

**Alabama Department of Economic and Community Affairs
Director's Acknowledgements of
The State of Alabama's 2015 Analysis of Impediments to Fair Housing Choice
developed by
Western Economic Services, LLC
Portland, Oregon**

Every five years, the Alabama Department of Economic and Community Affairs (ADECA), on behalf of the State of Alabama, prepares a Five-Year Consolidated Plan that incorporates four programs administered by the U.S. Department of Housing and Urban Development (HUD). These programs include the Community Development Block Grant Program (CDBG), the Home Investments Partnership Program (HOME), the Emergency Solutions Grant Program (ESG), and the Housing Opportunities for Persons With AIDS Program (HOPWA). Collectively, these four programs provide annual allocations of federal funds for the State to expend in addressing needs in the areas of affordable housing, community and economic development, homeless assistance and homelessness prevention, and housing and services for persons with AIDS. ADECA has effectively administered these programs for as long as thirty-three years (for the CDBG Program), and throughout the process has provided funding for hundreds of infrastructure projects, affordable housing projects, and emergency shelter projects benefitting a large segment of the low and moderate income population, the homeless population, and the population afflicted with AIDS. As the recipient of federal funds under these four programs, ADECA and the State are subject to the development of an *Analysis of Impediments to Fair Housing Choice (AI)* every five years so as to ensure compliance with the federal Fair Housing Laws.

In 2014, ADECA, on behalf of the State, solicited proposals from qualified consultants and other entities to develop Alabama's *AI*, and selected Western Economic Services, LLC of Portland, Oregon (WES) to develop the *AI*. WES submitted an impressive resume indicating its completion of several *AI*s for other States and communities. ADECA's role in developing the *AI* was to provide WES with statewide surveys on fair housing and community needs, to assist in the formation of committees and focus groups, and to provide accommodations. The *AI* completed by WES is a culmination of many months of detailed work and a compilation of extensive demographic data.

From the beginning of these four HUD programs, ADECA, on behalf of the State, has taken seriously its role to affirmatively further fair housing. The majority of the HUD programs' beneficiaries are minorities and groups of limited clientele. ADECA has ensured that these programs' sub-recipients fully carry out both the intent and the spirit of the fair housing and equal opportunity laws. Additionally, for the longest time, ADECA has recognized that offering full opportunities to minorities and limited clientele groups in the areas of education, training, and employment was the best way to fully assimilate these populations into the State's fabric of communities and neighborhoods. ADECA further recognizes that exhibiting good intentions alone is often not enough of an effort, and that ADECA must actively engage in the education and legislative processes to ensure that fair housing laws are understood and implemented.

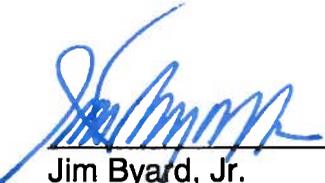
The purpose of developing the *AI* is to identify impediments to fair housing choice existing within Alabama's non-entitlement communities so as to determine courses of action designed to address those impediments. A significant part of the *AI*'s development was for WES to obtain input from the public through participating committee members and focus

groups who were tasked with identifying impediments and determining courses of action. While significant public comments were presented to WES throughout the *A/s* preparation, for reasons unknown to ADECA those comments did not become incorporated as part of the *AI*, but instead were merely added as appendices to the *AI*. For the most part, the *AI* was based on broad yet limited demographic data and other published information. It is ADECA's opinion that this lack of recognition of the interplay among a variety of factors has resulted in certain outcomes (impediments) that appear to be largely inconclusive.

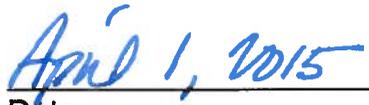
The summary comments stated below pertain to WES's draft *AI*, and were offered to ADECA from the University of Alabama's Center for Business and Economic Research in February 2015. These summary comments capture the essence of many public comments that WES received and included in the *AI* as appendices; however, WES did not incorporate them into the actual analysis portion of the *AI*.

- The [*AI*] basically tries to prove that impediments to fair housing choice exist by focusing on inconsistent data for non-entitlement areas of the state where unemployment is high and income levels are low, but it makes statements as though they apply statewide. Some of these impediments could still exist but be due to factors other than race (e.g., income, demographics, and employment opportunities).
- The [*AI*] totally ignores economic context, specifically the effects of the 2008 Great Recession on many key variables, such as tightness of credit. To some extent, the [*AI*] ignores factors - other than the race of applicants - that may or may not result in the existence of impediments.
- Most importantly, a reading of the transcripts of the public meetings (contained in the *A/s* Appendix) strongly suggests that the findings had been decided upon before the study was even completed. Comments from WES seemed evasive, defensive, placed a lot of responsibility upon ADECA early on in the *A/s* process, and repeatedly mentioned "butreach" and "education" as prescriptive measures.

ADECA, on behalf of the State, does adopt the *AI* developed by WES as the State of Alabama's 2015 Analysis of Impediments to Fair Housing Choice, but does so with significant reservations. ADECA recognizes that institutional and personal practices, be they intentional or unintentional, could serve as impediments to fair housing choice, and strongly endorses implementing good practices—such as education and training—which could bring awareness of and compliance with fair housing laws within the State. In the future, ADECA, on behalf of the State, will—to the extent feasible—implement WES's recommendations that are incorporated in the *AI*.



Jim Byard, Jr.
ADECA Director



Date