

# The Fair Housing and Equity Assessment in Rural and Smaller Metropolitan Regions

## *Reflections on Implementation of the FHEA from the Field*

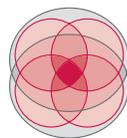
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MHP/ KIRWAN INSTITUTE COLLABORATIVE RESEARCH REPORT



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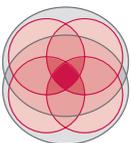
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# Executive Summary

This report provides an overview of the HUD's Fair Housing and Equity Assessment (FHEA) as carried out by rural and smaller metropolitan regions. It is based on a review of FHEA documents and interviews with the grantees responsible for the preparation of the FHEA. Our intent is to inform federal agencies and equity advocates how rural and smaller metropolitan areas can plan for equitable opportunity.

A completion of the FHEA is a requirement of agencies receiving HUD sustainability regional planning grants. The sustainability planning grant program was a joint undertaking of HUD, DOT and EPA and administered by HUD. More than seventy regions were awarded grants to support multi-sector collaborative regional sustainability planning across the nation. These regional planning grants were awarded in 2010 and 2011. Although many grantees were located in larger metropolitan areas, tribal organizations and consortia from smaller rural regions were also regional planning grant recipients.

With the FHEA requirement, HUD was encouraging grantees to ensure that disadvantaged populations were included in the planning process and that the planning process itself identified and addressed pockets of poverty, particularly for racial and ethnic populations and other "protected classes" identified in the federal Fair Housing Act. The FHEA was a requirement of all grantees and was built around the utilization of data, stakeholder deliberation and decision-making activities to support fair housing and equity in grantee regions.

As proposed by HUD the FHEA would include the following components<sup>1</sup>:

1. Identification and assessment of racial/ethnic segregation and integration
2. Identification and assessment of racially concentrated areas of poverty
3. Identification and assessment of disparity in access to opportunity
4. Identification and assessment of public investment triggers that impact access to opportunity and demographic changes
5. Identification and assessment of the existing fair housing issues, services and activities
6. Conclusions regarding findings from the identification and assessment phases and recommendations to be implemented through regional planning
7. Major takeaways from stakeholder engagement related to the findings of the FHEA

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1 "Addressing Equity and Opportunity, The Regional Fair Housing and Equity Assessment (FHEA) Grant Obligation," HUD PowerPoint presentation, 8/19/2011.

HUD supported the FHEA process through multiple types of assistance. Most significant was the department's provision of detailed data on segregation, areas of concentrated poverty and non-white racial/ethnic populations, and indices of opportunity for different populations. HUD also supported the development of FHEAs through the use of capacity-building organizations to assist individual grantees. Additionally, HUD and the capacity builders hosted webinars and provided written FHEA guides.

For this study Kirwan and MHP examined written FHEAs from rural and small metro grantees<sup>2</sup>, and interviewed 20 grantees. Interviews were also conducted with HUD grant representatives (GTRs or Government Technical Representatives), the department staff that worked most closely with the grantees.

The authors of this study, the Kirwan Institute and Minnesota Housing Partnership, were directly involved in the FHEAs through their roles on HUD's capacity-building team. The capacity builders were agencies contracted by HUD to provide support to the grantees in carrying out their sustainability plans. Kirwan was a subcontractor to PolicyLink. PolicyLink had lead capacity-building responsibilities for supporting all grantees, urban and rural, toward ensuring that plans addressed equity. MHP was one of two capacity builders that supported rural grantees in their sustainable planning work.<sup>3</sup>

The FHEA utilizes many of the analytical processes and framework of the Affirmatively Furthering Fair Housing rule for entitlement communities. In the rule HUD established a process, called the Assessment of Fair Housing (AFH)<sup>4</sup>, which

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2 For this study, rural and small metro area grantees were regional grantees whose population center did not exceed 250,000, or in case of Smart Valley Places there is a larger central city in a region that is predominantly rural. These are regions, in contrast to large urban regions, that generally: do not have an infrastructure of equity organizations; are not able to show racial disparities based on HUD census tract data; and were awarded planning grants of lower amounts therefore requiring economical approaches to preparing the FHEA.

3 HUD's capacity-building contracts were extended in two phases. In the initial phase both PolicyLink and MHP contracted directly with HUD; in the second phase both carried out essentially the same work as in Phase 1 but as subcontractors to Institute for Sustainable Communities.

4 The Assessment of Fair Housing replaces the current requirement for HUD grantees eligible for entitlement funding called the Analysis of Impediments. This document and process would be required of the following HUD funding recipients, recipients of HOME and CDBG funds as well as public housing resources. (1) Jurisdictions and Insular Areas that are required to submit consolidated plans for the following programs: (i) The Community Development Block Grant (CDBG) program; (ii) The Emergency Solutions Grants (ESG) program;

replicates a number of the components required for the FHEA. HUD provides data sources, and communities completing the AFH are to assess concentrations of protected class populations relative to various opportunities, and then develop recommendations to better connect these populations to those opportunities as well as addressing discrimination. In comment on the rule, HUD has been urged to make the rule more workable for rural communities. This study on rural FHEAs sheds light on the challenges and value that AFH brings to rural and smaller metro regions.

In general, our review of reflections from the field finds the FHEA process challenging for rural grantees but very beneficial in the regions' understanding of racial and class disparities, and in supporting equitable planning and development outcomes in the regions. The challenges are surmountable and the outcomes from the FHEA process can be profound.

The primary findings of this review of FHEA experiences in rural areas reveal that:

- The analytical tools and conceptual model for understanding the dimensions of fair housing and equity were not as effective in rural areas. To compensate for this challenge, rural grantees needed greater flexibility and creativity in creating an analytical approach that fits the unique nature of their communities.

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## **THE CHALLENGES [FOR RURAL GRANTEES] ARE SURMOUNTABLE AND THE OUTCOMES FROM THE FHEA PROCESS CAN BE PROFOUND**

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- The infrastructure to support robust engagement was a common barrier to effective participation of disadvantaged populations in rural FHEAs. This challenge was exacerbated by limited funding and, generally, reduced organizational capacity in rural regions. Engagement could be effectively accomplished through working with “grass top” organizations and other trusted community entities. Effective participation of disadvantaged populations also required the use of multifaceted and diverse engagement techniques in addition to providing a welcoming and accommodating engagement space.
- HUD’s FHEA data provided to grantees was a good starting point for analysis, but for many rural communities, those data were neither accurate nor robust enough to do an accurate assessment. Rural grantees had to be creative in identifying other partners and strategies for data gathering. These included input from direct community engagement, administrative records, and scouring other

local/state/federal data sources. Many grantees tailored data collection to the unique needs and conditions within their communities.

- Grantees frequently utilized the technical support and coaching provided by HUD and HUD capacity builders for FHEA preparation. In rural settings, consultant use was less common for FHEAs than was production “in house” or with the assistance of capacity builders or other local nonprofit organizations. The grantees identified the process as resource and time intensive, with estimated costs ranging from \$25,000 to \$100,000.
- Rural grantees showed mixed results with respect to the integration of the FHEA into the overall sustainability planning process or final sustainable communities plan. For grantees that did indicate strong integration, the FHEA led directly to housing recommendations within the plan and impacted economic development and transportation recommendations. Process barriers and timing challenges were the most commonly cited reasons for the FHEA strategies to be less integrated into the final plan.
- Almost all grantees identified the FHEA as a positive process in their region and a process that has already produced outcomes in multiple ways. These early outcomes are promising given the relatively recent completion of sustainability plans and planning processes. Grantees

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(iii) The HOME Investment Partnerships (HOME) program; and (iii) The Housing Opportunities for Persons With AIDS (HOPWA) program.  
(2) Public housing agencies (PHAs) receiving assistance under sections 8 or 9 of the United States Housing Act of 1937.

noted that a marked growth in awareness among local leadership of the connections among housing, economic opportunity, and areas of poverty, as well as the strengthened dialogue and capacity to engage issues of equity in their regions were important tangible outcomes of the FHEA process.

## Profile of Grantees/ General Experience

### PROFILE OF RURAL AND SMALLER METROPOLITAN AREA GRANTEES

For this study we interviewed representatives of 20 rural and small metro grantees, and reviewed 13 FHEA planning documents of a subset of the grantees interviewed. The experience of rural and some of the smaller metro grantees varied with the FHEA due to the unique characteristics of these regions. These included varying demographic profiles and levels of diversity, unique geographies, and a geographic typology that was unique from large metropolitan areas. Many rural communities had more dispersed poverty, with impoverished households located far outside of the more urbanized town centers, and unlike most larger metropolitan areas in which can be found areas of racially concentrated poverty (or RCAPs in the FHEA process). Rural areas generally had less developed transit systems and significant data challenges due to the scale and accuracy issues associated with the American Community Survey. As capacity builders, both MHP and the Kirwan Institute had immediate experience with these unique challenges implementing the FHEA and conducted this research to better capture “lessons learned” in FHEA implementation from these rural and smaller metro grantees.

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### GENERAL EXPERIENCE AND PROCESS

The FHEA process tended to start with receiving the HUD data for the area or region and using GIS to map that data. Some grantees used a consultant to help research and write the report while others took on the task in-house. Because it was a new process, many of the grantees made use of the educational webinars offered by HUD. They combined census data with HUD data to create a list of elements for analysis in the development of their FHEA. Because their regions included

fewer people of color, some grantees reduced the percentages of racial concentration used for their analysis from the levels specified in HUD’s RCAP and ECAP definitions. Geographic data (particularly more composite opportunity index maps) were identified as useful in looking at disconnects from areas of opportunity and overcoming rural applicability of the RCAP and ECAP definitions.

Grantees then created working groups or steering committees with regional stakeholders involved in the process, including local nonprofit agencies and social service agencies, especially those related to housing. They collected their own data through surveys, focus groups, and public meetings, while striving to get target populations engaged in the process. All data and community input was gathered then analyzed to understand rural communities’ current and future needs. The synthesis of information from all of these sources was critical to developing recommendations for the regions.

Grantees of all population sizes found the FHEA to be a challenging planning and community engagement exercise, but it was particularly so for the 2010 rural grantees. The details of what HUD sought in the FHEA were only made clear to the 2010 grantees after the planning process had been initiated, and more critically grant budgets had been allocated. This meant that in most situations no grant funds had been allocated by the lead grantee in order to prepare the FHEA. This issue of timing and budgeting was raised in our interviews by many 2010 grantees.

In addition to the challenges unique to the 2010 grantees, rural grantees faced additional barriers to successful FHEA

completion. Smaller metro grantees faced some of these challenges but not as severely as their more rural counterparts. Some grantees cited challenges from the very beginning of the process, starting with a lack of HUD-compiled data for rural areas. The grantees commonly cited the fluid or evolving nature of the FHEA guidelines as presenting a significant challenge to the timely completion of their FHEA.

Specific challenges identified in the process of completing the rural/smaller metro FHEAs, as drawn from our interviews include the following:

### **The Challenge of Rural Geography & Demographics**

The thrust of FHEA concerns the intersection of race or ethnicity and poverty. Rural areas and small metro areas frequently did not experience geographic or demographic conditions comparable to the larger urban areas. Generally, poverty was more dispersed in the rural landscape and segregation patterns were not as pronounced. Additionally, segregation on tribal reservations was viewed differently, with the concentration of tribal communities on reservation land seen as an asset to supporting tribal culture and economy. As captured by a rural grantee in our interviews:

*“Our poorer population lives in very rural areas and those are the areas where it’s hardest to collect data. It’s very scattered and it’s hard to find a cluster like HUD is looking for, like an RCAP.”*

Another challenge is that HUD-provided data largely concerns race and comparison of different non-white populations to the white population. Some of the grantees were planning for districts that were 90+ percent white, or where the only different racial group was Native American and by intent concentrated in a reservation area. As described by a rural grantee:

*“The other issue is that we’re not diverse in terms of race and ethnicity—we’re 97 percent white—our issues were more relevant when we talk about income disparity rather than race.”*

### **Challenges in Engaging Disadvantaged Groups**

In contrast to large more urban regions, there were very few groups (or organizational infrastructure) to represent disadvantaged populations. Poverty-addressing agencies are valuable in the development of the FHEA for helping to bring in, directly and indirectly, the interests and perspective of disadvantaged populations. For example, legal service organizations, a frequent equity advocate, were typically headquartered in larger population areas outside of a rural grantee’s planning region. Community development corporations or fair housing organizations were often very limited in capacity or non-existent. Another consequence of the large geographic expanse and low population density in the region of a rural grantee is that it was hard to convene low-income people – both because of distance and little public transportation, and because of lack of meeting space in small communities.

### **Analytical Challenges:**

HUD data, a primary building block for the analysis part of the FHEA, was frequently of little use in sparsely populated areas. Census tracts were less useful in areas where those tracts span hundreds of square miles. In addition many rural grantees had limited access to data analysis and GIS expertise.

### **Resource Challenges:**

The typical grant budget for a rural or small metro grantee was considerably smaller than that for grantees located in large urban areas.<sup>5</sup> This made it difficult for rural and small metro grantees to overcome all of the other challenges they faced in completing the FHEA.

### **A New “Conversation”**

Many grantees noted that conversations about equity were severely limited or nonexistent prior to undertaking the FHEA process. The unfamiliarity with equity issues and concerns in

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<sup>5</sup> Grant ranges were \$5 million, \$3 million, and \$1 million, dependent on the regional population served by the grantee consortium.

community dialogue created an impediment for development of the FHEA. However, most grantees noted that the FHEA process resulted in a much greater community-wide understanding and emphasis on equity issues pertaining to regional development.

## Equity Defined in the Rural Context

Equity was most commonly seen as the disparity in various forms of opportunity between populations due to differences in race or income. African American, Native American and Hispanic populations were the racial groups most frequently identified in the FHEA. Other populations mentioned most commonly in the FHEAs were

- Protected classes (identified in the Fair Housing Act)
- Seniors
- Youth
- Disabled & group home populations
- Homeless people
- Low-income workers (in the context of workforce housing)
- Low-income students (college aged)
- Manufactured housing residents
- Other un-differentiated low-income people

However, some of the grantees discussed difficulties in defining equity and identifying racial and ethnic minority populations to focus on in the FHEA. Grantees struggled with using the RCAP and ECAP designations because of the demographic makeup of their region. In identifying target areas to focus on, some of the grantees created new designations outside of the HUD recommendations for RCAP and ECAP designations.

*“We have about a 96% or 97% white area.” and “...we expanded the RCAP definition and identified 4 different tiers of CAP (Concentrated Areas of Poverty).”*

When asked how they define equity, most grantees discussed the concept of equal (geographic) access to opportunity, but a couple stated that they simply used commonly accepted definitions of equity, such as the one advanced by PolicyLink.<sup>6</sup> Some grantees stated that they would have liked more direction or guidance with this part of the FHEA process.

<sup>6</sup> “Equity is just and fair inclusion into a society in which all can participate, prosper, and reach their full potential.” From [www.policylink.org](http://www.policylink.org), accessed 5-30-15.

Equity was commonly viewed by grantees as a set of topics for which disparities would be considered. Topics included by most grantees were employment, transportation (particularly access to cars in very rural areas), education, health care access, and always housing. For some grantees it took a lot of encouragement from HUD and capacity builders to get them to expand their analysis and address anything but housing.<sup>7</sup>

In considering equity and disparate access to opportunity, grantees typically picked up on public investments in housing and transportation but less so with other investment types such as parks and workforce centers. Private investments creating opportunity were also under-represented in the FHEA.

In its assessment of disparity one grantee did include the composition, by race and age, of those who sit on various boards and commissions responsible for public investment and enforcement of regulations. Another stated that its thinking about equity evolved from considering “access to things” to focusing on what the community has the ability to do but is not yet doing.

Several grantees met their FHEA obligation by undertaking a Regional Analysis of Impediments (RAI). HUD encouraged grantees to take the additional steps required for this document, which received agency-wide recognition if approved by the Office of Fair Housing and Equal Opportunity. This means the grantee added in its analysis other populations that were fair housing protected classes.

An analysis of impediments to fair housing (AI) is required of entitlement jurisdictions, those local governments and state agencies qualifying for HUD block grant funds. Many of these entitlement jurisdictions exist alongside each other in large metropolitan regions. A regional AI then enables a single analysis to be completed that can be shared among multiple entitlement jurisdictions. Undertaking a regional AI makes sense because poverty and opportunity within a region often cross municipal boundaries, and each jurisdiction is spared the cost of a separate AI. An RAI has less value in a rural or smaller metro area having one or no local entitlement jurisdictions. Some of those in our study that completed the RAI said that they didn’t understand the rationale behind a regional approach to the AI and were just responding to HUD’s encouragement to develop an RAI, or that they believed that at some

<sup>7</sup> The north central Montana grantee also included as an equity issue the disparity between resources and wealth in regional centers versus the plight of small towns.

point in the future it might be of value.<sup>8</sup>

<sup>8</sup> HUD provided a document laying out the differences between the AI and FHEA. Further, then HUD secretary Shaun Donovan directly encouraged sustainability planning grantees to develop RAIs.

## Community Engagement

Disadvantaged groups were typically contacted through community outreach leads like religious leaders and local service organizations. They were able to bridge the gap between the rural grantees and the groups targeted for surveys, focus groups, and public meetings. The use of “grass top” organizations and individuals was commonly cited as a strategy to more deeply engage disadvantaged communities.

Grantees ranged widely in their level of success with directly engaging disadvantaged populations in the FHEA process. Some grantees cited difficulty in setting up focus groups or public meetings where attendance was low or people who committed to attending didn’t show up. Lack of trust between disadvantaged populations and grantee organizations was also an impediment to overcome. In many cases, it was found that disadvantaged people never before had their voice heard on matters relating to them and the rural community. Some people were open to sharing and going to meetings, while others were more hesitant to share due to this history.

The unique value of input from disadvantaged populations was cited by several grantees. One rural grantee said that they would have never considered crime and safety had this topic not surfaced in their community meetings.

Grantees needed to work to create an environment that was open and “friendly” to make people feel safe to share information. Multifaceted engagement approaches were also necessary to more deeply engage disadvantaged populations. Additionally, entities that just relied on traditional “open houses” or other forms of traditional public meetings found these to be less effective when not paired with other engagement techniques.

Some grantees conducted information sessions or visioning workshops in places they thought were most accessible to disadvantaged people, such as in public housing develop-

ments. Several grantees held meetings entirely in Spanish to be accessible to people with limited English. Some of the more successful attempts at engaging people were accomplished with the help of a facilitator who was skilled in the engagement process; and one grantee described their facilitator going to the meetings that were already being held for different reasons – for instance, meetings for Meals on Wheels participants.

### **Encouraging Participation of Low-Income Populations**

Grantees provided suggestions regarding participation of disadvantaged populations in the entire planning process. First, to make the sustainability planning relevant to the lives of low-income people, seek their initial involvement on more local planning/development issues (ones directly and tangibly affecting their lives). Second, the planning process should have an accountability structure identifying responsible parties and benchmarks for engagement. Third, engagement must be sustainable over time, from planning through implementation. In general, they said, there needs to be more focus on participation in structuring sustainability planning, including the FHEA.

*There is no substitute... for hearing the real voices of the real people, and we urge that the Regional Plan for Sustainable Development contain goals and action steps that will encourage the participation of people from all walks of life in implementing aspects of the plan. We acknowledge that it is often challenging to do this... [People who have lower education and/or income levels] may be intimidated by people with more education or better verbal skills, or they may not be used to group decision-making... It often helps to serve a meal, and to offer a stipend, gas card, or grocery card as incentive for participation. Group members need to be sensitive to diversity issues, including race, class, gender,*

education, and age. Often it works well to have someone the new group member knows – a staff member or group organizer – accompany them to a meeting or two.<sup>9</sup>

<sup>9</sup> “Report on Survey of Adults with Low Incomes Completed in Spring 2011.” Community Action of the Franklin, Hampshire, and North Quabbin Regions (MA), completed for Sustainable Franklin County.

## Data Issues & Strategies

**P**robably the toughest part of the FHEA for rural and small metro grantees was the identification of data sources that would accurately reveal barriers and opportunities, geographic and non-geographic, facing disadvantaged populations. The FHEA process, as designed by HUD, is premised on having the data needed to differentiate sub-areas within a region regarding access to opportunity based on race. Census tracts, the building block of the data information provided by HUD, were frequently too large to identify differences among populations. This was compounded, in many cases, by regional planning areas having very low population levels for non-white racial and ethnic populations.

The transition to the American Community Survey (ACS) as a data source also caused challenges for rural grantees. ACS data for small geographic areas (such as census tracts or block groups) is survey based and collected over a period of several years. In rural communities, very large margins of error for some census variables (particularly at the block group level) are common. Also, due to the limited number of survey respondents, some ACS variables are not available for rural tracts or block groups. With ACS as the basis for much of the HUD data provided, these challenges impacted the analytical process in many ways.

Most grantees acknowledged that the HUD data did provide a good starting point although they frequently cited difficulty with a lack of enough data for rural areas to do a robust analysis. Grantees also used surveys, focus groups, and public meetings to collect more qualitative data from their region as well as their target populations. Some grantees cited difficulties in getting people from their region engaged in these activities, particularly low-income populations and those from highly rural areas. One grantee was able to partner with a community action agency in getting FHEA-related questions included in a survey the agency was undertaking as part of its three-year cyclic report on disadvantaged people. Literacy volunteers were used by another grantee to conduct surveys. Clicker-type voting devices were used in community meetings as well as charrettes and stickers with visual images as ways to collect data from the community. Direct community outreach

included meeting and talking to people at street fairs and farmers markets. Local housing groups were recruited to make contact with tenants when direct face-to-face contact was not something that could be easily done by researchers.

Grantees frequently had to improvise in situations where HUD data was of limited use. Other state and national sources of quantitative data were also tapped, including local administrative data (e.g., school performance scores, or electronic medical records). University partners were a common resource in building better local data sets.

Expanding the information utilized within the opportunity mapping analysis (or using a comprehensive opportunity index map) was one improvisation. As described by a rural grantee, a fair housing survey they conducted provided evidence to expand the HUD data to include more factors for opportunity mapping.

*“We tried to identify the elements that were most important to our population. Grocery stores, pharmacies, and health-care services were the top three. Access to those items was not mapped with the HUD data, so we went ahead and mapped those three things (for example, for healthcare facilities one of the things we mapped were doctors’ offices).”*

Grantees also identified the need to specify a time span and endpoint for debate about data measurements, sources and metrics. General consensus was needed on these elements to move forward the FHEA process in a timely manner.

## The Role of Consultants, HUD GTRs and Capacity Builders

For most grantees the bulk of the work involved in the production of a FHEA was carried out by consortium members.<sup>10</sup> The grantee consortium always received some level of assistance from HUD. This included guiding materials as well as support provided by the primary HUD staff assigned to a grantee, known as the Government Technical Representative or GTR.

Some grantees were additionally assisted by capacity builders contracted by HUD to support the regional planning grantees. A few grantees used outside consultants, although the use of outside consultants in rural settings was limited. While outside support for the FHEA was appreciated, some concerns were voiced, such as facilitators pushing particular solutions within focus groups.

### HUD Assistance:

Grantees identified many valuable contributions from HUD in its FHEA guidance. These included:

- The six FHEA webinars provided by HUD.
- HUD's statement of the components of the FHEA, which was communicated in the webinars, but also provided in written materials.
- The flexibility, constant communication, and hands-on guidance provided by GTR. Almost all interviewees noted positive relationships with their GTR as important to their successful completion of the FHEA.
- HUD-hosted convenings, including the annual national convening of all grantees. In addition to the sessions on FHEA, this provided the opportunity for grantees to connect and learn from each other.

### Capacity Builder Assistance:

HUD-supported capacity builders primarily provided support through:

- Providing materials and webinars on the FHEA topic.

- Providing data, analysis, and mapping support.
- Reviewing draft FHEAs with substantive recommendations.
- Provision of on-call or direct 1-on-1 technical advice.

Generally, grantees who utilized capacity builders found them very useful in assisting with developing the FHEA, particularly with respect to providing substantive recommendations, sharing best practice advanced by other grantees, and with data analysis and mapping. Grantees noted the prompt responsiveness of capacity builders. Some grantees, however, said that they were unaware of the resources available from capacity builders.

### Consultants

Amongst rural grantees, consultants were used infrequently in the development of the FHEA. Only a couple of grantees stated that they considered the FHEA a turn-key operation with the consultant doing essentially all of the work. Most grantees conducted the work in-house. The grantees who did use a consultant, other than in a turn-key situation, stated that the consultant either worked on engagement (such as facilitating public meetings and focus groups) or helped to write the final

<sup>10</sup> The sustainable communities regional planning grant program required that grantees consisted of a consortium of agencies, including academic institutions.

document (while leaving the data collection to the grantees). Some grantees noted that consultants were not a potential resource due to the limited funds available to create the FHEA. One grantee said that nonprofit consultants were the most effective, stating that nonprofits were better oriented to meet high demands (and limited resources) for the engagement process.

## Costs & Resources Expended

**M**ost grantees conducted the work in-house with existing staff, and could not identify a specific cost for the FHEA process. For the grantees who could identify separate contracts for the FHEA process and/or estimated staff costs, the cost ranged from \$25,000 to \$100,000. All survey respondents identified the process as resource intensive (primarily staff resources) and several exceeded their initial estimates of cost for the FHEA.

## Integration with the SCI Planning Process

**G**rantee responses were mixed concerning the interaction or integration of the FHEA into the overall sustainable communities plan. Approximately half of grantees interviewed stated there was strong integration, while half of grantees felt integration was poor. Integration of outcomes was most likely to occur with the work of a housing subgroup or for housing sub-strategies within the sustainable communities plan.

In addition to direct housing strategy impacts, the FHEA was often connected to transportation and economic development goals, primarily in relation to access to work and housing needs for workers. One of the most common ways in which the FHEA was tied into the sustainability plans was through recommendations for more access to public transportation and transportation alternatives -- recommendations suggested by the FHEA data. Data commonly revealed a lack of car ownership coupled with long home-to-work travel times for targeted disadvantaged populations.

Grantees who did not see strong FHEA-sustainability plan integration identified several common challenges. Resource

constraints, timing, and consortium perspectives that viewed the FHEA as a separate process were the most commonly cited barriers to better integration with the sustainability plans. Several respondents noted a delayed start to the FHEA process as a “timing” challenge to this integration, particularly for those 2010 grantees who said that they had the sustainability plan close to completion prior to undertaking the FHEA.

## FHEA Impacts & Lessons Learned

**A**lmost universally, grantees found the impacts of the FHEA to be positive in many ways. While more than a few grantees spoke negatively of the FHEA process, nearly all found it to be valuable in respect to outcomes. Grantees highlighted the positive impacts of creating greater dialogue, awareness and education around equity issues (particularly affordable housing) in their regions. Grantees identified a number of direct impacts. It should be understood, however, that the following outcomes are from a relatively small selection of grantees and that many FHEAs were completed relatively recently. The variety of early impacts includes the following:

- Created better collaborative capacity in the region, such as three Montana communities joining to address a need for new housing and receiving a state planning grant for their effort.
- Led to grants and other funding to go deeper into particular issues, for example:
  - » Health funding to address social determinants of health was secured using the FHEA
  - » AmeriCorps VISTA positions were created as a result of the FHEA
  - » A local community foundation invested \$10,000 into Habitat for Humanity in response to the FHEA and sustainability plan
  - » Mortgage finance agency investments were made related to FHEA findings
  - » Transportation board investments and system planning were spurred by the FHEA.
- Impacted service providers and the provision of services, for example a community housing development organization based in a Kansas regional center became aware of and committed to address housing needed in rural areas of the region.
- Provided a platform for advocacy around social determinants of health.
- Utilized a housing work group to pilot a solar homes program; this has been replicated 13 times within 8 months in Virginia, already 6.9 million dollars invested.
- Reutilization of a closed school for senior housing (the FHEA articulated the need for senior housing).
- Led to meetings/engagement and redrafting of ordinances in communities with fair housing violations.
- Spurred enactment of an affordable housing ordinance, producing new subdivision rules that encourage

- inclusionary and mixed income zoning.
- Helped bring attention to the dire need for more affordable housing in the community.
- Strengthened local government and nonprofit agencies relationship with HUD.
- Led to significantly improved analytical capacity for the region.
- Expanded the conversation and understanding of equity, and race and/or income disparities.

In addition, state agencies directed local jurisdictions to use the FHEA in meeting state fair housing regulations and utilized the FHEA with other compliance requirements.

Only two respondents noted limited impacts of the FHEA. One grantee stated that the plan completion was too recent to measure implementation impact. The second grantee stated that the lack of implementation funding hindered the buy-in from stakeholders which was needed to move recommendations forward.

## Improvements to the Process

**M**ost respondents stated that they would not alter much regarding their FHEA experience. Several said that the flexibility in the FHEA (compared to other federal requirements such as the consolidated plan) made for a better process. Some grantees discussed their frustration with the overall process and would like to have seen HUD provide clearer guidelines for how to collect rural data for the FHEA, particularly when it came to assessing input from public meetings and focus groups.

Several grantees said that if the FHEA process was to be repeated it would go much faster now that they understand the tool and approach. Additionally, grantees said that they would establish a better definition of rural equity and fair housing. Other changes grantees stated that they would want to see from HUD or make in their process include the following:

- Better integration with action and decision-making processes.
- Clearer criteria for evaluation purposes.
- Better guidance at the beginning of the FHEA process.
- More funding to do the FHEA well.
- Engagement of disadvantaged populations throughout the process, not just at the beginning and end.
- Integration of prison populations (ex-offenders) into the analysis.
- Inclusion of any entitlement communities in a region in the FHEA.

## Appendix

Sustainability Plan	State	Interviewee	Plan Review
Smart Valley Places	CA	Maya Abood	*
Heartland 2060	FL	Jennifer Codo-Salisbury and Shannon Brett	*
The Tomorrow Plan: Partnering for a Greener Greater Des Moines	IA	Todd Ashby	
Brilliant. Bright. Community Project.	IL	Nick Hayward	*
Regional Plan for Sustainable Development	IN	Vishu Lingala	
Flint Hills Frontiers	KS	Jeff Adams	*
Sustainable Berkshires: Community Strategies for a Sustainable Future	MA	Nathaniel Karns	*
Sustainable Franklin County: Regional Plan for Sustainable Development	MA	Megan Rhodes and Ann Darling	
Grand Vision to Grand Action: Regional Plan for Sustainable Development	MI	Sarah Lucas	*
MidMichigan Program for Greater Sustainability	MI	Julie Powers	
The Central Minnesota Sustainable Development Plan	MN	Deanna Hemmesch and Bill Reinke	*
Plan for Opportunity: Miss. Gulf Coast Sustainable Communities Initiative	MS	Kelsey Johnson	*
Vibrant Futures: Regional Planning for Local Prosperity	MT	Janet Bush and Day Soriano	*
FOCUS: Lower Cape Fear Regional Plan for Sustainable Development	NC	Jacob Vares	*
Vision West North Dakota	ND	Shirley Brentrup	*
Viva Dona Ana: Building A Sustainable Future	NM	Daniel Hortert	*
New River Valley Livability Initiative	VA	Kevin Byrd	
East Central Vermont: What We Want	VT	Loralee Morrow	*
Sustainable Thurston	WA	Mike Burnham	
Capital Region Sustainable Communities	WI	Steve Steinhoff	





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