

NORWALK FAIR HOUSING OFFICER'S

ANNUAL REPORT

FY 2008-2009

To: Hon. Richard A. Moccia, Mayor; and

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Agency/Housing Site Development Agency; and

Norwalk Redevelopment Agency Commission;
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Fiscal Year 2008-2009

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Fiscal Year 2008-2009

INTRODUCTION.

This report is filed in compliance with an amended consent decree entered into in 2004 by the Norwalk branch of the NAACP and the City of Norwalk (the "2004 Consent Decree").¹ The 2004 Consent Decree directs the Fair Housing Officer ("FHO") to

"...file an annual report at the end of the City's fiscal year to the Fair Housing Advisory Commission regarding his/her activities and findings and regarding enforcement and compliance in the City under Title VIII and the City's Housing Equal Opportunity Ordinance, Chapter 59A of the City Code. Upon acceptance by the Fair Housing Advisory Commission, the report shall be submitted to the Mayor, the Housing Site Development Agency and other appropriate city commissions and agencies."

Because housing discrimination complaints often arise in the context of landlord/tenant relationships, Norwalk's FHO serves as the primary resource for Norwalk residents, realtors, bankers, public housing authority and community service providers with questions regarding landlord/tenant law, as well as what conduct constitutes violations of federal, state and municipal Fair Housing laws. The FHO assists residents who believe they have suffered housing discrimination by investigating claims, and, where warranted, filing and advocating complaints with local, state and/or federal enforcement bodies.

This report encompasses from July 1, 2008 through the end of the fiscal year, June 30, 2009. It includes categorization of the types of inquiries received by the FHO, as well as her specific efforts to educate, advocate, advertise and provide services to the residents of Norwalk with regard to the anti-discrimination laws applicable to housing. In addition, this report describes the activities and projects that cross fiscal year boundaries and/or those being undertaken in the current fiscal year (FY 2009-2010).

The Great Recession, which began in 2008, is predicted by economists to continue for several years, with slow recovery. Norwalk Fair Housing has seen the impact of these economically challenging times, with greatly increased demands on its very limited resources. A housing bubble and irresponsible, predatory lending were the cause of the beginning of this economic downturn. Job losses are compounding housing problems. Hard economic times traditionally lead to an increase in discrimination. It's a perfect storm for highly challenging times for Norwalk Fair Housing.

¹ The original consent decree (which this one replaces) was entered into in 1986 and resulted in the creation of the position of Fair Housing Officer and the Fair Housing Advisory Commission, among other things. The original consent decree also directed the Fair Housing Officer to write an annual report.

A. FHO's ANNUAL REPORT FOR FY 2007-2008

In the previous fiscal year, the FHO's Annual Report (FY2007-2008) was submitted to the Fair Housing Advisory Commission ("FHAC") for its acceptance in November, 2008. The Commission accepted the report in February, 2009. The FHO then distributed it to elected officials and concerned commissions, as mandated by the Consent Decree.

I. Fair Housing Officer's Activities and Findings

A. Evaluation and Outreach to Affected Groups

1. Clients Served

The FHO position was staffed on a full-time basis throughout the fiscal year. From July 1, 2008 through June 30, 2009, a total of 2,227 requests for services were received, nearly eighteen (18%) percent higher than the previous fiscal year.

Of that total, Norwalk tenant inquiries were tracked and categorized as follows:

Discrimination	112
Security Deposits	341
Eviction	331
Lack of Utilities/Repairs	271
Other	115
Total	1,170

Norwalk tenant issues as described above, totaling 1,170, represents an increase of nearly twenty-nine (29%) percent over the previous fiscal year of 908. Discrimination issues alone increased by seventy-five (75%) percent, from 64 to 112.

Norwalk landlord/realtor inquiries were tabulated using the same criteria, with the following results:

Discrimination	120
Security Deposits	285
Eviction	332
Lack of Utilities/Repairs	200
Other (including foreclosure)	120
Total	1,057

Norwalk landlord/realtor inquiries as described above, totaling 1,057, represents an increase of approximately forty-two (42%) percent over fiscal year 2007-2008's 741.

Further, 228 people were served through seminars and trainings provided by the FHO (at a seminar conducted jointly with the housing authority, fair rent and human relations department, a statewide conference on fair housing issues, a section 8 training, and a landlord seminar conducted jointly with Fair Rent and Human Relations). This was also a significant increase over the previous year's 95.

Finally, untold numbers of Norwalk residents were reached through the Fair Housing Officer's quarterly column in the Redevelopment Agency insert in The Norwalk Hour. These columns included "Foreclosure Rescue: the Latest Scam", "Blaming Grandma" (regarding the attempt to blame the predatory lending crisis on its victims, including minorities and the elderly), and "Slow Progress in Ending Discrimination".

Of particular interest is the breakdown in the types of discrimination issues raised by tenants:

Race	15
Creed/Religion	8
Color	15
National Origin	12
Ancestry	3
Sex/gender	8
Marital Status	8
Age	5
Source of Income	12
Familial Status	10
Disability	13
Sexual Orientation	3

The FHO investigates all claims and complaints are then filed when the investigation yields evidence to support the complaints and attempts to settle them are not fruitful. Most complaints made to the FHO during FY 2008-2009 were resolved by the FHO without the filing of a formal complaint to an adjudicative body (such as court or the state's administrative agency).

One Norwalk Fair Housing case, filed in federal district court in a prior fiscal year settled, in December, 2008 (without any admission of wrongdoing or liability by the landlord). There, the landlord, the Norwalk Housing Authority, agreed to assign a parking space to the person with a disability, pay approximately \$38,000 in damages, and agreed to move the family to a larger, accessible unit (needed due to the disability) when one became available. In addition, the NHA agreed to review and amend its policies on reasonable accommodations, in accordance with HUD regulations, so that the policies are consistent with the federal Fair Housing Act. Finally, the NHA agreed to review any previously denied requests for assigned parking spots, by tenants with a disability, and review those denials in light of a new, appropriate policy as set forth therein.

2. Outreach

a. Brochures and Flyers. The FHO distributes a fair housing brochure (published in English and Spanish) which summarizes federal, state and local fair housing laws. The FHO also creates flyers for particular purposes which are distributed in various public locations.

In addition, the FHO created and distributed handouts summarizing the roles and functions of the Fair Housing Advisory Commission (the "FHAC") and the FHO on topics such as eviction, source of income, entry, repairs, and security deposits. In early FY 2007-2008, the FHO and Director of Human Relations updated these handouts. Finally, during FY 2002-2003, the FHO and FHAC created a flyer warning residents about predatory mortgage lending. This flyer, captioned "Don't Let a Thief Steal Your Home" was distributed door-to-door in Norwalk neighborhoods likely to be targeted by predators as well as in various community centers and other public places. Between 2002 and 2007, approximately 4,500 flyers were distributed door to door and at anti-predatory lending seminars provided by the FHO to various groups within the city, including at the Senior Center, Norwalk Housing Authority and NEON, along with other anti-predatory lending brochures and flyers provided by the State of Connecticut and Fannie Mae. One seminar had simultaneous translation into Spanish.

b. Seminars and Programs. The FHO organizes seminars and participates in events throughout the year targeting landlords, tenants, realtors, and social service providers. The topics include landlord/tenant, Fair Housing laws, and predatory lending. During FY 2008-2009, the FHO participated in approximately 3 such seminars. The FHO also moderated a panel of speakers on predatory lending at the annual, statewide fair housing conference.

The FHO's and FHAC's anti-predatory lending program was part educational and part remedial. The first element was educational and consisted of distributing thousands of flyers in a door-to-door campaign and at educational seminars, as described above. In the case of offers of loans or actual loans themselves that appear suspicious, the FHO was able to refer those loans to the Connecticut Department of Banking and Connecticut Attorney General's office.

During FY 2006-2007 and continuing into FY 2007-2008, predatory lending finally came to the forefront of public concern, with record numbers of foreclosures happening all over the country. While no amount of foreclosures is acceptable or good for a community, it would appear that the FHAC's anti-predatory lending campaign may have had a beneficial impact in Norwalk, as we experienced a smaller increase in foreclosures than other cities in Connecticut. The foreclosure crisis continues, in FY 2008-2009 and beyond, fueled now by job losses due to the recession.

The FHO assists residents facing the threat of or actual foreclosure by referring them to reputable foreclosure counseling agencies and providing written materials regarding the judicial foreclosure mediation program in Connecticut.

The predatory lending era is temporarily over: the work that remains to be done is to assist borrowers in need to find available programs (which at the moment are insufficient to meet the need) and work with others to reform federal laws regarding lending so that predatory lending doesn't re-emerge anytime soon. Unfortunately, predatory loans are out there, waiting to re-set their interest rates through and including 2011, and so the trouble is far from over. In addition, the predators have moved to

foreclosure rescue scams, again, attempting to cheat people out of whatever equity they might have left in their home after either a predatory loan or a job loss. The need to educate and combat such schemes continues.

c. **Media Coverage.** The Fair Housing Officer enjoys good relations with the press. She has frequent contact with and coverage by the Norwalk Hour, the Stamford Advocate, and the Norwalk Citizen News. The media also frequently seeks comment on housing related issues. During FY 2008-2009, the FHO continued writing a quarterly column in The Hour newspaper regarding various fair housing topics. Copies of these columns are in the appendix to this report. The column continues in FY 2009-2010.

d. **Advertising.** The Fair Housing Officer advertises by way of the aforementioned pamphlets and flyers, educational efforts and newspaper column. No funds have been available since FY 1996-1997 for commercial advertising.

B. Planning and Analysis of Housing Patterns and Practices.

1. Housing Authority Policies and Practices:

Prior to FY 2006-2007, the FHO participated in numerous trainings (approximately one every other month) for Section 8 voucher holders and/or new tenants of the Norwalk Housing Authority. During FY 2006-2007, the FHO was invited to participate in only one such training, in August, 2006. During FY 2007-2008, the FHO was not invited to participate in any NHA trainings. This exclusion of the FHO from new tenant training does not affirmatively further fair housing, as the NHA is mandated to do. The NHA has stated its intention to invite the FHO to participate in new resident trainings again. The FHO was invited to one Section 8 training during FY 2008-2009, on January 27, 2009, and no trainings for new housing authority residents.

One issue that arose during the course of FY 2007-2008 (and which is still an issue in FY 2008-2009), which took significant time and which has not yet been fully resolved, pertains to the methodology proscribed by the NHA for tenants to use to remove adult family members (usually adult children but other times ex-spouses or others) from leases.

The problem is that in order to remove that adult household member from the lease, after they have left the abode, the family has to provide proof not in their possession, such as new driver's license, tax returns and the like for the absent household member. Typically, at least three (3) different documents are required. When the adult family member has moved away and is uncooperative, it may be impossible to provide said documentation. Without it, the NHA takes the position that the family member who no longer resides in the unit is still on the lease. If someone is on the lease, his or her income is also counted in family income, even though they no longer actually reside in

the apartment or contribute to the household income, typically making it difficult for the family to actually pay the rent due.

Cases have already arisen of families defaulting on paying the rent because the rent due assumes income from someone who has left the household, but the NHA refuses to count as gone. Other cases have arisen because the tenant can only provide one official proof of the person's new residency, and the NHA typically looks for at least three (3) different proofs. In one case, a newly received valid, official immigration identification card from the U.S. Citizenship and Immigration Services (formerly known as Immigration and Naturalization Services, INS) was deemed by the Norwalk Housing Authority to be insufficient, even though this is the highest and best proof of a legal immigrant's residency. That dispute is still pending.

If the family member who has, in fact, left the household, then gets into trouble with the law, the entire family will likely suffer the consequences of eviction, despite the fact that the absent family member should have been off the lease, and had he/she been, the rest of the family would not be evicted. Additionally, HUD requires that tenants immediately advise of a change in family composition. Yet when families try to comply, they are frustrated when they are not allowed to remove the absent person from the lease. In FY 2008-2009 and continuing into FY 2009-2010, this issue is still not resolved.

The second issue arose near the end of FY 2007-2008 and pertains to NHA's implementation of a preference system for those receiving Section 8. The preference (an earlier spot on the waiting list) would go to those paying more than fifty (50%) of their income on rent and utilities, a preference that would, by definition, exclude all NHA residents. Initially, there was much confusion as prospective Section 8 tenants began to receive letters which stated that due to the new policy, they were no longer eligible to remain on the waiting list. That mistake was subsequently corrected and applicants were next told that they could remain on the waiting list, but would not get the "preference". Still, there was much confusion, as the meaning of "preference" was not adequately explained to either prospective Section 8 tenants or indeed, NHA staff. But after a public hearing, as well as a Resident Advisory Board meeting (both of which the FHO attended), the NHA removed the 50% preference from their policy in or about January, 2009.

However, another issue arose out of the preferences and came to light during FY 2008-2009. People who lose their jobs are less likely to be able to receive public housing, due to the preference for people who have jobs. Given that public housing was conceived for just such circumstances – being down on your luck, perhaps a recent job loss – it is disturbing that the unemployed would be, effectively, excluded, especially during a time when unemployment is running very high due to a national economy in deep recession. Without public housing as a housing resource to those unemployed, the newly unemployed who have limited economic resources during periods of prolonged unemployment, are more likely to be living in their cars, in overcrowded situations or on the streets because of this Norwalk Housing Authority preference. This is an issue the FHO will work to bring to a better resolution during FY 2009-2010.

During FY 2005-2006, a number of cases against the NHA were referred to cooperating pro bono counsel so that lawsuits or administrative complaints could be filed due to the NHA's failure to properly process, consider and grant reasonable accommodation requests from tenants with disabilities. Most of those cases are still pending.

The NHA stated, in FY 2007-2008, that it implemented a new reasonable accommodation policy and procedure. The FHO will review the new forms and discuss the matter further with the NHA, if warranted.

The NHA's wrongful behavior with regard to reasonable accommodations (for the disabled) and proof of residency (especially for those of other national origin who are limited in types of proof available to them) has been a significant impediment to Fair Housing in Norwalk.

2. Barriers to Affordable Housing: Norwalk is located in the Stamford-Norwalk Metropolitan area, which is home to some of the highest fair market rents in the country. During FY 2007-2008, housing sales prices fell. Connecticut Multiple Listing Service reports that in the first nine (9) calendar months of 2008, the average single family home in Norwalk sold for \$690,113, while the average condominium sold for \$329,653. For that same time frame in 2009, CMLS reports that single family homes had an average sales price of \$526,985 and condos sold for an average of \$300,402. Thus, prices in the single family home market fell by about 24% while condominium prices dropped by nearly 10%.

The volume of housing sales slowed dramatically, as credit markets got tighter: in January to September, 2008, 326 single family homes and 237 condominiums sold in Norwalk, according CMLS. In January to September, 2009, 294 single family homes and 156 condominiums sold. Thus, over that time frame, there was approximately a 10% drop in single family homes sold and nearly a 35% drop in the sale of condominiums.

One answer to the affordable housing shortage, albeit too small, is the affordable housing developments which have recently been brought to market in the past few years. One such project, which the FHO assisted in negotiating, is Reed-Putnam's Maritime Yards, where the target family income for either a one or two bedroom condominium unit is \$40,000 – \$61,000, thus significantly reaching into low-moderate income groups, (approximately 40% - 60%) below the income needed for market rate housing. In this condo development, ten (10%) percent of the 61 for-sale units are deed restricted as affordable. There are four (4) two-bedroom condominiums and two (2) one-bedroom units. All the condominium units had their initial sales during FY 2005-2006.

During FY 2006-2007, the marketing began of the fourteen (14) affordable rental units at The Jefferson at 55/77 Water Street (negotiated at the same time as the condominiums at Maritime Yards) and representing ten (10%) percent of the total

number of units, 136. Of those fourteen (14) affordable units, 11 are one-bedrooms and 3 are two-bedrooms.

In early FY 2007-2008, applications were accepted and leasing was completed. The affordable apartment units are located in the same building as the high end rental units, a building located on the Norwalk River, with high end amenities such as a meeting room, outdoor lap swimming pool, gym, etc. Nonetheless, the affordable units sported a price much lower than the market rate units, ranging from approximately \$1,000 - \$1,150 per month for a one bedroom apartment, and from \$1,100 - \$1,596 per month for a two bedroom apartment, for households earning from approximately \$40,000 to \$51,000 respectively. It should be noted that there is a rental range because exact rent amounts are determined based upon the income of the particular household.

At the nine-month mark during the one year lease, tenants are required to submit household income information. For tenants remaining within the affordability guidelines (and otherwise being good tenants), renewal leases are offered. For those tenants whose income has exceeded the guidelines, leases cannot be renewed and new tenants who qualify for the affordable apartments will be sought for the units.

After the first year of leases, all leases were renewed during FY 2008-2009, excepting two (2) and for those, two new tenants were immediately found from the tenant waiting list. The property actually reports 0% vacancy rate on the affordable apartments as well as the affordable condominiums.

An expensive housing market is a significant economic barrier to affordable housing and is difficult to overcome. In the past, the Norwalk Redevelopment Agency's Homeownership Assistance Program, along with state and nonprofit programs, assisted small numbers of low-moderate income people to become first time homeowners. During FY 2007-2008, North Walke received funds from the State of Connecticut (DECD) in the amount of \$1.1 million which will now be used by June, 2010, for homeownership assistance.

The Norwalk Redevelopment Agency ("NRA") also rehabilitates residential units owned and/or rented by low-moderate income persons, which helps guard against a diminution in affordable properties. NRA continues to negotiate with private market-rate developers and local non-profit agencies for the creation of new, affordable housing to be included in market rate developments, albeit all development has slowed in the current market.

The stock of affordable housing remains significantly lower than the demand, and without the infusion of substantial amounts of affordable units, that gap continues to widen. It is estimated by the NRA that if market rate development is consistent from 2000 - 2010, Norwalk will need to add approximately 203 affordable units per year, from

2005-2010, in order to maintain an overall city-wide housing stock that has the minimum ten (10%) percent of housing as “affordable”. That many units are not being added.

There were, in 2005, 33,753 housing units in Norwalk (the denominator). In 2007-2008, there were 3,818 affordable units (the nominator) that met the state’s definition of “affordable”. Thus, as of 2007-2008, 11.31% of Norwalk’s housing is “affordable”. In 2008-2009, there was a net loss of 5 affordable units, thus, there were 3,813 affordable units in Norwalk. Using that same denominator, the percentage dropped slightly to 11.30%.

The only problem with this count is that it’s not actually accurate, as we know that the total number of units, here, 33,753 has grown since 2005, but the state won’t recount the total number of units until 2010. It is likely that once that denominator is updated, Norwalk will fall below the magic ten (10%) percent. What that means is that local zoning will have much less control over local land use, which may not be a bad thing in terms of fair housing concerns.

There is now inclusion of affordable housing in market rate development which has been mandated by the Zoning Commission, but only in certain areas of the city, only in developments of a certain size, and only if the developer doesn’t opt out, by contributing money in lieu of housing. As discussed later in this report, zoning’s “Workforce Housing Regulation” is legally problematic and ineffective in adding affordable units. The FHO feels it is, in fact, an impediment to Fair Housing choice in Norwalk.

Historically, Norwalk zoning only permits high-density housing in South Norwalk, Norwalk Center and the two commercial corridors in Norwalk. In FY 2001-2002, the City, the public, the Greater Norwalk Chamber of Commerce and property developers began public discussions of ways in which to include the construction of more affordable housing in Norwalk, including the creation of an affordable housing ordinance. A list of recommendations was created as a result of this process. No ordinance was passed, although a regulation was, with the shortcomings discussed herein.

The Zoning Commission passed the zoning regulation during FY 2006-2007 which now “sort of” mandates, in the areas previously identified (in other words, not city-wide), the inclusion of ten (10%) percent affordable housing in all complexes of more than twenty (20) units. It is significant to note that this is a regulation, not an ordinance, and as such was never approved by the Common Council, yet sets itself in stone as the policy of the City of Norwalk when it comes to the development of affordable housing in certain areas of the city and in certain larger developments.

The FHO and the FHAC have identified and advised Norwalk’s Zoning Commission and its staff of significant fair housing problems with Norwalk’s regulation, and have made suggestions for this regulation to be revised. The identification of such

problems and advising as to resolution of said problems, is squarely the FHAC's mandate as set forth by a federal court.

The Zoning Commission had stated it was open to "sensible review" of the regulation, but no action was taken after the FHAC first raised the issues. Nearly 1 year later, the FHAC again raised concerns regarding Norwalk's Workforce Housing Regulation, by letter in July, 2008, asking what actions the Zoning Commission had taken in the interim. As of November, 2009, the Zoning Commission has failed to respond to that letter or address the fair housing concerns in the regulation. The FHAC also invited members of the Zoning Commission to attend a Fair Housing Advisory Commission meeting, in June, 2009. No members attended or responded to the invitation or the concerns.

As previous reports have described the fair housing concerns with this zoning regulation in great detail, this report will only summarize them:

- a) One significant fair housing concern with the regulation is its name: "Workforce Housing regulation". Given that the regulation actually pertains to all people of a specified, moderate income, it is misleading and discriminatory on its face to imply that one must be a member of the "workforce", since the elderly who are retired and people with disabilities who are unable to work are not members of the workforce. The FHAC suggested a simple fix to this facially discriminatory terminology – rename the regulation something pertaining to the actual criteria –moderate income – so that it is called the Moderate Income regulation or the Middle Income regulation, or to specify when the term "workforce" is used, it includes people who are senior citizens and not working, and people with disabilities. Failure to correct this problem implies it is not accidental but rather there is an intent to create affordable housing for certain members of the workforce, a potential discrimination claim against the City of Norwalk.
- b) The regulation allows the development of affordable housing to be physically separate, or "off-site", from the market rate housing it would accompany. Census data tells us that economic segregation usually also results in significant racial segregation, which is not likely a policy objective, and could result in another fair housing claim. While requiring the building of affordable units is laudable, when developers are given the as-of-right authority (as they are here, since the regulation says the Zoning Commission "shall" approve off-site) to build the affordable component away from the market rate component, the objective of integrating people of varied income levels is lost, the housing is extremely unlikely to be of equal quality in terms of location (at a minimum), and segregation is furthered, rather than remediated. An objective of fair housing (and, therefore, of the FHO and FHAC) is integration, and this provision is likely to have a segregating effect.

c) The Zoning regulation provides “inclusionary zoning” in certain areas of the city only. Those areas are generally recognized as the core of the city (generally speaking, South Norwalk), Norwalk Center (the Wall Street and West Avenue areas) and along the commercial corridors of Route 1 (Connecticut and Westport Avenue). Those are the areas of the city that are already most economically and racially diverse. The areas of the city not “included” in this inclusionary zoning regulation, are predominantly higher income and white. Thus, the “inclusionary zoning” regulation excludes much of the city. One could accurately call such a regulation “exclusionary zoning”. The generally accepted concept of “inclusionary zoning” is that it includes a whole municipality. As stated in the July 2006 Institute for Community Studies article, “Creative Options for Affordable Housing”, by Jerry Kloby, “Inclusionary zoning can be an important tool for distributing affordable housing throughout a municipality and creating mixed-income communities”. When this “mixing” is restricted to certain portions of the city, there will continue to be economic segregation and such an “inclusionary zoning” plan might contribute to, rather than diminish, racial and ethnic segregation, a concept inimical to fair housing.

The most obvious “barrier” to affordable housing (and, in fact, to all housing) can be a literal barrier. According to 2000 Census, nearly 50 million Americans have either a chronic condition or disability that results in their needing accessible housing. Forty-two (42%) percent of seniors (over age 65) have some kind of disability. According to the RKG study², there were, in Norwalk in 2005, 10,923 seniors, with 9,627 people in the 55-64 age group (some of whom, therefore, are nearly in this senior group). These two age groups, combined, represent the second largest population group in this city (after age 35-54 which has 26,304 people). This is not a small market and will continue to grow each year assuming not many people in this age group leave Norwalk. If history provides any indication of the future, the only age group that has left Norwalk since 1990, is the 25-34 year old group, which was 29.4% smaller in 2005 than it was in 1990. The senior age group and the one just below it have each grown by a little more than 26% in the same time frame.

For people with disabilities, housing constructed without bearing in mind the needs of a person with a disability to move in and through the housing can present the most effective barrier of all. The Fair Housing Act (federal law) requires that all new construction (defined as housing built and occupied since 1991) of multifamily housing (four or more units) must provide a minimal degree of physical accessibility as defined under that law. For example, entrances must not include steps, or, if they do, must also include appropriate wheelchair ramps, door jambs must be at least a certain width, thresholds must not be higher than specified – in summary, people with disabilities must be able to get into and through these new housing units, and specific building standards are included in the law to effectuate this goal. This law applies to all new multifamily construction, not just affordable housing. Nonetheless, nationwide, it is estimated that 70% - 80% of “new” multifamily housing construction does not comply with the law. Yet this legal requirement, in effect since 1991, is hardly “new”.

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Beginning in FY 2004-2005 and continuing to date (albeit less so now, when development is slow due to the continuing credit crisis), the FHO is working to address this issue. For housing that is still in the design stages, she began meeting with developers and their architects working in redevelopment project areas, to discuss design plans, as it is her opinion that it is preferable for all concerned to design at least in accordance with the minimum accessibility requirements, rather than bring an enforcement action after a building is already improperly constructed. This work will continue for the foreseeable future.

The development and architectural community has been very responsive to this approach. During FY 2005-2006, the Fair Housing Advisory Commission and the Fair Housing Officer provided an educational seminar regarding the accessibility construction standards of the Fair Housing Act, for advocates, developers and architects. As a direct consequence of this seminar, three (3) new construction housing projects were reportedly redesigned prior to construction.

Because of the obvious success of this program, and because of the continued building boom of multi-family residential development in Norwalk (prior to its end in late 2008), the FHAC made another presentation to architects and developers regarding the Fair Housing Act design and construction accessibility requirements, this time more detailed and technical. The presentation, in May, 2008, was very well attended by the architectural and development community.

Some new construction in Norwalk has gone above and beyond the bare minimum of the law, as a result of this process, and the new construction is both modern in design and accessible to people with disabilities, thus appealing and available to all. When multifamily residential development moves forward more robustly again, the FHO intends to continue the conversation with architects and developers regarding accessibly designed developments in Norwalk.

3. a. **City Planning/Housing:** The City of Norwalk uses funding from its Capital Budget and from the Community Development Block Grant Program (federal funds) to support the affordable housing initiatives of the Norwalk Redevelopment Agency (NRA) and North Walke Housing Corporation (North Walke). The FHO plays a supporting role in the implementation of these initiatives by (1) advising NRA and North Walke staff regarding reducing impediments to fair housing choice in NRA and North Walke-led programs; 2) assisting in designing programs intended to preserve and/or increase the supply of affordable housing in Norwalk.

During FY 2008-2009 the FHO continued her technical assistance in support of NRA and North Walke-led affordable housing initiatives. One such initiative is North Walke's Homeownership Assistance Program (Homeownership Program). Capitalized with a \$1,100,000 grant from the State of Connecticut's HOME Investments Partnership Program, the Homeownership Program provides income-eligible, first time-homebuyers with up to \$50,000 in down payment and closing cost assistance. The program expects to

assist twenty (20) first time homebuyers by the close of FY 2009-2010. In FY 2008–2009, nine (9) households received down payment/closing costs assistance through the Norwalk Homeownership Program. In total, this program has provided fifteen (15) such loans with two (2) additional near closure.

Additionally, the FHO collaborated with NRA and North Walke staff to apply for, and secure, a myriad of financial resources that will assist in preserving and expanding the City's supply of affordable housing. For example, North Walke has been awarded a \$715,000 grant from the State of Connecticut's Housing Trust Fund to capitalize the South Norwalk Targeted Residential Rehabilitation Program (Targeted Rehab Program). The Targeted Rehab Program is designed to provide capital to approximately ten (10) homeowners within economically distressed neighborhoods in South Norwalk so that they may complete necessary code-related improvements to residential structures. In FY 2009-2010, North Walke staff anticipates initiating the Targeted Rehab Program.

Housing planning continues to be discussed in the City's redevelopment areas including West Avenue and Wall Street. West Avenue is located in Central Norwalk. AvalonBay's development (on the old Pathmark shopping center site in Central Norwalk) was held up for several years by litigation that was resolved in FY 2007-2008. Ground was broken on the AvalonBay project in early FY 2008-2009. It is a 312 unit market rate development. This project has no public investment component and none of the units will be considered "affordable units". According to its marketing material, it will be completed and available for rent in spring 2010.

During the time period covered by this report the City has concluded Master Development Agreement (MDA) negotiations with the developer team for Waypointe (West Avenue) and the implementation of the Redevelopment Plan. That plan provides for up to 350 residential units. The MDA enumerates the developer's "Private Improvements Obligations" including affordable housing. Fifteen (15%) percent of the units will be affordable units. It is anticipated that a MDA will be signed with the developer before the end of 2009.

2000 census data indicates that approximately 31% of Hispanic householders in Norwalk are homeowners, almost 45% of Black/African American Norwalk householders are homeowners, approximately 57% of Asian households in Norwalk are owner-occupied, and nearly 78% of Whites (non-Hispanic/Latino) owned their own homes in Norwalk in 2000. Therefore, as of the year 2000, approximately 64% of Norwalk's occupied housing was owner-occupied (not rental properties). Nationwide, owner occupancy was at 66.2% in 2000.

The National Low Income Housing Coalition 2009 "Out of Reach" study indicates, as usual, that the affordable housing problem has continued to worsen.

Norwalk, along with all of Connecticut, has an insufficient supply of affordable housing. We know this based upon the wages it would take to afford a two bedroom apartment, the number of people making less than that target income, and the number of units affordable to our population.

Stamford-Norwalk's housing wage (that hourly amount needed for a two-bedroom apartment to be affordable with "affordable" meaning no more than 30% of income) was \$31.58 in 2008. That was the highest housing wage in the country and translated into an annual income of more than \$66,000. In 2009, the report finds that the housing wage needed for a two-bedroom apartment in our region has gone up, to \$32.75, corresponding to an annual income of \$68,120.

Yet again, Out of Reach concludes that a full-time job is not always enough to be able to afford an apartment, especially in high-cost areas such as Connecticut and further reports that the gap between earnings and costs is ever-widening.

For a one bedroom unit to be affordable in Stamford/Norwalk, in 2009, a family needed an annual income of \$54,480 (2008:\$52,560; 2006:\$50,960 2005:\$48,080). Similarly, for a two-bedroom in Stamford/Norwalk to be affordable in 2009, a family needs an annual income of \$68,120 (2008: \$65,680; 2006: \$63,680; 2005: \$60,080).

Translated into an hourly wage, in 2006, a worker needed to earn \$24.50 per hour, and in 2009, \$32.75 per hour. The current minimum wage in Connecticut is \$8.00 per hour, such that the hourly wage needed to afford a two bedroom apartment in Norwalk is more than 4 times the minimum wage. Put another way, the minimum wage worker would have to work 164 hours per week to afford a two-bedroom apartment.

Last year, this report noted that \$65,680 is substantially higher than the starting salaries of Norwalk's teachers, fire and police personnel, many office workers, retail employees and hospital workers.³ The situation, again, got worse. These workers, who are essential to a thriving business community and a thriving city, must either pay more than the advisable thirty (30%) percent of their income to live in Norwalk, or must live elsewhere. These facts graphically illustrate that it is not an exaggeration to say that the crisis in affordable housing in our region continues without respite.

Out of Reach reports fair market rents in our area as follows, for 2009: One bedroom, \$1362; two bedroom, \$1,703; three bedroom, \$2,219 and four bedroom, \$2,681. It further estimates that 54% of renters in our area are unable to afford a fair market rent two bedroom apartment. This is not surprising when it would take annual incomes of \$54,480 to afford that one bedroom apartment, \$68,120 to afford a two bedroom apartment, \$88,760 to afford a three bedroom apartment, and \$107,240 to afford a four bedroom apartment in our region, at the above-stated fair market values.

³ According to Out of Reach, other workers who couldn't afford (i.e. spend no more than 30% of income) a two bedroom apartment in Connecticut, let alone in Norwalk, include: Automotive mechanics, bakers, barbers, bookkeepers, bus drivers, childcare workers, computer operators, court and municipal clerks, customer service representatives, dental technicians, EMTs, hairdressers, library assistants, medical secretaries and lab technicians, mental health counselors, painters, pharmacy workers, pre-school teachers, receptionists, salespeople, security guards, bank tellers, waiters.

Despite an economy, particularly housing, in crisis in 2008, the costs to rent increased in our area. While housing prices and the ownership market have suffered from the predatory lending crisis and now the foreclosure crisis, as well as limited credit being extended for home purchasing, and a more recent unemployment crisis, the rental market has actually gotten more expensive and tighter, as people don't make the usual transition over to homeownership, or, after losing their homes, enter the rental market. In short, as things have gotten tougher for so many residents, the rental market expense has only gone up.

3. b. Current City Development Projects.

The Reed Putnam Urban Renewal Project is the City's largest urban renewal project encompassing six major development parcels on approximately 70 acres adjacent to I-95 and the Norwalk River and represents over \$500 million of new development. The original Urban Renewal Plan for the Reed Putnam Area was amended and restated in February, 1998. Since that time, the City has executed Land Disposition and Development Agreements (LDA) with two private developers to redevelop these 6 sites in the project area. As currently configured, the project includes approximately 600,000 square feet of Class A office space, 460 residential units, 145,000 square feet of retail/commercial space, a 775 space public parking garage and the adaptive reuse of a former industrial mill building. To date, three of the six redevelopment parcels have been completed including the adaptive reuse of the former Lock Factory building for 95,000 square feet of office and 5,000 square feet of retail/restaurant space, construction of the 775 space public parking garage and most recently, the development of Maritime Yards for 197 units of housing and 38,000 square feet of commercial space. This project provides for ten (10%) percent of the housing to be deed restricted as affordable housing.

The three remaining parcels have been assembled. The site has since been conveyed from the originally designated developer to 95/7 Venture, LLC. The new developer proposed a mixed use development on the site, which has now been approved by the city, a significant portion of which will be residential. Under the approved site plan, the developer is required to construct affordable housing units equal in number to 15% of the final approved number of market rate units (currently projected at 250 units). Ten percent shall be in compliance with the city's Workforce Housing Regulation, serving households at or below 80% of the State Median income, while the remaining 5% will serve households with incomes between 80% and 100 % of the Area Median income. As a result of the economic downturn, construction and implementation of this project has been limited to infrastructure work necessary to support the approved development program.

The "Wall Street Redevelopment Plan" (2004) and "The West Avenue Corridor Redevelopment Plan" (2006) provide the framework to guide future development in the area north of I-95. The Wall Street Redevelopment Plan provides for approximately 720

new housing units on three redevelopment parcels, and another 350 units are planned under the West Avenue plan. The city has formally designated developers for two redevelopment parcels in the Wall Street project area and a third for the West Avenue project. The inclusion of affordable housing in the Wall Street project areas is a stated priority of both the NRA and the developers, and it is anticipated that there be in excess of ten (10%) percent affordable housing incorporated within these two projects.

POKO Partners has received Zoning Commission approval of its site plan as well as Redevelopment Agency design approval of its Phase I improvements for Parcel 2a within the Wall Street plan area. The project has applied to the Connecticut Housing Finance Authority (CHFA) for financing of the affordable housing units with the application still pending approval. In the interim, a neighboring property owner has brought suit against the zoning approval which case has been tried, although a decision has not yet been rendered by the court. Seligson Properties continues its land assemblage for the WayPointe Project along West Avenue and has acquired most of the property required for the project.

While all three of the Redevelopment Agency's major projects continue to advance, the current economic climate and financing constraints make the timing on each of these developments less certain. Any changes to the configuration of the project will require public approval, however thus far only changes in timing and phasing have been impacted by economic conditions.

4. Other FHO Activities related to Housing Patterns and Practices:

The Fair Housing Officer is a member of the Board of Directors of the Fair Housing Association of Connecticut ("FHAC") and in early FY 2009-2010, was elected as its Vice Chairperson.

The FHO, along with the FHAC, spent substantial time continuing to try to address issues arising out of the Zoning Commission's Workforce Housing regulation, attending budget meetings for the FY 2009-2010 Fair Housing Office/Advisory Commission budget, and preparing and holding its annual event, the showing and discussion of a fair housing documentary film, entitled "Brick by Brick: a Civil Rights Story".

In addition, the FHO continued working in conjunction with the property manager at 55/77 Water Street, in approving the new tenants or those re-leasing the affordable apartment units.

Finally, the FHO spent substantial time reviewing and commenting upon Norwalk Housing Authority's various plans (in comments dated September, 2008 and January 2009) for conformance with fair housing laws and concepts, including integration, affirmatively furthering fair housing, issues relating to various populations with various disabilities, issues arising such as overcrowding and over-housing (when families report changes in composition, but transfers then trail behind the need, by years in many

instances), problems with the ability of residents to remove adults from their leases, issues arising due to a local preference system, public notice requirements, improper reasonable accommodation request forms, and more. Most of her comments have received no substantive response from the NHA.

C. Monitoring and Advocacy re: Fair Housing Violations.

1. **Pro Bono Attorney List.** During FY 1996-1997 the Fair Housing Officer issued an RFP in order to create a pro bono attorney list to assist residents with housing matters, particularly fair housing cases. Today, a total of 5 law firms and public interest legal providers continue to offer their invaluable pro bono services to fair housing clients in need.

2. **Complaints.** Out of the 112 tenant discrimination complaints received in FY 2008-2009, the majority of those were claims based upon race/color, disability and source of income (especially Section 8 and the state security deposit guaranty program). During the fiscal year, most discrimination claims were resolved by the FHO prior to filing with an enforcement body or in court, with the exception of two cases, both of which were referred to cooperating attorneys on the pro bono list.

In all cases, the FHO expects certain commitments to be included in resultant settlement agreements. These commitments include: (1) that the housing provider agrees not to illegally discriminate in the sale or rental of housing in the future; (2) the housing provider agrees to attend a minimum of one (1) fair housing training, to be provided by the FHO; (3) the housing provider agrees to include in future advertising the words "Section 8 welcome to apply" or "Equal Housing Opportunity Provider", or words of similar ilk; (4) the housing provider agrees to distribute, at its own cost, fair housing flyers to other tenants or customers and/or permit the FHO to distribute such materials on their property, door-to-door; (5) the complainant and respondent exchange full and final releases after they have entered into a settlement agreement, so that neither can ever sue the other regarding this particular incident.

The significant housing discrimination issues of FY 2008-2009 can be summarized as follows:

- Multiple reasonable accommodation requests on behalf of people with disabilities to the NHA, ranging from a person who needs an extra bedroom for large medical equipment not being required to move to an apartment that is too small for him and his medical equipment, to a woman not being evicted for failing to advise the NHA of changes in family composition due to a disability that effects her ability to remember to do such things;
- Refusal on the part of a landlord and her real estate agent to accept the state's security deposit guaranty in lieu of a cash security deposit, even after being advised that this constitutes housing discrimination based upon

legal source of income, as the landlord felt strongly she was entitled to receive cash as a security deposit, regardless of the law;

- Working with city's Department of Public Works to create a curb cut for a person with a disability who was prevented from leaving his home by a newly installed eight inch curb in front of his house;
- Refusal on the part of a home insurance company to insure a multifamily property that had Section 8 tenants – referred to Connecticut Fair Housing Center for litigation.

3. **Advocating for laws and policies:** As discussed previously, the FHO monitors and advocates for both laws (federal reinvestment, state anti-discrimination and local zoning) and policies. Other forms of monitoring and advocacy regarding fair housing in FY 2008-2009 include; continuing to request that Zoning address the fair housing issues in its Workforce Housing Regulation; continuing to refer victims of predatory lending to reputable programs for renegotiation of untenable mortgages or foreclosure mediation; drafting requests for reasonable accommodation on behalf of disabled tenants. On the state level, continuing to actively participate in groups that coordinate responses (education and legal/remedial) to housing discrimination and predatory lending; speaking at two state-wide conferences regarding fair housing and affordable housing; working with the state's Attorney General's office regarding suspected predatory loans. On the national level, the FHO works with a professional organization working to strengthen consumer protections relative to lending, and the oversight/regulation of lenders.

D. Professional activities.

The Fair Housing Officer is an attorney licensed to practice in Connecticut (as well as other states). Due to budgetary constraints, she has been unable to participate in continuing legal education programs. During FY 2008-2009, the FHO attended one state-wide Fair Housing conference sponsored by the Fair Housing Association of Connecticut but was unable, due to limited funds, to participate in other seminars or conferences.

The Fair Housing Officer is a member and officer (Vice Chairperson) of the Board of Directors of the Fair Housing Association of Connecticut.

II. City Enforcement and Compliance.

A. Under Title VIII of the Civil Rights Act of 1968.

1. Were all city programs and activities regarding housing and community development administered in a manner to affirmatively further fair housing?

a. Community Development Block Grants

Community Development Block Grants (“CDBG”) are administered by the Norwalk Redevelopment Agency (“NRA”). Of the CDBG expenditures subject to the Low and Moderate Benefit Income (LMI) calculation, 88% were spent on LMI households. Direct benefit recipients of the funds are required to make a non-discrimination commitment in their agreement. In addition, it is the policy of the NRA to refuse to enter into contracts with or provide service monies to developers and service providers who do not have non-discrimination policies. The City and NRA affirmatively further fair housing when they promote the acquisition and/or rehabilitation of affordable housing through the use of CDBG funds.

b. Housing Authority.

Almost all funds and activities are tied to federal or state funding, both of which have strict anti-discrimination requirements. All of the City’s housing and community development programs and activities are administered by either the NRA or the Housing Authority. The Norwalk Housing Authority affirmatively furthers fair housing when it collaborates with the FHO on training sessions, requests for reasonable accommodations and other proactive activities. In recent years, there has been almost no collaboration by the NHA with the FHO. In FY 2009-2010, the NHA has begun to invite the FHO to participate in meetings regarding amendments to governing documents and some resident and/or Section 8 recipient trainings. These efforts ebb and flow and the FHO seeks additional opportunities with the Norwalk Housing Authority to affirmatively further fair housing through outreach, education, and reasonable accommodations for those residents with disabilities.

2. **Did the city take action to affirmatively further fair housing in:**

The sale or rental of housing?

a. City of Norwalk Plan of Development, 1991-2000.

The City of Norwalk’s former Plan of Development, 1991-2000 began its Housing section with the acknowledgment that in the early 1990s “housing, especially the lack of low cost housing, was one of the most critical planning issues facing Norwalk...” One of the identified policies was to:

“Continue to provide capital budget funds to redevelop the Norwalk Center and Reed-Putnam areas with new housing and mixed-use development. Encourage at least 20 percent of such housing to be affordable to families with incomes at or below the Connecticut Finance Housing Authority’s (CHFA) income limits...”⁴

The City furthered fair housing in the sale or rental of housing in the development at Reed-Putnam, which included both sale and residential units, affordable and market-

⁴ Plan of Development for the City of Norwalk, 1990-2000, page 35

rate intermixed in the one development project. Affordable condominiums and rental units were subsidized by the City through the sale price of the land underlying the development. Approximately three years ago, the condominiums were sold. During FY 2007-2008, the affordable apartments were initially leased, and during 2008-2009, lease renewals and the requisite re-determinations (regarding affordability, family size, family income etc.) were completed, such that all affordable units are under lease. Ten (10%) percent of the units in total were designated affordable and will remain affordable so long as the land use on those parcels is residential.

b. Funding of the Fair Housing Officer position.

Budget: The Fair Housing Office budget is funded by the City of Norwalk:

<u>Fiscal Year</u>	<u>Budget</u>	<u>% Increase</u>
2010-2011	\$121,799.00	2.5% ⁵
2009-2010	\$118,828.00	7.0% ⁶
2008-2009	\$111,102.00	9.8% ⁷
2007-2008	\$101,414.00 ⁸	7.5%
2006-2007	\$94,414.00	11.7% ⁹
2005-2006	\$84,509.00	4.5%
2004-2005	\$80,847.00	0.0%
2003-2004	\$80,847.00	6.8%
2002-2003	\$75,660.00	5.9%
2001-2002	\$71,452.00	9.1%
2000-2001	\$65,500.00	3.8%
1999-2000	\$63,000.00	4.5%
1998-1999	\$60,215.00	2.5%
1997-1998	\$58,746.00	0.0%
1996-1997	\$58,746.00	3.0%
1995-1996	\$57,035.09	0.0%
1994-1995	\$57,035.09	3.0%
1993-1994	\$55,374.00	2.0%
1992-1993	\$54,219.14	0.4%
1991-1992	\$54,023.00	

⁵ Anticipated funding request, through the city grant agency process, for FY 2010-2011, a 2.5% increase to account for only a portion of anticipated medical premium increase of \$3,005.

⁶ While seemingly great in percentage (7%), the increase represents \$7,726, with under \$4,000 attributable to programmatic funding, no salary increase, and the remainder filling insurance-related cost increases.

⁷ Personnel costs account for the entire budget. In fact, actual personnel costs exceed the entire budgeted amount by several thousand dollars, meaning there is absolutely no money for operations in 2007-2008. Without the infusion of money to make up the shortfall (attributable to health insurance costs being more than expected), the budget will end the fiscal year in the red.

⁸ The city originally sought a flat budget, but added \$7,000 as a cost-sharing with NRA on affordable housing work.

⁹ Nearly 50% of this increase was attributable to unavoidable group health insurance cost increases.

Various studies, including the Comprehensive Housing Affordability Study (“CHAS”) published in 1994, and the Mayor’s Blue Ribbon Commission report, also of 1994, support the continuation, expansion, and/or increased funding of fair housing efforts in Norwalk. This has not happened and, in fact, for FY2008-2009, the city’s finance director cut fair housing’s budget below the bone such that there was, in fact, no operating funds and insufficient funds to cover personnel costs in full, including insurance premiums.

The Second Amended Consent Decree mandates how and from where the Fair Housing Office is to be funded, and what that funding shall include:

“11. The Fair Housing Officer shall prepare a proposed budget for the Fair Housing Office and submit it to the Fair Housing Advisory Commission. Any proposed expenditures for the Fair Housing Office by the Redevelopment Agency shall be included in the budget. The Fair Housing Advisory Commission shall make any revisions to the budget, and timely submit it through the city’s budget process for grant agencies.....” [and]

“13. The Fair Housing Advisory Commission may accept outside funds. The Fair Housing Advisory Commission may, as permitted by City Code and in a manner approved by the Finance Director, solicit and accept outside funds, gifts or bequests, public or private, with the assistance of the Fair Housing Officer, consistent with the purposes of the Commission, in order to finance its activities. The outside funds cannot be used to advance or pay the salary of the Fair Housing Officer. The City may reasonable consider the receipt of outside funds when considering the budget of the Fair Housing Office.”

In FY 2008-2009 (as well as previously), requests of the Director of Finance to remedy this problem were unsuccessful. The fact that the 2004 Consent Decree (as well as its predecessor) says “...the city shall fund...” the FHO position was unpersuasive. The result was a finance department recommendation for a Fair Housing Office budget that would have resulted in operating funds for FY 2009-2010 of \$0.59.

The Fair Housing Advisory Commission and the local branch of the NAACP brought this urgent problem to the attention of Mayor Richard Moccia. A compromise was suggested, that the necessary funding for the Fair Housing Office be provided in full, plus an operating budget of just under \$3,800 (double that had originally been requested, still, by any standard, very modest) in recognition of the extraordinarily difficult economic times that were beginning to sweep our country. The Mayor promptly caused that to happen, and the Fair Housing Office was able to operate for the full year, albeit while tightening the belt even more than usual.

At the time of the writing of this report (November, 2009), a new budget cycle is commencing for FY2010-2011. The Mayor has requested that budget requests come in at less than *pro forma* requests, given the fact that we have not yet recovered from 2008’s Great Recession. City departments will need to cut operating budgets. Fair Housing’s has

already been cut, and further cuts are literally impossible. Instead, the Fair Housing Budget will ask for the prior year's budget, plus 2.5% (approximately an additional \$2,900), which will enable Fair Housing to financially hobble through another year.

While the city anticipates making significant contributions to its employee pension fund (due to significant losses last year when the stock market crashed), and anticipates its obligations to fund city employee salary increases, the FHO did not receive a salary increase in 2009-2010 and does not receive a city pension. This is only mentioned to highlight that the Fair Housing Office budget request is a bare-bones request that will barely cover most of the hard costs for fiscal year 2010-2011 and truly cannot be further cut.

Also, during the last budget cycle, there was the hope that the Fair Housing Office computer could be replaced, but no funding was received. A new computer and necessary software is a substantial investment. The last one was purchased in 2003 and it now appears it must last until at least FY 2011-2012. During FY 2008-2009, money for the FHAC's annual event was cut substantially, and the annual event took place for the cost of a fair housing DVD (\$200) plus popcorn. Again, there is nothing left to cut.

In year's past, the FHAC has had one large educational event per year and that must be reinstated. Conferences and subscriptions are the only way the FHO remains current with developments in the field of fair housing. In light of the economic situation, she will not attend the annual out-of-state national fair housing conference this fiscal year once again. Clearly, Fair Housing is on financial life-support, operating at the barest level of funding, all the while serving more residents than ever. In the coming year, Fair Housing anticipates remaining on financial life support and serving increasing numbers of residents facing economic and housing crises often not of their own making. Nonetheless, Fair Housing will move onward in providing essential services to the city's residents, as mandated by court order, throughout the coming year.

Norwalk affirmatively furthers fair housing when it adequately funds the Fair Housing Office budget, so that the FHO and FHAC can engage in their activities, all of which assist residents and fulfill the city's duty to affirmatively further fair housing.

c. Litigation

There is no litigation pending concerning Norwalk Fair Housing in FY2008-2009.

3. **Did the city take action to affirmatively further fair housing in
The Financing of Housing?**

Rehabilitation of residential units has, since the 1990s, been the primary method by which the City of Norwalk encourages the development and maintenance of affordable housing.

The city affirmatively furthers fair housing through the financing of housing when it funds the financing of housing rehabilitation and acquisition programs (through its annual budgeting process) at levels that address the need and recognize the level of expense in Norwalk, and when it maximizes the use of federal CDBG funding (and matching dollars) in the area of affordable housing.

Projects Started and Completed in Fiscal Year (FY) 2008 – 2009

Through the use of CDBG and CDBG leveraged funds, the NRA provided funding as follows:

- ♦ A total of \$850,325.11 in CDBG funds (significantly lower than last year's \$1,203,083.00) was expended in FY 2008 – 2009 to benefit one hundred ten (110) housing units. Of these, 95% (104 units) were occupied by extremely low, low and moderate income persons. These figures include multiple programs including the Norwalk's Residential Rehabilitation Revolving Loan Program and North Walke's City Neighborhoods initiative. Therefore the beneficiaries of these projects are reported as part of the City Neighborhoods initiative. These figures also include financial and beneficiary information for the City's support of the roof renovation project at Ms. Laura Raymond Homes and Neighborhood Housing Services' (now the Mutual Housing Association of Southwestern Connecticut) Residential Rehabilitation Technical Assistance Program. The housing initiatives of the NRA and North Walke were overseen jointly by the NRA's Housing Development Project Manager and the NRA's Senior Project Manager for Development.

Projects Continuing Through FY 2009-2010

For FY 2009-2010, CDBG housing-related funding continues in familiar areas including residential rehabilitation, homelessness, and public housing.

The revolving loan fund for housing rehabilitation and ownership took in \$327,128.08 in repayments (nearly three times as much as the previous fiscal year) which funds are available for new loans during FY 2009-2010. The NRA has received funding in the amount of \$416,593.00 to administer the Rehab Program, slightly more than the \$385,565.00 received in the prior year. Additionally, NRA expects to begin its targeted rehabilitation program (targeted to portions of South Norwalk) in February, 2010, using the \$715,000 in state funding previously mentioned for this purpose.

Projects completed in FY 2008-2009

DVCC/Emergency Shelter Security Enhancements	1 Emergency Housing Shelter/ 12 Beds/51 Individuals
Ms. Laura Raymond Homes/Roof Renovation	1 Elderly Housing Facility/ 49 Housing Units/50 Households
North Walke/City Neighborhoods	
San Vincenzo - 100 San Vincenzo Place	57 Housing Units
Rizzuti - 7 Visconti St.	1 Housing Unit
Faust - 15 Madison St., Unit G-10	1 Housing Unit
Lomba - 15 Madison St., Unit C-4	1 Housing Unit
MHA –	
Residential Rehabilitation Revolving Loan Fund	1 Housing Unit

NRA’s applications to the State of Connecticut DECD, for State HOME Investment Partnership Program funding to capitalize a residential down payment assistance program, were approved. NRA initiated the down payment assistance program in July, 2007. NRA is partnering with the Housing Development Fund of Stamford (“HDF”) who will administer the home ownership program. These grant funds will leverage available CDBG Program funds and assist eligible applicants to enjoy the economic benefits of homeownership.

Projects discontinued in FY 2008-2009

None.

4. Did the city take action to affirmatively further fair housing in:
The provision of brokerage services?

Not applicable except for the services of the NRA and the Housing Authority.

5. Did the city take action to affirmatively further fair housing in:
Under Chapter 59A of the City Code (“Housing: Equal Opportunity”).

The declaration of the City’s policy with regard to Fair Housing is set forth in Chapter 59A of the city code as follows:

“It is the policy of the City of Norwalk to safeguard all individuals from discrimination because of race, color, religious creed, sex, age, national origin, marital status, ancestry or physical disability, including but not limited to blindness, in connection with housing, thereby to protect their

interest in personal dignity and freedom from humiliation, to make available to the city their full productive capacities, to secure the city against strife and unrest which would menace its democratic institutions and to preserve the public safety and general welfare.

a. **Fair Housing Activities of the City of Norwalk Human Relations Commission and the Fair Housing Advisory Commission**

1. **Human Relations Commission.**

Norwalk's Human Relations Commission is the fair housing (and employment discrimination) enforcement body for the City of Norwalk and consists of 11 Commissioners, electors of the City of Norwalk, all appointed by the Mayor and approved by the Common Council.

The Norwalk Human Relations Commission affirmatively furthers Fair Housing in Norwalk by functioning as the city's anti-discrimination enforcement body. The city affirmatively furthers Fair Housing through the staffing and funding of this body and office.

2. **Fair Housing Advisory Commission**

The Fair Housing Advisory Commission ("FHAC"), created by virtue of a consent decree entered into in 1986 (and amended in 2004), has eight (8) members. There are 2 mayoral nominees, plus 6 other members appointed by the Mayor (all of whom are approved by the Common Council) and representing various organizations. The organizations are NEON, NAACP, Norwalk Housing Authority, Norwalk Human Relations Commission, Housing Site Development Agency (i.e., Norwalk Redevelopment Agency), and Connecticut Legal Services. In mid FY 2009-2010, the Common Council is reappointing and appointing members to the FHAC, and a full slate of Commissioners is anticipated.

The 2004 Consent Decree states that the FHAC shall "shall advise and assist in the development of the City's Fair Housing policy and program" and that:

"The Fair Housing Advisory Commission shall monitor private and public housing practices for compatibility with fair housing objectives, identify problem areas, and make recommendations to the Mayor, Common Council and Housing Site Development Agency and other appropriate City agencies and Commissions." See, 2004 Consent Decree, page 3, paragraph 8.

The intended interaction between the FHAC and the FHO is stated as follows in the 2004 Consent Decree:

The Fair Housing Officer shall assist the Fair Housing Advisory Committee in developing policy statements, fair housing programs and internal and external communication techniques.... The Fair Housing Officer shall prepare a proposed budget for the Fair Housing Office and submit it to the Fair Housing Advisory Commission... The Fair Housing Advisory Commission shall make any revisions to the budget, and timely submit it through the City budget process for grant agencies..." See, Consent Decree, page 3, paragraph 8, and page 4, paragraph 11.

To these ends, the FHAC sponsored a program regarding the legal battle to desegregate the schools and housing in Yonkers, New York, which battle raged for more than twenty years (1980s – early 2000s). The FHAC continued to work on the issues presented by the Zoning Workforce Housing regulation. Additionally, the FHAC and FHO drafted a budget for FY 2008-2009 and attended budget meetings related thereto, with the City's finance director and at the Board of Estimate and Taxation. In FY 2009-2010, the FHAC and FHO are once again confronting and considering budget issues and planning, and will again seek to assure that the Fair Housing Office is funded adequately by the city, all the while accepting the reality of the economic issues and concerns. The FHAC also began the FHO's performance review in FY 2008-2009 and completed it in early FY 2009-2010.

The FHAC held eight (8) regular meetings¹⁰ during FY 2008- 2009.

CONCLUSION.

Fiscal Year 2008-2009 was a time of extraordinary growth and expansion in terms of providing Fair Housing services to the people of Norwalk. Public response is excellent and ever increasing, and press relations are good.

Budgetary concerns have been paramount for many years and have become critical in nature. The total cost is modest, and not subject to reduction, as the office has one staff person and no support staff. The essential costs must be covered in full, going forward, along with a modest operating budget for the program. Reasonable funding needs to be assured, despite difficult economic times. Further, the need for the office increases as economic times get worse, especially now when our difficult times are defined by housing, lending and foreclosure crises, and the economy is still far from recovery. Clearly, as the numerous housing crises continue and unemployment reaches record levels, Norwalk residents will be in greater need of fair housing and affordable housing services for the foreseeable future.

¹⁰ The regular meetings took place as follows: Oct. 20 and Nov. 12, 2008 and Jan. 12, Feb. 9, March 16, Apr. 20, May 18 and June 15, 2009

Fair Housing violations continue in the private real estate market, especially the rental market. Historically, when economic times are difficult, discrimination increases. This historical trend seems to be holding true. It is expected in the coming year that the violations will increase as people are more stressed and pressed by economic woes.

While construction may slow down, planning usually increases during economic downturns, so the ability to work with architects and developers on multifamily housing construction design may well continue even in a floundering economy.

Fair Housing violations only exacerbate the difficulties faced by persons seeking affordable and/or accessible housing in this, one of the most expensive markets in the country. It is anticipated that Fair Housing issues will continue to exist and increase as long as there is a crisis in the availability of affordable housing and only are worsened by the housing, credit and economic crisis.

The affordable ownership housing the FHO helped negotiate in Reed-Putnam, Maritime Yards, was purchased and occupied by first time homeowners in early 2007. The affordable apartments in Reed Putnam, The Jefferson at 55/77 Water, were leased during FY2007-2008, and tenants were recertified and leases renewed (with the FHO participating in that process) during FY 2008-2009. Unlike many market rate units, the affordable units are fully leased, further proof that the need for affordable housing continues to outstrip its supply. In FY 2009-2010 and beyond, the FHO anticipates continuing to work on affordable housing issues, especially when the economy begins to recover and development comes out of its hibernation.

In conclusion, even in the best of economic times, the Fair Housing Officer serves an ever-increasing number of Norwalk residents. As expected, the needs of residents increased dramatically of late, due to the credit crunch, rising unemployment and a housing market in crisis. Fair Housing education, advocacy, monitoring and reporting on Fair Housing are expected to increase in tough times. The Fair Housing budget needs modest increases yearly, to guaranty a minimal operating budget and to assure that personnel costs (most of which are not subject to control) are covered. In recognition of the tough economic times, the FHO and FHAC are not making budgetary requests beyond what is absolutely, bare-bones necessary to run the court-mandated office and program, and fulfill their shared mission and the city's duty, to affirmative further fair housing and serve the residents of the City of Norwalk.

Respectfully Submitted,



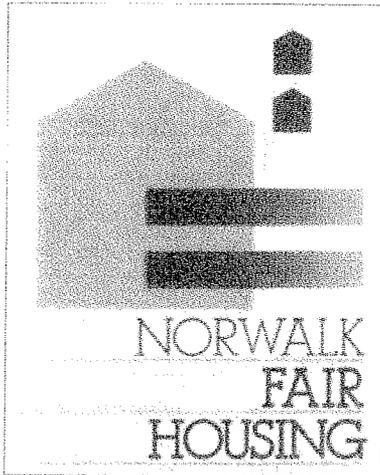
Margaret K. Suib, Esq.
Norwalk Fair Housing Officer
December 14, 2009

ATTACHMENTS

Newspaper Columns FY 08/09

Slow Progress in Ending Discrimination

BY MARGARET SUIB, ESQ.



I previously practiced commercial litigation, including representing corporations in employment discrimination cases, writing personnel policies, and training managers in how to hire, promote, demote, and fire employees.

After 25 years as an

attorney, with 20 years in the areas of employment and housing discrimination, the question is, what progress have we made?

It's rare today that someone would say, "I won't hire you" or "I won't rent an apartment to you" because you are black or because you have a disability (it is, of course, still thought). I've been told I couldn't rent an apartment because I was a single mother and didn't have a husband to fix things—two forms of housing discrimination in one statement (familial and marital status). Landlords have told me that they wouldn't rent to a tenant because the tenant had Section 8, utilized the security deposit guarantee (from the state), was too old, too unwell, had too many children, was from another country, or was Muslim. Those all constitute illegal housing discrimination (source of income relating to the first two examples, age, disability, familial status, national origin, and religion).

I have been denied equal pay for identical jobs ("You don't need as much money as a man"). I've been told I'm unqualified for various jobs and then watched younger, less qualified men get hired for the very same jobs (both age and gender discrimination).

The modern era of anti-discrimination laws commenced with the Civil Rights Act of 1964 (among other things, outlawing segregation and discrimination in federally funded activities and prohibiting sex discrimination in employment), followed by the federal Fair Housing Act in 1968, (amended in 1988). None of that is new. But discrimination has old roots, which have burrowed down deeply and strongly, persisting in our jobs and housing, continuing to damage our psyche and the economy.

Employment and housing discrimination further segregate our neighborhoods, limit people's ability to contribute to their communities, keep upper management in companies predominantly (if not exclusively) white and male, impede people from fully contributing to their family's economic well-being and their company's bottom line, and inhibit people from rising to their full potential.

Discrimination has enormous emotional costs. Being unwelcome, or thought incapable, "because of", finding housing or job opportunities limited "because of," is extremely distressing. When someone emotionally scalded by discrimination challenges the conduct, pursues legal remedies, we all benefit. Learning not to discriminate through litigation is the most expensive way to learn. Other options

See Ending Discrimination, page 12

ON THE COVER: Created by Oxygen Design of Norwalk, this concept was recently used for the Norwalk Redevelopment Agency's 2008 Annual Reception held at Galerie SoNo on Washington St. Oxygen Design owner and creative director, Scott Kuykendall, provides clients with communications to improve business image and performance. Services include art direction, web/graphic design and production, as well as project and account management services. More of Oxygen Design's work can be seen at www.o2design.biz.

Ending Discrimination, from page 3

include calling Norwalk's Fair Housing officer for information before deciding not to rent, sell, or otherwise engage in a housing-related transaction.

Forty-four years after the enactment of the Civil Rights Act of 1964, employment discrimination persists. Forty years after the federal Fair Housing Act became law, we're still rooting out housing discrimination. That's excruciatingly slow progress, but still, progress is being made. ■

About the author: Margaret K. Suib, Norwalk's Fair Housing officer since 1996, is an attorney assisting residents in combating housing discrimination, and is Norwalk Redevelopment Agency's affordable housing coordinator.

Affordable Housing, from page 7

people between the ages of 18 and 25 years of age are the lifeblood of the State. Without them, industry and service organizations will not be able to survive. Affordable housing will help to keep them here.

Yes, Norwalk has done a lot in the past for affordable housing. We currently have over 3,700 affordable or assisted units in Norwalk. Each year when the Redevelopment Agency prepares its annual plan it receives public comments from the residents of Norwalk. Each year "affordable housing" tops the list of what residents feel Norwalk needs most. ■

About the author: Timothy Carney is the Norwalk Redevelopment Agency's housing development project manager.

Reed Street, from page 9

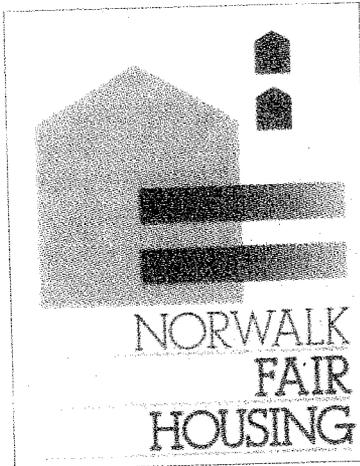
ously building a bridge to support the railroad. As seen in the picture above, the active Danbury branch track has been stabilized through a combination of soldier piles, lagging, and two tiers of grouted earth anchors, that extend 70 feet into the earth, thereby providing temporary support while the existing embankment is excavated for the new abutments and superstructure for the two easternmost tracks and the new roadway. Bridge abutments supporting the new rail underpass will themselves be supported by a system of 170 micro-piles installed to a depth of 85 feet in the ground. This process is currently underway on the east side of the project. In the initial construction phase, the two tracks at the east side will be constructed. Once this initial phase is completed, work will switch sides and the active train line will move to the new tracks, while the remaining west track is disassembled and the new section of the bridge is constructed. The project is expected to be completed by June of 2009.

In summary, there was much to be excited about at the groundbreaking as it represents an important step forward, not only for the Reed Putnam Project but for the future of the city and its infrastructure in the coming decades. ■

About the author: Jack Buttrill is the assistant director of the Norwalk Redevelopment Agency.

Blaming Grandma

BY MARGARET SUIB, ESQ.



Whose fault is the current economic mess, anyway? We are mired in the midst of the worst financial crisis since the Great Depression. The most worrisome claim is that it is the fault of minorities (which includes women and the elderly) and low income people. Such statements, when associated with housing, are fair housing concerns.

Many of us knew that the day would come when the predatory lending mess would hit the proverbial fan. We begged regulators, like the FDIC and the Federal Reserve, to use existing laws to regulate irresponsible lending. We pleaded with Congress to add regulations for non-bank lenders (mortgage companies, for instance) who operate outside of traditional banking laws. It was obvious that lending without regard to ability to repay is disastrous, or that lending 100 percent or even 110 percent of the value of the property is irresponsible. But nothing was done to address these issues because the mantra of the day was "the market will take care of itself."

It didn't.

Who is to blame? Lenders? Regulators? Wall Street (which financed predatory lending by purchasing and selling predatory loans)? Politicians

who supported the decisions not to enforce and/or pass new consumer protection and banking laws? The blame can surely be shared by all.

One thing that is certainly not the cause of this problem is the Community Reinvestment Act ("CRA"), a federal law passed in 1977. It is greatly oversimplified to say (but sufficient for this purpose) that CRA was passed so that banks would be required to loan in the areas from which they take deposits, including lower income and/or minority areas.

CRA loans can be for homeownership, small business or other types of loans. CRA requires banks to evaluate the credit needs of the community in question, and to responsibly make loans that address those needs. Norwalk's banks have done substantial successful CRA lending here, including helping to fund various homeownership programs and small business loans. On a national level, more than \$4.5 trillion has been invested in our neighborhoods since CRA's inception, according to the Washington D.C. based National Community Reinvestment Coalition.

Lending by traditional banks under CRA has been ongoing for more than 30 years. The explosion in subprime and predatory lending happened between 2001 and 2006. CRA had nothing to do with the current crisis. In fact, CRA penalizes banks for irresponsible and/or predatory lending.

It is estimated that nonbank lenders — such as independent mortgage lending companies and bank affiliates and subsidiaries that are outside the

See Grandma, page 14

Rebuilding, from page 7

West Avenue corridor. This rather is a genuine question to the Norwalk community about the acceptability of having no central business district, about having a downtown that delivers less than \$2.15/square foot in revenue (against a healthy national average of about \$4.50/square foot) translating into current tax revenues of \$1.3 million/year against a potential of \$13.7 million/year serving to fund new fire engines, police services, school upgrades, park improvements, and the like throughout the community.

Grandma, from page 8

scope of existing regulation — may have originated 75 percent or more of the problematic subprime loans. Even more telling, a study released by the Center for Community Capital at the University of North Carolina at Chapel Hill indicates that similarly situated people (similar financial profiles) were three to five times more likely to end up in foreclosure when they got a high cost subprime mortgage than when they got a CRA-induced bank mortgage.

Blame abounds for all. Congress will surely rethink and implement new regulations — shutting the barn door after the golden parachutes

Avalon, from page 13

ground floor retail, and restoring a significant residential population to this almost exclusively commercial area. And with increasing interest in transportation alternatives for Norwalk's rapidly developing urban corridor, the project co-locating with Norwalk's northern transit hub (the "Wheels" station) also makes it a textbook transit oriented development (TOD). The understanding of agency staff is that the work currently being done at the site is of an environmental nature. Following the necessary clearance of all environmentally sensitive materials, demolition will get

The mayor is responsibly discussing immediate budget cuts to prepare for short-term reduced revenues, but who is talking about (or demanding) potential long-term permanent sources of increased revenues? Certainly that should be the basis for responsible community dialogue about the work of the Redevelopment Agency to bring investment into the downtown. The Norwalk community needs to support a commitment to investment in the future economic stability. ■

About the author: Susan Sweitzer is Senior Project Manager for the Norwalk Redevelopment Agency.

have already escaped. The market will be regulated.

But there is no basis for blaming the targeted victims of predatory lending, i.e., minorities, women, and the elderly. I don't hear anyone blaming Grandma for the global economic crisis because that would be absurd. It is equally absurd to blame the other targeted victims or to blame an unrelated, 30+ year old successful CRA law. ■

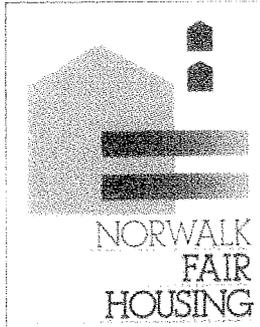
About the author: Margaret K. Suib, Esq., Norwalk's Fair Housing officer since 1996, is an attorney assisting residents in combating housing discrimination, and is Norwalk Redevelopment Agency's affordable housing coordinator. msuib@norwalkct.org

underway followed by excavation and foundation work. If all goes according to plan, the project will be complete in late 2009/early 2010. But why take our word for it? You can view — and keep tabs on — this vision yourself the next time you drive uptown in Norwalk: a new major development project, under construction, in Wall Street. ■

About the author: Munro Johnson grew up in Wyoming and moved east at age 15 where he discovered cities. He holds a Masters degree in City Planning from the University of Pennsylvania and is a member of the American Institute of Certified Planners. He lives in Norwalk's Golden Hill neighborhood. mjohnson@norwalkct.org

Foreclosure Rescue: The Latest Scam

BY MARGARET SUIB, ESQ.



Thieves intent on stealing your home have returned. Previously, they enticed us into predatory mortgages. Now, when millions of families are facing foreclosure because of predatory loans, falling property values, or job loss, they are here to “help” you again. WARNING: They will help you right out of your home!

The most common scams involve payment of an upfront fee (from \$500–\$5,000). Other trouble indicators are statements like: “Stop Foreclosure Now!”, or “We guarantee to stop your foreclosure.” If you are told not to pay your mortgage to your lender, not to talk to a lawyer, not to speak to a credit counselor, but to let the “rescuer” handle “all the details,” alarm bells should ring. He/she might even say, “Pay me the mortgage and I’ll pay the bank while I negotiate your deal.” In fact, the bank doesn’t get paid, the scammer takes your mortgage payments and disappears, while the bank forecloses.

Sometimes the scammer convinces people to sign over the deed, telling a family they can rent their home, and buy it back later, when their finances are better. The buy-back option never materializes and

the family ends up evicted.

Even people not in foreclosure get scam notices. I got a notice that appeared to be from my mortgage lender (a national bank). It said I might be eligible for a loan modification that could help me get caught up. Caught up? I’m not behind. Upon close inspection, it wasn’t from my bank. Other scam notices may say “Stimulus Plan 2008” on them, or even claim to be from the government, especially “HUD.”

How do you find real assistance? Start with the website www.MakingHomeAffordable.gov and click, in the lower left hand corner, on “Beware of Foreclosure Rescue Scams—Help is Free!” From there, you can access HUD’s approved list of FREE counselors. If you decide to go directly to HUD, be SURE that you go to www.hud.gov. Any other ending (.com, .net, or .org) may be a scammer. By phone, you can call toll free the Homeowner’s HOPE Hotline at 1-888-995-HOPE for FREE foreclosure counseling assistance. ■

About the author: Margaret K. Suib, Esq., Norwalk’s Fair Housing officer since 1996, is an attorney assisting residents in combating housing discrimination, and is Norwalk Redevelopment Agency’s affordable housing coordinator. msuib@norwalkct.org.



The Greater Norwalk Chamber of Commerce recently held a members breakfast at which West Hartford Mayor Scott Slifka related the positive effects that Blue Back Square has had on his community. Norwalk’s planned Waypointe project along West Avenue, is designed to provide similar mix of retail, health, office, and residential living. Here, Mayor Slifka is greeted by Stanley Seligson, CEO of Seligson Properties, the developer of Waypointe.