



**CITY OF APPLETON:  
ANALYSIS OF  
IMPEDIMENTS TO FAIR  
HOUSING**

**2019**



**METROPOLITAN  
MILWAUKEE**



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## Executive Summary

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The Analysis of Impediments to Fair Housing (AI) is a report required of communities that receive federal housing funds such as Community Development Block Grants as Appleton does. This report seeks to identify impediments to equal housing opportunities by analyzing demographic data, local ordinances, and Appleton policies, practices and procedures; and through community participation like housing surveys and stakeholder interviews. After identification of impediments, stakeholders and City of Appleton staff and community work to create recommendations to remove or address the impediments. The recommendations should then be included in the City's Consolidated Plan for continued receipt of federal housing funds.

The *Demographic Summary* provides the most updated data on Appleton's population by race, ethnicity, national origin, disability, income, poverty, education, employment, household characteristics, housing tenure, housing cost burden and publicly supported housing inventory.

- In 2016 Appleton's population was 73,446.
- Appleton's population is 86 percent white, non-Hispanic, 2.3 percent Black, 6 percent Asian, and 5.7 percent Hispanic. Racial and ethnic diversity in Appleton is significantly different when the public school population is analyzed 71 percent white, non-Hispanic, 4.7 percent Black, 11.5 percent Asian, and 10 percent Hispanic.
- 6.4 percent of Appleton residents were born outside of the U.S.; Mexico, Laos and Thailand account for the largest proportion of countries of origin.
- 11.3 percent of Appleton residents speak a primary language other than English. Spanish and a variety of Asian languages are the most prominent.
- Just over 10 percent of Appleton residents report one or more disability.
- Median household income for whites is \$54,909, for Blacks is \$24,808, for Asians is \$48,550, and for Hispanics is \$42,647.
- The poverty rate in Appleton in 2016 was 12.1 percent. Ten percent of whites were in poverty compared to more than 53 percent of Blacks.

Regarding *Disparities in Access to Education, Employment, Transportation, Opportunities*:

- Public school students' standardized test scores vary significantly by race. Forty-eight percent of whites scored advanced or proficient, while only 14.4 percent of Black children, 23.2 percent of Hispanic children and 24.5 percent of Asian children scored advanced or proficient.
- While 95.3 percent of white residents have finished high school, only 79 percent of Black, 63.3 percent of Asian, and 58.7 percent of Hispanic have completed high school or its equivalent.
- Persons of color experience higher unemployment rates than whites in Appleton: whites 3 percent, Hispanic 7.4 percent and 5.3 percent for Asians. For Blacks the

unemployment rate was 12.9 percent, although the margin of error for the Black population employment is higher, making the statistic less reliable.

- Means of transportation varies significantly by race and ethnicity: Black and Asian residents of Appleton utilize bus transit to a greater extent than other races.

Regarding *Disproportionate Housing Needs*:

- Sixty six percent of Appleton residents own their homes while 33 percent rent.
- Sixty eight percent of whites own their homes, while 32 percent of Blacks, 59 percent of Asian and 42 percent of Hispanics own their homes.
- Over twenty-three percent of Native American households, 27.3 percent of white households, 45.0 percent of Hispanic households, 52 percent of Asian American households, and 54.5 percent of Black households experience housing problems.
- Forty percent of Black households, 30.3 percent of Hispanic, and 38.28 percent of Asian American households have a severe cost burden, whereas only 11.4 percent of white and zero percent of Native American households have a severe housing cost burden.
- There were 137 evictions in Appleton in 2016. Once a tenant has an eviction on their record, it becomes more difficult to secure housing.
- A person or household needs to earn \$15.81 an hour, or \$32,880 a year, to afford an average priced two-bedroom apartment in Appleton. The median monthly rent for a two-bedroom apartment in Appleton was about \$737. In contrast, a person making minimum wage can only afford \$377 in rent per month.

The *Community Participation* section summarizes both the stakeholder interviews and survey results. Barriers identified in this process include:

- Inadequate supply/access to affordable housing
- Inadequate supply of affordable, accessible housing for persons with disabilities.
- Housing discrimination based on several protected classes

The *Fair Housing Analysis* section reviews the data presented in the *Demographic Summary* for that data's fair housing implications. Issues analyzed include racial and ethnic segregation; supply of housing accessible for persons with disabilities; segregation of persons with disabilities; and disparities in mortgage lending.

- **Racial and Ethnic Segregation:** Using the dissimilarity index to quantify segregation indicates that Appleton has low levels of segregation; however, there are several census tracts that have significantly greater proportions of non-whites than the population as a whole and several tracts that contain greater proportions of whites than the population as a whole.
- **Housing for Persons with Disabilities:** Since persons with disabilities are two times more likely to be living in poverty than persons without disabilities, they are twice as likely to need affordable housing.
- **Disparities in Mortgage Lending:** Persons of color received a disproportionately low share of loan originations in Appleton.

*Fair Housing Enforcement, Outreach Capacity and Resources* summarizes the state and local fair housing protected classes. Additionally, it describes local resources available to enforce fair housing laws.

- The Metropolitan Milwaukee Fair Housing Council (MMFHC) conducts comprehensive fair housing services for the City of Appleton through its Northeast Wisconsin satellite office, the Fair Housing Center of Northeast Wisconsin (FHCNW).
- From January 1, 2013 to December 31, 2018, 45 housing discrimination complaints from the City of Appleton were taken by the Metropolitan Milwaukee Fair Housing Council
- Twenty-two of the complaints were on the basis of disability, 16 were based on race, 7 were based on familial status, five were based on lawful source of income, three based on age, two based on national origin, and one each marital status and sexual orientation. Some complaints are based on more than one protected class.

*Impediments to Fair Housing Section* lists barriers to equal housing access identified in previous sections of this report. Those impediments are listed below.

1. Private-market housing discrimination: Housing discrimination complaint data verifies that discrimination is occurring based on many different protected classes
2. Affordable housing location: The location of affordable housing can contribute to segregation or integration, as well as to the access a person has to opportunities such as education and employment. Map 7 shows that renters are more concentrated in certain census tracts.
3. Lack of affordable, accessible housing: There is a shortage of affordable housing for all persons. However, persons with disabilities are more likely to have low income and need low-cost, affordable housing than the general population.
4. Private market refusal to permit accommodations/modifications: In Appleton 16 of the 22 fair housing complaints based on disability involved a reasonable accommodation (72 percent).
5. Lending discrimination and disparities: Persons of color received a disproportionately low share of loan originations. Lending discrimination can be subtle and sophisticated, and may be embedded in credit and institutional policies. These factors can make it very challenging for borrowers to recognize discriminatory experiences, which leads to underreporting of unlawful discrimination in the lending market. A lending analysis is included in the Appendix of this report.
6. Critical shortage of affordable rental housing and limited housing assistance: Spending more than 30 percent of income on housing costs is a significant problem for many households in Appleton, particularly households of color. The supply of naturally occurring affordable housing is insufficient to meet the demand of low and moderate-income residents. Additionally, only a fraction of those households that

qualify for federally subsidized programs, like public housing and the Housing Choice Voucher program, actually receive that housing assistance.<sup>1</sup>

*Fair Housing Goals and Strategies* section identifies goals and strategies designed to redress impediments to fair housing. Each goal has a number of strategies to make progress toward the goal. Each strategy contains a *timeframe for action*, a *measure of achievement*, and the *entity* at each municipality that is responsible for implementing the strategies. The goals are not listed in order of priority.

Goal 1: Support efforts to ensure adequate supply of housing affordable to all income levels in Appleton

- Monitor balance between household incomes and for-sale housing or market rents to identify trends that may affect affordability.
- Support a variety of housing programs to defray the costs of rental housing or homeownership, marrying financial tools such as historic preservation, DNR grants, and opportunity zones.
- Support and partner with programs that assist homeless persons in the community.
- Support the city's Homeowner Rehabilitation Loan Program (HRLP) to provide funding for home improvements for low-income households.
- Support housing programs of housing non-governmental organizations (NGOs).
- Participate in the Fox Cities Housing Coalition.
- Promote and support private sector investment in affordable housing through TIF financing, LIHTC projects, and other state/federal financial resources.
- Amend the Central Business District (CBD) zoning regulations to allow for ground floor residential development in some areas of downtown.
- Consider utilizing CBD zoning in other areas of the city to promote denser infill and housing development.

Goal 2: Increase fair housing choice and decrease housing discrimination

- Continue to provide/fund fair housing services.
- Offer fair housing training for City's landlords.
- Advocate for additional federal and state funding for fair housing services.

Goal 3: Continue funding City of Appleton's Neighborhood Program to encourage the establishment and support of neighborhood organizations

- Provide assistance to help form neighborhood organizations, which among other activities, support diversity of race, ethnicity, religion, income, ability levels.

- Continue to offer funding through the Neighborhood Grant Program to help carry out neighborhood improvement projects.
- Provide diversity and inclusion education to neighborhood groups to ensure that organizing efforts are inclusive.

Goal 4: Increase access to consumer education to reduce homeownership and lending disparities

- Support existing credit counseling and financial education.
- Connect housing consumers with existing local educational resources.
- Connect housing consumers with existing local job skills resources.

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## About the Authors & the Report

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The Metropolitan Milwaukee Fair Housing Council, Inc (MMFHC) produced this report. Kori Schneider Peragine, Marion Ecks and Erika Sanders are the primary staff persons responsible for its contents.

Established in 1977, MMFHC is a private, non-profit organization dedicated to promoting fair housing throughout the State of Wisconsin by guaranteeing all people equal access to housing opportunities and by creating and maintaining racially and economically integrated housing patterns. These goals are accomplished through four programs:

- Enforcement Program – provides direct assistance to persons alleging violations of federal, state and local fair housing laws, and conducts systemic investigations of institutional forms of discrimination
- Outreach and Education Program – conducts fair housing presentations, trainings, technical assistance, and other outreach to housing consumers, housing providers, community organizations and the general public
- Fair Lending Program – assists victims of mortgage rescue scams, provides fair lending education and advocacy, and works to ensure that all communities have fair access to credit
- Inclusive Communities Program – provides technical assistance to community organizations, developers and local policy makers on inclusionary housing policies and the promotion of racial and economic integration, and conducts analysis of fair housing and affordable housing opportunities and impediments.

MMFHC provides services throughout the State of Wisconsin through three offices. Its main office is located in the City of Milwaukee and satellite offices are located in Madison (Fair Housing Center of Greater Madison) and Appleton (Fair Housing Center of Northeast Wisconsin).

### General Purpose, Format and Methodology

Purpose: The Analysis of Impediments to Fair Housing (AI) is a report required of communities that receive federal housing funds such as Community Development Block Grants as Appleton does. The AI mandate is described in Section 808(e)(5) of the federal Fair Housing Act. This report seeks to identify impediments to equal housing opportunities by analyzing demographic data, local ordinances, and Appleton policies, practices and procedures; and through community participation like housing surveys and stakeholder interviews. After identification of impediments, stakeholders and City of Appleton staff work to create recommendations to remove or address the impediments. The recommendations should then be included in the City's Consolidated Plan, if not there already, for continued receipt of federal housing funds.

### Format

This document contains eight major components:

1. The *Community Participation* section summarizes both the stakeholder interviews and survey results.
2. *Status of 2013 AI Recommendations* includes the recommendations made in 2013 and a summary of which recommendations have been addressed, and which have not.
3. The *Demographic Summary* provides the most updated data on Appleton's population by race, ethnicity, national origin, disability, income, poverty, education, employment, household characteristics, housing tenure, housing cost burden and publicly supported housing inventory.
4. The *Fair Housing Analysis* section reviews the data presented in the *Demographic Summary* for that data's fair housing implications. Issues analyzed include racial and ethnic segregation; location of rental housing; supply of housing accessible for persons with disabilities; segregation of persons with disabilities; disparities in access to education, employment, transportation, and environmental opportunities; housing cost burden by race and ethnicity; and private market impediments in mortgage lending, rental housing, housing sales and homeowners insurance.
5. *Fair Housing Enforcement, Outreach Capacity and Resources* summarizes the state and local fair housing protected classes. Additionally, it describes local resources available to enforce fair housing laws.
6. *Impediments to Fair Housing* lists barriers to equal housing access identified in previous sections of this report.
7. *Fair Housing Goals and Strategies* details goals and strategies for implementing recommendations, a timeframe for action, how progress on each strategy is measured, and which entities at the City are responsible for implementation of recommended activities.
7. Finally, the *Appendix* includes more detailed data from the Department of Housing and Urban Development's (HUD) Affirmatively Furthering Fair Housing (AFFH) Tables and maps, the Lending Analysis, and the Housing Survey.

## Methodology

In its simplest form, the AI process consists of gathering data from a variety of sources, analysis of that data, identification of fair housing impediments based on the data analysis, and the creation of goals and strategies to overcome the impediments.

The authors are mindful that quantitative data can only paint a partial picture, and the lived experiences of marginalized groups in Appleton and throughout our state and nation are never fully described by these resources. Both quantitative data and qualitative data are used in this report to identify impediments.

Early in the process, MMFHC met with City staff to accomplish the following:

- identify relevant contacts in the public and private housing markets, as well as contacts representing a cross section of housing consumers in the area, including groups that have historically and currently faced impediments to fair housing choice;

- request and obtain copies of City ordinances and other policies that may have fair housing implications;
- review and assess the City’s fair housing efforts to date; and
- obtain existing reports and plans for Appleton and surrounding communities that are relevant to housing and locational choice.

As noted above, community participation is an essential component of the AI process. MMFHC gathered input from public and private entities and community organizations that have knowledge of, and/or responsibility for, furthering fair housing practices. MMFHC staff also conducted one-on-one interviews with community members to identify fair housing impediments from a variety of perspectives. Additionally, housing surveys were administered for renters, homeowners and housing service providers to gather their assessments of housing conditions and needs in Appleton.

The Outagamie County Hazard Mitigation Plan was reviewed to ascertain whether fair housing impediments were apparent in the risk of hazards or the Plan recommendations. Broadband service providers were interviewed regarding whether there are disparities in access to broadband based on protected classes<sup>2</sup>.

Further, staff conducted a demographic analysis of the City. Much of the demographic data for this report is compiled from the American Community Survey (ACS), which is conducted by the Census Bureau. Each year, the ACS samples communities throughout the United States and produces estimates based on the results. Because of the amount and complexity of the data, the most recent data available from the ACS is from 2016 and 2017.

The data also includes a margin of error, which indicates the degree of accuracy for each data set such as race or disability. Because the population of persons of color in Appleton is numerically small, some groups within the community are difficult to estimate accurately. We have chosen to include data on these groups in an effort to provide as complete a picture of housing in Appleton as possible. However, we recognize that the data has limitations.

Other sources of data include, but are not limited to: the Bureau of Labor Statistics, the Department of Public Instruction of the State of Wisconsin, Federal Reserve Economic Data, and the Department of Housing and Urban Development’s *Affirmatively Furthering Fair Housing* geospatial tool.

There are multiple terms to describe categories of race and ethnicity, for instance: Black or African American, Latino, Latinx or Hispanic, Native American. Indigenous, or American Indian. Terminology varies between data sets as well. In this document, when information is from a data set, such as the American Community Survey, the terminology

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<sup>2</sup> Based on interviews Nikki Gerhard conducted with Outagamie County Emergency Management (7/26/19); City of Appleton Emergency Management (8/13/19) and TDS re: broadband access (8/15/19)

from that data set will be used. In all other instances African American, Indigenous and Latinx are used at the request of the City of Appleton.

To identify fair housing impediments, data was analyzed to determine impacts on Appleton residents based on their protected class memberships. With both quantitative information gathered in relevant reports and demographic analyses, and qualitative information gathered in interviews, surveys and a review of City ordinances and policies, MMFHC will identify impediments to fair housing and explain the impact of these impediments on the City and its residents.

Recommendations to overcome identified impediments are in the final section of the AI, *Fair Housing Goals and Strategies*. These recommendations, formulated with relevant City of Appleton staff and department leaders, form the basis of a meaningful action plan for the City of Appleton.

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## Demographic Summary

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A fair housing analysis examines historic and present-day discrimination based on the protected classes defined in local, state and federal fair housing laws.

The federal Fair Housing Act and the Wisconsin Open Housing Law prohibit discrimination in housing based on the protected classes below in Figure 1.

FIGURE 1: Federal and State Protected Classes

<b>The Federal Fair Housing Act includes:</b>	<b>The Wisconsin Open Housing Law includes all federal protections, plus:</b>
Race	Age
Color	Ancestry
Sex	Marital Status
National Origin	Lawful Source of Income
Religion	Sexual Orientation
Disability / Handicap	Status as a Victim of Domestic Abuse, Sexual Assault or Stalking
Family / Familial Status	

In addition to the state and federal protected classes listed above, the City of Appleton's fair housing ordinance prohibits discrimination based on gender identity and expression, defined as a person's gender-related self-identity, appearance, expression or behavior, regardless of the person's assigned sex at birth.

While all housing consumers are members of multiple protected classes, not all demographic groups experience unlawful housing discrimination in the same ways, or at the same levels of frequency. Therefore, it is necessary to examine the City of Appleton's demography and residential patterns, and to assess how those patterns affect residents' access to opportunities and resources.

### Population

Appleton is the sixth largest city in Wisconsin. The 2016 American Community Survey (ACS) estimates the population to be 73,446 individuals, evenly split by gender. The median age is 35 and the median income is \$53,878. About two-thirds of households own their homes, and the remaining third rent. The community has a high overall rate of high school graduation of 92.1 percent, 10.9 percent of the population is classed as having a disability, 6.4 percent of the population is foreign born, and 11.3 percent speak a language other than English at home<sup>3</sup>.

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<sup>3</sup> American Community Survey (ACS), 5-year Estimates 2012-2016

FIGURE 2: Appleton Demographics<sup>4</sup>, 2016

2016	Appleton	%	WI	%
Total Population	73,446		5,763,217	
Median Age	35.3			
Median Income	\$53,878		\$59,305	
Poverty Rate		12.10%		12.3%
Education - HS or Higher		92.10%		91.7%
Percent with a Disability		10.90%		11.9%
Born in U.S.		93.60%		95.2%
Language other than English at home		11.30%		8.7%
Tenure	28,658			
Own	18,964	66.17%		67%
Rent	9,694	33.83%		33%

Appleton had a poverty rate of 12.1 percent according to the 2016 ACS. Although poverty is lower than the national rate of 15 percent, this still means that many individuals, many of them children, struggle to afford basic needs. While poverty creates challenges in every area of life, the focus of this report is on access to housing.

Wisconsin’s Department of Administration (DOA) calculated the population to be 74,734 in 2018. DOA demographers “estimate that the 3 counties [that include Appleton] will hit peak projected population for their study period in 2040. Calumet County is expected to grow by 31 percent; one of the largest growth areas in the state. Outagamie County is expected to pass Racine to become the 5th largest [county]<sup>5</sup>.”

### Race and Ethnicity

Appleton is a predominantly white community. City of Appleton residents are 86 percent white and non-Hispanic; throughout the surrounding region, the percentage of whites is slightly more than 90 percent, and some Census tracts in the area are more than 99 percent white. While there are relatively few minorities, the population of people of color has grown dramatically since the 1980s, and is largely responsible for Appleton’s

<sup>4</sup> ACS 5-year Estimates 2012-2016

<sup>5</sup> Wisconsin’s Future Population Projections for the State, Its Counties and Municipalities, 2010 – 2040, Wisconsin Department of Administration Demographic Services Center, 2013

continued expansion. Total population increased by a net 14,414 residents between 1980 and 2016; non-white residents account for 65 percent of that growth.<sup>6</sup>

FIGURE 3: Appleton Race and Ethnicity<sup>7</sup> 1990 - 2016

Race	1980		1990		2000		2010		2016	
	Pop	%	Pop.	%	Pop.	%	Pop.	%	Pop.	%
White	57,781	97.6	63,458	96.6	63,249	90.2	63,553	87.5	63,086	85.9
African American	47	0.1	163	0.2	677	1	1,216	1.7	1,668	2.3
American Indian	184	0.3	279	0.4	373	0.5	489	0.7	495	0.7
Asian or Pacific Islander	313	0.5	1,582	2.4	3,224	4.6	4,279	5.9	4,434	6.0
Other Race	476	0.8	213	0.3	1,820	2.6	1,622	2.2	2,047	2.8
Two or More Races					744	1.1	1,439	2	1,686	2.3
<b>Total</b>	<b>59,032</b>		<b>65,695</b>		<b>70,087</b>		<b>72,623</b>		<b>73,446</b>	
Latino/Hispanic	327	0.6	577	0.9	1,775	2.5	3,643	5	4,178	5.7
Not Hispanic	58,705	99.4	65,118	99.1	68,312	97.5	68,980	95	69,268	94.3
<b>Total</b>	<b>59,032</b>		<b>65,695</b>		<b>70,087</b>		<b>72,623</b>		<b>73,446</b>	

In 1980, Appleton’s Black population included fewer than 50 residents, but increased to 1,668 in 2016. In the same period, the Asian population grew from 313 individuals to 4,434.

### National Origin and Language

As noted in Figure 2, 6.4 percent of Appleton residents were born outside of the United States (the remaining 93.6 percent were born in the U.S.). Because this group is small, available statistics about them are not statistically reliable. However, some key points about this group include:

- Among residents born outside the US, about a quarter are from Mexico.

<sup>6</sup> ACS 5-year Estimates 2012-2016

<sup>7</sup> Ibid.

- The next largest groups of foreign-born are people from Laos, who account for about 21 percent of the group, and people from Thailand, who account for about 9 percent.
- Taken together, Lao and Thai people are about 30 percent of residents born outside the U.S., making them the largest group of immigrants.

FIGURE 4: Appleton Foreign-Born Residents, Nations of Origin

**Top Ten Nations of Origin of Foreign-Born Residents<sup>8</sup>**

- Mexico
- Laos
- Thailand
- China, excluding Hong Kong and Taiwan
- India
- Canada
- Philippines
- Germany
- Colombia
- Korea

People who speak only English make up 88.7 percent of Appleton residents. The remaining 11.3 percent primarily speak another language. About 56 percent of those who primarily speak a different language also speak English “very well,” and 43.7 percent speak it “less than very well.” Among persons who primarily speak a language other than English, Spanish, Asian and Pacific Island languages are the most common.

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<sup>8</sup> ACS 5-year Estimates 2012-2016

FIGURE 5: Appleton English-Proficiency<sup>9</sup>

English Proficiency	Total	Percent	English only or speak "very well"		% Speak English less than "very well"	
			English only or speak "very well"	% English only or speak "very well"	Speak English less than "very well"	% speak English less than "very well"
Population 5 years and over	68,352	(X)	64,970	95.10%	3,382	4.90%
Speak only English	60,611	88.70%	(X)	(X)	(X)	(X)
Speak a language other than English	7,741	11.30%	4,359	56.30%	3,382	43.70%

LANGUAGE OTHER THAN ENGLISH

Spanish	3,373	4.90%	1,920	56.90%	1,453	43.10%
Other Indo-European languages	754	1.10%	579	76.80%	175	23.20%
Asian and Pacific Island languages	3,440	5.00%	1,736	50.50%	1,704	49.50%
Other languages	174	0.30%	124	71.30%	50	28.70%

CITIZENS 18 YEARS AND OVER

All citizens 18 years old and over	53,279	(X)	51,810	97.20%	1,469	2.80%
Speak only English	49,416	92.70%	(X)	(X)	(X)	(X)
Speak a language other than English	3,863	7.30%	2,394	62.00%	1,469	38.00%
Spanish	1,534	2.90%	1,096	71.40%	438	28.60%
Other languages	2,329	4.40%	1,298	55.70%	1,031	44.30%

Ability

When measuring disabilities in a community, the Census looks only at the “civilian noninstitutionalized population,” meaning those who do not require around-the-clock care. The Census asks questions about a variety of physical and cognitive difficulties as part of the American Community Survey. In Appleton, persons reporting one or more disabilities comprise almost 11 percent of the population.

Because this group is small, estimates of types of disabilities people have are less reliable than they would be in a larger population sample. The types of disabilities people have impacts the features they may need in a home.

<sup>9</sup> ACS 5-year Estimates 2012-2016

FIGURE 6: Appleton Disability by Type<sup>10</sup>

Disability Type	% of Population
With a disability:	10.64%
With a hearing difficulty	3.06%
With a vision difficulty	1.51%
With a cognitive difficulty	4.77%
With an ambulatory difficulty	4.62%
With a self-care difficulty	2.14%
With an independent living difficulty	4.35%

### Income Data

Income is an important concern when evaluating housing access, as it determines what an individual or family is able to spend on housing. Median household income in Appleton was \$53,878 in 2016.

However, the median varies by group. For example, white residents earned slightly more than the median, while the median income among Black residents was \$24,808, less *than half* of the City median. Black families have the lowest median income of those racial categories identified in the American Community Survey. Other non-white groups fare better, but still earn less than the overall median.<sup>11</sup> See Figures 7 and 8.

As a result, racial groups differ greatly in their capacity to spend on housing. If a white Appleton household earning the median plans to spend 25 percent of their income on rent, they would be able to pay about \$1,150 a month. The median Black family would be able to afford \$517 a month. According to the 2016 ACS, median monthly rent for a two-bedroom apartment in Appleton was about \$737.

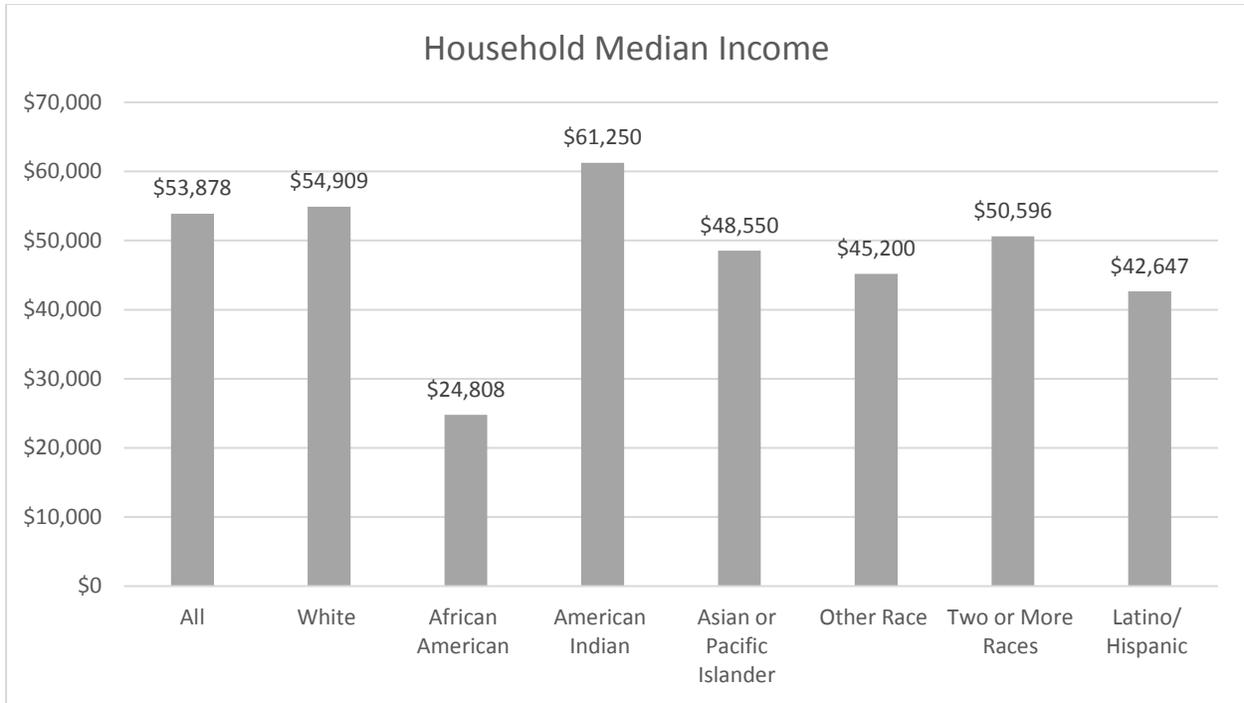
Another important indicator of relative income and wealth in a community is the poverty rate, or the percentage of people with an annual income less than required to meet basic needs. For a single parent home with two minor children, this represented an annual income of \$19,337 in 2016. The poverty rate for Appleton was 12.1 percent that year, lower than the national rate of 15 percent. Again, this means different things for different segments of the community. In Appleton, only 10 percent of white households fall below the poverty threshold, more than half of Black families are poor. By contrast, throughout the United States, only 26.2 percent of Black are below the poverty threshold, while 12.4 percent of white people are poor.

<sup>10</sup> ACS 5-year Estimates 2012-2016

<sup>11</sup> Ibid.

The Black population is not the only group facing disproportionate poverty in Appleton. Latinx, people from multiethnic backgrounds, and from populations not specifically measured by the ACS (aggregated into the “other” category), all experience poverty at rates greater than the population as a whole, and greater than white households specifically.

FIGURE 7: Appleton Household Median Income by Race and Ethnicity<sup>12</sup>



<sup>12</sup> ACS 5-year Estimates 2012-2016

FIGURE 8: Appleton Income and Poverty<sup>13</sup>

Income and Poverty	Total Population	% of Population	Household Median Income	Poverty Rate
Total or All	73,446		\$53,878	12.10%
White	63,086	85.89%	\$54,909	10.00%
African American	1,668	2.27%	\$24,808	53.20%
American Indian	495	0.67%	\$61,250	0.70%
Asian or Pacific Islander	4,464	6.08%	\$48,550	13.70%
Other Race	2,047	2.79%	\$45,200	30.80%
Two or More Races	1,686	2.30%	\$50,596	29.30%
Latino/ Hispanic	4,178	5.69%	\$42,647	26.50%
Subpopulation	(Pop. 25 years and up)			

<sup>13</sup> ACS 5-year Estimates 2012-2016

## Disparities in Access to Opportunities

### Educational Opportunities

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Education is fundamental to assessments of equity. The location of affordable housing stock and the existence of segregated housing patterns can reduce some populations' access to high-performing schools that successfully serve diverse student populations.

Twelve percent of students in Appleton are enrolled in private schools.<sup>14</sup> The remainder attend public schools.<sup>15</sup> Enrollment in Appleton Area Public Schools has remained nearly constant in recent years; there were 16,323 students enrolled for the 2017-2018 school year. During the previous school year, there were slightly more students at 16,366.<sup>16</sup>

There has been a marked increase in the proportion of non-white children in Appleton from 2012 to 2017. The student body was 75.5 percent white in 2012; in 2017 the percentage of white students was 70.7 percent.<sup>17</sup> Among the non-white students, 11.5 percent were Asian, 10 percent were Hispanic, 4.7 percent were Black, and students of more than one race made up 2.4 percent.

Students with disabilities comprise 15.3 percent of the student population; the most common disabilities are learning disabilities or speech or language impairments. More than a third of students, or 38.4 percent, are considered economically disadvantaged, meaning they meet federal household income eligibility guidelines for free- or reduced-price meals at school. Just over 8 percent are English Language Learners (ELL).

Private school pupils in the City of Appleton made up roughly 12 percent of all students in the 2015-2016 school year, the most recent year available from the U.S. Department of Education's Common Core of Data. White students comprise 88.8 percent of private school students. Asian students are the next largest ethnic group (4.8 percent), followed by Hispanic students (3.4 percent) and then Black students (1.3 percent). Data for Appleton private schools about disability, economic status, ELL status and other characteristics are not available from either the Wisconsin Department of Public Instruction or the Common Core of Data.

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<sup>14</sup> Common Core of Data, U.S. Department of Education, 2017

<sup>15</sup> WISEdash, 2017

<sup>16</sup> Because this report relies on population data from the Census' American Community Survey, which lags slightly, we chose to use education data from the 2016-2017 school year to best align with comparisons to general population.

<sup>17</sup> WI Department of Public Instruction, 2018

FIGURE 9: Appleton Area School District Demographics, 2016-17

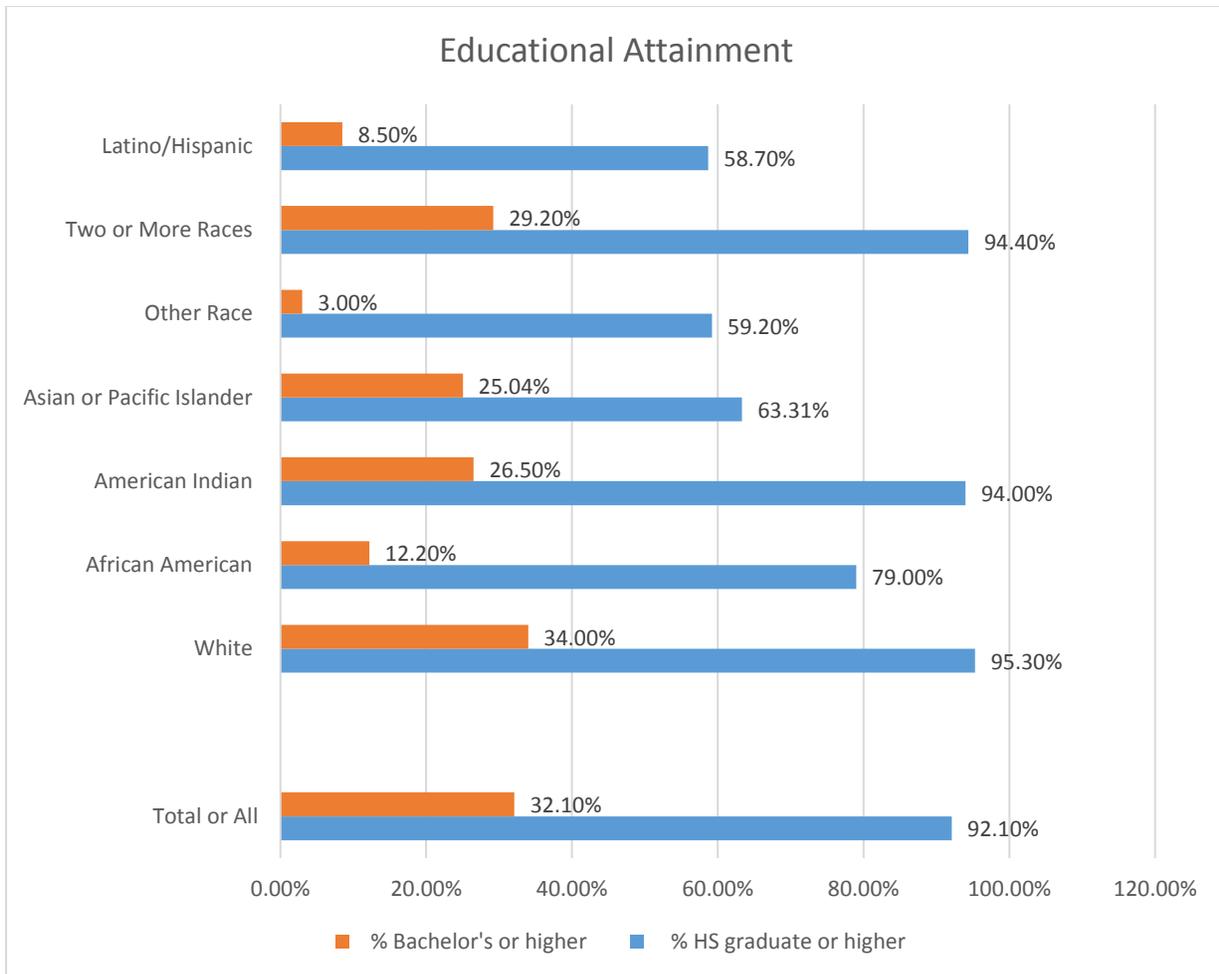
	Total	Percent
Total Enrollment	16,366	
<b>Race/Ethnicity</b>		
American Indian	106	0.6%
Asian	1,879	11.5%
Black	773	4.7%
Hispanic	1,639	10.0%
Pacific Islander	17	0.1%
White	11,566	70.7%
Two or More	386	2.4%
<b>Disability</b>		
Students with no disability	13,864	84.7%
Students with a disability	2,500	15.3%
Unknown	2	0.0%
<b>Economic Status</b>		
Not Economically Disadvantage	10,079	61.6%
Economically Disadvantage	6,287	38.4%
<b>English Language Proficiency</b>		
English Proficient	14,994	91.6%
English Language Learner (ELL)/Limited English Proficiency (LEP)	1,361	8.3%
Unknown	11	0.1%

FIGURE 10: Appleton Private School Race and Ethnicity

Private Schools - City of Appleton		
	Total	Percent
American Indian	4	0.2%
Asian	110	4.8%
Hispanic	78	3.4%
Black	30	1.3%
White	2024	88.8%
Pacific Islander	6	0.3%
Two or More	28	1.2%
Total Enrollment	2280	

Ninety-two percent of Appleton adults have a high school degree or higher. While 95.3 percent of White residents have finished high school, only 79 percent of Black residents, 63.3 percent of Asian Americans, and 58.7 percent of Latinos have achieved their diploma or an equivalent. Earnings, and therefore the amount one can afford to pay for housing, rise with educational attainment.

FIGURE 11: Appleton Educational Attainment by Race and Ethnicity<sup>18</sup>



Adults without a high school diploma or an equivalent credential are more likely to be unemployed, underemployed or live in poverty. Figure 11 shows disparities in educational attainment, specifically those without a high school diploma, by race and ethnicity. Appleton Black, Native American, Asian American, and Hispanic residents are all more likely to lack a high school diploma than are white residents. Asian Americans and Hispanic residents have the largest disparities: Asian American residents are almost

<sup>18</sup> ACS 5-year Estimates 2012-2016

two times more likely than white students to lack a high school diploma, and Hispanic residents are more than five times more likely than white residents to lack a high school diploma. These two groups are more likely to be foreign born, which may account for the larger discrepancy.

### Access to proficient schools

According to HUD (Table 12 in Appendix), variations between racial and ethnic groups in terms of *access to educational opportunities*<sup>19</sup> is minimal, although white students fare slightly better. MAP 1 shows that the highest performing schools are located throughout the City.

However, there are sizeable disparities in *student achievement* based on race and ethnicity. Data from the Wisconsin Department of Public Instruction indicates that 40.1 percent of all students tested in English Language Arts in the Appleton Area School basic. However, this varies across race: 47.9 percent of white students tested advanced or proficient, while only 14.4 percent of Black children, 23.3 percent of Hispanic children, 24.5 percent Asian children scored advanced or proficient.

FIGURE 12 lists all the Appleton Area Schools, their performance rating, and the student racial and ethnic proportions of each school.

Additionally, 11.6 percent of students with disabilities scored as advanced or proficient; 22.7 percent of economically disadvantaged students scored advanced or proficient. Of children with limited English proficiency, only 14.8 percent scored advanced or proficient.

A disproportionate number of children experiencing homelessness in Appleton are kids of color. See FIGURE 13. Housing instability has a significant impact on children's school performance.<sup>20</sup>

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<sup>19</sup> The School Proficiency Index uses school-level data on the performance of 4<sup>th</sup> grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. The school proficiency index is a function of the percent of 4<sup>th</sup> grade students proficient in reading and math on state test scores for up to 3 schools within 1.5 miles of a block-group centroid.

<sup>20</sup> "By the time homeless children reach school age, their homelessness affects their social, physical, and academic lives. Homeless children are not simply at risk; most suffer specific physical, psychological, and emotional damage due to the circumstances that accompany episodes of homelessness."; *Homelessness and its effects on Children*, Family Housing Fund 1999

# MAP 1: Appleton School Performance

## Legend

- ▲ Appleton Private Schools
- Appleton Public Schools and Performance
- 48-63
- 64-67
- 68-70
- 71-74
- 75-80
- 81-97
- AR
- CityLimits
- Census Tracts

**City of Appleton**  
**Private Schools (Performance Data Not Available)**  
**Public Schools with Performance on a scale of 0-100**

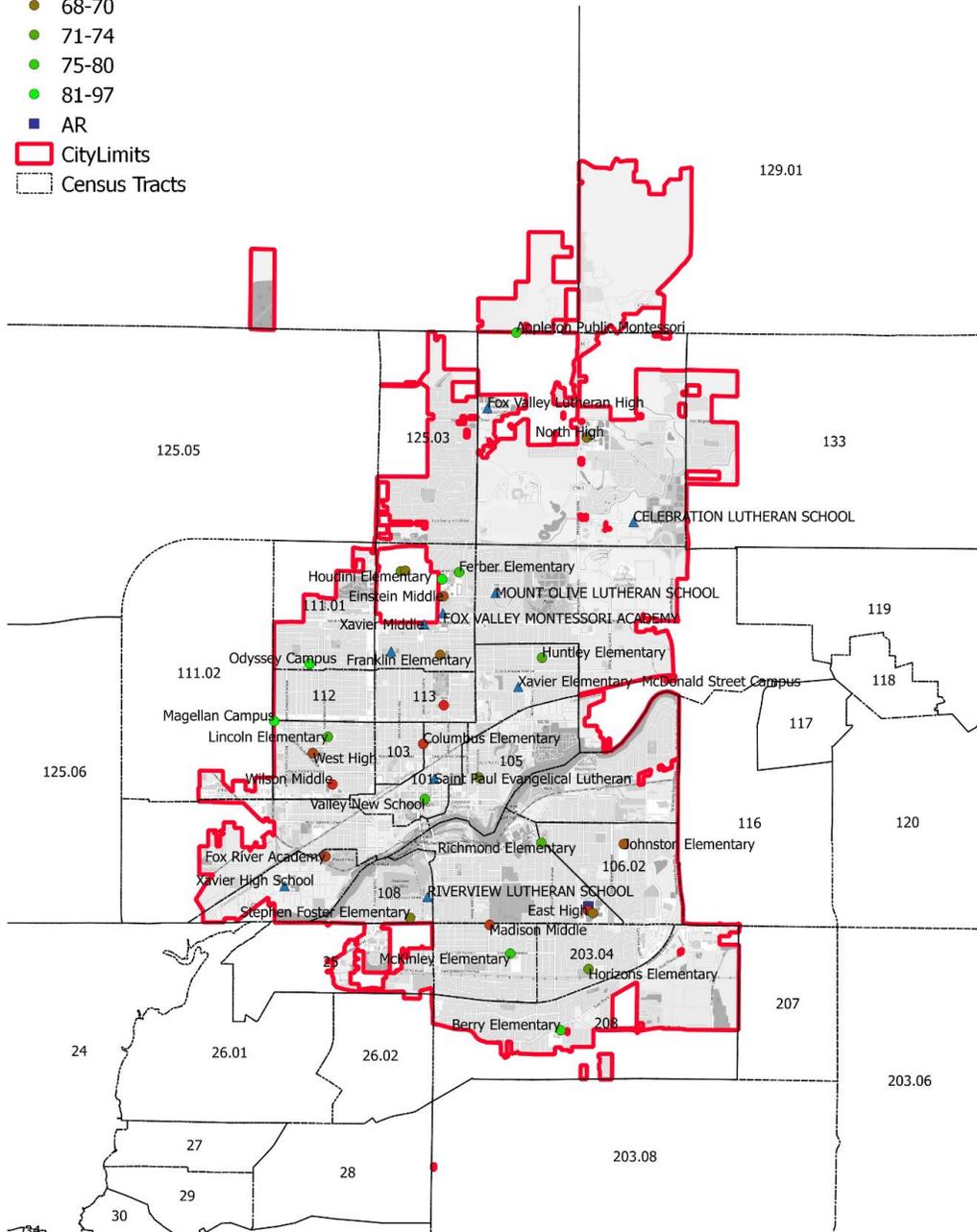


FIGURE 12: Appleton Area School Performance with Race and Ethnicity<sup>21</sup>

	Proficiency Score	Asian	African American/Black	Latinx	Native American	White
Appleton Bilingual School	75	0.00%	0.00%	67.40%	0.00%	28.50%
Appleton Public Montessori	82.7	1.30%	0.60%	5.70%	0.00%	90.40%
Badger Elementary	67.8	13.90%	8.10%	16.80%	1.40%	52.50%
Berry Elementary	80.6	4.60%	1.60%	3.90%	0.00%	87.20%
Classical School	83.7	16.10%	2.10%	5.20%	0.00%	75.60%
Columbus Elementary	62.2	4.00%	9.40%	18.10%	0.70%	53.70%
East High	64.8	13.00%	3.70%	12.50%	1.20%	68.80%
Edison Elementary	70.9	9.00%	13.30%	3.20%	0.70%	70.10%
Einstein Middle	69.9	6.90%	3.10%	6.20%	0.60%	82.40%
Ferber Elementary	77.5	14.00%	3.00%	7.90%	0.30%	72.00%
Fox Cities Leadership Academy	74.5	1.00%	4.20%	4.20%	0.00%	87.50%
Fox River Academy	88.1	3.40%	2.60%	2.60%	0.90%	86.20%
Franklin Elementary	68.6	14.20%	5.20%	5.80%	0.30%	69.00%
Highlands Elementary	74.4	24.50%	3.90%	14.20%	0.30%	53.90%
Horizons Elementary	74.1	12.90%	6.60%	25.50%	0.80%	49.30%
Houdini Elementary	76.9	5.50%	2.60%	6.50%	0.50%	82.00%
Huntley Elementary	76.1	5.80%	3.20%	5.40%	0.70%	81.00%
Jefferson Elementary	66.1	4.40%	12.30%	11.80%	1.90%	63.80%
Johnston Elementary	68.7	18.20%	6.90%	11.60%	0.70%	58.20%
Kaleidoscope Academy	52.5	7.10%	7.10%	9.30%	0.80%	72.70%
Lincoln Elementary	69.9	16.50%	6.10%	10.90%	1.30%	57.20%
Madison Middle	66	12.50%	3.20%	13.40%	0.80%	68.60%
McKinley Elementary	80.7	16.00%	6.20%	17.50%	0.20%	54.90%
North High	72.1	10.70%	4.40%	7.80%	0.50%	75.20%
Odyssey-Magellan	97.9	10.20%	0.70%	2.70%	0.00%	85.00%
Renaissance School	80.7	9.40%	3.10%	4.40%	0.00%	80.50%
Richmond Elementary	67.5	5.00%	2.10%	13.50%	0.00%	77.30%
Stephen Foster Elem. Charter	75.9	26.90%	5.90%	5.60%	0.60%	58.80%
Tesla Eng. Charter School	97.8	4.60%	0.00%	3.10%	0.00%	92.30%
Valley New School	75.7	1.50%	0.00%	1.50%	1.50%	94.00%
West High	60.8	12.90%	7.90%	10.30%	1.00%	65.70%
Wilson Middle	49.4	21.10%	9.20%	15.30%	0.00%	51.90%
Wisconsin Connections Academy	70.7	3.60%	4.40%	6.40%	0.70%	80.10%

<sup>21</sup> Wisconsin Department of Public Instruction 2018 Report Card

Overall Accountability Ratings	Score
Significantly Exceeds Expectations	83-100 ★★★★★
Exceeds Expectations	73-82.9 ★★★★★☆
Meets Expectations	63-72.9 ★★★★★☆
Meets Few Expectations	53-62.9 ★★★★★☆
Fails to Meet Expectations	0-52.9 ★☆☆☆☆

FIGURE 13: Student Homelessness by Race and Ethnicity<sup>22</sup>

Race/Ethnicity	% Students	% Homeless Students
Asian	11.5	9.0
Black	4.7	43
Hispanic	10	17
American Indian	0.6	2.0
White	70.7	29.0

<sup>22</sup>Data based on an interview with Lisa Hunt, McKinney-Vento Coordinator for the Appleton Area School District

FIGURE 14: Appleton Area Child Poverty Rate<sup>23</sup>

Children in Poverty (Rate)			Percent
2012-2016	2007-2011	1999	
11.8%	10.0%	5.5%	

**Definition:** The percent of children below the federal poverty level.

**Source:** U.S., states, metro areas, cities and counties: U.S. Census Bureau, 2000 Decennial Census, Summary File 1; U.S. Census Bureau, 2007-2011 American Community Survey, 2012-2016 American Community Survey. School districts: U.S. Census Bureau, 2000 Decennial Census, School District Tabulation (STP2); U.S. Census Bureau, 2007-2011 American Community Survey, 2012-2016 American Community Survey. | [Show Notes](#)

Figure 14, above, from Diversity Data Kids, illustrates a significant increase in Appleton Area School District’s student poverty rate. The poverty rate increased from 5.5 percent to 11.8 percent between 1999 and 2016. Wisconsin’s Department of Public Instruction report shows that by 2016, 38.4 percent of the district’s students are economically disadvantaged. An "economically disadvantaged" student is a student who is a member of a household that meets the income eligibility guidelines for free or reduced-price meals (less than or equal to 185 percent of Federal Poverty Guidelines) under the National School Lunch Program.

<sup>23</sup> Diversity Data Kids, 2017

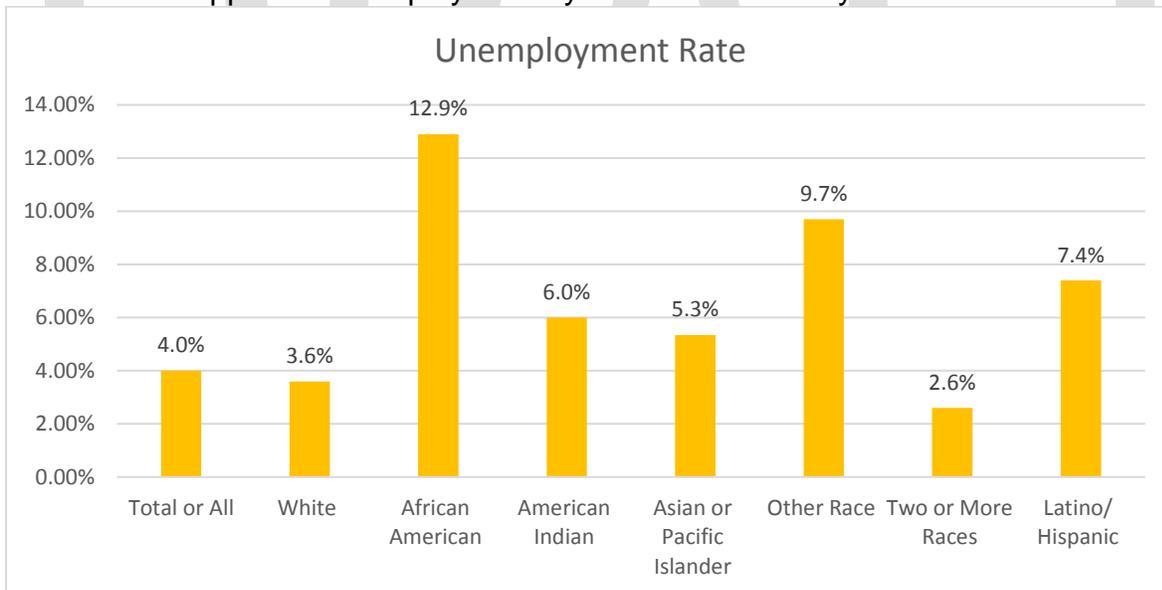
## Employment Opportunities

As of this writing, the unemployment rate in 2018, according to the Bureau of Labor Statistics, was under 3 percent for the City of Appleton as a whole.<sup>24</sup> Economists generally describe “full employment” as an unemployment rate of 5 percent or less.

While the unemployment rate is low in Appleton, people of color here experience higher rates of unemployment than white people. (See FIGURE 15.) Among people of color, rates are as high as 7.4 percent in the Hispanic population, and 5.3 percent in the Asian population, according to the ACS. While other demographic groups are smaller and therefore harder to measure, the estimate was 12.9 percent in Appleton’s Black population and 9.7 for those grouped into the “other” category in 2016.

Housing affordability is directly linked to employment and income. An unemployed person is less likely to be able to pay rent, or maintain mortgage payments. Difficulty maintaining stable housing also leads to struggles gaining employment.

FIGURE 15: Appleton Unemployment by Race and Ethnicity<sup>25</sup>



<sup>24</sup> U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics, 2018

<sup>25</sup> ACS 5-year Estimates 2012-2016

## Transportation Opportunities

The ability to travel between home, employment, school, and other community amenities can serve to limit or expand housing choices. Equitable access to transportation is a fair housing issue in multiple ways. First, the cost of transportation has an impact on what households can afford to spend on housing. Second, access to transportation can increase or diminish the geographic range a household may consider when seeking housing. Further, access to transportation can expand a household's ability to find and benefit from employment and educational opportunities. Disparities in access to transportation based on race, disability, national origin and other characteristics can be barriers to housing choice.

People in the City of Appleton do not travel far to go to work. Most residents commute fewer than 10 miles; roughly, 32 percent commute greater distances. While most data does not factor commuting expenses into the cost of housing, where someone lives has an impact their access to employment, and their costs to get to work.

The vast majority of Appleton residents drive alone to work, but this is not the only way they commute. The Sierra Club's 2018 study of transit access in the Fox Valley "*Arrive Together: Transportation Access and Equity in Wisconsin*" notes that about 1.9 percent of Appleton households do not own a car, and 7.6 percent own only one vehicle. As a result, 8.19 percent of people carpool to work, and 7 percent of people walk or work at home. About 1 percent of residents take the bus to work<sup>26</sup>.

FIGURE 16: Appleton's Methods of Getting to Work<sup>27</sup>

How People Get to Work	
Car, truck, or van:	90.56%
Drove alone	82.37%
Carpooled:	8.19%
Public transit	0.95%
Taxicab	0.10%
Motorcycle	0.26%
Bicycle	0.94%
Walked	3.57%
Other means	0.24%
Worked at home	3.38%

Valley Transit is the public transit provider for the Fox Valley region. The service area spans Appleton, Buchanan, Grand Chute, Kaukauna, Kimberly, Little Chute, Menasha, Fox Crossing, and Neenah. See Map 2. Valley Transit has an additional service called

<sup>26</sup> ACS 5-year Estimates 2012-2016

<sup>27</sup> ACS 5-year Estimates 2012-2016

The Connector, a van service intended to provide transportation for the last mile of distance between bus stops and homes or employers. The Connector is also available for early morning and door-to-door connections. Valley Transit also operates Valley Transit II, an Americans with Disabilities Act-required Paratransit service.

Although a vast majority of Appleton’s population drives, Valley Transit provided more 1 million trips in 2017<sup>28</sup>. Buses link Valley Transit routes to Oshkosh public transit, and there are connections to private busses that expand access to other major cities in the State and beyond.

Routes run in a “hub and spoke” system concentrated on Appleton’s downtown. Only Route 16 travels north of Interstate 41. This route operates Monday through Friday from 6:15 AM to 4:45 PM.<sup>29</sup>

Schools are served by special routes on a service called the “Tripper,” which provides connections to several area schools. These are effectively school-only services with a single trip in the morning starting at 6:50 AM, and another trip immediately after the school day ends.<sup>30</sup> Students who stay after school for activities must find alternative transport.

One of the recommendations of the 2013 Analysis of Impediments to Fair Housing was that the City of Appleton advocate for the renewal of Regional Transit Authority in the Fox Valley. The Sierra Club report “*Arrive Together*”<sup>31</sup> notes that

“the [size of the] service area and coordinating funding also presents a challenge. Because Valley Transit serves several municipalities in three counties, transportation planning proves difficult without a [Regional Transit Authority]. As the cities in the area expand, new housing tends to be built farther from the transit hub, and there are gaps in the service territory.”

The U.S. Census evaluates transportation options primarily for people that commute to *work*, so figures available are for workers over the age of 16. This therefore limits the conclusions one can draw from census data, as only slightly more than 70 percent of people over 16 are in the workforce.

According to the 2015 American Community Survey 5-year estimates, the means of transportation to work varies significantly by race and ethnicity. (See Figure 17). The ACS data indicates that Black and Asian American residents are significantly more likely to utilize public transit. Black residents only make up 2.3% of Appleton’s population, but comprise 17.7% of transit riders. Similarly, Asian Americans make up 6% of Appleton’s population, but are 14.4% of those who utilize transit. As a result, the extent to which the

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<sup>28</sup> The National Transit Database, 2018

<sup>29</sup> Fox Valley Transit Authority, 2019

<sup>30</sup> Fox Valley Transit Authority, 2019

<sup>31</sup> <https://www.sierraclub.org/sites/www.sierraclub.org/files/sce-authors/u2196/Arrive%20Together%20Transportation%20Access%20and%20Equity%20in%20Wisconsin.pdf>

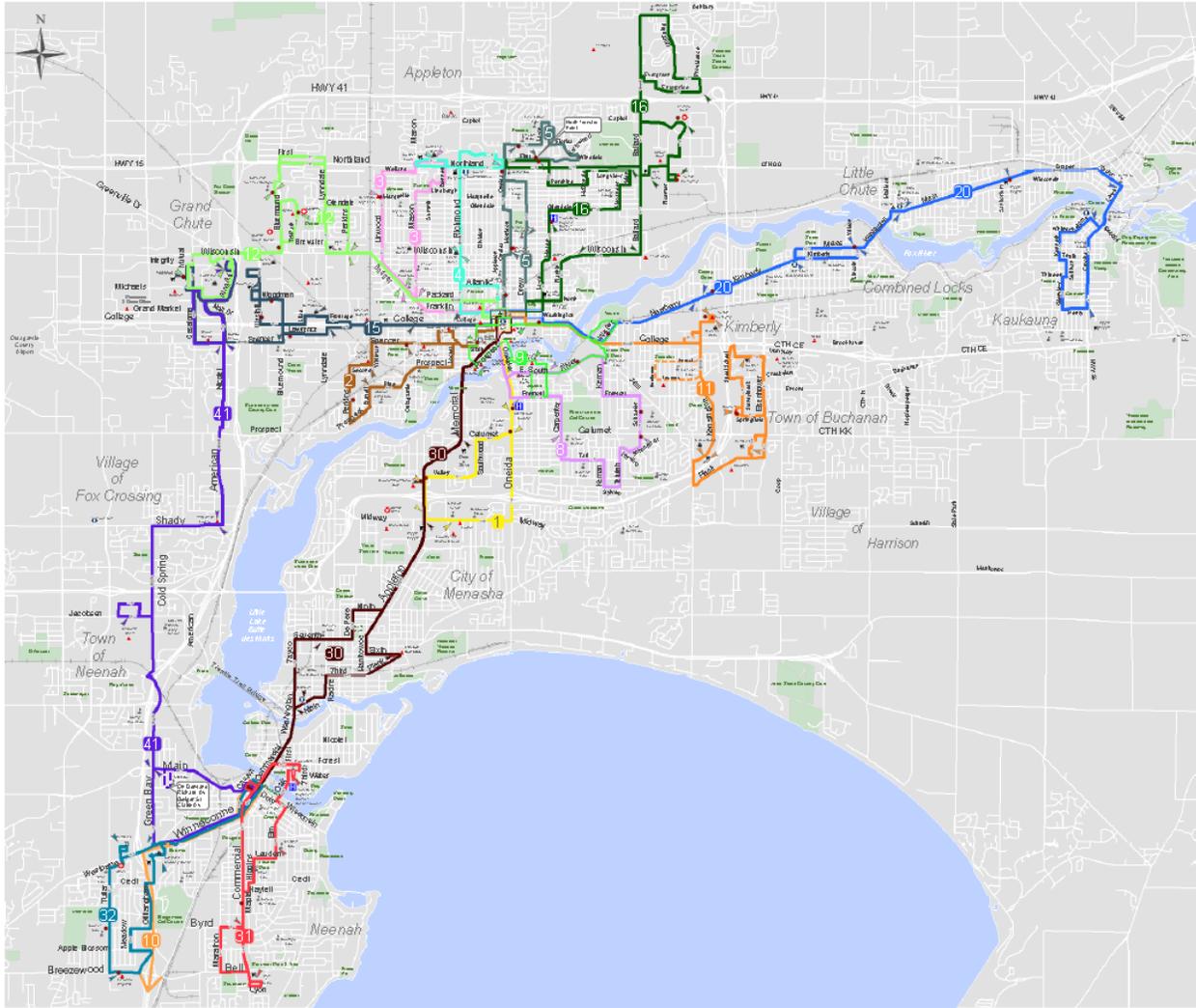
transit system is able to meet the needs of its riders is of greater consequence to persons of color than to white residents, and deficits in the system have a disproportionate impact on Black and Asian residents.

FIGURE 17: Transportation by Race and Ethnicity, 2016 <sup>32</sup>

Appleton, WI	% of population	Who drives a car alone?	Who carpools?	Who utilizes transit?
White	85.9 %	88.5 %	67.9 %	55.3 %
Black	2.3 %	1.2 %	1.9 %	14.7 %
Native American	0.7 %	0.6 %	1.5 %	0 %
Asian	6.0 %	5.3 %	16.2 %	14.4 %
Hispanic	5.7 %	4.7 %	11.2 %	4.9 %

<sup>32</sup> ACS 5-year Estimates 2012-2016

## MAP 2: Appleton Area Valley Transit Fixed Route Service



## Publicly Supported Housing Inventory and Analysis

This section’s purpose is to ascertain whether Appleton’s publicly supported housing is being administered in a manner which affirmatively furthers fair housing. For instance, are different protected classes disproportionately present or absent from different types of publicly supported housing? Is the housing concentrated in just one or two parts of the city? Is the housing located near educational and employment opportunities? Answers to these questions can tell us about a person’s equal access to housing in a community.

Households with very low income in Appleton may have opportunities to obtain publicly subsidized housing. Various types of subsidized housing include:

- Privately owned apartment buildings and developments financed with Low Income Housing Tax Credits (LIHTC), which must set aside some or all of their units for income-qualified residents.
- City-owned public housing for income-qualified residents.
- Project-based Section 8 housing has a subsidy that stays with the building.
- Housing Choice Vouchers or Portable Vouchers are available to income-qualified households and families, allowing them to find their own housing in the neighborhood and type of home they choose.

Appleton has some of each type of these resources (Figure 18).

FIGURE 18: Appleton's Publicly Supported Housing

Affordable Housing Type	# of Units
City of Appleton Public Housing - Total	211
Oneida Heights	159
Scattered site units	52
Project-based Section 8 - Total	194
Parkview Village-Scattered	76
Randall Court Apartments	118
Housing Choice Voucher (HCV) Program	555
Low Income Housing Tax Credit (LIHTC) - Total	348
Marquette Village Apartments	32
Parkview Village Apartments	82
The Landing at Eagle Flats	54
Riverwalk Place	70
Union Square Apartments	50
Fox Valley Meadows Apartments	60
Craftsman Village	64
Woolen Mills	51
Crescent Lofts (under review)	58

Subsidies for affordable housing are limited, and demand for subsidized housing opportunities nearly always exceeds supply. Waiting lists for such housing, or for housing choice vouchers, are common. As of August 2019, there were 1226 families on the HCV waiting list, and the Appleton Housing Authority currently has 581 vouchers in use.

There are two project-based Section 8 developments in Appleton: Parkview Village includes 76 units, and Randall Court is comprised of 118 units in varying sizes for families and elderly residents.

There are 211 public housing units operated by the Appleton Housing Authority: Oneida Heights, a 10-story high rise for senior citizens and persons with disabilities, as well as 52 scattered site homes. The apartments reserved for elderly residents are occupied almost exclusively by white tenants. This is possibly due to the younger average age of persons of color in Appleton, but it's still a starkly segregated development.

Comparing the residents utilizing publicly supported housing by race shows that not all populations are represented proportionately. While whites make up 67.1 percent of households at or below poverty, they make up between 77 and 89 percent of publicly supported housing residents. Black people make up 9.2 percent of households in poverty, and are underrepresented in public housing and project-based Section 8 housing, but overrepresented in the HCV program. Hispanic households comprise 12.3 percent of those in poverty, and are underrepresented in all of the publicly supported housing. Asian American households make up 6.8 percent of households in poverty and very slightly overrepresented in public housing and underrepresented in HCV and Project-based Section 8.

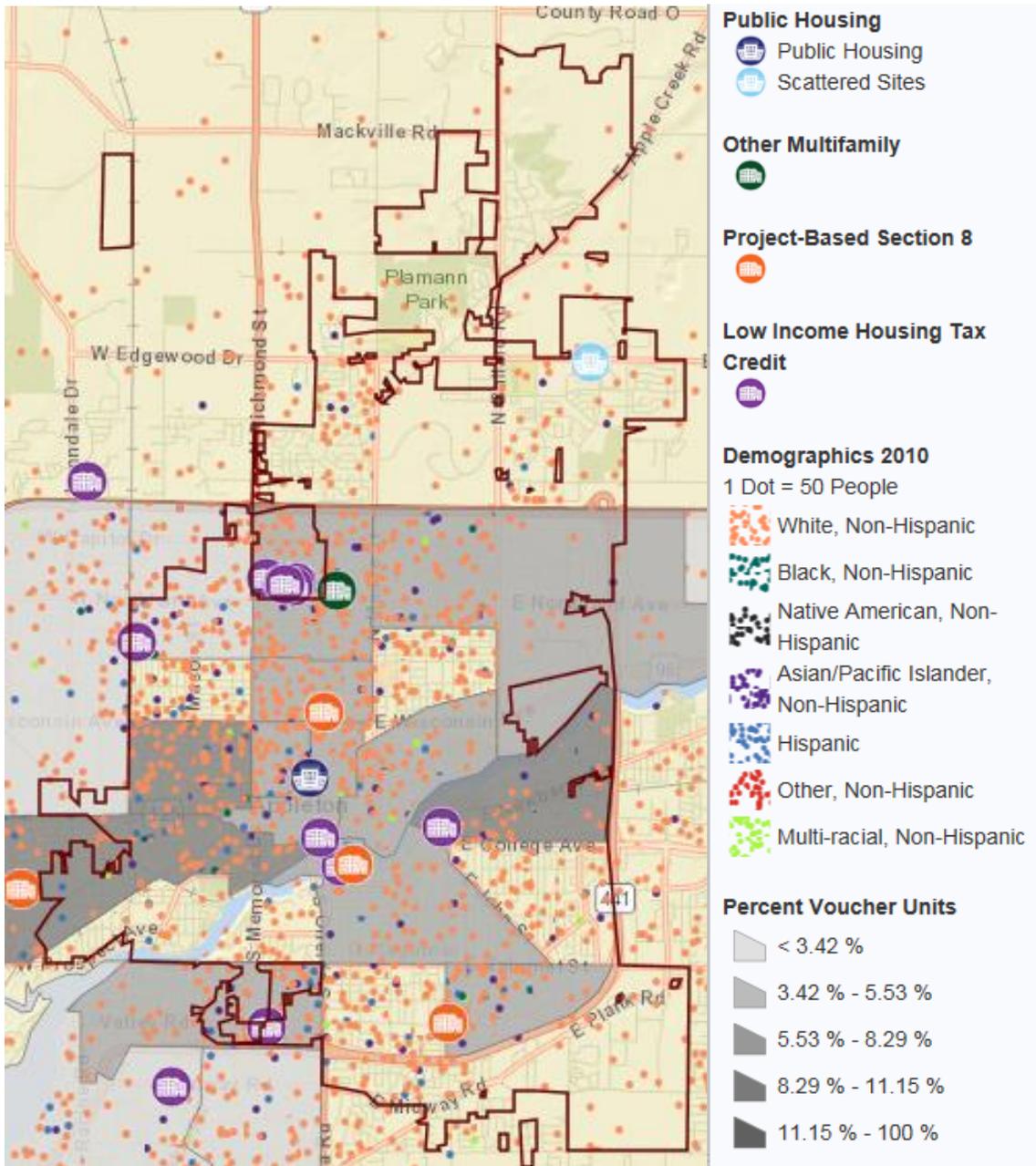
According to Map 3 below, Appleton's publicly supported housing does not appear to be overly concentrated in neighborhoods with a higher proportion of persons of color.<sup>33</sup> Map 4 show that publicly supported housing is more likely to be census tracts with higher poverty rates.

FIGURE 19: Appleton Publicly Supported Housing by Race and Ethnicity

	White		Black		Hispanic		Asian	
	housing	% pov.	housing	% pov.	housing	% pov.	housing	% pov.
Public Housing	89.1%		2.7%		0.5%		7.0%	
Project-based Section 8	85.6%		5.6%		4.4%		3.4%	
HCV Program	77.0%	67.1	16.0%	9.2	1.4%	12.3	4.6%	6.8

<sup>33</sup> Darker shades of gray indicate higher proportions of Housing Choice Voucher households in the census tract.

MAP 3: Appleton Publicly Supported Housing with Race and Ethnicity (HUD AFFH Map)

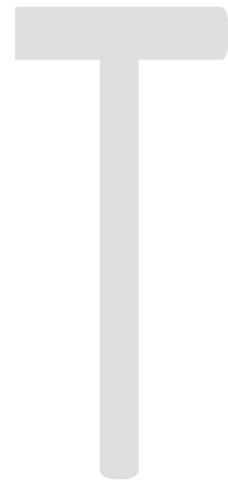
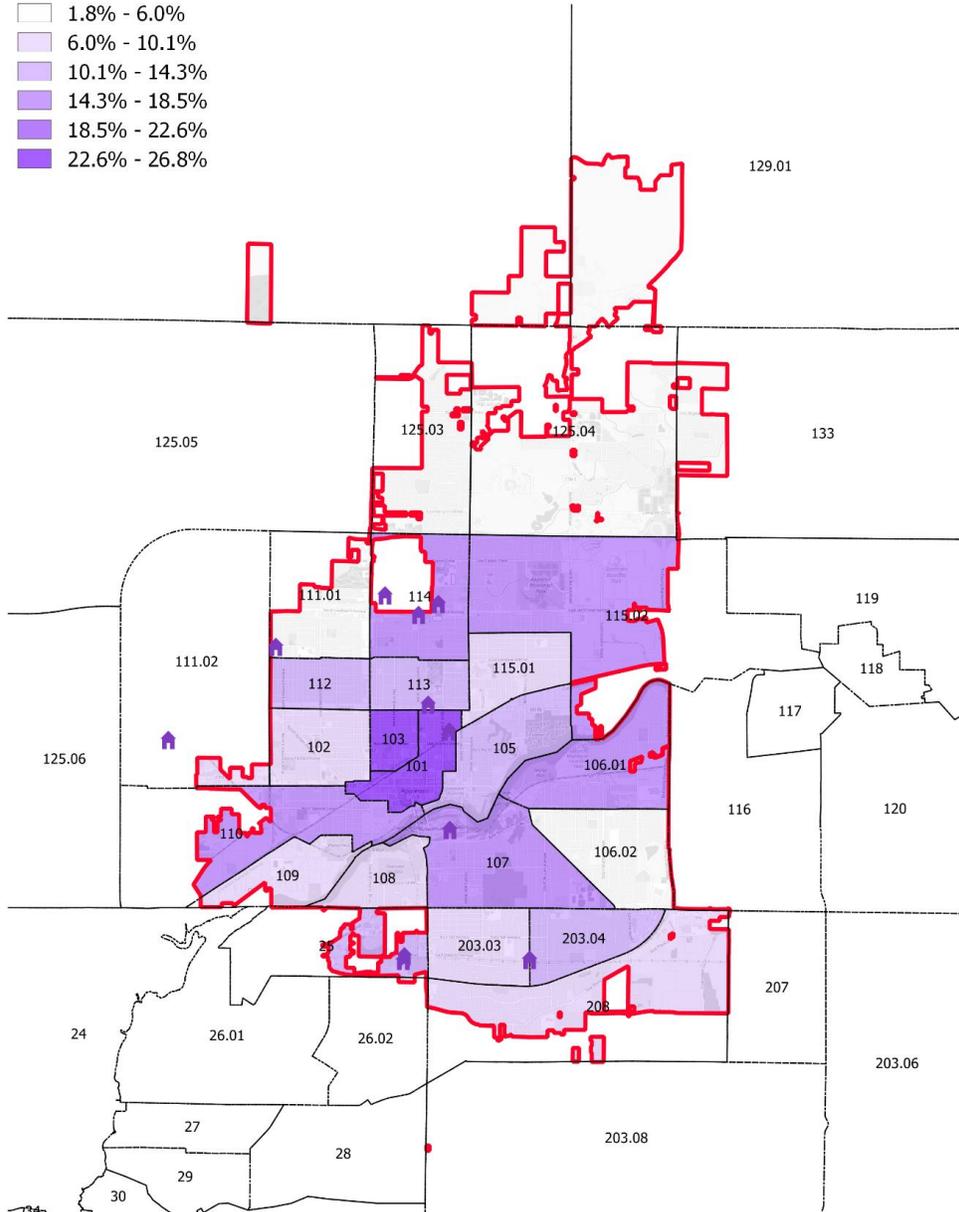


# MAP 4: Appleton Publicly Supported Housing with Poverty by Census Tract

## Legend

-  Appleton Affordable Housing
-  CityLimits
-  Census Tracts
- Percent in Poverty
  -  1.8% - 6.0%
  -  6.0% - 10.1%
  -  10.1% - 14.3%
  -  14.3% - 18.5%
  -  18.5% - 22.6%
  -  22.6% - 26.8%

## City of Appleton Public and Affordable Housing Percent Poverty by Tract



## Housing Problems: Cost Burden, Evictions, and Homeownership Disparities

In order to promote equal housing opportunity, we must determine whether any market imbalances negatively affect populations based on their membership in the protected classes defined by fair housing laws.

### Cost Burden

*Housing problems*<sup>34</sup> affect 28.7 percent of Appleton households. When analyzed by race and ethnicity, disparities in housing problems emerge - 23.6 percent of Native American households, 27.3 percent of white households, 45.0 percent of Hispanic households, 52 percent of Asian American households, and 54.5 percent of Black households experience housing problems.

FIGURE 20: Appleton Rent Burden by Income<sup>35</sup>

Income Range	% of Households	Maximum Monthly Income	Rent if Burdened (30%)	"Affordable" Rent (25%)
Less than \$10,000	5.1%	\$833	\$250	\$208
\$10,000 to \$14,999	4.5%	\$1,250	\$375	\$312
\$15,000 to \$24,999	10.3%	\$2,083	\$625	\$521
\$25,000 to \$34,999	11.0%	\$2,917	\$875	\$729
\$35,000 to \$49,999	14.4%	\$4,167	\$1,250	\$1,042
\$50,000 to \$74,999	20.6%	\$6,250	\$1,875	\$1,562
\$75,000 to \$99,999	14.9%	\$8,333	\$2,500	\$2,083
\$100,000 to \$149,999	12.6%	\$12,500	\$3,750	\$3,125
\$150,000 to \$199,999	3.3%	\$16,667	\$5,000	\$4,167
\$200,000 or more	3.4%			

Severe housing cost burden<sup>36</sup> is a significant problem for households of color in Appleton. Forty percent of Black households, 30.3 percent of Hispanic, and 38.28 percent of Asian American households have a severe cost burden, whereas only 11.4 percent of white and zero percent of Native American households have a severe housing cost burden. Cost burden in any amount decreases a household's housing stability. In turn, housing

<sup>34</sup> HUD's definition: Incomplete kitchen facilities, incomplete plumbing facilities, crowding (more than one person per room), and cost burden greater than 30 percent (i.e., more than 30 percent of a household's income is used to pay housing costs).

<sup>35</sup> ACS 5-year Estimates 2012-2016

<sup>36</sup> More than 50 percent of a household's income is used to pay for housing.

instability can lead to homelessness, as well as health, education, and employment challenges.

The census tracts of Appleton that have the highest proportion of households with a housing cost burden (Map 5) do not appear to align with any concentrations of people of color.

There is a shortage of affordable housing in Appleton. As mentioned previously, the demand for Housing Choice Vouchers (HCV) is significantly higher than the supply. As of August 2019, there were 1226 families on the HCV waiting list, and the Appleton Housing Authority currently has 581 vouchers in use.

Both renters and owners in Appleton have median monthly housing costs of about \$890.<sup>37</sup> This figure is higher for homeowners (\$1,051) and lower for renters (\$705). These costs are lower than State of Wisconsin median costs, and lower than some neighboring communities, such as Oshkosh.<sup>38</sup>

FIGURE 21: Appleton Median Gross Rent by Unit Size<sup>39</sup>

Median gross rent	
Total:	\$705
No bedroom	\$466
1 bedroom	\$535
2 bedrooms	\$737
3 bedrooms	\$998
4 bedrooms	\$996

*The National Low Income Housing Coalition's 2018 annual report, Out of Reach, documents the gap between wages and the price of housing across the United States. (See Figure 22.) The report's Housing Wage is an estimate of the hourly wage that a full-time worker must earn to afford a modest and safe rental home without spending more than 30 percent of his or her income on rent and utility costs. The figure below shows the wages and the annual incomes required to afford the average-rent apartment in Appleton. For instance, a person or household needs to earn \$15.81 an hour, or \$32,880 a year, to afford a two-bedroom apartment. The median monthly rent for a two-bedroom apartment in Appleton was about \$737. In contrast, a person making minimum wage can only afford \$377 in rent per month.*<sup>40</sup>

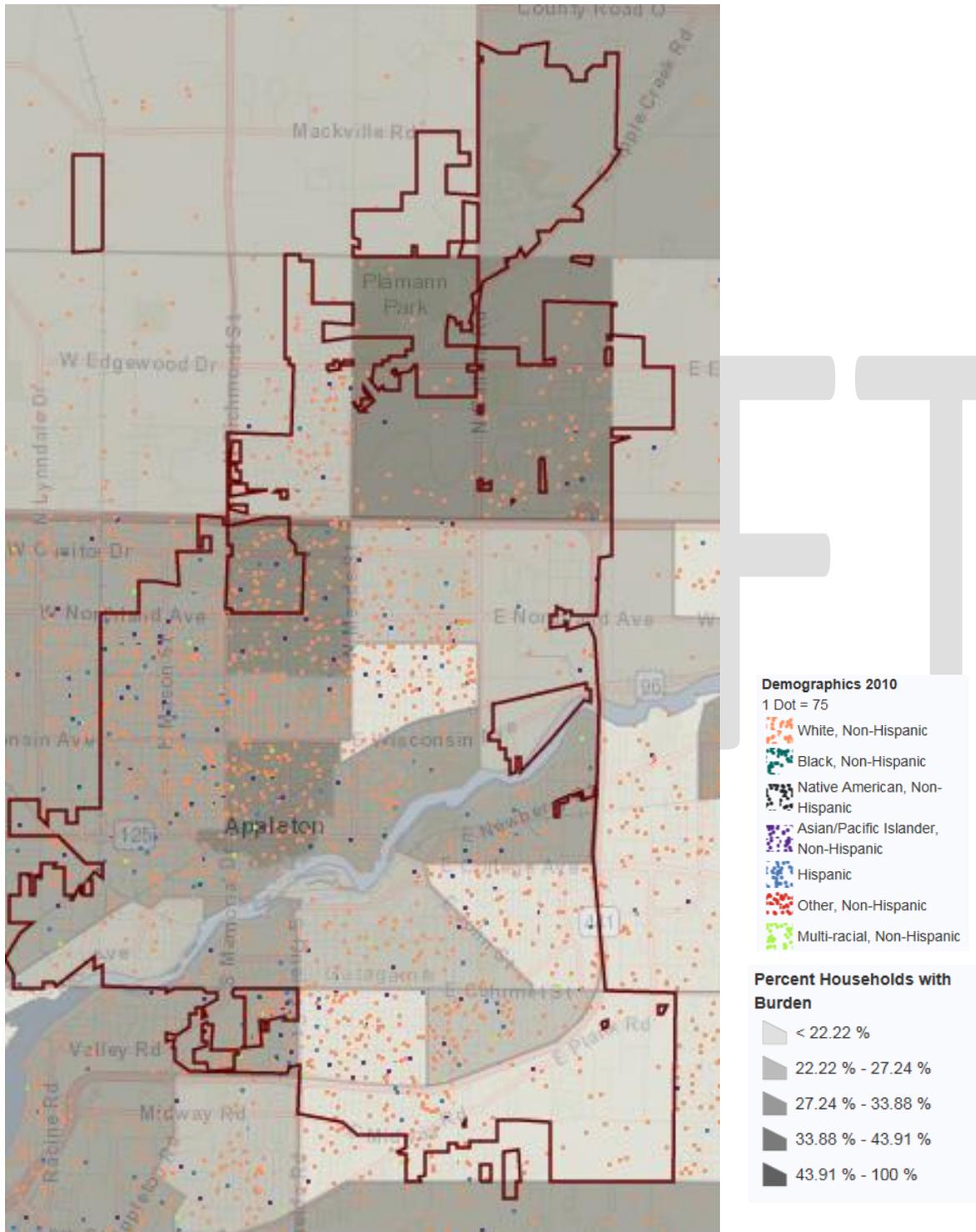
<sup>37</sup> ACS 5-year Estimates 2012-2016

<sup>38</sup> Ibid.

<sup>39</sup> Ibid.

<sup>40</sup> "Out of Reach Report", National Low Income Housing Coalition, 2018

MAP 5: Appleton Households with Housing Cost Burden by Race and Ethnicity (HUD AFFH Map)



**FIGURE 22: National Low Income Housing Coalition’s Out of Reach Report (Appleton MSA)**

<u>Number of Households</u>	<i>Wisconsin</i>	<i>Appleton MSA</i>
TOTAL	2,310,246	90,033
RENTER	762,613	24,272
PERCENT RENTERS	33%	27%

<u>Housing Wage</u>	<i>Wisconsin</i>	<i>Appleton MSA</i>
ZERO-BEDROOM	\$11.25	\$10.75
ONE-BEDROOM	\$13.15	\$12.33
TWO-BEDROOM	\$16.52	\$15.81
THREE-BEDROOM	\$21.90	\$23.00
FOUR-BEDROOM	\$24.77	\$23.23

<u>Fair Market Rent</u>	<i>Wisconsin</i>	<i>Appleton MSA</i>
ZERO-BEDROOM	\$585	\$559
ONE-BEDROOM	\$684	\$641
TWO-BEDROOM	\$859	\$822
THREE-BEDROOM	\$1,139	\$1,196
FOUR-BEDROOM	\$1,288	\$1,208

<u>Annual Income Needed to Afford</u>	<i>Wisconsin</i>	<i>Appleton MSA</i>
ZERO-BEDROOM	\$23,402	\$22,360
ONE-BEDROOM	\$27,347	\$25,640
TWO-BEDROOM	\$34,371	\$32,880
THREE-BEDROOM	\$45,551	\$47,840
FOUR-BEDROOM	\$51,514	\$48,320

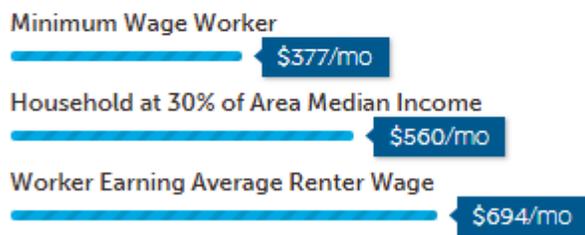
<u>Minimum Wage</u>	<i>Wisconsin</i>	<i>Appleton MSA</i>
MINIMUM WAGE	\$7.25	\$7.25
RENT AFFORDABLE AT MINIMUM WAGE	\$377	\$377

FIGURE 21: (Continued) National Low Income Housing Coalition's Out of Reach Report

### State Facts

MINIMUM WAGE	\$7.25
AVERAGE RENTER WAGE	\$13.35
2-BEDROOM HOUSING WAGE	\$16.52
NUMBER OF RENTER HOUSEHOLDS	762,613
PERCENT RENTERS	33%

### Affordable Rent for Low Income Households



### Fair Market Rent



FT

## Evictions

Several community stakeholders interviewed stated that housing instability is a problem in Appleton. Evictions create immediate housing instability for a household, but also contribute to long-term instability because many housing providers will not rent to a person that has an eviction in their rental history. There were 137 evictions in 2016. Once a tenant has an eviction on their record, it becomes more difficult to secure housing.

According to Eviction Lab, in 2016 Appleton's eviction rate was lower than both the U.S. and state of Wisconsin rates.

FIGURE 23: Appleton Evictions 2000-2016<sup>41</sup>



## Homeownership Disparities

Most housing fits into one of two basic types of financial arrangements: renting or owning. In Appleton, most households own their homes; 33.8 percent of households are renters.

As the FIGURE 24 shows, Appleton's homeownership and rental rates vary by race.<sup>42</sup>

<sup>41</sup> Eviction Lab

<sup>42</sup> The "Other" Census category aggregates groups which are not part of the larger ethnic populations measured by Census; in Appleton this part of the community is quite small and therefore estimates have a high margin of error

FIGURE 24: Homeownership Tenure by Race and Ethnicity<sup>43</sup>

Race	% of Households	% Own	% Rent
		66.2%	33.8%
White	89.7%	68.4%	31.6%
African American	1.0%	31.9%	68.1%
American Indian	0.6%	57.9%	42.1%
Asian or Pacific Islander	3.4%	59.3%	40.7%
Other Race	1.9%	31.9%	68.1%
Two or More Races	1.4%	36.3%	63.7%
Latino/ Hispanic	4.1%	42.3%	57.7%

Homeownership is a means for families to build wealth; that wealth, in turn, can fund educational opportunities, business start-ups, and other activities that increase family wellbeing and long-term economic stability and self-sufficiency. Therefore, the disparities in homeownership rates by race and ethnicity are an area for concern in Appleton. Whites (with a homeownership rate of 68.4 percent) are significantly more likely to own homes than Black residents (31.9 percent), Hispanics (42.3 percent), Asians (59.3 percent) and Native American residents (57.9 percent).

Low homeownership rates are inversely proportionate to the poverty rates. The poverty rate of Black people (53.2 percent) is more than five times that of whites (10 percent); and Hispanic (26.5 percent) poverty rates are more than double that of whites; and Asian Americans (13.7 percent) have a slightly higher poverty rate than whites.

<sup>43</sup> ACS 5-year Estimates 2012-2016

## Summary and Status of Appleton Analysis of Impediments (AI) 2013 Recommendations

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Appleton's 2013 Analysis of Impediments to Fair Housing (AI) identified impediments to fair housing and offered a set of recommendations for dismantling them. Those recommendations are as follows:

### City of Appleton Recommendations from 2013 AI

1. Create a Citywide Housing Trust Fund
2. Support Comprehensive Fair Housing Services
  - a. Continue to provide fair housing services and information, investigations, research, and advocacy.
  - b. Require training for City staff and elected officials on fair housing law
3. Engage in "Affirmatively Furthering Fair Housing" Mapping and Data Gathering
  - a. Include home accessibility in home assessments
  - b. Map high-opportunity census tracts/neighborhoods in the City and/or region
4. Produce an Annual Report of Lending Practices
5. Review and Amend Local Fair Housing Ordinance
  - a. Move protected classes to beginning; define each class.
  - b. Expand protections for persons with disabilities to comply with state and federal standards. Add requirements that new multifamily housing comply with ADA Standards.
  - c. Add Gender Identity and Expression to the group of protected classes.
  - d. Match penalties for violations of the Appleton Ordinance to those at federal and state level. Allow for compensatory and punitive damage claims by victims of discrimination.
  - e. Eliminate the requirement that discriminatory acts be "willful" in order to assess civil forfeitures.
  - f. Clarify what civil actions are permitted, and what role and benefits victims of discrimination are afforded in such actions.
  - g. Match with Wisconsin Open Housing Law to expressly prohibit discrimination in the procurement of homeowners' insurance.
  - h. Expanded the definition of advertising covered to include the areas of lending, insurance and banking.
  - i. Eliminate the requirement that written complaints be notarized, and lengthen the statute of limitations to one year.
6. Continue to Utilize Appropriate Financing Mechanisms to Produce Accessible Housing and Affordable Housing Using TIF, Creative Financing, and Community Partnerships.
7. Amend Zoning Ordinance Regarding Community Living Arrangements
  - a. In collaboration with local disability advocates, review and update the City of Appleton Ordinance Section 23-52 which limits construction of

Community Living Arrangements (CLAs) to “not exceed one percent (1 percent) of the total population of [each] aldermanic district.”

8. Continue to Advocate for a Regional Transit Authority
9. Advocate for Open and Inclusive Real Estate and Rental Markets
  - a. Encourage housing providers to seek fair housing training
  - b. Encourage housing providers to hire and train minority and bilingual lenders, underwriters, real estate and rental professionals.
  - c. Encourage providers of rental housing to participate in rent assistance programs

## Status of Recommendations

FIGURE 25: Status of 2013 Analysis of Impediments to Fair Housing Recommendations

Recommendations	Current Status of Recommendations
Create a Housing Trust Fund	<u>Not complete.</u> The City of Appleton does provide funding to low income homebuyers, and for repairs to homes of low-income homeowners, but these activities are primarily funded through state and federal resources.
Provide Fair Housing Services	<u>Ongoing.</u> Appleton does provide some fair housing services through partnership with the Fair Housing Center of Northeast Wisconsin, although activity levels are dependent on funding.
Train City Staff and Officials	<u>Not complete.</u> Appleton does not require fair housing training for staff and elected officials.
Gather Accessibility Data in Home Assessments	<u>Not complete.</u> Some assessors may add information about accessible features, but at present, they are not formally documented.
Map High Opportunity Census Tracts	<u>Not complete.</u>
Annual Report of Lending Practices	<u>Not complete.</u> The City works collaboratively with financial lending institutions. However they prefer to remain separate from financial lending institutions
Amend Fair Housing Ordinance	<u>Complete.</u> All changes described in recommendation #5 earlier in this section were made.
Utilize TIF and Other Financing Tools to Increase Production of Accessible and Affordable Housing	<u>Ongoing.</u> While State of Wisconsin law limits the use of municipal tax credits to Tax Increment Finance, Appleton has used these in and around their only High Opportunity census tract to develop housing in the Union Square Townhouses and Apartments.
Amend Community Living Arrangement Zoning Ordinance	<u>Not complete.</u> This section of City ordinances remains intact. Limitations such as this constrict housing choice and the development of affordable and supportive housing. <sup>44</sup>

<sup>44</sup> “Municipalities enjoy substantial authority to regulate land use development within their borders. However, the FHA is a powerful tool available to the courts and persons protected by those laws for nullifying discriminatory housing policies and practices and compensating its victims. Moreover, the limits imposed by the FHA on municipal

Continue to Advocate for a Regional Transit Authority	<u>No progress.</u> Not an item of focus for the City
Advocate for Open and Inclusive Real Estate and Rental Markets: Encourage housing providers to seek fair housing training; Encourage housing providers to hire and train minority and bilingual lenders, underwriters, real estate and rental professionals; Encourage providers of rental housing to participate in rent assistance programs	<u>Ongoing.</u> The Fox Cities Housing Coalition, of which the City is an active member, advocates that housing providers seek fair housing training (provided by the local satellite office).  Rent Smart sessions offered through Outagamie County is geared specifically toward providers of rental housing and encourages them to participate in rental assistance programs.

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CLA policies and practices are still being defined. Effective management of this intersection of law and policy therefore requires not only the attention of municipal officials but also an understanding of these limits”; League of Wisconsin Municipalities Legal Captions – Zoning – Accommodations for the Disabled, 2001

## Community Participation

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The strategy for AI-related community outreach in Appleton included a combination of one-on-one interviews, surveys for housing providers, homeowners and renters (in the Appendix), and comments on the draft Analysis of Impediments to Fair Housing by relevant City staff and stakeholders.

### Interviews

MMFHC conducted one-on-one interviews with the stakeholders listed below from September 2018 to January 2019. The purpose of the interviews was to gather information from diverse perspectives about barriers to equal housing opportunity and other challenges posed by local housing problems. Stakeholders included representatives from organizations that work with populations most vulnerable to unlawful housing discrimination, affordable housing advocates, social service providers, affordable housing developers, educators, and housing providers.

Questions posed to stakeholders were standardized (Appendix). Follow-up questions were specific to each stakeholder, based on their initial responses and areas of expertise.

Stakeholders<sup>45</sup> consulted during the community participation process include:

- Hmong American Partnership, Vue Vang
- Hispanic Center of the Fox Valley, Francisco Cabrera
- Options for Independent Living, John Meissner
- NAMI, Paula Verret
- Pillars, Joe Mauthe
- Habitat for Humanity, Jessica Fleek
- LEAVEN, Mary Parsons
- Appleton Housing Authority, Debra Dillenberg
- Appleton Housing Authority, Nicole Lemke
- Legal Action of Wisconsin, Scott Schnurer
- City of Appleton Homeowners Rehabilitation Loan Program, Laura Bonnet
- City of Appleton Diversity and Inclusion Office, Karen Nelson
- City of Appleton Police Department, Sgt. Greg Ryan
- Valley Transit, Ron MacDonald
- Project Rush, Betsy Born
- East Central Wisconsin Regional Planning Commission, Kathy Thunes
- Finance of America, Jose Leon
- Century 21 Ace Realty, Pedro Barraza

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<sup>45</sup> The Fox Valley Apartment Association, the Realtors Association of Northeast Wisconsin and Casa Hispana were unresponsive to requests for interviews.

- Coldwell Banker The Real Estate Group, Jose Morales
- Diverse and Resilient, Kathy Flores
- Fox Valley Technical College, Black Girls Healing at Lawrence University, Dr. Kadihija Kelly
- Creative Results, Tou Yang, Realtor
- Appleton Area School District, Lisa Hunt, Homeless Education Social Worker

The one-on-one interviews engaged community members in the AI development process and yielded valuable information.

The following is a summary of key themes identified by interviewees when asked to describe barriers to housing choice and equal housing opportunity in Appleton. These statements are the opinions of the stakeholders and have not been verified by MMFHC for their accuracy. The Appendix contains the stakeholder interview script with questions used as a guide for the interviews.

### *Barriers to Housing Choice in the Private Market*

Housing discrimination was mentioned by several stakeholders as a barrier to fair housing in Appleton. One stakeholder, whose clients are predominately people of color, said discrimination in all aspects of life is quite common. Another stakeholder reported they witnessed discrimination based on race, ethnicity, sexual orientation and family composition.

Stakeholders also raised discrimination based on disparate impact<sup>46</sup> as a concern in Appleton. For example, one stakeholder described homeless shelter policies regarding gender restrictions that may serve to exclude transgender and gender non-conforming individuals.

Members of the real estate and lending industries, however, did not believe there was discrimination in the housing market.

The following housing *supply* barriers were common barriers discussed by stakeholders:

- Insufficient affordable housing supply for households with low and moderate incomes (both for sale and rent)
- Inadequate supply publicly subsidized housing, including public housing and Housing Choice Vouchers
- Affordable AND accessible housing supply is limited. Persons with disabilities have difficulty finding housing that is both accessible and affordable

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<sup>46</sup> Disparate impact issues involve policies, practices, rules or other systems that appear to be neutral, but in fact result in a disproportionate impact based on protected class membership.

A stakeholder who works with low income homeowners stated some lower-income homeowners have mortgages with balloon payments<sup>47</sup>. These mortgages are risky for lower income households. A balloon payment mortgage is a mortgage that does not fully amortize over the term of the loan, thus leaving a large balance due at maturity. The final payment is called a balloon payment because of its large size. Balloon payments are more appropriate for middle- to upper-income families who have a greater ability to pay the large balance.

Some affordable housing is clustered in the City. One stakeholder suggested the older areas of town may be more affordable because of older housing stock.

### *City-related laws, policies, procedures or practices that may limit a person's access to safe and secure housing*

Almost all stakeholders interviewed were satisfied with the City and its role in the housing market and do not believe the City impedes access to equal housing access in Appleton.

However, a stakeholder stated that the landlord training facilitated by the Appleton Police Department needs a more balanced approach<sup>48</sup>. The stakeholder stated the training is currently very crime-focused which puts landlords in the position of being an enforcer. The stakeholder suggested the training have more balance and incorporate fair housing training from a fair housing organization.

### *Consumer Challenges*

Incomes for many residents are too low to afford local housing, even when it is below market rate.

Many consumers have poor or no credit, which harms their ability to obtain rental housing, a loan to purchase a home, and insure that home.

### *Recommendations for the City to remedy barriers*

Stakeholders shared ideas for how the City can redress some of its impediments:

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<sup>47</sup> According to *Lending Patterns*, newly required reporting by lenders indicates that in 2018, 9 percent of originated purchase loans (167), 25 percent of originated home improvement loans (74), and 23 percent of originated refinanced mortgages (210) were balloon payment loans.

<sup>48</sup> According to Sgt. Ryan, Appleton Police Department has not conducted a landlord training in number of years due to poor attendance at previous trainings.

- Although Appleton is better served than other Fox Cities communities, transit is a challenge for a few stakeholders. Expanded hours and routes were recommended by stakeholders.
- One stakeholder said the City should create a Human Rights Commission to assist victims of employment and service discrimination. They stated there is no City entity that formally addresses these types of discrimination.
- A stakeholder stated that the landlord training facilitated by the Appleton Police Department needs a more balanced approach<sup>49</sup>. The stakeholder stated the training is currently very crime-focused which puts landlords in the position of being an enforcer. The stakeholder suggested the training have more balance and incorporate fair housing training from a fair housing organization.

#### *Affordable housing location*

Some stakeholders observed that affordable housing is clustered in the City and others thought it was primarily evenly distributed. One stakeholder suggested the older areas of town that may be more affordable because of older housing stock.

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<sup>49</sup> According to Sgt Greg Ryan, Appleton Police Department has not conducted a landlord training in number of years due to poor attendance at previous trainings.

## Fair Housing Analysis

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The Fair Housing Analysis section of this report considers the demographic data described previously in light of questions about housing choice and opportunity. Specifically, a fair housing analysis of Appleton's housing market and population includes assessments of 1) Segregation and Integration, 2) Disability and Access, 3) Disparities in Access to Opportunity (including education, employment, transportation, and environmentally healthy neighborhoods), 4) Disproportionate Housing Needs, and 5) Publicly Supported Housing.

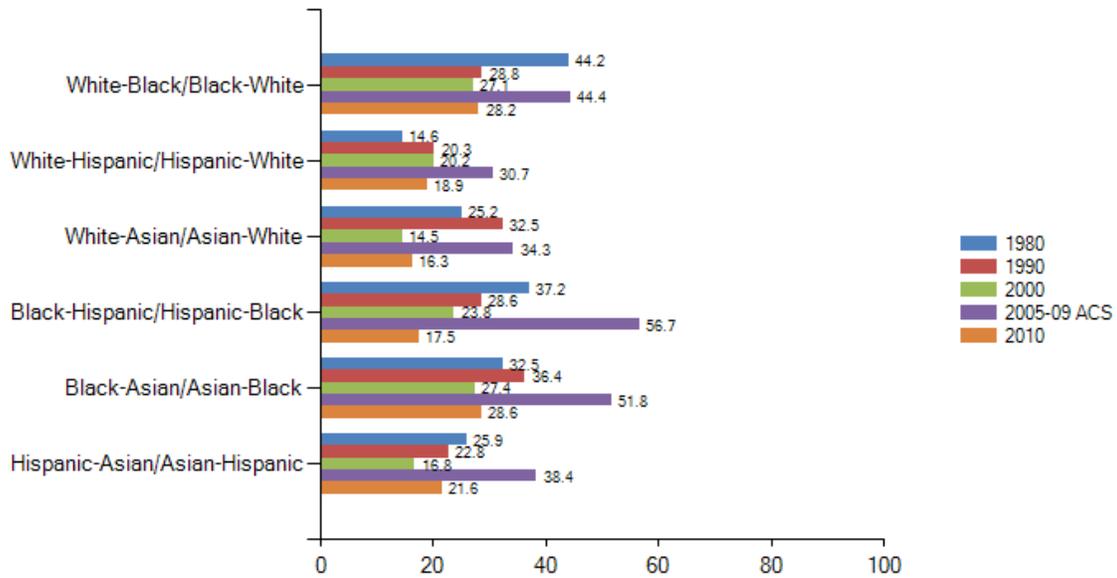
### Segregation and Integration

A *dissimilarity index* measures the relative separation or integration of racial and ethnic groups across all neighborhoods of a city or metropolitan area. If a city's white-Black dissimilarity index were 65, that would mean that 65 percent of white people would need to move to another neighborhood to make white and Black people evenly distributed across all neighborhoods. The most recent dissimilarity index for Appleton was from 2010. (See FIGURE 26.) Based on that somewhat dated information, the City of Appleton's minority populations generally experience low levels of segregation. Indices from 0-39 are considered a low level of segregation. The *dissimilarity* in Appleton is in the low segregation range. The Black-white dissimilarity index for Appleton was 28.2 in 2010, decreasing from 28.8 in 1990. The Hispanic-white index was 18.9 in 2010, decreasing from 20.3 in 1990. The Asian-white index was 16.3 in 2010, decreasing from 32.5 in 1990. As the Black, Asian and Hispanic populations have increased in Appleton, dissimilarity indices have decreased.<sup>50</sup>

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<sup>50</sup> Spatial Structures in the Social Sciences, Brown University

FIGURE 26: Appleton Dissimilarity Index



#### Location of owner and renter occupied housing

Map 6 denotes the location of rental units located in Appleton and Map 7 shows concentrations of people of color (non-white). Percentages of rental units in census tracts 103 (58 percent) and 101 (57 percent) are significantly higher than the City’s average of 34 percent; these census tracts both have higher than average non-white populations.

This juxtaposition of higher proportion of rental units with a higher non-white proportion does not signify racial segregation. If Black, Hispanic and Asian American populations continue to increase, as demographic trends suggest, and if disparities in income and homeownership by race and ethnicity continue, the placement of most affordable rental housing in just a few parts of the City may promote racial segregation. Additionally, all tracts south of Capitol Drive have higher proportions of non-white residents than the City’s average.

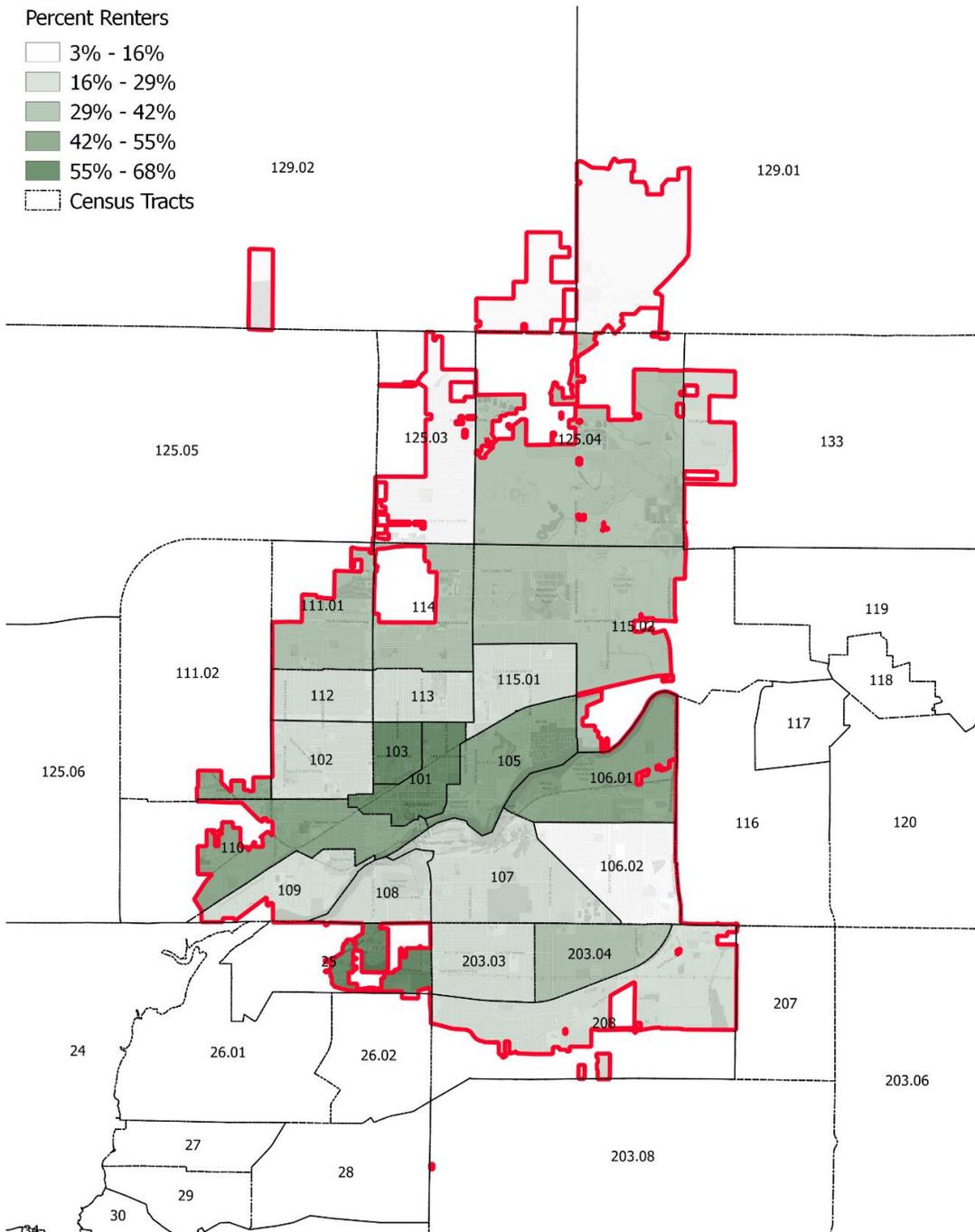
While segregation levels are currently low in Appleton, City development staff should continue to monitor this concentration and explore policies to ensure concentrations of rental housing and communities of color do not increase.

# MAP 6: Appleton Percent of Renters by Census Tract

## City of Appleton Percent Renters by Census Tract

### Legend

- CityLimits
- Percent Renters
  - 3% - 16%
  - 16% - 29%
  - 29% - 42%
  - 42% - 55%
  - 55% - 68%
- Census Tracts



# MAP 7: Appleton Percent Non-white by Census Tract

## City of Appleton Percent Non-White by Census Tract

### Legend

 City Limits

Percent Nonwhite

 0.2% - 5.0%

 5.0% - 9.8%

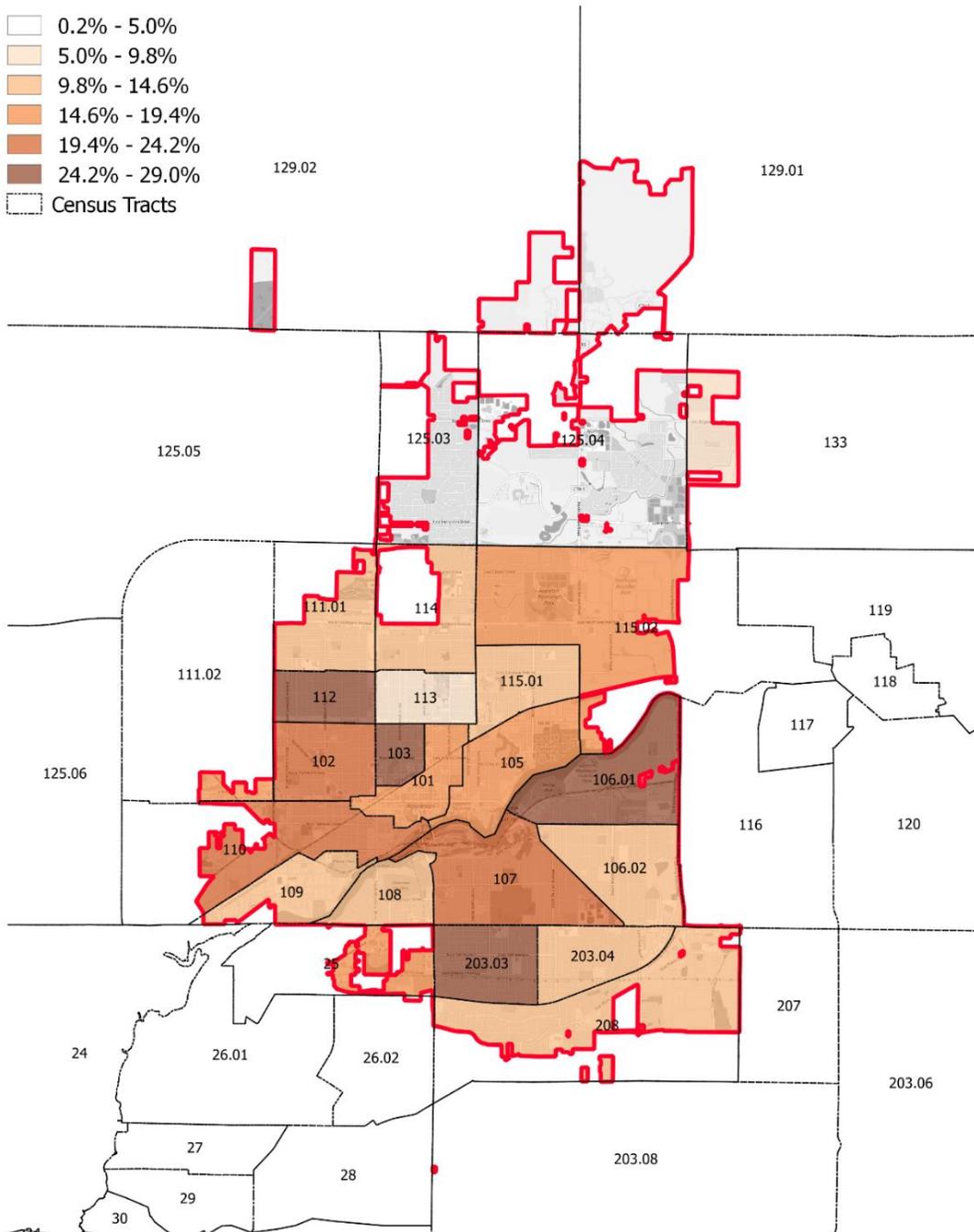
 9.8% - 14.6%

 14.6% - 19.4%

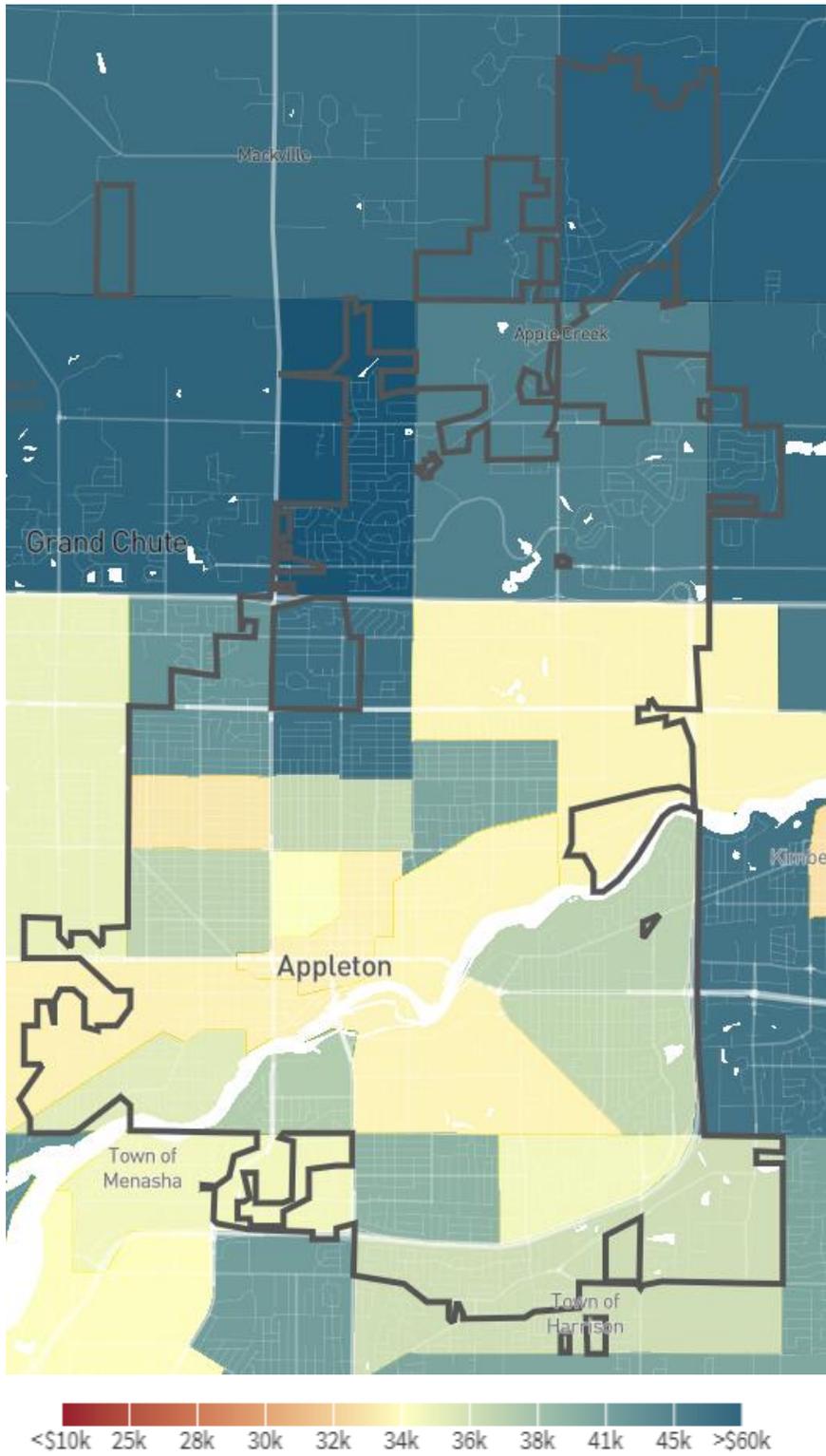
 19.4% - 24.2%

 24.2% - 29.0%

 Census Tracts



MAP 8: Appleton Household Income for Children (Opportunity Atlas<sup>51</sup>)



<sup>51</sup> <https://www.opportunityatlas.org/>

The zip code a child grows up in is a major predictor of his or her life outcomes. Housing accessible to families of all income levels should be located in all census tracts of Appleton, and all neighborhoods should offer opportunities that lead to a high quality of life.

Map 8 shows children's outcomes in adulthood in Appleton by census tract using longitudinal data covering nearly the entire U.S. population. These estimates allow us to trace the roots of outcomes such as poverty back to the neighborhoods in which children grew up. As the map makes clear, children's outcomes vary sharply across tracts. Children growing up in census tracts 101, 103 and 113, the lightest color on Map 3, are likely to have incomes of approximately \$42,000. In contrast, children growing up in the northernmost census tract of the City are likely to have significantly higher income, at about \$62,000.<sup>52</sup>

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<sup>52</sup> Opportunity Atlas, Chetty, Friedman, Hendren, Jones, & Porter, 2018

## Disability and Access Analysis

Just under 11 percent (10.6) of Appleton’s population age 5 and older has a disability. The types of disabilities people have impact the features they need in a home. Of that 11 percent, 1.1 percent is comprised of persons age 5-17; 5.6 percent are persons age 18-64 and 3.9 percent are persons 65 years of age and older. The general proportions of persons with disability by age and by census tract mirrors the citywide proportions. (See Map 9.)

## Housing Affordability and Accessibility

There is limited nationally available data related to the supply of accessible housing at this time. But we do know that most accessible housing is likely to be multifamily housing built for first occupancy after March 1991, because U.S. Department of Housing and Urban Development (HUD) requires that most multifamily housing built after that time meet a variety of physical accessibility standards. Single family and multifamily housing built before this date is typically not accessible, unless there have been substantial renovations.<sup>53</sup>

According to the City Assessors office, of the 6,612 housing units constructed between 1990 and 2017, 32.5 percent were in buildings with four or more units, which triggers HUD’s accessibility requirements.

While the limited data makes it difficult to ascertain whether there is a shortage of *accessible* housing, we know there are insufficient *affordable* housing options for persons with disabilities.

Local stakeholders say that access to affordable housing for persons with disabilities poses a significant barrier to their housing choices. According to the 2015 ACS, persons with disabilities are almost twice as likely (20.3 percent) to be living in poverty than persons without disabilities (11.1 percent). Therefore, they are twice as likely to be in need of affordable housing than persons without disabilities. Persons with disabilities who have low income and are not able to obtain subsidized housing usually have a severe housing cost burden when paying market-rate rent for their accessible housing. As noted previously, the demand for Housing Choice Vouchers (HCVs) is significantly higher than the supply, so people with disabilities cannot count on this form of subsidy to increase their affordable housing options.<sup>54</sup>

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<sup>53</sup> WI Statutes 101.132

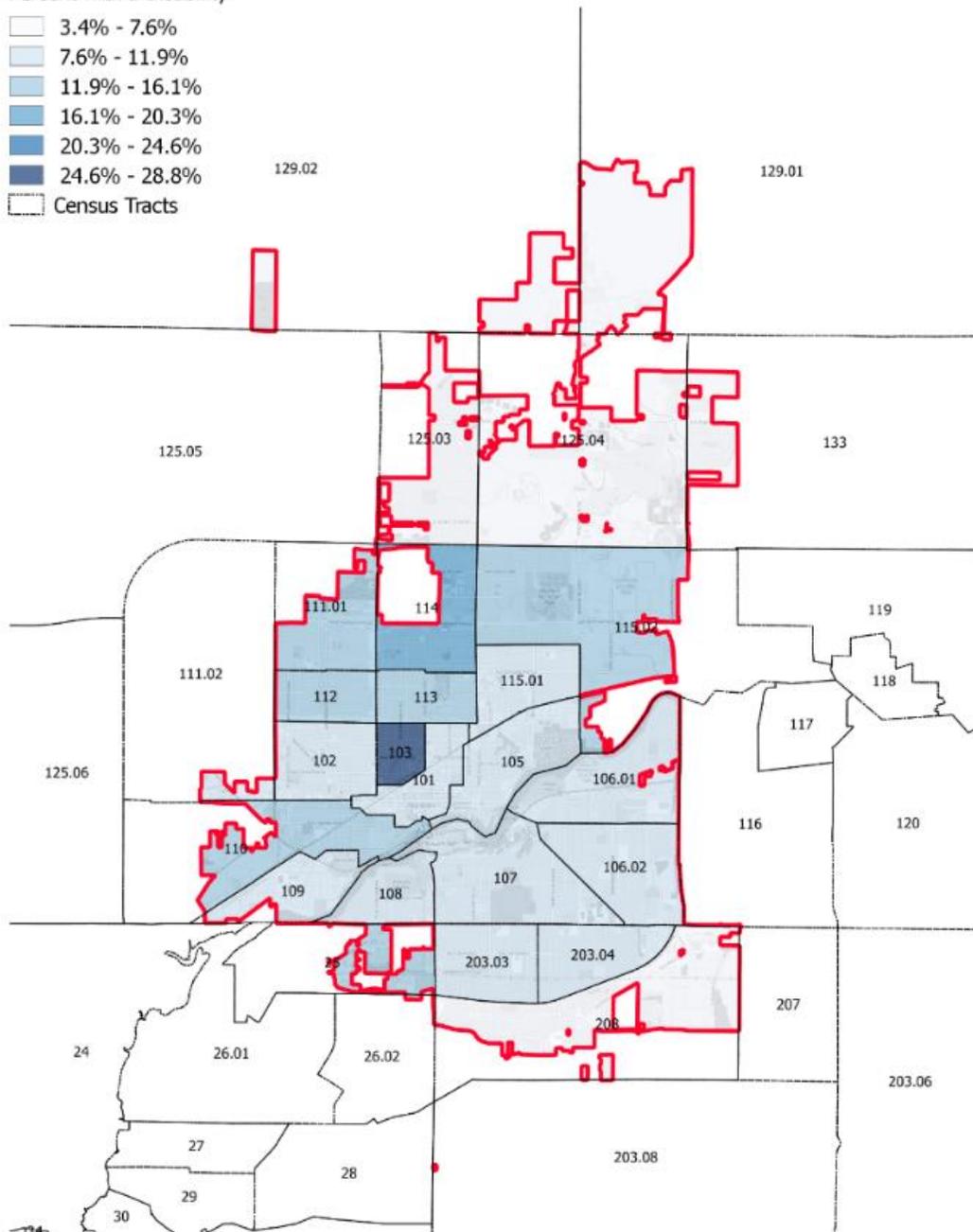
<sup>54</sup> “Housing vouchers help low-income households afford modest housing, but 3 in 4 needy renters don’t receive assistance due to funding limitations. Surging demand and long waiting lists provide further evidence that the need for affordable housing far outstrips the supply — and that current federal voucher funding levels are inadequate to address the growing rental affordability crisis.” [<https://www.cbpp.org/blog/housing-vouchers-work-huge-demand-insufficient-funding-for-housing-vouchers-means-long-waits>]

# MAP 9: Appleton Percent with a Disability

## City of Appleton Disability by Census Tract

### Legend

- CityLimits
- Percent with a Disability
  - 3.4% - 7.6%
  - 7.6% - 11.9%
  - 11.9% - 16.1%
  - 16.1% - 20.3%
  - 20.3% - 24.6%
  - 24.6% - 28.8%
- Census Tracts



### Publicly supported housing

The data does not tell us what types of disabilities residents in publicly supported housing have. As shown in Figure 27 persons with disabilities are fairly evenly distributed in public housing, Housing Choice Voucher Program (HCV) and Project-based Section 8 housing.

FIGURE 27: Persons with Disabilities in Publicly Supported Housing

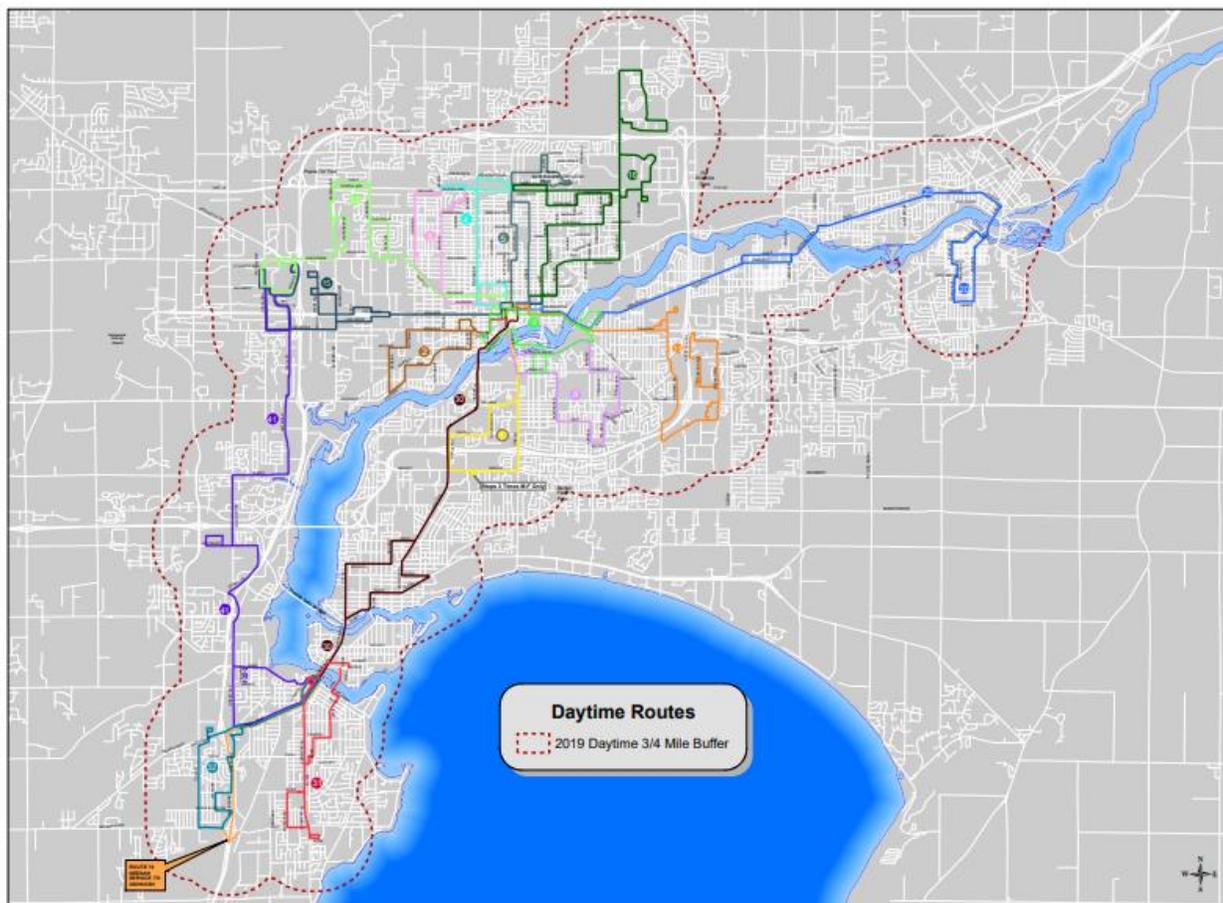
Publicly Supported Housing	Appleton % with Disability	Region % with Disability
Housing Choice Voucher	30.8%	31.4%
Public Housing	29.8%	29.8%
Project-based Section 8	26.4	26.4

### Transportation

Persons with disabilities rely more on transit services than persons without disabilities. Nationally 31 percent of adults with disabilities do not have adequate transportation, compared with just 13% of adults without disabilities. Valley Transit has a fixed route system and offers paratransit services. Paratransit is an alternate mode of transportation, most often provided by minibuses, which provides door-to-door shared rides upon request by persons with disabilities. MAP 10 shows this service area.

“Make the Ride Happen,” a volunteer-based transportation service, supplements the fixed route transit and paratransit services in Appleton. Volunteer drivers take senior citizens and persons with disabilities to appointments and shopping.

MAP 10: Valley Transit ADA Service Area Map



### Reasonable Accommodations and Modifications

The federal Fair Housing Act makes it unlawful for a housing provider or homeowners associations to refuse to allow a reasonable modification<sup>55</sup> to the premises when such a modification may be necessary to afford persons with disabilities full enjoyment of the premises. Additionally, the Act makes it unlawful to refuse to make reasonable accommodations<sup>56</sup> to rules, policies, practices, or services when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling and public and common use areas.

Most violations of *reasonable modifications* and *accommodations* provisions of the Fair Housing Act occur in the private market. Of MMFHC's 497 statewide housing discrimination complaints based on disability between 2013 and 2018, 60 percent

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<sup>55</sup> Under the Fair Housing Act, a reasonable modification is a structural change made to existing premises, occupied or to be occupied by a person with a disability, in order to afford such person full enjoyment of the premises

<sup>56</sup> A reasonable accommodation is a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with disabilities to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces, or to fulfill their program obligations.

involved a reasonable modification, a reasonable accommodation or both. In Appleton 16 of the 22 complaints based on disability involved a reasonable accommodation (72 percent). Additionally, 10 of the 22 complaints based on disability involved either service animals or emotional support animals. This remarkably high percentage indicates that many housing providers do not understand their obligations under fair housing laws, or are choosing to violate the law.

A community's policies need to allow for reasonable modifications and accommodations. Both the City of Appleton and the Appleton Housing Authority have reasonable modification and accommodations policies in place to protect persons with disabilities.

### Homeownership Challenges

As stated previously, persons with disabilities are twice as likely to be living in poverty compared to persons without disabilities. The median income for persons with disabilities (\$19,890) is about 62 percent of that of persons without disabilities (\$31,680). Given these challenges, obtaining a mortgage loan is a significant challenge for many impoverished persons with disabilities. Moreover, existing homeowners may become disabled for a variety of reasons. These individuals may need assistance in making their homes accessible.

## Disparities in Mortgage Lending

Access to fair mortgage loan products is an essential component of households' ability to build wealth. If that access is limited based on race, disability, or membership in other legally protected classes, it must be addressed.

Four reports generated by Lending Patterns, CLC Compliance Technologies, Inc. were completed for Appleton for this analysis:

1. Lenders' Home Mortgage Disclosure Act (HMDA) Overview of Loan Originations
2. Lenders' Home Mortgage Disclosure Act (HMDA) Overview of Loan Denials and Withdrawals
3. Lender Market Share
4. Rank of Lenders by Low and Moderate Income (Borrower or Tract) Frequency

### Loan Originations and Denials by Race and Ethnicity

Racial and ethnic disparities exist in loan originations in Appleton. There were 3,532 mortgage loans made in 2017.<sup>57</sup> While white borrowers received a disproportionately high share of these loans, people of color received a disproportionately low share of loans. See Figure 28.

FIGURE 28: Appleton Loan Originations by Race and Ethnicity

	Proportion of Appleton Population	Proportion of Loan Originations	Loan Approval Rate	Number of Applications Submitted
White	80%	89%	74.1%	4057
Black	2.3%	0.9%	70.5%	44
Asian	6.1%	2.2%	57.7%	133
Native American	0.7%	0.2%	54.5%	11
Hispanic	5.7%	2.5%	64.5%	133

There are likely multiple contributing factors to these disparities: a disproportionately low number of Spanish and Hmong-speaking lenders and real estate professionals; discrimination based on race, national origin and ethnicity; poverty; and the difficulty of obtaining an ITIN loan<sup>58</sup>.

Applying for an ITIN home loan is more complicated than applying for a conventional home loan. Potential complications for persons making an ITIN mortgage application include:

<sup>57</sup> Lending Patterns, CLC Compliance Technologies, Inc., 2018

<sup>58</sup> ITIN loans are designed for borrowers who do not have a social security number, but can provide an ITIN number as an alternative form of identification.

- Lack of credit history. Credit histories are based on Social Security numbers, and therefore it may be difficult - if not impossible - to gauge the creditworthiness of an applicant who has an ITIN instead of a Social Security number. Additionally, many who arrived in this country as refugees lack a credit history.
- Problems with income verification. Employers are reluctant to document the wages they pay to workers who are not authorized to work within the United States. Many undocumented workers receive cash and limited options for verifying their incomes.
- Problems verifying a good payment history. Some mortgage lenders will make loans to people who don't have credit histories as long as they can prove a payment history of some sort. Since undocumented workers may not have utilities and other bills in their own names, applicants may have difficulty with proving they can make payments in a timely manner.

### Lender Market Share

The top 15 mortgage lenders in Appleton made almost three-quarters (73.5 percent) of the 3,105 purchase and refinance loans in 2017.<sup>59</sup> In Appleton, the lenders making the most loans, whether for new purchases or refinancing, are:

FIGURE 29: Appleton Lender Market Share

Rank	Lender	# of Loans
1	Community First Credit Union	656
2	Fox Communities Credit Union	299
3	Capital Credit Union	182
4	Associated Bank	166
5	Wells Fargo Bank	138
6	Finance of America	124
7	GSF Mortgage Corp.	118
8	Inlanta Mortgage	98
9	Waterstone Mortgage	83
10	BMO Harris Bank	77
11	Nicolet National Bank	76
12	Quicken Loans	73
13	Johnson Bank	71
14	US Bank National Association	67
15	JP Morgan Chase Bank	52

Of these 3,105 loans, only nine were subprime loans. A subprime loan is a loan offered at an interest rate above prime to individuals who do not qualify for prime rate loans.

<sup>59</sup> Lending Patterns, CLC Compliance Technologies, Inc., 2018

Marine Credit Union made eight of those loans and Citadel Servicing Corporation made one subprime loan.

### Lending in Low- and Moderate-Income (LMI) Census Tracts and to Low- and Moderate-Income (LMI) Borrowers

In Appleton there were 1,134 loans made to LMI borrowers and in LMI census tracts in 2017. The top five LMI lenders are listed below.

FIGURE 30: Appleton Top Low- and Moderate-Income Lenders

Rank	Lender	# of Loans	% of Bank's Loans in City
1	Community First Credit Union	221	33.7
2	Fox Communities Credit Union	117	39.1
3	GSF Mortgage Corporation	72	61.0
4	Finance of America	64	51.6
5	Capital Credit Union	59	32.4

## Fair Housing Enforcement

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The Metropolitan Milwaukee Fair Housing Council (MMFHC) conducts comprehensive fair housing services for the City of Appleton through its Northeast Wisconsin satellite office, the Fair Housing Center of Northeast Wisconsin (FHCNW). Services include the Enforcement, Outreach and Education, Fair Lending, and the Inclusive Communities Program, as described in a previous section.

### Complaints and Suits in Appleton 2013-2017

From January 1, 2013 to December 31, 2018, 45 housing discrimination complaints from the City of Appleton were taken by the Metropolitan Milwaukee Fair Housing Council (Metropolitan Milwaukee Fair Housing Council, 2018).

FIGURE 31: Metropolitan Milwaukee Fair Housing Council Appleton Complaints 2013-2018

Year:	# of Complaints:
2013	9
2014	8
2015	12
2016	13
2017	0 <sup>60</sup>
2018	3

Twenty-two of the complaints were on the basis of disability<sup>61</sup>, 16 were based on race, 7 were based on familial status, five were based on lawful source of income, three based on age, two based on national origin, and one each marital status and sexual orientation. Some complaints are based on more than one protected class.

All but one of the 45 complaints involved rental housing; the remaining complaint involved the sales market.

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<sup>60</sup> Often higher number of complaints may coincide with fair housing outreach and education. If community members are aware of their rights under the fair housing laws, they are more likely to complain when discriminated against. During 2017 there were staffing changes at the Northeast Wisconsin Fair Housing Center, which may have played a role in there being no complaints this year.

<sup>61</sup> Ten of these 22 complaints involved a service animal or an emotional support animal.

FIGURE 32: Metropolitan Milwaukee Fair Housing Council Complaints from Appleton 2013-2018 by Protected Class

Protected Class:	# of Complaints:
Disability	22
Race	16
Familial Status	7
Lawful Source of Income	5
Age	3
National Origin	2
Marital Status	1
Sexual Orientation	1

FIGURE 33: Wisconsin Equal Right Division Complaints from Calumet, Outagamie and Winnebago Counties<sup>62</sup> 2013-2018 by Protected Class

Protected Class:	# of Complaints:
Disability	11
Race	11
Familial Status	8
Lawful Source of Income	3
Age	3
National Origin	1
Religion	2
Sexual Orientation	2
Sex	1

FIGURE 34: U. S Department of Housing and Urban Development 2013-2018 from Appleton by Protected Class

Protected Class:	# of Complaints:
Disability	5
Race	1

<sup>62</sup> Wisconsin Equal Rights Division does not compile complaints by municipality, but by County instead

# Impediments to Fair Housing

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This section identifies barriers to equal housing access, based on the quantitative data contained in the Demographic and Fair Housing Analysis sections of this document, and based on qualitative information gleaned from community input. The impediments are not listed in order of priority.

Impediments to fair housing include:

1. Private-market housing discrimination

It is difficult to assess the severity of private market discrimination in Appleton based on the number of complaints reported to the Metropolitan Milwaukee Fair Housing Council, U.S. Department of Housing and Urban Development and the Wisconsin Equal Rights Division. According to the National Fair Housing Association’s (2015) Trends Report, “housing discrimination is significantly underreported, mostly because it can be difficult to discern. According to the U.S. Department of Housing and Urban Development, the number of reported complaints represents less than one percent of the four million instances of housing discrimination that are estimated to occur each year.” Some stakeholders in Appleton believe discrimination is occurring by housing providers. Housing discrimination complaint data, (found in the *Fair Housing Enforcement, Outreach Capacity, and Resources* section) from the Metropolitan Milwaukee Fair Housing Council verifies that discrimination is occurring based on many different protected classes.

2. Affordable housing location

The location of affordable housing can contribute to segregation or integration, as well as to the access a person has to opportunities such as education and employment. Maps in earlier sections show that renters are more concentrated in census tracts 103 and 110.

Increasing the amount of affordable rental housing of all unit sizes in all parts of the City and County should be considered.

3. Lack of affordable, accessible housing

There is a shortage of affordable housing for all persons. However, persons with disabilities are more likely to have low income and need low-cost, affordable housing than the general population. Additionally, because of the average older age of Appleton’s housing, and amount of multi-family housing required to be accessible under the Fair Housing Act, existing accessible housing is limited. One challenge is we cannot quantify the supply of accessible housing. No entity keeps a record of accessible units in the City.

#### 4. Private market refusal to allow accommodations/modifications

In Appleton 16 of the 22 complaints based on disability involved a reasonable accommodation (72 percent). This remarkably high percentage indicates that many housing providers do not understand their obligations under fair housing laws, or are choosing to violate the law.

#### 5. Lending discrimination and/or disparities

Lending discrimination can be subtle and sophisticated, and may be embedded in credit and institutional policies. These factors can make it very challenging for borrowers to recognize discriminatory experiences, which leads to underreporting of unlawful discrimination in the lending market. A lending analysis is included in the Appendix of this report.

#### 6. Critical shortage of affordable rental housing and limited housing assistance

Previous sections described how housing cost burden, or spending more than 30 percent of income on housing costs, is a significant problem for many households in Appleton, particularly households of color. The supply of market rate, affordable housing is insufficient to meet the demand of low and moderate-income residents. Additionally, only a fraction of those households that qualify for federally subsidized programs, like public housing and the Housing Choice Voucher program, actually receive that housing assistance.<sup>63</sup>

The ratio of rental units to ownership units in Appleton (33.8 percent rental units) is starker than other similarly sized Wisconsin cities. Percent of rental units for the following similarly sized cities is as follows: Kenosha (44.0 percent), Eau Claire (45.7 percent); Janesville (33.2 percent), Oshkosh (46.8 percent), Racine (46.4 percent), and Waukesha (41.4 percent). Most communities have a greater proportion of rental units. The fair housing implications of this are the disproportionate amount of Blacks, Latinx, and Asian residents, as well as residents with disabilities who rely on rental housing.

#### 7. Limited resources for fair housing services (Impediment for State and Federal Government)

Given that multiple levels of government have fair housing laws, and that fair housing issues reach across jurisdictional borders, the responsibility to provide and support comprehensive fair housing services rests with many entities. Funding for fair housing activities from the State of Wisconsin and the federal government have remained stagnant or even decreased over the last two decades.

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<sup>63</sup> National Low Income Housing Coalition, 2018

Without increased funding for fair housing work, especially from the state and federal government, the ability of public agencies and private organizations (like the Fair Housing Council) to make effective progress in eliminating unlawful discrimination and creating integrated communities will be unacceptably constrained. Further, without additional investment on the part of State of Wisconsin and the federal government, the City of Appleton's ability to meet its fair housing goals will be hampered.

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## Fair Housing Goals and Strategies

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This section identifies goals and strategies designed to redress impediments to fair housing.

On the following pages, the goals are listed in table format. Each goal has a number of strategies to make progress toward the goal. Each strategy contains a *timeframe for action*, a *measure of achievement*, and the *entity* at each municipality that is responsible for implementing the strategies. The *timeframe for action* refers to what period of time each community intends to implement each strategy. The *measure of achievement* refers to how each community will measure whether that strategy has been achieved. The goals are not listed in order of priority.

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**Goal 1: Support efforts to ensure adequate supply of housing affordable to all income levels in the community**

<b>Strategies</b>	<b>Timeframe for Action</b>	<b>Measure of Achievement</b>	<b>Responsible Entity(ies)</b>
Monitor the balance between household incomes and for-sale housing or market rents to identify trends that may impact affordability	2024	Next Analysis of Impediment report and Market Analysis portion of 5-year Consolidated Plan	CEDD AI consultant
Support a variety of housing programs to defray the costs of rental housing or home ownership, marrying financial tools such as historic preservation, DNR grants, and opportunity zones	2020-2024	Evidence of support and use of tools like historic preservation, DNR grants, and opportunity zones	CEDD
Support and partner with programs that provide assistance to homeless persons in the community	2020-2024	Documentation of funds used to support programs and other forms of support	CEDD
Support the City's Homeowner Rehabilitation Loan Program (HRLP) to provide funding for home improvements for lower-income households	2020-2024	Documentation of funds used	CEDD
Support housing programs of housing non-governmental organizations (NGO's)	2020-2024	Documentation of funds used	
Participate in the Fox Cities Housing Coalition	2020-2024	Number of meetings attended	
Promote and support private sector investment in affordable housing through TIF financing, LIHTC projects, and other state/federal financial resources	2020-2024	Evidence of support and use of tools like TIF financing, LIHTC, etc.	
Consider utilizing the CBD zoning district in other areas of the City to promote denser in-fill and affordable housing development	2020-2024	Number of affordable housing units constructed in new CBD zoning districts	CEDD

**Goal 2: Increase fair housing choice & decrease housing discrimination**

<b>Strategies</b>	<b>Timeframe for Action</b>	<b>Measure of Achievement</b>	<b>Responsible Entity(ies)</b>
Continue to provide fair housing services	2020-2024	Annual reports from MMFHC	MMFHC
Offer and promote fair housing training for City of Appleton housing and service providers	2020-2024	Number of trainings offered; number of persons trained	MMFHC
Advocate for additionally federal and state funding for fair housing services	2020-2024		

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**Goal 3: Continue funding the City of Appleton’s Neighborhood Program to encourage the establishment and support of neighborhood organizations**

<b>Strategies</b>	<b>Timeframe for Action</b>	<b>Measure of Achievement</b>	<b>Responsible Entity(ies)</b>
Provide assistance to help form neighborhood organizations, which among other activities, support diversity of race, ethnicity, religion, income, ability levels.	2020-2024	Number of new neighborhoods registered; number of attendees at Neighborhood Program Meetings	CEDD
Offer funding through the Neighborhood Grant Program to help carry out neighborhood improvement projects and encourage neighbors to connect	2020-2024	Number of projects funded; total funds invested	CEDD
Provide diversity and inclusion education to neighborhood groups to ensure that organizing efforts are inclusive and create a welcoming environment for all	2020-2024	Number of events offered; number of attendees	CEDD

**Goal 4: Increase access to consumer education in culturally appropriate context, to reduce homeownership and lending disparities**

<b>Strategies</b>	<b>Timeframe for Action</b>	<b>Measure of Achievement</b>	<b>Responsible Entity(ies)</b>
Support existing credit counseling and financial education	2020-2024	Number of households served; Is there an increase in households of color applying for loans; tracking households of color homeownership rates	CEDD FISC Habitat for Humanity AHA
Connect housing consumers with existing local educational resources	2020-2024	Number of agencies in referral pool	AHA Habitat for Humanity FISC
Connect housing consumers with existing local job skills resources	2020-2024	Number of programs available in Appleton	Appleton Library CEDD Member agencies of FCHC

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