

General

1. In multiple sections of the document the construct of the requirements always list AFFH behind the Conciliation Agreement. In fact, Fair Housing laws and AFFH requirements legally supersede the Conciliation Agreement. On page 8 where the legal disclaimer is posted, it should state that AFFH requirements, Fair Housing laws, Civil Rights laws etc...legally supersede the Conciliation Agreement, and where they are or might be in conflict, that the Federal law prevails.
2. Duties of municipalities are repeated frequently throughout this document. HUD's Fair Housing Planning Guide, page 2-11, is specific that impediments must be identified from a regional perspective, and addressed from a regional perspective. This document creates the impediments from a regional perspective, but fails on its obligation to put the responsibility on the Council's of Governments to implement regional solutions to the regional impediments. It is NOT the responsibility of individual municipalities to solve the identified regional problems, but to be participants in the regional solutions as a condition of receiving federal funds.
3. This document is a direct result of the impact of Hurricane Ike, yet 100 Year Floodplain maps are not included. Please add.
4. Appendix C is woefully deficient. HUD's Fair Housing Planning Guide's recommendation, page 2-9, for analyzing Fair Housing filings is not limited to complaints, but includes actual lawsuits that have been filed. Appendix C contains none of that information. For example, the following lawsuits are relevant (this list is not meant to be comprehensive):
  - a. The desegregation order that the Galveston School District was recently released from.
  - b. The Consent order that was in effect from 1997 to 2004 against the City of Galveston and the Galveston Housing Authority regarding the siting of public housing. "On February 5, 1997, HUD issued a Letter of Findings of Noncompliance to the Housing Authority of the City of Galveston. (Case File No: 06-95-03-002-340) HUD found that the Galveston Housing Authority (GHA) was in statutory noncompliance with Title VI of the Civil Rights Act of 1964 and the Title VI Regulation at 24 C.F.R. §1.4 having developed and built racially segregated housing, failed to take reasonable action to remove or overcome the consequences of previous segregation, and continued to develop and build segregated housing, including attempting to sell property it owned in predominantly nonminority areas of Galveston rather than develop low-income housing on those properties. In 1985, Housing Authorities in a thirty-six county area of East Texas were found liable for knowingly and continually maintaining a system of segregated housing. *Young v. Pierce*, 544 F.Supp. 1010 (E.D. Tex. 1982), 628 F.Supp. 1037 (E.D. Tex. 1985), 640 F.Supp. 1476 (E.D. Tex. 1986); 822 F.2d 1368, 1376 (5th Cir. 1987).) In total, the case was pending for 23 years; an Order Modifying Final Judgment was issued in January 2004. *Young v. Martinez*, Case No. P-80-8-CA, Doc. 790, filed January 13, 2004. (E.D. Tex. 2004).
  - c. The current lawsuit against the TDHCA by ICP for TDHCA's site selections for LIHTC properties.
  - d. The Voter's Rights Act lawsuit in Galveston that precipitated the creation of Galveston District 1, the district where the 569 Public Housing units were lost in Ike, as a majority minority district. (Details in City Charter <http://library.municode.com/index.aspx?clientId=10204&stateId=43&stateName=Texas>)
5. AI's require a signature page. The draft does not have one.

## Pg 10 Westchester Case

This section includes quotes from HUD's Ron Sims but has not included the key quotes from the judge that define the core values that establish AFFH certification in the court's eyes. The following quotes were pulled from the AFFH training slides posted on the TDHCA website.

“[T]he **central goal of the obligation to AFFH [is] to end housing discrimination and segregation.**” *U.S. ex rel. Anti-Discrimination Center v. Westchester County*, 668 F.Supp.2d 548, 564 (S.D.N.Y. Feb. 24, 2009).

“As a matter of logic, providing more affordable housing for a low income racial minority will improve its housing stock but **may do little to change any pattern of discrimination or segregation.** Addressing that pattern would at a minimum necessitate an analysis of where the additional housing is placed. *Id.* at 564.

“[T]he grant funds at issue in this case were expressly conditioned on the AFFH certification requirement. **The AFFH certification was not a mere boilerplate formality, but rather was a substantive requirement, rooted in the history and purpose of the fair housing laws and regulations,** requiring the County to conduct an AI, take appropriate actions in response, and to document its analysis and actions.” *Id.* at 569.

From TDHCA's AFFH training slides, #14, is the prime directive of the Westchester case that housing activities of CDBG funds have a provable desegregatory value:

**Adopt as policy the recognition that "the location of affordable housing is central to fulfilling the commitment to AFFH because it determines whether such housing will reduce or perpetuate residential segregation."**

As an add-on, I propose that a section be inserted here that clarifies the distinction between lack of affordable housing and AFFH requirements. Many people are still confused by this and believe that a perceived shortage in affordable housing IS a Fair Housing violation, and the converse that the addition of affordable housing stock is in and of itself compliant with Fair Housing laws.

## Pg 44 Public Housing

The way the section is written, it implies that the region supplies these Public Housing units, when in fact a few municipalities provide the entire stock. For example, Galveston provides 16.7% of the regions Public Housing stock, but represents only .9% of the regions population, meaning that the City of Galveston supplies 18.5 times the regional average in per capita Public Housing stock.

The second paragraph is missing critical information:

- a. After Ike the Secretary of HUD specifically waived one-for-one replacement for Hurricane impacted areas.
- b. This was confirmed in writing by the Houston HUD Region Director of Public Housing, Dan Rodriguez, who replied to an email that:  
**“The Department of Housing and Urban Development does not currently have a one for one replacement mandate for Housing Authorities to replace units that were destroyed, demolished, and/or being redeveloped. Decisions regarding the number of units and their location is a local decision to be made by the Housing Authority Board of Commissioners.”**
- c. The correct context of GHA's agreement with the Lone Star Legal Association had nothing to do with one for one replacement. The LSLA's complaint was that the GHA had proceeded with demolition of public housing units without following the correct HUD procedures for demolition. In exchange for letting GHA proceed with demolition it agreed to one for one replacement with LSLA, even though it was under no mandate from the Secretary of HUD, or the State, to do so (see above item a.) From the Settlement Agreement the text is:

8. In consideration of GHA's agreement to this Settlement Agreement with Replacement Plan, LSLA on behalf of Residents agrees to withdraw its Administrative Complaint now pending with HUD and to withdraw its opposition to GHA plans to demolish Oleander Homes and Palm Terrace Addition without prior HUD approval.

- d. The construct of the text regarding Galveston City Council's approval, specifically the use of “However” immediately following the sentence on local opposition to the rebuilding plan infers that the opposition is wrong and the Council is right. The history of Fair Housing legal actions is replete with examples where units of government voted on behalf of a subsidized housing action, which was then later ruled illegal by the court's or where the government entity settled out of court. (See General Comment #4 on page 1.)

**Pg 49 “As previously mentioned, 48 percent”**

The previously mentioned percentage of low income households was 40% (page 42).

**Pg 63 – Last paragraph.**

This paragraph implies that it is on the communities to address concentration patterns. This is contradictory to the Fair Housing Planning Guide, which directs that impediments should be identified on a regional basis, and addressed on a regional basis. See General Comment #2.

**Pg 64 – NiMBY**

The definition of NiMBY on this page is not the same as on page 16. TDHCA has lumped all Galveston local opposition in to one bucket, which is very far from the truth, and labeled it NiMBY. It would be more accurate to divide the opposition in to two groups. Those that resist all subsidized housing without substantive legal foundation mainly individuals, and those who oppose because they are proponents of Fair Share allocation method, mainly groups.

Fair Share proponents believe that Public Housing and Section 8, under a Fair Share allocation plan, would be more beneficial to subsidized housing clients than the pre-Ike situation of concentrated subsidized housing in the south of Galveston County, including the City of Galveston.

Fair Share allocation theory is well accepted within the Fair Housing community, and is even enshrined as law in New Jersey. In fact, the ICP, which has a lawsuit against TDHCA for its’ alleged discriminatory placement of LIHTC developments was founded by an adherent of Fair Share allocation.

It should be made very clear in this section that Fair Share plan proponents are NOT NiMBYists.

Also, please provide proper citation of the referenced Galveston County Daily News articles.

**Pg 65 – NiMBY continued**

The AI should clarify that subjects brought up concerning subsidized housing are not NiMBY subjects by definition, but that it’s the context of the statement that makes it so. For example:

School impact. TDHCA itself, in it’s own Public Comment Procedures, includes as suitable topics to address in front of it’s board in regards to proposed housing developments “(8) the anticipated impact on local school districts;”

Traffic. This allowable subject matter by TDHCA procedures, “(7) the availability of adequate public facilities and services”, like roads. Traffic is also a mandatory subject for HUD per 24CFR941.202 “Site and Neighborhood Standards” when performing site selection for public housing.

Crime rates. This is also a mandatory subject for HUD per 24CFR941.202 “Site and Neighborhood Standards” when performing site selection for public housing. It should also be pointed out that all GHA “5 Year” and “Annual Plans” available for review via the internet have cited crime as a top concern of public housing residents.

Property values. In Galveston the context of the issue of property values has been centered on the concern that the GHA would be building in to an already existing surplus, and not the perceived characteristics of the clients. (See Galveston CHAS tables)

**Pg 173 – Impediment #4, NiMBY**

This should be moved from private sector to public sector. Simply voicing opposition is a matter of free speech. Failure to enforce Fair Housing laws simply because of vocal opposition IS a violation of the law. Failure of Government to enforce the law is the Government’s fault, not the private sector’s fault.

**Pg 176 – Floodplains**

The discussion on the decision making process for action in a Floodplain completely fails to cite the applicable HUD regulation for the determination of whether or not an action in a Floodplain is allowable, 24CFR55.20, and the requirement that all practicable alternatives be analyzed.

**Pg 182 – Impediment #7, Recommended Action #3**

This recommended action acknowledges that existing concentrations of minorities and those in poverty is an impediment to Fair Housing. Add “Existing Demographics” to the list of impediments, with recommended action items that prevent pre-Ike levels of poverty and minority concentration from being perpetuated in the HGAC region. Going back to the

Westchester Case, each project funded should have a provable and verifiable desegregatory effect from a regional perspective. The current Executive Director of the Galveston Housing Authority stated the demographic problem quite clearly on Dec. 10, 2008 in the Galveston County Daily News (<http://galvestondailynews.com/story.lasso?wcd=129995>):

The existing housing projects also are poorly designed, and children who live there are often stigmatized as “poor students,” Krishnarao said. The projects, where more than 580 families lived before the storm, concentrate poverty north of Broadway and are vulnerable to flooding again when the next hurricane strikes.

**Pg 187 – Impediment #10, barriers for Section 8 holders**

Many of the listed barriers also apply to public housing residents, yet there is no similar listed impediment for public housing residents. HUD’s Fair Housing Planning Guide, page 2-9, is specific that this type of analysis is not limited to Section 8 holders, but includes Public Housing and private rental housing.

The explanation states “Concentration of public housing may be a problem in some communities...”. It appears that the author’s believe this problem to exist, but did not say where. This is an impediment and the authors should state where they believe these concentrations to exist.

For assistance, the next page contains this data downloaded from the HUD website for all Housing Authorities within the HGAC region.

Housing Authority	PH Units	Population	Population /PH Units	
HGAC Region	5,763	4,300,000	746	
Houston	3,897	2,242,193	575	
Galveston	995	57,086	57	
Beaumont	658	110,553	168	
Orange	431	19,494	45	
Diboll	344	5,537	16	
Brenham	302	15,270	51	
Bryan	300	72,357	241	
Crockett	280	6,815	24	
Port Arthur	216	55,910	259	
Hearne	150	4,578	31	
El Campo	150	10,773	72	
Baytown	150	70,330	469	
Texas City	130	44,491	342	
Corrigan	124	1,872	15	
Livingston	110	6,203	56	
Pineland	100	874	9	
Dayton	100	7,371	74	
Hunstville	100	38,480	385	
Bay City	92	17,891	194	
Woodville	86	2,280	27	
Kirbyville	84	1,945	23	
Nacodoches	76	32,205	424	
San Augustine	72	2,346	33	
Cleveland	70	7,960	114	
Newton	63	2,263	36	
Grapeland	60	1,380	23	
Huntington	60	2,109	35	
Center	60	5,746	96	
Jasper	60	7,353	123	
Madisonville	56	4,372	78	
Tenaha	52	1,112	21	
Centerville	50	971	19	
Navasota	50	7,558	151	
Timpson	44	1,156	26	
Palacios	44	5,069	115	
Caldwell	40	3,736	93	
Franklin	36	1,443	40	
Bellville	34	4,415	130	
Calvert	30	1,358	45	
Bremond	29	855	29	
Garrison	24	858	36	
Buffalo	22	1,973	90	
Hemphill	20	1,026	51	
Groveton	18	1,116	62	
Brazoria County	0	301,044	#DIV/0!	
BVCOG	0		#DIV/0!	Brazos Valley Council of Governments
DETCOG	0		#DIV/0!	In Jasper
Harris County	0	1,311,748	#DIV/0!	
La Marque	0	14,236	#DIV/0!	
Liberty County	0	75,333	#DIV/0!	
Montgomery County	0	429,953	#DIV/0!	
Pasadena	0	146,439	#DIV/0!	
Rosenberg	0	33,595	#DIV/0!	
Walker County	0	64,212	#DIV/0!	

In the maps section, concentration of Section 8 vouchers is a map. Please provide similar maps that show concentration levels of public housing on a per capita basis as you did for the Section 8 program. Also, public housing operates differently than Section 8 as to where it can be located. The Census Block Group division is appropriate for showing concentrations of Section 8 vouchers, as these houses can be anywhere. The map of per capita Public Housing concentration should be done at the municipality level, as the location of Public Housing units are restricted to the jurisdictional limits of the cities that our housing authorities operate in.

### **Other Impediments not Included**

1. UTMB, a state supported institution and a recipient of federal funds, serves indigent and Medicaid patients at its Galveston facilities, but accepts only private insurance in its other Galveston County clinics.
2. Lack of public transportation. HGAC communities with high concentrations of poverty or minority populations, that lie outside the Houston Metro service area, are isolated from the economic and educational opportunities available inside the Houston Metro service area.
3. Uneven economic and population regional growth. The HGAC website has detailed forecasts of the region's growth through 2035, <http://www.h-gac.com/community/socioeconomic/forecasts/archive/2035.aspx>. While the region can look forward to immense growth, there are some pockets of the region, like the City of Galveston, that HGAC is predicting to have practically 0 economic or population growths. Predicted mandatory growth is essential in the decision making as to where to locate subsidized housing, as economic opportunity provides the financial impetus to achieving self sufficiency.
4. The extreme differences in school district performance and their levels of students that receive free or reduced lunch within regions.
5. Seasonal economies. The regional analysis, specifically HGAC, does not recognize that there are cities, like Galveston, where a significant portion of their low wage job base is seasonal in nature. This seasonal nature undermines self sufficiency efforts of the subsidized housing community. Even the GHA's previous Executive Director acknowledged the City of Galveston's economic shortcomings on March 21, 2005 by stating that ["We need the kind of jobs available to match the skills of a large percentage of our population which will pay them a living wage,"](#) Strain said. ["Salaries earned from tourism do not always represent a living wage."](#) (<http://galvestondailynews.com/story.lasso?wcd=69450>). It should be noted that this statement was made while the City of Galveston was experiencing an economic boom due to increased home building activity.
6. Gov't entities not following HUD's rules on interpretation of CHAS tables, which leads to locating subsidized housing in the wrong locations. See "Galveston CHAS" for example.
7. The waiting lists of housing authorities within regions are not integrated. Lack of cooperation between housing authorities. HUD's Fair Housing Planning Guide is specific, page 2-11, that lack of cooperation and waiting lists that are not integrated limits housing choice and discourages clients from considering non-rationally impacted areas. This is further discussed on page 5-12 of the Guide.
8. The legal and political tension of the Fair Housing Laws vs. the Voter's Rights Act (VRA). As previously mentioned, District 1 in the City of Galveston was created due to a VRA lawsuit (details in the City of Galveston Charter <http://library.municode.com/index.aspx?clientId=10204&stateId=43&stateName=Texas>). It is also the district where the 569 public housing units were lost. The supporters of District 1 remaining a VRA district recognize that using Ike funds to the full desegregatory effect can lead eventually to demographic conditions in District 1 that undermine the reasons that a VRA district was ordered. This is clearly the case as supporters of rebuilding North of Broadway have publicly stated their political concerns of the previous tenants not being relocated back to the existing sites. For example:
  - a. Nov. 20, 2008 – (<http://galvestondailynews.com/story.lasso?wcd=128911>) – Leon Phillips, a local civil rights advocate, said had the units been cleaned, the damage might not have been so severe. But more than two months have passed, and the mold has spread, he said.

He said he's worried that if the housing projects are razed and residents are displaced, the minority voting strength in District 1 north of Broadway will be diluted.

"That's called gentrification," he said.

- b. Dec. 10, 2008 (<http://galvestondailynews.com/story.lasso?wcd=133817>) –  
Tarris Woods, a city councilman who represents the city on the housing authority board, said the authority must be wary of gentrification if board members do decide to rebuild and scatter public housing across the island.
- c. Oct. 22, 2009 – (<http://galvestondailynews.com/story.lasso?wcd=145973>) –  
The leaders of two of the island’s social advocacy groups oppose the Galveston Housing Authority’s latest plan to rebuild 569 public housing units.

Both David Miller, president of the Galveston branch of the National Association for the Advancement of Colored People, and Leon Phillips, president of the Galveston Coalition for Justice, want the housing authority to rebuild all of the housing demolished after Hurricane Ike on the four properties the agency owns north of Broadway.

- d. Nov. 13, 2009 – (<http://galvestondailynews.com/story.lasso?wcd=147127>) –  
The Galveston County Coalition for Justice objected to the housing authority’s plans to build 20 duplexes on the site that once housed the Palm Terrace development, turning the site into an extension of the Oaks development, President Leon Phillips said. The coalition also objects to the housing authority’s plan to build 229 scattered site houses, he said.

“We don’t feel as if the housing authority can get in control of 200 or 300 scattered sites,” he said. The coalition recommended the housing authority build 129 scattered sites houses and put the remaining 440 units in public housing complexes.

This argument turned out to be completely without merit as the Galveston Housing Authority was commended by the Secretary of HUD in 2010 for its’ management of 2500 scattered site units in it’s DHAP program.

- e. Aug. 19, 2010 – Galveston AI Focus Group- Appendix G of this AI, pg 63.

MR. PHILLIPS: In the things that are happening on this north side of Broadway, what has come to my attention is that the -- in 1988 there was a lawsuit filed, and that was so that minorities would have representation on City Council.

That representation is being depleted. Like I gave you those numbers about across the street and three African-Americans and 17 Anglos and Hispanics. Well, it used to be 209 apartments over there that were at least 90 percent African-American.

***So what is happening to this district is the numbers and complexions are being changed. And this district will wind up not being what it was actually set aside to be.***

This protection is so ingrained, that on pages 32 thru 35 of the Aug. 19, 2010 Galveston AI Focus Group, the participants engage in a discussion around segregated neighborhoods where they are attempting to remove the “segregated neighborhood” label off of the District 1 area. It is their contention that the existing demographics of this area, which were once mandated by law and custom to be segregated, are now in fact purely voluntary in nature and should not now be labeled as a segregated neighborhood.

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Galveston CHAS Table Interpretation Following HUD Rules

**SOCDS CHAS Data: Affordability Mismatch Output for All Households**

Name of Jurisdiction: <b>Galveston city, Texas</b>		Source of Data: CHAS Data Book				Data Current as of: 2000			
Housing Units by Affordability	Renters Units by # of bedrooms				Owned or for sale units by # of bedrooms				
	0-1 (A)	2 (B)	3+ (C)	Total (D)		0-1 (E)	2 (F)	3+ (G)	Total (H)
<b>1. Rent &lt;= 30%</b>					<b>Value &lt;=30%</b>				
# occupied units	1,105	930	600	2,635		N/A	N/A	N/A	N/A
%occupants <=30%	71.5	58.6	53.3	62.8		N/A	N/A	N/A	N/A
%built before 1970	75.1	81.7	85.8	79.9		N/A	N/A	N/A	N/A
%some problem	48.9	30.1	31.7	38.3		N/A	N/A	N/A	N/A
#vacant for rent	180	265	105	550		N/A	N/A	N/A	N/A
<b>2. Rent &gt;30 to &lt;=50%</b>					<b>Value &lt;= 50%</b>				
# occupied units	2,155	1,595	500	4,250		670	2,275	2,780	5,725
%occupants <=50%	59.4	47.6	66	55.8		45.5	38.5	24.1	32.3
%built before 1970	71.5	76.2	84	74.7		65.7	86.2	84.2	82.8
% some problem	57.3	42.6	58	51.9		14.2	12.7	7.2	10.2
#vacant for rent	425	410	110	945	#vacant for sale	45	80	55	180
<b>3. Rent &gt;50 to &lt;=80%</b>					<b>Value &gt;50 to &lt;=80%</b>				
# occupied units	2,795	2,375	625	5,795		132	675	1,755	2,562
%occupants <=80%	64.9	51.6	48.8	57.7		62.9	44.4	28.2	34.3
%built before 1970	28.6	44	72	39.6		90.2	80	67.8	72.2
%some problem	49.2	41.1	40	44.9		30.3	9.6	8.8	10.1
#vacant for rent	425	470	20	915	#vacant for sale	10	20	35	65
<b>4. Rent &gt;80%</b>					<b>Value &gt;80%</b>				
# occupied units	365	280	99	744		104	527	1,439	2,070
#vacant for rent	20	40	65	125	# vacant for sale	4	24	55	83

**This table is downloaded directly from the HUD website, and matches what is shown in GHA's 5 Year Plan.**

This part of this table under the section "Original Data" is copied directly out of the GHA's 5 Year Plan. The part under "College Adjusted" follows HUD's rules for discounting the needs analysis by removing the "College Effect".

The rule states "**A note of caution for communities with large numbers of college students living in off-campus housing. College students living off-campus that are supported by their parents appear to the Census as being very poor. As a result, their presence tends to inflate the number of households with severe cost burden. We recommend adding the data on elderly households and family households (excluding "all other" households) to get a better estimate of housing needs for non-college students.**"

Household by Type, Income, & Hsg Problem	Original Data					College Adjusted				Analysis
	Elderly 1&2 Mem HH (A)	Small HH 2-4 Related (B)	Large HH 5 or More Related C	All Other (D)	Total Renters (E)	Elderly 1&2 Mem HH (A)	Small HH 2-4 Related (B)	Large HH 5 or More Related C	Total Renters (E)	Original data Overestimates By:
<b>1. HH Income &lt;=50% MFI</b>	<b>1339</b>	<b>2225</b>	<b>599</b>	<b>2309</b>	<b>6472</b>	<b>1339</b>	<b>2225</b>	<b>599</b>	<b>4163</b>	<b>55%</b>
<b>2. HH Income &lt;=30% MFI</b>	<b>898</b>	<b>1359</b>	<b>340</b>	<b>1510</b>	<b>4107</b>	<b>898</b>	<b>1359</b>	<b>340</b>	<b>2597</b>	<b>58%</b>
3. % w/any hsg problem	69.20%	72.80%	91.20%	72.10%	73.20%	69.20%	72.80%	91.20%		
4. %Cost Burden >30%	66.90%	66.10%	71.20%	70.40%	68.30%	66.90%	66.10%	71.20%		
5. %Cost Burden >50%	44.70%	47.90%	42.40%	62.10%	52%	44.70%	47.90%	42.40%		
<b>6. HH Income &gt;30% to &lt;=50%MFI</b>	<b>441</b>	<b>866</b>	<b>259</b>	<b>799</b>	<b>2365</b>	<b>441</b>	<b>866</b>	<b>259</b>	<b>1566</b>	<b>51%</b>
7. % w/any hsg problem	78.70%	65.60%	79.20%	82.50%	75.20%	78.70%	65.60%	79.20%		
8. %Cost Burden >30%	76.40%	59.90%	44%	81.20%	68.50%	76.40%	59.90%	44%		
9. %Cost Burden >50%	22.20%	15.40%	13.10%	23%	19%	22.20%	15.40%	13.10%		
<b>10. HH Income &gt;50% to &lt;=80%MFI</b>	<b>227</b>	<b>1094</b>	<b>207</b>	<b>1039</b>	<b>2567</b>	<b>227</b>	<b>1094</b>	<b>207</b>	<b>1528</b>	<b>68%</b>
11. % w/any hsg problem	33.50%	33.40%	56%	28.60%	33.30%	33.50%	33.40%	56%		
12. %Cost Burden >30%	33.50%	20%	5.80%	23.10%	21.30%	33.50%	20%	5.80%		
13. %Cost Burden >50%	6.60%	0.70%	0	0.40%	1.10%	6.60%	0.70%	0		
<b>14. HH Income &gt;80%MFI</b>	<b>376</b>	<b>1751</b>	<b>144</b>	<b>1749</b>	<b>4020</b>	<b>376</b>	<b>1751</b>	<b>144</b>	<b>2271</b>	<b>77%</b>
15. % w/any hsg problem	16%	8.30%	46.50%	6.60%	9.70%	16%	8.30%	46.50%		
16. %Cost Burden >30%	13.30%	1.40%	0%	2.70%	3%	13.30%	1.40%	0%		
17. %Cost Burden >50%	5.30%	0%	0%	0%	1.90%	5.30%	0%	0%		
<b>18. Total HH</b>	<b>1942</b>	<b>5070</b>	<b>950</b>	<b>5097</b>	<b>13059</b>	<b>1942</b>	<b>5070</b>	<b>950</b>	<b>7962</b>	<b>64%</b>
19. % w/any hsg problem	56.80%	40.80%	73.50%	42.40%	46.20%	56.80%	40.80%	73.50%		
20. %Cost Burden >30%	54.80%	32.70%	38.70%	39.20%	39%	54.80%	32.70%	38.70%		
21. %Cost Burden >50%	27.50%	15.60%	18.70%	22.10%	20.10%	27.50%	15.60%	18.70%		

HUD's rule for determining worst case housing needs is as follows:

**These data cannot exactly match worst case housing needs because Census data do not capture housing inadequacy. However, a reasonable proxy for worst cases housing needs are the percent of very low-income renter households (less than 50% of median income) paying more than 50% of their income for housing (severe cost burden).**

This table shows the Severe Cost Burden (SCB) calculation, and how it is overinflated if the college adjustment is not done.

The adjusted SCB number is 1,462. Remember from the other spreadsheet that the number of households that are living in homes less than the 80% tranche are being consumed by households earning above their tranche level is 5,237.

Household by Type, Income, & Hsg Problem	Original Data					College Adjusted					Original data Overestimates By:
	Elderly 1&2 Mem HH (A)	Small HH 2-4 Related (B)	Large HH 5 or More Related (C)	All Other (D)	Total Renters (E)	Elderly 1&2 Mem HH (A)	Small HH 2-4 Related (B)	Large HH 5 or More Related (C)	Total Renters (E)		
<b>1. HH Income &lt;=50% MFI</b>	1339	2225	599	2309	6472	1339	2225	599	4163	55%	
<b>2. HH Income &lt;=30% MFI</b>	898	1359	340	1510	4107	898	1359	340	2597	58%	
5. %Cost Burden >50%	44.70%	47.90%	42.40%	62.10%	52%	44.70%	47.90%	42.40%			
<30% MFI SCB	401	651	144	938	2136	401	651	144			
<b>6. HH Income &gt;30% to &lt;=50%MFI</b>	441	866	259	799	2365	441	866	259	1566	51%	
9. %Cost Burden >50%	22.20%	15.40%	13.10%	23%	19%	22.20%	15.40%	13.10%			
<30% - 50% MFI SCB	98	133	34	184	449	98	133	34			
Total SCB	499	784	178	1121	2585	499	784	178	<b>1462</b>	77%	
<b>18. Total HH</b>	<b>1942</b>	<b>5070</b>	<b>950</b>	<b>5097</b>	<b>13059</b>	<b>1942</b>	<b>5070</b>	<b>950</b>	<b>7962</b>	64%	
SCB % of Total	26%	15%	19%	22%	20%	26%	15%	19%	18%		

SCB delta % 77%

Unadjusted data overestimates households with Severe Cost Burdens by 77%.

Severe Cost Burden - The % of households making less than 50% of MFI, paying more than 50% of income on housing.

**SOCDS CHAS Data: Affordability Mismatch Output for All Households**

Name of Jurisdiction: <b>Galveston city, Texas</b>		Source of Data: CHAS Data Book		
Housing Units by Affordability	Renters Units by # of bedrooms			
	0-1 (A)	2 (B)	3+ (C)	Total (D)
<b>1. Rent &lt;= 30%</b>				
# occupied units	1,105	930	600	2,635
%occupants <=30%	71.5	58.6	53.3	62.8
%built before 1970	75.1	81.7	85.8	79.9
%some problem	48.9	30.1	31.7	38.3
#vacant for rent	180	265	105	550
<b>Vacancy Rate</b>	<b>14.0%</b>	<b>22.2%</b>	<b>14.9%</b>	<b>17.3%</b>
<b>2. Rent &gt;30 to &lt;=50%</b>				
# occupied units	2,155	1,595	500	4,250
%occupants <=50%	59.4	47.6	66	55.8
%built before 1970	71.5	76.2	84	74.7
% some problem	57.3	42.6	58	51.9
#vacant for rent	425	410	110	945
<b>Vacancy Rate</b>	<b>16.5%</b>	<b>20.4%</b>	<b>18.0%</b>	<b>18.2%</b>
<b>3. Rent &gt;50 to &lt;=80%</b>				
# occupied units	2,795	2,375	625	5,795
%occupants <=80%	64.9	51.6	48.8	57.7
%built before 1970	28.6	44	72	39.6
%some problem	49.2	41.1	40	44.9
#vacant for rent	425	470	20	915
<b>Vacancy Rate</b>	<b>13.2%</b>	<b>16.5%</b>	<b>3.1%</b>	<b>13.6%</b>
<b>4. Rent &gt;80%</b>				
# occupied units	365	280	99	744
#vacant for rent	20	40	65	125
<b>Vacancy Rate</b>	<b>5.2%</b>	<b>12.5%</b>	<b>39.6%</b>	<b>14.4%</b>

This is the table from the first tab. A "Vacancy Rate" calculation row has been added. HUD's rule for analyzing the mismatch is as follows:

How can I use the affordability mismatch data?

The rental and owner numbers need to be interpreted differently.

For rental, it is helpful to get a sense of demand for units at different rents and unit size. For example, what is the vacancy rate for 0-1 bedroom units affordable at less than 30%, units affordable at 30-50%, etc..? Low vacancy rates (less than 6%) suggest a pretty high demand for units in certain affordability categories. This probably suggests you need to add more affordable housing units to your inventory. This is especially true if you are continuing to experience an increase in the number of households in your target community. **High vacancy rates (greater than 10%), especially among affordable units, suggest an oversupply of housing. In this case you should be very careful not to add to supply that would aggravate the problem and you should be looking to remove or upgrade existing substandard housing stock. This is especially true if you are experiencing a decline in the number of households.**

Looking at the need data independent of this market data may give the wrong impression about your housing needs. It is quite possible, even likely, that you could have a soft rental market but a high number of low-income households with cost burden. This can be due either to (a) the extreme low-incomes of households (tenant based assistance rather than adding supply is a better solution) or (b) low-income households concentrated within a tight housing submarket when other markets in the target area are more affordable (mobility counseling might be considered)

Following HUD guidelines, we should actually be removing or upgrading existing stock in all but 2 categories, 0-1 Bedrooms for Rent >80%, and 3+ Bedrooms for Rent 50% - 80%.