Fair Housing Assessment

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X. Fair Housing Enforcement, Outreach Capacity and Resource Analysis
XI. Fair Housing Goals and Strategies

Produced by the Mid-America Regional Council on behalf of the cities of Blue Springs, Independence and Kansas City, Missouri; the city of Leavenworth, Kansas; and the Unified Government of Wyandotte County/Kansas City, Kansas. This assessment is required to meet Community Development Block Grant obligations for Affirmatively Furthering Fair Housing as established by the U.S. Department of Housing and Urban Development.
Section VII
Disproportionate Housing Needs

KEY FINDINGS AND CONCLUSIONS

- People of color face disproportionately high housing problems when compared to non-Hispanic whites and the population as a whole. Disproportionate housing problems are even greater when looking at severe housing problems. While Kansas City, Missouri, residents tend to have a higher probability of having housing problems, these percentages are almost equal for non-Hispanic blacks and Hispanics whether they live in the city or the region as a whole.

- There is considerable overlap between high housing burden and R/ECAPs and adjacent areas. These areas are concentrated in Kansas City, Missouri, and Kansas City, Kansas. Non-Hispanic blacks and Hispanics are principal occupants of these areas.

- People of color are renters at significantly higher rates than non-Hispanic whites.

- While overcrowding occurs at similar rates within the city of Kansas City, Missouri, and the region, people of color experience a much higher rate of overcrowding than do non-Hispanic whites.

- CDBG communities outside of Kansas City, Kansas, and Kansas City, Missouri, experience similar disproportionate housing problems, with the exception of the cities of Blue Springs and Leavenworth.
Analysis of housing challenges

Housing challenges evaluated below (by race/ethnicity and family status) include higher rates of housing cost burden, overcrowding, or substandard housing. The analysis also examines which groups experience higher rates of severe housing burdens when compared to other groups.

Regional Context — HUD-provided data shown below indicates that 30.2 percent of all households have housing problems (incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room, or a housing cost burden greater than 30 percent of income). While non-Hispanic whites (26.7 percent) and Asians or Pacific Islanders (28.8 percent) are less likely than the region as a whole to experience housing problems, other people of color, particularly non-Hispanic blacks (46.0 percent) and Hispanics (42.2 percent), are more likely to experience housing problems. Smaller families of fewer than five persons (23.8 percent) are less likely to experience housing problems compared to the regional rate for all households, but larger families of five or more persons (35.2 percent) or non-family households (39.4 percent) are more likely to experience housing problems.

A similar pattern exists for severe housing problems. Severe housing problems are defined similar to housing problems, but encompass households that experience a housing cost burden in excess of 50 percent of their income. The total percent of households experiencing this level of housing cost burden is 14.5 percent. People of color, particularly non-Hispanic blacks (25.6 percent), Hispanics (24.7 percent), and non-Hispanic Native Americans (23.1 percent) are more likely to experience severe housing problems.

Table 1: Households Experiencing Housing Problems and Housing Cost Burden

<table>
<thead>
<tr>
<th></th>
<th>KC Region</th>
<th>KCMO</th>
<th>KCK</th>
<th>Leavenworth</th>
<th>Independence</th>
<th>Blue Springs</th>
</tr>
</thead>
<tbody>
<tr>
<td>White*</td>
<td>26.7%</td>
<td>28.7%</td>
<td>29.6%</td>
<td>25.7%</td>
<td>30.4%</td>
<td>25.8%</td>
</tr>
<tr>
<td>Black*</td>
<td>46.0%</td>
<td>47.0%</td>
<td>17.3%</td>
<td>52.5%</td>
<td>48.2%</td>
<td>30.1%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>42.2%</td>
<td>43.8%</td>
<td>46.6%</td>
<td>17.1%</td>
<td>45.1%</td>
<td>31.7%</td>
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<tr>
<td>Asian or Pacific Islander*</td>
<td>28.8%</td>
<td>32.5%</td>
<td>32.3%</td>
<td>30.3%</td>
<td>28.9%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Native American*</td>
<td>37.6%</td>
<td>45.7%</td>
<td>59.7%</td>
<td>89.2%</td>
<td>27.0%</td>
<td>53.3%</td>
</tr>
<tr>
<td>Other*</td>
<td>37.6%</td>
<td>42.2%</td>
<td>47.1%</td>
<td>35.5%</td>
<td>45.6%</td>
<td>32.7%</td>
</tr>
<tr>
<td>Total</td>
<td>30.2%</td>
<td>35.4%</td>
<td>38.4%</td>
<td>29.5%</td>
<td>32.3%</td>
<td>26.2%</td>
</tr>
</tbody>
</table>

* Non-Hispanic
Table 2: Households Experiencing Housing Problems and SEVERE Housing Cost Burden

<table>
<thead>
<tr>
<th></th>
<th>KC Region</th>
<th>KCMO</th>
<th>KCK</th>
<th>Leavenworth</th>
<th>Independence</th>
<th>Blue Springs</th>
</tr>
</thead>
<tbody>
<tr>
<td>White*</td>
<td>10.6%</td>
<td>12.6%</td>
<td>12.4%</td>
<td>11.8%</td>
<td>12.5%</td>
<td>9.9%</td>
</tr>
<tr>
<td>Black*</td>
<td>23.3%</td>
<td>24.9%</td>
<td>24.5%</td>
<td>26.2%</td>
<td>23.5%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>16.8%</td>
<td>17.3%</td>
<td>20.3%</td>
<td>5.4%</td>
<td>20.2%</td>
<td>14.8%</td>
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<tr>
<td>Asian or Pacific Islander*</td>
<td>11.1%</td>
<td>12.7%</td>
<td>9.2%</td>
<td>15.7%</td>
<td>5.3%</td>
<td>0%</td>
</tr>
<tr>
<td>Native American*</td>
<td>21.2%</td>
<td>24.9%</td>
<td>43.7%</td>
<td>67.6%</td>
<td>17.2%</td>
<td>53.3%</td>
</tr>
<tr>
<td>Other*</td>
<td>15.0%</td>
<td>19.3%</td>
<td>30.7%</td>
<td>0%</td>
<td>19.8%</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>12.6%</td>
<td>16.6%</td>
<td>17.8%</td>
<td>13.7%</td>
<td>13.5%</td>
<td>9.6%</td>
</tr>
</tbody>
</table>

* Non-Hispanic

Using HUD-provided data, the table above shows that 12.6 percent of all households in the region experience a severe housing cost burden (over half of household income spent on housing). While non-Hispanic whites (10.6 percent) and Asians or Pacific Islanders (11.1 percent) are less likely than the region as a whole to experience severe housing cost burden, other people of color, particularly non-Hispanic blacks (23.3 percent) and Native Americans (21.2 percent), are more likely to experience severe housing cost burden. Also, smaller families of fewer than five persons (9.3 percent) and larger families of five or more persons (9.5 percent) are less likely to experience severe housing cost burden compared to the region, but non-family households (19.1 percent) are more likely to experience severe housing cost burden.

**Kansas City, Missouri** — Compared with 35.4 percent of all KCMO households having housing problems (incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room, or cost burden greater than 30 percent of income) and 28.7 percent of non-Hispanic white KCMO households, most people of color and certain household types have significantly higher rates of housing problems:

- Non-Hispanic blacks — 47.0 percent
- Non-Hispanic Native Americans — 45.7 percent
- Hispanics — 43.8 percent
- Other non-Hispanics — 42.2 percent
- Family households with five or more people — 42.3 percent
- Non-family households — 41.6 percent

Compared with 18.6 percent of all KCMO households having severe housing problems (incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room, or cost burden greater than 50 percent of income) and 13.7 percent of non-Hispanic white KCMO households, people of color have significantly higher rates of severe housing problems:

- Non-Hispanic blacks — 27.4 percent
• Non-Hispanic Native Americans — 27.3 percent
• Hispanics — 23.9 percent
• Other non-Hispanics — 21.3 percent

Compared with 16.6 percent of all KCMO households and 12.6 percent of non-Hispanic white KCMO households having severe housing cost burden (greater than 50 percent of income) most people of color and some household types have significantly higher rates of severe housing cost burden:

• Non-Hispanic blacks and Native Americans — 24.9 percent
• Other non-Hispanics — 19.3 percent
• Hispanics — 17.3 percent
• Non-family households — 21.4 percent

KCMO households tend to have higher percentages of housing problems than the region:

• Housing problems – 35.4 vs. 30.2 percent
• Severe housing problems – 18.6 percent vs. 14.5 percent
• Severe housing cost burden – 16.6 vs. 12.6 percent
• Housing problems for non-Hispanic Native Americans – 45.7 vs. 37.6 percent
• Housing problems for family households with five or more people – 42.3 vs. 35.2 percent
• Severe housing cost burden for other non-Hispanics – 19.3 vs. 15.1 percent

However, significant racial/ethnic groups experience fairly equal disproportionate housing problems whether they within KCMO or elsewhere in the region. This includes non-Hispanic blacks and Hispanics.

• Non-Hispanic blacks— 47.0 percent in KCMO vs. 46.0 percent in the region
• Hispanics – 43.8 percent in KCMO vs. 42.2 percent in the region
• Non-family households – 41.6 percent in KCMO vs. 39.4 percent in the region

There is not a significant difference in the disparity in severe housing problems experienced by racial/ethnic groups and family status between those living in Kansas City, MO, and the region as a whole.

Blue Springs — Data provided by HUD indicates that while non-Hispanic whites experience housing problems at a similar rate (25.8 percent) as those in the region (26.7 percent), non-Hispanic blacks (31.1 percent) and Hispanics (31.7 percent) experience housing problems at lower rates than those in the region (46.0 and 42.2 percent, respectively), but higher than whites in Blue Springs.

Non-Hispanic Native Americans experience housing problems at a very high rate (53.3 percent); however, their absolute numbers are low (75 total households and 40 households with housing problems. In absolute terms, housing problems are mainly a non-Hispanic white problem in Blue Springs. With the exception of Hispanics and non-Hispanic Native Americans, all races experience severe cost-burden at lower rates in Blue Springs than in the region.
Independence — Data from HUD indicates that non-Hispanic whites (30.4 percent), Hispanics (45.1 percent), non-Hispanic blacks (48.2 percent) and other non-Hispanics (45.6 percent) and in Independence experience housing problems at a slightly greater rate than do these groups in the region as a whole (26.7, 42.2, 46.0, and 37.5 percent, respectively). Non-Hispanic blacks and Hispanics, in particular, experience housing problems at significantly higher rates than do non-Hispanic whites, Asian or Pacific Islanders (28.9 percent) and Native Americans (27.0 percent) in Independence. This pattern persists when looking at households experiencing severe housing problems.

Kansas City, Kansas — Data from HUD shows that the rates of housing problems in Kansas City, Kansas, closely reflect those of Kansas City, Missouri. The rates are somewhat higher than for the region. People of color are much more likely to have housing problems (non-Hispanic blacks, 47.3 percent; Hispanics, 46.6 percent; non-Hispanic Asian and Pacific Islanders, 32.3 percent; non-Hispanic Native Americans, 47.1 percent) than are non-Hispanic whites (29.6 percent). This pattern is reflected in the households experiencing severe housing problems. Households with five or more members are especially likely to experience housing problems, with a rate greater than 50 percent.

Leavenworth — Data from HUD shows that non-Hispanic blacks (52.5 percent) and Native Americans (89.2 percent) are much more likely to experience housing problems in the city of Leavenworth than non-Hispanic whites (25.7 percent), Hispanics (17.1 percent), non-Hispanic Asian and Pacific Islanders (30.3 percent) and other non-Hispanics (35.5 percent). The higher experience of housing problems in large families seen in most communities and in the region (35.2%) is not reflected in the city of Leavenworth (20.3 percent).

Conclusions — There are significant disproportionate housing problems for a number of groups by race/ethnicity and family status. In particular:

- Non-Hispanic blacks, Hispanics, non-Hispanic Native Americans, and other non-Hispanics living within Kansas City, Missouri, and Kansas City, Kansas, are significantly more likely to experience housing problems than non-Hispanic whites living in these cities. For these groups the likelihood of experiencing housing problems is at least 50 percent greater than it is for whites.
- Non-Hispanic Asian and Pacific Islanders experience housing problems at a slightly higher rate than non-Hispanic whites within these cities.
- Families with five or more members and non-family households living in Kansas City, Missouri, and Kansas City, Kansas, experience similar disparities, with their likelihood of experiencing housing problems being at least 50 percent greater than families with fewer than five persons.
- Disproportionate housing problems are even greater when looking at severe housing problems. Non-Hispanic blacks and Native Americans within Kansas City, Missouri, are more than twice as likely to face disproportionate housing problems, and Hispanics are 75 percent more likely. Within Kansas City, Kansas, this is the situation for non-Hispanic blacks, Hispanics; and non-Hispanic Native Americans.
- Disproportionate housing problems are generally less likely in the region than the city of Kansas City, Missouri. However, there is still a significant disparity for racial/ethnic
groups, large families and non-family households. Hispanics are actually slightly more likely to experience housing problems in the region than in the city.

- Outside of Kansas City, Kansas, and Kansas City, Missouri, other CDBG communities experience similar situations of disproportionate housing problems, but often with more varied results.

**Greatest housing burdens by area**

The following maps assist in the analysis of the spatial distribution and concentrations of housing burdens. The first map shows households with one or more housing problems at the regional scale, followed by a closer view of the same data for R/ECAPS.

**Map 1: Households with housing problems, regional scale**
The following maps show housing problems with added detail for race/ethnicity, followed by a closer view of the same data for R/ECAPS.
Map 2: Households with housing problems with race/ethnicity, regional scale

Households with One or More Housing Problems and Population by Race/Ethnicity

Map 2a: Closer view of R/ECAPS

Households with One or More Housing Problems and Population by Race/Ethnicity

The next two maps illustrate housing cost burden with national origin.
Map 3: Households with severe cost burden with national origin, regional scale

Map 3a: Closer view of R/ECAPS
Regional Context — The regional scale maps above indicate that there is a concentration of households with housing burden in Kansas City, Missouri, and Kansas City, Kansas. The tracts with the highest number of non-Hispanic blacks and Hispanics appear to be highly correlated with areas where there is high percentage of households with housing burdens. In addition, there is a strong correlation between a higher percentage of households with housing burden and R/ECAPs and adjoining tracts. There is also a high correlation between tracts with high housing burden and concentrations of households with people of Mexican heritage. This is particularly true in northeast Kansas City, Missouri, and the Central Avenue area of Kansas City, Kansas, but there are also considerable numbers of Mexican-heritage households in southeast Kansas City, Kansas, and along I-35 in Johnson County down to the city of Olathe.

Blue Springs, Independence and Leavenworth — the regional maps above indicate that with the exception of western Independence, housing problems are less intense in these cities compared to the core communities of Kansas City, Missouri, and Kansas City, Kansas, which each have a number of tracts with more than 50 percent housing of residents experiencing housing problems. However, Blue Springs, Independence and Leavenworth all have individual tracts where over 30 percent of residents experience housing problems. These three communities are not experiencing the same concentrations of people of color and immigrants as the core cities.

Kansas City, Kansas — Map 1 above indicates that there is a high correlation between the rates of housing problems and R/ECAP locations. There is also a correlation between tracts with housing problems and where people of color live, particularly non-Hispanic blacks and Hispanics.

Kansas City, Missouri — Maps 1 and 3 show that the greatest housing burdens in Kansas City, Missouri, tend to be located south of the Missouri River between Troost Avenue and I-435, in the Ruskin Heights vicinity (census tracts 132.03 and 132.08) and in the Martin City vicinity (census tract 134.05).

Greatly segregated areas with more black residents overlap with high housing burden areas in Kansas City, Missouri, between Troost Avenue and the Blue River. A greatly segregated Hispanic and Mexican heritage area overlaps with a high housing burden area in the area west of downtown Kansas City, Missouri. R/ECAPs overlap or are adjacent to greatly segregated, high housing burden areas and areas of Mexican heritage.

Conclusions — There is considerable overlap between areas with more housing problems and housing cost burden and areas with high concentrations of non-Hispanic blacks, Hispanics and new immigrants. In particular:

- There is considerable overlap between non-Hispanic blacks, R/ECAPS, and areas with more housing problems, particularly east of Troost Ave, south of the Missouri River, and north of 51st Street in Kansas City, Missouri.
- There is a similar overlap between Hispanics, R/ECAPS and areas with more housing problems, particularly southwest of downtown Kansas City, Kansas.
- Mexican immigrants are especially concentrated in high housing burden areas in northeast Kansas City, Missouri, as well as southwest of downtown Kansas City, Kansas.
• Disproportionate housing problems and racial/ethnic concentrations are considerably less prevalent in Blue Springs, Independence, and Leavenworth, with little correlation between the two.

**Needs of families with children**

Families with children often need housing units with two, and three or more bedrooms. The following analysis examines how those needs are met by available existing housing stock in each category of publicly supported housing.

**Regional Context** — HUD-provided data in Table 1 shows that 30.2 percent of households in the region — about 237,126 households — have disproportionate housing needs. Of those, 25,111 are family households with five or more people. Table 2 shows that 12.6 percent of the region’s households (99,380 households) have severe housing cost burden. Of those, 6,748 are family households with five or more people.

**Kansas City, Missouri** — HUD-provided data shows that there are 6,035 family households with five or more people that have housing problems in Kansas City, Missouri. HUD also documents that there are 4,577 households in publicly supported housing units that have three or more bedrooms, which would be adequate to accommodate households with five or more members.

<table>
<thead>
<tr>
<th>Table 3: Kansas City, Missouri — CDBG, HOME, ESG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Type</strong></td>
</tr>
<tr>
<td>------------------</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
</tr>
<tr>
<td>Other Multifamily</td>
</tr>
<tr>
<td>HCV Program</td>
</tr>
</tbody>
</table>

Publicly supported housing in KCMO appears to be well-matched to the needs of households with children. The ratio of households in units with two or three-plus bedrooms to households with children is greater than 1:1 for all four types of housing:

- 1.26:1 for Public Housing
- 1:1:1 for Project-Based Section 8
- 6:1 for Other Multifamily
- 1.55:1 for the HCV Program

However, the ratio of three-plus-bedroom units to numbers of households with children living in one of the four public housing types flips the results:

- 0.71:1 for Public Housing
- 0.47:1 for Project-Based Section 8
- 1:1 for Other Multifamily
- 0.83:1 for the HCV Program
Given that public housing in general has a considerable waiting list for its units, these public units are not generally available to the 6,035 households with five or more people who have housing problems in Kansas City, Missouri. This is particularly true if we limit the pool of housing to public housing with three or more bedrooms, which total 4,577 units.

**Blue Springs** — HUD-provided data indicates that Blue Springs has 445 households with housing problems and five or more persons; however, the city has only 125 public housing units with three or more bedrooms.

**Independence** — HUD-provided data indicates that Independence has 1,560 households with housing problems and five or more persons; however, the city has only 678 public housing units with three or more bedrooms.

**Kansas City, Kansas** — HUD-provided data indicates that Kansas City, Kansas, has 3,280 households with housing problems and five or more persons; however, there are only 1,284 public housing units with three or more bedrooms.
Leavenworth — HUD-provided data indicates that the city of Leavenworth has 240 households with housing problems and five or more persons; however, it has only 182 public housing units with three or more bedrooms.

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Households in 0-1 Bedroom Units</th>
<th>Households in 2 Bedroom Units</th>
<th>Households in 3+ Bedroom Units</th>
<th>Households with Children</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Housing</td>
<td>92</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>127</td>
<td>74</td>
<td>135</td>
<td>178</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>130</td>
<td>62</td>
<td>47</td>
<td>48</td>
</tr>
<tr>
<td>HCV Program</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### Conclusions

- 42 percent of households with five or more people are experiencing housing problems, 50 percent greater than the number of smaller households experiencing problems.
- Public housing programs provide 4,577 three-or-more-bedroom units in Kansas City, Missouri; however, these units are generally occupied with substantial waiting lists and thus are not readily available to address the lack of problem-free housing for households with five or more persons, generally families with children.
- All communities have significantly more households with five or more persons experiencing housing problems than they have public housing units with three or more bedrooms.

### Renter and owner-occupied housing by race/ethnicity

**Regional Context** - According to 2010-2014 ACS 5-year data, the percentages of households by race and ethnicity that rent, as opposed to owning their own homes, in the region are as follows:

- All persons — 33.2 percent
- White householder households — 28.3 percent
- Black householder households — 58.8 percent
- Native American householder households — 41.2 percent
- Asian householder households — 41.7 percent
- Pacific Islander householder households — 70.2 percent
- Other Single Race householder households — 52.8 percent
- More Than One Race householder households — 49.3 percent
- Hispanic householder households — 50.5 percent

Note the significantly higher percentages of renters for people of color than whites or the region as a whole.
The percentage of non-Hispanic white households that rent is below 50 percent for all five cities participating in this study. In fact, except for the city of Leavenworth, which has a transient military population, all of the cities have non-Hispanic white rental rates of 35 percent or less.

Non-Hispanic blacks have rental rates over 50 percent in all five cities, with Blue Springs (68 percent), Independence (72 percent), and Leavenworth (66 percent) ranking highest. The situation is slightly better for Hispanics, but still the rental rate is below 50 percent only in Independence (47 percent). In general, people of color rent at much higher rates in these cities than do whites.

Conclusions

- Just over a third of the regional population are renters.
- A significantly higher percentage of people of color rent than whites.
- A significantly higher percentage of KCMO residents rent than in the rest of the region.
- Black and Hispanic households rent at about the same rate in both the region and the city of KCMO.
- For all other groups, including whites, the percentage of households that rent are significantly higher in the city of KCMO than in the region.
- Because people of color are more likely to rent, and since high housing cost burden is almost twice as frequent among renters, this indicates that people of color are more likely to face high housing cost burdens.

Additional Information

The chart above, from a 2016 analysis conducted for the Mid-America Regional Council by Dr. Kirk McClure at the University of Kansas, shows households by income group (orange) and rental housing units by monthly rent (blue). There are about 80,000 renter households in the Kansas City metro area that earn $20,000 a year or less. There are 27,052 rental units where
those occupying the units are paying $500 or less/month, or about 30 percent of that gross income. The housing market for those at the lowest incomes is only serving about one-third of the need. Assuming some of those low-income households are using vouchers (about 14,829 households in the metro receive vouchers), that would reduce the need for affordable housing to just over half of low-income renters (about 42,000 households).

According to 2010-2014 ACS 5-year data, rental occupancy is much more common for some household types. In addition, this data indicates that overcrowding is much more common for some ethnic groups.

**Regional Context** — The following list provides the percentage of household types in the region that rent. All are substantially higher than the regional total for all households of 33.18 percent.

- Male householder with no wife present households: 46.8 percent
- Female householder with no husband present households: 54.9 percent
- Non-family households: 50.1 percent

Regional percentages for overcrowding by ethnic group are:

- Asian householder households: 4.3 percent
- Pacific Islander householder households: 15.0 percent
- Other race householder households: 6.1 percent
- Hispanic householder households: 7.9 percent
- White, non-Hispanic households: 1.3 percent
- All households: 1.6 percent

**Kansas City, Missouri** — The following list provides the percentage of household types in the city of Kansas City, Missouri that rent.

- Male householder with no wife present households: 53.8 percent
- Female householder with no husband present households: 61.2 percent
- Non-family households: 57.7 percent

Kansas City, Mo percentages for overcrowding by ethnic group are:

- Asian householder households: 7.2 percent
- Pacific Islander householder households: 19.8 percent
- Other race householder households: 4.7 percent
- Hispanic householder households: 5.8 percent
- White, non-Hispanic households: 1.0 percent
- All households: 1.6 percent

**Conclusions**

- Single parent and non-family households have significantly higher percentages that rent compared to the region or city as a whole or to white households.
• As for people of color, single family and non-family householders are more likely to rent if they live in the city of KCMO compared to the region.
• While overcrowding occurs at similar rates within the city of KCMO and the region, people of color experience a much higher rate of overcrowding than do non-Hispanic whites.

Lending Practices

Analysis of lending practices is a useful approach to compare the availability of credit across racial groups and across the region, as well as to note the disparate impact. The 2011 Regional Analysis of Impediments, using 2009 Home Mortgage Disclosure Act (HMDA) data, finds disparities in high-cost lending and loan denials across different racial and ethnic groups. In addition, the data show a correlation of loan denials with those places that have concentrations of minority and low-income households.

An analysis of 2010 HMDA data shows similar patterns. The map of Residential Lending in 2010, shows a notable difference in lending between the heavily minority urban areas — with less than 10 percent of loan applications per housing unit — and the surrounding areas that have much higher loan application rates.

Map 4: Residential Lending in 2010
The map of Residential Loan Application Denials in 2010 reverses this picture, with much higher denial rates in Kansas City, Kansas, and Kansas City, Missouri. The areas of Wyandotte and Jackson counties with high percentages of blacks and Hispanics have both a low total number of loan applications (across all loan types), and a higher rate of application denial.

Map 5: Residential Loan Application Denials in 2010

In the Kansas City region, loan denial rates are much higher for blacks, Hispanics and Native Americans — approximately double that of whites.
As shown below, whites and Asians are far more likely to access conventional mortgage financing, while large percentages of black and Hispanic homebuyers received government-insured FHA, VA, Farm Service Agency or Rural Housing Service loans. These loans tend to be more expensive than conventional financing, as they require mortgage insurance. The additional costs amount to a loss of equity, which exacerbates the wealth gaps between white or Asian and black or Hispanic homeowners.

Examination of loan originations also shows that a larger percentage of whites and Asians applied for refinance loans than did black and Hispanics. It is possible that Asian and white homeowners took advantage of low interest rates and refinanced their home mortgages. A smaller percentage of black and Hispanic loan applications were for refinancing.

**Contributing Factors to Disproportionate Housing Needs**

A basic way to look at disproportionate housing problems is through the lens of the separation R/ECAPs and areas of opportunity. The regional strategy to address inequalities generated by the
separation of R/ECAPs and areas of opportunity (not just housing, but income and other dimensions as well) is both place-based and people-based:

- Undertake programs to turn R/ECAPs into Areas of Opportunities
- Undertake programs to better connect R/ECAPs with Areas of Opportunities
- Undertake programs that make it easier for residents of R/ECAPs to reside in Areas of Opportunities

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<tr>
<th>Contributing Factor</th>
<th>Regional Analysis</th>
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<td>The availability of affordable units in a range of sizes</td>
<td>Rental housing practices often are a barrier to both people of color and the communities in which they are located. There are a number of practices that inhibit occupancy for people of color or keep affordable rental property in poor condition. They include:</td>
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<td>The provision of affordable housing is often important to individuals with certain protected characteristics because groups are disproportionately represented among those who would benefit from low-cost housing. What is “affordable” varies by circumstance, but an often used rule of thumb is that a low- or moderate-income family can afford to rent or buy a decent-quality dwelling without spending more than 30 percent of its income. This contributing factor refers to the availability of units that a low- or moderate-income family could rent or buy, including one bedroom units and multi-bedroom units for larger families. When considering availability, consider transportation costs, school quality, and other important factors in housing choice. Whether affordable units are available with a greater number of bedrooms and in a range of different geographic locations may be a particular barrier facing families with children.</td>
<td>• Many rental property managers will not rent to ex-felons.</td>
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<td>• Poor rental housing quality — especially for absentee landlord properties — and difficulties in enforcing standards.</td>
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<td>• Legislation adopted in Kansas in 2016 that limits the ability of communities to do interior inspections of rental property.</td>
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<td>• The concentration of Section 8 housing in certain neighborhoods, which often inhibits new development, including development of affordable housing.</td>
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<td>A number of communities have adopted or are considering adopting rental licensing programs. Kansas City, Kansas, has had the most comprehensive such program in the metro area for over 20 years and it has been effective in dealing with problem properties. Many communities work with local police to increase affordable housing security and often provide classes for landlords to better manage their properties.</td>
<td>Rising rents and the lack of affordable rental property is an issue in Opportunity Areas, but rising rents and poor quality rental property in R/ECAPs is an even bigger problem. The 2011 McClure study indicated that renters in particular were most likely to be housing cost burdened. The report indicated that there was a lack of affordable rental property in</td>
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the suburbs and although there was more affordable rental property in Kansas City, Missouri, the condition of much of this property was substandard. The passage of time since this report has only reinforced this situation, with a rental boom at the high end and few units of affordable rental property being built. Also rents are increasing with increasing demand for rental property.

There are limited large-scale efforts to build more affordable rental property either in R/ECAPs or especially in Opportunity Areas. The city of Kansas City, Missouri, and the Housing Authority of Kansas City, Missouri, are implementing a Choice Neighborhoods initiative in northeast part of the city, including the replacement of public housing (Chouteau Courts) with scattered site mixed income housing.

### Displacement of residents due to economic pressures

The term “displacement” refers here to a resident’s undesired departure from a place where an individual has been living. “Economic pressures” may include, but are not limited to, rising rents, rising property taxes related to home prices, rehabilitation of existing structures, demolition of subsidized housing, loss of affordability restrictions, and public and private investments in neighborhoods. Such pressures can lead to loss of existing affordable housing in areas experiencing rapid economic growth and a resulting loss of access to opportunity assets for lower income families that previously lived there. Where displacement disproportionately affects persons with certain protected characteristic, the displacement of residents due to economic pressures may exacerbate patterns of residential segregation.

### Urban Renewal

— Beginning around 1950, the slum clearance and large-scale highway development initiatives of the “urban renewal” period fostered suburbanization and “white flight” exacerbating segregation in the Kansas City metro area.

### Economic Recovery

— One of the recent consequences of the economic recovery is the increased demand for rental housing in the greater Kansas City region. This increased demand has both fueled new multi-unit construction and increasing rental rates for existing units. The increased demand for units and resulting cost increases are having an impact on all rental households, but particularly low and moderate income households. The displacement that is or has occurred is due to landlords increasing rents or older units being demolished to allow for new construction.

### Lack of private investment in specific neighborhoods

Investment by non-governmental entities, such as corporations, financial institutions, individuals, philanthropies, and non-profits, in Lack of resources and coordinated strategies to redevelop R/ECAPs and adjacent areas. R/ECAPs are concentrated in Kansas City, Missouri, and Kansas City, Kansas, with none occurring outside of these two cities. This concentration of race/ethnicity and poverty in neighborhoods with high housing
housing and community development infrastructure. Private investment can be used as a tool to advance fair housing, through innovative strategies such as mixed-use developments, targeted investment, and public-private partnerships. Private investments may include, but are not limited to: housing construction or rehabilitation; investment in businesses; the creation of community amenities, such as recreational facilities and providing social services; and economic development of the neighborhoods that creates jobs and increase access to amenities such as grocery stores, pharmacies, and banks. It should be noted that investment solely in housing construction or rehabilitation in areas that lack other types of investment may perpetuate fair housing issues. While “private investment” may include many types of investment, to achieve fair housing outcomes such investments should be strategic and part of a comprehensive community development strategy.

abandonment, higher crime rates and lower job opportunities is widely recognized not only in these two cities, but in the region as a whole. However, it has been difficult for the two cities, even with access to federal resources, such as those available through HUD, to amass enough targeted resources to change the economic, development and social dynamics in these communities. And while the region recognizes the importance of the redevelopment of these areas, many consider the problem to be one for the two cities to deal with.

Investments that are made within the R/ECAPs are frequently not coordinated and often do not maximize impact for the community. There are many different agencies working in these neighborhoods, from the federal government to state government, cities, neighborhoods, foundations, nonprofit development agencies and for-profit developers. However, there is no one entity that has the responsibility to bring these diverse players together to develop a coordinated strategy that maximizes their investments.

• Within Kansas City, Missouri, there are new efforts underway to coordinate activities between the city, foundations, the Local Initiatives Support Commission (LISC), and the Mid-America Regional Council, not only to enhance coordination, but also to establish new capital resources.
• In April 2016, LISC announced the establishment of the Catalytic Urban Predevelopment Fund to assist developers with predevelopment costs.
• The Chamber of Commerce of Greater Kansas City is in its third year of the Urban Neighborhood Initiative (UNI), which focuses resources on east-side R/ECAPs, with special emphasis on housing and education in partnership with Purpose Built Communities. LISC is working with Kansas City, Kansas, to spur reinvestment in portions of that city.

The need for one or more high-capacity, non-profit housing development entities. Not only are housing redevelopment efforts fragmented, as mentioned above, but this fragmentation occurs primarily among a high number of rather small organizations. The region does not have a high-capacity
development entity with the capacity to pull together disparate resources into catalytic redevelopment.

A partnership of the city of Kansas City, Missouri, LISC, MARC, the Urban Neighborhood Initiative, the Urban Land Institute, and the American Institute of Architects, with financial support from local foundations and businesses, has assembled $250,000 and hired a consulting team to do three things in the east-side RECAPs:
- Develop a coordinated, catalytic strategy for the area.
- Bring together the framework and parties for a catalytic redevelopment nonprofit developer.
- Assemble a $25 million patient capital redevelopment fund.

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<th>Lack of public investment in specific neighborhoods, including services or amenities</th>
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<td>The money government spends on housing and community development, including public facilities, infrastructure, and services. These services often include sanitation, water, streets, schools, emergency services, social services, parks and transportation. Lack of or disparities in the provision of municipal and state services and amenities have an impact on housing choice and the quality of communities. Inequalities can include, but are not limited to disparity in physical infrastructure (such as whether or not roads are paved or sidewalks are provided and kept up); differences in access to water or sewer lines, trash pickup, or snow plowing. Amenities can include, but are not limited to recreational facilities, libraries, and parks. Variance in the comparative quality and array of municipal and state services across neighborhoods impacts fair housing choice.</td>
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<th>Lack of public transportation access to jobs and Opportunity Areas</th>
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<td>The Kansas City metro area is ranked as one of the least accessible cities when measuring transit access to jobs. Less than 10 percent of metro jobs are accessible by transit within one hour of travel. This makes it difficult for low income and people of color to access more affordable housing in the city and quality jobs in the suburbs. MARC is undertaking a study, funded by a U.S. Department of Transportation TIGER planning grant and conducted in partnership with the region’s transit agencies, to identify strategies to double transit access to jobs in the next 10 years. In particular, the study will look at how to link RECAPs with Opportunity Areas.</td>
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<th>Land use and zoning laws</th>
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<td>Regulation by local government of the use of land and buildings, including regulation of the types of activities that may be conducted, the density at which those activities may be performed, and the size, shape and location of Kansas City, Independence, Blue Springs, Unified Government and Leavenworth did not use racial zoning ordinances to exclude minorities explicitly. However, land use planning and zoning policies have shaped segregation. A lack of diverse housing options throughout the region, particularly outside</td>
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Zoning and land use laws affect housing choice by determining where housing is built, what type of housing is built, who can live in that housing, and the cost and accessibility of the housing. Examples of such laws and policies include, but are not limited to:

- Limits on multi-unit developments, which may include outright bans on multi-unit developments or indirect limits such as height limits and minimum parking requirements.
- Minimum lot sizes, which require residences to be located on a certain minimum sized area.
- Occupancy restrictions, which regulate how many persons may occupy a property and, sometimes, the relationship between those persons (refer also to occupancy codes and restrictions for further information).
- Inclusionary zoning practices that mandate or incentivize the creation of affordable units.
- Requirements for special use permits for all multifamily properties or multifamily properties serving individuals with disabilities.
- Growth management ordinances.

### Lending Discrimination

Unequal treatment based on protected class in the receipt of financial services and in residential real estate related transactions. These services and transactions encompass a broad range of transactions, including but not limited to: the making or purchasing of loans or other financial assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling, as well as the selling, brokering, or appraising or residential real estate property. Discrimination in these transactions includes, but is not limited to: refusal to make a mortgage loan or refinance a mortgage loan; refusal to provide information regarding loans or providing unequal

Lending practices discriminate against RECAPs and favor Opportunity Areas. The 2014 Regional Fair Housing and Equity Assessment prepared by MARC showed that there was still a considerably disproportionate rate of home loan denials in R/ECAP areas as opposed to Opportunity Areas. This makes it difficult for people of color everywhere and all people in R/ECAPs to obtain loans to purchase affordable housing. In addition, data from the FHEA indicated that people of color are denied home mortgage loans at significantly higher rates than whites or the region as a whole. Blacks (23 percent), Native Americans (22 percent) and Hispanics (20 percent) have denial rates almost double that of whites (11 percent) and the region (11 percent).

There are no current efforts in the region to address these disparate rates of loan denials. However, a
information; imposing different terms or conditions on a loan, such as different interest rates, points, or fees; discriminating in appraising property; refusal to purchase a loan or set different terms or conditions for purchasing a loan; discrimination in providing other financial assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling or other financial assistance secured by residential real estate; and discrimination in foreclosures and the maintenance of real estate owned properties.

| Community opposition make it difficult or impossible to build affordable housing in Opportunity Areas. | While many communities in the Kansas City region have adopted development regulations that allow for mixed use, mixed income and higher density residential development, many existing residents object to proposals for affordable housing in their areas. Most of the communities in the region have participated in MARC’s Creating Sustainable Places initiative, which promotes mixed-use, mixed-income and higher density development, particularly along major transportation corridors and key activity centers. |