	652	4.3%	527	3.2%
\$15,000 to \$24,999	1,716	11.3%	1,281	7.8%
\$25,000 to \$34,999	1,636	10.7%	1,233	7.5%
\$35,000 to \$49,999	2,330	15.3%	1,606	9.8%
\$50,000 to \$74,999	3,051	20.0%	2,943	17.9%

\$75,000 to \$99,999	1,937	12.7%	1,992	12.1%
\$100,000 to \$149,999	1,508	9.9%	2,960	18.0%
\$150,000 to \$199,999	518	3.4%	1,326	8.1%
\$200,000 or more	478	3.1%	1,671	10.1%
<b>Median Household Income (\$)</b>	<b>\$49,243</b>	<b>(X)</b>	<b>\$70,908</b>	<b>(X)</b>

Source: 2000 U.S. Census and 2007-2011 American Community Survey

**Table II-5** below identifies the Section 8 Income Limits in Anne Arundel County based on household size for FY 2014. The Median Family Household Income for a family of 4 living in Anne Arundel County was \$83,500 in 2014.

**Table II-5 – Section 8 Income Limits for 2014**

Income Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Extremely Low (30%) Income Limits	17,550	20,050	22,550	<b>25,050</b>	27,910	31,970	36,030	40,090
Very Low (50%) Income Limits	29,250	33,400	37,600	<b>41,750</b>	45,100	48,450	51,800	55,150
Low (80%) Income Limits	44,750	51,150	57,550	<b>63,900</b>	69,050	74,150	79,250	84,350

Data obtained from hud.gov

**Table II-6** below highlights the low- and moderate-income population in the City of Annapolis.

**Table II-6 – Low- and Moderate-Income in the City of Annapolis, MD**

TRACT	BLKGRP	LOWMOD	LOWMODUNIV	LOWMODPCT
702500	1	775	1,360	56.99%
702500	2	710	1,055	67.30%
702500	3	1,085	3,135	34.61%
702500	4	230	790	29.11%
702601	1	-	620	0.00%

702601	3	45	720	6.25%
702601	5	325	1,275	25.49%
702602	3	20	720	2.78%
706101	1	250	1,515	16.50%
706101	2	430	925	46.49%
706101	3	800	865	92.49%
706301	1	625	1,480	42.23%
706301	2	1,015	1,770	57.34%
706302	1	470	1,465	32.08%
706302	2	125	665	18.80%
706302	3	115	1,115	10.31%
706401	1	1,080	2,820	38.30%
706401	2	1,095	2,130	51.41%
706401	3	760	1,275	59.61%
706402	1	405	1,230	32.93%
706402	2	815	1,595	51.10%
706500	1	425	1,615	26.32%
706500	2	115	560	20.54%
706500	3	705	1,500	47.00%
706500	4	240	1,270	18.90%
706600	1	15	710	2.11%
706600	2	535	2,080	25.72%
706600	3	435	670	64.93%
706600	4	230	1,155	19.91%
706600	5	300	490	61.22%
706700	1	295	890	33.15%

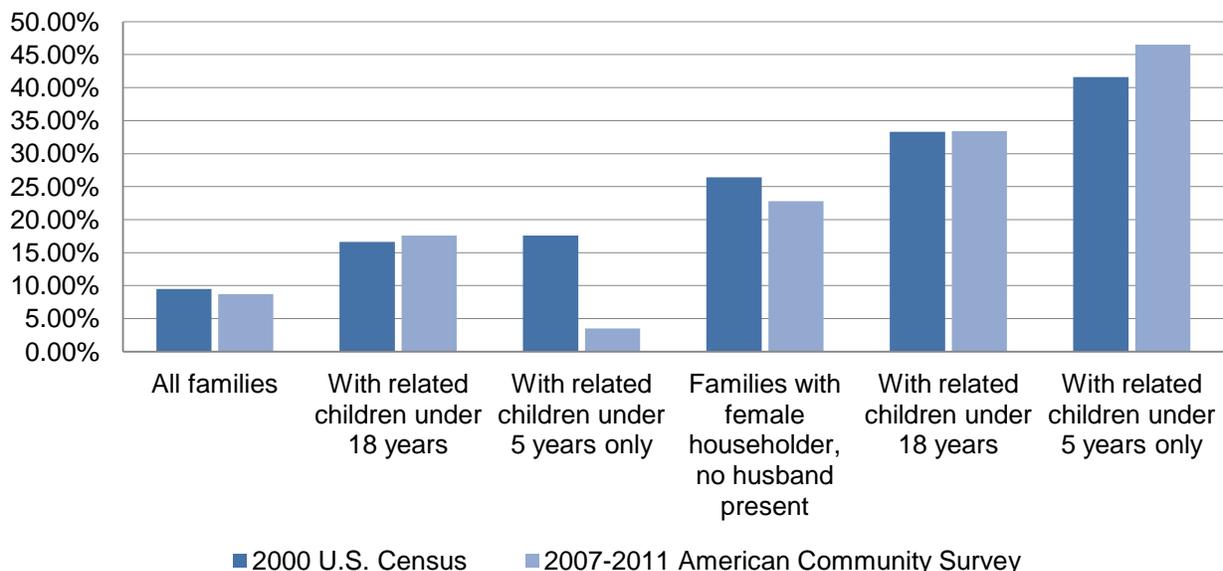
<b>TOTAL</b>	<b>14,470</b>	<b>39,465</b>	<b>36.67%</b>
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Data obtained from hud.gov

The City's poverty statistics for families with children are significant, particularly for single mothers. **Chart II-4** illustrates the poverty statistics for families living in the City of Annapolis. At the time of the 2007-2011 American Community Survey, the percentage of some families with children living below the poverty level was as follows:

- Families with related children under the age of 18 was 16.9%.
- Families with related children under the age of 5 was 17.6%.
- Female-headed families with related children under the age of 18 was 33.4%
- Female-headed families with related children under the age of 5 was 46.5%

**Chart II-4 – Families in Poverty in the City of Annapolis, MD**

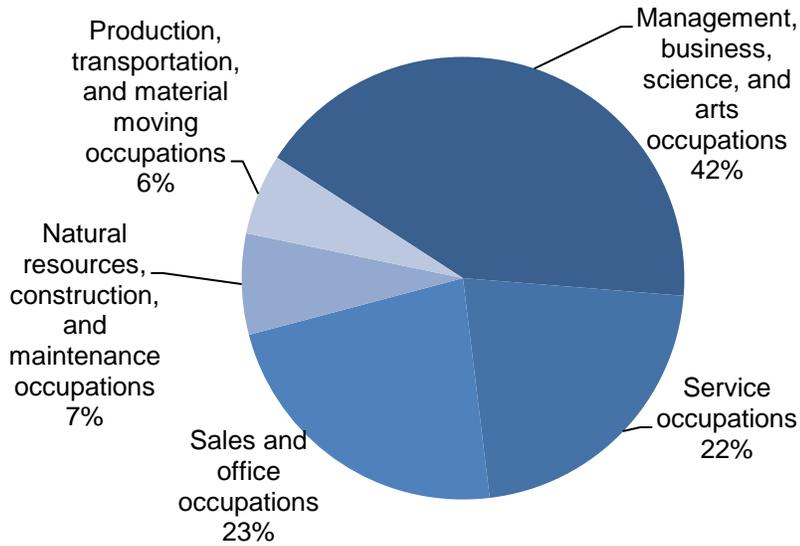


#### **D. Employment:**

According to the 2007-2011 ACS, 72.0% of the City's residents 16 years of age and over were considered a part of the labor force in 2011. **Chart II-5** and **Chart II-6** below illustrate the classes of workers and the occupations. Most workers were employed in four occupations: management, business, science, and arts (42%), sales and office (22.8%), service (21.8%), natural resources, construction, and maintenance (7.4%), and production, transportation, and material moving occupations (5.9%). The class of worker consisted primarily of private wage and salary workers

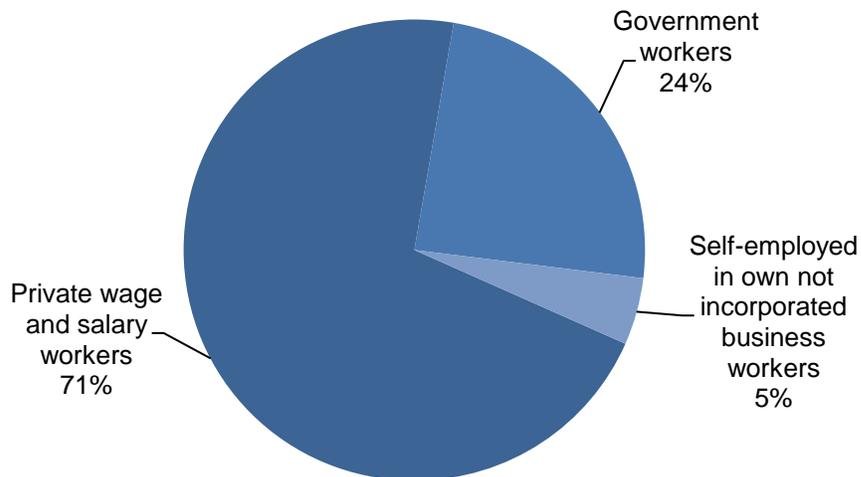
(71.0%), to go along with government (24.2%) and self-employed workers (4.7%).

**Chart II-5 – City of Annapolis Occupations**



Source: 2007-2011 American Community Survey

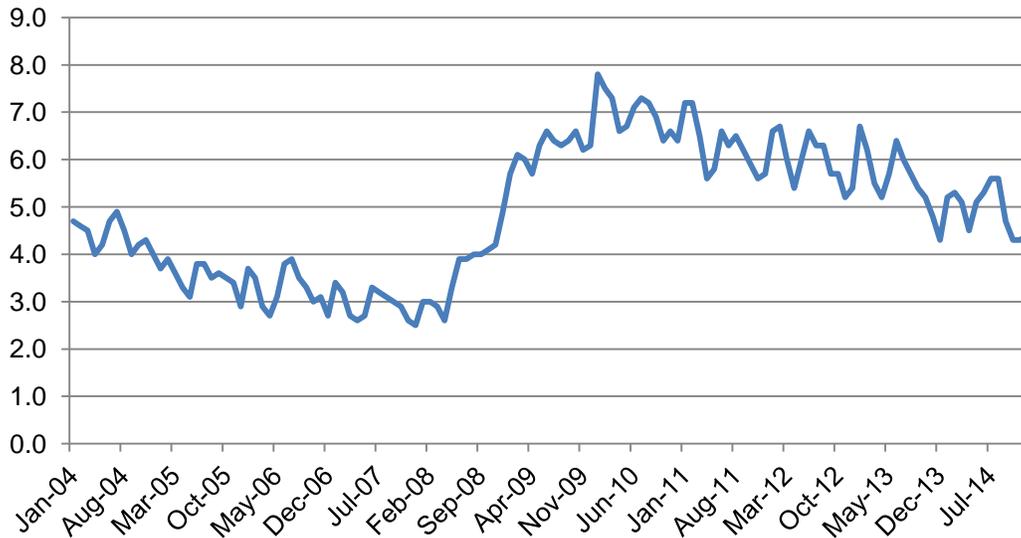
**Chart II-6 – City of Annapolis Class of Worker**



Source: 2007-2011 American Community Survey

**Chart II-7** illustrates the unemployment rate trends for the City of Annapolis, MD from January 2004 through December 2014 from the Bureau of Labor ([www.bls.gov](http://www.bls.gov)).

**Chart II-7 – City of Annapolis Area Unemployment Rate**



Source: <http://data.bls.gov>

Annapolis experienced a steep rise in unemployment between April 2008 and January 2010, but the overall unemployment rate has recently decreased from a high of 7.9% in early 2010 to the preliminary unemployment rate in December 2014 of 4.4%. The seasonally adjusted, preliminary unemployment rate in Anne Arundel County is 4.6%, while the state of Maryland at this same time was 5.5%.

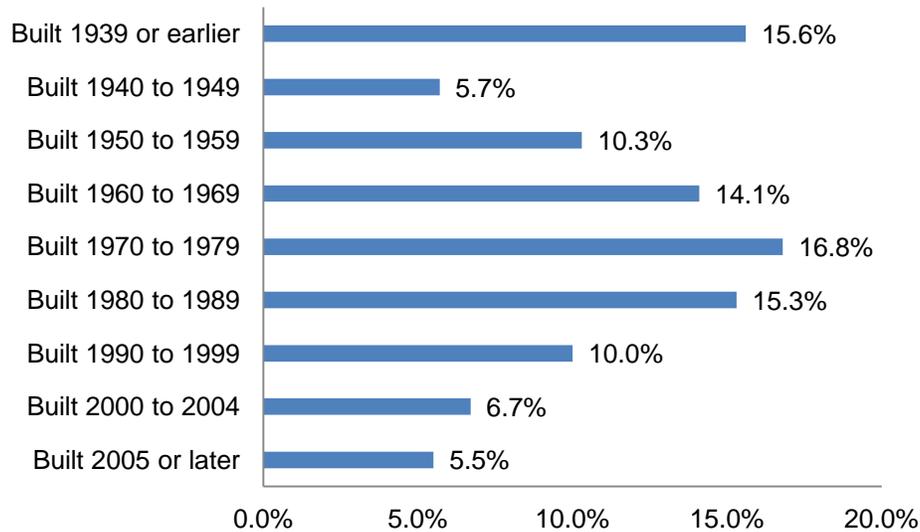
## E. Housing Profile:

According to the 2010 U.S. Census, there were 17,845 housing units in the City of Annapolis, of which 16,136 (90.4%) were occupied. This leaves a vacancy rate of 9.6% in Annapolis. Maps are attached that show the distribution of vacancies in the City.

Based on the 2007-2011 American Community Survey Data, the City of Annapolis's housing stock is considered neither old nor new; over one-third (37.5%) of the housing stock was constructed after 1979 and another 30.9% was constructed between 1960 and 1979. Therefore, over two-thirds of the City's housing stock (68.4%) was built after 1959. The City of Annapolis has a wide-ranging housing stock, consisting of older homes that give the City its history and new construction to meet the housing demands of a growing city.

**Chart II-8** illustrates the year that housing structures were built in the City of Annapolis based on the 2007-2011 ACS.

**Chart II-8 – Year Structure Built in the City of Annapolis, MD**



Source: 2007-2011 American Community Survey

**Table II-9** outlines the number of new units for which building permits were filed annually in the Baltimore-Towson Core Base Statistical Area (CBSA). Overall, most new construction has been for single family units. The City experienced a decrease in the total number of new units constructed between 2005 and 2008.

**Table II-9 – Units Authorized by Building Permits  
Baltimore-Towson CBSA**

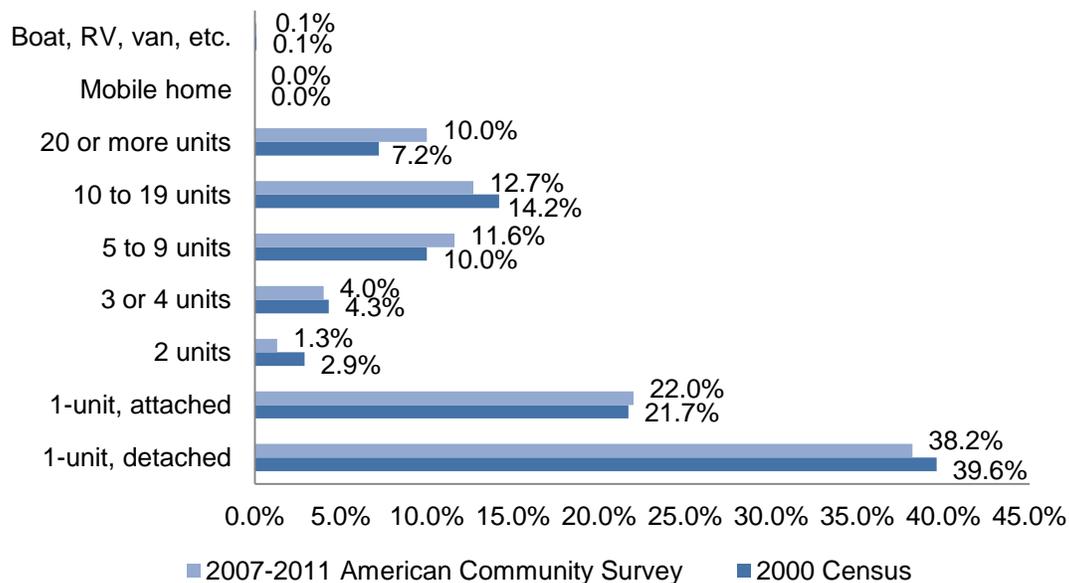
Year	Single Family	Multi Family	5+ Units	Total
2003	8,314	2,819	2,791	11,133
2004	7,501	2,781	2,661	10,282
2005	8,386	2,941	2,858	11,327
2006	6,339	1,794	1,759	8,133
2007	4,775	1,432	1,428	6,207
2008	3,131	2,413	2,404	5,544
2009	3,099	2,016	1,991	5,115
2010	3,554	2,040	2,030	5,594
2011	3,277	2,876	2,861	6,153
2011	3,895	2,061	2,047	5,956
2013	4,617	3,452	3,291	8,069

Source: <http://socds.huduser.org/permits/summary.odb>

In 2000, the City's housing stock primarily consisted of single-family detached (39.6%) and single-family attached (21.7%). In 2000, multi-family units in the City of Annapolis consisted of two units (2.9%), three to four units (4.3%), five to nine units (10.0%), ten to nineteen units (14.2%) and twenty units or more (7.2%). Mobile homes made up 0.0% of the housing stock. The median value of owner-occupied homes in the City of Annapolis in 2000 was \$165,600 compared to \$159,300 for Anne Arundel County and \$146,000 for the State of Maryland.

In 2011, the City's housing stock consisted primarily of single-family detached (38.2%) and single-family attached (22.0%). In 2011, multi-family units in the City of Annapolis consisted of two units (1.3%), three to four units (4.0%), five to nine units (11.6%), ten to nineteen units (12.7%) and twenty units or more (10.0%). Mobile homes made up 0.0% of the housing stock. The median value of owner-occupied homes in the City of Annapolis in 2011 was \$408,000, compared to \$361,700 for Anne Arundel County and \$319,800 for the State of Maryland. **Chart II-9** shows the trends in these housing statistics over the last decade.

**Chart II-9 – Housing Stock in the City of Annapolis, MD**



Source: 2000 U.S. Census & 2007-2011 American Community Survey

## F. Financing:

### Owner Costs -

The median mortgage expense in the City of Annapolis for 2000 was \$1,349, compared to \$2,106 in 2011. **Table II-10** illustrates mortgage status and selected monthly owner costs. While monthly owner costs increased by 56.1%, median income during the same time period increased only 44.0%. Over three-quarters (77.0%) of all houses in Annapolis had mortgages in 2000, compared to 75.4% in 2011.

**Table II-10 – Mortgage Status and Selected Monthly Owner Costs**

Monthly Owner Cost	2000 U.S. Census		2007-2011 American Community Survey	
	Number of Housing Units	Percentage	Number of Housing Units	Percentage
Houses with a mortgage	5,248	77.0%	6,576	75.4%
Less than \$300	11	0.2%	0	0.0%
\$300 to \$499	61	1.1%	11	0.2%
\$500 to \$699	253	4.8%	87	1.3%
\$700 to \$999	910	17.4%	264	4.0%
\$1,000 to \$1,499	2,010	38.3%	1,009	15.3%
\$1,500 to \$1,999	1,142	21.8%	1,672	25.4%
\$2,000 or more	861	16.4%	3,533	53.7%
Median (dollars)	\$1,349	(X)	\$2,106	(X)
Houses without a mortgage	1,572	23.0%	2,151	24.6%
Median	\$397	(X)	\$664	(X)

Source: 2000 U.S. Census and 2007-2011 American Community Survey

Over one-third (35.4%) of owner-occupied households with a mortgage had monthly housing costs that exceeded 30% of their monthly income in 2011, indicating a relatively high percentage of owners whose housing is not considered affordable. This is illustrated in **Table II-11**, which shows housing costs for owner-households. Between the 2000 census count and the 2007-2011 ACS, there was a slight trend of increased monthly housing costs.

**Table II-11 – Selected Monthly Owner Costs as a Percentage of Household Income**

Owner Costs as a % of Income	2000 U.S. Census		2007-2011 American Community Survey	
	Number of Housing Units	Percentage of Units	Number of Housing Units	Percentage of Units
Housing units with a mortgage (excluding those whose monthly costs cannot be calculated)	5,248	77.0%	6,576	75.4%
Less than 20 percent	2,047	39.0%	2,500	38.0%
20 to 24.9 percent	930	17.7%	948	14.4%
25 to 29.9 percent	620	11.8%	800	12.2%
30 to 34.9 percent	603	11.5%	615	9.4%
35 percent or more	1,033	19.7%	1,713	26.0%
Not computed	15	0.3%	0	(X)
Housing units without a mortgage (excluding those whose monthly costs cannot be calculated)	1,572	23.0%	2,151	24.6%
Less than 20 percent	1,146	72.9%	1,698	78.9%
20 to 24.9 percent	128	8.1%	124	5.8%
25 to 29.9 percent	79	5.0%	95	4.4%
30 to 34.9 percent	60	3.8%	39	1.8%
35 percent or more	118	7.5%	195	9.1%
Not computed	41	2.6%	0	(X)

Source: 2000 U.S. Census & 2007-2011 American Community Survey

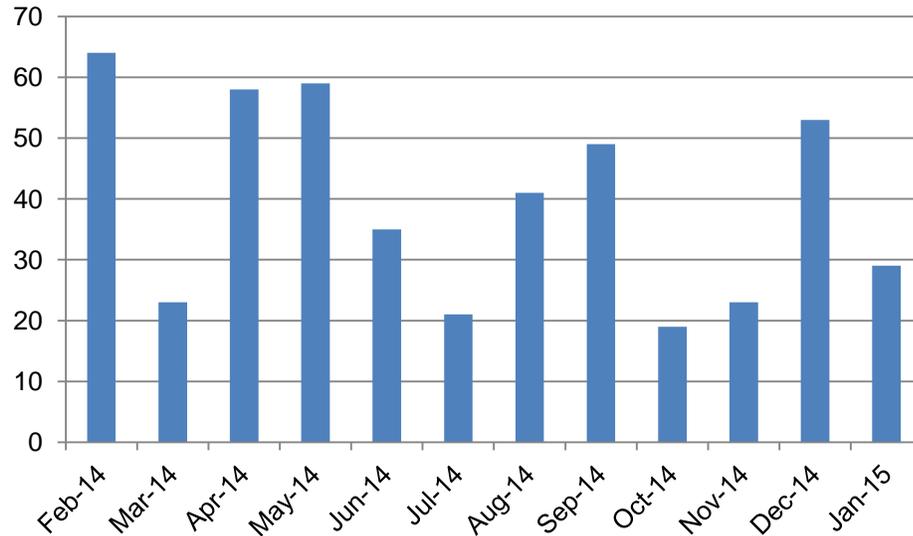
According to RealtyTrac, the median list price for a home in Annapolis in January 2014 was \$379,900, with a median sales price of \$352,994.

**Foreclosures -**

According to RealtyTrac, the City of Annapolis had a foreclosure rate of 1 in every 1,379 housing units in January 2015. At this same time, Anne

Arundel County had a rate of 1 in every 886 housing units and the state of Maryland had a foreclosure rate of 1 in every 611 housing units. The following chart illustrates the foreclosure rate of the City of Annapolis.

**Chart II-10 – Foreclosures in the City of Annapolis, MD**



Source: [www.realtytrac.com](http://www.realtytrac.com)

The number of foreclosures for the City of Annapolis was at its highest in February 2014, with 64 foreclosures. As of January 2015, there were 127 properties in some state of foreclosure.

**Renter Costs -**

The median monthly rent in 2000 was \$762, compared to \$1,285 in 2011, an increase of 68.6%. **Table II-12** illustrates rental rates within the City at the time of the 2000 U.S. Census and 2007-2011 American Community Survey.

**Table II-12 – Gross Monthly Rent**

Rental Rates	2000 U.S. Census		2007-2011 American Community Survey	
	Number of Housing Units	Percentage	Number of Housing Units	Percentage
Less than \$200	717	9.8%	276	3.6%
\$200 to \$299	412	5.6%	280	3.7%
\$300 to \$499	730	10.0%	265	3.5%
\$500 to \$749	1,608	22.0%	350	4.6%
\$750 to \$999	2,320	31.7%	882	11.6%
\$1,000 to \$1,499	1,210	16.5%	2,997	39.4%
\$1,500 or more	195	2.7%	2,562	33.7%
No cash rent	124	1.7%	127	(X)
Median (dollars)	\$762	(X)	\$1,285	(X)

Source: 2000 U.S. Census & 2007-2011 American Community Survey

**Table II-13** illustrates the housing cost for renter-households. The monthly housing costs for 33.7% of all renter-occupied households exceeded 30% of monthly income in 2000, indicating an even higher percentage of renters whose housing is not considered affordable. In 2011, that amount increased to 50.6%.

**Table II-13 – Gross Rent as a Percentage of Household Income**

Rental Cost as a % of Income	2000 U.S. Census		2007-2011 American Community Survey	
	Number of Housing Units	Percentage	Number of Housing Units	Percentage
Less than 15 percent	1,473	20.1%	830	11.0%
15 to 19 percent	1,081	14.8%	957	12.7%
20 to 24 percent	1,312	17.9%	940	12.4%
25 to 29 percent	745	10.2%	1,000	13.2%
30 to 34 percent	579	7.9%	797	10.5%
35 percent or more	1,886	25.8%	3,031	40.1%
Not computed	240	3.3%	184	(X)

Source: 2000 U.S. Census & 2007-2011 American Community Survey

Maps to further illustrate the number of housing units and the percentage that are owner and renter occupied in the City of Annapolis can be found in Section L.

The 2015 Fair Market Rents for the Anne Arundel County are shown in the following **Table II-14**.

**Table II-14 – Final FY 2014 FMRs by Unit Bedrooms**

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
<b>Final FY 2015 FMR</b>	\$833	\$985	\$1,232	\$1,574	\$1,713

Source: www.hud.gov

**G. Household Types:**

Based on a comparison between the 2000 and 2011 populations, the City of Annapolis experienced a 6.4% increase in population. The median household income of the area increased by 44.0%, potentially indicating a higher percentage of above income persons have moved into the area (even while taking into account inflation).

**Table II-15 – Changes Between 2000 & 2011**

Demographics	2000	2011	% Change
Population	35,838	38,124	6.4%
Households	15,303	16,466	7.6%
Median Household Income	\$49,243	\$70,908	44.0%

Data Source: 2000 Census (Base Year), 2007-2011 American Community Survey

**Table II-16 – Number of Households Table**

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	1,850	1,760	1,980	1,685	9,195
Small Family Households *	615	545	640	645	3,425
Large Family Households *	75	40	245	95	530
Household contains at least one person 62-74 years of age	520	415	155	195	2,050
Household contains at least one person age 75 or older	150	280	340	135	845
Households with one or more children 6 years old or younger *	444	345	365	280	950

Data Source: 2007-2011 CHAS

\* the highest income category for these family types is >80% HAMFI

**Table II-17 – Housing Problems (Households with one of the listed needs)**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Substandard Housing - Lacking complete plumbing or kitchen facilities	0	0	0	0	0	60	0	10	0	70
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	35	0	0	0	35	0	0	0	0	0
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	60	0	90	0	150	0	0	0	4	4
Housing cost burden greater than 50% of income (and none of the above problems)	885	655	170	10	1,720	150	295	160	145	750
Housing cost burden greater than 30% of income (and none of the above problems)	290	360	605	365	1,620	55	70	255	220	600
Zero/negative Income (and none of the above problems)	70	0	0	0	70	0	0	0	0	0

Data Source: 2007-2011 CHAS

**Table II-18 – Housing Problems (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Having 1 or more of four housing problems	980	655	260	10	1,905	210	295	170	150	825
Having none of four housing problems	530	635	930	960	3,055	55	170	620	570	1,415
Household has negative income, but none of the other housing problems	70	0	0	0	70	0	0	0	0	0

Data Source: 2007-2011 CHAS

**Table II-19 – Cost Overburdened Greater Than 30%**

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	515	400	255	1,170	4	40	120	164
Large Related	75	40	95	210	0	0	90	90
Elderly	390	220	135	745	165	214	40	419
Other	290	355	345	990	95	110	165	370
Total need by income	1,270	1,015	830	3,115	264	364	415	1,043

Data Source: 2007-2011 CHAS

**Table II-20 – Cost Overburdened Greater Than 50%**

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Small Related	460	185	105	750	4	30	75	109
Large Related	75	0	30	105	0	0	55	55
Elderly	245	125	30	400	110	180	10	300
Other	200	345	10	555	95	90	25	210
Total need by income	980	655	175	1,810	209	300	165	674

Data Source: 2007-2011 CHAS

**Table II-21 – Overcrowding Conditions**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Single family households	80	0	45	0	125	0	0	0	4	4
Multiple, unrelated family households	15	0	45	0	60	0	0	0	0	0
Other, non-family households	0	0	0	0	0	0	0	0	0	0
Total need by income	95	0	90	0	185	0	0	0	4	4

Data Source: 2007-2011 CHAS

According to the 2007-2011 American Community Survey (ACS), there was 16,466 households in 2011 in the City of Annapolis. The City will need to assist in obtaining funding, and working with housing service and elderly support agencies to provide programs, activities and accommodations for its elderly population.

The elderly and disabled populations are the most affected by the high cost of housing in the City of Annapolis. The elderly and disabled are on fixed or limited incomes. The lack of affordable housing that is decent, safe, and sound forces them into below code standards housing.

The other large group affected by the lack of affordable housing is the homeless and persons at-risk of becoming homeless, including persons who are victims of domestic violence.

**H. Cost Overburden:**

The greatest housing problem facing the City of Annapolis, MD is the lack of affordable housing and the fact that many of the City’s lower income households are paying more than 30% of their total household income on the monthly cost for housing. The following information was noted: 1,750 White households were cost overburdened by 30% to 50%, and 1,520 White households were cost overburdened by greater than 50%; 760 Black/African American households were cost overburdened by 30% to 50%, and 725 Black/African American households were cost overburdened by greater than 50%.

**Table II-22 – Housing Cost Burden**

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	2,290	2,270	2,640	70
White	7,635	1,750	1,520	45
Black / African American	2,030	760	725	30
Asian	130	15	120	0
American Indian, Alaska Native	0	0	0	0
Pacific Islander	0	0	0	0
Hispanic	520	525	480	0

Data Source: 2007-2011 CHAS

## I. Housing Problems:

A household is considered to have a housing problem if it is cost burden by more than 30% of their income, is experiencing overcrowding, or has incomplete kitchen or plumbing facilities. The four housing problems are: lacks complete kitchen facilities; lacks complete plumbing facilities; more than one person per room; and cost burden greater than 30%.

During the planning process for the preparation of the City of Annapolis’s Five Year Consolidated Plan, an evaluation and comparison was made to determine the needs of any racial/ethnic groups in comparison to the overall need in the City. Disproportionate need is defined as a group having at least 10 percentage points higher than the percentage of persons as a whole. The City’s Black/African American Population consists of 9,140 persons (24.0%); its Asian Population comprises 762 persons (2.0%); and its Hispanic Population makes up 6,581 persons (17.3%) (2007-2011 ACS).

The following tables illustrate the disproportionate needs in the City of Annapolis:

**Table II-23 – 0%-30% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,535	240	70
White	555	65	45
Black / African American	680	130	30
Asian	4	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	280	30	0

Data Source: 2007-2011 CHAS

**Table II-24 – 30%-50% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,385	375	0
White	735	75	0
Black / African American	265	255	0
Asian	70	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	315	35	0

Data Source: 2007-2011 CHAS

**Table II-25 – 50%-80% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,295	685	0
White	685	355	0
Black / African American	265	275	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Asian	30	20	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	300	35	0

Data Source: 2007-2011 CHAS

**Table II-26 – 80%-100% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	745	940	0
White	450	570	0
Black / African American	195	315	0
Asian	20	25	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	85	20	0

Data Source: 2007-2011 CHAS

As recently stated, the racial composition of the City of Annapolis, according to the 2007-2011 ACS, was 66.0% White; 24.0% African American; 17.3% Hispanic; 2.0% Asian; and 7.1% Other races. There were several disproportionately impacted groups in terms of severe housing problems, including those identifying as Black/African Americans, as well as Hispanic. Both races are disproportionately affected, especially those making up to 80% of area median income.

**J. Disproportionately Greater Need: Severe Housing Problems:**

A household is considered having a housing problem if it is cost burdened by more than 30% of their income, experiencing overcrowding, or having incomplete kitchen or plumbing facilities. The four severe housing problems are: lacks complete kitchen facilities; lacks complete plumbing facilities; more than 1.5 persons per room; and cost burden over 50%.

In order for the City of Annapolis to determine its goals and strategies, it must determine the extent to which any racial/ethnic group has a greater need in comparison to the City’s overall population need. Data detailing information by racial group and Hispanic origin has been compiled from the CHAS data and the 2010 U.S. Census. Disproportionate need is defined as a group having at least 10 percentage points higher than the percentage of persons in that group as a whole. The following tables illustrate the disproportionate needs of the City of Annapolis.

**Table II-27 – 0%-30% of Area Median Income**

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,190	585	70
White	480	140	45
Black / African American	465	350	30
Asian	4	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	240	65	0

Data Source: 2007-2011 CHAS

**Table II-28 – 30%-50% of Area Median Income**

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	955	805	0
White	610	200	0
Black / African American	120	400	0
Asian	70	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	155	195	0

Data Source: 2007-2011 CHAS

**Table II-29 – 50%-80% of Area Median Income**

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	430	1,545	0
White	195	845	0
Black / African American	60	480	0
Asian	30	20	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	140	195	0

Data Source: 2007-2011 CHAS

**Table II-30 – 80%-100% of Area Median Income**

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	160	1,525	0
White	80	945	0
Black / African American	80	430	0
Asian	4	40	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	0	100	0

Data Source: 2007-2011 CHAS

Based on the previous tables, the following disproportionate needs were identified as: 0% - 30% AMI – Black/African-American and Hispanic, 30% - 50% AMI – Hispanic, 50% - 80% AMI – Hispanic, and 80% - 100% AMI – Black/African-American.

The website [www.dataplace.org](http://www.dataplace.org) provides an overview of data for communities across the country. **Table II-31** highlights important data to further illustrate the housing problems in Annapolis as compared to Anne Arundel County and the State of Maryland. Over half (54.3%) of households with income less than 80% of the median income are cost

overburdened in the City, and a quarter (25.0%) are severely cost overburdened.

**Table II-31 – Housing Hardships in the City of Annapolis, MD (2000)**

Categories of Housing Hardships	Annapolis	Anne Arundel County	Maryland
Percentage of Households with income 0-80% of area median with housing cost burden	54.3%	53.9%	52.0%
Percentage of Households with income 0-80% of area median with severe housing cost burden	25.0%	24.4%	24.7%
Percentage housing units that are overcrowded	3.7%	2.0%	3.6%
Percentage housing units without complete kitchen facilities	0.2%	0.2%	0.4%
Percentage occupied housing units without complete plumbing facilities	0.5%	0.3%	0.5%

Source: www.dataplace.org

**K. Disabled Households:**

**Table II-32** includes the 2009-2011 Census Data that shows the number of disabled individuals in the City of Annapolis.

**Table II-32 – Disability Status for Annapolis, MD**

Disability Status of the Civilian Non-Institutional Population	Total Population Over 5 Years of Age	Population with a Disability	Percent with a Disability
Total civilian noninstitutionalized population	37,998	3,187	8.4%
Population under 5 years	2,989	0	0.0%
With a hearing difficulty	(X)	0	0.0%
With a vision difficulty	(X)	0	0.0%
Population 5 to 17 years	5,118	18	0.4%
With a hearing difficulty	(X)	0	0.0%
With a vision difficulty	(X)	0	0.0%
With a cognitive difficulty	(X)	18	0.4%
With an ambulatory difficulty	(X)	0	0.0%
With a self-care difficulty	(X)	0	0.0%

Population 18 to 64 years	24,738	1,953	7.9%
With a hearing difficulty	(X)	552	2.2%
With a vision difficulty	(X)	429	1.7%
With a cognitive difficulty	(X)	735	3.0%
With an ambulatory difficulty	(X)	878	3.5%
With a self-care difficulty	(X)	356	1.4%
With an independent living difficulty	(X)	550	2.2%
Population 65 years and over	5,153	1,216	23.6%
With a hearing difficulty	(X)	388	7.5%
With a vision difficulty	(X)	130	2.5%
With a cognitive difficulty	(X)	334	6.5%
With an ambulatory difficulty	(X)	881	17.1%
With a self-care difficulty	(X)	242	4.7%
With an independent living difficulty	(X)	776	15.1%
SEX			
Male	18,801	1,506	8.0%
Female	19,197	1,681	8.8%
RACE AND HISPANIC OR LATINO ORIGIN			
One Race	N	N	N
White alone	24,716	1,604	6.5%
Black or African American alone	9,844	1,226	12.5%
American Indian and Alaska Native alone	N	N	N
Asian alone	N	N	N
Native Hawaiian and Other Pacific Islander alone	N	N	N
Some other race alone	N	N	N
Two or more races	N	N	N
White alone, not Hispanic or Latino	20,923	1,555	7.4%
Hispanic or Latino (of any race)	6,156	365	5.9%

Source: 2009-2013 American Community Survey

## L. Maps:

Attached are the following maps which illustrate the 2014 Census statistics for the City of Annapolis by Block Group.

- Population Density by Block Group
- Percentage of White Population by Block Group
- Percentage of Minority Population by Block Group
- Percentage of Population Age 65+ by Block Group
- Total Housing Units by Block Points
- Percentage of Owner-Occupied Housing Units by Block Group
- Percentage of Renter-Occupied Housing Units by Block Group
- Percentage of Vacant Housing Units by Block Group
- Low/Moderate Income Percentage by Block Group
- Low/Moderate Income Percentage and Minority by Block Group

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### III. Review/Update to Original Plan

The City of Annapolis identified specific goals and strategies for the City to achieve fair housing in 2006, as part of its Five Year Consolidated Plan. The following paragraphs state each identified impediment within that document and summarize the progress made on each.

#### A. Summary of Impediments – 2006

**IMPEDIMENT No. 1:** Lack of education and increasing awareness regarding fair housing.

**IMPEDIMENT No. 2:** Lack of outreach to protected classes and referral to assistance.

**IMPEDIMENT No. 3:** City Fair Housing Law not as inclusive as State and Federal Fair Housing Laws. While City's Human Relation Commission can accept complaints related to all members of the protected classes covered by Maryland's Fair Housing Law, to further show the City's commitment to fair housing choice, its Fair Housing Law should cover all those classes as covered by Federal and State laws. Providing same protected classes locally avoids confusion and delay in addressing fair housing problems.

**IMPEDIMENT No. 4:** Zoning Ordinance definition of family is narrow, limiting it to persons related by blood, marriage, or adoption, potentially limiting groups of unrelated individuals from sharing housing. This potentially prevents group homes for the disabled.

**IMPEDIMENT No. 5:** Zoning Ordinance limits location of group homes for persons with disabilities to primarily non-residential zoning districts. The City's zoning code regulates the use as a special exception requiring additional noticing and public hearing that draw unwarranted attention to the use. The special exception standards are broad and not easily quantified making regulation subjective. The City's regulation of group homes for the disabled may impede the creation of group homes, limiting housing choices for the disabled in Annapolis.

**IMPEDIMENT No. 6:** There is overlap between census tracts containing high percentages of low-income households and large numbers of members of the protected classes indicating that the lack of affordable housing has a disproportionate impact to members of the protected classes making their affordability problem a fair housing problem.

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## **B. Actions Taken**

The 2006 Analysis of Impediments to Fair Housing Choice lists the following actions as those taken during the program year to overcome the effects of the preceding impediments:

- “Office of the Mayor completed the Limited English Proficiency (LEP) Plan for City of Annapolis. Staff will take the Plan to the City Council for adoption in FY 2013.
- The Human Relations Commission (HRC) requested that the Department of Neighborhood and Environmental Programs send letters to all landlords that have rental licenses to remind them of this protected class. The letters will go out in the next program year.
- The City’s Fair Housing Ordinance is “substantially equivalent” to both the state and federal law.
- The City has an inclusionary zoning law, which requires all developers of more than 10 units must also provide moderately priced dwelling units (MPDUs). The City has 18 occupied rental MPDUs in its inventory. The City has three developments with a total nine properties for sale.
- The City used CDBG and state rehabilitation funds to rehabilitate six LMI owner-occupied residences.
- This year [2006], Arundel Lodge used CDBG funds to renovate one new group home that provides housing and supportive services to 3 adults diagnosed with mental illness and somatic/physical issues, thus adding to the inventory of group homes in the city.
- The City was successful in securing a \$250,000 state HOME grant for interest write down assistance for 11 public housing families who moved into new Habitat homes. Seven of those families moved this year and received this assistance. In addition, the city provided six families with settlement expense help.
- The County-funded Homeownership Counseling Program and the Mortgage Assistance Program provides direct assistance to make homeownership possible for low and moderate-income families. To further help individual buyers, ACDS continues to apply for and use State funds for below market-rate mortgages to encourage homeownership for all County residents, including the City.
- The City also participates in the Anne Arundel County Affordable Housing Coalition, which is an advocacy group for affordable housing in the County.
- During this Fiscal Year, the City awarded CDBG funds to the Community Action Agency to support a first-time homebuyer-counseling program for low and moderate-income homebuyers.
- Group homes licensed by the Maryland Department of Health and Mental Hygiene are exempt from local zoning. The City currently

has 15 residences owned by Arundel Lodge, which provides help to the mentally disabled and two residences owned by the ARC, which provides assistance to the developmentally disabled.

- This past year [2005], the Annapolis Human Relations Commission received and dealt with several complaints alleging discrimination in housing. The Commission also held its second "dialogue project" designed to encourage communication between the residents of the City's public housing communities and those in adjacent neighborhoods, made presentations about hate crimes and incidents as part of the in-service training program for Annapolis police, and initiated signs on City buses advertising the availability of the Commission's services. The Commission also continued to engage in activities intended to raise its profile in the community and thereby increase awareness among City residents about its efforts to eliminate racial and other forms of discrimination and to promote equal opportunity."

- City of Annapolis Consolidated Annual Performance and Evaluation Report FY 2012 (pg. 7)

## IV. Impediments to Fair Housing 2014

In order to determine if impediments to fair housing choice exist, interviews and meetings were conducted, and an analysis of the fair housing complaints in Annapolis was undertaken.

### A. Fair Housing Complaints:

#### 1. City of Annapolis Human Relations Commission

The Human Relations Commission was established in 1963 and is a City board that ensures there is equal opportunity in Annapolis. The Commission consists of 15 volunteer Annapolis residents appointed by the Mayor and approved by City Council. The Commission handles complaints of citizens regarding discrimination in public accommodations, employment, housing and residential real estate, financial lending, recreation, and education. Furthermore, the Commission holds public hearings about the treatment of all citizens in such matters, serves as mediators, conducts surveys and issues reports on human relations, and makes recommendations to the Mayor and/or City Council for human relations practices legislation.

**City of Annapolis  
Human Relations Commission**  
160 Duke of Gloucester St.  
Annapolis, MD 21401-2535  
*Attention:* Boards and Commissions  
Coordinator  
Phone: (410) 263-7997  
Fax: (410) 216-9284

When the Commission received a complaint, it will attempt to resolve the problem through mediation; if no progress is made, the Commission may refer the case to appropriate State or Federal agencies. However, the Commission can hold public hearings in cases involving housing. Human Relations Commission meetings occur monthly on the first Monday at 6:30 p.m. at the "Pip" Moyer Recreation Center.

#### 2. Anne Arundel County Human Relations Commission

The Anne Arundel County Human Relations Commission is a non-legislative body with Commission members being appointed by the County Executive. The Commission has no statutory enforcement powers, it can

**Anne Arundel County  
Human Relations Commission**  
44 Calvert St., Room 330  
Annapolis, MD 21401  
Phone: (410) 222-1220  
Fax: (410) 222-1198

advise appropriate State or Federal agencies on certain cases.

The Commission acts as an interpreter and conciliator in discrimination cases, works to remove inequalities in housing, recreation, education, and employment, investigates complaints of discrimination, and conducts educational programs.

### 3. **Maryland Commission on Civil Rights**

The Maryland Commission on Civil Rights (MCCR) was established to ensure opportunity for all through the enforcement of state laws against discrimination in employment, housing, and public accommodations. MCCR

**Maryland Commission  
on Civil Rights**  
6 Saint Paul Street, Suite 900  
Baltimore, MD 21202-1631  
Phone: (800) 637-6247  
and (410) 767-8600  
TTY: (410) 333-1737

represents the State of Maryland through enforcement of Titles 20 of the State Government Article and 19 of the State Procurement & Finance Article, Annotated Code of Maryland.

Initially created in 1927 as the Interracial Commission of Maryland to improve the state of minorities and improve interracial relations, the agency became known as the Commission to Study Problems Affecting the Colored Population. This group was then rebranded to become the Commission on Interracial Problems and Relations and later the Commission on Human Relations, until its name was updated in 2011.

MCCR is an independent agency governed by a nine (9) member Commission appointed by the State Governor and confirmed by the Maryland Senate; members serve six-year terms and the Commission meets once a month. Complaints can be filed to the MCCR through an online form, phone call, mail, email, or in person.

MCCR publishes an annual report every January 1<sup>st</sup> that includes cases filed during the State's fiscal year. **Table IV-1** below illustrates the trends for new complaints that were docketed and conciliated for Anne Arundel County from 2011 to 2014. In FY 2014, MCCR received a total of 675 individual complaints of discrimination across the state, which is a decrease from 729 complaints received in 2013. An additional 500 contacts with the Intake Unit were not processed by the Commission for various reasons (such as jurisdiction, etc.). In FY 2014, there were 79 complaints received in Anne Arundel County, with 73 of them (92.4%) relating to employment. Since 2011, housing related complaints have accounted for 5.7% of total complaints.



**Table IV-1 –PHRC New Complaints Docketed in Anne Arundel County**

Category	2011	2012	2013	2014	Total
Employment	56	55	66	73	250
Housing	2	5	3	3	13
Public Accommodations	4	7	2	3	16
<b>TOTALS</b>	<b>62</b>	<b>67</b>	<b>71</b>	<b>79</b>	<b>279</b>

Source: Maryland Human Rights Commission Annual Reports, 2011-2014

**Table IV-2 –PHRC New Complaints Docketed in the State of Maryland**

Category	2011	2012	2013	2014	Total
Employment	480	606	601	756	2,443
Housing	49	50	89	87	275
Public Accommodations	60	65	39	65	229
<b>TOTALS</b>	<b>589</b>	<b>721</b>	<b>729</b>	<b>908</b>	<b>2,947</b>

Source: Maryland Human Rights Commission Annual Reports, 2011-2014

MCCR states that it is one of the most efficient civil enforcement agencies in the United States, taking under one-third of the time to process cases than federal and state counterparts (2014 Annual Report). During FY 2014, MCCR completed 713 cases, or approximately 78.5%.

### 3. Fair Housing & Equal Opportunity (HUD)

The U.S. Department of Housing and Urban Development’s (HUD) Office of Fair Housing & Equal Opportunity (FHEO) receives complaints regarding alleged violations of the Fair Housing Act.

The following HUD cases were filed from 2005 to 2015:

Violation State and County	Violation City	Case Number - HUD	Filing Date - HUD	Bases - Detail	Issues	Case Closure Type
Maryland - Anne Arundel County	Annapolis	03-05-0084-8	11/15/2004	Disability - Physical,	380 - Discriminatory terms, conditions, privileges, or services and facilities,	No Cause

Maryland - Anne Arundel County	Annapolis	03-05-0397-8	2/7/2005	Disability - Physical,	510 - Failure to make reasonable accommodation,	Conciliated/ Settled
Maryland - Anne Arundel County	Annapolis	03-05-0738-8	9/26/2005	National Origin - Hispanic or Latino,	310 - Discriminatory refusal to rent, 380 - Discriminatory terms, conditions, privileges, or services and facilities,	No Cause
Maryland - Anne Arundel County	Annapolis	03-05-0697-8	9/9/2005	Disability - Physical,	382 - Discrimination in terms/conditions/privileges relating to rental, 510 - Failure to make reasonable accommodation,	Administrative Closure
Maryland - Anne Arundel County	Annapolis	03-06-0535-8	6/30/2006	Race - Black or African-American,	310 - Discriminatory refusal to rent, 382 - Discrimination in terms/conditions/privileges relating to rental,	No Cause
Maryland - Anne Arundel County	Annapolis	03-06-0687-8	9/7/2006	Race - Black or African-American,	382 - Discrimination in terms/conditions/privileges relating to rental,	No Cause
Maryland - Anne Arundel County	Annapolis	03-08-0322-8	3/18/2008	Disability - Physical,	380 - Discriminatory terms, conditions, privileges, or services and facilities, 510 - Failure to make reasonable accommodation,	No Cause
Maryland - Anne Arundel County	Annapolis	03-09-0084-8	12/1/2008	Race - Black or African-American,	382 - Discrimination in terms/conditions/privileges relating to rental,	No Cause
Maryland - Anne Arundel County	Annapolis	03-10-0250-8	4/5/2010	Sex - Female, Sex - Harassment,	382 - Discrimination in terms/conditions/privileges relating to rental,	No Cause
Maryland - Anne Arundel County	Annapolis	03-10-0368-8	6/15/2010	Disability - Physical,	510 - Failure to make reasonable accommodation,	Conciliated/ Settled
Maryland - Anne Arundel County	Annapolis	03-11-0274-8	5/3/2011	Disability - Physical,	472 - Failure to provide accessible and usable public and common user areas,	Conciliated/ Settled
Maryland - Anne Arundel County	Annapolis	03-11-0432-8	8/31/2011	Race - Black or African-American, Disability - Mental,	312 - Discriminatory refusal to rent and negotiate for rental, 382 - Discrimination in terms/conditions/privileges relating to rental, 510 - Failure to make reasonable accommodation,	No Cause
Maryland - Anne Arundel County	Annapolis	03-12-0020-8	10/24/2011	Disability - Physical,	380 - Discriminatory terms, conditions, privileges, or services and facilities,	Conciliated/ Settled
Maryland - Anne Arundel County	Annapolis	03-12-0076-8	11/22/2011	Disability - Physical,	510 - Failure to make reasonable accommodation,	Administrative Closure
Maryland - Anne Arundel County	Annapolis	03-12-0384-8	7/30/2012	Disability - Physical,	380 - Discriminatory terms, conditions, privileges, or services and facilities, 510 - Failure to make reasonable accommodation,	FHAP Judicial Consent Order or Discrimination Found
Maryland - Anne Arundel County	Annapolis	03-13-0073-8	12/6/2012	Race - Black or African-American,	350 - Discriminatory financing (includes real estate transactions), 380 - Discriminatory terms, conditions, privileges, or services and facilities,	Open

Maryland - Anne Arundel County	Annapolis	03-14-0082-8	1/14/2014	Disability - Mental,	380 - Discriminatory terms, conditions, privileges, or services and facilities, 510 - Failure to make reasonable accommodation,	Open
Maryland - Anne Arundel County	Annapolis	03-15-0115-8	11/19/2014	Disability - Physical,	510 - Failure to make reasonable accommodation,	Conciliated/ Settled

Source: HUD FHEO

#### 4. Housing and Human Services Agencies

The City of Annapolis interviewed agencies offering housing and human services within the City in order to obtain their input and gain insight into potential impediments to fair housing. The following agencies were engaged in roundtable discussions or individual meetings:

- AAC Affordable Housing Coalition
- AACo Health Dept
- ACDS
- Allen Apartments
- Annapolis Chapter, Links, INC.
- Annapolis Senior Center
- Annapolis Youth Service Bureau
- Anne Arundel Co. Volunteer Center
- Anne Arundel County
- Anne Arundel County Conflict Resolution Center
- Arundel Lodge
- Asbury United Methodist Church
- Association of Retarded Citizens
- Bay Ridge Garden Apartments
- Blessed in Tech Ministries
- Bowman CDC
- Boys and Girls Club
- Center of Help
- Centro de Ayuda
- City of Annapolis Human Relations Commission
- Clay St. Public Safety Team
- Community Action Agency
- Community Preservation and Development Corporation
- CPDC
- Dept. Social Services
- DSS
- Family Support Center
- Foodlink, Inc.
- Habitat for Humanity of the Chesapeake

- 
- Homes for America
  - Housing Authority of the City of Annapolis
  - Landex Corporation
  - Legal Aid Bureau, Inc.
  - Light House Inc
  - Mt. Olive CDC
  - Mt. Zion U.M. Church
  - NFAHS
  - OHLA
  - OIC
  - PAC of A.A. Co.
  - Partnership for Youth and families
  - Pennrose Properties LLC
  - Restoration CDC
  - Salvation Army
  - Seeds 4 Success
  - Sojourner-Douglass
  - Stanton Center
  - Town Pines Court HOA
  - We Care and Friends
  - Woodside Garden Apartments
  - YWCA

Each of these agencies provided feedback on housing-related issues in the City of Annapolis. Complete meeting notes can be found in Part VI, Appendix D. The following is a summary of some of the comments that were received during the roundtable discussions and phone interviews, by topic:

## **B. Public Sector:**

Part of the Analysis of Impediments is to examine the public policies of the jurisdiction and the impact on fair housing choice. The local government controls land use and development through the comprehensive plan, zoning regulations, subdivision regulations, and other laws and ordinances passed by the local governing body. These regulations and ordinances govern the types of housing that may be constructed, the density of housing, and the various residential uses in a community. Local officials determine the community's commitment to housing goals and objectives. The local policies therefore determine if fair housing is to be promoted or passively tolerated.

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This section of the Analysis of Impediments evaluates the City's policies to determine if there is a commitment to affirmatively further fair housing.

## **1. CDBG Program -**

The "Vision" of the Five Year Consolidated Plan is to serve as a consolidated planning document, an application, and a strategic plan for the City of Annapolis, MD. The following goals and objectives have been identified for the period of FY 2016 through FY 2020:

### **A. HOUSING PRIORITY – (High Priority)**

Based off of the needs analysis, there is a need to increase the amount of decent, safe, sound, and accessible housing for homeowners, renters, and homebuyers that is affordable to low- and moderate-income persons and families by improving the quality of the existing housing stock and increasing the supply of affordable housing.

Goals/Strategies:

HS-1 Housing Rehabilitation - Continue to provide financial assistance to low- and moderate-income homeowners to rehabilitate their existing owner-occupied housing.

- Unit Measure: 15 houses

HS-2 Rental Rehabilitation – Provide support to affordable housing developers/owners to rehabilitate housing units that are rented to low- and moderate-income tenants.

- Unit Measure: 305 units

HS-3 Housing Construction - Increase the supply of decent, safe, sound, and accessible housing that is affordable to owners and renters in the community through rehabilitation of vacant buildings and new construction.

- Unit Measure: 35 units

HS-4 Fair Housing - Promote fair housing choice through education and outreach in the community.

- Unit Measure: 100 people

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HS-5 Home Ownership - Assist low- and moderate-income households to become homeowners by providing down payment assistance, closing cost assistance, and requiring housing counseling training.

- Unit Measure: 2 households

HS-5 Public Housing - Support the local public housing authority in its efforts to improve and maintain the existing public housing communities, and promote homeownership programs through the use of Section 8 Vouchers for home purchase.

- Unit Measure: The City will provide staff time. Currently staff completes environmental review for Housing Authority projects. In addition, staff provides technical assistance and coordination.

## **B. HOMELESS PRIORITY – (Low Priority)**

Based off of the needs analysis, there is a need for housing and support services for homeless persons, and persons who are at-risk of becoming homeless.

Goals/Strategies:

HO-1 Continuum of Care - Support the local Continuum of Care's (CoC) efforts to provide emergency shelter, transitional housing, and permanent supportive housing to persons and families who are homeless or who are at risk of becoming homeless.

- Unit Measure: The City's Community Development Staff provides staff time.

HO-2 Operation/Support - Assist providers in the operation of housing and support services for the homeless and persons at-risk of becoming homeless.

- Unit Measure: 1,000 people

HO-3 Prevention and Housing - Continue to support the prevention of homelessness and programs for rapid re-Housing.

- Unit Measure: 1,000 people

HO-4 Permanent Housing - Support the development of permanent supportive housing for homeless individuals and families.

- Unit Measure: 4 units

### **C. OTHER SPECIAL NEEDS PRIORITY – (Low Priority)**

Based off of the needs analysis, there is a continuing need for affordable housing, services, and facilities for persons with special needs and the disabled.

Goals/Strategies:

SN-1 Housing - Increase the supply of affordable, decent, safe, sound, and accessible housing for the elderly, persons with disabilities, and persons with other special needs through rehabilitation of existing buildings and new construction.

- Unit Measure: 15 units

SN-3 Accessibility - Improve the accessibility of renter occupied housing by making reasonable accommodations for the physically disabled.

- Unit Measure: Owner occupied already counted in HS-1; 15 units.

### **D. COMMUNITY DEVELOPMENT PRIORITY – (High Priority)**

Based off of the needs analysis, there is a need to improve the public and community facilities, infrastructure, public services, and the quality of life for all residents in the community.

Goals/Strategies:

CD-1 Community Facilities - Support improvement or construction of public facilities serving low and moderate-income neighborhoods.

- Unit Measure: 1

CD-3 Public Services - Support Vital Public Services concerned with assisting children and youth, providing persons with office skills training and job training, providing persons with information and referral and other services that promote family stability and self-sufficiency.

- Unit Measure: 5,000

### **E. ECONOMIC DEVELOPMENT PRIORITY – (Low Priority)**

Based off of the needs analysis, there is a need to increase employment and economic empowerment of low and moderate income residents in the community.

Goals/Strategies:

ED-1 Employment - Support job creation and economic development by assisting microenterprises.

- Unit Measure: 5 micro-businesses

### **F. ADMINISTRATION, PLANNING, AND MANAGEMENT PRIORITY – (High Priority)**

Based off of the needs analysis, there is a continuing need for planning, administration, management, and oversight of Federal, state, and local funded programs.

Goal/Strategy:

AM-1 Overall Coordination - Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning services for special studies, environmental clearance, fair housing, and compliance with all Federal, state, and local laws and regulations.

City provides staff person, at this time does not use admin funds for administration, just fair housing activities.

## **2. Low Income Housing Tax Credits -**

The Low Income Housing Tax Credit (LIHTC) Program was created under the Tax Reform Act of 1986 and is intended to attract private investment to develop affordable rental housing for low- and moderate-income households.

The following is a list of LIHTC projects which were built in Annapolis from 1998 through 2014:



**Table IV-6 – LIHTC in Anne Arundel County**

HUD ID Number:	Project Name:	Project Address:	Project City:	Project State:	Project ZIP Code:	Total Number of Units:	Total Low-Income Units:
MDA1998010	BAY FOREST SENIOR APARTMENTS	930 BAY FOREST CT	ANNAPOLIS	MD	21403	120	120
MDA2002127	WOODSIDE GARDENS	701 NEWTOWN E DR	ANNAPOLIS	MD	21401	144	144
MDA2003053	HOMES AT THE GLEN	73 JULIANA CIR E	ANNAPOLIS	MD	21401	56	56
MDA2005043	COLLEGE PARKWAY PLACE APARTMENTS	570 BELLERIVE RD	ANNAPOLIS	MD	21409	170	168
MDA2005045	COLLEGE PARKWAY	570 BELLERIVE RD	ANNAPOLIS	MD	21409	168	168
MDA2006125	WILEY H BATES SR	1029 SMITHVILLE ST	ANNAPOLIS	MD	21401	71	71
MDA2009004	ADMIRAL OAKS APARTMENTS	445 CAPTAINS CIR STE C	ANNAPOLIS	MD	21401	159	159
MDA2010010	ANNAPOLIS GARDENS / BOWMAN COURT	1832 BOWMAN DR	ANNAPOLIS	MD	21401	150	150
MDA2010060	OBERY COURT PHASE I	112 CLAY ST	ANNAPOLIS	MD	21401	50	50
MDA2011004	BAY RIDGE GARDENS	1 BENS DR	ANNAPOLIS	MD	21403	198	198

Source: <http://lihtc.huduser.org/>

**3. Planning, Zoning, and Building Codes -**

***City of Annapolis:***

In its 2006 Analysis of Impediments to Fair Housing Choice, the City of Annapolis identified two impediments to Fair Housing that

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directly related to the City's planning, zoning, and building codes; these impediments appeared in the City of Annapolis's 2006 Analysis of Impediments to Fair Housing Choice in the following areas:

- “Land Zoning Ordinance definition of family is narrow, limiting it to persons related by blood, marriage, or adoption, potentially limiting groups of unrelated individuals from sharing housing. This potentially prevents group homes for the disabled.
- Zoning Ordinance limits location of group homes for persons with disabilities to primarily non-residential zoning districts. The City's zoning code regulates the use as a special exception requiring additional noticing and public hearing that draw unwarranted attention to the use. The special exception standards are broad and not easily quantified making regulation subjective. The City's regulation of group homes for the disabled may impede the creation of group homes, limiting housing choices for the disabled in Annapolis” (2006 A.I.).

#### ***U.S. Department of Housing and Urban Development (HUD):***

HUD encourages its grantees to incorporate “visitability” principles into their designs. Housing that is “visitable” has the most basic level of accessibility that enables persons with disabilities to visit the home of a friend, family member, or neighbor. “Visitable” homes have at least one accessible means of egress/ingress for each unit, and all interior and bathroom doorways have 32-inch clear openings. At a minimum, HUD grantees are required to abide by all Federal laws governing accessibility for disabled persons.

#### ***Federal Requirements:***

Federal laws governing accessibility requirements include Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and the Fair Housing Act.

Section 504 of the Rehabilitation Act (24 CFR Part 8), known as “Section 504” prohibits discrimination against persons with disabilities in any program receiving Federal funds. Specifically, Section 504 concerns the design and construction of housing to ensure that a portion of all housing developed with Federal funds is accessible to those with mobility, visual, and hearing impairments.

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The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225) (ADA) prohibits discrimination against persons with disabilities in all programs and activities sponsored by state and local governments. Specifically, ADA gives HUD jurisdiction over housing discrimination against persons with disabilities.

The Fair Housing Act was amended in 1988 to include persons with disabilities as a protected class, as well as to include design and construction requirements for housing developed with private or public funds. Specifically, this law requires property owners to make reasonable modifications to units and/or public areas in order to allow the disabled tenant to make full use of the unit. Additionally, property owners are required to make reasonable accommodations to rules or procedures to afford a disabled tenant full use of the unit. As it relates to local zoning ordinances, the Fair Housing Act prohibits local government from making zoning or land use decisions, or implementing land use policies that exclude or discriminate against persons of a protected class.

**4. Taxes –**

Real estate property taxes also impact housing affordability. This may not be an impediment to fair housing choice but it does impact the affordability of housing.

**5. Annapolis Housing Authority**

The Housing Authority of the City of Annapolis (HACA) was founded in 1937 to provide affordable housing in the City. HACA's mission is to provide housing and self-sufficiency opportunities to enhance the quality of life for very-low, low, and moderate-income residents. An independent agency chartered by the state of Maryland, HACA is funded by HUD and directed by a Board of Commissioners appointed by the Mayor of the City of Annapolis.

**6. Comprehensive Plan -**

The City of Annapolis completed a comprehensive plan in October of 2009 with the help of the following consultants: Jakubiak & Associates Inc., The Minor Group, Kendig Keast Collaborative, Michael Baker Inc., and Economic Stewardship Inc. This 2009 Comprehensive Plan was developed to chart the City's direction over the next ten years, guiding future decision-makers and citizens by building off of the previous plan created in 1998. Secondly, the

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Plan responds to Maryland statutes that govern local land use planning under Article 66B of the Maryland Annotated Code.

The 2009 Comprehensive Plan, which involved a 35-member Citizens Advisory Committee, interviews with approximately 50 citizens, and a Public Forum, outlined three main ideas that would define the approach to planning for the City's next ten years:

1. **Preserve and Enhance Community Character** – the 2009 Comprehensive Plan takes an approach to planning focused on community character, which allows greater understanding of a community's physical function and design.
2. **Maintain a Vibrant Economy** – a local, vibrant economy is crucial to a City by providing employment options to its residents, respecting its cultural heritage, and safeguarding its neighborhoods. The Plan calls for providing sufficient development opportunities, desirable land use patterns, maintain municipal financial stability, and ample local employment options.
3. **Promote a 'Green' Annapolis** – whereas 'greening' refers to the actions and policies that recognize environmental challenges the City faces. The Plan calls for creating a healthy living environment and guiding urban growth to areas with existing infrastructure and away from sprawl.

Furthermore, the Plan identifies major projects and geographic areas that warrant more study, presenting seven chapters of different topics: Land Use & Economic Development, Transportation, Municipal Growth & Community Facilities, Parks, Environment, Housing, and Water Resources.

### **Annapolis Regional Transportation Vision and Master Plan**

In 2006, a regional transportation plan was prepared for the City of Annapolis, Anne Arundel County, Maryland Department of Transportation, and the Annapolis Regional Transportation Management Agency (ARTMA) by Parsons Brinckerhoff Quade and Douglass, Inc. The plan contains a detailed inventory of the existing facilities and services found within Anne Arundel County and states the goals it hopes to achieve; the Mayor, City Council, and the Annapolis Transportation Board, consisting of 11 appointed City residents, agreed upon a set of visions that the Plan should entail:

- 
- Addresses transportation issues in Annapolis, Parole, and surrounding area.
  - Is user-centered and focuses on the needs of different users.
  - Includes a visible planning process.
  - Enhances quality of life, land-use, and special characteristics.
  - Features participation from the City, County, State, and Naval Academy.
  - Creates a vision and master plan that identifies policies to achieve the vision of each user group.
  - Includes the costs and benefits of each project or policy.
  - Promotes closer institutional coordination and intergovernmental partnerships.

After review of the inventory of existing services and facilities, the Plan identified a number of primary transportation issues for the study area that should be addressed:

- Traffic Congestion – Drivers experience peak hour congestion on major highways in the area; backups on U.S. 50/U.S. 301 and I-97 affect local transportation system
- Limited Transportation Choices – Public transit accounts for a minor role compared to the automobile; greater access to transportation options, as well as sidewalks and bicycle lanes, will become important as the local population ages and increases demand for transportation alternatives.
- Parking – The City of Annapolis faces large parking demands from tourists, employees, patrons, and residents; special event parking is also becoming a significant issue.
- Need for Greater Intergovernmental Coordination – Transportation and land use planning must be dealt with across agencies, especially in the face of increasing transportation issues and limited financial resources.

These issues, along with the detailed and coordinated planning process, resulted in the formation of a number of recommendations. These take the form of policies, programs, and projects and range from immediate actions to short-term and long-term actions. The four recommendations, which consist of numerous strategies in each, are:

- RECOMMENDATION 1 - Maximize connectivity between activity centers.
  - In order to halt current decline in mobility, planned actions include a new Annapolis Transit Routes, pedestrian and bicycle improvement projects,

coordination of traffic signals and creation of Transit Signal Priority (TSP) to improve efficiency, and comprehensive traffic studies.

- RECOMMENDATION 2 - Improve circulation patterns within activity centers.
  - Circulation within hubs is crucial, so the planned actions consist of: circulators and shuttles within sections of Annapolis and Parole, wayfinding signage improvements, reduce transit headways and waiting times, and improve bicycle route safety measures.
  
- RECOMMENDATION 3 - Maximize effectiveness of parking facilities.
  - While downtown Annapolis has eight major parking facilities, the issue of congestion stems from large automobile presence in an urban center that existed two centuries before automobiles existed. Planned actions are: creation of additional parking structures, current lot improvements and efficiency studies, establishment of an area-wide parking coordination body, and integrate pricing and incentives for transit and downtown parking.
  
- RECOMMENDATION 4 - Improve mobility, overall safety, comfort, and convenience for all user groups.
  - While the three previous recommendations focused on increasing capacity or level of service, this last recommendation looks at altering travel behaviors. The following planned actions are intended to reduce the rising numbers of miles driven daily per person: increased mixed-use development to encourage walking and transit usage, enhance transit shelters, institute a transportation demand management plan, and focus on urban design principles to increase walkability.

## **7. Transportation -**

The residents of the City of Annapolis enjoy a variety of options for transportation. Public transit is important to the economic development and housing development in the City and County. Many people rely on bus service for access to work, school, healthcare, and other services, and often use mass transit routes to decide where they will live.

Annapolis Department of Transportation (ADOT)

ADOT offers bus transit services through a ‘Circulator’ route, regular fixed route services, and specialized transportation services/mobility and para-transit services. The ‘Circulator’ is a trolley that efficiently moves individuals around the Central Business District, allowing tourists and residents to navigate quickly between the City’s parking garages and its unique shops and food and entertainment options (ADOT). ADOT transit fares start with a base cash fare of \$2.00. Circulator rides cost \$1.00, although seniors/disabled/students pay just \$.50. ADA Service cash fare is \$4.00 for curb-to-curb service; ADOT offers summer youth passes for \$35.00, daily passes for \$4.00, and weekly, monthly, quarterly, and annual passes ranging from \$20.00 to \$500.00.



The Anne Arundel County Department of Aging “Van Transportation Program” serves seniors and disabled persons; in addition to wheelchair disability transportation, the program also includes a “Taxi Voucher Program” that provides discount coupons for taxi services for such County residents. Furthermore, “Ride Partners” is a program that matches volunteers with older and disabled adults who need long distance transportation.

### Regional Transportation Agency of Central Maryland (RTA)

The Regional Transportation Agency of Central Maryland (RTA) is an organization of multiple jurisdictions meant to create a more effective and efficient public transit system across Central Maryland. The new RTA transit facility is located in Annapolis Junction and offers curb-to-curb shared ride para-transit services to those that meet eligibility requirements; such requirements are anyone with a physical, cognitive, or emotional disability which prevents them from being able to use fixed route bus services. RTA Mobility fare ranges from \$2.50 each way to \$4.00 each way, depending on county residence and distance from the nearest route.

### Washington Metropolitan Area Transit Authority

The Washington Metropolitan Area Transit Authority (Metro) was created by an interstate compact in 1967 to “ plan, develop, build, finance, and operate a balanced regional transportation system in the national capital

area” (WMATA.org). Metrorail currently serves 91 stations and has 117 miles of track, while Metrobus serves the D.C. region with 1,500 buses.

## 8. Section 3 -

HUD's definition of Section 3 is:

*Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.*

The following is the City of Annapolis's guidelines that are used to accomplish Section 3 compliance:

- When a contract or project is put out for bid, as part of the bid-package, the advertisement contains the Section 3 information describing the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701U (Section 3). The first pages of this document are the actual wording of Section 3, including 25 CFR Part 135. These pages are to be read by and signed by all contractors bidding on City projects and contracts, stating that the contractor "will abide by and include in all subcontracts the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended." The "Estimated Work Force Breakdown" sheet requires the following: total estimated positions needed; number of positions occupied by permanent employees; number of positions not occupied; and number of positions to be filled with Section 3 residents. The "Section 3 Business Utilization" sheet is also included. This form asks for general contract information and requests the following: name of subcontractor; Section 3 business; address; trade/service or supply; contract amount; award date; and competitive or negotiated bid. It then asks for the total dollar amount awarded to Section 3 businesses. This form is then checked by the City's Labor Compliance Officer to ensure that it was indeed filled out and signed by those contractors submitting bids.
- Once the contract is awarded to a contractor, a Pre-Construction Conference is then scheduled. At this conference the Labor Compliance Officer spends time going over all of the U.S. Department of Labor, U.S. Department of Housing and Urban Development, and State and local regulations and requirements with the contractor. The above stated Section 3 document is given to the contractor during the conference for a second time, and must

be filled out, signed and sent to the Labor Compliance Officer with all the other documents/paperwork involved in the Pre-Construction Conference.

- Two other areas of concern are addressed during the Pre-Construction Conference: the requirement that contractors inform the Labor Compliance Officer (LCO) as to locations and times, once the work on a project begins, and a second piece that relates specifically to Section 3. Contractors are given a form with two sections to complete. The first requires the contractor to submit in writing where Section 3 “new hires” will be located and the source they were recruited from for the contract. The second section requires the contractor to confirm in writing if the crew-size for all work done on a project is sufficient and no new-hires of any kind will be needed. This is the case for a number of City construction contracts, as contractors have crews as small as two to four long time employees. This form is signed and returned to the LCO with all other requested written information for Section 3. The contractor is made aware that failure to submit all of the above will be considered non-compliance.
- Finally, in reference to the submission in writing that a sufficient crew exists and no new hires will be necessary, it is requested that contingent plans regarding the recruiting and hiring of Section 3 residents be considered.

## **C. Private Sector:**

The private sector has traditionally been the greatest impediment to fair housing choice in regard to discrimination in the sale, rental or advertising of dwellings, the provision of brokerage services, or in the availability of financing for real estate purchases. The Fair Housing Act prohibits such practices as the failure to give the same terms, privileges, or information, charging different fees, steering prospective buyers or renters toward a certain area or neighborhood, or using advertising that discourages prospective buyers or renters because of race, color, religion, sex, handicap, familial status or national origin.

### **1. Private Financing -**

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (F.I.R.R.E.A.) requires any commercial institution that makes five (5) or more home mortgage loans, to report all home loan activity to the Federal Reserve Bank under the Home

Mortgage Disclosure Act (HMDA). The HMDA data was obtained and is included in the Appendix B of this Analysis of Impediments.

**Table IV-8** below compares lending in the Anne Arundel County to the Baltimore-Towson, MD MSA; this MSA includes all the Census Tracts in Anne Arundel County and the City of Annapolis. Conventional mortgages in Anne Arundel County made up 23.82% of the conventional mortgages in the Baltimore-Towson MSA in 2013.

**Table IV-8 – Home Purchase Loans Originated**

	FHA, FSA/RHS & VA		Conventional		Refinancing		Home Improvement Loans	
	#	Amount \$000's	#	Amount \$000's	#	Amount \$000's	#	Amount \$000's
Anne Arundel County	2,749	872,798	4,017	1,321,821	14,232	3,864,679	1,027	101,453
Baltimore-Towson MSA	9,751	2,573,171	16,861	4,980,476	54,264	12,861,868	4,150	341,729
% of MSA lending in Anne Arundel County	28.19%	-	23.82%	-	26.23%	-	24.75%	-

Source: <http://www.ffiec.gov/hmda>

The table below (**Table IV-9**) shows the conventional loan applications in Anne Arundel County and the Baltimore-Towson MSA. Of the conventional loan applications in the county, 8.91% were denied, while 9.43% were withdrawn and 4.81% were approved but not accepted.

**Table IV-9 – Disposition of Conventional Loans**

	Anne Arundel County Applications	% of Anne Arundel County Applications	Total MSA Applications	% of Total MSA Applications
Loans Originated	4,017	74.60%	16,861	23.82%
Approved, Not Accepted	259	4.81%	1,108	23.38%
Applications Denied	480	8.91%	2,208	21.74%
Applications Withdrawn	508	9.43%	2,337	21.74%
File Closed for Incompleteness	121	2.25%	528	22.92%

Source: <http://www.ffiec.gov/hmda/>

**Table IV-10** outlines the disposition of conventional loans in the Baltimore-Towson MSA by income level. Loan applications from households making less than 50% of MSA median income have the lowest origination rates, although those making 120% or more of the MSA median have the highest denial rates.

**Table IV-10 – Disposition of Conventional Loans by Income Level**

Income Level	Applications Received		Loans Originated		Applications Approved, Not Accepted		Applications Denied		Applications Withdrawn		Applications Withdrawn or Closed for Incompleteness	
	Count	% of Total	Count	% of Income Level Applications	Count	% of Income Level Originations	Count	% of Income Level Originations	Count	% of Income Level Originations	Count	% of Income Level Originations
Less than 50% of MSA Median	1,508	7.73%	916	6.30%	94	10.20%	350	19.47%	111	6.00%	37	8.83%
50-79% of MSA Median	3,874	19.85%	2,834	19.50%	187	20.28%	432	24.03%	355	19.20%	66	15.75%
80-99% of MSA Median	2,368	12.13%	1,808	12.44%	101	10.95%	217	12.07%	203	10.98%	39	9.31%
100-119% of MSA Median	2,169	11.11%	1,640	11.29%	98	10.63%	155	8.62%	229	12.39%	47	11.22%
120% or More of MSA Median	9,599	49.18%	7,332	50.46%	442	47.94%	644	35.82%	951	51.43%	230	54.89%
<b>Total</b>	<b>19,518</b>	<b>100.00%</b>	<b>14,530</b>	<b>100.00%</b>	<b>922</b>	<b>100.00%</b>	<b>1,798</b>	<b>100.00%</b>	<b>1,849</b>	<b>100.00%</b>	<b>419</b>	<b>100.00%</b>

Source: <http://www.ffiec.gov/hmda/>

**Table IV-11** shows the dispositions of conventional loans disaggregated by minority status and income level for the Baltimore-Towson MSA. The number of applications for conventional loans submitted by White, non-Hispanic applicants significantly outnumbers minority applicants in each income level analyzed. The percentage of loans originated by white households is slightly less than the percentage of loans originated by minority households; however, as the White, non-Hispanic applicants far outnumber the minority applicants in each category, the results may be misleading.

**Table IV-11 – Conventional Loan Disposition Rates by Minority Status,  
Less than 50% of MSA Median Income**

Minority Status	Applications Received	% of Total Applications	Loans Originated	% of Applications Received by Minority Status	Applications Approved but Not Accepted	% of Loans Originated by Minority Status	Applications Denied	% of Loans Originated by Minority Status	Applications Withdrawn	% of Loans Originated by Minority Status	Applications Closed for Incompleteness	% of Loans Originated by Minority Status
White, Non-Hispanic	1027	68.1%	661	64.4%	57	5.6%	211	20.5%	75	7.3%	23	2.2%
Minority, Including Hispanic	481	31.9%	255	53.0%	37	7.7%	139	28.9%	36	7.5%	14	2.9%
Total	1508	-	916	-	94	-	350	-	111	-	37	-

Source: <http://www.ffiec.gov/hmda/>

The number of White, non-Hispanic low-income applicants significantly outnumbers the number of minority applicants. Minority applicants have a lower applicant origination rate, though the sample size is small.

**Table IV-12 – Conventional Loan Disposition Rates by Minority Status,  
50-79% of MSA Median Income**

Minority Status	Applications Received	% of Total Applications	Loans Originated	% of Applications Received by Minority Status	Applications Approved but Not Accepted	% of Loans Originated by Minority Status	Applications Denied	% of Loans Originated by Minority Status	Applications Withdrawn	% of Loans Originated by Minority Status	Applications Closed for Incompleteness	% of Loans Originated by Minority Status
White, Non-Hispanic	2856	73.7%	2198	77.0%	119	4.2%	248	8.7%	251	8.8%	40	1.4%
Minority, Including Hispanic	1018	26.3%	636	62.5%	68	6.7%	184	18.1%	104	10.2%	26	2.6%
Total	3874	-	2834	-	187	-	432	-	355	-	66	-

Source: <http://www.ffiec.gov/hmda/>

The number of White, non-Hispanic middle-income applicants significantly outnumbers the number of minority applicants. White, non-Hispanic households have a higher origination, while Minority applicants have a higher denial rate.

**Table IV-13 – Conventional Loan Disposition Rates by Minority Status,  
80-99% of MSA Median Income**

Minority Status	Applications Received	% of Total Applications	Loans Originated	% of Applications Received by Minority Status	Applications Approved but Not Accepted	% of Loans Originated by Minority Status	Applications Denied	% of Loans Originated by Minority Status	Applications Withdrawn	% of Loans Originated by Minority Status	Applications Closed for Incompleteness	% of Loans Originated by Minority Status
White, Non-Hispanic	1720	72.6%	1364	79.3%	65	3.8%	125	7.3%	145	8.4%	21	1.2%
Minority, Including Hispanic	648	27.4%	444	68.5%	36	5.6%	92	14.2%	58	9.0%	18	2.8%
Total	2368	-	1808	-	101	-	217	-	203	-	39	-

Source: <http://www.ffiec.gov/hmda/>

The number of White, non-Hispanic upper middle-income applicants significantly outnumbers the number of minority applicants. In this income category, minority applicants have a lower origination rate and a higher denial rate.

**Table IV-14 – Conventional Loan Disposition Rates by Minority Status,  
100-119% of MSA Median Income**

Minority Status	Applications Received	% of Total Applications	Loans Originated	% of Applications Received by Minority Status	Applications Approved but Not Accepted	% of Loans Originated by Minority Status	Applications Denied	% of Loans Originated by Minority Status	Applications Withdrawn	% of Loans Originated by Minority Status	Applications Closed for Incompleteness	% of Loans Originated by Minority Status
White, Non-Hispanic	1600	73.8%	1249	78.1%	73	4.6%	103	6.4%	147	9.2%	28	1.8%
Minority, Including Hispanic	569	26.2%	391	68.7%	25	4.4%	52	9.1%	82	14.4%	19	3.3%
Total	2169	-	1640	-	98	-	155	-	229	-	47	-

Source: <http://www.ffiec.gov/hmda/>

The number of White, non-Hispanic upper-income applicants significantly outnumbers the number of minority applicants. Minority applicants have a lower loan origination rate than White, non-Hispanic upper-income applicant as well as a slightly higher denial rate.

**Table IV-15 – Conventional Loan Disposition Rates by Minority Status, 120% or More of MSA Median Income**

Minority Status	Applications Received	% of Total Applications	Loans Originated	% of Applications Received by Minority Status	Applications Approved but Not Accepted	% of Loans Originated by Minority Status	Applications Denied	% of Loans Originated by Minority Status	Applications Withdrawn	% of Loans Originated by Minority Status	Applications Closed for Incompleteness	% of Loans Originated by Minority Status
White, Non-Hispanic	7,400	77.1%	5,770	78.0%	329	4.4%	430	5.8%	709	9.6%	162	2.2%
Minority, Including Hispanic	2,199	22.9%	1,562	71.0%	113	5.1%	214	9.7%	242	11.0%	68	3.1%
Total	9,599	-	7,332	-	442	-	644	-	951	-	230	-

Source: <http://www.ffiec.gov/hmda/>

The number of White, non-Hispanic high-income applicants significantly outnumbers the number of minority applicants. Compared to white applicants, minority applicants have a higher denial rate, though a slightly lower origination rate.

The following table offers a closer look at the denial rates of conventional loans by denial reason and income level. For applicants earning up to 119% of median income, the most common reason for denial is debt to income ratio. A lack of collateral is the most common reasons for denial for applicants earning 120% of median income or more. For those earning less than 50% of median income, debt to income ratio and credit history are the most common reasons for denial.

**Table IV-16 – Conventional Loan Denial Rates by Denial Reason and Income Level**

	Less than 50% Low		50-79%		80-99%		100-119%		120% or More		Income Not Available	
	Count	% of Income Level	Count	% of Income Level	Count	% of Income Level	Count	% of Income Level	Count	% of Income Level	Count	% of Income Level
Debt to Income Ratio	128	37.9%	128	25.9%	69	28.4%	37	20.6%	128	15.5%	11	15.7%
Employment History	17	5.0%	19	3.8%	4	1.6%	5	2.8%	16	1.9%	6	8.6%
Credit History	81	24.0%	105	21.2%	32	13.2%	35	19.4%	103	12.5%	12	17.1%
Collateral	35	10.4%	92	18.6%	56	23.0%	36	20.0%	185	22.5%	8	11.4%
Insufficient Cash	24	7.1%	35	7.1%	16	6.6%	12	6.7%	66	8.0%	4	5.7%
Unverifiable Information	14	4.1%	20	4.0%	15	6.2%	17	9.4%	62	7.5%	6	8.6%
Credit Application Incomplete	12	3.6%	40	8.1%	18	7.4%	23	12.8%	129	15.7%	10	14.3%
Mortgage Insurance Denied	2	0.6%	2	0.4%	0	0.0%	0	0.0%	6	0.7%	0	0.0%
Other	25	7.4%	54	10.9%	33	13.6%	15	8.3%	129	15.7%	13	18.6%
<b>Total Denials/ % of Total</b>	<b>338</b>	<b>15.72%</b>	<b>495</b>	<b>23.02%</b>	<b>243</b>	<b>11.30%</b>	<b>180</b>	<b>8.37%</b>	<b>824</b>	<b>38.33%</b>	<b>70</b>	<b>3.26%</b>

Source: <http://www.ffiec.gov/hmda/>

In summary, the HMDA Data indicates that low income households have a higher rate of denial than higher income households; More than one-third (38.74%) of denied loans originated from applicants earning less than 80% of the area’s median income. Overall, the origination rate of conventional loans in Anne Arundel County is 74.6%, while almost the same in the Baltimore-Towson MSA at 74.4%. In both Anne Arundel County and the MSA, the number of white applicants far exceeds the number of minority applicants and the origination and denial rates by race do vary by income. The most common reasons for denial are credit history, debt-to-income ratio, and lack of collateral.

In every income category, White, non-minority applicants for a conventional home purchase loan significantly outnumber minority

applicants. The percentage of total applications by Whites accounts for at least two-thirds or more of the total, regardless of income. Loan origination rates are slightly higher for White applicants (78.0%) than for minority applicants (71.0%) as a whole, and minority denial rates (9.7%) are higher than White denial rates (5.8%). However, the disparity in the categories of results of the applications is not as great between Whites and minorities as it is when comparing the percentage of applications. These numbers support the finding that White owner-occupied households greatly outnumber Black owner-occupied households in Anne Arundel County.

An additional analysis of loans granted by race in Annapolis, Anne Arundel County, Maryland, and across the country, is beneficial to further illustrate the financial trends in the City of Annapolis. The following tables present data gathered from [www.dataplace.org](http://www.dataplace.org). The table below presents loans for the purchase of single-family homes by race. The City of Annapolis has a high proportion of home loans made to minority households relative to Anne Arundel County.

**Table IV-17 – Home Purchase Loans by Race**

Loans by Race	City of Annapolis	Anne Arundel County	Maryland	United States
Percentage of owner-occupied home purchase loans to Whites (2007)	78.8%	74.7%	56.6%	72.7%
Percentage of owner-occupied home purchase loans to Blacks (2007)	5.7%	12.5%	25.7%	7.9%
Percentage of owner-occupied home purchase loans to Asian/Pacific Islanders (2007)	1.3%	3.5%	6.1%	5.2%
Percentage of owner-occupied home purchase loans to Native Americans (2007)	0.3%	0.2%	0.2%	0.3%
Percentage of owner-occupied home purchase loans to Hispanics (2007)	12.1%	5.3%	8.0%	10.8%
Percentage of owner-occupied home purchase loans to mixed race pairs (2007)	1.1%	3.6%	3.1%	2.9%

Percentage of owner-occupied home purchase loans to minorities (2007)	21.2%	25.3%	43.4%	27.3%
Percentage of owner-occupied home purchase loans made to multiracial applicants (2007)	0.6%	0.2%	0.3%	0.2%

Source: [www.dataplace.org](http://www.dataplace.org)

**Table IV-18 – Home Purchase Loans by Income**

Income (2007)	City of Annapolis	Anne Arundel County	Maryland	United States
Median borrower income for owner-occupied purchase 1 to 4 family	\$120,000	\$95,000	\$88,000	\$74,000
Median income of purchase borrowers (1-4 families) /median owner income	1.45	1.09	1.09	1.13
Percentage of owner-occupied home purchase loans to very low-income borrowers	1.8%	1.9%	5.2%	5.7%
Percentage of owner-occupied home purchase loans to low-income borrowers	10.0%	14.5%	22.8%	19.2%
Percentage of owner-occupied home purchase loans to middle-income borrowers	22.0%	29.9%	30.4%	25.8%
Percentage of owner-occupied home purchase loans to high-income borrowers	66.2%	53.7%	41.6%	49.3%

Source: [www.dataplace.org](http://www.dataplace.org)

**Table IV-19 – Loans from Subprime Lenders by Purpose and Loan Type**

Type	City of Annapolis	Anne Arundel County	Maryland	United States
Percentage of conventional home purchase mortgage loans by subprime lenders (2005)	14.3%	13.2%	17.6%	17.7%
Percentage of conventional refinancing mortgage loans by subprime lenders (2005)	18.2%	19.6%	24.8%	20.4%

Source: [www.dataplace.org](http://www.dataplace.org)



## V. Actions and Recommendations

The following impediments to fair housing choice and recommendations are presented to assist the City of Annapolis to affirmatively further fair housing in the community. The previously identified impediments to fair housing choice were discussed in Section III and progress was reported for each impediment. New and carried over impediments to Fair Housing Choice are presented in chart format on the pages that follow. Below is a list of impediments that were developed as part of Annapolis's 2016 Analysis of Impediments to Fair Housing Choice.

**Impediment 1: FAIR HOUSING EDUCATION AND OUTREACH** – There is a need to educate members of the community concerning their rights and responsibilities under the Fair Housing Act and to raise awareness, especially for low-income households, that all residents of the City have a right under federal law to fair housing choice.

**Goal:** Improve the public's knowledge and awareness of the Federal Fair Housing Act, and related laws, regulations, and requirements to affirmatively further fair housing in the City.

In order to meet this goal, the following activities and strategies should be undertaken:

**1-A:** Continue to promote Fair Housing awareness through the media and with assistance from local/regional social service agencies, by providing educational awareness/opportunities for all persons to learn more about their rights and requirements under the Fair Housing Act and Americans with Disabilities Act.

**1-B:** Continue to make available and distribute literature and informational material, in English and Spanish, concerning fair housing issues, an individual's rights, and landlord's responsibilities to affirmatively further fair housing.

**1-C:** Improve the information on the City's website about whom to contact and how to file a fair housing complaint, as well as general Fair Housing information for homeowners and renters.

**1-D:** Strive for better intergovernmental cooperation between Federal, State, County, and local partners, as well as community groups and developers, to effectively identify and address potential barriers to affordable housing choice.

**1-E:** Continue to support the efforts of the City's Human Relations Commission.

**Impediment 2: PUBLIC POLICIES AND REGULATIONS** – The City's Zoning Code needs additional definitions, provisions, and revisions to be compliant with

the Federal Fair Housing Act, Section 504, and the Americans with Disabilities Act to affirmatively further fair housing.

Goal: Revise the City Zoning Code to affirmatively further fair housing.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

2-A: The local planning commission should review the existing ordinances and zoning regulations for compliance with the Fair Housing Act, as amended.

2-B: Revise the definitions and add new definitions for the words: “Family,” “Handicap (Disabled),” “Fair Housing Act,” “Accessibility,” “Visitability,” etc.

Impediment 3: CONTINUING NEED FOR AFFORDABLE AND ACCESSIBLE HOUSING UNITS – The cost of rent for apartments in the City has increased over the past ten years to the point that 50.6% of all renter households in Annapolis are paying more than 30% of their monthly incomes on the cost of their housing, which means that these households are considered cost overburdened.

Goal: Promote and encourage the construction and development of additional affordable rental housing units in the area, especially for households whose income is less than 80% of the median income.

In order to meet this goal, the following activities and strategies should be undertaken:

3-A: Support and encourage both private developers and non-profit housing providers to develop plans for the construction of new affordable and accessible renter occupied and owner occupied housing that would be located in areas that provide access to employment opportunities, transportation, amenities, and services throughout the Region.

3-B: Support and encourage the rehabilitation of existing housing units in the City to become decent, safe, and sound renter occupied and owner occupied housing that is affordable and accessible to lower income households.

3-C: The Housing Authority of the City of Annapolis should partner with private and non-profit housing developers to continue to construct affordable rental housing utilizing Low Income Housing Tax Credits (LIHTC) and other financing tools through federal, state, and local units of government.

3-D: Continue to enforce the ADA and Fair Housing requirements for landlords to make “reasonable accommodations” to their rental properties so they become

accessible to tenants who are disabled, as well as educating the disabled how to request special accommodations.

Impediment 4: PRIVATE LENDING AND INSURANCE PRACTICES – The Home Mortgage Disclosure Act (HMDA) data suggests that there is a disparity between the approval rates of home mortgage loans originated from White and those originated from Minority applicants.

Goal: Approval rates for all originated home mortgage loans and insurance coverage should be fair, risk based, unbiased, and impartial, regardless of race, familial status and location.

In order to meet this goal, the following activities and strategies should be undertaken:

4-A: Federal, state, local, and private funding should be used to provide a higher rate of public financial assistance to potential homebuyers in lower income neighborhoods to improve loan to value ratios, so that private lenders will increase the number of loans made in these areas.

## VI. Certification

### Signature Page:

I hereby certify that this FY 2015-2019 Fair Housing Analysis is in compliance with the intent and directives of the Community Development Block Grant Program regulations.

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Mike Pantelides, Mayor, City of Annapolis, MD

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Date

## VII. Appendix

The following items are in the appendix:

- **Appendix A – Demographic Data**

The 2000 & 2010 Census Data for the City of Annapolis, Anne Arundel County, and Maryland and the 2007-2011 American Community Survey Data for the City of Annapolis, Anne Arundel County, and Maryland.

- **Appendix B – Home Mortgage Disclosure Act Data**

HMDA Reports from 2013.

- **Appendix C – Meeting Summaries**

Summaries of the Public Hearings and meetings.

- **Appendix D – Citizen Participation**

Public hearing notices, public hearing sign-in sheets, public hearing minutes, and other documents outlining the citizen participation.