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## LAND AND SPACE

# Milwaukee area can add affordable housing -- and integration -- with reduced zoning, better transit and less fear

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The Milwaukee area can do a better job of creating affordable housing — and integrating people of different races — with fewer zoning restrictions, better transit access and less fear of others.

That's according to a new report responding to a federal rule designed to better enforce the Fair Housing Act.

President-elect Joe Biden's administration is expected to restore that rule. President Donald Trump in July eliminated it amid election campaign claims he was stopping "suburb destruction."

The suspended rule was known as Affirmatively Furthering Fair Housing, or AFFH.

It was issued in 2015 by the U.S. Department of Housing and Urban Development, during President Barack Obama's second term.

That 1968 Fair Housing Act includes a requirement that communities that receive development grants and other HUD funds take significant actions to overcome historic patterns of racial segregation.

The AFFH rule was issued because that provision wasn't effectively enforced.

Before the rule, communities analyzed barriers to fair housing — which generally didn't involve a HUD review.

AFFH required more detailed assessments using data on segregated living patterns, racially concentrated areas of poverty, the location of subsidized housing and other factors.

The idea was to require communities to better consider fair housing issues such as segregation, identify the factors behind those issues and establish fair housing goals, HUD said. Also, the agency would review the community assessments and goals.

HUD, under the Trump administration, said AFFH was a burden on local communities and intruded on local zoning and land use laws.

A revised rule, known as Preserving Community and Housing Choice, was posted in July.

It requires communities to make a general commitment that they use HUD funds "to take active steps to promote fair housing."

That guts the Obama administration rule's effort to reduce racial segregation, according to fair housing advocates.

AFFH did not impose any land use decisions or zoning laws on local governments, according to FactCheck.org.

The new AFFH report on the Milwaukee area's housing patterns does include recommendations about zoning. But those changes would come from local governments, not the federal government.

That report was prepared by Chicago-based consulting firm Applied Real Estate Analysis Inc. for a group formed by the cities of Milwaukee, Wauwatosa and West Allis, and Milwaukee, Waukesha, Ozaukee, Washington and Jefferson counties.

It was in the works when the Trump administration dropped the AFFH rule. However, communities can still produce such reports even as they are no longer mandated.

The report encompasses five Milwaukee-area counties to recognize the reality that longstanding barriers to fair housing are rarely isolated to a single community.

Removing those barriers means area communities must work together, the report said.

Those barriers, and ways for local governments to remove them, include:

- Lack of a regional housing strategy and regional affordable housing.

Communities should work together to expand housing options, especially for people with low and moderate incomes.

That could include expanding the use of federal rental housing assistance vouchers; using federal HUD grants to help finance affordable apartments in low-poverty areas, and supporting maintenance of privately owned affordable apartments that aren't subsidized.

- Restrictive local land use and zoning regulations.

Those include limits on apartments and other multifamily housing, housing for families with children and subsidized housing. Those restrictions have long been key factors in creating and maintaining the Milwaukee area's racial segregation.

Communities can reduce restrictions on higher densities and other regulations that discourage affordable apartment developments. They can target design regulations that drive up construction costs.

They could also promote integration through inclusionary zoning — requiring new apartment developments to set aside some units for people with lower incomes. But that needs a change in state law that bans such zoning.

- The jobs-housing-transit mismatch.

Most jobs are in more affluent communities — with unemployed people living mainly in poorer neighborhoods.

Encouraging development of affordable housing near those jobs, and near bus lines and other transit services, would help reduce the mismatch.

- Fear of others.

One approach: developing diversity awareness programs for local public employees involved in housing and community development policy and planning.

Also recommended: adding diversity awareness training for local nonprofit groups that receive HUD grants, and training for elected officials about diversity's benefits.

- Lack of accessible housing for people with disabilities.

The counties should encourage communities to create new accessible housing, with tax incremental financing districts and other programs to help fund those projects.

Zoning that restricts group homes for disabled people can be changed.

- The homeownership gap between Black and white people.

Milwaukee has the second-lowest Black homeownership rate (27.2%) among the nation's largest metropolitan areas, according to a July report by the University of Wisconsin-Milwaukee's Center for Economic Development.

Communities should consider establishing a housing trust fund similar to one used by Milwaukee to help finance affordable housing, along with counseling programs to encourage renters to become homeowners.

- Overcrowded housing and extensive evictions.

The City of Milwaukee and Milwaukee County should use public resources to add more three- and four-bedroom apartments, while continuing efforts to reduce evictions.

- Lack of Fair Housing Act enforcement

Waukesha, Ozaukee, Washington and Jefferson counties should create fair housing ordinances. Those can provide a starting point for information on housing discrimination issues.

The report also has a section that focuses just on Milwaukee barriers. Those include limited resources to maintain older houses in minority neighborhoods, and gentrification near downtown.

Solutions include the city continuing such policies as creating for gentrifying areas in partnerships with the Historic King Drive

Business Improvement District, Harbor District Inc. and Walker's Point Association.

Meanwhile, the report addressed two private sector barriers: racial disparities in mortgage loans, insurance and appraisals, and lack of awareness of fair housing laws.

Its recommendations included annual fair housing training for real estate professionals, and support for Metropolitan Milwaukee Fair Housing Council's investigations of predatory lending.

To be sure, many communities produce such reports just to make sure they continue receiving HUD grants, said Kori Schneider Peragine, the council's senior administrator of its Inclusive Communities Program.

But the report can serve as a road map for fighting segregation, she said. That depends on local residents taking action.

"We are in a unique time in America in which people, white people in particular, are taking a critical look at racism in our institutions (zoning and other policies)," Peragine wrote in an email.

The report, she said, "offers important leverage for citizens willing to take on these institutions."

"When an affordable housing project is proposed, how do your elected officials handle it? Or does your community affirmatively incentivize projects that will be inclusive?"

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