



CITY OF БЕЛОIT

# Analysis of Impediments to Fair Housing

Community Development Department  
Division of Neighborhood Planning

2012



100 STATE STREET, БЕЛОIT, WI 53511

# Authors of the Report

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This report was prepared by the City of Beloit Community Development Department, Division of Neighborhood Planning. Staff utilized interviews, surveys, workshops, and public meetings to solicit input and feedback. The City also created a focus group, which solicited direct feedback from the directors of the following agencies:

- The Merrill Community Center
- Community Action Inc. of Rock and Walworth Counties
- Beloit Community Support Program
- Neighborhood Housing Services of Beloit
- Beloit Domestic Violence Shelter
- The Beloit Housing Authority

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Teri is responsible for the administration of the City of Beloit’s Community Development Block Grant (CDBG) program, HOME, Neighborhood Stabilization Program (NSP), and Fair Housing. She is the staff liaison to the Equal Opportunities and Human Relations Commission (EOHRC) and conducts fair housing outreach and education, processes complaints, and works closely with the fair housing investigator regarding complaints. She also worked at the Beloit Housing Authority for five years administering the Family Self Sufficiency and Section 8 Homeownership Program. Teri was responsible for drafting much of the narrative portions of the 2012 AI.

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Michael works in the Planning Division and administers the City’s Zoning and Sign Ordinances. He is also the staff liaison to the City’s Landmarks Commission. Michael was responsible for a large portion of the research data and narratives compiled in this document, including the sections on minority concentration, Hispanic population, income characteristics, educational attainment, and HMDA data and analysis. He presented his research to the EOHRC and focus group to elicit feedback. He also conducted the review of the City’s zoning ordinance and related policies, as well as created all of the maps contained in this document.

**Samantha Timko, Intern to the City Manager:**

Samantha is currently interning with the Beloit City Manager’s office and is a graduate student at Northern Illinois University obtaining her Master’s Degree in Public Administration. Samantha has worked on a number of projects for the City and contributed much of the research data contained in the AI. Samantha compiled data and analyses regarding the City’s demographics, assessment information, employment and transportation, housing characteristics, and English as a second language. Samantha also drafted the Beloit history in Appendix A and created a detailed survey for the Housing Authority regarding its policies and programming.



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# Executive Summary

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## Introduction and Background

The Analysis of Impediments to Fair Housing Choice (AI) is required of all Community Development Block Grant (CDBG) entitlement communities by the U.S. Department of Housing and Urban Development (HUD). This AI contains an overview of current demographic, economic, and housing conditions within the City of Beloit to assess current population and geographic characteristics in order to identify and address impediments to fair housing choice. Impediments to fair housing choice include actions or omissions that constitute a violation of Fair Housing laws, are counter-productive to fair housing choice, or have the effect of restricting housing opportunities on the basis of a persons' protected class.

Information for this report was obtained from a variety of sources including local data collection systems, nationally collected public data and statistics, as well as interviews and surveys. A focus group consisting of the members of the City's Equal Opportunities and Human Relations Commission (EOHRC) and various community leaders was formed and met twice in a public workshop setting to review the data gathered for this report. The group offered their opinions on any trends or indicators they gleaned from the data. Discrimination in housing for the City of Beloit falls under three jurisdictions; federal, state, and local municipal ordinance. Although the protected classes differ by jurisdiction, the Analysis of Impediments to Fair Housing is intended foster compliance with the nondiscrimination provisions of all three jurisdictions.

## Community Profile - Characteristics and Analyses

An analysis of the City's demographic, economic, lending, and housing profiles assists in identifying trends that may indicate impediments to fair housing choice. Some of the significant findings include:

### Demographic:

- Significant Growth of Minority Population in City of Beloit
- Minority Concentrations within Census Tracts 15, 17, & 18
- 4% Households Linguistically Isolated
- Overall, Hispanic population has increased greatly since 2000
- Since 1990, there has been an increase in minority concentration within Census Tracts 15, 17, and 18
- Tract 18 continues to be the most concentrated.
- Tract 15 has become less concentrate in 2010



## **Economic:**

- Median Family Income by Race shows that all minority groups have a median family income lower than white families.
- Hispanics have the lowest median family income
- 19% of Beloit's population is living with incomes below the poverty levels.
- Racial minorities make-up roughly 60% of individuals who have an income below the federal poverty line in the City of Beloit
- Single-parent households with children have very-low incomes (e.g. single-female w/children at 53%, single-men w/children at 35%)
- Asians have the highest median household income, with a median income that closely matches the County Median Income.
- Whites have the second highest median household income.
- All other minority households have median incomes that fall below \$30,000
- Census Tracts 15,16, 18 were composed of households with majority low to very-low incomes (15 and 18 are also minority concentrated Census Tracts)

## **Lending:**

- Hispanic and black families take advantage of federally-sponsored loan programs (FHA, VA, etc.) at rates significantly higher than whites.
- White families are more frequent consumers of conventional home purchase and refinancing products than blacks and Hispanics.
- Application denials across all income categories are significantly higher for minorities than for whites.
- The proportion of applications originated by white applicants increases as they move into higher brackets for MSA median income.
- It appears that there is under-utilization of home loans by minorities.

## **Housing:**

- Beloit has a relatively high vacancy rate, as well as detached multi-family housing structures.
- Beloit has a relatively old housing stock, with 82.4% of available housing built before 1980.
- Just over 60% of the housing stock was valued under \$100,000.



- The median owner-occupied housing value was reported at \$90,300.
- The median gross rent in the City was reported as \$682, with 62.6% of renters paying less than \$750 per month.
- A significantly high proportion of Beloit residents spend 35% or more of their household income on housing costs.
- Just over half (50.8%) of renters spend 35% or more of their household income on housing. This compares to 25.5% of homeowners who spend 35% or more of their household income on housing.

## City Policies and Procedures

The City of Beloit’s has various Boards, Ordinances, and policies related to housing. A review was conducted to evaluate whether there are any procedures that contribute to impediments to fair housing choice. A review of the Equal Opportunities and Human Relations Commission (EOHRC), Plan Commission, and Community Development Authority Board was conducted as well as a review of the following City programs: Loan programs, Beloit Housing Authority programs, and the grant programs administered by the Community Development Department. Evaluations of City ordinances include, Fair Employment and Affirmative Action, Property Maintenance Code, Plumbing and Building Codes, Subdivision and Official Map Ordinance, and the Zoning Code. There were no findings that the City’s policies or procedures contributed to impeding fair housing choice.

## Fair Housing Profile

The Equal Opportunities and Human Relations Commission (EOHRC) is comprised of a Citizen Board of seven members and one City Council Representative. Their duties include both advisory and quasi-judicial. The Commission advises the City regarding discrimination and race relations, contracts for Fair Housing services, and outreach and education. The EOHRC is also responsible for enforcement of the Chapter 20 Fair Housing Code and includes approval of all conciliation/mediation agreements, and conducts appeal reviews and hearings.

The City of Beloit’s Chapter 20 Fair Housing Ordinance prohibits discrimination in the sale, rental, or financing of housing based on the following:

- Race
- Religion
- Color
- Gender
- National Origin
- Disability
- Lawful Source of Income
- Familial Status
- Sexual Orientation
- Marital Status
- Ancestry
- Age
- Status as a victim of domestic/sexual abuse or stalking



This chapter also outlines the requirements for the complaint process: Intake/complaint, investigation, determination and appeal, conciliation, mediation, and hearing.

Complaints of housing discrimination are taken from individuals who (1) reside within the City of Beloit, and (2) allege discrimination by a housing provider. If a person contacts the City who does not reside within the City limits and/or alleges discrimination in an area other than housing, the person is given the contact information of the proper jurisdiction.

A total of 33 complaints were filed over a five-year period. Of these, five resulted in a determination of cause to believe housing discrimination had occurred and all five reached a successful Conciliation Agreement. Two cases were appealed to the EOHRC and none have progressed to an EOHRC hearing on the merits or filed as lawsuits or complaints through other avenues.

## Identification of Impediments to Fair Housing

### Public Sector Impediments

- **Inconsistent Administration of the Fair Housing Code:** The constant change in staff liaison has resulted in much confusion by the public and City staff regarding where to direct Fair Housing complaints.
- **Lack of Bi-Lingual City Staff for Housing Programs:** The Hispanic population of the City has grown 800% over the last ten years. Specific concern is with the lack of bi-lingual staff in the housing related divisions, such as the Housing Authority, Code Enforcement, and the Housing Loan Programs.
- **Limited Number of Housing Choice Vouchers (Section 8):** The Beloit Housing Authority has 598 Section 8 Vouchers and consistently has a waiting list of over 500 applicants. The focus group indicated there is a great preference in the community for Section 8 vouchers because unlike other subsidized housing, the participant has a choice in where to live.
- **Low Payment Standards for Housing Choice Vouchers (Section 8):** Beloit Housing Authority payment standards are lower than the other Section 8 program operating in the community, and are lower than the amount of rent a landlord could receive if they were to rent to non-Section 8 families. This is resulting in a drop in landlord participation in the program, which reduces the number of units available to persons seeking housing. Low payment standards also limit the choice in location of housing for households on this program.



## Private Sector Impediments

- **Supply of Subsidized and Rental Housing:** The primary concerns in Beloit seem to be that the City carries a disproportionate number of the County's subsidized households.
- **Origination and Denial Rates:** Loan origination rates are lower in census tracts 15, 17, 18, and 23 where non-white populations exceed 25%.
- **Language Barriers:** Limited English Proficiency (LEP) has come to the forefront of housing issues with the recent increase in Beloit's Latino population. Many of these people face language barriers regarding the ability to read and understand leases and mortgage documents and they may not realize if they are facing a fair housing issue.
- **Resident Opposition:** There were two proposed housing developments that received major resident opposition since 2004.
- **Lack of Community Advocacy Groups for Disabled Persons and Persons with HIV:** The City of Beloit's previous AI reported that persons with HIV were reported as having difficulties finding housing. However, attempts to reach out to the local AIDS Network were made by phone, email, and mail to participate in the focus group for this AI with no response.

## Recommendations to Promote Fair Housing Choice

### Recommendation #1:

**Provide Consistent Responsibility for Administration of the City's Fair Housing Code:** The City of Beloit should assign a single Department or Division to be responsible for the accurate administration of the City's Fair Housing Code.

### Recommendation #2:

**Continue Fair Housing Outreach and Education:** The City's current outreach and education with flyers, brochures, and educational seminars is critical to keeping the community informed of the fair housing rights.

### Recommendation #3:

**Educate Public Officials and Relevant Groups regarding Low-income/Tax Credit Projects:** The City should provide education to community and public officials, relevant boards, and developers as early as possible when a tax credit or low/mixed income project is moving forward.

### Recommendation #4:

**Provide Education Regarding Housing Contracts to Linguistically Isolated Households:** The City should develop an initiative to proactively educate non-English/limited-English



speaking persons about housing related contracts.

**Recommendation #5:**

**Continue to Reach Out to the Disabled Community:** The City should actively seek input from advocacy groups and agencies that provide services to persons with disabilities in order to discover fair housing concerns, find better ways to reach this demographic, and incorporate changes in education efforts specific to the disabled community.

**Recommendation #6:**

**Further Research the Low Number of Mortgage Applicants among African Americans:** The City should encourage agencies to promote their programs at agencies serving minorities, to ensure that minorities are aware of the opportunities.

**Recommendation #7:**

**Explore Options in the Housing Choice Voucher Program to Increase the Payment Standards and the Number of Vouchers Available to the Housing Authority:** The City should explore other ways to increase its capacity in Beloit.



# Introduction and Background

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## **Purpose**

The Analysis of Impediments to Fair Housing Choice is required of all Community Development Block Grant (CDBG) entitlement communities by the U.S. Department of Housing and Urban Development (HUD). The purpose of this study is to identify policies, procedures, practices, and local societal tendencies in the City of Beloit that may impede fair housing choice. These impediments will be analyzed to develop specific actions to eliminate housing discrimination and foster fair housing choice for all residents of the City of Beloit. A focus group consisting of the members of the City's Equal Opportunities and Human Relations Commission and various community leaders was also formed.

An impediment is defined as:

- Any actions, omissions, or decisions taken because of any protected class that restricts housing choices or the availability of housing choices.
- Any actions, omissions or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of any protected class.

An impediment could also be any policies, practices, or procedures that appear neutral on their face, but which operate to deny or adversely affect the availability of housing to persons of protected classes. (Fair Housing Planning Guide, U.S. Department of Housing and Urban Development, Vol.1)

## **Scope**

The Analysis of Impediments contains an overview of current demographic, economic, and housing conditions within the City of Beloit to assess current population and geographic characteristics. A comprehensive review of the City of Beloit's ordinances, policies, and practices follows. Federal, state, and local fair housing policies and activities are then discussed. And an analysis of these local characteristics and regulations is conducted to identify factors in relation to fair housing choice. Recommendations for specific actions to remediate the identified impediments conclude the report.

## **Research Methodology**

Information for this report was obtained from a variety of sources including local data collection systems, nationally collected public data and statistics, as well as direct interviews and surveys. For each set of data throughout the report, the source is referenced and its methodology is discussed. The majority of demographic statistics were derived from the 2010 Census and the 2005-2009 American Community Survey. Other locally derived data was accessed from City



data collections systems. Local ordinances, policies, and procedures were accessed directly through the City's Municode website, interviews, and short informational surveys.

Information, data, and statistics used in this report were obtained from the following sources:

- US Census Bureau: 1990, 2000, 2010
- American Community Survey: 2005 - 2009 (FactFinder)
- U.S. Department of Housing and Urban Development (HUD)
- HUD Fair Housing and Equal Opportunity (FHEO)
- Home Mortgage Disclosure Act
- Wisconsin Department of Workforce Development, Equal Rights Division
- Wisconsin Department of Workforce Development, Labor Market Information
- Wisconsin Housing and Economic Development Authority (WHEDA)
- Rock County Job Center
- City of Beloit Assessor Database
- City of Beloit Geographic Information Systems (GIS)
- City of Beloit Transit System
- Beloit Housing Authority
- Greater Beloit Works

A focus group consisting of the members of the City's Equal Opportunities and Human Relations Commission (EOHRC) and various community leaders was also formed. The organizations represented work with persons on a daily basis that fall within the protected classes of the Fair Housing regulations. They also work with low-to-moderate income families which statistics show are predominately single female headed households, and minority heads of households.

The focus group met twice in a public workshop setting to review the data gathered for this report and offered their opinions on any trends or indicators the gleaned from the data. The group also offered valuable insight into housing issues that are present among the unique populations they serve on a daily basis.

In addition, during development of the AI, research data was presented to the EOHRC on two occasions during regular meetings. The EOHRC provided its analyses and suggestions, which were incorporated into the document.



## Fair Housing Information

Federal, State, and the City of Beloit fair housing laws prohibit discrimination against any person by impairing to any degree access to any housing or housing accommodations on the basis of their protected class.

A protected class is a group of people who share a characteristic that historically has been used as the reason for discrimination. Although the protected classes differ by jurisdiction, the Analysis of Impediments to Fair Housing is intended foster compliance with the nondiscrimination provisions of all three jurisdictions.

### Protected Classes by Jurisdiction

Protected Class	Federal (42 U.S.C 3602)	Wisconsin (Wis. Stat. 106.50(1))	Beloit Chapter 20 Fair Housing Code
Race	X	X	X
Color	X	X	X
Religion	X	X	X
Sex/Gender	X	X	X
National Origin	X	X	X
Handicap/Disability	X	X	X
Familial Status	X	X	X
Sexual Orientation		X	X
Marital Status		X	X
Ancestry		X	X
Lawful Source of Income		X	X
Age		X	X
Status as a victim of Domestic abuse, sexual abuse, or stalking		X	
Exceptions	Owner-occupied buildings with 4 or fewer units.  Housing for elderly or persons with disabilities	Roommates (5 or fewer)  Housing for elderly or persons with disabilities	The lease or rental of single occupancy rooms in an owner occupied dwelling.  Housing for elderly or persons with disabilities



# Community Profile

An analysis of the City’s demographic, economic, lending, and housing profiles was conducted in an effort to identifying any trends that may indicate impediments to fair housing choice. Particular attention was given to minority concentration and income levels of minorities and other protected classes.

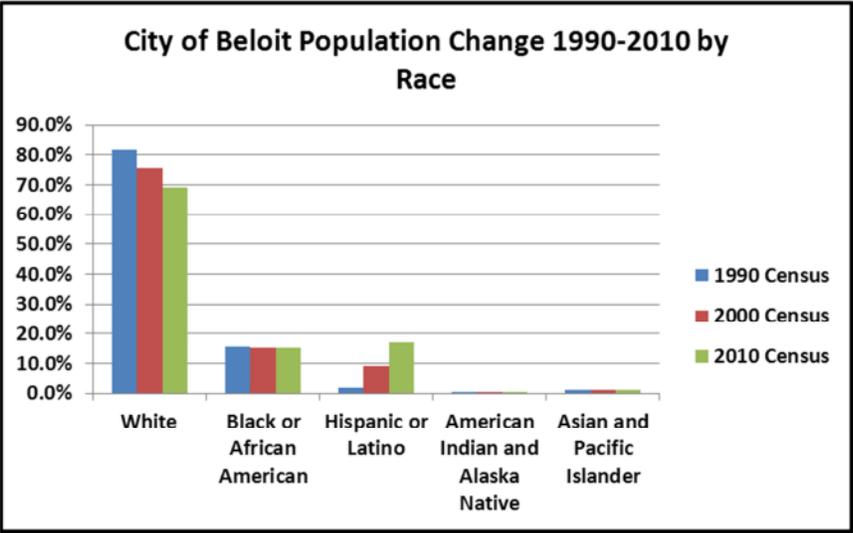
## Demographic Data

**Population Characteristics:** The 2010 Census recorded 36,966 people residing in the City of Beloit. The City of Beloit makes up 23.1% of Rock County’s total population. This is down from 25.5% in 1990. The table below shows a comparison between the population trend in Beloit and the trend in Rock County. While Rock County has had a period of large growth over the past two decades (14.9%), the City of Beloit has remained fairly static with only a 3.9% increase in population since 1990.

Beloit and Rock county Population Trend								
	1990 Census		2000 Census		2010 Census		% Change 1990-2010	% Change 2000-2010
Beloit	35,573	25.5%	35,775	23.5%	36,966	23.1%	3.9%	3.3%
Rock County	139,510	100%	152,307	100%	160,331	100%	14.9%	5.3%

US Census 1990; 2000; 2010

Population growth by racial category tells a different story. Over the past two decades, the minority population in Beloit has grown by 84.1%. Of the minority population, the Hispanic/Latino population has had the greatest growth, with an 816.4% increase since 1990. While the minority population has been increasing, the White population has been steadily decreasing, with a total decrease of 12.4% since 1990.



City of Beloit Population Change 1990-2010 by Race								
Population Characteristics	1990 Census		2000 Census		2010 Census		Percent Change 1990-2010	Percent Change 2000-2010
	Count	%	Count	%	Count	%		
White	29,104	81.8%	27,034	75.6%	25,485	68.9%	-12.4%	-5.7%
Black or African American	5,575	15.7%	5,497	15.4%	5,572	15.1%	-0.1%	1.4%
Hispanic or Latino	691	1.9%	3,257	9.1%	6,332	17.1%	816.4%	94.4%
American Indian and Alaska Native	106	0.3%	135	0.4%	158	0.4%	49.1%	17.0%
Asian and Pacific Islander	412	1.2%	439	1.2%	425	1.1%	3.2%	-3.2%
Total Population	35,573	100%	35,775	100%	36,966	100%	3.9%	3.3%
Total Minority Population	6,784	19.1%	9,328	26.1%	12,487	33.8%	84.1%	33.9%

US Census 1990; 2000; 2010

**Age:**

Beloit’s median age in 2010 was reported as 33.1 years. This is comparatively low to that of Rock County (38 years) and the State of Wisconsin (38.5 years). As shown in the table below, the number of people between the ages of 35 and 44 (-11.1%) and between the ages of 75 and 84 (-11.9%) decreased substantially in the City of Beloit between 2000 and 2010. Those aged 55 to 59 increased by 43%, between 60 and 64 by 37% and those over 85 years increased by 14%.

Change in Population by Age, 1990-2010								
Age Group	1990 Census		2000 Census		2010 Census		Percent Change 1990-2010	Percent Change 2000-2010
	Count	%	Count	%	Count	%		
Under 5	3,103	8.7%	2,746	8.0%	2,863	7.7%	-7.7%	4.3%
5 to 9	2,957	8.0%	2,919	8.0%	2,828	7.7%	-4.4%	-3.1%
10 to 14	2,644	7.0%	2,704	8.0%	2,688	7.3%	1.7%	-0.6%
15 to 19	2,690	8.0%	2,833	8.0%	3,114	8.4%	15.8%	9.9%
20 to 24	2,891	8.0%	2,806	8.0%	2,984	8.1%	3.2%	6.3%
25 to 34	5,835	16.0%	5,038	14.0%	4,925	13.3%	-15.6%	-2.2%
35 to 44	4,652	13.0%	5,174	14.0%	4,601	12.4%	-1.1%	-11.1%
45 to 54	3,128	9.0%	4,240	12.0%	4,778	12.9%	52.7%	12.7%
55 to 59	1,466	4.0%	1,453	4.0%	2,085	5.6%	42.2%	43.5%
60 to 64	1,441	4.0%	1,229	3.0%	1,679	4.5%	16.5%	36.6%
65 to 74	2,616	7.0%	2,256	6.0%	2,155	5.8%	-17.6%	-4.5%
75 to 84	1,645	5.0%	1,703	5.0%	1,500	4.1%	-8.8%	-11.9%
85 years and over	505	1.0%	674	2.0%	766	2.1%	51.7%	13.6%
Total	35,573	-	35,775	-	36,966	-	3.9%	3.3%

US Census 1990; 2000; 2010

**Persons with Disabilities:**

The Census defines a disability as a long-lasting physical, mental, or emotional condition. This condition can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business. In 2000, 6,974 persons, 19.5% of the population of the City of Beloit, reported having a census-defined disability. By age



group, this includes 917 people ages 5-20, 4,202 people ages 21-64, and 1,855 people over the age of 65 with a disability. For those aged 65 and over, this accounts for 42 percent of the population. (This information is not provided in the 05-09 ACS, nor is it currently available in the 2010 Census.)

**Mobility:**

The City has a relatively stable population. About 15.7% of residents lived in a different residence one year ago according to the 2005-2009 ACS. Of these, 10.4% lived somewhere in Rock County, and 4.3% moved to Beloit from another state.

**Areas of Minority Concentration:**

Areas of Minority Concentrations are census tracts where the percentage of the racial minority population exceeds the overall percentage of racial minority population for the City of Beloit. For example, the city’s total non-white population in 2010 was 11,481 while the total population for the city in the same year was 36,966. To determine the city’s racial minority, or non-white percentage, the total racial minority population for 2010 was divided by the total city population of the same year. This revealed that 31% of the city’s population is racial minorities, or non-white. The 31% is the threshold used to measure concentrations of minorities for census tracts within the City of Beloit for 2010. The table below indicates that four census tracts are areas of minority concentrations because they exceed the 31% threshold. Those census tracts are: 16, 17, 18, and 23. With the exception of census tract 16, the previously mentioned census tracts have been areas of minority concentration since 1990.

Number of Non-White Persons by Census Tract, 1990-2010									
Census Tract	Population			Number of Non-White			Percent Non-White		
	1990	2000	2010	1990	2000	2010	1990	2000	2010
15	541	2,114	2,326	139	572	649	26%	27%	28%
16	5,323	5,204	5,050	792	1,260	1,876	15%	24%	37%
17	5,399	5,531	5,344	1,098	1,464	1,798	20%	26%	34%
18	5,020	4,599	4,147	2,466	2,613	2,466	49%	57%	59%
19	4,575	2,759	2,669	779	661	775	17%	24%	29%
20	3,965	3,735	3,830	141	288	583	4%	8%	15%
21	3,816	3,097	3,328	228	294	715	6%	9%	21%
22	120	643	572	-	127	125	0%	20%	22%
23	49	29	34	16	8	15	33%	28%	44%
24	5	3	5	-	-	-	0%	0%	0%
25	2,581	2,392	2,595	288	368	643	11%	15%	25%
26.01	2,602	3,925	4,724	331	695	1,273	13%	18%	27%
26.02	1,577	1,744	2,342	191	391	563	12%	22%	24%
Total	35,573	35,775	36,966	6,469	8,741	11,481	18%	24%	31%

US Census, SF-1



As of 2010 Census Tract 18 remains the highest area of minority concentration with 59% of minority individuals living within this census tract. An observation of the chart above reveals that this census tract has historically had high percentages of minority concentration. It is located east of the Rock River, and is bounded by Riverside Drive to the West, Bayliss Avenue to the North, Sherman Avenue and Central Avenue to the East, and White Avenue and Woodward Avenue to the South. The Merrill Neighborhood is located within the census tract as well as, a significant portion of the Water Tower District.

Census Tract 23 also has a high percentage of minorities concentrated in an area; however, since the raw numbers for its population are relatively small compared to other census tracts the high percentage may be a bit misleading. It is also important to note that the small parts of the city's boundary extend into this census tract. This census tract includes a great portion of the Town of Beloit than it does with the City of Beloit.

Census Tract 16 has the third highest area of minority concentration with an estimated 37%. This Census Tract is bounded by Portland Avenue to the North, Mckinley Avenue to the West, Shirland Avenue to the South, and Fifth and Cross Street to the East. The Bluff Street Historic District and other Historic Landmarks are within this census tract. Historically, this census tract has not been an area with high minority concentration, yet as it has declined in overall population its minority population has grown significantly, specifically in the past decade.

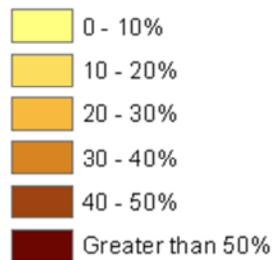
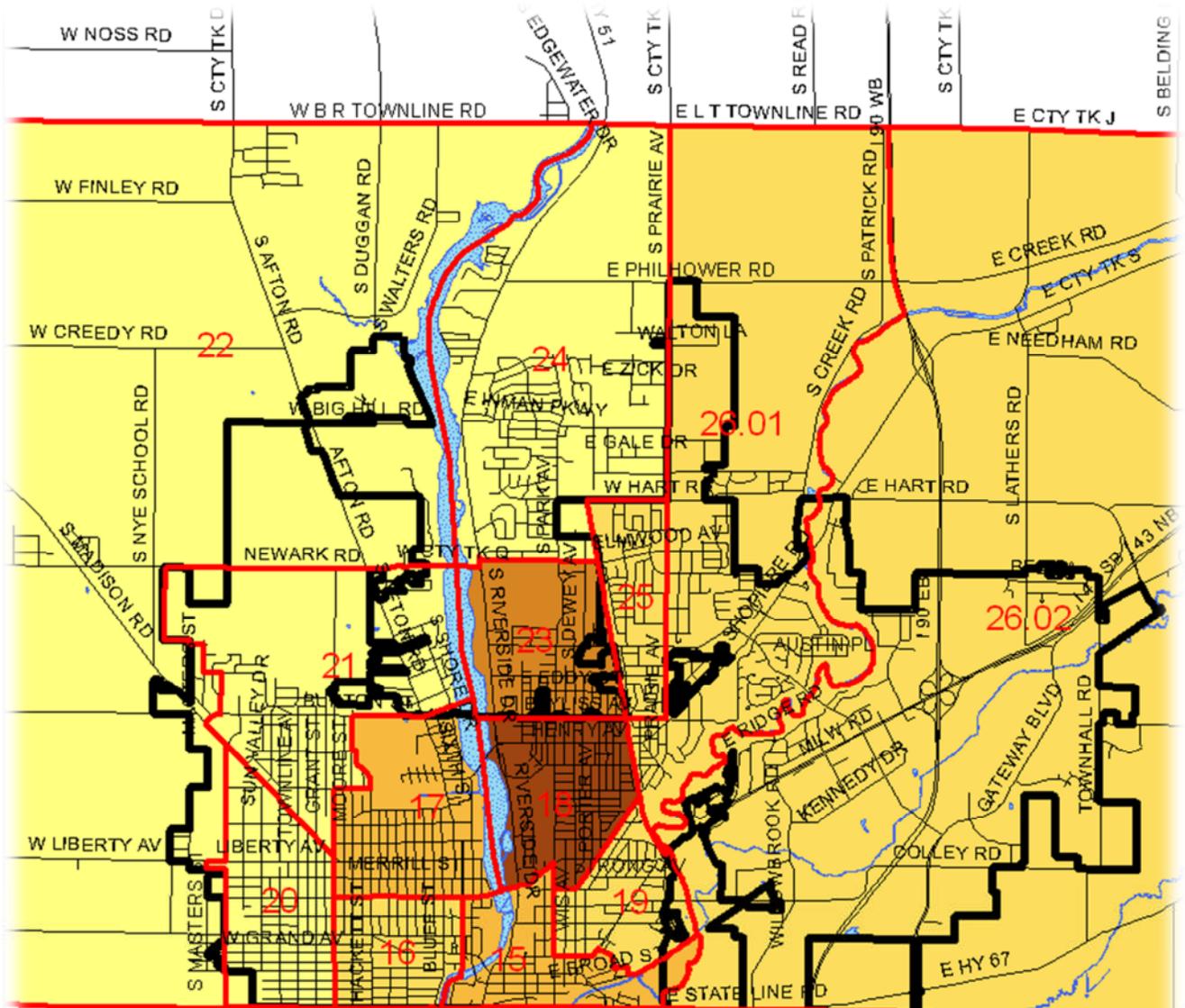
Census Tract 17 is the last area with a high minority concentration, at 34%. This Census Tract is adjacent to Census Tract 18. It is bounded by the Rock River to the East, Burton Street and West Dawson Avenue to the North, More Street, Whipple Street, and McKinley Avenue to the West, and Portland Avenue to the South. Historically, since 1990, it has been an area with high minority concentration. Generally, it has only edged two to three percentage points above the City's overall racial minority population percentage.

In conclusion, the data has revealed a historical concentration of minorities into census tracts that are close to the heart and center of the city, while the majority of the white population has tended to concentrate in Census Tracts that are further away from the city's center.

The following three maps show the minority concentration over a 20 year period, from 1990 until 2010.



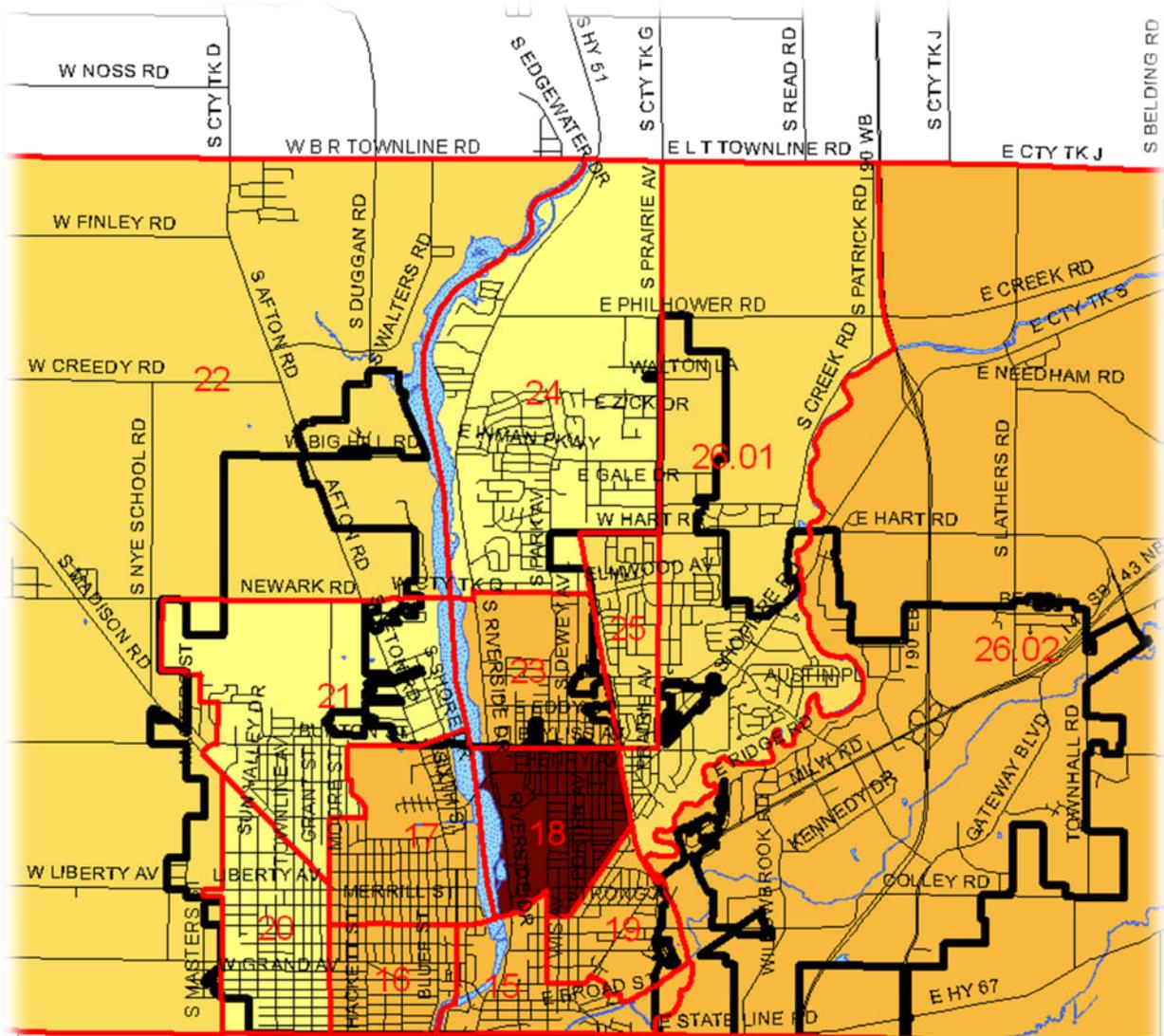
## Areas of Minority Concentration 1990



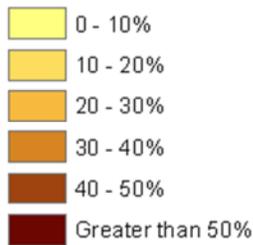
**City of Beloit**  
Areas of Minority Concentration  
1990



# Areas of Minority Concentration 2000



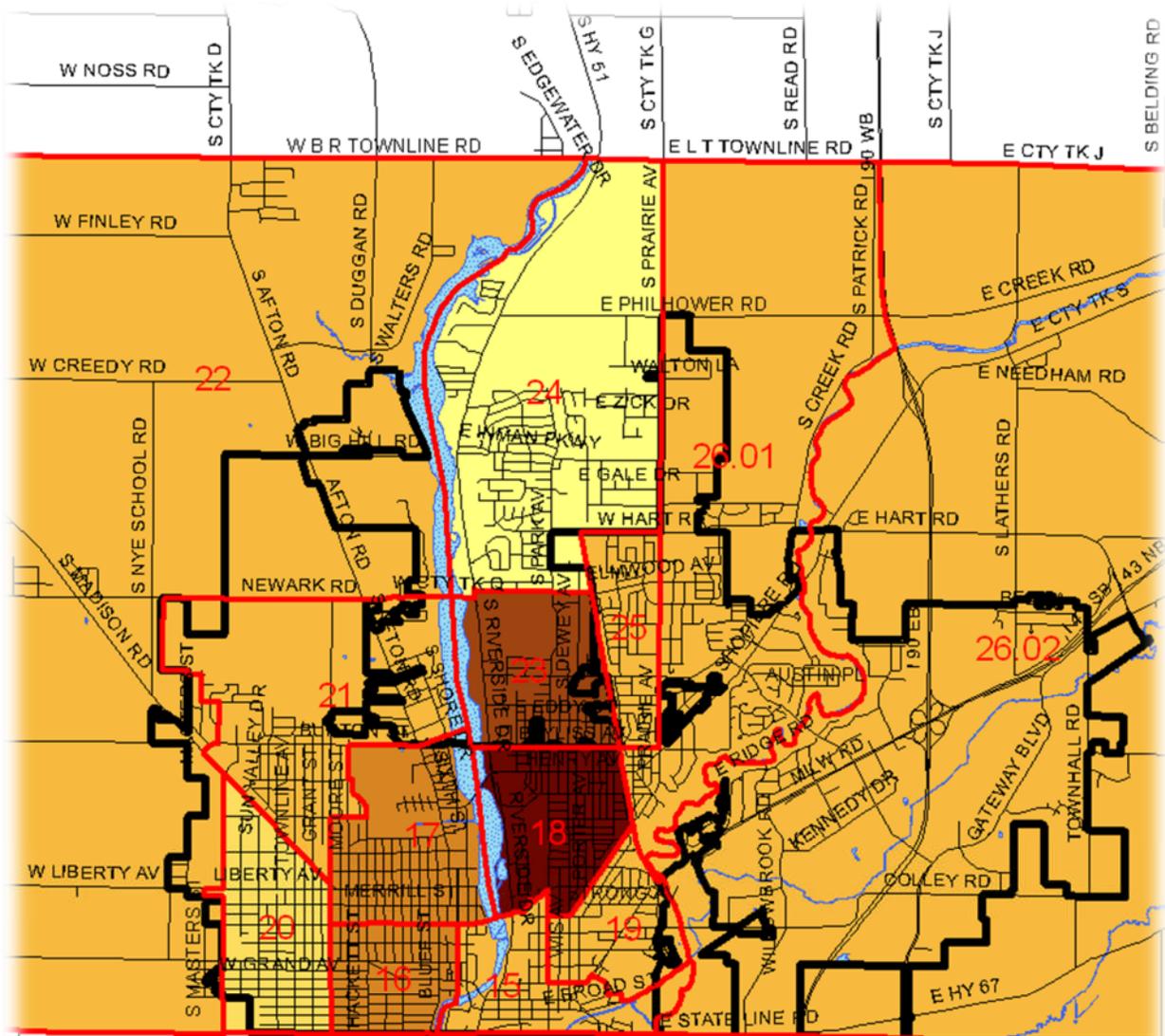
US Census Bureau 1990



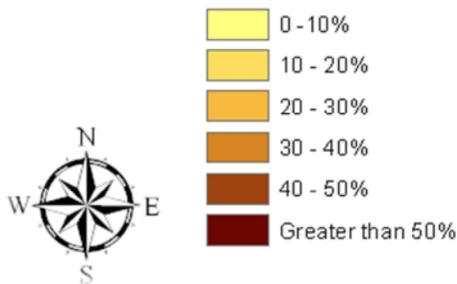
**City of Beloit**  
Areas of Minority Concentration  
2000



# Areas of Minority Concentration – 2010



US Census Bureau 2010



**City of Beloit**  
Areas of Minority Concentration  
2010



**Areas of Hispanic or Latino Concentration:**

The Hispanic population for the City of Beloit has grown significantly since 1990, and continues to outpace the growth of other racial minorities in the City’s population. In 2010, the Hispanic or Latino population was 17% of the City’s population. An observation of the table below reveals that Hispanics have historically been concentrated in areas closer to the center of the city, which is the oldest part of the city. As of 2010, Census Tract 18 contains the highest percentage of Hispanic or Latino individuals, surging well above 17%. The same tract was mentioned early for having the highest percentage of minorities concentrated in an area. Again, the Merrill Neighborhood and the Water Tower District are located within this tract. Census Tract 23 is listed as having the “second highest” area where Hispanics or Latinos are concentrated. However, only a small portion of the City’s boundaries extend into this Census Tract, so caution should be taken when making an observation.

Number of Hispanic or Latino Persons by Census Tract, 1990-2010													
1990	Census Tract 15	Census Tract 16	Census Tract 17	Census Tract 18	Census Tract 19	Census Tract 20	Census Tract 21	Census Tract 22	Census Tract 23	Census Tract 24	Census Tract 25	Census Tract 26.01	Census Tract 26.02
<b>Total:</b>	557	5307	5381	5020	4617	4234	4378	1230	2047	2800	2568	3463	3102
<b>Hispanic or Latino</b>	16	172	57	117	153	66	32	0	22	8	0	7	11
<b>Total Percentage</b>	3%	3%	1%	2%	3%	2%	1%	0%	1%	0.29%	0%	0%	0%
2000	Census Tract 15	Census Tract 16	Census Tract 17	Census Tract 18	Census Tract 19	Census Tract 20	Census Tract 21	Census Tract 22	Census Tract 23	Census Tract 24	Census Tract 25	Census Tract 26.01	Census Tract 26.02
<b>Total:</b>	2,114	5,204	5,576	4,599	2,816	3,747	3,537	2,181	1,898	3,137	2,392	4,717	3,339
<b>Hispanic or Latino</b>	188	716	674	755	267	131	98	36	96	56	41	143	263
<b>Total Percentage</b>	9%	14%	12%	16%	9%	3%	3%	2%	5%	2%	2%	3%	8%
2010	Census Tract 15	Census Tract 16	Census Tract 17	Census Tract 18	Census Tract 19	Census Tract 20	Census Tract 21	Census Tract 22	Census Tract 23	Census Tract 24	Census Tract 25	Census Tract 26.01	Census Tract 26.02
<b>Total:</b>	2,326	5,050	5,344	4,147	2,669	3,830	3,328	572	34	5	2,595	4,724	2,342
<b>Hispanic or Latino</b>	199	1,180	1,162	1,242	468	468	283	64	9	0	233	617	407
<b>Total Percentage</b>	9%	23%	22%	30%	18%	12%	9%	11%	26%	0%	9%	13%	17%

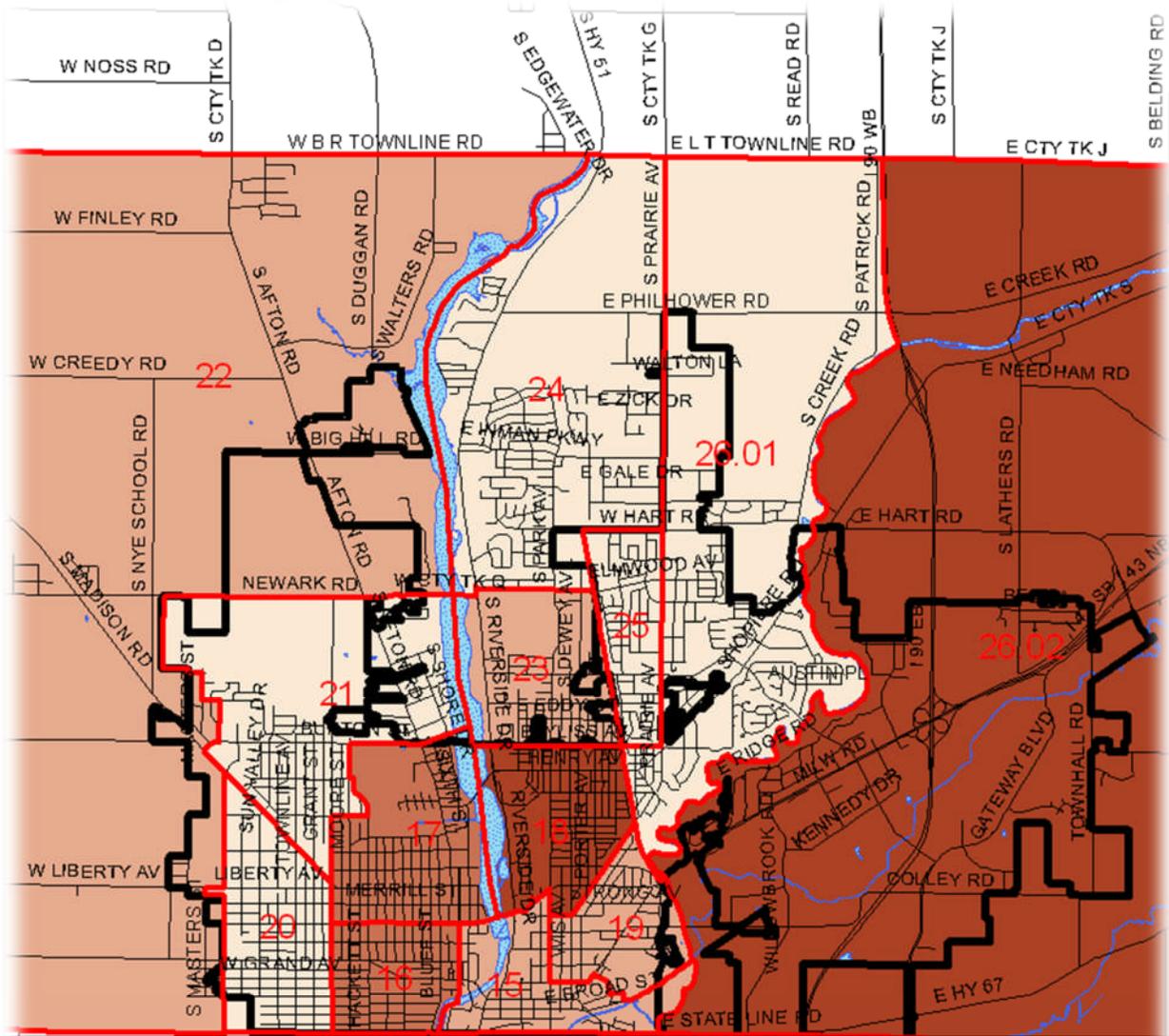
In the 1990 and 2000 Census the Town of Beloit’s Population and the City of Beloit’s population for Census Tracts 24, 23, 22, and 21 were aggregated, which explains the inflated raw numbers for those years. With Census 2010 the City boundary within those tracts were singled out, and explains the adjusted raw numbers for those Census Tracts.

Census Tracts 16 and 17 each have higher percentage of Hispanics or Latinos concentrated as well. Again, it should be noted that these census tracts were mentioned earlier as having high percentages for minority concentration. In general, Census Tracts containing areas further away from the city’s center have a lower representation of Hispanics or Latinos.

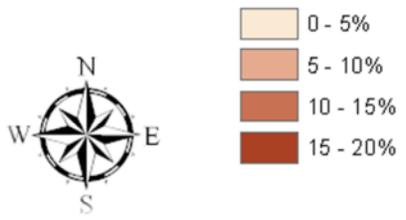
The following two maps show the change in areas of Hispanic concentration over a 10 year period; from 2000 to 2010 within the City of Beloit..



# Hispanic Areas of Concentration – 2000



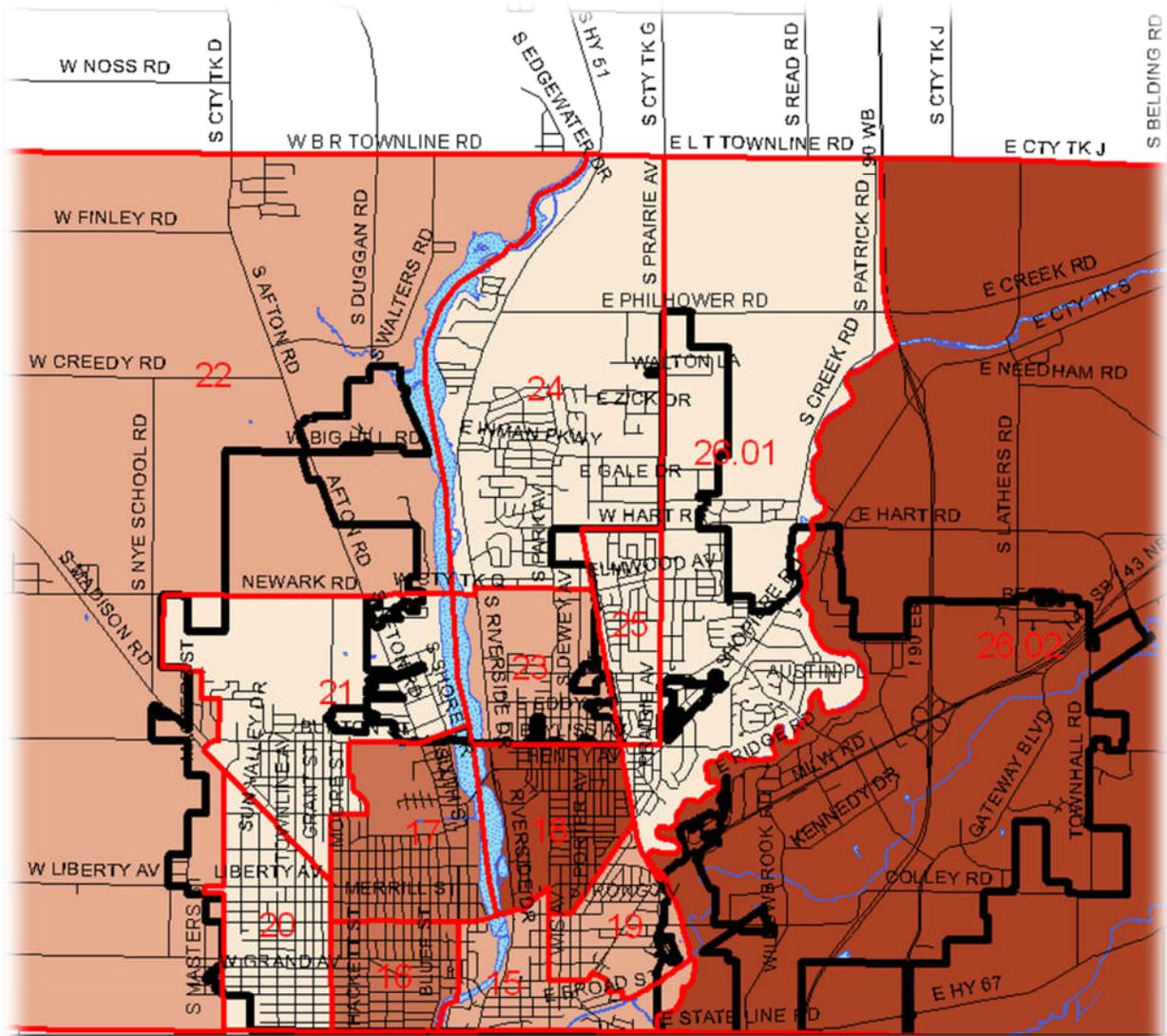
US Census Bureau 2000



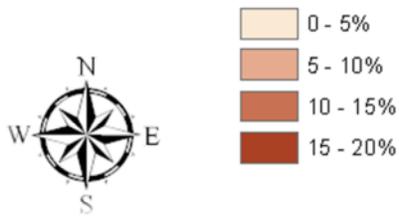
**City of Beloit**  
Areas of Hispanic Concentration  
2000



# Hispanic Areas of Concentration – 2010



US Census Bureau 2010



**City of Beloit**  
Areas of Hispanic Concentration  
2010



## DEFINITIONS

**Family** – householder and all people in household who are related to him or her

**Householder** – any household member 15 years or older whose name the home is owned, being bought, or rented

**Household** – all people who occupy a housing unit (i.e. house, apartment, mobile home, group of rooms, etc.)

**Median Family Income** – total income distribution for families divided into two equal parts with one-half of the cases falling above or below median income for this class

**Median Household Income** – total income distribution for households divided into two equal parts with one-half of the cases falling above or below median income for this class

**Poverty Level** – when total income for a family or individual for the past 12 months is lower than poverty thresholds for a person's family size and composition. Poverty thresholds are income cutoffs and are annually adjusted based on the Consumer Price Index for all Urban Users (CPI-U). In 2009 the poverty level for a four person family was \$21,765, for an individual under 65 years it was \$11,161, for an individual 65 years and over it was \$10,289

\*All definitions derived from 2009 American Community Survey Subject Definitions

## Income Characteristics:

According to the 2005-2009 American Community Survey, the City of Beloit's Median Family Income was \$44,905. This means that half of family incomes in the city were above or below this level. Beloit has continued to lag behind the state's and Rock County's Median Family Income at \$64,609 and \$61,397 respectively. The Median Household Income for the City of Beloit for 2005-2009 was \$36,863, which is a small decline from \$37,388 in 2000. Among racial groups, Asians carried the highest Median Household Income at \$60,708, while white households had the second highest median household income, \$40,593. Hispanic or Latino median household income was \$28,624, while African-American median household income was \$25,132, while American Indian and Alaska Natives carried the lowest median household income at \$24,792. The American Community Survey revealed that five percent (5%) of households in the City of Beloit received public assistance as an income for the year 2009. This means that 689 households out of 14,285 households in the city had a public assistance income, which is a significant increase from the 2004 analysis that accounted for three percent (3%) of households in the city using public assistance benefits as income. Nineteen percent (19%) of Beloit's population are living with incomes below the poverty level, which is approximately 6,777 individuals. When individuals with incomes below the poverty level were analyzed among racial groups, African-Americans and Hispanics represented 36% and 34% respectively of this population. American Indians or Alaskan Natives represented 14%, while whites represented 13% of individuals in this population. Surprisingly there were no Asian individuals living with incomes below the poverty level in the City of Beloit.

## Income Limits:

Income Limits are measures based on percentages and ranges of median income for a given metropolitan statistical area (MSA). The income limits are calculated at 30%, which is classified as very low, at 50%, classified as low, and 80%, classified as moderate. "The Department

of Housing and Urban Development (HUD) is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs (FY 2009 HUD Income Limits Briefing Material)." The purpose and intent of using these income limits for this



analysis is to gain a sense of where citizens of Beloit place within different income ranges, and if citizens are concentrated or clustered into certain areas within the city based upon their incomes. The income limits of Beloit are based on the Janesville MSA, which essentially contains all of Rock County. For 2009 the median income for the Janesville MSA was \$65,000. An income of \$19,500 or below accounted for 30% of the median income for the Janesville MSA. An income of \$32,500 or below accounted for 50%, and an income of \$52,000 accounted for 80% of the median income for the Janesville MSA for the year 2009. It should be mentioned that the income limits are cumulative, which means that each limit is inclusive of the previous income limit. For example, the 80% income limit includes those incomes that fall within the 50% and 30% income limits and so on.

**Low-Income Concentrations:**

Three census tracts (15, 16, and 18)<sup>1</sup> were found to have a majority of its household incomes at and below 50% of the County Median Income (CMI)<sup>2</sup>. Census Tract 15 had the highest low-income concentration with 73% of its households at or below the 50% income limit. Census Tract 16 had the seconded highest low-income concentration at 66%, and census tract 18 with the third highest low-income concentration at 63% of its households at or below the 50% income limit. It is important to mention that roughly 26% of households in the City of Beloit are living with incomes at or below 30% of the CMI. Over half of the households within Census Tract 15 are at or below this income limit, which reveals a severe concentration of very-low income households within this census tract. Other census tracts with very low income concentrations include 16, 17, 18, and 21. All share percentages for very low income households that are higher than the city’s average. With the exception of census tract 21, the census tracts are clustered around the city center. As mentioned earlier, Census Tracts 16, 17, and 18 are where minority householders are heavily concentrated.

DEFINITIONS
<b>Moderate Income—</b> Household income is at or below 80% Area Median Income.
<b>Low Income—</b> Household income is at or below 50% Area Median Income.
<b>Very Low Income—</b> Household income is at or below 30% Area Median Income.

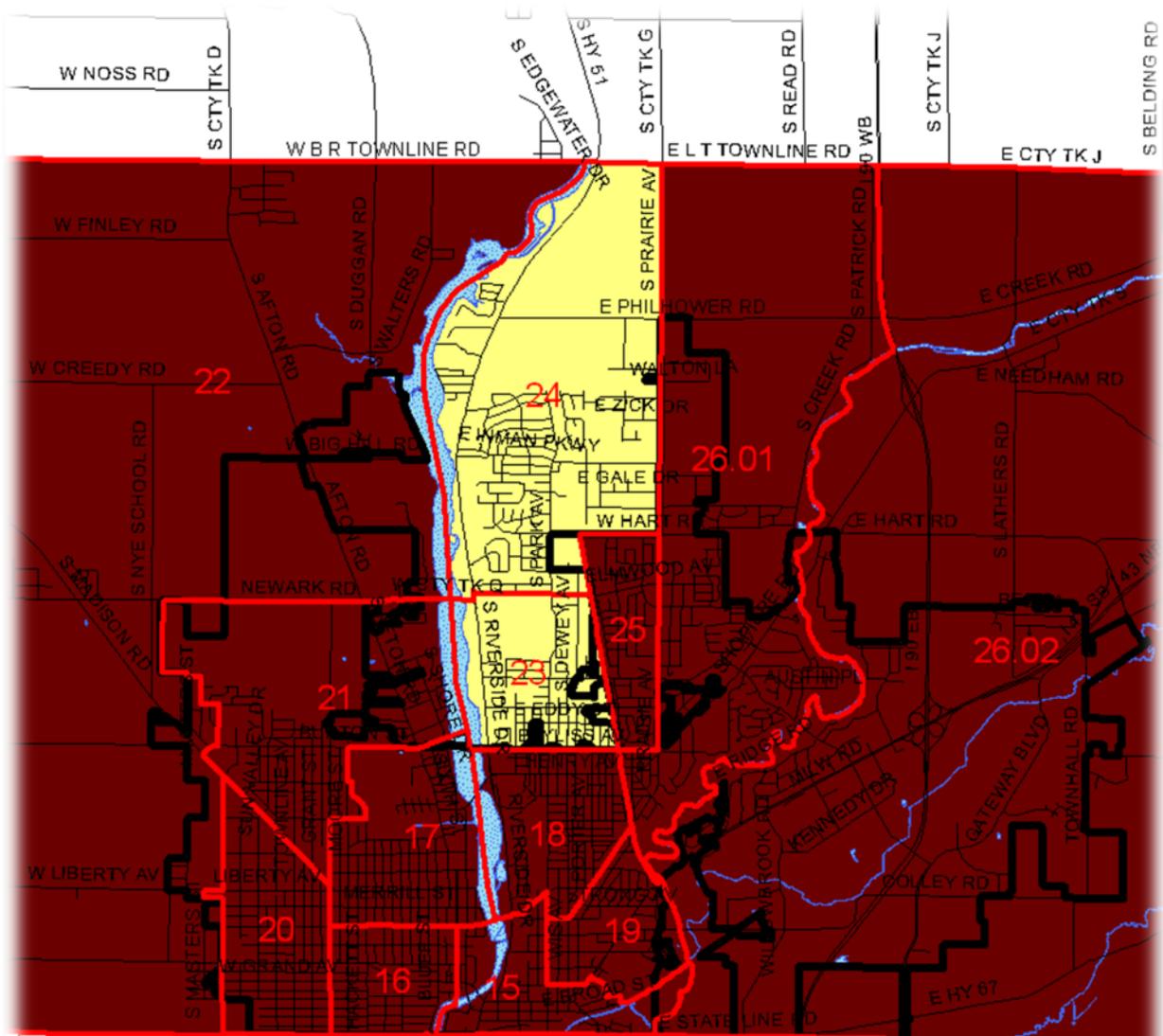
The following three maps show the distribution of moderate, low, and very low households within the City of Beloit.

<sup>1</sup> Only the households within the City of Beloit boundaries were extracted from the census tracts. In the previous analysis households within Census Tracts contained the City of Beloit boundaries along with households in surrounding towns were aggregated.

<sup>2</sup> County Median Income is interchangeable with Janesville MSA Median Income or Rock County Median Income for 2009



# Distribution of Moderate Income



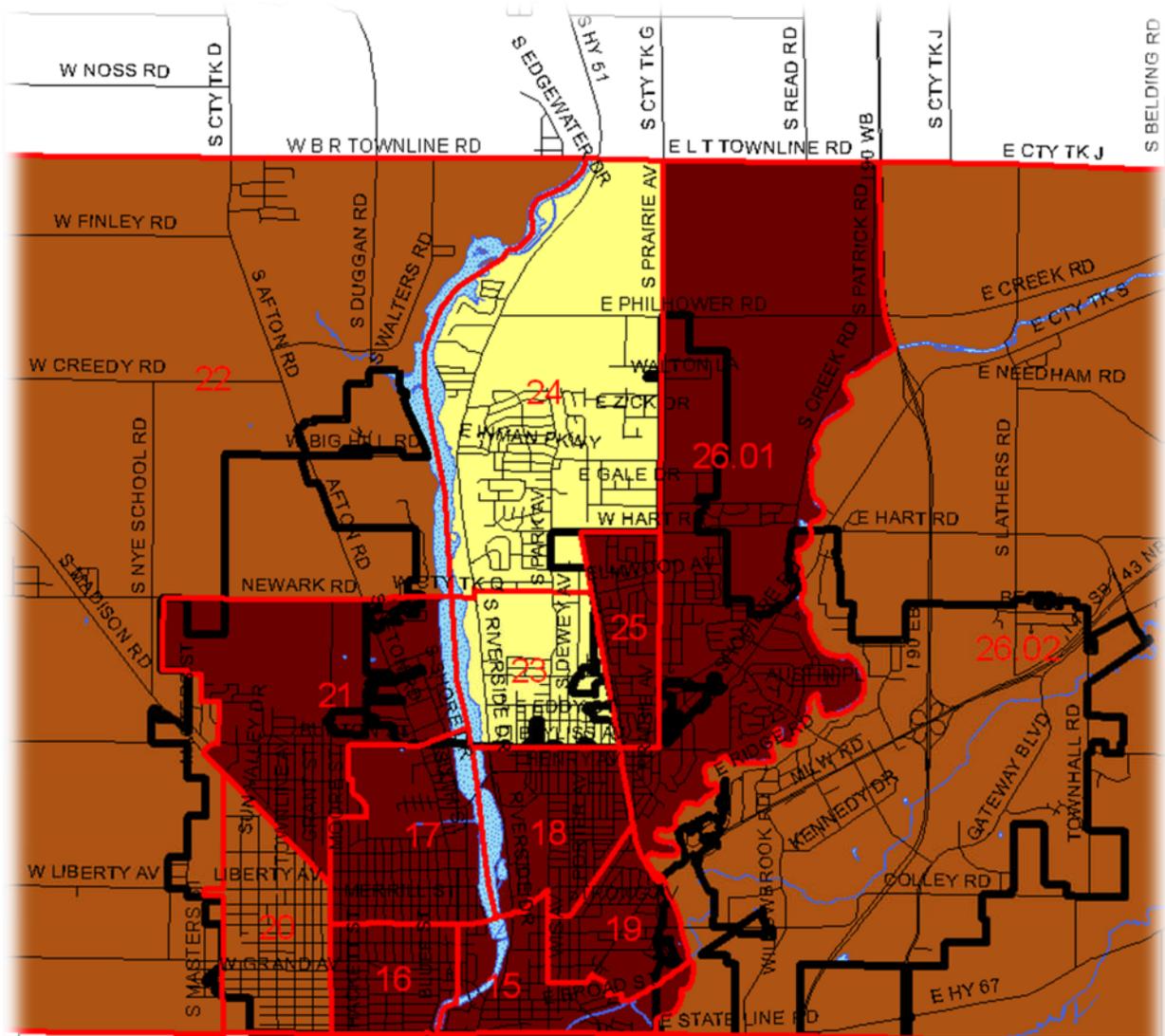
2005-2009 American Community Survey



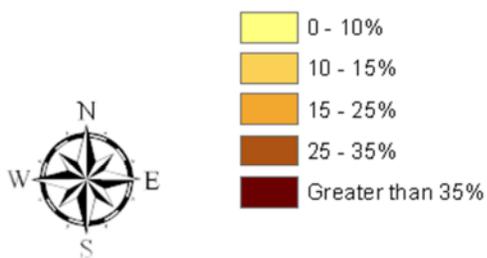
**City of Beloit**  
Moderate Income Households



# Low Income Households



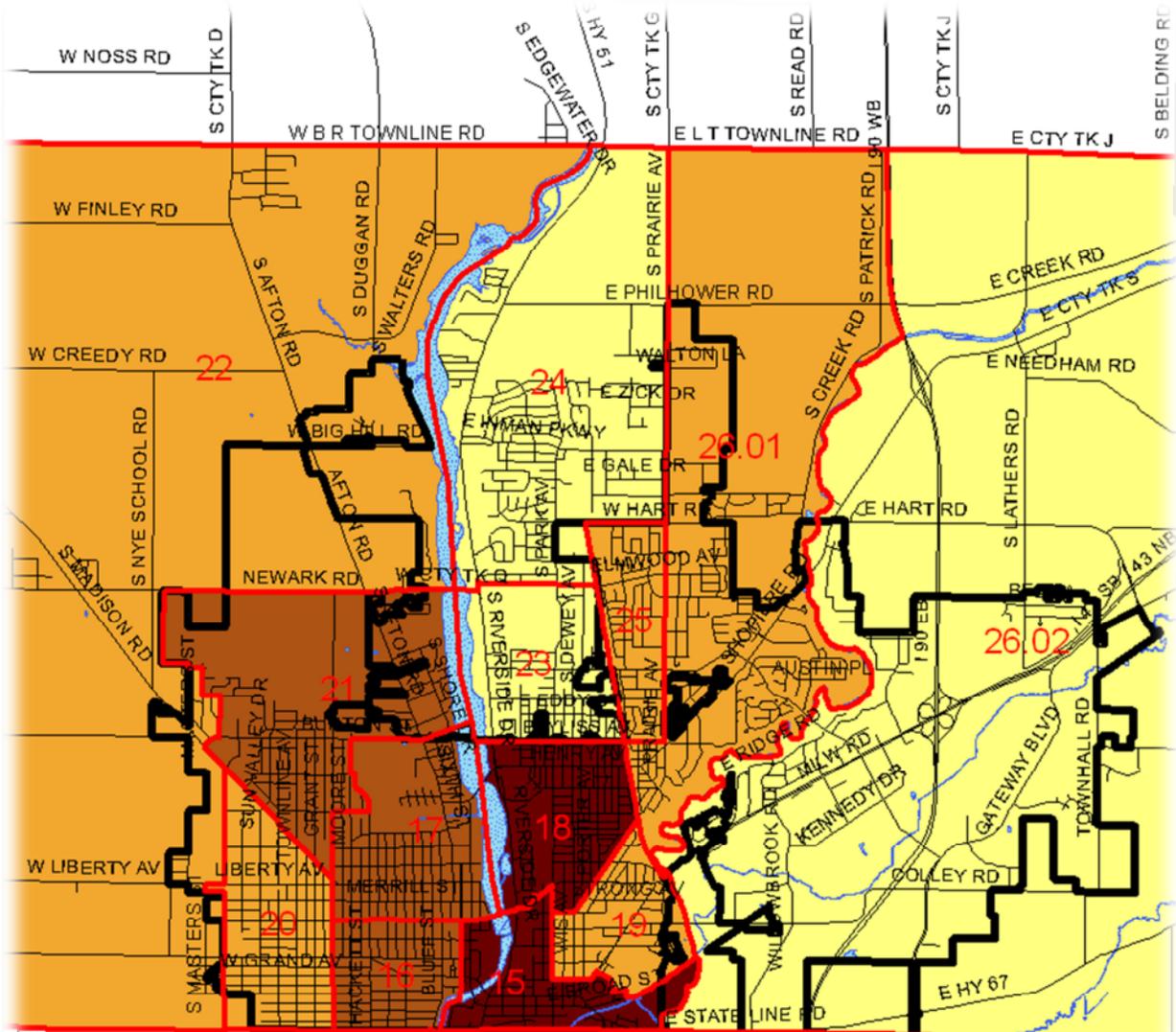
2005-2009 American Community Survey



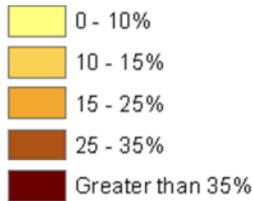
**City of Beloit**  
Low Income Households



# Very Low Income Households



2005-2009 American Community Survey

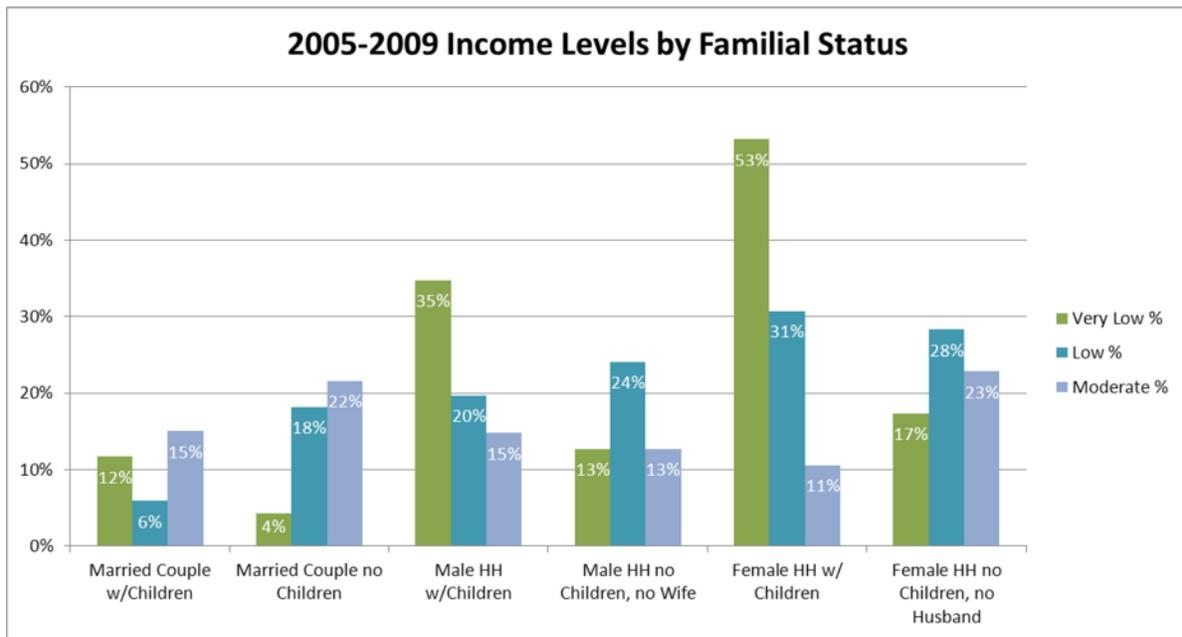


**City of Beloit**  
Very Low Income Households



**Familial Status:**

The makeup of a family is another factor to be considered when gauging the levels of income for households across the city. An observation of the chart below reveals that 53% of female headed households with children are classified as having very low incomes, while only 35% of male headed households with children are considered very low income. The graph below reveals that householders who are single with children are likely to have incomes that are very low and low, than both married and single households with no children present. The analysis seems to suggest that households of Beloit who are married are more likely to have moderate incomes, and less likely to have very low incomes compared to single households and single households with children.



Source: U.S. Census Bureau; American Community Survey, 2005-2009

Familial Status	Total	Very Low #	Very Low %	Low #	Low %	Moderate #	Moderate %
Married Couple w/Children	2,477	289	12%	146	6%	372	15%
Married Couple no Children	3,380	144	4%	614	18%	730	22%
Male HH w/Children	305	106	35%	60	20%	45	15%
Male HH no Children, no Wife	299	38	13%	72	24%	38	13%
Female HH w/ Children	1,713	911	53%	526	31%	181	11%
Female HH no Children, no Husband	728	126	17%	206	28%	166	23%

Source: U.S. Census Bureau; American Community Survey, 2005-2009

Income Ranges	City Low-Mod Income Levels
VLI = 19,999<	Very Low Income = \$19,500 (30%)
LI = 20,000 - 34,999	Low Income = \$32,500 (50%)
MI= 35,000 - 49,000	Moderate Income = \$52,000 (80%)

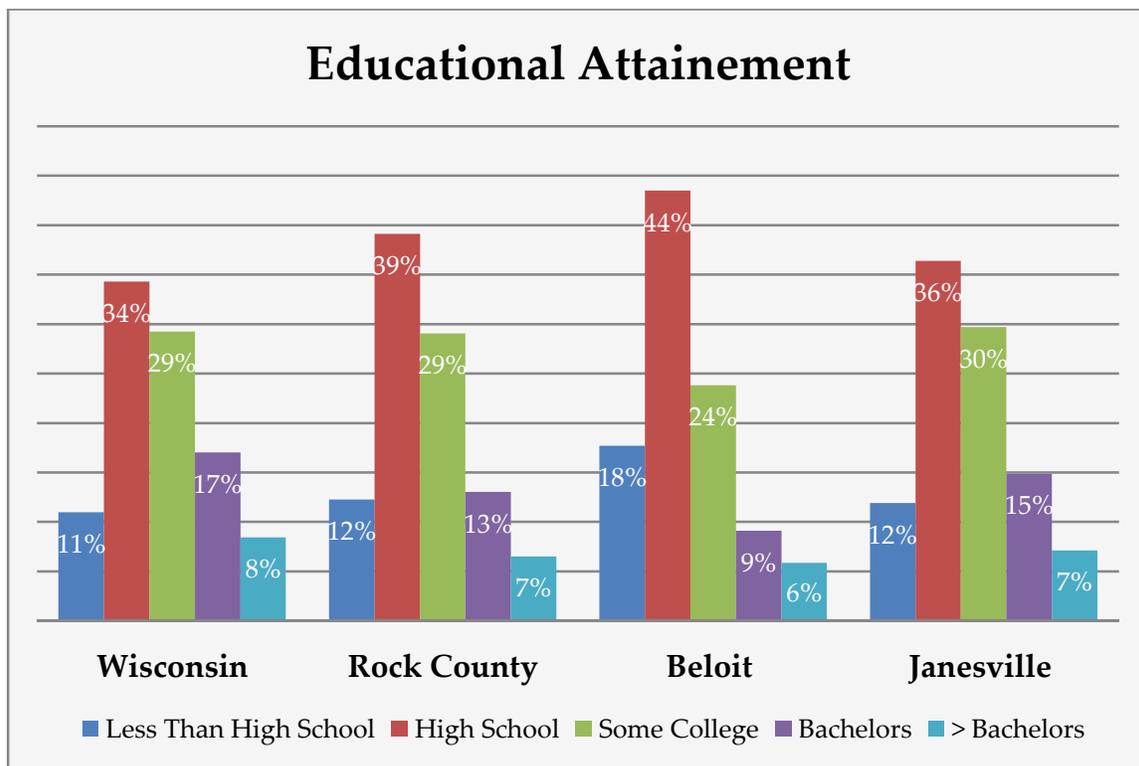
Source: U.S. Census Bureau; American Community Survey, 2005-2009



## Economic Profile

### Education Levels

The chart and tables below shows the educational attainment levels of individuals within the City of Beloit, Rock County, Janesville, and Wisconsin. The chart reveals that sixty-two percent (62%) of Beloit's educated population has obtained an education level of high school or less. For other education attainment levels beyond high school, the City of Beloit has less representation at those attainment levels compared to other locations in the chart. In fact, only thirty-nine percent (39%) of Beloit's educated population have obtain and education beyond high school. When this compared to other listed places in the chart, the educated population for the City of Beloit lags behind. For example, forty-nine percent (49%) of the educated population for Rock County have obtained an education beyond high school, fifty-two percent (52%) for Janesville, and fifty-four percent (54%) for Wisconsin.



Source: U.S. Census Bureau; American Community Survey, 2005-2009



Educational Attainment						
Total Educated Population		Less Than High School	High School	Some College	Bachelors	> Bachelors
Wisconsin	3,693,307	11%	34%	29%	17%	8%
Beloit	22,578	18%	44%	24%	9%	6%
Eau Claire	35,640	8%	29%	32%	21%	10%
Janesville	41,409	12%	36%	30%	15%	7%
Kenosha	60,563	15%	34%	31%	14%	6%
La Crosse	27,564	10%	31%	32%	17%	10%
Oshkosh	40,809	13%	35%	28%	17%	7%
Superior	17,931	11%	34%	34%	13%	8%

Source: U.S. Census Bureau; American Community Survey, 2005-2009

**Employers and Industry:** In 2000, Beloit had 15,840 employed residents. In the 2005-2009 ACS, this number increased very slightly to 15,862 (0.14 %). The largest percentage of Beloit residents (25.9%) are employed in manufacturing industries. Educational, health and social services is the second largest industry employing 23.5% of Beloit residents. Retail trade industries are the third largest, and employ 10.3% of the workforce over the age of 16 in Beloit.

Employment by Industry		
Industry	Total	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	122	0.8%
Construction	668	4.2%
Manufacturing	4,109	25.9%
Wholesale Trade	672	4.2%
Retail Trade	1,641	10.3%
Transportation and Warehousing, and Utilities	636	4.0%
Information	380	2.4%
Finance and Insurance, and Real Estate and Rental and Leasing	423	2.7%
Professional, Scientific, and Management, and Administrative and Waste Management Services	1,028	6.5%
Educational Services, and Health Care and Social Assistance	3,727	23.5%
Arts, Entertainment, and Recreation, and Accommodation and Food Services	1,448	9.1%
Other Services, Except Public Administration	663	4.2%
Public Administration	345	2.2%

Source: U.S. Census Bureau; American Community Survey, 2005-2009



**Top Employers of Beloit Residents:** The table below lists the top 20 major employers of Beloit residents in 2011 by number of employees. Taylor Company, Birds Eye, Ecolab, and Scot Forge are located outside of the City of Beloit.

The leading employer is Beloit Health Systems, which employs 1,464 employees. Beloit School District is the second largest employer with 1,159 employees and Taylor Company is third with 854 employees. These top 20 employers provide jobs to 9,406 workers in the City of Beloit.

<b>Top 20 Employers in City of Beloit 2011</b>		
<b>Employer</b>	<b>Product or Service</b>	<b># of Employees</b>
Beloit Health Systems	Medical Services	1464
School District of Beloit	Public Education Grades K-12	1159
Taylor Company	Ice Cream & Shake Machines	854
Frito-Lay	Snack Foods	739
Kerry Americas	Dehydrated Food Products	633
Birds Eye	Frozen Vegetables	600
City of Beloit	Municipal Service	519
Fairbanks Morse/Goodrich	Diesel Engines & Accessories	445
Beloit College	4 Year Liberal Arts College	425
ABC Supply Co.	Distributor of Roofing, Siding and Windows	326
Wal-Mart Super Store	Retail Department Store	303
Ecolab, Inc.	Chemical Dispensers/Cleaning Sys.	290
Hormel Foods	Canned Meat Products	284
First National Bank & Trust	Personal and Business Banking	252
Stables Distribution	Distributor of Office Supplies	231
Scot Forge	Open Die and Rolled Ring Forgings	204
Turner School District	Public Education Grades K-12	200
Serta Mattress Co.	National Bedding Company	175
Woodman's Food Market	Grocery Store	154
Kettle Foods, Inc.	All-Natural Potato Chips	149

Source: Greater Beloit Works,

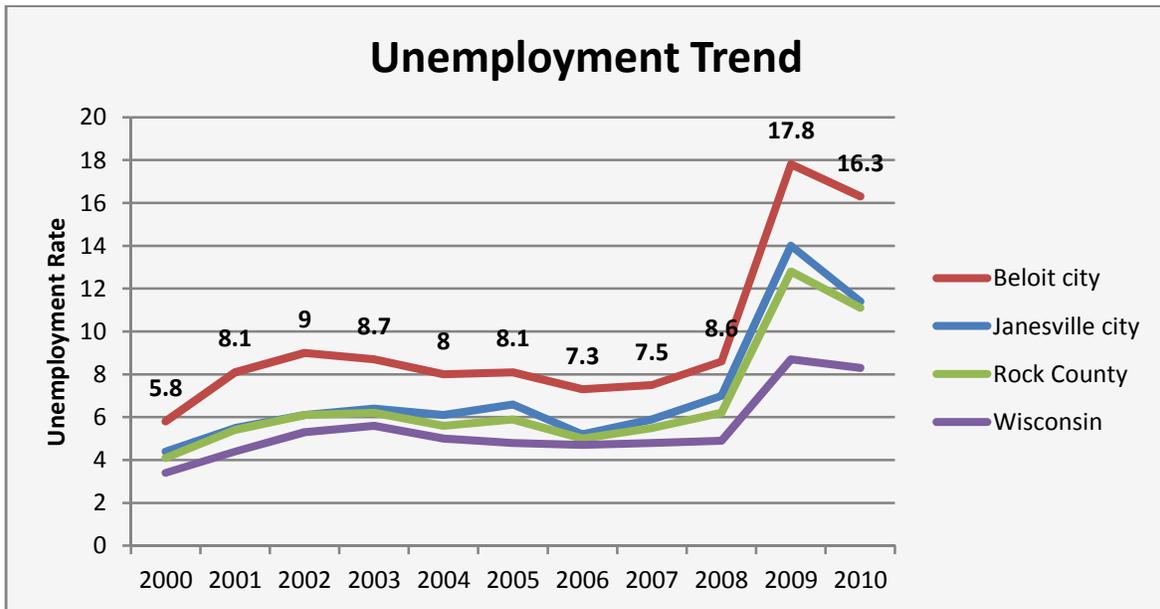
<http://www.greaterbeloitworks.com/workforce/tabid/63/Default.aspx>



**Labor Force:** The table below illustrates a decrease in employment between 2000 and 2010 with 326 less workers reported. During this same time, the percentage of workers within the labor force who were unemployed increased by 10.5% to a 2010 rate of 16.3%. 2009 had the highest unemployment with an unemployment rate of 17.8%. 2000 was the lowest with 5.8% unemployment. These numbers are significantly higher when compared to the Wisconsin State average of 8.7% in 2009 and 8.3% in 2010.

Labor Force and Unemployment 2000-2010 City of Beloit					
	Beloit				Wisconsin
Year	Labor Force	Employment	Unemployment	Unemployment Rate	Unemployment Rate
2000	17,514	16,493	1,021	5.8	3.4
2001	17,747	16,314	1,433	8.1	4.4
2002	17,403	15,830	1,573	9	5.3
2003	17,174	15,686	1,488	8.7	5.6
2004	17,129	15,766	1,363	8	5
2005	17,065	15,691	1,374	8.1	4.8
2006	17,480	16,208	1,272	7.3	4.7
2007	17,528	16,215	1,313	7.5	4.8
2008	17,027	15,568	1,459	8.6	4.9
2009	17,625	14,492	3,133	17.8	8.7
2010	17,188	14,391	2,797	16.3	8.3

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics



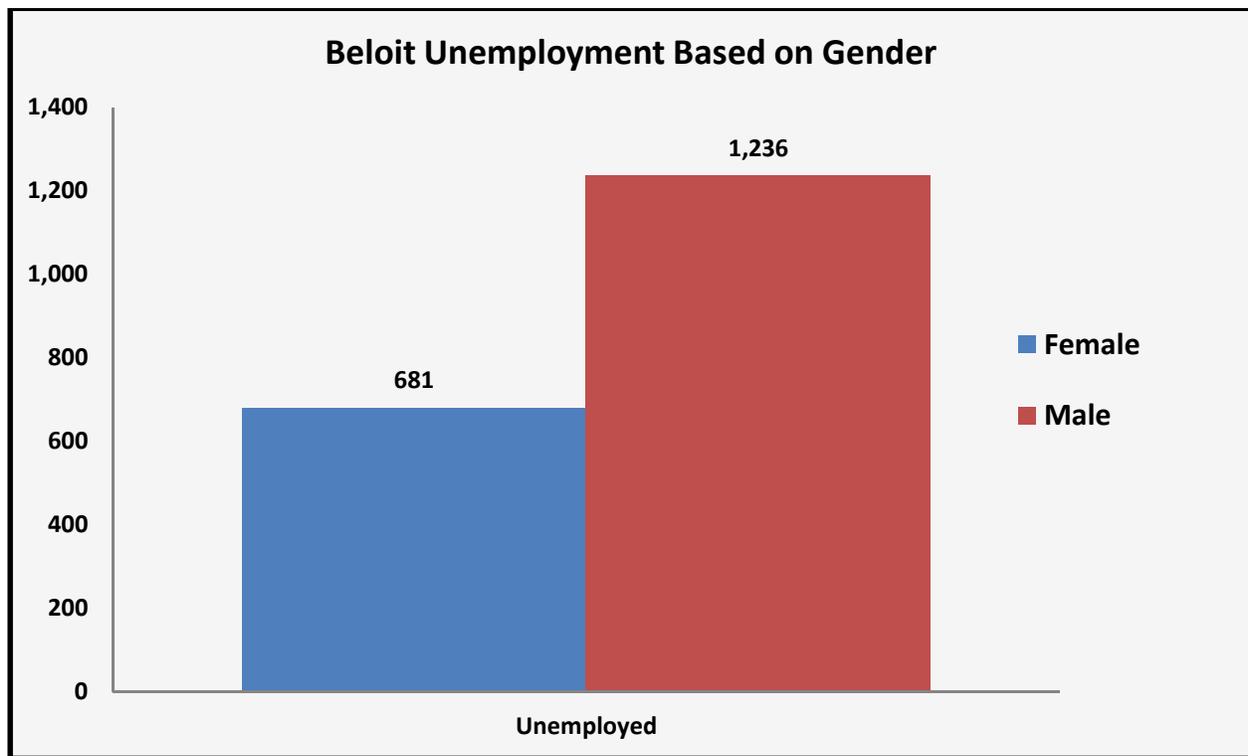
Source: Bureau of Labor Statistics, Local Area Unemployment Statistics



**Unemployment by Gender:** Based on the American Community Survey, 2005-2009, the *male* unemployment rate was reported as 9.6%, and the *female* unemployment rate was 4.6%. Of the total unemployed in Beloit (1,917), 64.5% were males with the remaining 35.5% being females.

Unemployment Based on Gender					
	Total	Female		Male	
Total 16+	27,850	14,939	-	12,911	-
Total in Labor Force	17,779	8,423	56.4%	9,356	72.5%
Employed	15,862	7,742	51.8%	8,120	62.9%
Unemployed	1,917	681	4.6%	1,236	9.6%

Source: U.S. Census Bureau; American Community Survey, 2005-2009



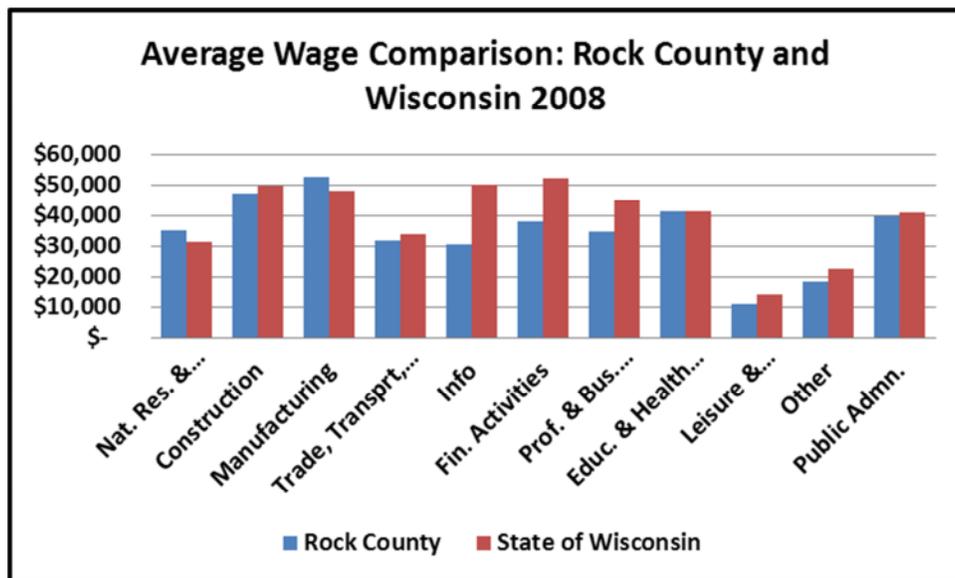
Source: U.S. Census Bureau; American Community Survey, 2005-2009

**Wage Rates:** The following table is a comparison of 2008 mean wages between Rock County and the State of Wisconsin. The data shows that the *mean annual wage* for workers in Rock County (\$36,914) is *less than* the State overall (\$39,169) by \$2,255. However, Rock County pays workers proportionately higher in both the Natural Resources and Mining (+\$3,932) and the Manufacturing (+\$4,285) industries. Despite this, Rock County pays workers proportionately less in all other areas. Significant differences include Information (-\$19,415), Financial Activities (-\$13,960) and Professional and Business Services (-\$10,586).



Average Wage Comparison by Industry 2008				
	Rock County		State of Wisconsin	Difference Rock County-Wisconsin
Industry	Total Employmen	Average Annual	Average Annual Wage	Average Annual Wage
Nat. Res. & Mining	481	\$ 35,159	\$ 31,227	\$ 3,932
Construction	2937	\$ 47,171	\$ 49,658	\$ (2,487)
Manufacturing	12344	\$ 52,401	\$ 48,116	\$ 4,285
Trade, Transprt, Utilities	15935	\$ 31,897	\$ 33,604	\$ (1,707)
Info	1277	\$ 30,423	\$ 49,838	\$ (19,415)
Fin. Activities	1810	\$ 38,048	\$ 52,008	\$ (13,960)
Prof. & Bus. Services	4745	\$ 34,528	\$ 45,114	\$ (10,586)
Educ. & Health Services	14363	\$ 41,480	\$ 41,222	\$ 258
Leisure & Hospitality	6310	\$ 11,072	\$ 14,102	\$ (3,030)
Other	1875	\$ 18,585	\$ 22,628	\$ (4,043)
Public Admn.	3338	\$ 39,598	\$ 41,040	\$ (1,442)
Total	65415	\$ 36,917	\$ 39,169	\$ (2,252)

Source: Rock County Workforce Development Profile 2009, [http://dwd.wisconsin.gov/oea/county\\_profiles/](http://dwd.wisconsin.gov/oea/county_profiles/)



Source: Bureau of Labor Statistics

**Transportation/Travel Time to Work:** The 2005-2009 American Community Survey reported the most utilized source of transportation in Beloit is the private automobile (88.8%). Of those who use a private automobile, 75.4% drove alone to work, while 13.4% reported carpooling. Walking was the second most common form of transportation at 5.9%, public transportation (excluding taxicabs) was the third at 1.2%. The mean travel time to work for all commuters was 19.2 minutes. This compares approximately to the same amount of time for Rock County (20.9



minutes), and the State of Wisconsin (21.1 minutes).

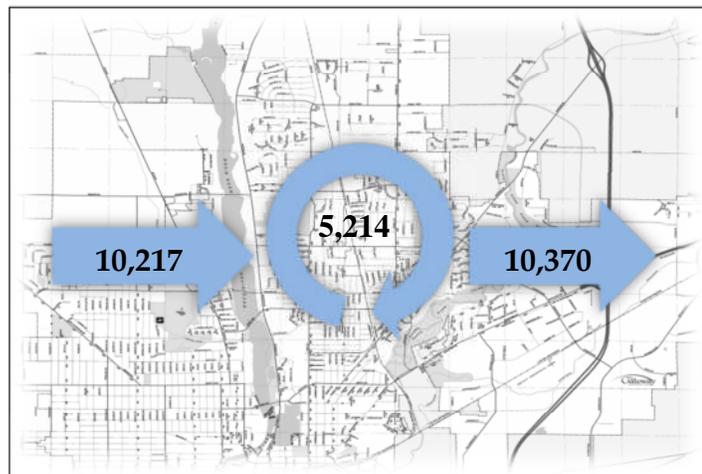
According to data from the *2009 On The Map* from the United States Census, of the 15,584 residents who live in Beloit and journey to work, 33.5% work inside the city limits. The remaining 66.5% of workers journey outside the City for employment. The three primary areas residents are commuting to are the City of Janesville, WI to the north (11.9%), Winnebago County, IL to the south (9.7%) and the City of Madison, WI to the northeast (9.1%).

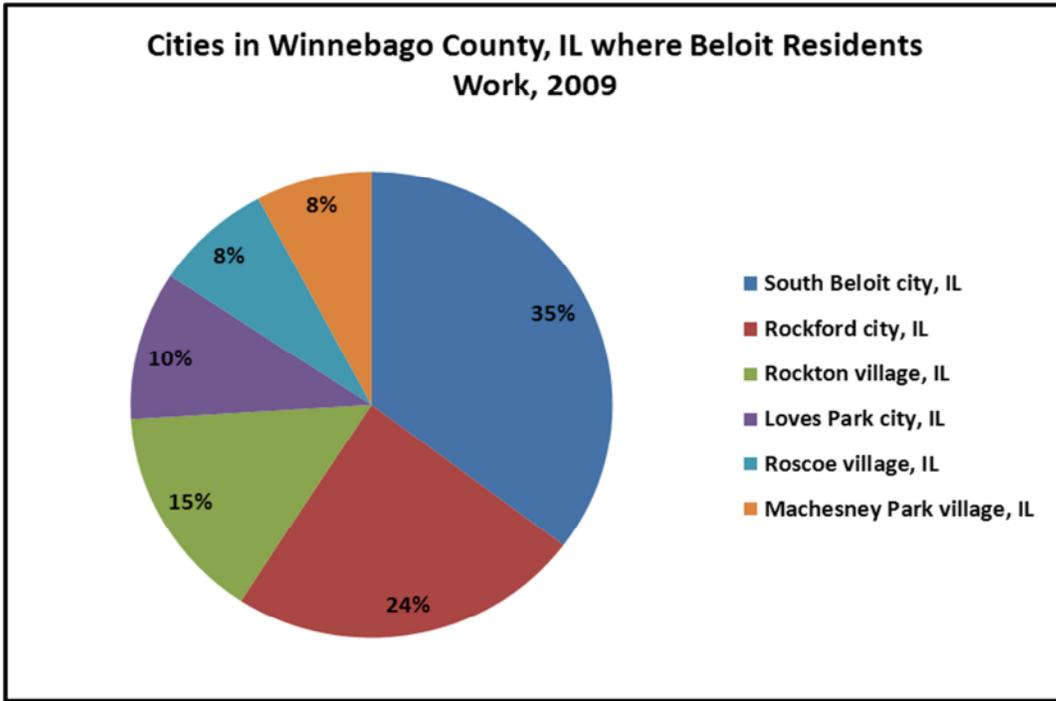
Beloit Workers Who Work Elsewhere, 2009		
Janesville City, WI	1,859	11.0%
Madison, WI	1,415	2.7%
South Beloit, IL	531	2.0%
Rockford City, IL	363	1.7%
Milwaukee, WI	339	1.2%
Clinton Village, WI	223	1.1%
Rockton, IL	221	1.0%
Delavan, IL	152	0.9%
Loves Park, IL	149	0.8%
All Other Locations	5,118	43.7%
<b>Total Working Elsewhere</b>	<b>10,370</b>	<b>66.0%</b>

Beloit Workers Who Live Elsewhere, 2009		
Janesville City, WI	1700	11.9%
South Beloit, WI	422	9.1%
Rockton Village, IL	310	3.4%
Rockford City, IL	270	2.3%
Madison City, WI	181	2.2%
Clinton Village, WI	168	1.4%
Roscoe, IL	156	1.4%
Machesney Park Village, IL	146	1.0%
Milwaukee City, IL	122	1.0%
All Other Locations	6742	32.8%
<b>Total Living Elsewhere</b>	<b>10217</b>	<b>67.0%</b>

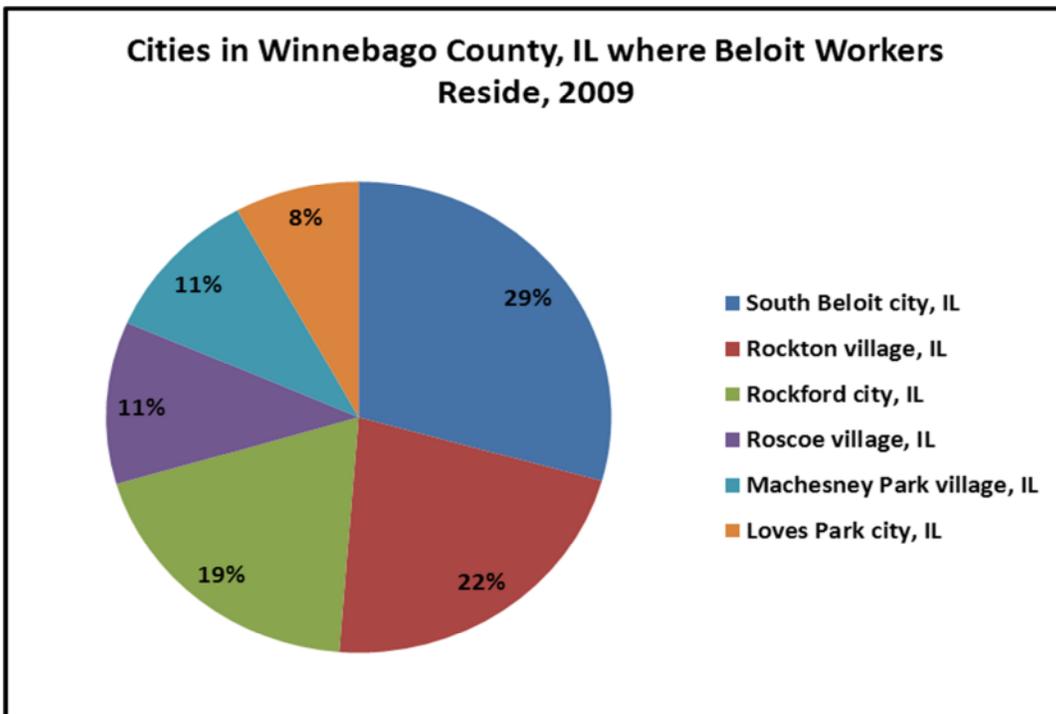
Source: U.S. Census Bureau, *On The Map Application* and LEDHD *Origin-Destination Employment Statistics*

For residents who commute into Beloit, 11% reside in the City of Janesville, WI, 9.3% in Winnebago County, IL, and 1.1% in the City of Madison, WI. See the table above and the chart below for more details on the commuting patterns of Beloit residents and workers.





Source: U.S. Census Bureau, On The Map Application and LEDHD Origin-Destination Employment Statistics



**Transit System:** The Beloit Transit System (BTS) is comprised of four City routes and one extended route to Janesville. The BTS routes reach multiple shopping and service destinations as well as UW-Rock County, Blackhawk Technical College, and Rock County Job Center via the extended Beloit-Janesville Express.

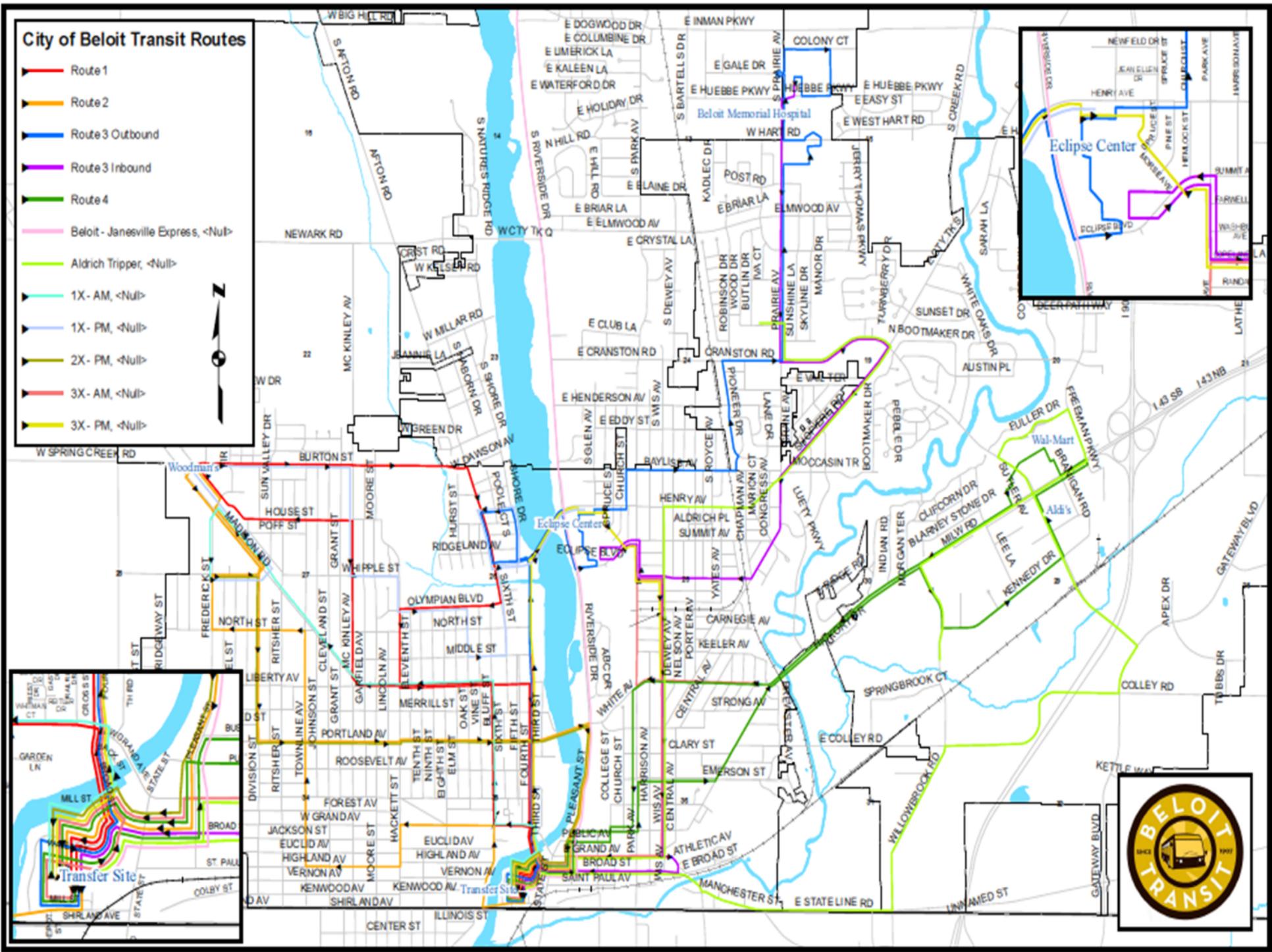
The BTS operates Monday through Friday 6 A.M. to 6 P.M and on Saturdays from 9 A.M. to 4 P.M. All City routes are \$1.25, or \$0.60 for senior citizens, disabled persons or Medicare recipients. All routes originate at the Beloit Transit Transfer Facility located at 225 Shirland Avenue in Beloit. For residents with disabilities that require paratransit services, Rock County Specialized Transit is available 6 A.M to 6 P.M Monday through Friday, and 9 A.M to 4:30 P.M on Saturdays. The fare is \$4.00 for in-city services (Beloit to Beloit) and \$5.00 for out-of-city services (Beloit to Janesville).

See the Beloit Transit System route map below for further information.



# City of Beloit Transit Routes

-  Route 1
-  Route 2
-  Route 3 Outbound
-  Route 3 Inbound
-  Route 4
-  Beloit - Janesville Express, <Null>
-  Aldrich Tripper, <Null>
-  1X - AM, <Null>
-  1X - PM, <Null>
-  2X - PM, <Null>
-  3X - AM, <Null>
-  3X - PM, <Null>



## Housing Profile

**Property Tax Assessment Data:** The City’s property assessment database (2011) was reviewed and analyzed for the purpose of completing this report. This analysis provides a “snapshot” of the available housing stock within the City of Beloit.

**Residential Properties:** There were approximately 11,663 total units of residential property reviewed. The total value (including land and improvements) of these properties was \$859,223,350. The average value is \$73,671 and the median value is \$66,300. Of this amount, *single-family residential* made up the majority of housing available, at \$703,348,850 (81.9 %) of the total value of residential properties in the city.

Residential Properties					
Property Values: Single Family-Residential					
Land Use	Total Value	%	Mean Value	Median Value	#
Single Family Residential	\$ 667,117,750	77.6%	\$ 82,299	\$ 74,350	8,106
Residential by RR	\$ 9,190,700	1.1%	\$ 62,522	\$ 60,100	147
Residential by Water	\$ 27,040,400	3.1%	\$ 201,794	\$ 194,900	134
<b>Total</b>	<b>\$ 703,348,850</b>	<b>81.9%</b>	<b>\$ 83,862</b>	<b>\$ 74,800</b>	<b>8,387</b>
Property Values: Single Family-Rental					
Land Use	Total	%	Mean	Median	#
Single Family-Rental	\$ 88,712,100	10.3%	\$ 47,012	\$ 43,200	1,887
Property Value: Multi-Family-Residential					
Land Use	Total	%	Mean	Median	#
Multiple Dwellings	\$ 7,217,100	0.8%	\$ 80,190	\$ 76,050	90
Duplex	\$ 46,035,800	5.4%	\$ 69,123	\$ 61,300	666
Triplex	\$ 4,641,700	0.5%	\$ 76,093	\$ 66,300	61
<b>Total</b>	<b>\$ 57,894,600</b>	<b>6.7%</b>	<b>\$ 70,862</b>	<b>\$ 63,200</b>	<b>817</b>
Property Value: Improvements					
Land Use	Total	%	Mean	Median	#
Improvements	\$ 935,800	0.1%	\$ 17,330	\$ 15,550	54
Property Value: Vacant Land					
Land Use	Total	%	Mean	Median	#
Vacant Land by Water	\$ 247,300	0.0%	\$ 20,608	\$ 17,900	12
Vacant Land-Residential	\$ 7,627,000	0.9%	\$ 15,163	\$ 11,600	503
<b>Total</b>	<b>\$ 7,874,300</b>	<b>0.9%</b>	<b>\$ 15,290</b>	<b>\$ 11,700</b>	<b>515</b>
Property Value: Agricultural					
Land Use	Total	%	Mean	Median	#
Agricultural	\$ 380,500	0.0%	\$ 126,833	\$ 125,500	3
Property Values: All Residential					
Land Use	Total	%	Mean	Median	#
<b>All</b>	<b>\$ 859,223,350</b>	<b>100.0%</b>	<b>\$ 73,671</b>	<b>\$ 66,300</b>	<b>11,663</b>

Single-family rental contributed the second most at \$88,712,100 (10.3%), and multiple dwellings (apartments, duplexes, triplexes, etc.) were the third largest at \$57,894,600 (6.7%). Below you will find a table detailing the residential properties in the City of Beloit, and their values, as of September 2011

The largest portion of housing stock in the city is classified as “single family,” making up 92% (10,274 units) of total housing (including single-family rental). The average value of single-family housing is \$77,094 with a median of \$68,700. A significant portion, 81.6% (8,387/10,274) of single family housing is considered “single family residential.” The average value of single-family residential is \$83,862 with a median value of \$74,800. The remaining 18.4% (1,887/10,274) of single family housing are classified as rentals. The value for the single family rental units in the city make up 11.2% of the total value of all residential housing in the city. The average value of single family rental is \$47,012 and the median value is \$43,200.

The City of Beloit also has a number of multi-family housing units available (817 properties), including apartments, duplexes, and triplexes. Multi-family housing makes up 7% (817/11,663) of the total residential housing stock in Beloit. The total value for multi-family properties is \$57,894,600. The average assessed value for the *multi-family properties* is \$370,862 and the median value is \$63,200. Multiple dwellings, including apartments, represent 11% (90/817) of total multi-family properties. The total value for *multiple dwellings* is \$7,217,100, with an average value of \$80,190 and a median value of \$76,050. Not included in the residential multi-family calculations are the 143 residential properties in the city that are classified as “commercial.” Commercial residential properties include apartments located over store fronts, high and low-rise apartments, and group care homes. The total value of the *commercial residential* properties is \$87,216,500; with an average value of \$609,906 and a median value of \$164,000. There are 960 multi-family housing units within the city if the commercial units are included.

<b>Commercial Properties</b>				
<b>Property Values: Commercial</b>				
<b>Land Use</b>	<b>Total</b>	<b>Mean</b>	<b>Median</b>	<b>#</b>
<b>Residential Use</b>	\$ 87,216,500	\$609,906	\$164,000	143
<b>Vacant Land-Commercial</b>	\$ 5,103,800	\$ 59,347	\$ 25,100	86
<b>Total</b>	\$ 92,320,300	\$403,145	\$103,700	229

*City of Beloit, Assessor Database*

There are 666 residential duplex properties (two units) in the City of Beloit. Duplexes constitute 81.5% of the total multi-family housing in the city. The total value of duplex properties is \$46,035,800. The average value for duplex properties is \$69,123 and the median value is \$61,300.

Triplex properties (three units) were a much smaller proportion of the multi-family housing stock with only 61 properties (7%). The total value of triplex properties is \$4,641,700. The average value of triplex property is \$76,093 and the median value is \$66,300.



In addition, the assessment files included 11 group home properties (2 classified as residential and 11 as commercial), 11 mixed-use properties (classified as commercial), and 578 vacant residential properties (515 classified as residential, 8 as agricultural-residential, and 55 as tax-exempt-residential).

City of Beloit, Assessor Database

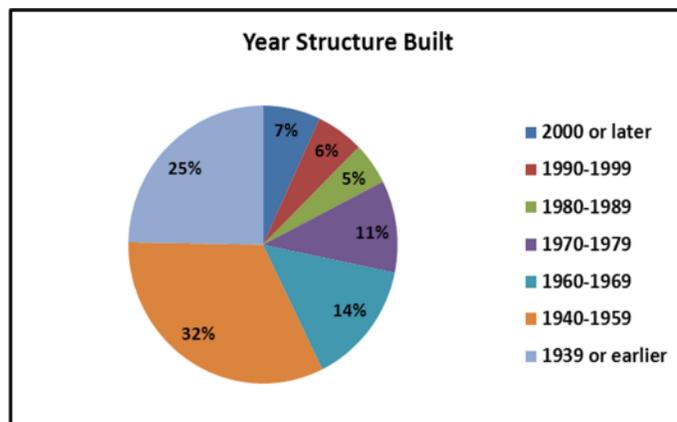
Exempt Properties			
Land Use	Total #	City Owned	%
Multiple Dwellings	16	9	56.3%
Single Family-Rental	26	26	100.0%
Single Family-Residential	24	13	54.2%
Vacant-Residential	55	33	60.0%
<b>Total</b>	<b>121</b>	<b>81</b>	<b>66.9%</b>

The City of Beloit also has a number of residential properties under its ownership which are classified as “exempt” properties (properties in the city owned by a not-for-profit agency, such as a government organization or religious institution). Of the total 121 exempt residential properties in Beloit, the city owns 81 (66.9%) of them, including 9 multi-family, 26 single-family rentals, 13 single-family residential and 33 vacant residential properties.

In conclusion, the City has (a) a very high proportion of single family residential units and (b) the values tend to be very moderate.

**Number of Units:** The 2005-2009 American Community Survey (ACS) recorded 15,972 total year-round housing units in the City of Beloit. Of these units, 1,687 (10.6%) were *vacant*. The most prominent housing in the city is *single-family detached housing*, which makes up 71.3% of total housing. Three or more units, at 17.2% of total housing, are the second most common housing available in the city.

**Age of Housing:** 82.4% of the available housing stock in the City of Beloit was built *before 1980* (13,171/15,972), with the majority having been built *between 1940 and 1959* (32.5%).



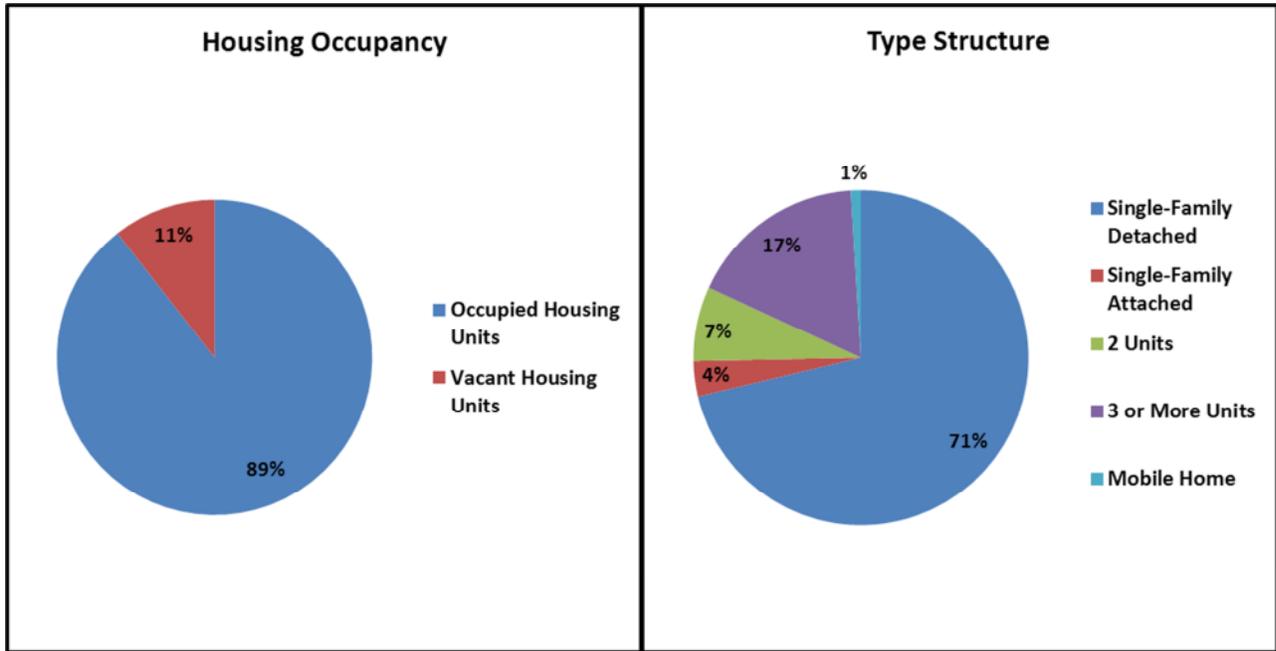
Source: U.S. Census Bureau; American Community

Year	Number	Percent
2000 or later	1,110	6.9%
1990-1999	903	5.7%
1980-1989	788	4.9%
1970-1979	1,711	10.7%
1960-1969	2,317	14.5%
1940-1959	5,197	32.5%
1939 or earlier	3,946	24.7%
<b>Total</b>	<b>15,972</b>	<b>100.0%</b>

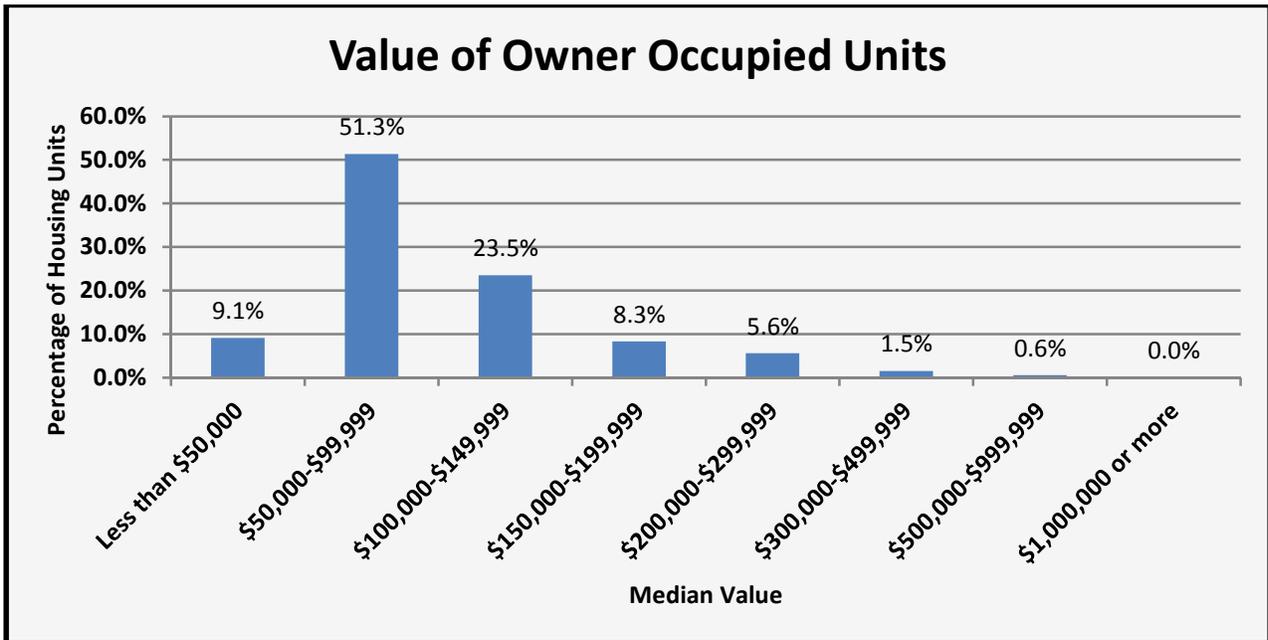
Source: U.S. Census Bureau; American Community



**Owner and Renter Housing:** Of the 15,972 total housing units in the city, 14,285 (89.4%) are *occupied* (05-09 ACS). Of the total occupied housing units, 9,492 (66.4%) are *owner-occupied* and 4,793 (33.6%) are *renter-occupied*.



**Housing Cost:** The *median owner-occupied housing value* reported in the 2005-2009 ACS was \$90,300. Just over 60% of the housing stock is valued *under \$100,000*.

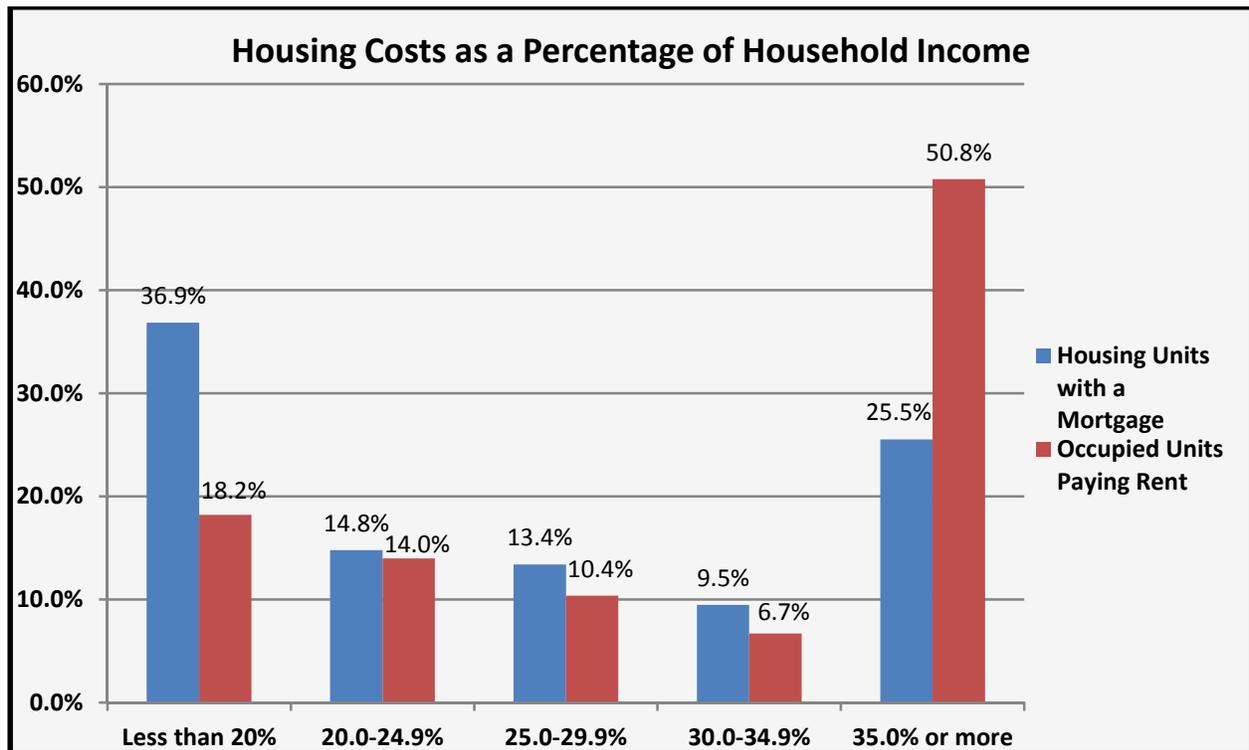


Source: U.S. Census Bureau; American Community Survey, 2005-2009



**Gross Rent:** The Census Bureau defines gross rent as the amount of the contract rent plus the estimated average monthly cost for utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) which may be paid by the renter (or paid for the renter by someone else). Gross rent is intended to eliminate differences that result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment.

The *median gross rent* in the City of Beloit was reported as \$682 in the 2005-2009 ACS, with 62.6% of renters paying *less than \$750 per month*. Just over half (50.8%) of renters spend 35% or more of their household income on housing. This compares to 25.5% of homeowners that spend 35% or more of their household income on housing.



Source: U.S. Census Bureau; American Community Survey, 2005-2009

**Low-Income Housing:** The table below lists Section 42 housing in the City of Beloit. Section 42 housing refers to that section of the Internal Revenue Tax Code that provides tax credits to investors who build affordable housing. Investors receive a reduction in their tax liability in return for providing affordable housing to people with fixed or lower income. The residents who live in Section 42 units must be income and program eligible, similar to residents who live in rental assistance developments. However, the amount of rent that a Section 42 resident will pay is capped at a fixed amount and includes utilities that are the resident’s responsibility. In rental assistance programs, such as Section 8, the resident’s contribution to the rent amount is based on 30% of his/her income and the remaining portion is paid by the federal government. Since the Section 42 Program is essentially a rent-control program, it does not provide direct governmental subsidies.

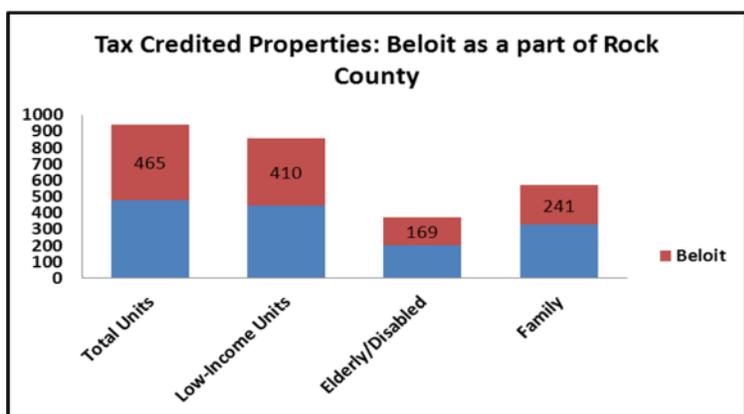


Beloit currently has seven housing complexes participating in Section 42 Program (tax credited properties). This includes 255 family units, and 210 Elderly/Disabled units. Beloit's Section 42 housing accounts for the highest concentration (49.4%) of the available Section 42 units within Rock County.

<b>Tax Credited Properties in the City of Beloit</b>					
<b>Complex Name</b>	<b>Address</b>	<b>Year Built</b>	<b># of Units</b>	<b>Low-Income Units</b>	<b>Type</b>
Brittan House	608 4th St.	1991	45	45	Family
Hillcrest Apartments	2200 Burton St.	1995	67	66	Elderly/Disable
Beloit Water Tower Place	Scattered Sites	1995	77	63	Family
Rock Bay Harbor Senior Apartments	1850 Huebbe Pkwy.	1999	97	56	Elderly/Disable
Olympian Hill Apartments	431 Olympian Blvd.	1999	46	47	Elderly/Disable
Fairbanks Flats Rowhomes	Scattered Sites	2008	13	13	Family
Woodside Terrace (Summerse)	2255 Burton St.	2008	120	120	Family
<b>Total</b>	-	-	465	410	-
<i>WHEDA Monitored Affordable Housing Tax Credit Projects by County</i>					
<i>Updated: 4/20/2011</i>					



Tax Credited Properties in Rock County and Beloit			
	Beloit	Rock County	Percent in Beloit
Total Units	465	941	49.4%
Low-Income Units	410	855	48.0%
Elderly/Disabled	169	372	45.4%
Family	241	569	42.4%
WHEDA Monitored Affordable Housing Tax Credit Projects by Cou			
Updated: 4/20/2011			



### Government-Subsidized Housing:

The table below lists the project-based Section 8 rental properties and other subsidized housing within the City of Beloit. As shown below, 212 (61%) of the properties in the city are designated specifically for elderly/disabled residents. Concerning properties that accept Section 8 vouchers, 210 (44%) are designated specifically for elderly/disabled residents.

The City's Housing Authority also has 131 Public Housing units which are not listed in the table, of which; forty two are designated for elderly or disabled individuals. All of the elderly/disabled units are one bedroom units except for one. This

Federally Assisted Rental Housing in Beloit: Section 8 Properties					
Complex Name	Address	Year Built	# of Units	Elderly/Disabled	Family
Scoville Apartments	545 Public Ave.	1978	151	151	0
Emerson Apartments	930 Church St.	-	31	31	0
Parkview Apartments Grand View	Scattered Sites	1977	45	30	15
Woodside Terrace (Summarse)	2255 Burton St.	1974	120	0	129
Total	-	-	347	212	144
Properties that Accept Section 8 Vouchers					
Complex Name	Address	Year Built	# of Units	Elderly/Disabled	Family
Brittan House	608 4th St.	-	45	0	0
Hillcrest Apartments	2200 Burton St.	-	67	67	0
Beloit Hotel	444 E. Grand Ave.	-	12	0	12
Beloit Water Tower Place	Scattered Sites	1995	77	0	77
Rock Bay Harbor Senior Apartments	1850 Huebbe Pkwy.	1999	97	97	0
Olympian Hill Apartments	431 Olympian Blvd.	-	46	46	0
Fairbanks Flats Rowhomes	Scattered Sites	2008	13	0	13
Woodside Terrace (Summarse)	2255 Burton St.	1974	120	0	120
Total	-	-	477	210	222



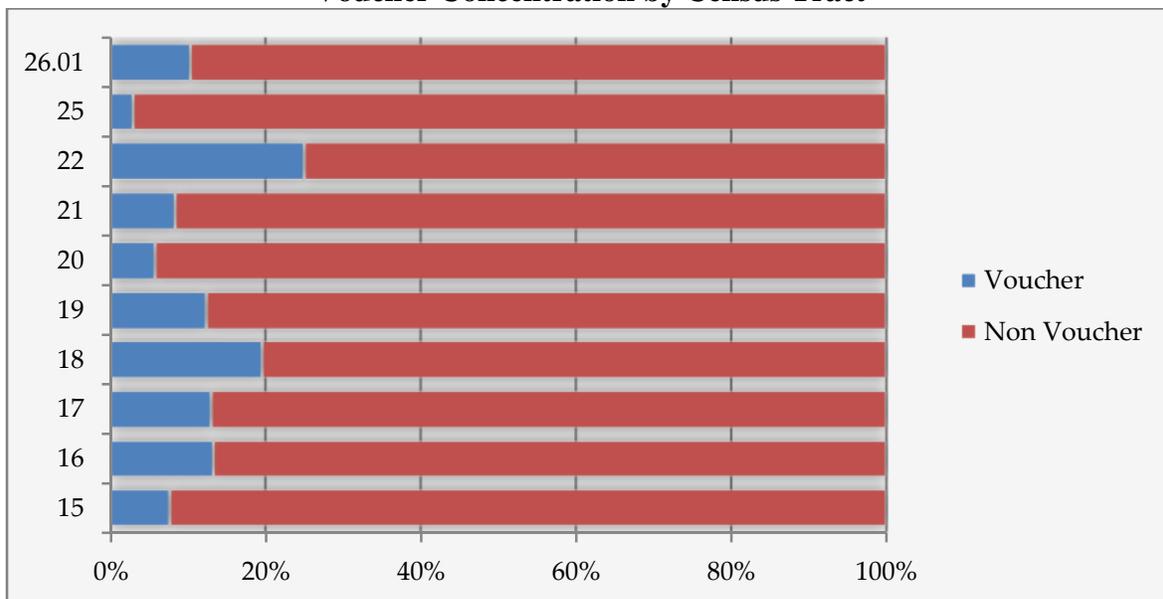
### Housing Choice Vouchers (Section 8)

The City of Beloit Housing Authority and Horizon Management has Housing Choice Vouchers have a total of approximately 610 vouchers available for use within the City of Beloit. The concentration of vouchers within each census tract is shown below.

Census Tract	Non Voucher	Voucher	Total Rental Units (Occupied)	%
15	432	36	468	7.69%
16	899	138	1037	13.31%
17	715	107	822	13.02%
18	583	142	725	19.59%
19	297	42	339	12.39%
20	326	20	346	5.78%
21	416	38	454	8.37%
22	54	18	72	25.00%
25	458	14	472	2.97%
26.01	477	55	532	10.34%

Census tract 22 has the highest percentage of vouchers with 25%, but the lowest number of overall occupied rental units. Tracts 18, 16, and 17 have a next highest percentage of vouchers respectively. These three tracts also have the highest number of occupied rental units. (Please note that tracts 23, 24, and 26.02 are not listed. Further research is needed on the accuracy of the data for these tracts.)

**Voucher Concentration by Census Tract**



## Lending Profile

**Home Mortgage Disclosure Act Data:** The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and is implemented by the Federal Reserve Board's Regulation C. This regulation provides the public loan data that can be used to assist in determining whether financial institutions are serving the housing needs of their communities; helping public officials in distributing public-sector investments so as to attract private investment to areas where it is needed; and in identifying possible discriminatory lending patterns. This regulation applies to certain financial institutions, including banks, savings associations, credit unions, and other mortgage lending institutions. Institutions that meet minimum thresholds (\$33 million in assets for depository institutions, \$10 million in assets for non-depository institutions, or 100 or more home purchases originated in 2003) must provide a variety of data regarding the disposition of applications for mortgage and home improvement loans in addition to data regarding loan originations and purchases; and are required to identify the race, sex, and income of loan applicants and borrowers (as well as the physical location of the subject property in census geography and explanations regarding loan decisions). This information is compiled by the Federal Financial Institutions Examinations Council (FFIEC), which generates aggregate and disclosure reports for each metropolitan area in the United States. Data sets for calendar years 1999-2010 are available at [www.ffiec.gov](http://www.ffiec.gov) and other records are available through regional depositories (usually libraries or regional councils).

Appendix A contains tables describing home lending data for the Janesville-Beloit Metropolitan Statistical Area (MSA). These tables only include information on loans for 1 to 4 family housing units and are organized by loan type: HMDA table 5-1 includes information on FHA, FSA/RHS, and VA purchases; HMDA table 5-2 includes information on the disposition of conventional home purchases; HMDA table 5-3 refers to refinancing loans. A summary table is also included. Due to the large amounts of data available, extensive analyses are possible; however, several trends characterize the lending environment in the MSA.

- The income gap between white and non-white and the Hispanic population is evident. The proportion of applications originated by white applicants increase as they move up into higher brackets for MSA median income.
- It appears that there is a trend towards under-utilization of home loans by minorities. For example, 89% of applications received were from white applicants, who constitute 90% of the MSA population; 9% of applications were from black persons, who constitute 5% of the MSA population; and 2.5% were from Hispanic persons, who constitute 6% of the MSA population.
- Hispanic and black families take advantage of federally-sponsored loan programs (FHA, VA, etc.) at rates significantly higher than whites.



- White families are more frequent consumers of conventional home purchase and refinancing products than blacks and Hispanics.
- Application denials across all income categories are significantly higher for minorities than for whites. The data suggest that denial rates peak higher for minorities for all mortgage loan types as their income increases above 50% to 79% of the MSA Median Income. Applications for refinancing mortgage loans submitted by blacks, Hispanics, and Asian applicants were denied nearly twice as often as whites (e.g 38%, 25%, and 30% respectively versus 15%). Minorities were also denied at higher rates than whites when applying for conventional home and home improvement mortgage loans.

Table 2-4: Beloit HMDA Data by Tract

Census Tract	Loan Type (1-4 family dwellings only)	Loan Originated	Approved, Not Accepted	Application Denied	Application Withdrawn	File Closed, Incomplete
15	Home Purchase	4 (67%)	0	2 (33%)	0	0
	Refinance	11 (55%)	1	5 (25%)	1	2
	Home Improvement	4 (67%)	0	1	1	0
16	Home Purchase	24 (73%)	1	5 (15%)	2 (6%)	1 (3%)
	Refinance	41 (46%)	2 (2%)	25 (28%)	15 (17%)	6 (7%)
	Home Improvement	7 (35%)	1 (5%)	10 (50%)	1 (5%)	1 (5%)
17	Home Purchase	52 (72%)	3 (4%)	12 (17%)	4 (6%)	1 (1%)
	Refinance	84 (54%)	10 (6%)	39 (25%)	12 (8%)	12 (8%)
	Home Improvement	14 (54%)	3 (12%)	9 (35%)	0 (0%)	0 (0%)
18	Home Purchase	16 (73%)	0 (0%)	5 (23%)	1 (5%)	0 (0%)
	Refinance	36 (42%)	6 (7%)	24 (28%)	16 (19%)	4 (5%)
	Home Improvement	6 (43%)	1 (7%)	6 (43%)	1	0
19	Home Purchase	18 (72%)	1 (4%)	5 (20%)	0 (0%)	1 (4%)
	Refinance	72 (59%)	1 (8%)	27 (22%)	18 (15%)	4 (3%)
	Home Improvement	8 (62%)	1 (8%)	4 (30%)	0 (0%)	0
20	Home Purchase	29 (67%)	1 (2%)	9 (21%)	4 (9%)	0
	Refinance	74 (50%)	4 (3%)	41 (28%)	18 (12%)	11 (7%)
	Home Improvement	14 (42%)	3 (9%)	11 (33%)	5 (15%)	0
21	Home Purchase	29 (76%)	2 (5%)	6 (15%)	1 (2%)	0
	Refinance	90 (55%)	7 (4%)	36 (22%)	21 (13%)	10 (6%)
	Home Improvement	10 (83%)	0	2 (7%)	0	0



**Table 2-4: Beloit HMDA Data by Tract**

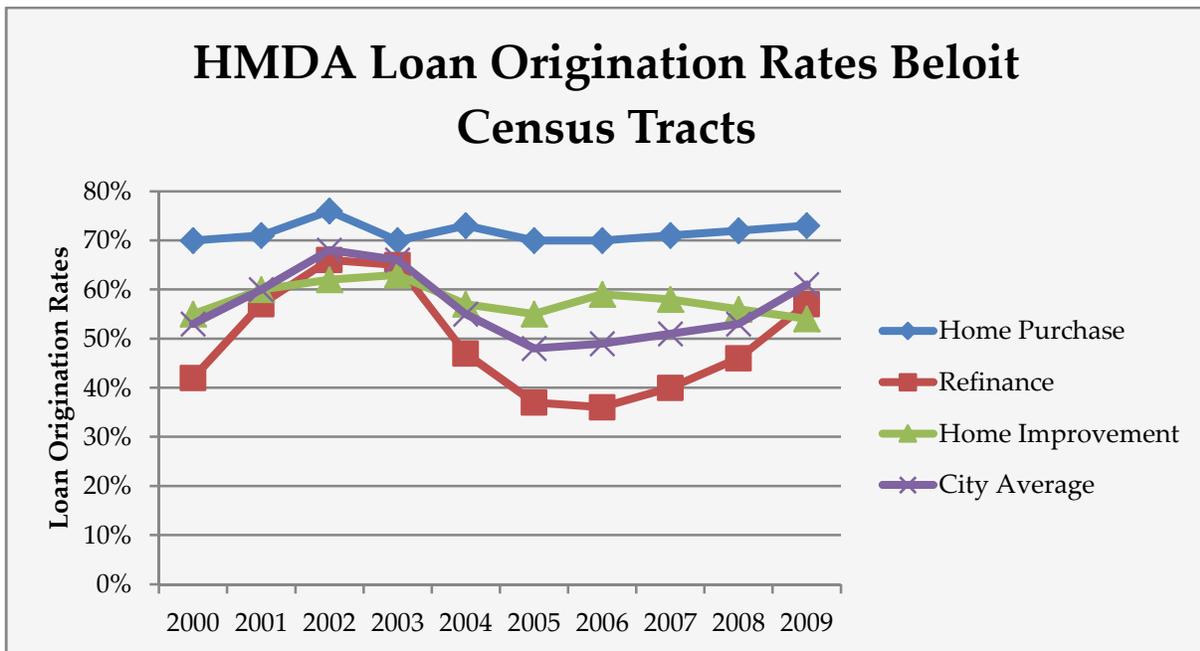
Census Tract	Loan Type (1-4 family dwellings only)	Loan Originated	Approved, Not Accepted	Application Denied	Application Withdrawn	File Closed, Incomplete
22	Home Purchase	15 (83%)	0	2 (11%)	0	1 (9%)
	Refinance	112 (66%)	4 (2%)	28 (17%)	15 (9%)	10 (6%)
	Home Improvement	8 (67%)	2 (16%)	2 (16%)	0	0
23	Home Purchase	7 (70%)	0	2 (20%)	1 (10%)	0
	Refinance	35 (61%)	1 (2%)	10 (18%)	8 (14%)	3 (5%)
	Home Improvement	6 (50%)	0	4 (33%)	2 (17%)	0
24	Home Purchase	35 (67%)	2 (4%)	5 (10%)	4 (8%)	6 (11%)
	Refinance	144 (67%)	7 (3%)	26 (12%)	24 (11%)	13 (6%)
	Home Improvement	10 (63%)	2 (12%)	4 (25%)	0	0
25	Home Purchase	21 (72%)	0	6 (21%)	1 (3%)	1 (3%)
	Refinance	48 (54%)	3 (3%)	16 (18%)	13 (15%)	9 (10%)
	Home Improvement	8 (62%)	0	4 (31%)	1 (7%)	0
26.01	Home Purchase	46 (78%)	1 (2%)	6 (10%)	5 (8%)	1 (2%)
	Refinance	173 (66%)	18 (7%)	32 (12%)	29 (11%)	11 (4%)
	Home Improvement	11 (50%)	0	10 (45%)	1 (5%)	0
26.02	Home Purchase	32 (76%)	1 (2%)	5 (12%)	3 (7%)	1 (2%)
	Refinance	135 (63%)	10 (5%)	32 (15%)	29 (13%)	10 (5%)
	Home Improvement	8 (67%)	1 (8%)	1 (8%)	1 (8%)	1 (8%)
TOTAL	Home Purchase	328 (73%)	12 (2%)	70 (16%)	26 (6%)	13 (3%)
	Refinance	747 (57%)	46 (3%)	277 (21%)	161 (12%)	84 (6%)
	Home Improvement	114 (54%)	14 (7%)	68 (32%)	13 (6%)	2 (1%)
TOTAL		1497 (61%)	100 (4%)	479 (20%)	258 (11%)	120 (5%)

HMDA data for the City of Beloit, organized by census tract, was available for analysis. While this data is not presented by racial or income category at this level of geography, it is possible to draw some conclusions using census tables (see Table 2-10 for demographics and Table 2-12 for income data). Table 2-4 contains information on loan dispositions within the City of Beloit for 1-4 family dwelling units. The table contains information for 2,454 loan applications, of which 61% (1,497) resulted in loans being originated. For analysis purposes, it is useful to compare the various loan actions within each census tract against the percentage for the entire city (by loan type). For example, home purchase loan applications in census tract 20 were originated at 67% for properties in this area. This was significantly higher than the City’s overall origination rate of 61%. All origination rates for



home purchase loans within all census tracts were higher than the City’s origination rate.

Census tracts 16, 17, and 18 represent areas where the non-white population is 31% or greater (see Table 2-10) and where 26% or more of the population is classified as very low income (see Table 2-12). Table 2-4 indicates that, in general, loan origination rates are lower for refinance and home improvement loan applications, and application denial rates for these types of loans are higher than the City’s denial rate of 20%. Census tracts 16, 17, 18, and 20 should be highlighted for having the highest denial rates for refinancing and home improvement loan applications when compared to the City’s denial rate.



Home Mortgage Disclosure Act 2009

While data for the reasons of denial are not available for the census tracts and city level of analysis, it is available for the Janesville Metropolitan Statistical Area, which encompasses the City of Beloit. In general, the reasons for denial for non-white residents who applied for all three types of home mortgage loans were due to a combination of one or all of the following: Debt-to-income ratio, employment history, credit history, collateral, insufficient cash, unverifiable information, credit application incomplete, mortgage insurance denied, and other unlisted reasons (see Reasons for Denial Chart in Appendix B).



# City Policies

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The City of Beloit's has various Boards, Ordinances, and policies related to housing in the City of Beloit was conducted to evaluate whether there are any procedures that contribute to impediments to fair housing choice.

## City Programs:

### Loan Programs

The City has created three separate residential loan programs intended to provide housing improvements targeted to assist elderly, low-moderate income, and disabled families and individuals.

- Owner Occupied Loans: The purpose of this program is to assist owner-occupants in addressing rehabilitation needs as necessary to meet the City of Beloit's Property Maintenance Code, the Wisconsin Uniform Dwelling Code, and other appropriate property standards. The program provides loans (minimum \$1000; maximum 20,000) up to 100% (95% for deferred loans) of the fair market value, less any outstanding debt against the property. The total debt, including the rehabilitation loan, cannot exceed 40% of the applicant's gross income. The loans are repaid in the one of two ways, according to the participant's ability to repay:
  - Installment: If the applicant's income is less than 80% of the county median income and they have the ability to pay, they are eligible for a 3% loan amortized up to 15 years.
  - Deferred: If the applicant's income is less than 50% of the county median income and they have no ability to pay, they are eligible for a deferred payment loan. These loans are generally repaid at the time the assisted property is sold or refinanced.

Deferred loans require an annual review of the participants' income and will be converted to an installment loan should their income exceed requirements, the property ceases to be the owner's principal place of residence, or the property is sold and/or title transferred.

- Rental Housing Rehabilitation Loans: Since the number of renter households in need of housing assistance outnumber owner households by a four-to-one margin, the purpose of this revolving loan program is to assist in upgrading and increasing the availability of rental units for persons of low-moderate incomes.

Eligible costs include rehabilitation to:



- Meet code violations
- Convert non-conforming residential uses to a conforming use
- Address the costs of energy conservation work.

Eligible properties must need at least \$1000 of rehabilitation work and be either a renter occupied or vacant rental property. Applicants must agree not to raise the rent for a period of three years from the date of occupancy or to rent to a low-moderate income household and continue to do so for a period of three years from the date of the loan's closing (note: a 3% increase in base rent is allowed after year one; a 5% increase after year two). The loan can be up to 100% of the fair market value of the property less any outstanding debt against the property. The maximum amount of any loan is \$20,000 for single-family rental and \$25,000 for multi-family rental units. The maximum term of the loan is ten years and the minimum payment is \$25 per month.

- **Construction Loan Program:** The purpose of this program is to catalyze the rehabilitation and resale of residential properties to individuals or families with the commitment to occupy and maintain the property. The program is intended to address rehabilitation needs in order to meet building codes or energy conservation improvements. The property must require a minimum of \$1000 of work and the loan can be up to 100% of the fair market value of the property less any outstanding debt against the property, with a maximum loan of \$25,000. The applicant must agree to sell to a low-moderate income family. If the property does not sell within six months after completion of the project, the participant must continue to offer the property through a licensed real estate company at fair market value, but can rent to low-moderate income households. If a property is rented, repayments must begin on the loan at an interest rate of 4%. The maximum term of a loan is twenty years and the minimum payment is \$25 per month. It is generally expected that the loan is repaid upon sale of the home; however, the loan may be transferred to the new owner subject to income limitations.
- **Lead Grant Programs:** The program provides grants to assist homeowners and landlords with the cost in reducing lead based paint hazards in housing units. These grants are not required to be repaid, and are oftentimes used in conjunction with one of the City's other loan programs above. A property is eligible if the house was built prior to 1978, tests positive for lead paint, and copied by children under the age of six.

### **Beloit Housing Authority**

The Housing Authority is a Division of the Community Development Department of the City of Beloit and provides affordable rental options to low-income individuals and families in the form of Public Housing and Housing Choice Vouchers. The Housing Authority also offers programs that assist participants in reaching homeownership and financial self-sufficiency.



Applicants complete a single application for the Section 8 and Public Housing programs in which they choose which program(s) they are applying for. They are then placed on the waiting lists the applicant has chosen. Preferences on the application include displacement by a declared disaster, income between 0%-30%, veteran status, Beloit residency, handicap accessible unit required, participant in a domestic violence program, and graduate of a transitional living program. Once an applicant comes to the top of the waiting list, their preferences and income information is verified. Applicants then attend a briefing for either Section 8 or Public Housing. Fair Housing information in the form of a flyer is distributed at the briefings.

In order to accommodate disabled and elderly individuals, the Housing Authority staff meets with whatever support system the client has, whether this is a social worker, Meals on Wheels, family, etc. to identify needs of the client and provide appropriate accommodations.

- Public Housing:

The Beloit Housing Authority (BHA) owns and manages 131 scattered site Public Housing units. There are 91 units available to families that consist of duplexes and single family homes. Five of these family units are barrier free / handicap accessible units. The remaining 40 units are for elderly/disabled households and consist of one bedroom, first floor garden apartments.

Number of Units	Bedroom Size	Waiting List	
		West	East
40	1-BR Units	43	n/a
33	2-BR Units	132	137
38	3-BR Units	87	79
17	4-BR Units	16	15
3	5-BR Units	5	5

Applicants are placed on separate waiting lists for Public Housing by bedroom size and location. For example, if an applicant qualifies for a 3-bedroom, they can choose to be on the West Side list, the East Side list, or both lists. If the applicant chose both, they would then be on two waiting lists, 3BR-East and 3BR-West. Over half (52%) of the applicants are on the two bedroom waiting list. The current waiting list has a total of 519 applicants, which includes some duplication because applicants can be on more than one list. Applicants are allowed to reject two unit offers, before they lose their position on the list.

Since many of the Public Housing units are scattered sites, there does not appear



to be a pattern in one or more developments of concentration of tenants by race or ethnicity.

The Housing Authority has recently rehabilitated 65 scattered site units in five Beloit neighborhoods. These 65 units were originally built in the 1970's and had not undergone an extensive rehabilitation since being built. A Capital Needs Assessment revealed the units were outdated and did not meet the needs of BHA's current waiting lists. Two and three bedroom units are the greatest in demand. Therefore, rehabbing the units consisted of reducing some four and five bedroom units in size.

Additional construction has begun on the 40 elderly/disabled units and will consist of razing the 10 4-unit structures and building an “L-shaped” two story structure on the same site. The new units will be twice the square footage of the original units, will be barrier free, and will have laundry facilities in each apartment. In addition, nine 2-bedroom town-homes will be built on this site and will be available to families. These townhomes will replace a number of single-family homes scheduled to be sold by the Housing Authority.

- **Housing Choice Vouchers (Section 8):**  
BHA has 598 Housing Choice (Section 8) Vouchers available for use within the 53511 zip code, which includes the City of Beloit, Town of Beloit, and the Town of Turtle. The payment standard is set at 90% of Fair Market Rents for all bedroom sizes. This allows BHA to serve as many families as possible. Vouchers are portable under normal HUD portability rules.

The current Section 8 waiting list consists of 600 applicants, of which 64% are Beloit residents and 36% are from out of town. Of all applicants 63% are African American, 6% are Hispanic, and 3% are multi-racial.

<b>Total%</b>	<b>Race</b>	<b>Beloit</b>	<b>Out of Town</b>
63%	Black	241 (64%)	136 (36%)
0%	Asian	1	0
0%	Hawaiian/PI	1	0
3%	Multi-racial	11 (65%)	6 (35%)
6%	Hispanic	22 (63%)	13 (37%)
94%	Non-Hispanic	362	203



- Homeownership Option Vouchers:  
The Housing Authority can use 18 of the 598 Section 8 Vouchers for homeownership. Participants work with a HUD approved housing counseling agency to improve their credit and get pre-approved for a mortgage loan. The Homeownership Option Voucher is used similarly to the rental Vouchers in that the participant pays approximately 30% of their monthly adjusted income towards their mortgage payment. The Housing Authority then pays the difference up to the payment standard to the lender.

Nine participants have purchased homes under this program since 2006. Four of these participants have voluntarily gone off of the program and five families remain. Homeownership Option Vouchers can be used for a limited 15 year time-frame unless the family is disabled or elderly, in which case there is no time limit.

- Family Self-Sufficiency Program:  
The FSS Program is for families receiving Section 8 Housing Assistance. The family works with a case manager to develop specific educational and/or career goals intended to guide the family into financial self-reliance. An escrow savings account is set up for the family by the Housing Authority. As the family's income increases, the family's portion of the rent increases as well. The Housing Authority then matches the increased amount and deposits it into a savings account each month. This money can be accessed by participants to remove financial obstacles and the balance is available once the participant has achieved all of their goals. A participant has five years to achieve the goals they have set for themselves.

### **Community Development Grant Programs**

The City of Beloit receives a variety of funds through the US Department of Housing and Urban Development (HUD) to assist low-to-moderate income residents, improve its housing stock, and revitalize low-to-moderate income neighborhoods. These low-to-moderate income neighborhoods are also minority concentrated areas in the City of Beloit. As is evident in the preceding research, low-income individuals are more likely to be minorities or elderly/disabled.

- Community Development Block Grant (CDBG):  
The City allocates its CDBG funding to a number of public service agencies that assist individuals that include members of protected classes including two case management/shelter programs for victims of domestic violence, three programs that provide services to the elderly/disabled, a Hispanic outreach program that assists individuals with English as a second language, emergency shelter for homeless families, case management services to single parents, and a free homeownership/foreclosure education program that targets low-income and minority households. The City also uses CDBG to fund its Fair Housing enforcement, investigations, and outreach.



The remaining funds are used for Housing Rehabilitation programs in low-to-moderate income areas, which are also minority concentrated areas, Code Enforcement programs, and Economic Development.

- HOME Investment Partnership:  
The City is part of a local Consortium with the City of Janesville, the County of Rock, and two not-for-profit organizations; Community Action Inc. and Neighborhood Housing Services (NHS) of Beloit. The City of Beloit and NHS use the funds to purchase and/or rehabilitate properties in the City’s low-moderate income neighborhoods, which are also minority concentrated areas. The rehabilitated homes are then sold to low-moderate income families.
- Neighborhood Stabilization Program (NSP):  
The City receives Neighborhood Stabilization Program (NSP) funds as a subgrantee of the State of Wisconsin. The City uses these funds to purchase foreclosed properties in the City’s low-moderate income neighborhoods. Some properties are rehabilitated and sold to low-moderate income households. Properties considered blighted, are demolished and the remaining lot is sold to a neighboring low-moderate income household.

## Boards and Committees

### **Chapter 1.37: Equal Opportunities and Human Relations Commission (EOHRC)**

The EOHRC is responsible for enforcing the City’s Fair housing Code and serves in an advisory capacity regarding discriminatory issues that affect the residents of the City.

The Commission consists of 8-9 members, seven citizen members (2.b) along with the City Council President and one City Council representative sitting as ex-officio (non-voting) members (2.a). The City Council President and the City Council representative are not required to attend commission meetings” (14), and historically only the Council Representative has regularly attended meetings. The City Council representative is appointed for a one-year term (4.a) and citizen members are appointed for 3 year terms, which are limited to two successive full-terms (4.a,c).

There is a residency requirement (5.a) and the requirement that “the commission shall be representative of both sexes and of each racial group residing within the City as classified by the most recent U.S. Census Bureau statistics” (5.b).

Subcommittee members need not be members of the commission (16). A more comprehensive discussion of the EOHRC and its duties is provided in the Fair Housing Profile section of this report.



### **Chapter 1.27: Plan Commission**

The membership of the Plan Commission includes seven citizens who “should reflect the diverse nature of the City’s population” (2.b). Members are nominated by the Appointment Review Committee (which includes citizens and City Council members) and are appointed by the Council President with confirmation by the City Council (3.b). The City Council President and one City Council representative may serve as ex-officio (non-voting) members of the Commission (2.a, 2.c). The terms of members are limited to no more than two successive three-year terms (4.c).

The Plan Commission includes the provision for the creation of subcommittees. Appointments to standing or temporary (six month life expectancy) subcommittees are made by the commission chair subject to confirmation by the commission (16.a).

### **Chapter 1.39: Community Development Authority**

The CDA was created in 1982 through the dissolution of the former Housing and Redevelopment Authorities and the transfer of their respective powers, duties, properties, contracts, indebtedness, etc. to the CDA (sections 1, 2, and 3). The Community Development Authority “is deemed a separate body corporate and politic for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and projects and housing projects” (2). It is also the body that governs activities and programs administered under the Beloit Housing Authority, Community Development Block Grant (CDBG), HOME funds, and the Neighborhood Stabilization Program.

The membership of the CDA consists of 7 or 8 commissioners: the City Council President, two City Council representatives (one of whom may also be the City Council President) (4.a) and five citizen members (4.b). The citizen members are nominated by the Appointment Review Committee and are appointed by the City Council President, subject to confirmation by the City Council (5.b). The City Council representatives are appointed by the Council President and subject to confirmation by the Council (this occurs at the Council’s “organizational meeting” in April of each year)(5.a). City Council representatives serve one-year terms while citizen members are appointed for 4-year terms (based on January 1 start and December 31 end dates)(6.a). No citizen member may be appointed for more than one full term (i.e., reappointment is possible one year after completion of a term)(6.c). All five of the citizen members and up to two Council representatives are voting members (4.c). In addition, one citizen member is elected to serve as the CDA’s representative to the City of Beloit Economic Development Advisory Council (4.c.4). All members are subject to residency requirements (7.a).

The CDA meets regularly on the 4<sup>th</sup> Wednesday of each month (9.a) and special meetings may be scheduled at the request of the chair or three voting members (9.b). The chair and vice chair are elected annually at the CDA’s January meeting (10.a). In addition, the CDA shall appoint an Executive Director as the chief administrative officer (10.b) who is directed to “consult with the Assistant City Manager on all issues involving the Community Development Authority’s exercise of its redevelopment powers” (10.b).



The CDA has subcommittee powers similar to the Plan Commission, where membership on a subcommittee does not require membership of the Authority (18).

## City Codes and Ordinances

A desk review of the City’s municipal code was conducted. Particular attention was paid to those areas of the code that address physical development and participation in the governing process. A brief section-by-section analysis of pertinent sections follows.

### Chapter 7: Property Maintenance Code

The City has a comprehensive property maintenance ordinance. The code is generally based on the “BOCA Basic Housing –Property Maintenance Code”, 1970 edition and 1971 Supplement and the “BOCA National Property Maintenance Code”, 1990 (7.01). The overall ordinance is very clear and includes sections on standards, enforcement, complaints/inspections/appeals/penalties, as well as specific sections dealing with physical standards.

- Exterior Inspections: Code Enforcement Officials patrol the City of Beloit on a daily basis and address violations of this code.
- Interior Inspections: Interior inspections for rental properties or performed by Code Enforcement Officials on a systematic three year cycle as well as on a complaint basis.

Single-family, owner-occupied structures are inspected City-wide or if a written complaint based on exterior conditions from a resident or a City, State or local government agency or a building or health official (7.06). Rental units are inspected based on complaints or “under a systematic cyclical schedule” (7.06).

An appeals process flows through the City Manager (1.15(e)), and those decisions may be appealed to circuit court (1.15(f)). The identity of Complainants remains confidential (unless authorized or the Complainant is a governmental agency) (7.08). Anonymous complaints won’t result in an interior inspection unless “there is reason to believe there is an immediate and grave danger to the occupants” (7.08). Single-family, owner-occupied structures are inspected City-wide or by complaint (7.06). Rental units are inspected based on complaints or “under a systematic cyclical schedule” (7.06).

- Condemnation  
The sections on condemnation/vacation (7.22), exterior property (7.23) and structure (7.24), interior structure (7.25), basic facilities (7.26), installation and maintenance of equipment and fixtures (7.27), occupancy requirements (7.28), light and ventilation (7.29), and safety from fire (7.30) are standard and represent



the state of the practice. There are sections on the Responsibilities of Occupants (7.31) and Lead Poisoning Prevention and Control (7.33) that are particularly applicable in low income housing situations. The responsibilities of occupants address general cleanliness, disposal of rubbish and garbage, use, operation installation and care of plumbing fixtures (7.31). The requirements are not overly burdensome, however, they provide public officials with an opportunity to enforce basic sanitation objectives. The lead poisoning prevention and control ordinance is intended to take an aggressive stance against lead poisoning, particularly in children 7 years of age or younger (7.33). The ordinance sets out a variety of prohibitions (including the transaction of certain goods with lead based finishes), a diagnosis program, an abatement process, and emergency hazard reductions. The Rock County Health Department has broad intervention powers to require abatement and hazard reduction in cases where a child age 7 or under is discovered to have a blood level concentration of 70 micrograms per 100 deciliters. The ordinance does not address disposal of removed lead based materials or exterior lead level abatement (which has proved to be a major health issues in some other older Midwestern cities). The ordinance charges the City administration with the development of an educational program for parents, educators, and property owners.

### **Chapter 8: Plumbing Code**

The City has adopted the State Plumbing Code (SPS 381 – SPS 387, Wis. Adm. Code, and Ch. 145), with the exception that the penalty provisions under the State Code shall not apply (8.04). The City requires the licensing of plumbers (8.06), and obtaining of permits prior to work (8.07). The cost of permits are generally very reasonable, and do not exceed \$40 for most common work (8.18).

### **Chapter 9: Building Code**

The City has adopted the State Uniform Dwelling Code (SPS 320 – SPS 325, Wis. Adm. Code, and Subchapter II of Ch. 101, Wis Stats., including any subsequent amendments)(9.04). In addition, the City has adopted the State Building, Heating, Ventilating and Air-Conditioning Code, the State Uniform Multi-Dwelling Code (SPS 360 – SPS 366), and the State Rental Unit Energy Efficiency Code (SPS 367) and any subsequent amendments (9.05).

The Director of Housing Services is authorized and directed to administer and enforce the ordinance (9.07) and appeals are routed through the City Manager (and possibly from there to circuit court) under the general municipal administrative procedure (1.15). Permits are required for all repairs, maintenance, or alterations valued in excess of \$500 (9.12). A certificate of occupancy (CO) is required and a new certificate must be issued when a change in the use of the building occurs (9.15). It does not appear necessary to obtain a new CO when a change of tenancy occurs.



- Fees for new construction are based on floor area (9.28). New residential buildings are \$5.00 for every 100 square feet, but not less than \$50; additions are the same rate with a \$75.00 minimum charge; plan approval for new 1 & 2 family units costs \$50.00 while the review of plans for additions/alterations on 1 & 2 family units costs \$25.00.
- Occupancy permits (including a change in permit) cost \$25 per residential unit (not to exceed \$500).
- The fees for alterations, repairs, roofing and siding are reasonable, starting at \$30 for the first \$1000 of work and adding \$4 for every \$1000 of work up to \$40,000 (a fee of \$171). Exempt from this fee structure are insulation, flooring, carpeting, painting & decorating, gutters (only), roof venting (only), insulation (only) and items which are not structural.

There are minimum fees of \$30 for heating, \$40 for plumbing, and a \$50 application fee for electrical work with the following separate fee schedules:

- Furnaces are based on BTU output: \$20 up to 100,000 BTU, \$30 for 101,000-150,000 BTU, \$40 for 151,000-200,000 BTU, and \$60 for over 200,000 BTU.
- Air conditioning permits cost \$12.50 for up to 10 tons (120,000 BTU) and \$33 for over 10 tons.
- Plumbing permits range from \$7 per meter/fixture/appurtenance to \$30 for sewer or water lateral improvements.
- There is a detailed list of electrical fees that range from \$0.75 per fixture, switch, receptacle or outlet to \$35 for in-ground pools, hot tubs and spas. The failure to obtain appropriate permits prior to commencing work generally results in the doubling of fees.

### **Chapter 12: Subdivision and Official Map Ordinance**

The City has a comprehensive subdivision and official map ordinance, dated December 3, 2001 (revised February 18, 2003). The ordinance is state-of-the-art and reflects a very reasonable approach to the preservation of public rights and rights-of-ways (e.g., standards do not require excessive dedications which drive up the price of new housing).

In addition, the ordinance includes a section on cluster developments (as required by Wisconsin's smart growth legislation)(12.08). The subdivision ordinance specifies a minimum lot size of 6,000 square feet and a maximum of 2 acres, while the zoning ordinance specifies "no minimum lot size" (although it states "minimum lot sizes may be established by the City during the subdivision plan approval process").



## Chapter 19: Zoning Code

The City has an excellent comprehensive zoning code that was adopted September 17, 2001 and receives regular updates and revisions. The code is clear, concise, and well organized, which makes for good comprehension by all audiences. A brief review of some highlights and key issues follows:

- § 2-1100 Traditional Neighborhood Developments: Also see §5-700. The ordinance was amended in December of 2001 to incorporate the Traditional Neighborhood Development District (TND) in the zoning ordinance as required by the state. This is viewed as a positive and potential benefit to affordable housing issues as TND Districts typically allows for higher levels of residential density in exchange for a comprehensive site plan.
- §4 Base Zoning Districts: This section identifies the basic requirements and allowed uses of the base residential zoning districts.
  - R-1A is a single-family residential district primarily intended to accommodate detached units on large size lots, typically at 2-5 units per acre;
  - R-1B is a single-family residential district primarily intended to accommodate detached units on moderate size lots, typically at 3-7.25 units per acre;
  - R-2 is a two-family residential district intended to accommodate two-family, single-family detached and single-family attached dwellings at typical densities of 4-10 units per acre;
  - R-3 is a low-density multi-family residential district primarily intended to accommodate low-density development at a density of up to 25 dwelling units per acre.
  - R-4 is a moderate density multi-family residential district primarily intended to accommodate moderate-density development at a density of up to 50 dwelling units per acre.
- §5-300 PUD, Planned Unit Development District: This is a special purpose zoning district that permits greater flexibility of land use planning and site design. The result is a master-planned development that may utilize innovative architectural design, placement and clustering of buildings, encourage conservation of natural features, provide for efficient use of public services, and promote an attractive/safe residential and/or mixed-use environment.



- §5-700 Traditional Neighborhood Development District:** This district was incorporated into the zoning ordinance in December of 2001 pursuant to Wisconsin Statutes (§66.1027 and 62.23). The TND style of development allows for more compact, mixed-use development that is designed at a “human scale”. The TND allows “secondary dwelling units” (e.g., “granny-flats” or apartments within the primary structure or above the garage), as well as zero-lot-line dwellings. The ordinance includes provisions for additional density if affordable housing units are included. §5-702(b) defines affordable housing as “housing in which mortgage, amortization, taxes, insurance and condominium and association fees, if any, constitute no more than 28 percent of gross household income for a household of the size which may occupy the unit. In the case of dwelling units for rent, housing that is affordable means housing for which the rent and utilities constitute no more than 30 percent of gross annual household income for a household of the size, which may occupy the unit.” §5-703(b) reads “for each affordable housing unit provided under this section, one additional dwelling unit shall be permitted, up to a maximum of 15 percent increase in dwelling units.” These requirements, if implemented, has the potential to increase the availability of affordable housing units placed within a high quality urban setting.
- §7 Density/Intensity and Dimensional Standards:** This part of the ordinance contains the physical development standards, generally displayed in easy-to-read tabular format. §7.1 contains the following table describing residential districts:

DEVELOPMENT STANDARD	ZONING DISTRICT				
	R-1A	R-1B	R-2	R-3	R-4
Maximum Density (dwelling units/acre)	5.00	7.25	10.00	25.00	50.00
<b>Minimum Lot Area (square feet)</b>					
Single-Family	8,750	6,000	6,000	6,000	6,000
Two-Family	NA	NA	8,750	8,750	8,750
Multifamily	NA	NA	NA	8,750	8,750
All Other Uses	8,750	8,750	8,750	8,750	8,750
Minimum Lot Width (feet)	70	50	70	70	70
Front Setback (feet)	30	20	30	30	30
Interior Side Setback <sup>1</sup>	5 feet, with a combined total of 20 percent of the lot width or 20 feet combined, whichever is less				



Street Side Setback (feet)	30	20	30	30	30
Rear Setback (feet)	30	30	30	30	30
Maximum Height (stories/feet)	2 1/2/35	2 1/2/35	2 1/2/35	No max	No max

<sup>1</sup> Side yard setback requirements shall be rounded off to the nearest foot by the City official, with fractions of 0.50 or less rounded down and 0.51 or greater rounded up.

The smallest allowed lot size is 6,000 ft<sup>2</sup> which equates to 50’ wide by 120’ deep. These are moderate lots that are quite conducive to the construction of affordable homes. §7.2 addresses Alternative Residential Development Options. These allow for a variety of development styles while maintaining the overall character of a single-dwelling neighborhood. These options include the use of single-family attached (i.e., townhouse or rowhouse) structures by exempting lot width and area requirements (but maintaining base density requirements). The section also allows cluster developments where smaller lot sizes (no minimum is required, although a 10-foot set-back from other structures is necessary) in exchange for an increase in common open space.

In conclusion, the City of Beloit zoning ordinance includes a number of progressive tools that can be used to foster high quality, yet affordable housing developments.

**City of Beloit’s Affirmative Action/Equal Opportunity Policy**

The City of Beloit established its Affirmative Action/Equal Opportunity Policy in 1984, with its most recent revisions and reaffirmation in September, 2005. This policy specifies that “qualified individuals will not be excluded from employment, be denied the benefits of employment or otherwise be subject to discrimination in employment in any manner” based on any one or more of the protected statuses of “age, race, religion, color, sex, national origin or ancestry, handicap, physical condition, developmental disability, arrest or conviction record, sexual orientation, marital status, and military participation.”

Through the Affirmative Action/Equal Opportunity Policy, the City of Beloit has in place standards for recruiting, employing, and retaining personnel that reflects the diversity of the community. The policy extends to City residents and other individuals who participate, or seek to participate, in any program or activity which receives or benefits from City services. To further reinforce the Affirmative Action/Equal Opportunity Policy, the City has adopted the standards of the Americans with Disability Act, as well as a Civil Rights Compliance Plan, an extensive policy for open competition and equal opportunity in recruitment and selection, and policies that cover discrimination and harassment during the recruitment, selection, and employment of all current and potential City of Beloit personnel.



# Fair Housing Profile

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An analysis of the City’s activities related to Fair Housing was conducted to evaluate whether there are any indicators of impediments or possible impediments to fair housing choice. An extensive review of the City’s EOHRC, Fair Housing Ordinance, fair housing enforcement procedures, outreach and education, and fair housing complaints was conducted.

## **EOHRC - Equal Opportunities and Human Relations Commission:**

Chapter 1.82 of the City’s municipal code establishes the Beloit Equal Opportunities and Human Relations Commission (EOHRC). The EOHRC is administratively supported by the City’s Department of Community Development. The purpose of the EOHRC is to improve the quality of life by the elimination of racism in the Beloit community, to take action, study, analyze and recommend solutions with respect to the major social, economic and cultural problems that affect people residing or working within the City of Beloit, including discrimination in housing, education, employment and public accommodations and facilities on the basis of sex, race, color, sexual orientation, national origin, or marital status of the person maintaining a household, lawful source of income, age or ancestry and the inciting of class, race or religious hatred and prejudice.

**The main duties and powers of the EOHRC include:**

- Administering the Fair Housing Code found in Chapter 20 of the Code of General Ordinances of the City of Beloit and perform the duties and exercise the powers set forth in section 20.02 of that chapter.
- Facilitating compliance with federal, state and local laws relating to equal opportunities in education, employment, housing and recreation through informational programs and resolution of complaints through mediation and conciliation by the commission or representatives designated by the commission.
- Conducting public hearings in accordance with the ordinances of the City and the commission’s rules of procedure.
- Examining relations between races and ethnic groups fairly and objectively, and foster awareness, understanding and appreciation of racial and ethnic diversity in the community.
- Identifying problems of racism in the community and recommend solutions and positive courses of action to the general community, the City Council and City Manager.



- Recommending to the City Council and the City Manager the enactment of ordinances or other actions to insure all City residents have the right to equal opportunity in housing, employment, public accommodations and education.
- Initiating public programs and studies and promoting privately sponsored programs and studies that will aid in accomplishing the commission's purposes and duties.
- Providing forums for dialogue on racism to improve relations.

## Chapter 20: Fair Housing Code

The City has a comprehensive fair housing code that is administered and enforced by the Equal Opportunities and Human Relations Commission (EOHRC). The declaration of policy reads as follows:

It is the policy of the City, pursuant to the United States and Wisconsin Constitutions, and also its power to protect the public health, safety and general welfare, that all persons, regardless of sex, race, color, sexual orientation, handicap, religion, national origin, familial status, sex or marital status of the person maintaining a household, lawful source of income, age or ancestry, are entitled to fair and equal access to housing and, to that end, the City hereby enacts this chapter which prohibits any person not herein exempted from discriminating against any other person by impairing to any degree access to any housing or housing accommodations on the basis of sex, race, color, sexual orientation, handicap, religion, national origin, familial status, sex or marital status of the person maintaining a household, lawful source of income, age or ancestry, and creates a Commission with the power and duty to enforce equal opportunity in housing for all citizens of the City.

The powers and duties of the EOHRC to enforce the Fair Housing Code are also listed in this Chapter and include the authority to:

- Receive and investigate all complaints alleging any discriminatory practice prohibited by this chapter.
- Appoint mediators who initially shall seek a settlement agreeable to the complainant and the respondent by means of informal conferences.
- If necessary, hold hearings after efforts at settlement, based on a determination of probable cause; administer oaths and take testimony; compel the production of



books, papers and any other documents relating to any matters involved in the complaints; and subpoena witnesses and compel their attendance. If a witness either fails or refuses to obey a subpoena issued by the Commission, the Commission may order attendance. At any time after it has issued such an order, the Commission may petition a court of competent jurisdiction for its enforcement.

- Issue, after hearing, such final orders as are necessary to promote the purposes of this chapter.
- Issue temporary orders effective for a maximum of 20 days, except in extraordinary circumstances, restraining the respondent from taking any action which would tend to render ineffectual or unenforceable any order which the Commission might issue.
- Refer orders, pursuant to §20.05, to the City Attorney to be enforced by him in the name of the City.
- Require a written report of the manner of compliance with any final order it may issue.
- Grant actual damages or arrange to have adjudicated in court at agency expense the award of actual damages to an aggrieved person.

The code has an extensive list of prohibited acts (20.03) that range from refusal to sell or rent to coercion, intimidation, threats, and a variety of real estate transaction based activities. In addition, there are specific prohibitions on discrimination based on handicap (20.035). This section also addresses some “visitability” issues, such as requiring all multi-family housing constructed after March 1991 to provide at least one building entrance on an accessible route, ensuring doors are sufficiently wide to allow use of wheelchairs, and to ensure that an accessible route into and through dwelling units and all light switches, outlets, thermostats, etc. are accessible. The City has adopted the American National Standard for Buildings and Facilities providing accessibility for physically handicapped people (ANSI A117.1-1986).

The section on Enforcement Procedures addresses the complaint process and is discussed in detail below. It also authorizes the Commission to “upon complaint ... test and investigate for the purpose of establishing violations of this chapter and conduct investigation and studies to carry out the purpose of this chapter” (20.05.11).

Section 20.06 on remedies and penalties allows the Commission to issue cease and desist orders, mandate affirmative action by the respondent (and where necessary the complainant), or to assess penalties of not less than \$50 nor more than \$200 or 30 days in jail (with each day a violation continues considered as a separate offense).



## Beloit Complaint Process

The Equal Opportunities and Human Relations Commission (EOHRC) is responsible for implementing the discrimination complaint process on behalf of the City. To accomplish this, the City has divided the responsibilities into three distinct areas:

- City Staff: Intake, dissemination of required notices, maintenance of files, drafting and preparation of documents for meetings, appeals, and hearings. Responsibility for these duties has changed a number of times over recent years.
- Fair Housing Investigator: Investigation, conciliation, and determinations of complaints. The Fair Housing Investigator was chosen through a public RFP process. A contractual agreement was executed and contains a clause allowing renewal in one-year terms upon written mutual agreement and includes a 30-day written termination clause. The City has not renewed the contract after its most recent expiration, but continues to work with this investigator in the same manner outlined in the contract.
- EOHRC: Approval of conciliation/mediation agreements, review and investigative files under appeal, determination of appeals, conducts hearings, enforces agreements and orders.

Complaints of housing discrimination are taken from individuals who (1) reside within the City of Beloit, and (2) allege discrimination by a housing provider. If a person contacts the City who does not reside within the City limits and/or alleges discrimination in an area other than housing, the person is given the contact information of the proper jurisdiction.

### **The complaint process follows the following steps:**

- Intake/Pre-Complaint Stage: The complainant contacts the City's intake officer who conducts an initial interview to collect basic information about the complaint and contact information. If the complaint appears to be housing discrimination, the intake form is forwarded to the Fair Housing Investigator.
- Investigation: The investigator contacts the Complainant and arranges an initial meeting to gather a more detailed account of the complaint and has the Complainant sign the complaint form. At this time the investigator also collects demographic and income information using a formal questionnaire form for CDBG funding purposes. The investigator forwards these two forms to the EOHRC staff liaison who sends a formal "Notice of Complaint" letter to both the Complainant and Respondent. The investigator conducts interviews, compiles investigative reports, conducts research, and gathers appropriate evidence.



- Determination: Upon completion of the investigation, the investigator determines whether there is reasonable cause to believe that housing discrimination has occurred. The staff liaison sends a “Notice of Determination” to both parties that also explains any appeal rights and the next steps in the process.
  - Cause: If there is cause to believe that housing discrimination has occurred, the investigator begins an attempt at conciliation.
  - No Cause: If there is a no cause to believe that housing discrimination has occurred, the Complainant has the opportunity to appeal this decision within 30 days to the EOHRC for review. Appeals hearings are conducted in closed session where the EOHRC reviews the file and all evidence. The EOHRC may affirm or overturn the investigator’s determination, or remand the case for further investigation.
  
- Conciliation/Mediation: If there is a determination of cause to believe that discrimination has occurred, the Fair Housing Investigator attempts to reach an acceptable agreement between the parties to resolve the matter. If conciliation is unsuccessful, the parties are required to attend mediation by a third party contracted by the City to resolve their dispute. In both scenarios, an agreement is written up and signed by both parties. This agreement is reviewed by the EOHRC at a regularly scheduled meeting, which is open to the public. If the agreement is approved it becomes an order of the EOHRC. If it is denied, a new conciliation/mediation agreement will be attempted again for approval by the EOHRC.
  
- Hearing: If conciliation and mediation are unsuccessful, a hearing before the EOHRC is conducted in accordance with the Fair Housing Ordinance. The hearing is open to the public and both parties have an opportunity to present their side of the case with witnesses and evidence. Upon completion of the hearing, the EOHRC prepares findings of fact and conclusions of law. Either party may appeal the decision to the Circuit Court.

All orders of the EOHRC are followed up for compliance by the staff liaison and Fair Housing Investigator. If the conditions of the orders are not met, the EOHRC has the authority to assess monetary penalties and refer orders to the City Attorney to be enforced in a court of appropriate jurisdiction.

The EOHRC staff liaison creates a case log that tracks contacts and actions as the complaint progresses. Each complaint is assigned to a file where all materials are kept. The housing discrimination case files from 2006 through 2011 were reviewed and analyzed for this report.



## Beloit Housing Discrimination Complaints

A total of 33 complaints were filed over a five-year period. Of these, five resulted in a determination of cause to believe housing discrimination had occurred and all five reached a successful Conciliation Agreement. Two cases were appealed to the EOHRC and none have progressed to an EOHRC hearing on the merits nor filed as lawsuits or complaints through other avenues.

**City of Beloit - Housing Discrimination Complaints**

	2006	2007	2008	2009	2010	2011
Race	5		1	6	1	
Disability	1			3	4	1
National	1					
Income	1					
Fam Status					1	
Retaliation					1	1
<b>Determination</b>						
None	3			1	1	1
Cause	0			5		
No Cause	10		1	5	7	
Undetermined					1	
<b>TOTAL</b>	<b>11</b>	<b>0</b>	<b>1</b>	<b>10</b>	<b>8</b>	<b>3</b>

There have been two housing discrimination cases filed against the Beloit Housing Authority (BHA) within the last ten years.

- In 2003, a complaint was filed alleging housing discrimination based on race. The complainant had been terminated from Public Housing for not maintaining the unit. The case was investigated by HUD and determined there was no cause to believe discrimination had occurred.
- The Beloit Housing Authority has an active complaint at this time, which alleges that the BHA did not make accommodations for the complainant's disability. The complainant was denied Section 8 assistance. The BHA's position is that the complainant did not notify the Housing Authority of the disability and that the assistance was denied due to a



pending charge for drug paraphernalia. This case is currently being investigated by HUD.

It should be noted that if a complainant contacts the City of Beloit to file a complaint against the City or the Housing Authority, they are given the contact information for both the State and Federal Fair Housing offices.

## **Outreach and Education**

The Equal Opportunities and Human Relations Commission (EOHRC) has increased its efforts to educate the community and bring awareness to the issue of Fair Housing in recent years. In 2009 the EOHRC hired a consultant to produce an updated Fair Housing brochure that provides information on housing discrimination, protected classes, outlines the City of Beloit's complaint process, and provides the contact information and how to file a claim with Beloit's EOHRC, the State of WI, and HUD. In addition, the consultant created three different Frequently Asked Questions (FAQ) flyers that are specific to a variety of stakeholders: consumers, landlords, and real estate professionals.

The Fair Housing FAQ's for Landlords is mailed out with the City's rental permit applications on an annual basis.

The consultants also prepared and conducted two Fair Housing Education webinars; one for lenders and one for real estate professionals. The webinar for real estate professionals was attended by eight people, but the lender webinar had only one person sign up so was canceled.

The consultant also provided eight education and outreach seminars in 2009 and 2010. Two of these seminars were in Spanish and attended by a total of 46 people. The other six seminars were provided at the local domestic violence center, Community Action Inc. Eclipse Center, and the Beloit Public Library.

In April of 2011, during Fair Housing Month, the City collaborated with the University of Wisconsin Law School's Neighborhood Law Project and the Beloit College to provide a mock hearing before the EOHRC. Law students from The Neighborhood Law Project were given a fact pattern regarding a fair housing case. Three students were assigned to represent the Complainant and three more represented the Respondent. A Beloit City Council member played the Complainant, and the Director of Planning from Community Action Inc. played the Respondent in the mock case. Beloit College students acted as witnesses. The mock hearing was open to the public and the event was attended by the City Council president, the local newspaper, and other audience members.

City staff has also performed fair housing seminars at the Homeless Intervention Task Force (HITF) meeting, which is comprised of case workers and housing providers throughout Rock County, the Domestic Violence Center's Transitional Living Program, and the Beloit Property Manager's Association.



## Previously Identified Impediments to Fair Housing

The previous Analysis of Impediments to Fair Housing identified a number of impediments to fair housing which the City has addressed with a variety of activities. The following specific actions have been taken to address these impediments and affirmatively further fair housing:

**Origination and Denial Rates for Minorities:** Minority persons may have a more difficult time getting approved for a bank loan and are being targeted by predatory lenders.

- The City of Beloit has supported funding agencies that provide outreach and education in the area of lending to LMI individuals and protected populations. The City has provided CDBG funding to Neighborhood Housing Services (NHS) and Community Action, Inc. to provide credit and homeownership counseling.
- NHS has provided down payment assistance and credit counseling to LMI individuals since 2004 to help them strengthen their credit in order to get approved for a first mortgage.
- NHS has put into place an underwriting policy that prohibits providing down payment assistance and does not allow mortgage subordinations for lending products with predatory characteristics. NHS also actively educates LMI households about predatory loans in their homebuyer classes.
- Community Action Inc. has increased the number of self-sufficiency programs that educate participants to increase earned income, repair credit, and choose housing options that are financially viable including homeownership. Community Action Inc. also provides credit and homeownership counseling. Community Action also enrolls participants in financial literacy classes conducted by Neighborhood Housing Services.
- The Beloit Housing Authority (BHA) began participating in the Housing Choice Voucher Homeownership program 2005. Eighteen of their 598 voucher can be used to assist LMI families with subsidies for mortgage payments. The Housing Authority employed a staff person until 2010 who was certified in Homebuyer Education and Credit Counseling resulting in ten participants purchasing homes. BHA now works with NHS of Beloit's credit counseling program to assist participants in improving credit to obtain a mortgage under this program.

**Language Barriers:** Language barriers for New Americans and lack of a credit history.

- Neighborhood Housing Services has provided homebuyer classes in Spanish and



English since 2004. Their bilingual staff also provides credit counseling, homebuyer education, foreclosure prevention, and loan modification assistance. Fair lending is discussed as a part of their homebuyer education classes.

- The Equal Opportunities and Human Relations Commission's (EOHRC) brochure on fair housing has been available in both English and Spanish since 2004 in an attempt to reach out to all populations in Beloit. This brochure has recently been updated and has been disseminated to many social service agencies where diverse populations may frequent.
- The City's Equal Opportunities and Human Relations Commission (EOHRC) staff liaison has performed outreach and educational seminars on Fair Housing in both English and Spanish.
- Blackhawk Bank has two bi-lingual loan officers to assist Spanish-speaking people with obtaining mortgage loans.

**Discriminatory Impediments:** Hispanic, disabled, and persons with HIV issues are less likely to feel comfortable filing a fair housing complaint.

- City staff liaison to the EOHRC is bi-lingual and available to accept Fair Housing Complaints in person or over the phone during regular business hours. City staff liaison also assists complainants in completing the complaint form and will also accept complaints via email.
- The EOHRC provided Fair Housing seminars in Spanish to participants participating in English Language classes at the Stateline Literacy Council. This agency provides English classes to Spanish speaking individuals and also houses the Latino Service Providers coalition. Brochures and complaint forms were placed at the agency.
- City staff liaison to the EOHRC has provided on-site outreach to vulnerable populations such as Beloit's Domestic Violence shelters. Complaint forms and informational brochures are disseminated at the time of outreach.
- The Fair Housing Investigator gives complainants the option to either meet at their residence or at a public location of complainant's choice, for completion of the complaint form.
- The EOHRC's brochure on fair housing has been translated into Spanish to reach out to the City's Latino populations. This brochure is placed at many social service agencies where protected populations may visit.
- The City staff liaison to the EOHRC provided educational presentations to the County's Homeless Intervention Task Force (HITF) and other social service agencies in order to bring awareness and resources to case workers who work closely with underserved and protected populations. This helps caseworkers recognize discriminatory behavior and provides tools to assist their clients in filing a complaint if needed.



- Fair Housing informational flyers and brochures are placed in public areas of City Hall for the public to take.

**Accessibility Impediments:** Due to the age of the housing stock, there is a lack of handicapped accessible housing units.

- The City provides housing rehab loans to owner-occupants and owners of rental units wishing to make their housing units handicapped accessible.
- The Beloit Housing Authority has completed work on Phase 1 of the Public Housing Development Project. At the end of 2010, 14 Public Housing units were rehabbed including one barrier-free unit. Phase 2 of the Public Housing Redevelopment Project is underway and consists of reconstructing 66 public housing units, 42 of which are designated for elderly and disabled persons. All 66 units will be ADA compliant and will be handicap accessible. Construction will be completed in the summer of 2012.
- The Beloit Housing Authority provides a preference to applicants who need modified housing due to disability.
- The Beloit Housing Authority has conducted outreach efforts with local agencies and social groups to increase accessibility to under-served populations.

**Community Advocacy Groups:** Lack of an advocacy group for disabled individuals.

- City staff to the EOHRC has provided educational seminars to various Community not-for-profit agencies including Community Action Inc. of Rock and Walworth Counties, Beloit Domestic Violence Center, Stateline Literacy Council, Property Manager's Association, and the local Continuum of Care Homeless Intervention Task Force (HITF). Brochures and flyers are distributed at each session.
- The City of Beloit has provided CDBG funding to agencies that advocate for and offer services to the elderly and disabled populations, such as Family Services Home Companion Registry, Beloit Senior Chore Service, and Merrill Center Senior Program.
- The City of Beloit invited disability advocacy groups to the AI focus group meetings including, Rock County Community Support Program, Rock County Council on Aging, Rock County Long Term Support, the local chapter of National Alliance on Mental Illness (NAMI) for input regarding possible discriminatory practices and suggestions on how to reach these individuals. Any comments or suggestions are incorporated into this AI.
- The Merrill Community Center children have participated in the annual Statewide Fair Housing Poster contest over the last three years. The Merrill Community Center also serves senior citizens.



# Identification of Impediments to Fair Housing Choice

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An impediment to fair housing is anything that may hinder or prevent a person from having equal access to housing because of membership in protected class.

In addition to the analyses presented above, the AI process included surveys, interviews with City staff, community leaders, consultation with a focus group, and a thorough review process with the Beloit Equal Opportunities and Human Relations Commission (EOHRC). The results of these activities are incorporated into the following identification of impediments and related recommendations.

## Fair Housing Concerns

Fair housing concerns consist of policies or practices that are not deemed impediments, but have the potential to turn into impediments if left as they are. These concerns should be reevaluated on a regular basis as it relates to fair housing.

### **Building Codes**

The building codes do not seem to pose an impediment to accessibility. The codes are current and proactive with regard to multi-family units. Unfortunately, the age of the housing stock may pose a barrier for visitability purposes. The City may wish to examine alternative ways of addressing this issue.

### **Boards and Commission Composition**

Ordinances regarding all of the boards and commissions of the City include the statement with regard to membership that the body “should reflect the diverse nature of the City’s population.” However, it appears that this requirement may be implemented only informally. No formal mechanism for tracking the composition of boards and commissions with regard to race, gender, age currently exists.

However, the EOHRC has historically sought out needed members for the Commission. The Commission has proactively recruited and enlisted the participation of individuals representing a variety of ethnic groups and racial groups who were subsequently appointed by the City Council.

### **Lack of Mortgage Applications by Black Households**

The EOHRC noted that the HMDA data herein shows a major discrepancy in the number of black applicants for first mortgages compared to non-minority applicants. The HMDA data is too limited to glean whether this is an accurate representation of all applications over different types of financial institutions, such as national lenders and mortgage companies.



The City should research this subject further in order to explore whether there are fair lending issues.

## **Public Sector Impediments**

### **Inconsistent Administration of the Fair Housing Code**

There are a number of concerns regarding the way in which the City has administered the Chapter 20 Fair Housing Code. Since 2004, the staff liaison to the Equal Opportunities and Human Relations Commission (EOHRC) has changed a number of times. In 2004, these responsibilities were administered jointly by the Human Resources Division and a consultant. From 2005 to mid-2007, the responsibilities were administered by the Beloit Housing Authority. From 2007 and 2008, the Housing Services Division took over these duties. And from 2009 to present, a staff person in the Community Development Department has been assigned to the EOHRC and its associated duties.

The constant change in staff liaison has resulted in much confusion by the public and City staff regarding where to direct Fair Housing complaints. There was a major deterioration in outreach efforts with a sharp drop in the number of complaints in 2007 and 2008. Documentation varies greatly from file to file over the years and procedures oftentimes did not follow what is required by ordinance. No documentation of training for changeover of staff or the EOHRC was found.

### **Lack of Bi-Lingual City Staff for Housing Programs**

The Hispanic population of the City has grown 800% over the last ten years. It is becoming increasingly apparent that simply producing bi-lingual material is not enough to serve these citizens. Specific concern is with the lack of bi-lingual staff in the housing related divisions of the City; the Housing Authority, Code Enforcement, and the Housing Loan Programs. Although translated material can offer much needed information, with one bi-lingual staff to field questions or assist with applications and other housing forms, oftentimes Spanish speaking clients are unable to be assisted unless they bring someone to translate. There is evidence that staff is aware of and taking proactive steps to meet these needs in all areas of municipal function. However, the need to recruit and retain bi-lingual staff is an area of concern. It was reported that the Police and Fire Departments have begun the conscious process of hiring bi-lingual staff members.

### **Limited Number of Housing Choice Vouchers (Section 8)**

The Beloit Housing Authority has 598 Section 8 Vouchers and consistently has a waiting list of over 500 applicants. Historically, applicants are on the list for approximately one to three years before they receive a voucher. The focus group indicated there is a great preference in the community for Section 8 vouchers because unlike other subsidized housing, the participant has a choice in where to live.



### **Low Payment Standards for Housing Choice Vouchers (Section 8)**

The focus group and the EOHRC raised a concern that Housing Choice voucher holders are (1) limited in their choice and quality of housing and, (2) are being driven to low-income and minority concentrated areas of the City due to low payment standards. Of particular concern was the two-bedroom payment standard which is extremely low. Section 8 payment standards cap the amount of rent subsidy the Housing Authority can pay as well as the portion a family is allowed to pay based on unit size.

Beloit Housing Authority payment standards are lower than the other Section 8 program operating in the community, and are lower than the amount of rent a landlord could receive if they were to rent to a non-Section 8 family. This is resulting in a drop in landlord participation in the program, which reduces the number of units available to persons seeking housing. Low payment standards also limit the choice in location of housing for households on this program. Units with lower rental amounts are concentrated in the same areas as low income and minority concentrated areas in Beloit. The current Section 8 waiting list consists of 600 applicants, of whom 63% are African American, 6% are Hispanic, and 3% are multi-racial. These areas are also the same areas that have older housing stock, which are more likely to have accessibility issues.

## **Private Sector Impediments**

### **Supply of Subsidized and Rental Housing**

The primary concerns in Beloit seem to be that the City carries a disproportionate number of the County's subsidized households. The issue isn't affordability, its adequacy. There are concerns that the quality of the housing stock, particularly rental housing is not what it could be.

### **Origination and Denial Rates**

The previous discussion regarding HMDA data indicates that loan origination rates are lower in census tracts 16, 17, and 18 where non-white populations exceed 25%. However, the consensus among focus group participants and interviewees was that the financial community was taking a very progressive approach to meeting their fair housing requirements. Participants cited a variety of efforts to work with Neighborhood Housing Services to create homeownership educational programs.

However, the focus group and the EOHRC noted that there is still a lack of general financial literacy programs in the community. This is resulting in major credit issues that are preventing families from qualifying for mortgages.

### **Language Barriers**

Limited English Proficiency (LEP) has come to the forefront of housing issues with the recent increase in Beloit's Latino population. Many of these people face language



barriers regarding the ability to read and understand leases and mortgage documents and they may not realize whether they are facing a fair housing issue.

An emerging issue among LEP residents has become Latino/Spanish speaking individuals taking advantage of other Latino/Spanish speaking individuals because the victims tend to trust people who speak their own language. According to the service providers in our focus group, housing problems are in the form of inappropriate/illegal evictions, excessive fees, or simply failing to take care of a property. An example of this was evident when a large multi-unit property in Beloit was discovered to have no heat, major fire hazards, mold, and was so poorly maintained that the buildings were posted unfit for human habitation. According to many of the Latino/Spanish speaking tenants, the Latina/Bi-lingual property manager threatened eviction or being reported to Immigration if they complained to the City.

Another recent issue is that of land contracts. LEP individuals are signing land contracts that are written in English and have terms that are not fully understood by the buyer. Oftentimes the buyer realizes much later that they have agreed to terms they would not have agreed to had they known what the document said. The City is seeing an increase in matters like this.

There has been progress however in mortgage lending. Most of the City's local lending institutions have added bi-lingual mortgage staff and some of them have ITIN loan options. These specialists understand the local housing environment and have been successful in assisting LEP individuals in making home purchases with traditional lending products. Neighborhood Housing Services of Beloit also provides free home buyer education, credit counseling, and lending services in English and Spanish. The Latino Service Providers Coalition and Stateline Literacy Council are providing English classes for little or no fee, and will assist individuals with translation when needed.

### **Resident Opposition**

There were two proposed housing developments that received major resident opposition since 2004. One proposal was the development of mixed income public housing and the other development was a multi-unit affordable elderly housing complex to be built with tax credits. In both instances, the public was notified and residents attended public hearings in opposition of the developments. The first proposal did not move forward, and although the second proposal was approved, the developer was unable to get approved for the tax credits.

### **Lack of Community Advocacy Groups for Disabled Persons and Persons with HIV**

Although there are a wide range of advocacy groups that are active in social services, community support, and housing activities, what continues to be lacking is well-organized advocacy on behalf of disabled persons. Advocates from Long Term support, and Beloit's Community Support Program identified complicated issues regarding



persons with mental illness and their ability to find and/or keep housing.

The City of Beloit's previous AI reported that persons with HIV were reported as having difficulties finding housing. Yet, the City reached out to the local AIDS Network by phone, email, and mail to participate in the focus group for this AI but received no response.



# Recommended Actions to Promote Fair Housing Choice

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## **Recommendation #1: Provide Consistent Responsibility for Administration of the City's Fair Housing Code**

The City of Beloit should assign a single Department or Division to be responsible for the accurate administration of the City's Fair Housing Code. This Department or Division should also be responsible for ensuring that appropriate training occurs in the event of staff changes. The Department or Division Head would have the opportunity on an annual basis to review fair housing activities and outline fair housing goals during the course of annual performance reviews of staff.

## **Recommendation #2: Continue Fair Housing Outreach and Education**

The City's current outreach and education consisting of flyers, brochures, and educational seminars is critical to keeping the community informed of the fair housing rights and processes. The City has begun to reach out to landlords and property managers as well to educate landlords on the rights of their tenants. This two pronged approach of educating both sides of the equation, will discourage discriminatory practices and provide victims the information needed to protect their rights. The City should also continue to take part in events during the Fair Housing Month of April to bring awareness to housing discrimination and garner more support for efforts to eliminate the issue.

## **Recommendation #3: Educate Public Officials and Relevant Groups regarding Low-income/Tax Credit Projects**

The City should provide education to community and public officials, relevant boards, and developers as early as possible when a tax credit or low/mixed income project is moving forward. The City should involve / partner with neighborhood and other advocacy groups to educate the community regarding mixed income and low income tax credit projects. Neighborhood opposition can limit the ability to develop and can affect siting of affordable housing.

## **Recommendation #4: Provide Education Regarding Housing Contracts to Linguistically Isolated Households**

The City should develop an initiative to proactively educate non-English/limited-English speaking persons about housing related contracts. This can be done with informational handouts, brochures, referrals to resources, and educational seminars. The City may want to partner with an organization that serves this demographic to provide education regarding leases and land contracts.



**Recommendation #5: Continue to Reach Out to the Disabled Community**

The City should actively seek input from advocacy groups and agencies that provide services to persons with disabilities in order to discover fair housing concerns, find better ways to reach this demographic, and incorporate changes in education efforts specific to the disabled community.

**Recommendation #6: Further Research the Low Number of Mortgage Applicants among African Americans**

The City should encourage agencies to promote their lending and credit improvement programs at agencies serving minorities, to ensure that minorities are aware of these opportunities. Currently the City funds a number of different programs that provide financial literacy and homeownership education to low-to-moderate income individuals. Minorities represent a large portion of the low-to-moderate income population in Beloit.

**Recommendation #7: Explore Options in the Housing Choice Voucher Program to Increase the Payment Standards and the Number of Vouchers Available to the Housing Authority**

The focus group and the EOHRC noted the limitations that the current Voucher program poses to its participants. The City should explore other ways to increase its capacity in Beloit. One option could be to explore obtaining specialty vouchers such as Veterans Affairs Supportive Housing (VASH) or Family Unification Program (FUP) vouchers to assist special populations.



# Appendix A

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## Timeline of the City of Beloit's African American Residential Patterns: 1915-1989<sup>3</sup>

- **1915-1917:** World War I causes an increase in demand for the engines manufactured by the Fairbanks Morse industry, causing Fairbanks Morse to expand extensively.
- **1916:** Fairbanks Morse develops and implements a recruitment plan to fill labor shortages targeted at Southern African Americans.
  - Recruits were placed in a temporary camp at the corner of Pleasant and Lawton Avenues, just below the Fairbanks Morse plane. Some African Americans considered this to be an effort by Fairbanks Morse aimed at “preventing Blacks from filtering into the White neighborhoods” (6).
- **1917:** Fairbanks Morse constructs four concrete block buildings, housing 24, two-story apartment units for their African American employees to rent. Then known as the Edgewater Apartments (Flats), today they are referred to as the Fairbanks Flats, or the Flats.
- **By 1920:** Many of Beloit's 834 African Americans lived in or near the Flats. This created a nucleus for the expanding African American community in Beloit, and in turn “would shape Beloit housing patterns” (7). Later, residents of the Flats, and their families, were said to have then moved into “two distinct neighborhoods: Colby Street and Athletic Avenue; and Second Street towards Portland Avenue” (7).
- **1930s-1950s:** While African Americans did live throughout the city, there were pockets of concentration. The five most minority-populated streets in the Beloit area during this twenty-year period were identified as:
  - **Athletic Avenue:** Described as a mixed neighborhood, by the end of the 1950s had begun to become predominantly African American.
  - **Fifth Street (today – Shore Drive):** The location of the Flats.
  - **Pleasant Street:** Became a commercial thoroughfare causing the population to decrease significantly.
  - **Race Street (today – Colby Street):** By the end of the 1950s, this street had become predominantly business and today much of Colby street is vacant and has no residential properties.

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<sup>3</sup> Information presented in the *Timeline* and *Discussion* has been gathered from: M. Elizabeth Tardola, David C. Engerman, and Karen M. Oster, *Racial Patterns in Rental Housing in Greater Beloit Area: A History and Current Analysis 1989* (Beloit, 1989).



- **St. Paul Avenue:** Overtime, this location too became heavily business, with no residential properties remaining today.
- **1960s:** While large urban areas began to suffer many turbulent challenges, by the middle of the 1960s, the City of Beloit had not experienced quite that level of conflict.
- **1960s:** Housing followed past City residential patterns, reflecting the results of a gentleman’s agreement between the realtors and lending agents that were prevalent in the 1940s and 1950s; to not sell or finance properties in a block unless African Americans already lived on that block.
- **1965:** Picketers at the Hilton Hotel protested the Beloit Board of Realtors meeting and their “continued opposition to fair-housing legislation” (22).
- **1970s and on:** Significant growth in Beloit’s non-African American minority population.
- **By the 1980s:** Statistical trends show that as the population increases in Beloit, so too do the number of minority communities.
- **1989 and on:** While segregation within the City has decreased overtime, certain areas of the City continue to remain predominantly minority, as well as low-income (See MAP: *Areas of Minority Concentration: Number of Non-White People by Census Tract, 1990-2012*).

## Discussion

Beloit’s African American population grew exponentially in the early part of the 20<sup>th</sup> Century, largely due to the expansion of the Fairbanks Morse industry and the resulting recruitment plan it established. While racial segregation at this time did not take on the blatant development of separate Black and White neighborhoods, there certainly was an undertone of segregated housing, which further developed overtime.

It was not uncommon for African American residents to live throughout the City. Despite their presence in a number of City neighborhoods, African American households were usually situated on designated streets where the White population was minimal, or they lived on one side of a street with their White neighbors living on the other. Further, there was a feeling of African Americans being *colonized*, meaning that “if you were [African American] you knew you would live in a certain area” (20). These locations were noted as being Athletic Avenue, Booker Street, Keep Street, Fifth Street, Colby Street, Pleasant Street, Broad Street, Birch Avenue, Beach Avenue, Chestnut Avenue, Shore Drive, and St. Paul Avenue. Additionally, Tardola et al. reference a study that found the areas alongside the railroad tracks and near the factories to be the areas where African Americans saw the least amount of resistance, and thus chose to settle (10). Furthermore, three of the five most minority-populated streets in the City became the large commercial and business centers; the Downtown District. As a result, the residents of these streets were forced into the surrounding neighborhoods. As with most cities, the residential properties located in the more central areas of Beloit are the older homes and rentals, which, overtime, have



succumbed to much wear and tear. Today, these streets are located in United States Census Tracts 15, 16, 17, 18, and 19. These Census Tracts (except for 19) are designated as Low-Moderate Income neighborhoods with a relatively high housing cost burden – residents are paying 30% or more of their income on housing (see the various maps throughout this *Analysis of Impediments* for further details on the City of Beloit’s Census Tracts).

While the residential patterns within the City of Beloit have diversified over the years, there is still an inability for many Low-Moderate Income residents to purchase or rent in many of the newly developed areas of the City. Further, the Low-Moderate Income neighborhoods in Beloit correlate with the areas of minority concentration, which additionally brings up questions of Beloit’s fair housing options. Until these issues are addressed, the City of Beloit still has many segregated neighborhoods, whether intentional or not.



# Appendix B

## Reasons for Denial – HMDA Data Tables 08-1 through 08-4

Reasons for Denial, 2009	Government Home Purchase Loans		Conventional Home Purchase		Refinance		Home Improvement	
<b><u>American Indian Applicants</u></b>	0	0	0	0	0	0	0	0
Debt-to- Income Ratio	0	0	2	50%	4	50%	2	40%
Employment History	0	0	0	0	0	0	1	20%
Credit History	1	100%	1	25%	3	38%	1	20%
Collateral	0	0	1	25%	1	13%	0	0
Insufficient Cash	0	0	0	0	0	0	0	0
Unverifiable Information	0	0	0	0	0	0	0	0
Credit App. Incomplete	0	0	0	0	0	0	0	0
Mortgage Insurance Denied	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	1	20%
<b><u>Asian Applicants</u></b>	0	0	0	0	0	0	0	0
Debt-to- Income Ratio	0	0	0	0	6	55%	0	0
Employment History	0	0	0	0	0	0	0	
Credit History	0	0	0	0	0	0	1	50%
Collateral	0	0	0	0	2	18%	0	0
Insufficient Cash	0	0	0	0	0	0	0	0
Unverifiable Information	0	0	0	0	1	9%	0	0
Credit App. Incomplete	0	0	0	0	0	0	0	0
Mortgage Insurance Denied	0	0	0	0	0	0	0	0
Other	0	0	0	0	2	18%	1	50%
<b><u>Black Applicants</u></b>	0	0	0	0	0	0	0	0
Debt-to- Income Ratio	0	0	0	0	3	16%	0	0
Employment History	0	0	0	0			0	0
Credit History	1	50%	0	0	6	32%	0	0
Collateral	1	50%	0	0	8	42%	0	0
Insufficient Cash	0	0	0	0	0	0	0	0
Unverifiable Information	0	0	0	0	0	0	0	0
Credit App. Incomplete	0	0	0	0	0	0	0	0
Mortgage Insurance Denied	0	0	0	0	0	0	0	0
Other	0	0	1	100%	2	11%	0	0



<b><u>White Applicants</u></b>	0	0	0	0	0	0	0	0
Debt-to- Income Ratio	31	28%	20	16%	195	20%	29	16%
Employment History	6	5%	0	0	8	1%	0	0
Credit History	32	29%	41	33%	199	21%	66	41%
Collateral	17	15%	20	16%	364	38%	18	11%
Insufficient Cash	4	4%	10	8%	21	2%	0	
Unverifiable Information	7	6%	2	2%	25	3%	12	8%
Credit App. Incomplete	3	3%	2	2%	38	4%	9	6%
Mortgage Insurance Denied			2	2%	6	1%		
Other	12	11%	28	22%	101	11%	26	16%
<b><u>Hispanic Applicants</u></b>	0	0	0	0	0	0	0	0
Debt-to- Income Ratio	0	0%	2	13%	13	28%	5	16%
Employment History	1	13%	0	0	0	0	1	3%
Credit History	3	38%	6	38%	15	33%	14	45%
Collateral	2	25%	2	13%	9	20%	3	10%
Insufficient Cash	0		2	13%	0	0	0	0
Unverifiable Information	1	13%			3	7%	2	6%
Credit App. Incomplete	0	0	0	0	0	0	0	0
Mortgage Insurance Denied	0	0	0	0	1	2%	0	0
Other	1	13%	4	25%	5	11%	6	19%

