

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
COMMUNITY DEVELOPMENT DIVISION

Subject: FAIR HOUSING

Effective Date: September 1, 2015

MSHDA's Community Development Division (CDD) grant recipients are obligated under federal and state law not to discriminate in housing or services, either directly or indirectly, on the basis of race, color, religion, sex, national origin, age, familial status, or disability. Michigan's Elliott-Larsen Civil Rights Act includes height, weight and marital status to the protected classes listed above. It is CDD's policy to implement its housing programs and services to ensure equal opportunity for all persons.

This Policy Bulletin addresses:

- Minimum fair housing measures all grantees are required to implement effective July 1, 2008
- Affirmative Marketing
- Requirements for annually reaffirming Fair Housing
- Local Government citizen participation requirements

NOTE: The HOME final rule (24 CFR 92.351a) requires PJs and state recipients to develop and adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing five or more HOME-assisted units regardless of the activity the HOME funds will finance (e.g., acquisition, rehabilitation, and/or new construction).

All CDD grantees are expected to meet the following Fair Housing measures effective July 1, 2008:

- Adopt a fair housing resolution or ordinance incorporating the non-discrimination language of Executive Order 11063 (**Attachment A**):

Executive Order 11063, as amended provides that no person in the United States because of race, color, religion (creed), sex, or national origin, shall be denied equal opportunity in housing and related facilities provided with Federal financial assistance, and that all Federal executive departments and agencies shall take action to promote the abandonment of discriminatory practices with regard to residential property and related facilities provided with Federal financial assistance.

- Appoint a local fair housing contact person who is available during normal business hours to respond to fair housing issues raised by CDD funded projects/programs: recipients, prospective recipients, and/or contractors. That person should read and have an understanding of all state and federal **Fair Housing and Non-discrimination Laws (Attachment B)**;
- Be accessible to differently-abled individuals and make reasonable accommodations, as necessary; i.e., providing interpreters, implementing procedures to service persons with impaired vision or hearing (TTY's), etc.
- Establish and implement a complaint referral system to a local Fair Housing Center, the Michigan Department of Civil Rights (MDCR), or HUD. Send a copy of any complaint made by a CD-funded project/program recipient, prospective recipient, or contractor to your Community Development (CD) Specialist.

- Initiate a local system of record keeping—a Fair Housing Log (**Attachment C**) and a listing of Fair Housing Resources (**Attachment D**). This should be a running log which reflects fair housing information such as the date, the type of issue, who raised the concern, and how it was resolved, or the outcome. Also record all actions taken to affirmatively further fair housing.
- Develop and distribute fair housing information and materials provided by MSHDA and HUD (“Fair Housing, Equal Opportunity for All” (**Attachment E**), Fair Housing posters, etc.) to area agencies, organizations, or at public events (e.g.; schools, human service agencies, local units of government, etc.). “Fair Housing, It’s Your Right” and HUD Fair Housing posters can be ordered on line through HUD at www.hud.gov or by calling 1-800-767-7468. Fair Housing posters are available in English and Spanish and should be posted in an area visible to the public.
- Include the Fair Housing Logo on all advertising and printed materials.
- Include the anti-discrimination language of Executive Order 11246, Equal Employment Opportunity Clause (**Attachment F**), in all contracts in excess of \$10,000.
- Adopt fair housing policy incorporating the non-discrimination language of Executive Order 11063 (**Attachment G**):

Executive Order 11063, as amended provides that no person in the United States because of race, color, religion (creed), sex, or national origin, shall be denied equal opportunity in housing and related facilities provided with Federal financial assistance, and that all Federal executive departments and agencies shall take action to promote the abandonment of discriminatory practices with regard to residential property and related facilities provided with Federal financial assistance.
- All grantees and property owners receiving HOME funds to finance rental or homebuyer developments with 5 or more units must adopt CD’s Affirmative Fair Housing Marketing Plan (**Attachment H**).

AFFIRMATIVE MARKETING

The HOME final rule (24 CFR 92.351) requires written affirmative marketing procedures and requirements for **rental** and **homebuyer** projects containing five or more HOME-assisted units, regardless of the specific activity the HOME funds will finance. The HOME project subject to this policy may include one or more sites or buildings; however, the threshold requirement is that there are five or more units in the project, all units have common ownership, management and financing, and all units are to be assisted with HOME funds as a single undertaking.

Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons to available housing without regard to race, color, national, origin, sex, religion, familial status, or disability. Special outreach efforts must be made to potentially eligible households that are least likely to apply for assistance. Affirmative marketing procedures do not apply to programs that provide tenant-based rental assistance, owner-occupied rehab, or down-payment assistance only.

Grantees receiving CD HOME funds for rental or homebuyer projects containing five or more HOME-assisted units must adhere to affirmative marketing requirements and procedures that comply with 24 CFR 92.351 and include:

1. Methods for informing the public, owners, and potential tenants about Federal fair housing laws and the grantee’s affirmative marketing policy;
2. Description of what a property owner must do to market housing assisted with HOME funds;

3. Procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach;
4. Description of the records that document actions taken by the grantee and by owners to affirmatively market units and requiring them to be maintained by both the grantee and property owner;
5. A description of how the grantee will annually assess the effectiveness of these affirmative marketing actions;
6. A description of corrective actions to be taken when affirmative marketing requirements are not met; and
7. Description of minority outreach procedures.

CDD grantees that have projects subject to this policy bulletin must complete **Attachment H**, MSHDA Affirmative Fair Housing Marketing Plan for CD, and submit it to their Community Development Specialist at the time the project is set-up on OPAL. Project funds will not be disbursed until this plan is submitted and approved on OPAL by the CDD Specialist.

CDD GRANTEES WILL BE EXPECTED TO ANNUALLY REAFFIRM FAIR HOUSING POLICY BY

- Confirming a designated Fair Housing contact person is available and informed of Fair Housing laws;
- Updating the following documents: community profile of grantee's service area, Fair Housing Log, Fair Housing Resource List and Referral System; and
- Marketing grantee's housing program and contractor list to include minority and women applicants and contractors.

As part of a local government's CDBG housing award, grantees may apply to receive assistance for fair housing activities, which exceed the minimum state fair housing requirements.

LOCAL GOVERNMENT CITIZEN PARTICIPATION REQUIREMENTS

Local government grantees shall provide for and encourage citizen participation from all potential beneficiaries including low and moderate income persons, and minority and other traditionally disadvantaged citizens.

The local government grantee will solicit comment and feedback from potential beneficiaries, and will provide reasonable advance notice of, and opportunity to comment on the proposed activities. This shall include notification of the public hearing dates, times, and locations. The hearings shall be held at times and locations convenient to meet the anticipated needs (handicapped, non-English speaking, etc.).

The local government grantee will conduct at least one public hearing on the activities proposed in the application and at least one public hearing on the status of previously funded activities and will include a review of (a) how the need for the proposed activities was identified, (b) how the proposed activities will be funded, including (to the extent known) the anticipated source of funds; (c) the date the application will be submitted; (d) requested amount of federal funds; (e) estimated portion of the federal funds that will benefit low and moderate income persons; (f) where the proposed activities will be conducted; (g) plans to minimize displacement of persons and businesses as a result of funded activities; (h) plans to assist persons actually displaced; and (i) the nature of the proposed activities.

The hearing on the status of funded activities will include (a) a general description of accomplishments to date, (b) a summary of expenditures to date, (c) a general description of remaining work, and (d) a general description of changes made to the project budget, performance targets, activity schedules, project scope, location, objectives, or beneficiaries.

The local government grantee will (1) ensure reasonable access to all local meetings, project records and information relating to the proposed and actual use of federal funds, (2) conduct all related public meetings or hearings in public buildings or facilities that are accessible to persons with disabilities, and provide accommodation upon request, and (3) has passed or will pass an official resolution authorizing the submission of the application.

All local governments must identify (a) community development and housing needs, including the needs of low and moderate income persons, and (b) activities that will be undertaken to meet these needs, at least every two years.

Within the last two years the local government grantee has conducted a Community Development and Housing Needs Assessment by discussing (at a city council meeting, public hearing or during a community planning process) and recording (a) major housing and community development needs of low and moderate income residents of the community (b) other major housing and community development needs of the whole community (or residents who are not of low and moderate income), and (c) planned or potential activities to address the needs in (a) and (b) above; OR has a current strategic or community plan in place and has been approved by CDD.

If you have questions, contact your CD Specialist at 517-373-1974.

Attachments

- A. Fair Housing Resolution Form
- B. Fair Housing and Anti-Discrimination Laws
- C. Fair Housing Logs
- D. Fair Housing Resources
- E. Fair Housing Equal Opportunity for All, HUD-1686-1-FHEO
- F. Equal Opportunity Clause, EO 11246
- G. Fair Housing Policy sample
- H. Affirmative Fair Housing Marketing Plan