



MASSACHUSETTS DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT
2019 ANALYSIS OF IMPEDIMENTS TO FAIR
HOUSING CHOICE

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Executive Summary

Purpose of Analysis of Impediments to Fair Housing

Under the federal Fair Housing Act and the state’s anti-discrimination laws, the Commonwealth of Massachusetts is required to proactively advance the goals of affirmatively furthering fair housing choice in the state. As is well-understood by social scientists, housing advocates, and public policy makers--- place matters. Where a person lives corresponds with a wide range of opportunities and quality of life issues that play important roles in their lives. Therefore, the access to housing options, particularly for historically disadvantaged social groups, is of critical importance in the Commonwealth’s role in providing for the general welfare of its residents.

The following report is the Commonwealth’s latest Analysis of Impediments to Fair Housing Choice (AI). Last conducted in 2013, the current report is an analysis of fair housing data and an assessment of issues and underlying causes to unequal access to fair housing. Prepared with broad community participation, the current AI report identifies the fair housing priorities and goals that will guide the Commonwealth’s housing policies through 2024. This work is undertaken to inform the Commonwealth’s policies and investment decisions. The purpose is expanded access to opportunity for all residents, with a reduction in segregation and concentrated poverty.

Historic patterns of segregation and disinvestment in Massachusetts have led to the convergence of communities of color with areas of concentrated poverty, particularly in larger urban areas such as Boston, Springfield, and Holyoke. Federally- and state- assisted rental housing is disproportionately located in racially/ethnically concentrated areas of poverty (R/ECAPs). In many cases, residents of such areas also have the greatest need for housing assistance, with high numbers of low-income and extremely low-income renters experiencing cost burdens, among other housing problems. However, from a public policy and fair housing perspective, households in R/ECAPs face challenges in terms of access to jobs, school quality, and public health conditions and outcomes. Conversely, the U.S. Department of Housing and Urban Development (HUD) defined “areas of opportunity” -- places with high performing schools, abundant employment opportunities, and positive public health conditions and outcomes¹ -- are disproportionately White. When such communities are not accessible to households of color, it perpetuates the historical patterns of segregation and limited upward mobility for protected classes.

The ongoing patterns of R/ECAPs in the Commonwealth, limited affordable housing resources in areas of key indicators of opportunity (as measured by HUD’s Opportunity Indices), such as quality education, and the consequent barriers that households of color and those from other protected classes have to accessing these communities, are problems this report aims to address. An essential element of the state’s efforts to meet its affirmative fair housing obligation must be to manage housing programs to create and/or enhance resources, particularly affordable, quality housing, in areas that offer access to educational, economic, and other opportunities.

¹ This report hews closely to the HUD-defined opportunity indices. However, there are other additional important types of opportunity, such as living in areas with low crime which are important but not captured by available data.

At the same time, there are high poverty, racially concentrated areas that *do offer opportunities* such as access to public transportation, employment, and amenities, particularly in Boston. Many of these areas are also at risk of gentrification, in part because of these opportunities, which may pose a risk of displacement to areas with concentrated poverty *and* fewer opportunities. DHCD recognizes that, because school systems are locally financed and serve local residents, residential segregation inherently leads to educational segregation, with communities of color disproportionately exposed to poverty and, in many cases, poorer quality schools than those present in predominantly White communities.

However, DHCD also continues to recognize that there is not one solution or trajectory for promoting access to opportunity for all protected classes, or for the different needs and housing choices within those classes, particularly through housing or state resources alone. Communities that are high in opportunity overall, or based on certain indicators discussed in this AI, may not be the community of choice for some (e.g., certain populations in need of services and supports that are not in or accessible from such communities). While some households may seek housing in communities with as many indicators of opportunity as possible, others may seek housing in communities based primarily on one indicator such as schools, employment, or public transportation. Overcoming impediments to fair housing, therefore, requires a multi-faceted approach.

In the development of the AI, DHCD sought feedback from an AI Advisory Council, members of which also convened for “focus groups” on fair housing topics that are summarized in various sections below, as well as from other stakeholders and the general public through public listening sessions, public hearings, and a webpage for submission of public comments on questions posed to inform AI development and the draft AI.

Some notable highlights from this AI are outlined below. Note that the outlined action steps in this Executive Summary are primarily steps to be undertaken or more fully implemented by the state. A further treatment of action steps that have already been undertaken over the past five years is incorporated in the discussion section of this document and in the next section, Summary of Progress to Date since the 2013 AI.

Report Structure and Highlights

The AI report is grounded in HUD’s definition of Fair Housing Issues; the structure is modeled after HUD’s outline of the Fair Housing Assessment Tool from its 2015 Affirmatively Furthering Fair Housing Final Rule. Following an introductory section, the AI includes a summary of progress to date since the 2013 AI, and the following sections:

1. Fair Housing Demographics and Housing Market Profile
2. Segregation and Integration
3. Racially and Ethnically Concentrated Areas of Poverty
4. Disparities in Access to Opportunity
5. Housing Needs and Allocation of Resources
6. Fair Housing Enforcement, Outreach Capacity, and Resources
7. DHCD Goals and Action Steps

Appendices follow to provide detailed data on demographics, an analysis of HUD’s opportunity indices, state and federal information on publicly supported housing, and a description and summary of public

comments from the community participation process. Highlights and key findings from the current analysis are summarized and excerpted here:

1. Demographics and Housing Market Highlights

An AI provides analysis and information underpinning assessment of fair housing for people in protected classes. Protected classes in Massachusetts are: race, color, national origin, religion, sex, gender identity, sexual orientation, disability, familial status, marital status, source of income/public assistance reciprocity, veteran/military status, age, ancestry, and genetic information. People in protected classes can experience barriers to access of fair housing and have specific needs and demographic trends, some of which cut across multiple protected classes. For this reason, it is foundational to provide relevant available demographic and socioeconomic information, overall trends, and current and longstanding housing market trends.

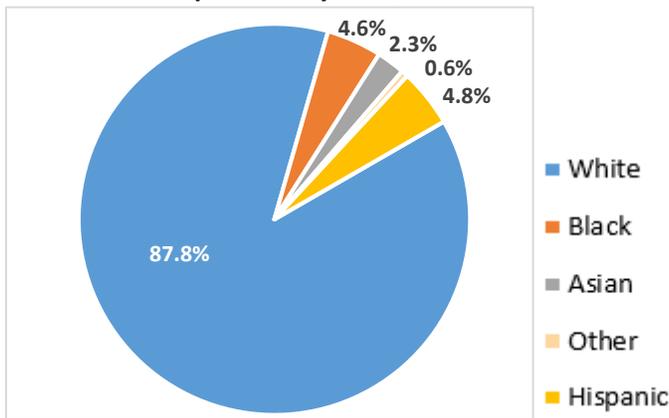
Summary: Demographically, the Commonwealth is experiencing a re-emergence of domestic outmigration and international immigration post-recession. While the easternmost part of the state is growing, both in terms of employment and population, there are notable disparities both within Greater Boston and when comparing Greater Boston with the rest of the state. Economic segregation and income inequality have increased, and concentrated poverty has persisted in low-income neighborhoods. The state has been predominantly White, but this has steadily changed in recent decades, especially among younger residents. The housing market continues to be among the most expensive in the nation, and production has not kept up with demand.

Demographics

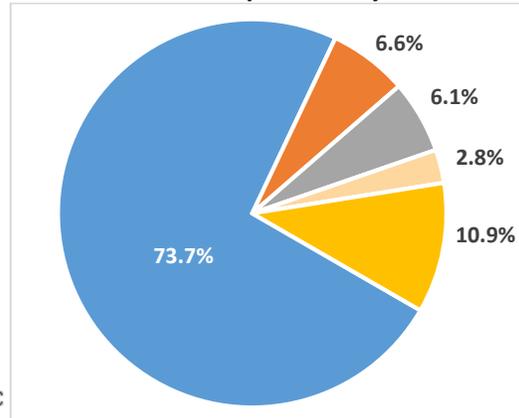
Massachusetts stands out among northeastern states in terms of population and economic growth. With its concentration of colleges and universities and mix of knowledge-based and other support industries, Massachusetts has become an attractive location for international migrants. Since 2010, international migration accounted for 4.5% of population growth in the state. This growth has counterbalanced the flat natural population change (the net of births and deaths) and domestic out-migration experienced in the state over the last several years². Relatedly, the growth of foreign-born communities in the state over the last several decades has led to a fundamental shift in the racial makeup of Massachusetts. For example, in 1990 nearly 90 percent of the state population was White non-Hispanic. Today, that percentage is just under 74 percent.

² Domestic outmigration briefly reversed during the last recession, but has returned to its previous pattern post-recession.

Share of MA Population by Race, 1990



Share of MA Population by Race, 2016



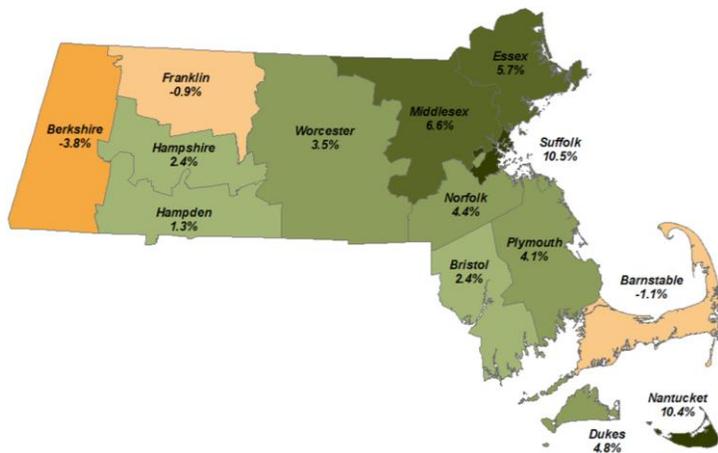
Sources: U.S. Census Bureau 1990 Census STF1 Table NP1 Hispanic Origin by Race; 2016 5-Year American Community Survey, Table B03002

Family size and composition, in addition to race and ethnicity, continue to impact access to housing; DHCD AI Advisory Council focus group participants have noted that families with more than five members often cannot find large enough units in the areas in which they wish to live. Additionally, families with single parents, particularly single mothers, earn far less than their two-parent counterparts, and accordingly experience higher rates of poverty. Families with five or more members are more prevalent among households of color than White households, although the total number of children under age 9 has continued to decrease overall. Families headed by single mothers continue to report the lowest incomes of all family types, and experience the highest rates of poverty. Nearly three quarters of poor children in Massachusetts are Black or Hispanic.

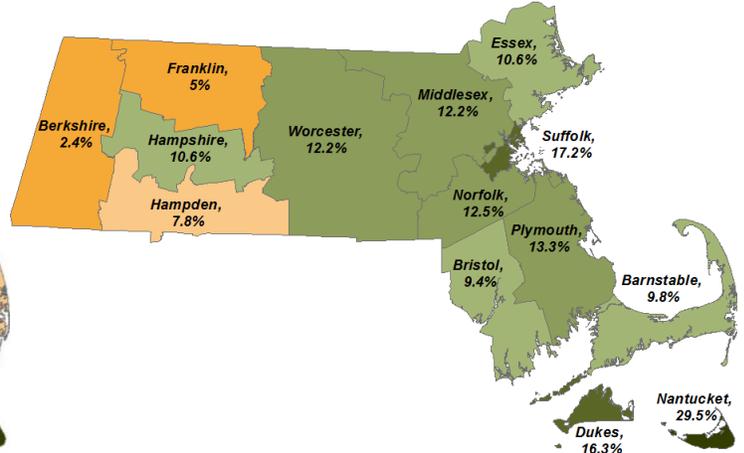
People with disabilities continue to experience much higher rates of poverty and unemployment than those with no disability. The cost of housing in Massachusetts continues to pose a challenge for people with disabilities receiving federal income assistance. Compounding these issues, the share of people with disabilities has increased an average of 11 percent across all age groups since 2010; this is expected to continue to increase in the coming years as the baby boomer population continues to age in older cohorts. The Commonwealth’s 2018 Olmstead Plan highlights multiple cross-cutting challenges for people with disabilities.

In recent years, population, job, and housing growth has concentrated in Greater Boston. Relatedly, the region has experienced rising housing prices in both sales and rents, especially in Boston and a handful of other inner core communities, including Cambridge, Everett, Somerville, Watertown, and the rest of Suffolk County, compared to the central and western regions of state. Protected classes disproportionately live in these communities.

Massachusetts Population Change, 2010-2017



Massachusetts Employment Change, 2010-2017



Sources: (Pop.)-U.S. Census Bureau, Population Division, April 1, 2010-July 1, 2017, *Annual Estimates of the Resident Population* (Empl.)-Bureau of Labor Statistics, 2010 to 2017 Quarterly Census of Employment and Wages; UMDI mapping analysis

Housing market

Housing costs in Massachusetts continue to be some of the highest in the nation, both for owners and renters. Housing production has not kept up with demand in many regions of the state, with the majority of growth in production being in single-family homes or large multi-unit buildings. While Black, Asian and Hispanic households have all continued to see increases in homeownership over the past few decades, the White population in the state continues to own homes at least double the rate of other racial and ethnic groups.

2. Segregation and Integration Highlights

Summary: Racial and ethnic segregation has decreased a small degree in Massachusetts recently, but continues to be a serious problem due to the relationship between place, quality of life, and opportunity. For instance, Black and Hispanic children overwhelmingly reside in communities with the greatest educational challenges, limited resources, and the poorest educational outcomes.

Understanding racial and income segregation trends in the state can enable meaningful progress on integration. To inform goals and underpin action for change, the segregation and integration analysis in this AI examines long-term trends in segregation, explores current effects on school populations, and details the results of fine-tuned numerical measures, including indexes of exposure and integration, among other methods.

Since the 2013 AI, Massachusetts has experienced a modest decrease in racial segregation, with a slight increase in racial diversity within a number of cities and towns around the Commonwealth. However, in total, the Commonwealth still remains highly segregated, especially for Black and Hispanic populations, which tend to be concentrated mainly in larger urban areas. Prior to 2000, all cities and towns in Massachusetts were majority White. With the shifting demographic makeup of the state, today 12 municipalities, including Boston, Springfield, and Lowell, are majority people of color.

A key table presented in Section 3, Table 3.6, provides an overview of Massachusetts’ metropolitan areas and how segregation in these places has trended and compared to segregation in other US large metropolitan areas. In particular, it shows that while segregation has been slightly decreasing in several

places, the largest Massachusetts metropolitan areas the Commonwealth have exceptionally severe levels of White-Hispanic segregation and that the Boston metropolitan area has increasingly high Black-White segregation compared to the other large metropolitan areas in the nation.

Table 3.6: Long Term Trends in Segregation in Massachusetts Metropolitan Areas

Name	Black-White								Rank Among 104 Largest Metros*				2014**	
	1990	2000	2009	2014	Change 1990-2000	Change 2000-2009	Change 2009-2014	Change 1990-2014	1990	2000	2009	2014	Total Population	Share NH-Black
Boston-Cambridge-Quincy, MA-NH	68.5	67.6	66.7	65.7	-0.9	-0.9	-1.0	-2.8	33	28	19	18	4,650,876	7.0%
Providence-New Bedford-Fall River, RI-MA	60.5	57.2	58.2	57.0	-3.2	0.9	-1.2	-3.5	57	57	51	54	1,604,317	4.6%
Worcester, MA	51.4	52.2	56.9	55.2	0.8	4.7	-1.7	3.8	33	72	55	62	924,722	3.8%
Springfield, MA	68.5	66.6	66.1	64.0	-1.9	-0.5	-2.1	-4.5	32	32	25	29	626,775	6.4%
Name	White-Hispanic								Rank Among Metros*				2014**	
	1990	2000	2009	2014	Change 1990-2000	Change 1990-2010	Change 2009-2014	Change 2000-2010	1990	2000	2009	2014	Total Population	Share Hispanic
Boston-Cambridge-Quincy, MA-NH	59.3	62.5	60.7	59.6	3.2	-1.8	-1.1	0.3	9	5	5	5	4,650,876	9.7%
Providence-New Bedford-Fall River, RI-MA	57.9	64.5	62.4	61.1	6.6	-2.1	-1.3	3.3	12	2	4	3	1,604,317	10.9%
Worcester, MA	55.1	57.0	56.6	52.6	1.8	-0.4	-3.9	-2.5	17	16	13	20	924,722	10.0%
Springfield, MA	64.3	63.2	63.8	61.8	-1.1	0.6	-2.0	-2.5	4	4	1	1	626,775	17.7%
Name	White-Asian								Rank Among Metros*				2014**	
	1990	2000	2009	2014	Change 1990-2000	Change 1990-2010	Change 2009-2014	Change 2000-2010	1990	2000	2009	2014	Total Population	Share NH-Asian
Boston-Cambridge-Quincy, MA-NH	45.5	48.0	47.2	46.9	2.5	-0.8	-0.2	1.4	18	17	47	59	4,650,876	6.9%
Providence-New Bedford-Fall River, RI-MA	47.0	44.5	49.4	46.9	-2.5	4.9	-2.5	-0.1	13	36	27	60	1,604,317	2.7%
Worcester, MA	38.6	46.4	49.4	51.6	7.9	2.9	2.2	13.0	54	24	29	28	924,722	3.9%
Springfield, MA	43.9	44.6	49.3	49.4	0.7	4.6	0.2	5.5	23	35	31	37	626,775	2.8%

Source: William H. Frey, Brookings Institution and University of Michigan Social Science Data Analysis Network's analysis of 1990 and 2000 Decennial Census data and the 2009 and 2014 American Community Surveys

* #1 - highest level of segregation among 102 largest metropolitan areas with population of 500,000 or more

** Summed from tracts

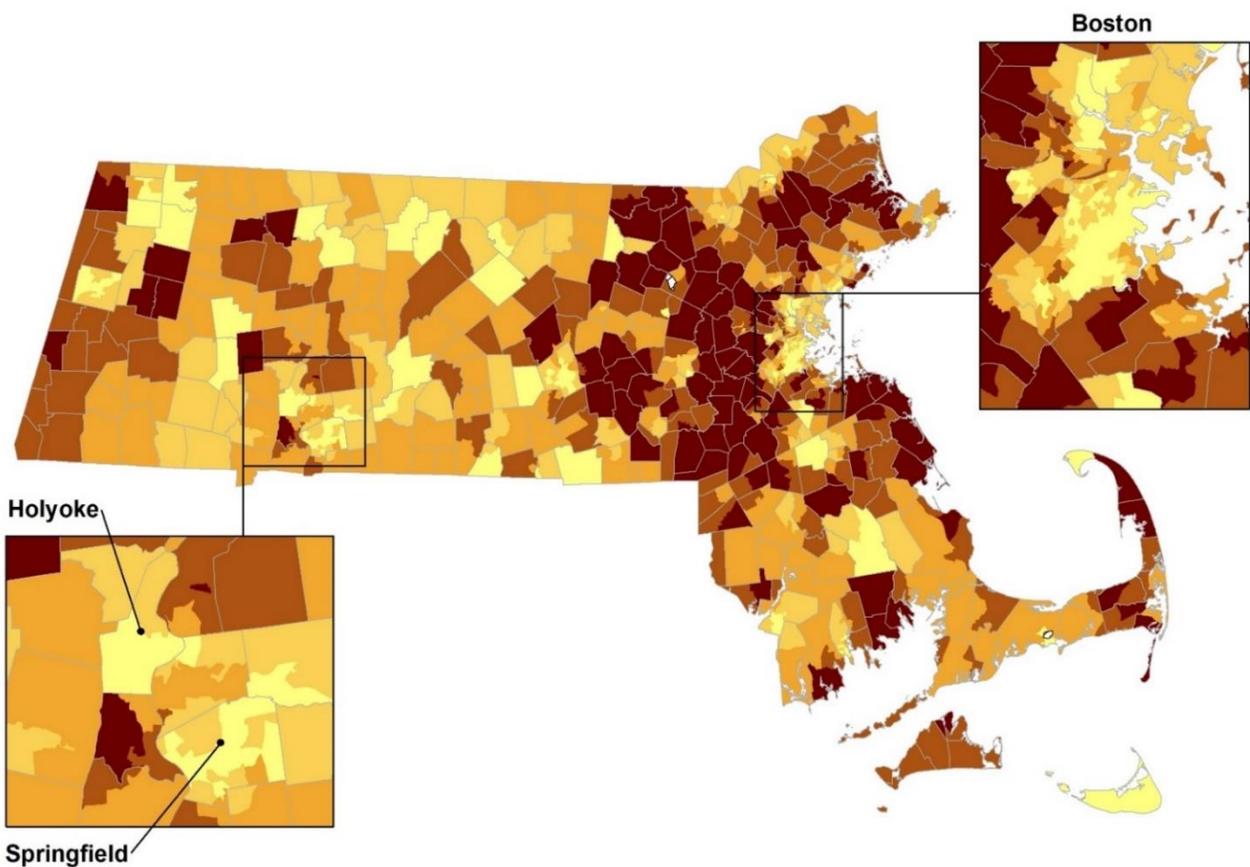
Note: In the analysis above all racial groups (Whites, Blacks and Asians) are non-Hispanic. Hispanics are shown as a separate category.

Schools

Schools remain a critical reflection of segregation. While Massachusetts is not unusual in this regard, it is still the case that Black and Hispanic children overwhelmingly reside in communities with the greatest educational challenges, limited resources, and the poorest educational outcomes. Because schools reflect the racial and ethnic composition of the municipalities, the consequences of racial isolation have a particular impact on the Commonwealth's school-aged children.

Maps can provide complex geographically-based detail in a succinct, informative manner, so this AI maps community- and neighborhood-level data, as available. Maps for each of eight dimensions of opportunity analyzed are available in Section 5. The following map shows community-level opportunity for high-scoring elementary schools.

HUD School Proficiency Index by Neighborhood



Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>.

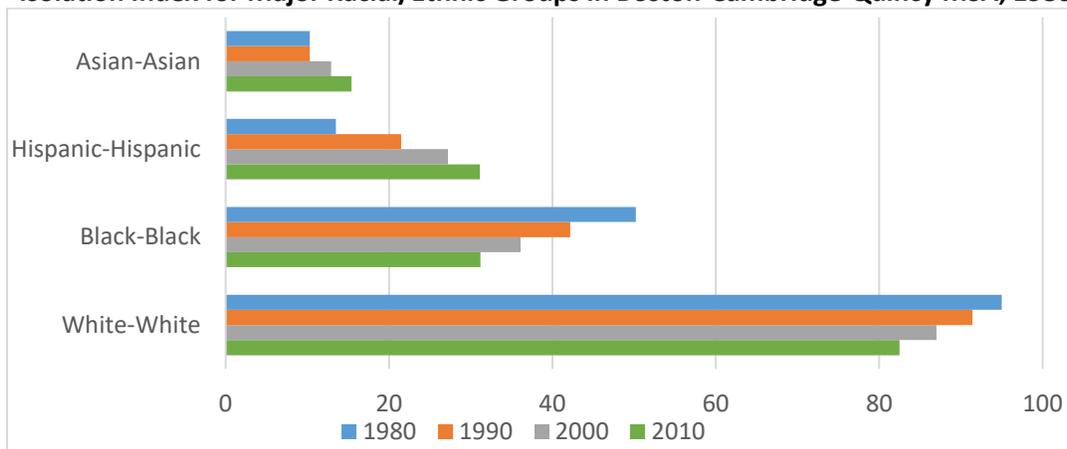
Exposure and isolation

In housing and segregation research, two common measures, exposure and isolation, look at the likelihood of interaction and proximity. “Exposure” refers to the likelihood that individuals of different races will interact on a daily basis. The Exposure Index from HUD is a composite score of how much a

neighborhood differs in racial makeup compared to its metropolitan area. The Exposure Index for the Boston metropolitan area underscores that the lack of racial exposure in region is largely due to White isolation.

The Isolation Index shows that, while both Black and White rates of isolation have declined since 1980, in 2010, the average White household in the Boston MA-NH MSA still lived in a neighborhood that was nearly 83 percent White. It also shows growing levels of isolation among Hispanic and Asian households, likely attributed to the influx of immigrants to the region. Hispanic isolation is now equal to that of Black isolation.

Isolation Index for Major Racial/Ethnic Groups in Boston-Cambridge-Quincy MSA, 1980-2010



Source: USA 2010 Project, Spatial Structures in the Social Sciences, Brown University

3. Concentration of Poverty Highlights

Summary: The areas of concentrated poverty in Massachusetts are not evenly distributed in the state. This is particularly the case for racially and ethnically concentrated areas of poverty, with all 67 such census tracts being located in just 11 municipalities: over 40 percent were in Boston, and another 20 percent were within Springfield and Holyoke.

Neighborhoods with high concentrations of poverty can perpetuate and compound challenges faced by disadvantaged populations. Identification of the state’s several high poverty areas and the inter-relationship between segregation and concentrated poverty enables action from the state and other organizations to counter historic disinvestment in these places.

Massachusetts has geographically concentrated pockets of poverty. Out of a statewide total of 1,456 census tracts, 91 meet the thresholds for concentrated poverty. Of these, 67 qualified as racially or ethnically concentrated areas of poverty (R/ECAPs) using HUD definitions and 2016 ACS data for analysis.¹ There were also 24 majority White tracts meeting concentrated poverty thresholds (WCAPs). Forty-one of the R/ECAPs had 40% or more residents in poverty, as did half the WCAPs.

All of the 67 R/ECAPs are located in just 11 municipalities. Over 40 percent of the R/ECAP tracts were in Boston. Another 20 percent were within Springfield and Holyoke. Other smaller concentrations existed in Lawrence, Lowell, Lynn, and Worcester.

Table 4.1: Massachusetts' Areas of Concentrated Poverty, 2016

Region	Total Census Tracts*	Total concentrated poverty tracts	R/ECAPs	Extreme poverty (40%+) R/ECAPs	WCAPs	Extreme poverty (40%+) WCAPs	Municipalities with R/ECAPs	Municipalities with WCAPs
Greater Boston	640	42	30	13	12	7	Boston (25); Lowell (3); Framingham and Quincy (1 each)	Boston (12)
Southeast	224	7	3	2	4	1	Brockton (2); New Bedford (1)	New Bedford (2); Fall River and Bridgewater (1 each)
Central	170	11	8	6	3	1	Worcester (8)	Fitchburg (2); Worcester (1)
Northeast	162	8	8	2	0	0	Lawrence (5); Lynn (3)	
Pioneer Valley	156	20	18	18	2	0	Springfield (13); Holyoke (5)	Amherst (2)
Cape & Islands	65	2	0	0	2	2		Barnstable (2)
Berkshire	39	1	0	0	1	0		Pittsfield (1)
Massachusetts	1,456	91	67	41	24	11		

Source: 2016 5-Year American Community Survey, Table S1701

Note: Metropolitan area definitions, census tract boundaries, and the threshold for determining concentrated poverty have all been modified over time. While this AI employs the HUD methodology to identify current R/ECAPs and WCAPs, we use the traditional “40 percent” thresholds when documenting trends over time. The AI also use poverty deciles (e.g., <10%, 10-20%), where appropriate, to facilitate comparisons among regions.

4. Access to Opportunity Highlights

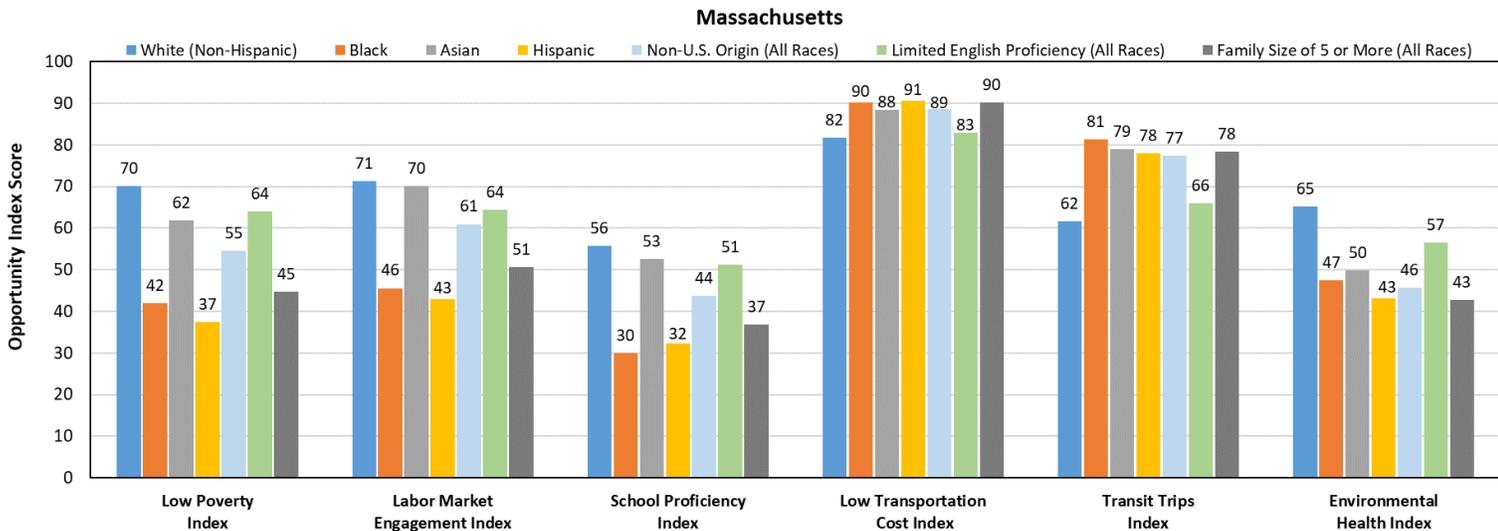
Summary: Available information on access to opportunity based on HUD-provided data shows that all protected classes for which data are available face place-based disparities related to jobs, schools, exposure to poverty, environment, and health. This is particularly true for Black, Hispanic, or family households with five or more members. Access varies by community type (i.e. urban, suburban, and rural) and region in the state. Mapping shows the neighborhoods with high levels of opportunity on multiple indexes are sometimes in close proximity to neighborhoods with much less access to the same opportunities.

Access to opportunity is deeply connected with place. Members of protected classes experience differential access to opportunity in several important areas of life related to jobs, schools, transportation, environment, and health. Where comparable data are available at fine geographic levels, this AI contains detailed analysis of communities and neighborhoods by protected classes.

Race and ethnicity

In Massachusetts, Black and Hispanic households are more likely to live in neighborhoods with greater exposure to poverty, higher exposure to unemployment, lower levels of educational attainment, less labor market engagement, and poorer air quality than neighborhoods where White households are more likely to reside. Members of several protected classes are disproportionately represented in urban areas, which tend to have substantially less access to high-performing schools and clean air and more exposure to poverty.

Disparities persist between neighborhoods where White households live and neighborhoods where Black, Hispanic or Asian households live regardless of income. This finding suggests that certain demographic groups face barriers to opportunity which transcend income disparities and hints at other non-socioeconomic factors. Families with children – particularly low income renters – face barriers to economic and social mobility. Families with five or more members as a separate demographic group tend to experience barriers to opportunity, having the third-lowest opportunity scores throughout the state, behind Hispanic households and Black households.



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: "Family size" refers to "household family size".

People with disabilities

Overall, there is limited socioeconomic data on people with disabilities, and HUD-provided opportunity indices are not available for this population. People with disabilities face employment barriers and have much higher rates of poverty than the overall population in Massachusetts as discussed in Section 2.

Foreign-born households

Generally, foreign-born Massachusetts households have opportunity scores slightly below those of households with limited English proficiency but higher than those of Black and Hispanic groups as shown above. Foreign-born households, especially recent arrivals in the United States, are more likely than native born households to face economic challenges, and linguistic challenges, and as such face particular barriers to opportunity that their native-born counterparts may not.

5. Housing Needs Highlights

Summary: There is high housing need across Massachusetts, with a particular mismatch between housing need and housing availability for low-income households generally and protected classes in particular. The Commonwealth would ideally have about 314,000 rental units that are affordable and available to extremely low income renters, an additional 166,000 units for very low income renters and 150,000 for low income renters. Families with children, seniors, people of color, and people with disabilities all have increased affordable housing needs in the Commonwealth relative to other households. People with disabilities face additional challenges in obtaining accessible housing: while MassAccess, the Commonwealth’s accessible housing registry, had more than 15,000 accessible units registered, only 10 percent were available to rent at the time of analysis.

An assessment of fair housing must necessarily provide insight into the match or mismatch (need for) available, suitable, and naturally affordable and subsidized housing. The section on housing need addresses housing need for low income households, family households with children or elders,

affordability and availability of accessible housing for people with disabilities, and housing affordability for people of color.

Housing need highlights by income and protected class

There is a high concentration of low income households among renters. Nearly a third of all renter households are extremely low income (less than or equal to 30 percent of HUD area median family income). Other renters are more evenly distributed across income levels, but many are still in the three low income categories: 17 percent are very low income (greater than 30 percent but less than or equal to 50 percent of HUD median family income), 15 percent are low income (greater than 50 percent but less than or equal to 80 percent HUD area median income), 9 percent are moderate income (greater than 80 percent but less than or equal to HUD median area income) and 26 percent earn more than the median income.

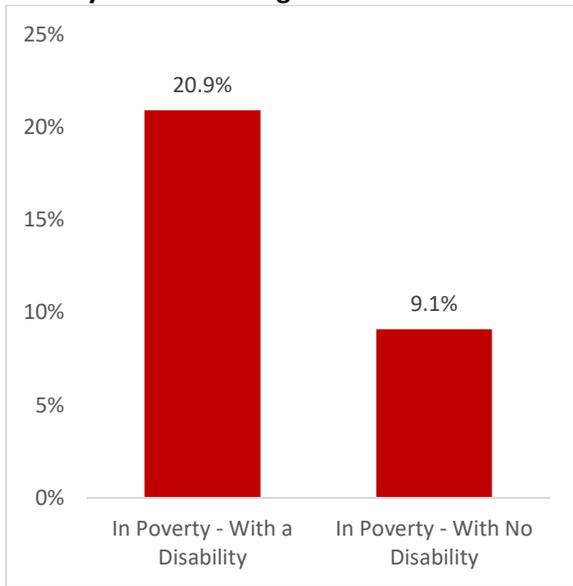
Based on this distribution and the analysis of housing need in the full report, this distribution suggests that the Commonwealth would ideally have about 314,000 rental units that are affordable (and available) to extremely low income renters, an additional 166,000 units for very low income renters, and 150,000 for low income renters.

Families and households of color, particularly Black and Latino households, are more likely to be low income than their White counterparts, but racial/ethnic minority groups at all income levels experience housing problems³ at a higher rate than Whites do. Appreciably greater disparities across racial/ethnic groups are evident when one considers *severe* housing problems, typically defined as cost burdens of greater than 50 percent of income. Among low income renters, Asians, the group with the lowest participation rate in the housing assistance programs tracked in this analysis, experience the greatest disparity. Other protected classes, including families with children and elders, also are disproportionately represented among low income renters and owners.

Within the population of households with a member(s) with a disability, the lower the income, the more likely the household is to experience housing problems including cost burdens. While householders with disabilities and those without with similar incomes experience housing problems at roughly the same rate, a much higher percentage of people of all ages, races and ethnicities with disabilities live below the federal poverty line than their peers without disabilities.

³ Housing problems are defined by HUD as including cost burden, overcrowding, and kitchen or plumbing issues.

Poverty Status of All Ages With and Without A Disability



Source: 2016 1-year American Community Survey, Table C18130

Universe: Civilian noninstitutionalized population for whom poverty status is determined.

Even when units are affordable to the household, if construction is unsuitable, or if a personal care assistant or family member is needed in-home, a specific type or size of unit may be needed. The availability of accessible units can be especially challenging for families.

MassAccess, the Commonwealth’s accessible housing registry, has more than 15,000 accessible units registered, but over 77 percent of these accessible units are congregate, studio, or one bedroom apartments. Just 5 percent had three or more bedrooms. Furthermore, only 10 percent of the registered units listed on the site were available at the time of data analysis.

6. Fair Housing Enforcement Highlights

Summary: Nearly 2,000 housing discrimination complaints were filed with the Massachusetts Commission Against Discrimination in the last five years throughout the state. The number of complaints are not increasing over time, though, there appears to be a shift in the share across regions. In particular, there has been an increase in the share of complaints in the Pioneer Valley region and a decrease in the Greater Boston region. The top three categories of complaint remain the same since the last AI: disability, race, and familial status/child/lead paint.

Legal enforcement of fair housing is another crucial element of protecting access to housing and reducing the incidence of discrimination. During the five years from April 1, 2013 and March 31, 2018, 1,920 complaints were filed with the Massachusetts Commission Against Discrimination, in 198 cities and towns, across every region of the state.

Regional prevalence

Regional prevalence has changed since the last AI. In the 2014 analysis, the Greater Boston region accounted for nearly 63 percent of the complaints filed. In this year’s analysis, it accounted for just 48 percent, the only region to post an absolute drop in MCAD complaints. In contrast, the Pioneer Valley

and Central regions saw discrimination complaints in 2013-2018 more than double the number filed in the prior 5-year period.

Basis

The most common housing discrimination cases between 2013 and 2018 were related to disability discrimination, followed by claims of discrimination based on race. Child and family-related discrimination (the combination of lead paint, family status, and specifically child-related complaints) collectively represents the third most frequently cited basis. These were also the three most frequently cited bases in 2007-2012. Public assistance and national origin were the other most frequently cited bases in both periods. In 2013-2018, complaints alleging discrimination based on religion rose sharply, becoming one of the leading bases.

The most commonly reported violations over the past five years include the refusal to rent or sublet (15.7%) and the associated “other terms, conditions or privileges” related to rental of a unit (20.9%); denial of reasonable accommodation (18.7%); and eviction, or threatened eviction (17.3%).

There has been an increase in open cases related to refusal to rent or sublet and in open cases related to mortgage/lending. This may be related to the continuing escalation of rents and sales prices.

7. DHCD AI Goals and Priorities Highlights

DHCD is committed to dually promoting an increased supply of affordable housing that will expand opportunities for racial/ethnic minority groups, persons with disabilities, families with children, and other protected classes, while at the same time preserving existing affordable housing and investing in low-income communities in order to prevent displacement, particularly from communities that are experiencing economic, job, or transportation growth.

In keeping with this dual approach, DHCD is proposing to prioritize the following goals identified in this 2019 AI:

- 1) Invest and develop policies to increase access to “opportunity areas”
- 2) Invest and preserve resources to improve opportunities for a range of households in racially/ethnically concentrated areas of poverty
- 3) Further access to opportunity through implementation of fair housing evaluation criteria or conditions on discretionary grants
- 4) Further access to opportunity through reduction of local barriers to housing choice
- 5) Expand accessibility
- 6) Increase supportive housing
- 7) Create/expand other state interagency coordination

Progress made to date since the 2013 AI is summarized in the next section, while the 2019 AI Goals and Action Steps are discussed in detail in Section 8. The following are some of the highlights of both past and future action steps:

- Recent expansion of the Community Investment Tax Credit program is providing new resources to support economic development activities sponsored by local community development corporations and other community partners.

- Recent expansion of the State Low Income Housing Tax Credit program, including \$5 million in annual credits set aside for housing preservation, will provide substantial new resources to provide targeted assistance to preserve existing housing, preventing displacement and housing instability.
- In partnership with other state agencies, DHCD is making investments and exploring new opportunities to use housing as a springboard for families to achieve greater economic prosperity, including implementation and evaluation of the Family Self Sufficiency (“FSS”) program and related state program, as well as Learn to Earn, a cross-agency tracking and policy planning effort to maximize household achievements with services and prevent benefit “cliff effects” that impede household progress.
- DHCD is now fully implementing its Section 8 MTW Supportive Neighborhood Opportunity mobility pilot, launching in FY19 in the Lowell and Springfield regional areas. Extending into FY 2020, Regional Administering Agencies will provide outreach and orientation to interested households and begin to enroll households in the program. DHCD will also explore the feasibility of the expansion of program to include other regions throughout the state.
- Governor Baker re-filed Housing Choice legislation that, if passed, would change state law to reduce the voting threshold required to adopt pro-housing zoning changes from a 2/3 “supermajority” to a simple majority vote, and also to change the voting threshold for a special permit-granting body to a simple majority for multi-family housing near transit or mixed-use development near commercial centers, where at least 10% of the units are affordable to households with incomes at or below 80% of the area median income
- Implementation of the Liability to Assets pilot will assist municipalities in redeveloping deteriorated, abandoned housing.

Summary of Progress to Date since the 2013 AI

DHCD's 2013 AI set forth four primary goals through which the Commonwealth would address impediments to fair housing: 1) investing in and improving access to opportunities in "impacted areas" (racially/ethnically concentrated areas of poverty); 2) improving access to "non-impacted"/"opportunity areas"; 3) increasing housing choice for persons with disabilities; and 4) statewide efforts to reduce barriers to housing choice. This Section discusses the progress that has been made to date toward those goals.

Notably, in the 2013 AI, DHCD expressed its desire to achieve the goal of balancing (1) the affirmative obligation to support investment, particularly in affordable rental housing, in "opportunity areas," i.e., areas that foster opportunity through high quality schools and access to employment, in order to open up access to the life-long benefits of such areas, with (2) strategic housing and community development investment in areas impacted by concentrated poverty as part of broader efforts to reduce poverty in and improve opportunities for the residents of such areas. DHCD is committed to dually promoting an increased supply of affordable housing that will expand opportunities for racial/ethnic minority groups, persons with disabilities, families with children, and other protected classes, while at the same time preserving existing affordable housing in order to prevent displacement, particularly from communities that are experiencing economic, job, or transportation growth.

To serve a broad array of housing needs, DHCD has increasingly dedicated housing resources to assist vulnerable populations in need of services and to prevent displacement and homelessness, while at the same time continuing to support production of family housing throughout the Commonwealth through Chapter 40B, Chapter 40R, and the Local Initiative Program ("LIP"), all of which tend to foster production outside poverty concentrated areas. At the same time, to help assure equal access to housing in communities that score highly on indicators such as education, employment and transportation access, DHCD continues to focus on affirmative fair marking and resident selection. Although such housing is often developed without application to the state for financial subsidy or for subsidy requiring affordability at very low-income levels, DHCD has sought to promote policies that make the housing overall more accessible to families with children, voucher holders, persons with disabilities, and other protected classes.

DHCD's overarching goal is to strategically and effectively maximize opportunities based on all state, federal, and local resources that can be brought to bear, in order to serve the diverse needs of protected classes across the Commonwealth. Below is a summary of key action steps taken by DHCD since the 2013 AI as we seek to meet this challenge.

2013 AI Goal #1: Invest in and Improve Access to Opportunities in Impacted Areas⁴ (racially/ethnically concentrated areas of poverty)

As discussed in the 2013 AI, neighborhoods in Massachusetts and across the country that are identified as areas of concentrated poverty, which strongly correlate with areas of racially/ethnically concentrated poverty, often suffer disinvestment and lack many of the opportunities available to residents in higher

⁴ The term "impacted areas" was generally used in the 2013 AI to refer to racially and ethnically concentrated areas of poverty. Consistent with HUD guidance, in the 2019 AI, DHCD uses the term R/ECAP instead of "impacted areas."

income communities. The Commonwealth, DHCD, and the state quasi-public agencies have made investments through the policies and actions discussed below.

DHCD/Other Housing Agency Investments

- Low Income Housing Tax Credit QAP. The federal Low Income Housing Tax Credit (“LIHTC”) program is the most powerful program nationwide for the production and preservation of affordable housing. DHCD’s Qualified Allocation Plan (QAP)⁵ is both an expression of agency policy and an articulation of the criteria that DHCD will apply in scoring applications for funding under the LIHTC program, as well as other DHCD capital programs. DHCD’s QAP:
 - Provides priority funding for investment in distressed and at-risk neighborhoods where strategic housing investment has a strong likelihood of catalyzing private investment, improving housing quality, and promoting occupancy at a range of household incomes.
 - Provides additional discretionary points for projects located in qualified (low-income) census tracts (as required per IRS rules) that contribute to a concerted community revitalization plan, which must include investment in jobs, education, and/or health care.
 - Provides priority funding for preservation of existing affordable housing that extends affordability in situations that are consistent with QAP policies and the preservation working group policies, both of which focus on preserving housing in opportunity areas and in protecting tenants from displacement or loss of affordability.⁶
- LIHTC income averaging policy. In 2018, DHCD adopted a new policy, implementing a change in federal law⁷ that is particularly important to protect tenants in gentrifying neighborhoods from displacement when existing use restrictions expire. DHCD’s new policy authorizes limited use of “income averaging” (i.e., allowing some units to be occupied by households earning as much as 80% of area median income (AMI), where the project also includes additional units restricted to households earning 30% or 50% of AMI in order to achieve an “average income” target), primarily in preservation projects utilizing the so-called “4% credits,” where income averaging may help avoid displacement of residents whose incomes would not otherwise allow them to qualify for LIHTC units.⁸
- Investments in Housing Preservation.
 - DHCD administration of the state’s affordable housing preservation statute, M.G.L. c. 40T, has enabled the Commonwealth to preserve thousands of units of housing whose use restrictions were expiring. Many of these units were located in high-cost and/or gentrifying neighborhoods, where tenants were at risk of displacement.

⁵ <https://www.mass.gov/service-details/qualified-allocation-plan>.

⁶ Projects with risk of loss are prioritized in accordance with the QAP’s preservation matrix and additional considerations, including tenant displacement, affordability for the extremely low income, and whether the project is located in an Area of Opportunity or in an area with a comprehensive neighborhood revitalization plan.

⁷ Consolidated Appropriations Act of 2018, Pub. L. 115-14. The technical change permitted by statute is an expansion of the “minimum set-aside test” options available to a project owner. Previously, to qualify for LIHTC, an owner had to satisfy one of two tests: either at least 20% of the units had to be restricted for occupancy by households with incomes at or below 50% of area median income (AMI), or at least 40% of the units had to be restricted for occupancy by households with incomes at or below 60% of area median income (AMI). Under both tests, an owner could not “count” as LIHTC-eligible a unit occupied by an existing tenant whose income exceeded the applicable limit. The “average income” test would allow an owner to qualify for LIHTC by restricting at least 40T of the units for occupancy by households at designated income limits that averaged 60% AMI or less.

⁸ <https://www.mass.gov/files/documents/2018/09/05/income%20averaging%20-%20rev%208-29-18%20clean.pdf>

- In addition, the Commonwealth has dedicated funding to housing preservation through both DHCD and MassHousing, including targeted assistance for a sizeable portfolio of properties assisted under MassHousing’s former “13A” program.
- Included in the \$1.8 billion housing bond bill enacted in 2018 was a change in the state LIHTC program to make available an additional \$5 million in state LIHTC annually for state fiscal years 2020-2025 for future preservation under the state LIHTC program. Implementation of this “preservation set-aside” is discussed as part of the DHCD Goals and Action Steps described below.
- DHCD continues to operate the Urban Center Housing Tax Credit Increment Financing (UCH-TIF) program, which provides for local tax-incentives with DHCD approval to encourage residential development as a catalyst for commercial center revitalization. DHCD amended its UCH-TIF regulations in 2018 to streamline the process and encourage establishment of future UCH-TIF zones.

Non-Housing Investments

- The state MassWorks Infrastructure Program,⁹ a competitive infrastructure grant program administered through the Executive Office of Housing and Economic Development (“EOHED”) to accelerate housing and job growth, supports lower income communities by providing a funding priority (50% or more of funding) in support of Gateway Cities (EOHED).¹⁰ MassWorks investment priorities also support access to transportation opportunities, as 67% or more of the total funding is prioritized to support transit-oriented developments (that is, developments located within one-half mile of a transit station; further, transit station is defined as a subway or rail station, or a bus stop serving as the convergence of two or more bus fixed routes that serve commuters). Additionally, 50% or more of the total funding must support projects that are consistent with regional land use and development plans. Under the Housing Choice initiative, priority is also given to communities that qualify as “Housing Choice” communities by meeting housing production goals and adopting best practices that facilitate housing development.
- DHCD implementation of the Section 8 federal FSS program, with recent program changes including:
 - Participant access to Jump Start Funds to overcome financial obstacles to entering the workforce.
 - Incentives to start and complete job training or post-secondary education
 - A bonus for FSS graduates who chose to leave the HCV program for home ownership or the private rental market. It should be noted that these program changes are DHCD innovations, and are not a required part of the FSS program.
- The Commonwealth’s new Learn to Earn initiative seeks to build career pathway models that also support individuals who are receiving assistance from public benefit programs to secure and keep employment in occupations for which employers have persistent demand. This cross-agency initiative aligns priorities, resources and expertise at the Executive Office of Labor and Workforce Development (“EOLWD”), Executive Office of Education (“EOE”), Executive Office of

⁹ Pursuant to M.G.L.ch.23A§63, the primary purpose of the MassWorks Program is: to issue grants to municipalities and other public instrumentalities for design, construction, building, land acquisition, rehabilitation, repair and other improvements to publicly-owned infrastructure including, but not limited to, sewers, utility extensions, streets, roads, curb-cuts, parking, water treatment systems, telecommunications systems, transit improvements, public parks and spaces within urban renewal districts, and pedestrian and bicycle ways.

¹⁰ <https://www.mass.gov/service-details/massworks-infrastructure-grants>; guidelines available at <https://www.mass.gov/files/documents/2018/05/30/2018%20MassWorks%20Program%20Guidelines.pdf>.

Health and Human Services (“EOHHS”), and EOHEd. Initial program design grants were awarded in late 2017.

- Recent expansion of the Community Investment Tax Credit program is providing new resources to support economic development activities sponsored by local community development corporations and other community partners.
- Economic Development Incentive Program (EDIP) to create jobs through tax credits (EACC).¹¹
- Healthy Neighborhoods Equity Fund (MHIC and Conservation Law Foundation).¹²
- Children’s Investment Fund for early childhood education and day care (CEDAC).¹³
- Department of Transportation/MBTA Transit Improvements¹⁴
- Department of Labor Workforce/Training Investments¹⁵
- Department of Education Investments¹⁶
- Department of Corrections¹⁷

2013 AI Goal #2: Improve Access to Opportunity Areas

Balanced with its efforts to support investment and improve opportunities in R/ECAPs, DHCD has also continued to support mobility to areas of opportunity through implementation of mobility initiatives, improved consumer access to state-aided public housing, and housing development funding policy.

Rental Assistance Programs and Housing Consumer Initiatives and Support:

- DHCD has designed the Section 8 MTW Supporting Neighborhood Opportunity in Massachusetts (“SNO Mass”) mobility pilot program in the Lowell and Springfield areas, to be implemented as part of the 2019 AI Goals and Action Steps. The pilot was designed to provide significant supports to existing voucher participants and/or new voucher holders who wish to move to

¹¹ <https://www.mass.gov/service-details/economic-development-incentive-program-edip>.

¹² <https://www.clf.org/making-an-impact/healthy-neighborhoods-equity-fund>. Healthy Neighborhood Equity Fund investments have included a \$5 Million investment in transit oriented development in 2016 (see <https://www.clf.org/newsroom/healthy-neighborhoods-equity-fund-invests-transit-oriented-development/>)

¹³ <https://cedac.org/cif/>.

¹⁴ <https://www.mass.gov/files/documents/2018/09/20/olmstead-final-plan-2018.pdf>. Notable examples of MassDOT initiatives include Ride Match, an online, searchable inventory of fixed route and demand response services throughout the Commonwealth since 2017, and since 2016, a pilot through the RIDE (the MBTA’s ADA paratransit service) to enhance mobility and improve flexibility of travel through on-demand options for transportation services provided by Uber and Lyft.

¹⁵ See, e.g., information about grants under the Workforce Competitiveness Trust Fund at <http://commcorp.org>, as well as the state Task Force for Populations with Chronic Unemployment, which considers certain grant priorities for populations experiencing higher barriers to employment.

¹⁶ See, e.g., the Administration’s proposal for a “major multi-year school finance reform initiative, which includes an overhaul of the school funding formula. This proposal is accompanied by an increase of \$200 MM in Chapter 70 education aid in the FY20 budget. The reforms will assist districts in managing the rising cost of health care and of educating English language learners and students with special education needs, and will provide an influx of new funding support for school districts with higher concentrations of poverty.” Governor Baker’s FY 20 budget, available at https://budget.digital.mass.gov/bb/h1/fy20h1/msg_20/hdefault.htm. See also outside sections to the FY 20 budget, available at the previous link, including a new Public School Regionalization Fund, Public School Turnaround Fund, a Childhood Lead Poisoning Prevention Trust Fund, and an Investing in Education Trust Fund (for higher education scholarships, school de-leading, school safety, and public school improvement and stabilization).

¹⁷ See the Commonwealth’s 2018 Olmstead Plan, *infra* note 20, regarding joint initiatives between the Massachusetts Department of Corrections and Department of Veterans’ Affairs regarding planning and education on resources for incarcerated veterans re-entering the community. The Department of Corrections also works with the Department of Public Health in placing inmates re-entering the community in need of long-term residential treatment programs.

areas with empirically documented improved educational systems, job opportunities, social services and other opportunities.

- Continued support for the Housing Consumer Education Centers (“HCECs”),¹⁸ agencies that, *inter alia*, provide information for tenants and households seeking affordable housing, for which funding was increased in fiscal year 2019.
- On April 10, 2019, DHCD launched CHAMP, a statewide on-line portal that, for the first time, enables applicants for state-aided public housing to submit a single application for state-aided public housing administered by 240 housing authorities across the Commonwealth.

Housing Production

- LIHTC Program Qualified Allocation Plan (“QAP”)¹⁹ prioritizes funding for:
 - Family housing production in neighborhoods and communities that provide access to opportunities. Opportunities include, but are not limited to, jobs, transportation, education, and public amenities. Access to opportunity locations will be defined by publicly-available data. At least 65 percent of the units in a project must be 2 BR or larger, and at least 10 percent must be 3 BR, unless that percentage of 2 BR or 3 BR units is infeasible or unsupported by public demand. Projects serving families, including families with a member with a disability or special needs, are eligible in this category.
 - Housing production in communities in which affordable housing stock is <12%. As noted in this QAP priority category, sponsors who seek to build affordable senior housing in these communities should note that DHCD will evaluate each community’s prior support for affordable family housing.

Reducing Zoning Barriers

See discussion in the Statewide Efforts to Reduce Barriers to Housing Choice section below.

2013 AI Goal #3: Increase Housing Choice for Persons with Disabilities

Although improving housing choice for persons with disabilities is relevant to, and considered within, all of the goals and action step categories discussed in this section, DHCD and the Commonwealth undertook a substantial effort to incorporate access to affordable, accessible housing supports for persons with disabilities into statewide planning for community integration.

2018 Olmstead Plan:

The Massachusetts Olmstead Plan, as most recently updated in 2018, is a document that outlines the Commonwealth’s progress and goals with respect to promoting opportunities for persons with disabilities to live, work, and be served in community-based settings.²⁰ The Interagency Council on Housing and Homelessness (ICHH) Committee for Housing and Services for Persons with Disabilities, comprised of representation from various state agencies, served as the Olmstead Planning Committee for the Olmstead Plan, is now convening as the Olmstead Implementation Committee. The Olmstead Implementation Committee will assist with monitoring progress on the Commonwealth’s 2018 Olmstead

¹⁸ <http://www.masshousinginfo.org/> .

¹⁹ See *supra* note 5.

²⁰ <https://www.mass.gov/files/documents/2018/09/20/olmstead-final-plan-2018.pdf>.

Plan goals, and will continue to convene with the Olmstead Advisory Council for providing updates and receiving ongoing feedback.

Key goals from the 2018 Olmstead Plan include:

- Expanding Access to Affordable, Accessible Housing with Supports
- Enhancing Community-Based Long-Term Services and Supports
- Promoting Community-Integrated Employment of People with Disabilities
- Investing in Accessible Transportation for Individuals with Disabilities

Progress highlights from the Olmstead Plan relative to housing include:

- Supportive housing funding and service coordination:
 - From fiscal years 2014 through 2016, the Commonwealth created over 3,500 units of permanent supportive housing (“PSH”) and supportive housing (SH) for various target populations including people with developmental, psychiatric, and/or physical disabilities, as well as homeless families, homeless adults, Veterans, and elders. In order to achieve this goal, eighteen (18) state agencies signed a Memorandum of Understanding with the intent of improving interagency collaboration and coordination to meet the need for PSH and SH in the Commonwealth.
 - From fiscal year 2015 through fiscal year 2018, the Commonwealth’s Capital Spending Plan allocated over \$149 million in state bond funds for programs that specifically fund development of PSH and SH, much of which is targeted to serving people with disabilities.
 - Through policy and financial incentives, such as rental assistance, targeted grants, and deferred payment loans, DHCD has leveraged developer interest in the state and federal Low-Income Housing Tax Credit programs to create affordable housing targeted to people with disabilities, Veterans, and people experiencing homelessness.
- Rental assistance:
 - Through the Department of Mental Health (DMH) Rental Subsidy (DMH-RSP) program, a state-funded rental assistance program administered by DHCD for clients of DMH, 1,352 adults with serious mental illness (SMI) receive rental assistance enabling them to live in apartments in the community, as well as community based services through DMH.
 - In 2012 and 2013, DHCD was awarded Section 811 Project Rental Assistance to fund a total of approximately 190 units of integrated housing specifically for non-elderly people with disabilities including individuals transitioning from nursing facilities.
 - In fiscal year 2014, DHCD awarded 500 rental vouchers (through the Massachusetts Rental Voucher Program) to families with disabilities that were transitioning off the HomeBASE Rental Assistance benefit, thus helping these households avoid homelessness.
 - In DHCD’s nearly 22,000-unit statewide Section 8 Housing Choice Voucher program, 55 percent of participants identify themselves as people with disabilities.
- Planning toward expansion of the MassHousing 3% Priority Program, currently serving DMH and DDS clients, to housing financed by other state housing funders/lenders, i.e., DHCD, MassDevelopment, and Mass Housing Partnership and to other populations impacted by Olmstead issues, including clients of the Executive Office of Elder Affairs (“EOEA”) and the Massachusetts Rehabilitation Commission (“MRC”) (implementation will occur under the 2019 AI).

- Efforts to expand accessibility in housing and in the community, also discussed below.

Accessibility

- DHCD has committed to the goal of at least 5% fully accessible units across the entire state-aided public housing portfolio, subject to availability of funding.
- DHCD has committed over \$3.5 million in competitive funds over the last 5 years for accessibility improvements.
- In 2016, DHCD entered into a Memorandum of Understanding with the Massachusetts Office on Disability (“MOD”), under which
 - Communities requesting discretionary CDBG funds from DHCD must have an ADA/Section 504 self-evaluation/transition plans or commit to put a plan in place within five years.
- DHCD has made significant efforts to promote the use of architectural design features incorporating enhanced accessibility, visitability, and universal design through its QAP design and priority scoring criteria. The LIHTC funding competition imposes threshold accessibility requirements on all projects and also awards additional points for proposals offering greater accessibility than required by code, universal design, and or visitability. DHCD has provided training for design review architects to better ensure that accessibility is compliant, usable, and meets the needs of the tenants.
- The FY19 state budget provided \$2.7 million for a new Affordable Housing Accessibility Grants program to improve or create accessible affordable housing units for persons with disabilities
- The Home Modification Loan Program (“HMLP”) has continued to provide loans to make homes more accessible for people with disabilities.
 - For example, from fiscal year 2014 to fiscal year 2017, the Massachusetts Rehabilitation Commission (“MRC”) provided HMLP assistance of up to \$30,000 to an average of 200 households annually.
 - Up to \$6.5 million have been committed annually (subject to capital plan approval) in capital bond funds through 2022 for HMLP.
 - HMLP was expanded under Chapter 99 of the Acts of 2018 to support creation of accessory dwelling units for a person with disabilities or an elder needing assistance with activities of daily living.
 - It also allows up to 10% of funding to be used for grants to assist landlords seeking to make modifications for a current/prospective tenant with disabilities who would be unable to maintain or secure permanent housing without such a grant.
- DHCD helped develop and administers the Housing Choice Initiative, under which it will be easier for municipalities to adopt zoning changes supporting the creation of multifamily housing, as well as Accessory Dwelling Units.
 - In its current funding round, DHCD has imposed a requirement, similar to the requirement under the DHCD-MOD MOU, that grantees have an ADA/Section 504 self-evaluation/transition plans or commit to put a plan in place within five years.

2013 AI Goal #4: Statewide Efforts to Reduce Barriers to Housing Choice

DHCD recognizes that its ability to serve diverse needs and populations through housing policies and funding continues to be limited by the extent to which housing, or certain types of housing, can be built

or readily built in light of local zoning and other barriers. Statewide efforts to incentivize reduction in local barriers include the following:

- The Housing Choice Community Initiative,²¹ which:
 - Provides “Housing Choice” designated municipalities extra points on a wide variety of state capital grants, and a reduction in interest rates in certain state loan programs, as an incentive to build housing and to adopt housing production best practices.
 - Provides Housing Choice designated municipalities exclusive access to a new state grant program that rewards housing production.
 - Takes into account use of affordable housing and zoning best practices in scoring for funding.
- Incentives for local expansion of housing opportunities through Chapter 40R, The Smart Growth Overlay Zoning District Act, including new Starter Home Zoning Districts.
- MassWorks discretionary funding that rewards communities with best housing practices under the Community Compact.²² Examples of housing best practices now include amending zoning by-laws to allow for increased density and housing opportunities and completing an Assessment of Fair Housing Report, including strategic goals in alignment with HUD’s new rules to affirmatively further fair housing. Public accessibility best practices are also rewarded under the Community Compact program.

²¹ <https://www.mass.gov/orgs/housing-choice-initiative>.

²² <https://www.mass.gov/info-details/community-compact-best-practice-areas#housing-and-economic-development-best-practices>.

1. Introduction

Statement of Purpose

The objective of this Analysis of Impediments to Fair Housing Choice (AI), in addition to ensuring full compliance with all fair housing laws, is to assure that fair housing considerations inform the Commonwealth's policies and investment decisions, leading to a reduction in segregation and concentrated poverty and expanded access to opportunity for all residents. Prepared with broad community participation and informed by an analysis of fair housing data and an assessment of fair housing issues and their underlying causes, the AI identifies the fair housing priorities and goals that will guide the Commonwealth's housing policies over the next five years.

What Is Meant by Fair Housing and Why Is It Important

Traditionally, fair housing has been deemed to be a condition in which individuals of similar income levels in the same housing market have a similar range of housing choice available to them regardless of membership in groups that are specifically protected against discrimination under Federal or State law. Housing plays a major role in defining a person's quality of life, and equal access to housing is fundamental to meeting one's essential needs and pursuing one's personal, educational, employment or other goals.

Who Is Protected Under Fair Housing Laws

Massachusetts residents are protected under Federal and State fair housing laws. The major federal fair housing law is the Fair Housing Act, passed as Title VIII of the Civil Rights Act of 1968 and amended in 1988. The Fair Housing Act protects against discrimination based on race, color, religion, sex, disability, familial status, or national origin. The Act covers most types of housing including rental housing, home sales, mortgage and home improvement lending, and land use and zoning. Excluded from the Act's coverage are owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a real estate agent or broker, housing operated by organizations and private clubs that limit occupancy to members, and certain housing for older persons.

Massachusetts fair housing laws, codified in Chapter 151B of the General Laws, provide for broader coverage and prohibit discrimination based on race, color, religion or creed, marital status, disability, genetic information, military status (veteran or member of the armed services), familial status (presence of children in the household), national origin, sex, age, ancestry, sexual orientation, public assistance reciprocity (including rental assistance), and gender identity or expression.

Persons who are protected from discrimination by these fair housing laws are referred to as members of "protected classes." There are many other important federal statutes (the 1990 Americans with Disabilities Act, for example), Presidential orders, and federal memoranda and guidance that also protect an individual's right to fair housing and equal opportunity.

The Obligation to Affirmatively Further Fair Housing

The legal obligation to affirmatively further fair housing (AFFH) arising under Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act) requires that HUD and all federal executive departments and agencies take affirmative steps to further the purposes of the Fair Housing Act.²³ Subsequent to enactment of the Fair Housing Act, the Housing and Community Development Act of 1974 and the Quality Housing and Work Responsibility Act of 1998 required HUD grant recipients and public housing agencies receiving federal funding to administer grants and operate public housing and voucher programs, respectively, to affirmatively further fair housing.²⁴ Since 1983, state and local jurisdictions participating in the Community Development Block Grant (“CDBG”) Program have had to certify that they will affirmatively further fair housing. Fair housing planning was explicitly added to the Consolidated Planning²⁵ process in 1995 with the requirement that grantees conduct an analysis to identify impediments to fair housing choice (the Analysis of Impediments, or AI), take action to eliminate any identified impediments and maintain records reflecting the analysis and actions taken in this regard.²⁶

When HUD issued its Final Affirmatively Furthering Fair Housing Rule in 2015, it offered additional guidance on what it means to affirmatively further fair housing and how to do it. The opening text of that rule states that “Affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.” It further declares that HUD’s purpose in issuing the AFFH rule was to provide program participants (cities, counties, states, and public housing agencies) with “an effective planning approach to aid them in taking meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination.”

The tools and methodology HUD developed to enable states to comply with the new rule were never finalized, and those that were approved for use by local governments have since been withdrawn. While HUD has advised program participants that they need only abide by the 1995 AI requirements, DHCD has embraced the AFH methodology in preparing this Analysis of Impediments. In fact, the Commonwealth’s 2013 AI (published in January of 2014) was a model for the new AFH format. As in

²³ 42 U.S.C. §3608(d).

²⁴ 42 U.S.C. §5304(b)(2)); (P.L. 105-276), amending Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437c-1(d)(16)).

²⁵ State and local jurisdictions receiving CDBG, as well as HOME, ESG, and HOPWA program funding, are currently required to develop, with public input, a Consolidated Plan. HUD has established three basic goals for the programs it funds under the Consolidated Plan: to provide decent housing, a suitable living environment, and expanded economic opportunities, especially for low income people.

²⁶ Impediments to fair housing choice include any actions, omissions, or decisions taken because of race, disability, familial status, etc. (i.e., membership in a “protected class”), which restrict housing choices or the availability of housing choices or any actions, omissions, or decisions that have this effect. Policies, practices, or procedures that appear neutral on their face, but which operate to deny or adversely affect the availability of housing to protected classes of persons may constitute such impediments. Fair housing laws cover market rate housing as well as subsidized housing.

2013, DHCD has assembled a team of consultants to mine the data, and civil rights experts, housing practitioners and members of protected classes to help shape its AI.

Geographic Framework of the Analysis of Impediments

The state's major economic markets provide the geographic framework for the AI. These regions, depicted on **Map 1.1**, are county-based: Berkshire (Berkshire County), Cape and Islands (Barnstable, Dukes and Nantucket Counties), Central (Worcester County), Greater Boston (Middlesex, Norfolk and Suffolk Counties), Northeast (Essex County), Pioneer Valley (Franklin, Hampden and Hampshire Counties), and Southeast (Plymouth and Bristol Counties). They approximate the Benchmark regions defined by the UMass Donahue Institute in 1998 and tracked in *MassBenchmarks*, the quarterly economic journal published by the University of Massachusetts and the Federal Reserve Bank of Boston. A similar framework was used in the 2013 AI, but the reader should be aware that the regions in the two AI are not directly comparable.²⁷ The regions were modified this year to ensure that the 2019 AI incorporated the most current data from the U.S. Census Bureau, much of which is published at the county level, and to conform the regions to the county-based metropolitan (and micropolitan) statistical areas, which are used to determine concentrated poverty thresholds.

²⁷ For more information, and to compare the county- and municipality-based regions, see Appendix 1.

Map 1.1: Regions

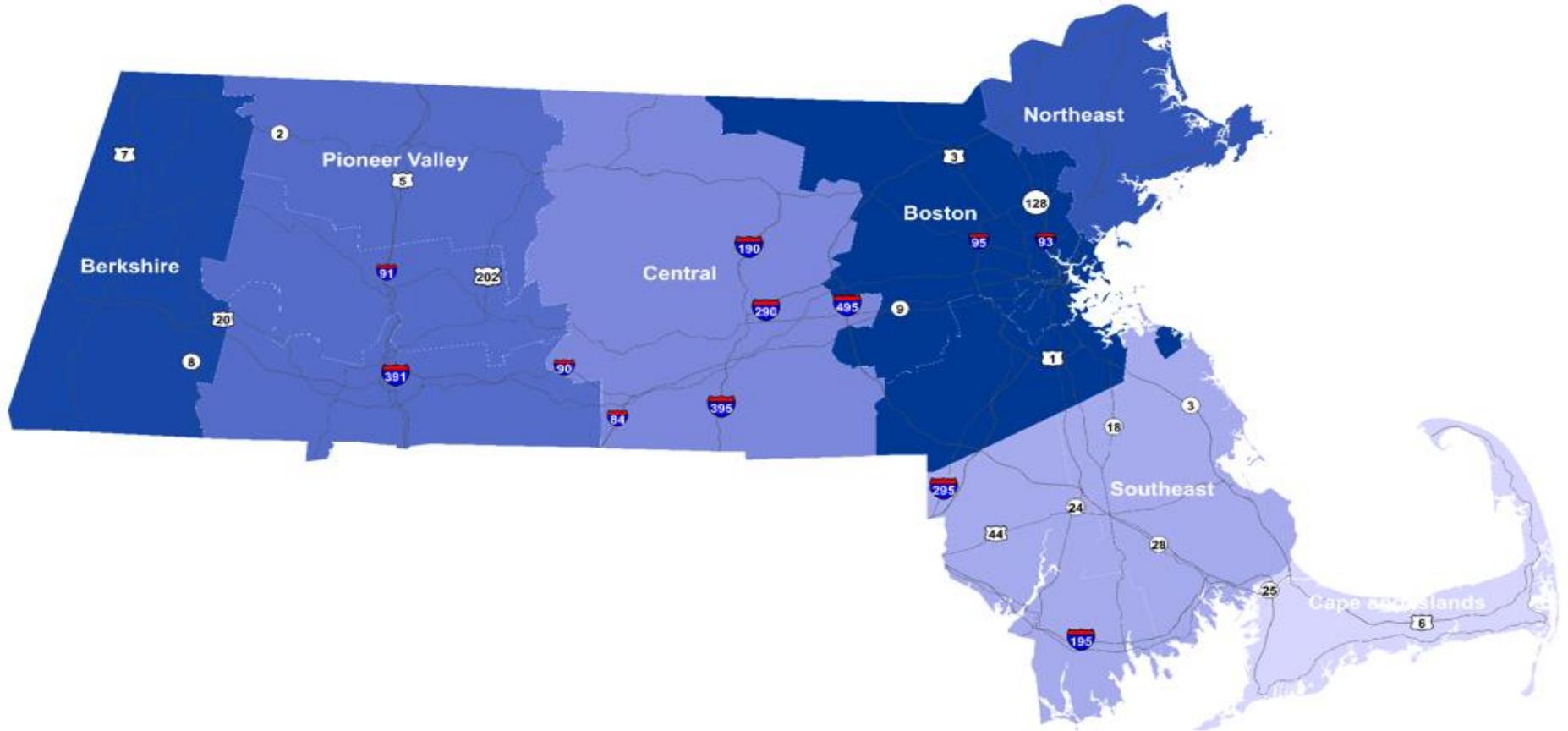


Table 1.1 presents a snapshot of the seven regions, which are described more fully in Section 2. For most areas, data are analyzed at the state, region, sub-region and/or municipal level. The exceptions are those municipalities that have large populations of color and significant differences at the census tract level in income, poverty, race, etc. Boston is the most notable example, and its housing trends and patterns of segregation and integration have been assessed at the planning district (neighborhood) level.

Much of the analysis describes housing needs and disparities among racial and ethnic groups by household type and income according to the income classification system used by the U.S. Department of Housing and Urban Development (HUD):

- Extremely low income (abbreviated as ELI) - less than or equal to 30 percent of the area median family income (AMI)
- Very low income (VLI) - greater than 30 percent but less than or equal to 50 percent of AMI
- Low income (LI) - greater than 50 percent but less than or equal to 80 percent of AMI
- Moderate income (MI) - above 80 percent of AMI but less than or equal to the AMI

Table 1.1: Regional Overview

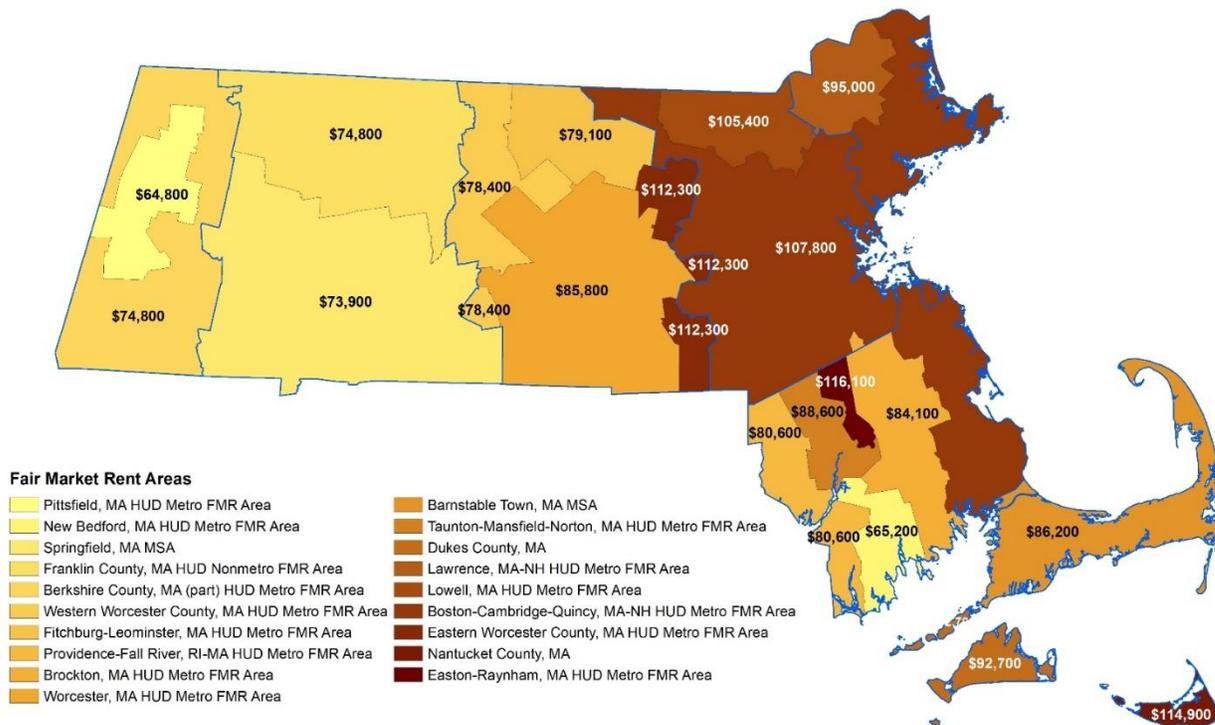
	Population									Employment			New Construction 2010-2016						
	# Municip- alities	2017 Popula- tion	Land Area (Sq. Miles)	Popula- tion Density 2017	% of Region's 2017 Popula- tion	% of State's 2017 Popula- tion	% of State's Popula- tion Growth 2010- 2017	% of Total Loss if Loss	% of Total Gain if Gain	% of Region's Jobs 2016	% of State's Jobs 2016	Unem- ployment Rate 2016	Units in 1- 4 family bldgs permit- ted	Units in multi- family (5+) bldgs permit- ted	Total units permit- ted	% of Region's 2010 Hsg Units	% of State's 2000 Hsg Units	% of Region's New Housing (2010- 2016)	% of State's New Housing (2010- 2016)
Massachusetts	351	6,859,819	7,800	879	-	-	-	-	-	-	3.9%	50,126	40,533	90,659	-	-	-	-	
Berkshire (Berkshire)	15	126,313	927	136	-	1.8%	-1.6%	-61.2%	-	-	1.8%	4.3%	766	265	1,031	-	2.4%	-	1.1%
Pioneer Valley	69	702,354	1,844	381	-	10.2%	3.0%	-	-	8.5%	4.4%	3,743	299	4,042	-	10.3%	-	4.5%	
Hampden	23	469,818	617	761	66.9%	6.8%	2.0%	-	2.0%	69.5%	5.9%	5.0%	2,054	113	2,167	66.6%	6.8%	53.6%	2.4%
Hampshire	20	161,834	527	307	23.0%	2.4%	1.2%	-	1.2%	21.5%	1.8%	3.3%	1,284	122	1,406	21.7%	2.2%	34.8%	1.6%
Franklin	26	70,702	699	101	10.1%	1.0%	-0.2%	-8.4%	-	9.0%	0.8%	3.3%	405	64	469	11.7%	1.2%	11.6%	0.5%
Central (Worcester)	60	826,116	1,511	547	-	12.0%	8.8%	-	8.6%	-	9.7%	3.9%	7,681	1,019	8,700	-	11.6%	-	9.6%
Northeast (Essex)	34	785,205	493	1,594	-	11.4%	13.5%	-	13.1%	-	9.2%	3.8%	4,969	2,293	7,262	-	10.9%	-	8.0%
Boston	86	3,101,208	1,272	2,438	-	45.2%	65.7%	-	-	-	54.3%	3.2%	17,899	33,445	51,344	-	42.7%	-	56.6%
Middlesex	54	1,602,947	818	1,960	51.7%	23.4%	32.0%	-	31.2%	46.8%	25.4%	3.0%	11,345	12,191	23,536	51.1%	21.8%	45.8%	26.0%
Norfolk	28	700,322	396	1,768	22.6%	10.2%	9.4%	-	9.2%	18.4%	10.0%	3.2%	5,022	4,406	9,428	22.6%	9.6%	18.4%	10.4%
Suffolk	4	797,939	58	13,722	25.7%	11.6%	24.3%	-	23.7%	34.8%	18.9%	3.4%	1,532	16,848	18,380	26.3%	11.2%	35.8%	20.3%
Southeast	47	1,076,625	1,212	888	-	15.7%	10.7%	-	-	-	11.8%	4.3%	10,274	2,769	13,043	-	15.3%	-	14.4%
Plymouth	27	515,142	659	782	47.8%	7.5%	6.5%	-	6.3%	45.8%	5.4%	3.9%	6,019	1,384	7,403	46.5%	7.1%	56.8%	8.2%
Bristol	20	561,483	553	1,015	52.2%	8.2%	4.2%	-	4.1%	54.2%	6.4%	4.7%	4,255	1,385	5,640	53.5%	8.2%	43.2%	6.2%
Cape and Islands	40	241,998	542	447	-	3.5%	-0.2%	-	-	-	3.2%	4.7%	4,637	441	5,078	-	6.7%	-	5.6%
Barnstable	32	213,444	394	542	88.2%	3.1%	-0.8%	-30.5%	-	85.6%	2.8%	4.7%	3,133	416	3,549	84.8%	5.7%	69.9%	3.9%
Dukes and Nantucket	8	28,554	148	193	11.8%	0.4%	0.6%	-	-	14.4%	0.5%	4.7%	1,504	25	1,529	15.2%	1.0%	30.1%	1.7%
Dukes	7	17,325	103	168	7.2%	0.3%	0.3%	-	0.2%	7.9%	0.3%	5.0%	749	13	762	9.1%	0.6%	15.0%	0.8%
Nantucket	1	11,229	45	250	4.6%	0.2%	0.3%	-	0.3%	6.5%	0.2%	4.2%	755	12	767	6.1%	0.4%	15.1%	0.8%

Sources: 2010 Census (SF1), Tables DP-1, H1; U.S. Census QuickFacts; Office of the Secretary of the Commonwealth of Massachusetts; Massachusetts Executive Office of Labor and Workforce Development (EOLWD), ES-202, LAUS; U.S. Census Building Permit Survey 2010-2016; UMDI Population Estimates Program

HUD typically defines “area median income” (AMI) at the metropolitan area, or county, level, and it recognizes nineteen separate HUD Metro Fair Market Rent (FMR) Areas (HMFAs) in Massachusetts. As a result, the qualifying income for HUD programs will vary from one part of the state to another as will what is considered extremely low income, very low income, etc.²⁸ **Map 1.2** identifies the HUD median family income areas and the median family incomes as calculated by the agency for fiscal year 2018 (FY2018). They range from \$64,800 in the Pittsfield HMFA to \$116,100 in the Easton-Raynham HMFA. Most of the state is included in the Boston Cambridge Quincy MA-NH HMFA, which had an estimated median family income of \$107,800.

²⁸ A number of the HMFAs have the same income eligibility thresholds. HUD utilizes the same regional boundaries in determining the fair market rents (FMRs) it uses to determine payment standards for the Housing Choice Voucher program, as well as rent levels in certain other federal housing assistance programs. FMRs are set at the 40th or 50th percentile point within the rent distribution of standard-quality rental housing units in each geographic region. The determination of “Fair Market Rent” is not a determination of fairness or equity; rather, it is a calculation of prevailing rents in a particular geography for standard, non-luxury, non-subsidized housing units. For this purpose, “rent” means the amount charged by the landlord plus a reasonable allowance for any utilities not included in that amount.

Map 1.2: HUD Area Median Family Income (HAMFA) Regions and FY 2018 Median Family Incomes



Source: Department of Housing and Urban Development, Fair Market Rent Documentation System, FY2018

Fair Housing vs. Affordable Housing

While the specific obligation to “affirmatively further fair housing” is linked to public programs that are designed to create affordable housing, HUD policies and regulations – including the 2015 Affirmatively Furthering Fair Housing Rule – make it clear that fair housing assessment must consider private sector actions, omissions, and decisions that restrict housing choice based race, color, religion, sex, disability, familial status, or national origin.

Although “fair housing” and “affordable housing” are distinctly separate concepts in law and public policy, they are interrelated. The fair housing statutes were enacted to ensure that members of the protected classes – regardless of income or need for assisted housing – would not face discrimination in the sale, rental, financing, and insuring of housing, and have the opportunity to live in an integrated society. However, a disproportionate share of the protected classes are low and moderate income families with a greater need for housing assistance than higher income households. Without an

adequate supply of housing that is affordable and accessible to members of protected classes in communities offering a range of benefits and opportunities, such as good schools and access to employment and services, those residents will continue to face barriers to equal housing opportunity and choice. For this reason, the state's substantial inventory of assisted housing and tenant-based subsidy programs has received special scrutiny in this analysis.

Terminology

Race and Hispanic or Latino origin (ethnicity) are separate and distinct concepts defined by the U.S. Office of Management and Budget. The racial categories used by the U.S. Census Bureau are White; Black or African American; Asian; American Indian or Alaska Native; and Native Hawaiian or Other Pacific Islander). Because of the small number of American Indian/Alaska Natives (0.12% of the population) and Native Hawaiian/Other Pacific Islanders (0.04%), our analysis focuses on the Commonwealth's three major racial groups: (non-Hispanic) White, Black and Asian, and the Hispanic or Latino ethnic group. The Census Bureau includes in the category "Hispanic or Latino" those who identify as being of Latin American or Spanish origin. Hispanic or Latino persons may be of any race, or combination of races.

In 2016, 6.4 percent of Massachusetts' Hispanic/Latino householders identified their race as Black while less than 0.3 percent identified as Asian. Most Massachusetts residents who identify as Hispanic/Latino describe their race as White (54%) or "other" (29%). Often, the American Community Survey provides estimates of population characteristics for the *non-Hispanic/Latino* White population, but not for the *non-Hispanic/Latino* Black or Asian population.

The Census uses the term minority to refer to people who reported their ethnicity or race as anything other than non-Hispanic White alone in the decennial census. To the extent possible, the AI uses the terms people of color (or populations of color) and racial/ethnic minority groups instead of "non-White" or "minority," and it uses them interchangeably.

Census tracts are often used as a way to analyze data at the neighborhood scale. Tracts are small, relatively homogenous and relatively permanent statistical subdivisions defined by the U.S. Census Bureau (containing, on average, about 4,000 people). They do not always align with local neighborhood definitions, but they provide a reasonable proxy and are widely used by demographers, social scientists and policy makers. Massachusetts had over 1,450 populated census tracts in 2010.²⁹ Census tract data are used in this analysis to get a better understanding of where certain issues and disparities are most pronounced.

The terms municipality and community are used interchangeably to describe Massachusetts' 351 cities and towns.

²⁹ Massachusetts has 1,478 census tracts, but a number of them are either completely unpopulated or have no household population.

Organization of the Document

In addition to an executive summary and this introduction, the AI includes the following sections:

- An assessment of past goals and actions
- Fair housing demographics: a statewide and regional overview (including a disability analysis and housing profile)
- Segregation/integration
- Concentration of poverty
- Disparities in access to opportunity
- Housing needs and the allocation of resources (including disproportionate housing needs and publicly supported housing analysis)
- Fair housing enforcement, outreach capacity and resources
- Fair housing goals and priorities for the next five years
- A series of appendices providing additional detailed demographic publicly supported housing data, maps and a description of the community participation process, including a summary of public comments.

2. Fair Housing Demographics: A Statewide and Regional Overview

This section presents a demographic profile of the Commonwealth and its residents. It highlights changes since the last Analysis of Impediments was submitted (2014), but it reviews trends over a longer period, typically since 1990, to understand the forces that influence how and where people live, and what that means for protected classes, in particular. (See **Table 2.1**)³⁰ This section provides the economic and demographic context for the discussion of housing opportunity and impediments to fair housing choice. It is organized by topic (population and distribution, age, race/ethnicity, immigration and assimilation, households and families, income and poverty, and employment and commuting), with most trends discussed at the household level. Additional tables and demographic information can be found in **Appendix A**.

Also included in this section is a description of the characteristics of Massachusetts residents with disabilities. A more expansive view of the various interrelated obstacles that may limit the ability of individuals with disabilities to remain within the community – such as needs for services, housing, employment, and transportation – and the Commonwealth’s plan for addressing those obstacles can be found in the “2018 Massachusetts Olmstead Plan,” available at <https://www.mass.gov/files/documents/2018/03/14/draft-olmstead-plan.pdf>

Description of Regions

Overview

Massachusetts is a network of seven distinct economic markets: the Berkshires, Pioneer Valley, the Central region, Cape Cod and the Islands, the Northeast, Southeast and Greater Boston regions.³¹ The regions, and the cities and towns that comprise them, vary widely in terms of size, density, historical settlement patterns, governance, socioeconomic profile, and other characteristics. While they share many common issues and challenges, they also face some unique ones. Often, the issues are similar but the severity of the problems and opportunities for addressing them vary from region to region, and within each region, from municipality to municipality. The Department of Housing and Community Development (DHCD) recognizes that most issues and forces that limit housing choice are regional in nature. Accordingly, this Analysis of Impediments to Fair Housing Choice (AI) examines fair housing issues within the framework of the state’s seven major market areas.

³⁰ Jurisdictions preparing Assessments of Fair Housing (AFHs) under the HUD guidelines issued following the release of the AFFH rule in 2015 were required to include demographic data, and analyze demographic trends, from 1990 to the present. While AFH guidelines for states were never issued, and they have now been rescinded for local jurisdictions, DHCD has – to the extent possible – followed those guidelines in the development of this Analysis of Impediments to Fair Housing.

³¹ These regions, described in the introduction, roughly correspond to the seven major economic regions tracked by MassBenchmarks, the quarterly journal published by the UMass Donahue Institute in cooperation with the Federal Reserve Bank of Boston.

Greater Boston

The AI defines the Greater Boston region as Suffolk, Middlesex and Norfolk counties. The region encompasses 15 cities – including some of Massachusetts’ largest (Boston, Cambridge, Lowell, Quincy) – and 60 towns. The region is the population center and economic engine of Massachusetts. The 75 cities and towns radiating out from Boston to Interstate 495 are home to 45 percent of the state’s population (over 3 million residents in 2016). The region is also home to 54 percent of all the jobs in the state. Suffolk County alone was home to 19 percent of the state’s employment, and just under 12 percent of the state’s population in 2016. These communities are served by the Massachusetts Bay Transportation Authority (MBTA) for public transportation and the Massachusetts Water Resources Authority (MWRA) for water and sewer. The Commonwealth’s rich cultural, medical and educational resources are concentrated in and around its capital city of Boston. While the region includes the state’s most affluent suburbs and concentrations of high-income residents within its cities, it also includes some of Massachusetts’ poorest urban neighborhoods. It is the most densely populated region of the state. Greater Boston’s growth rate exceeds that of surrounding regions, and it accounted for nearly 66 percent of the Commonwealth’s absolute population growth since 2010.

Berkshire

The Berkshire region encompasses all 32 cities and towns in Berkshire County. More than half of the county’s population lives in its two largest municipalities, Pittsfield and North Adams. With a population of just over 126,000 spread across 917 square miles, it is the least dense (138 people per square mile) and least populous region of the state. The Berkshires face the dual challenge of a population that is both aging and declining in numbers. Its population has been declining since 1970, though the rate of decline slowed between 2000 and 2010. Since 2010, population decline has exceeded pre-2000 rates. Berkshire County is the least racially and ethnically diverse region of the state, with people of color representing just 9.5 percent of the population. Hispanics are the fastest growing population segment, and they constitute the largest racial/ethnic minority group in the region. Today, just over four percent of the region identifies as Hispanic.

The Berkshire region draws a large seasonal population that is attracted to its many artistic, cultural and recreational amenities, and many people have established second homes in the area. Less than 10 percent of the county is developed; the undeveloped remainder consists of lakes and rivers, recreational land, wetlands, forest, and agriculture, giving the county its rural character. Health care and social services dominate the economic base of the region, with these industries representing more than one in five jobs. Tourism is also important due to the seasonal economy.

Cape and Islands

The Cape and Islands region includes all 15 Barnstable County (Cape Cod) municipalities, in addition to the island counties of Dukes and Nantucket. Dukes County consists of the six Martha’s Vineyard towns and the separate island town of Gosnold (Cuttyhunk). Nantucket County is composed solely of the town of Nantucket. The region’s history is deeply connected to the sea. Fishing, whaling, and waterborne trade – along with some agriculture – once provided the foundation of its economy. More recently, though, its growth has been driven by tourism, retirees, and workers commuting to jobs outside of the

region. The region is also home to both federally recognized tribes of Wampanoag people, the Mashpee Wampanoag Tribe and the Wampanoag Tribe of Gay Head (Aquinnah).

The region covers an area of nearly 1,300 square miles, 88 percent of which is on the mainland. Although its year round population (just under 242,000 in 2017), and its population density, is greater only than the Berkshires, substantial development has taken place over the years to accommodate the influx of seasonal and part-time residents. This has created challenges for the region, balancing environmental and economic demands, housing affordability, and seasonal labor shortages, among them. Reflecting the large number of retirees who have made Cape Cod their home, the median age of Barnstable county residents (51.8 years) is the highest in the Commonwealth and significantly higher than the median age in the state overall (39.5 years).

Central

The Central region is composed of the 54 municipalities of Worcester County. The Central region covers an area of over 1,500 square miles. With a population of over 825,000, it is the third most populous region in the state. Its largest municipalities include three cities, Worcester, Leominster and Fitchburg, and the town of Shrewsbury. The Central region's easternmost towns – Harvard, Westborough, Southborough, Northborough, and Grafton – are affluent bedroom communities similar to communities in the western part of Greater Boston. The western part of the region, Warren and the Brookfields, and the less affluent North Quabbin communities have more in common with neighboring Pioneer Valley. Worcester, New England's second largest city, lies at the center of the region. While its manufacturing base remains an important economic driver, the area has become the trade and service center for the larger region. Biotechnology may represent an opportunity for regional job growth.

A number of the region's suburban communities, such as Rutland, Shrewsbury and Westborough have experienced substantial growth over the past two decades. The latter two have had a substantial influx of Asian residents, who now represent more than 16 percent of Shrewsbury's population and almost 24 percent of Westborough's. Between 2000 and 2010, the Central region was the fastest-growing area of the state outside Greater Boston; since 2010, population growth in the region has also lagged behind that of the Northeast and Southeast regions.

Northeast

The Northeast region contains all 36 municipalities of Essex County. The largest cities are Lynn, Lawrence and Haverhill. The region has a storied economic history. The mills along the Merrimack River fueled the nation's Industrial Revolution, and remained the backbone of the regional economy into the post-World War II era. The region's fortunes fell with the exodus of the textile industry and decline of manufacturing, but increased defense spending during the Cold War and the meteoric rise of the minicomputer industry during the 1980s each brought renewed, though short-lived, prosperity. The legacy of this roller-coaster economic history is a cluster of innovative national and international high-tech firms, many of which are supported by an array of locally-owned companies.

With a 2017 population of approximately 785,000, the Northeast is the state's fourth most populous region, home to about 11 percent of the state's population. Covering just 493 square miles, it has the smallest footprint of any region, and it is the second most densely populated. Nineteen percent of the

region's population is Hispanic, higher than the 11 percent state share. Nearly two-thirds of the Hispanic population in the Northeast region lives in Lawrence and Lynn.

Pioneer Valley

The Pioneer Valley region is composed of Franklin, Hampshire, and Hampden counties. It includes 69 municipalities: 5 cities and 64 towns. Springfield, located at the intersection of the Massachusetts Turnpike and Interstate 91, is the Commonwealth's third largest city and the economic center of the region. With a 2017 population of just over 700,000, the region is home to about 10 percent of the state's population. It encompasses the largest area geographically (1,844 square miles) in the state. The largest cities in the region, Springfield, Chicopee, Westfield, and Holyoke, are located in Hampden County. They are all also considered Gateway Cities, mid-size urban centers (population between 35,000 - 250,000) with median incomes and educational attainment below the state average, which were once industrial hubs, and struggled economically after the loss of manufacturing jobs. Hampshire County is home to a cluster of colleges and universities, including the Amherst campus of the University of Massachusetts, while Franklin County remains largely undeveloped. The precision metalworking and insurance industries that defined the Pioneer Valley in the past still form the backbone of the region's economic base.

The Valley's mix of city, small town and rural communities, colleges and universities, and relatively low cost of living provides an attractive quality-of-life to those residents able to secure steady employment. Its central cities, however – Holyoke and Springfield, in particular – are among the state's most impoverished communities. People of color comprise the majority in both Springfield and Holyoke, where more than 40 percent of the population is Hispanic, but the larger metropolitan area remains highly segregated by race, ethnicity, and income.

Southeast

The Southeast region encompasses 47 communities that cover a diamond-shaped area, with Brockton to the north, Fall River and New Bedford to the south, Plymouth to the east, and Attleboro to the west. It includes all of Bristol and Plymouth counties. While Attleboro, Brockton, and Taunton are transitioning from traditional manufacturing into an economy anchored by services and high-tech manufacturing, the South Coast – anchored by New Bedford and Fall River – remains more dependent on traditional manufacturing, textiles and apparel, in particular. I-195, its major highway, links the region more closely to Providence, Rhode Island, than to Boston, and all of Bristol County is included in the Providence metropolitan area.

With a 2016 population totaling nearly 1.1 million, the Southeast region is the state's second most populous area. While Plymouth County has grown at a slightly faster rate than the state as a whole since 1990 (18% v just over 13%), Bristol County has been one of the slowest growing, having increased the population by just over 10 percent since 1990. Spanning more than 1,222 square miles, it has a population density of 888 residents per square mile. Brockton, one of the state's 12 municipalities where the majority of residents are people of color, surpassed New Bedford as the region's largest city in 2000. By 2010, however, New Bedford had reclaimed the distinction of largest city in the region.

Tables 2.1a and 2.1b contain an overview of demographic information of Massachusetts residents and trends from 1990 to 2016, including racial and ethnic composition, age, household size, poverty status, and more. The state's population has become more racially and ethnically diverse since 1990. The state's median age has also steadily increased, as has the percent of people in poverty.

Table 2.1a: Key Demographic Trends, 1990 - 2016

		1990	2000	2010	2016 (est.)
Race/Ethnicity	Total population	6,016,268	6,349,624	6,547,629	6,811,779
	Number of White*	5,278,759	5,197,835	4,984,800	4,928,862
	Number of Black*	273,698	361,908	391,693	456,681
	Number of Hispanic	286,770	428,209	627,654	779,696
	Number of Asian*^	139,616	261,713	348,962	440,061
	Percent White*	87.7%	81.9%	76.1%	72.4%
	Percent Black*	4.6%	5.7%	6.0%	6.7%
	Percent Hispanic	4.8%	6.7%	9.6%	11.4%
Percent Asian*^	2.3%	4.1%	5.3%	6.5%	
National	Number of foreign-born	573,713	772,992	942,207	1,123,882
	Percent foreign-born	9.5%	12.2%	14.4%	16.5%
Limited	Number of limited English proficiency	348,753	459,069	531,962	591,636
	Percent limited English proficiency	5.8%	7.2%	8.1%	9.2%
Age	Number of under 18	1,351,385	1,539,330	1,418,923	1,378,947
	Number of 18-64	3,844,192	3,950,166	4,225,982	4,358,407
	Number of 65+	819,927	859,601	902,724	1,074,425
	Percent under 18	22.5%	24.2%	21.7%	20.2%
	Percent 18-64	63.9%	62.2%	64.5%	64.0%
	Percent 65+	13.6%	13.5%	13.8%	15.8%
	Median age	33.5	36.5	39.1	39.5

Sources: 1990, 2000, 2010 Decennial Census and 2016 1- and 5-Year American Community Surveys; Poverty source is 2010 and 2016 5-Year American Community Survey

* Not Hispanic

^ Includes Pacific Islander

Note: All percentages represent a share of the total Massachusetts population, except family type, which is out of total families. Refer to the Data Documentation for details (www.hudexchange.info).

Table 2.1b: Key Demographic Trends, 1990 - 2016

		1990	2000	2010	2016 (est.)
Family Type	Number of families with children	698,908	748,865	720,640	683,699
	Percent of families with children	45.8%	47.5%	44.9%	41.9%
	Families with children as percent of all HHS	31.1%	30.6%	28.8%	26.5%
Household Size	Average household size	2.58	2.51	2.48	2.54
	Average family size	3.15	3.11	3.08	3.16
	Average renter household size	2.24	2.17	2.18	2.26
	Average owner household size	2.82	2.72	2.66	2.71
Disability Status, Institutionalized	Percent of population with a disability	N/A	N/A	10.8%	11.7%
	Institutionalized population (group quarters)	83,345	88,453	74,667	N/A
	Correctional facilities (adult)	15,471	23,513	24,683	N/A
	State institutions (hospitals other facilities)	9,771	6,343	4,039	N/A
	Nursing facilities	55,662	55,837	43,833	N/A
	Persons 18-64 in nursing homes	N/A	4,875	5,576	N/A
	Non-institutionalized population (group quarters)	129,962	132,763	164,215	N/A
Poverty	Percent living in poverty	6.6%	9.3%	10.5%	10.4%
	Number and percent living in extreme poverty tracts (40%+):				
	# Whites*	35,160	28,598	51,551	69,693
	% Whites*	0.7%	0.6%	1.0%	1.4%
	# Blacks*	20,705	10,185	22,535	32,521
	% Blacks*	7.6%	3.2%	5.8%	7.4%
	# Asians*	5,566	5,780	12,044	18,572
	% Asians*	4.0%	2.4%	3.5%	4.5%
	# Hispanics	45,258	38,646	67,635	80,521
% Hispanics	16.4%	9.0%	10.8%	11.0%	

Sources: 1990, 2000, 2010 Decennial Census and 2016 1- and 5-Year American Community Surveys; Poverty source is 2010 and 2016 5-Year American Community Survey

* Not Hispanic

^ Includes Pacific Islander

Note: All percentages represent a share of the total Massachusetts population, except family type, which is out of total families.

Refer to the Data Documentation for details (www.hudexchange.info).

Overall Population Change and Shifts by Region

Massachusetts Population Trends

Massachusetts has experienced relatively slow growth for many years. The 2010 Census reported that Massachusetts gained just under 200,000 residents between 2000 and 2010. Since 2010, however, it has welcomed more than 312,000 new residents, bringing the 2017 population to 6,589,819. **Table 2.2** which compares the components of population change between 2000 and 2011 as reported in the 2013 AI with changes since that time, illustrates the effect of the state's strong recovery from the recession on its population growth. International immigration continues to be a major component of Massachusetts' population growth and increasing diversity. (*Inset 2.1* discusses Massachusetts population trends since 2010.)

Since 2010, the Commonwealth has experienced a modest population increase, growing 4.8 percent compared to the 5.5 percent nationwide growth over the same time period. This ranks favorably among other Northeastern states, and is a remarkable recovery from 2004 when Massachusetts was the only state to lose population. However, there is a long-term trend of negative net domestic migration, which briefly reversed during the recession, which has persisted since 2010. The 2017 population estimate indicates that, once again, more people are leaving the state than are moving into it.

Population growth in Massachusetts is driven mainly by immigration. Since 2010, 62 percent of the net gain in population has been due to immigration. Massachusetts is 3rd nationwide in terms of percent increase in international migrants, highlighting the fact that Massachusetts has become a destination of choice for people moving to the U.S.

Table 2.2: Components of Population Change in Massachusetts, 2000-2011 and 2010-2017

Component of Change	Absolute Change	Rank Among States, Absolute Change	Percent Change	Rank Among States, Percent Change
April 1, 2010 - July 1, 2017				
Total Increase	312,011	14	4.8%	25
Natural Increase	122,717	23	1.9%	39
Net Migration	193,318	13	3.0%	17
<i>International</i>	292,266	6	4.5%	3
<i>Domestic</i>	-98,948	41	-1.5%	33
April 1, 2000 - July 1, 2011				
Total Increase	238,439	30	3.8%	42
Natural Increase	266,257	22	4.2%	40
Net Migration	-658	38	0.0%	38
<i>International</i>	281,299	9	4.4%	8
<i>Domestic</i>	-281,957	43	-4.4%	43

Source: U.S. Census Population and Housing Unit Estimates, 2011 and 2017. Table: *Cumulative Estimates of the Resident Population Change for the United States, Regions, States, and Puerto Rico*

Inset 2.1: Massachusetts Population Trends Since 2010: Continued Modest Population Growth

In December 2017, the Population Estimates Program at the UMass Donahue Institute reported that the latest population estimates from the U.S. Census Bureau's Population and Housing Unit Estimates program estimated the state's population had increased by 312,011 between the April 1, 2010 (the date of the last Decennial Census) and July 1, 2017, bringing the new total to 6,859,819 people. This maintains the Commonwealth's rank as the 15th most populous state in the U.S. This 4.8 percent cumulative increase ranks Massachusetts as the fastest growing state in the Northeast in terms of percentage growth, although it still trails the national rate (5.5%) and is substantially lower than the 7.9 percent and 7.6 percent experienced by the Southern and Western states. Nationally, Massachusetts ranked 26th for percentage growth – up from 28th in the 2010 to 2012 period – and 14th for numerical growth – down in rank from 13th in the 2010 to 2012 period. Recent population gains (July 1, 2016 to July 1, 2017) reflect a net natural increase (births less deaths) of 14,049, a net outmigration of 23,089 persons to other states and a net inflow of 45,298 persons from other countries.

New population estimates continue to document an upward growth trend for the state. From the time of the 2010 Decennial Census, the average annual growth was about 0.7%, or an average population increase of just 43,036 per year. From 2001 to 2004, the state's growth rate was declining, and in 2004, Massachusetts actually lost population. The situation turned around after 2005 due in part to a reversal of domestic out-migration. Domestic out-migration peaked in 2005 when an estimated 55,077 more people moved out of Massachusetts for other parts of the U.S. than moved in. By 2009, however, the reverse was true: more people moved into the state than left, as the Massachusetts economic recovery outpaced that of the nation. The migration trend has now reverted to earlier patterns, and the new 2017 estimates show that, once again, more people are leaving the state than are moving here from other parts of the U.S. They also show – as is typical for Massachusetts – that international immigration offsets the negative domestic out-migration, for a positive net migration into the state total of 22,209 persons since July 1, 2016.

One way of gauging how population trends in the Commonwealth compare with those in other parts of the country and the nation as a whole is by converting the actual population change in each of the various components (births, deaths, etc.) into a rate of change (calculated per 1,000 population). The UMass Donahue Institute provides the following summary of the rates of change of the various population components, noting that the most recent trends represent a continuation of the component trends of the last decade:

“...births are occurring at a lower rate (10.4 per 1,000 average population) than in the United States as a whole (12.2) and each U.S. region on average. Deaths in Massachusetts are also occurring at a lower rate (8.3) than other regions of the U.S. except the West (7.3), but are almost on par with the U.S. average of 8.5. Taken together, these vital events lead to a natural increase rate (2.1) that is below that of the U.S. as a whole (3.7) and all of its regions, though very close to the Northeast average of 2.3. Note that all other states in the Northeast except for New Jersey and New York show even smaller rates of natural increase.

Within the migration component, we see that the Northeast and Midwest regions experience net domestic out-migration (-5.6 and -2.3, respectively) while the Southern and Western regions have positive domestic migration (2.9 and 1.5). The domestic migration rate of -3.4 in Massachusetts is less than the Northeast regional average of -5.6, but still indicates net domestic outmigration to Southern and Western states. On the other hand, the international migration rate of 6.6 for Massachusetts is almost twice that of the U.S. as a whole (3.4) and exceeds all U.S. regional averages. As a result, Massachusetts total migration, including domestic and international, nets to a positive rate of 3.2 in-migrants per 1,000 population - higher than both the Northeast and Midwest regional averages.”

Source: UMass Donahue Institute, Economic and Public Policy Research, Population Estimates Program, December 2017, Summary of the U.S. Census Bureau's 2017 State-Level Population Estimates for Massachusetts.

Regional Population Trends

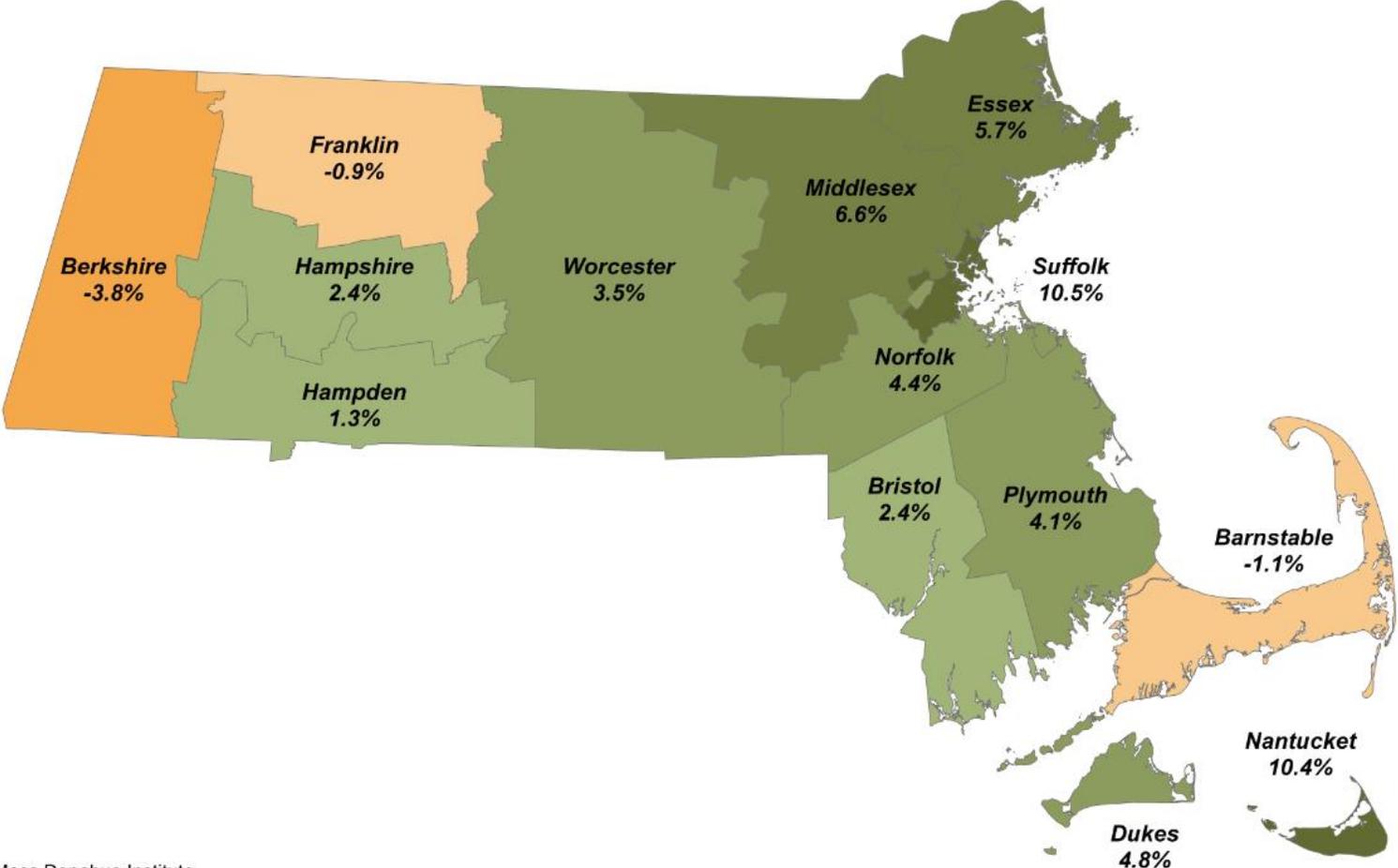
There has been wide variation in absolute population change as well as rate of change among, and within, the regions. Since 1990, Massachusetts has experienced increasing population growth in the eastern part of the state combined with continuous contraction or stagnation in the west. Berkshire, the most rural region in the state, has been losing population since 1970. Population growth rates were relatively high (by Massachusetts standards) in the central and eastern part of the state between 1990 and 2000, but growth slowed across the board between 2000 and 2010. Several areas that experienced the highest rates of growth in the 1990s saw particularly large declines during this period. Cape Cod saw its population drop by nearly 3 percent between 2000 and 2010, after having grown by more than 19 percent during the prior decade. Since 2010, population growth has been centered in Greater Boston and the Northeast (Essex County). More than 65 percent of the state’s population growth since 2010 occurred in the three counties that comprise Greater Boston. These changes are depicted in **Table 2.3** and on **Map 2.1**.

Table 2.3: Population Shifts by Region Since 1990

	2016 Population	Pop. Change 1990-2000		Pop. Change 2000-2010		Pop. Change 2010-2016		Pop. Change 1990-2016	
		#	%	#	%	#	%	#	%
Massachusetts	6,811,779	332,672	5.5%	198,532	3.1%	264,150	4.0%	795,354	13.2%
Berkshire	126,903	-4,399	-3.2%	-3,734	-2.8%	-4,316	-3.3%	-12,449	-8.9%
Pioneer Valley	700,665	7,044	1.0%	12,928	1.9%	7,723	1.1%	27,695	4.1%
Hampden	468,467	-82	0.0%	7,262	1.6%	4,977	1.1%	12,157	2.7%
Hampshire	161,816	5,683	3.9%	5,829	3.8%	3,736	2.4%	15,248	10.4%
Franklin	70,382	1,443	2.1%	-163	-0.2%	-990	-1.4%	290	0.4%
Central (Worcester)	819,589	41,258	5.8%	47,589	6.3%	21,037	2.6%	109,884	15.5%
Northeast (Essex)	779,018	53,339	8.0%	19,740	2.7%	35,859	4.8%	108,938	16.3%
Greater Boston	3,071,185	127,050	4.7%	90,447	3.2%	175,227	6.1%	392,724	14.7%
Middlesex	1,589,774	66,928	4.8%	37,689	2.6%	86,689	5.8%	191,306	13.7%
Norfolk	697,181	34,221	5.6%	20,542	3.2%	26,331	3.9%	81,094	13.2%
Suffolk	784,230	25,901	3.9%	32,216	4.7%	62,207	8.6%	120,324	18.1%
Southeast	1,071,889	65,899	7.0%	35,704	3.5%	28,685	2.7%	130,288	13.8%
Plymouth	513,565	37,546	8.6%	22,097	4.7%	18,646	3.8%	78,289	18.0%
Bristol	558,324	28,353	5.6%	13,607	2.5%	10,039	1.8%	51,999	10.3%
Cape and Islands	242,530	42,481	20.8%	-4,142	-1.7%	-65	0.0%	38,274	18.7%
Barnstable	214,276	35,625	19.1%	-6,342	-2.9%	-1,612	-0.7%	27,671	14.8%
Dukes	17,246	3,348	28.8%	1,548	10.3%	711	4.3%	5,607	48.2%
Nantucket	11,008	3,508	58.3%	652	6.8%	836	8.2%	4,996	83.1%

Source: UMDI Population Estimates Program; 1990, 2000, 2010 Census SF1

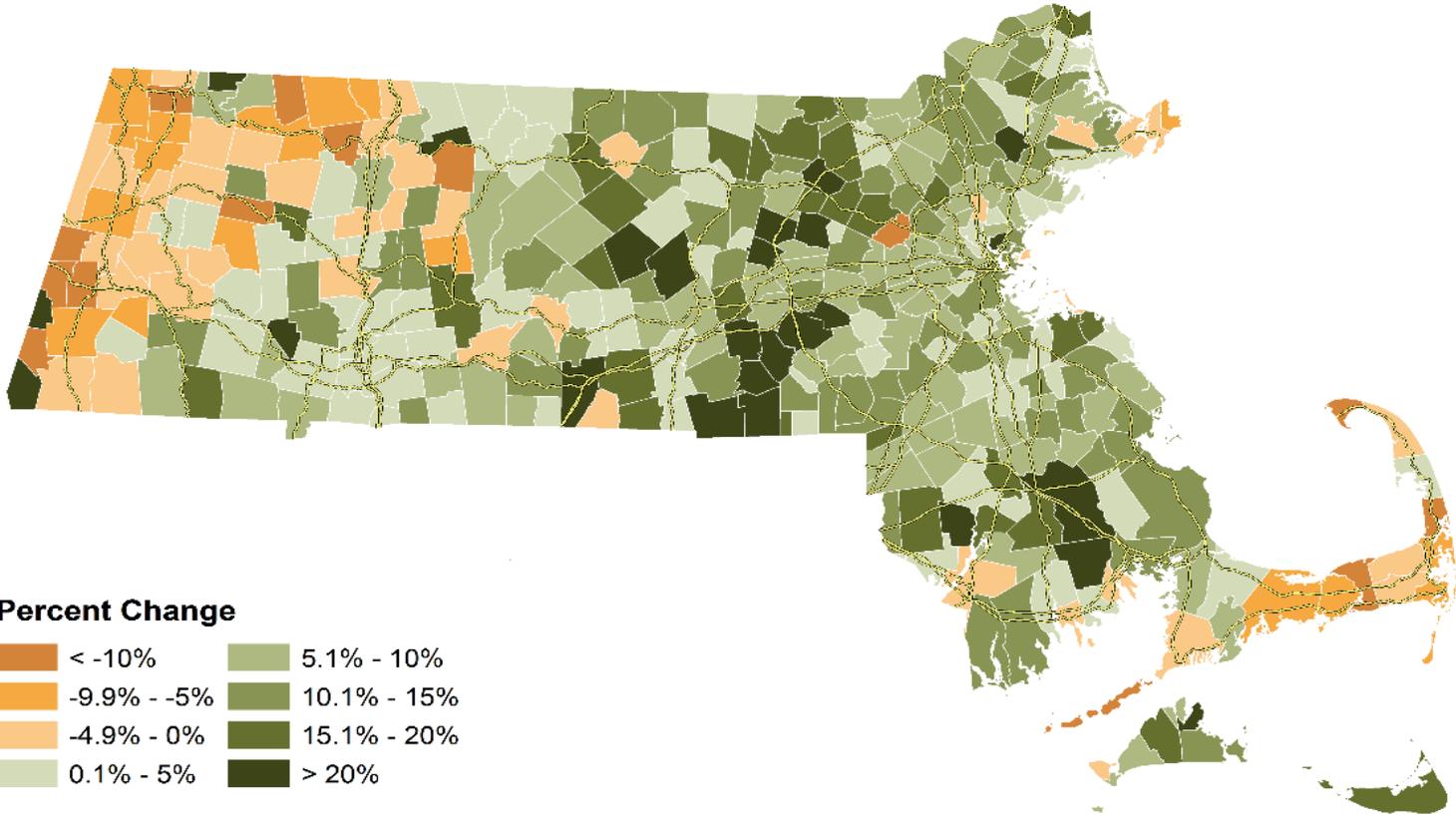
Map 2.1: Recent Population Change, 2010-2017



UMass Donahue Institute
Source: UMDI mapping analysis, U.S. Census Bureau, Population Division, April 1, 2010 to July 1, 2017, Annual Estimates of the Resident Population

There is wider variability in population trends across regions at the municipal level, even among similar neighboring communities, as **Maps 2.2** and **2.3** illustrate. **Map 2.2** depicts the percent change in population by city and town since 2000 while **Map 2.3** shows the absolute change.

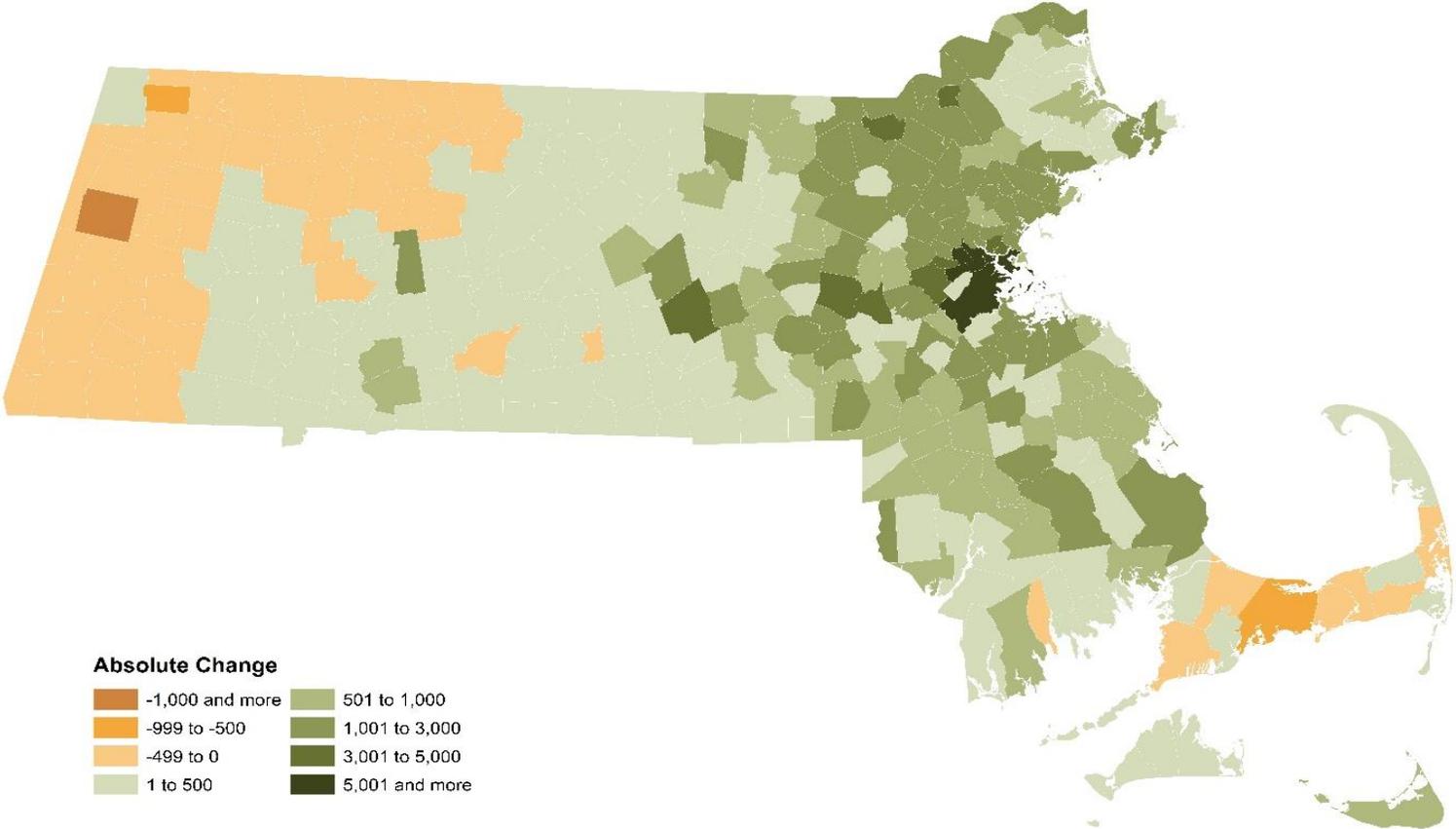
Map 2.2: Percent Change in Population by Municipality, 2000 - 2016



Source: UMDI mapping analysis, U.S. Census Bureau, Population Division, April 1, 2010 to July 1, 2017, Annual Estimates of the Resident Population

Between 2000 and 2010, 251 cities and towns added population, (gaining 235,782 residents), while another 100 lost population (37,250). Since 2010, 283 cities and towns have gained population (271,569 residents) while 66 lost population, a total of 7,609 residents.

Map 2.3: Absolute Change in Population by Municipality, 2000 - 2016



Source: UMDI mapping analysis, U.S. Census Bureau, Population Division, April 1, 2010 to July 1, 2017, Annual Estimates of the Resident Population

Suffolk County’s recent population growth has been particularly dramatic, driving the post-2010 population gain of the region and the state. Representing just 24 percent of the region’s 2010 population, Suffolk County (86 percent of whose residents live in Boston) contributed 37 percent of the region’s population gain between 2010 and 2017. Boston’s resurgence has been remarkable. As Boston’s population has surged in recent decades, it is important to understand how prior policies continue to shape fair housing and impact new residents in protected classes. This is because a majority of protected classes in the state live in the Boston region and they are struggling as more people move in with more income. Much of the segregation by race and concentration of poverty, which are explored in Sections 3 and 4, reflect the impact of federal housing and urban renewal programs dating from the 1960s, a decade during which Suffolk County saw its population *decrease* by 7 percent and debate nationally focused on whether cities could survive. A pressing concern today is whether existing residents – many of them low income people of color – will be displaced by market pressures or public policies or whether revitalization efforts will better link them with the appropriate educational, employment and other supports necessary to share in the economic vitality of the region. **Table 2.4** documents population changes statewide and for Suffolk County since 1960.

Table 2.4: Population Change, 1960 – 2017, Massachusetts vs Suffolk County

	1960	1970	1980	1990	2000	2010	2017
MA pop	5,148,578	5,689,377	5,737,037	6,016,268	6,349,624	6,547,629	6,859,819
Suffolk County pop	791,329	735,190	650,142	663,421	689,872	722,023	797,939
Suffolk County share	15.4%	12.9%	11.3%	11.0%	10.9%	11.0%	11.6%
	60-70	70-80	80-90	80-90	90-00	00-10	10-17
MA pop increase		540,799	47,660	279,231	333,356	198,005	312,190
Suffolk County pop increase		-56,139	-85,048	13,279	26,451	32,151	75,916
Suffolk County share				4.8%	7.9%	16.2%	24.3%

Source: 1960 – 2010, Decennial Census; 2017 U.S. Census Bureau Population Division, Estimates of Residential Population

Racial and Ethnic Characteristics

Shifting demographics have made Massachusetts a more racially and ethnically diverse state since 1990. The most dramatic change has been the increase in the number of Asians and Hispanics. While the number of non-Hispanic White residents has dropped by nearly 7 percent, the Black population has grown by 67 percent, the Hispanic population by 172 percent, and the Asian population by more than 215 percent. Immigration has been a driving factor in the state’s population growth and increasing diversity. Despite this increase in diversity overall, Massachusetts communities remain highly segregated by race and ethnicity. This section examines the changes in the state’s four major racial/ethnic groups, as well as where that change has occurred geographically.

Racial and Ethnic Proportion Trends

Massachusetts’ population is becoming more racially and ethnically diverse, but we rank in the middle of the pack among states, both in terms of the size of the population of people of color in absolute numbers (17th in 2016) and the share of the overall population that are members of racial or ethnic minority groups (25th in 2016). Here, non-Hispanic Whites represent 72.4 percent of the population; nationally, they represent 61.1 percent. In recent years, however, the growth in the state’s populations of color (number and percentage) has increased relative to other states (**Table 2.5**).

Table 2.5: Growth Trends for Racial/Ethnic Minority Populations, 2006-2011-2016: Massachusetts’ Rank Among States

	Rank among all 50 states		
	2006	2011	2016
<i>Size of state’s racial/ethnic minority population</i>			
Number	21	19	17
Share	29	27	25
		2006 - 2011	2011 - 2016
<i>Growth of racial/ethnic minority population</i>			
Absolute growth		14	11
Percentage growth		20	14

Source: U.S. Census Population and Housing Unit Estimates, 2011 and 2017, *Cumulative Estimates of the Resident Population Change for the United States, Regions, States, and Puerto Rico*

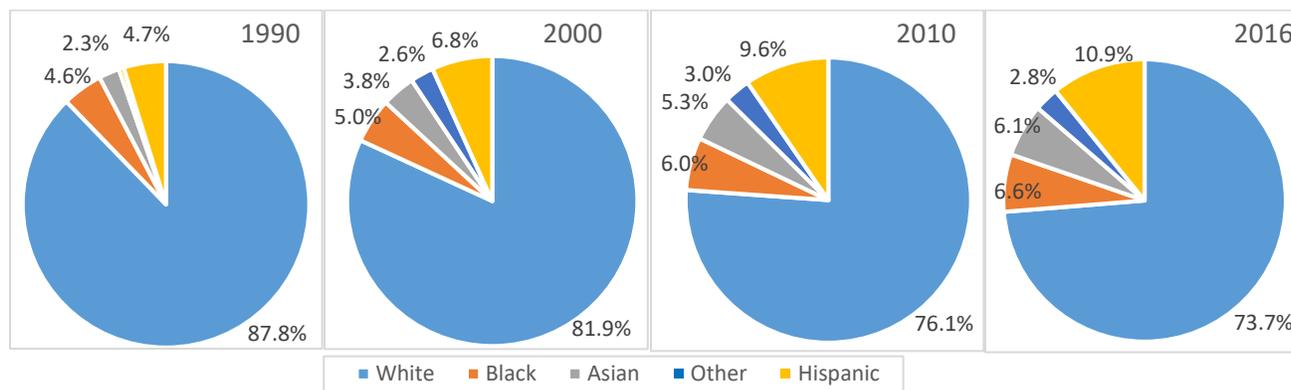
Table 2.6 and **Figure 2.1** document population shifts for the state’s major racial/ethnic groups since 1990, consistent with HUD requirements for jurisdictions preparing Assessments of Fair Housing (AFHs). During that period, Massachusetts’ populations of color increased by more than 976,000, while the non-Hispanic White population fell by almost 350,000. While still the largest racial group in Massachusetts, the non-Hispanic White share has dropped from nearly 88 percent of the population in 1990 to just over 72 percent in 2016.

Table 2.6: Population Change in Massachusetts' Major Racial/Ethnic Groups, 1990-2000-2010-2016

	Absolute Change				Percent Change			
	1990-2000	2000-2010	2010-2016	1990-2016	1990-2000	2000-2010	2010-2016	1990-2016
Total population	333,356	198,005	264,150	795,511	5.5%	3.1%	4.0%	13.2%
Number of White*	-80,924	-213,035	-55,938	-349,897	-1.5%	-4.1%	-1.1%	-6.6%
Number of Black*	88,210	29,785	64,988	182,983	32.2%	8.2%	16.6%	66.9%
Number of Hispanic	141,439	199,445	152,042	492,926	49.3%	46.6%	24.2%	171.9%
Number of Asian*	122,097	87,249	91,099	300,445	87.5%	33.3%	26.1%	215.2%

Source: Decennial Census, 1990-2000-2010; 2016 One Year American Community Survey

Figure 2.1: Massachusetts Racial and Ethnic Profile, 1990 – 2000 – 2010 – 2016 (estimate)



Source: Decennial Census, 1990-2000-2010; 1-Year American Community Survey, 2016

Even though the Commonwealth’s population is becoming more diverse, the state remains highly segregated by race and ethnicity. People of color now constitute a majority of the residents in Boston, the state’s largest city, and eleven other municipalities. In 1990, non-Hispanic Whites were the majority population in every municipality in the Commonwealth. By 2000, people of color constituted a majority in four cities, increasing to eight cities in 2010 and 12 cities in 2017. However, in contrast to the 12 cities and towns where people of color represent the majority of the population, people of color represent less than 5 percent of the population in 86 communities. The Black and Hispanic populations, the most segregated populations, represent less than 3 percent of the population in 137 communities.

Section 3 of this AI discusses segregation and integration in greater detail, and the relationship between segregation. Sections 4 and 5 discuss concentrated poverty and access to opportunity. What follows here is a high-level (county) demographic overview.

Regional Racial and Ethnic Diversity

Racial diversity varies widely across the regions. Within regions, it varies by municipality, and often by neighborhood within a municipality. The following four tables detail the racial/ethnic make-up of

Massachusetts counties and show how that has changed since 1990; they also document the wide variation within and among counties in where people of color live.

Table 2.7 summarizes the distribution of Massachusetts' major racial/ethnic groups by region and sub-region. In other words, it shows what percentage of the total statewide population of each group lives in each region. The Greater Boston region is home to 41 percent of the state's White population but more than 61 percent of its Black population, and 74 percent of its Asian population. The Pioneer Valley, representing just over 10 percent of the state's households, is home to more than 16 percent of the state's Hispanic population.

Table 2.7: Distribution of Massachusetts' Major Racial/Ethnic Groups by Region and Sub-Region

	Total	*White	*Black	*Asian	*Other	Hispanic
Massachusetts	6,742,143	4,970,011	443,182	409,643	187,568	731,739
% of MA population	100.0%	73.7%	6.6%	6.1%	2.8%	10.9%
Berkshire (County)	1.9%	2.3%	0.7%	0.5%	1.7%	0.7%
Pioneer Valley	10.4%	10.1%	9.3%	4.7%	7.9%	16.4%
Franklin County	1.1%	1.3%	0.2%	0.3%	0.9%	0.4%
Hampden County	6.9%	6.1%	8.2%	2.4%	5.1%	14.9%
Hampshire County	2.4%	2.7%	1.0%	2.0%	2.0%	1.2%
Central (Worcester County)	12.1%	12.9%	7.9%	9.0%	9.4%	11.6%
Northeast (Essex County)	11.4%	11.3%	5.2%	6.4%	7.8%	19.8%
Greater Boston	44.9%	41.3%	61.1%	74.2%	47.7%	42.7%
Middlesex County	23.3%	23.4%	16.7%	41.4%	24.4%	16.0%
Norfolk County	10.3%	10.8%	9.5%	16.9%	8.9%	3.8%
Suffolk County	11.4%	7.1%	34.9%	15.9%	14.3%	22.9%
Southeast	15.7%	17.8%	14.2%	4.5%	21.4%	7.8%
Plymouth County	7.5%	8.4%	9.9%	1.5%	10.4%	2.5%
Bristol County	8.2%	9.3%	4.2%	2.9%	11.0%	5.3%
Cape and Islands	3.6%	4.4%	1.5%	0.8%	4.2%	1.0%
Barnstable County	3.2%	3.9%	1.2%	0.7%	3.2%	0.8%
Nantucket County	0.2%	0.2%	0.2%	0.0%	0.3%	0.2%
Dukes County	0.3%	0.3%	0.1%	0.0%	0.7%	0.0%

Source: 2016 5-Year American Community Survey, Table B03002

* Non-Hispanic. "Other" includes people who identify as two or more races, as well other single races not well-represented in Massachusetts (e.g., American Indian or Native Hawaiian/Pacific Islander). The 2000 decennial census was the first to allow respondents to identify as more than a single race, and just under 2 percent chose that option. The American Community Survey estimated that by 2016, over 3 percent of Massachusetts residents (two-thirds of the "other" category) identified as being of two or more races, an increase of 46 percent

Table 2.8 depicts the racial/ethnic composition of each county and region. The region in which the largest proportion of populations who identify as Black, Asian, and "Other (non-Hispanic)" is Greater Boston.³² The regions in which the largest shares of the population who identify as Hispanic, at 18.8 percent and 17.2 percent, respectively, are the Northeast and Pioneer Valley regions. By county, Hampden has the highest percentage of residents identifying as Hispanic (23.3%), followed by Suffolk County with 21.8 percent.

³² Those in the "other" category includes people who identify as two or more races, as well other single races not well-represented in Massachusetts (e.g., American Indian or Native Hawaiian/Pacific Islander). The 2000 decennial census was the first to allow respondents to identify as more than a single race, and just under 2 percent chose that option. The American Community Survey estimated that by 2016, over 3 percent of Massachusetts residents (two-thirds of the "other" category) identified as being of two or more races, an increase of 46 percent.

Table 2.8: Population Distribution within Regions and Sub-regions by Race/Ethnicity

Distribution of MA Major Racial/Ethnic Groups by County & Region	Total Population Distribution by County & Region	*White	*Black	*Asian	*Other	Hispanic
Massachusetts	6,742,143	73.7%	6.6%	6.1%	2.8%	10.9%
Berkshire (County)	1.9%	89.5%	2.5%	1.5%	2.4%	4.1%
Pioneer Valley	10.4%	72.0%	5.9%	2.7%	2.1%	17.2%
Franklin county	1.1%	91.4%	1.0%	1.5%	2.4%	3.7%
Hampden county	6.9%	64.8%	7.8%	2.1%	2.0%	23.3%
Hampshire county	2.4%	84.6%	2.7%	5.2%	2.3%	5.3%
Central (Worcester county)	12.1%	78.5%	4.3%	4.5%	2.2%	10.5%
Northeast (Essex county)	11.4%	72.9%	3.0%	3.4%	1.9%	18.8%
Greater Boston	44.9%	67.7%	8.9%	10.0%	3.0%	10.3%
Middlesex county	23.3%	74.1%	4.7%	10.8%	2.9%	7.5%
Norfolk county	10.3%	77.5%	6.1%	10.0%	2.4%	4.0%
Suffolk county	11.4%	46.1%	20.1%	8.5%	3.5%	21.8%
Southeast	15.7%	83.2%	5.9%	1.7%	3.8%	5.4%
Plymouth county	7.5%	82.7%	8.7%	1.2%	3.8%	3.6%
Bristol county	8.2%	83.7%	3.4%	2.2%	3.7%	7.0%
Cape and Islands	3.6%	89.7%	2.8%	1.3%	3.2%	3.0%
Barnstable county	3.2%	90.6%	2.6%	1.4%	2.8%	2.6%
Nantucket county	0.2%	74.9%	6.6%	1.0%	5.6%	11.9%
Dukes county	0.3%	86.9%	3.5%	0.3%	7.6%	1.7%

Source: 2016 5-Year ACS, Table B03002 *Not Hispanic

Table 2.9 shows the change by region and county of households by race and ethnicity from 2000 to 2016. The largest increases were in Hispanic households of any race, with Berkshire and the Islands seeing the most increase in Hispanic population. In addition, during this period, Asian and Hispanic households in Massachusetts increased more than 70 percent, Black households increased by nearly 40 percent, and every county saw an increase in Asian, Hispanic and Black-headed households, with the exception of Asian households on Dukes counties. White households also grew slowly in some counties, but declined in most counties.

Table 2.9: Massachusetts Households by Race/Ethnicity by Region and Percent Change

Massachusetts Households by Race and by Region/County, 2010, 2016	% Change 2000-2016					
	Total	White*	*Black	*Asian	*Other	Hispanic
Massachusetts	6.2%	-4.4%	39.2%	73.0%	12.4%	70.7%
Berkshire (County)	-4.7%	-9.4%	24.9%	47.9%	70.4%	128.3%
Pioneer Valley	2.9%	-7.2%	10.8%	63.9%	28.2%	58.5%
Hampshire county	-0.9%	-4.0%	24.6%	43.7%	32.8%	82.4%
Hampden county	2.6%	-10.7%	6.8%	68.7%	26.7%	57.7%
Franklin county	5.8%	0.0%	57.7%	61.4%	30.3%	62.3%
Central (Worcester county)	8.3%	-1.6%	91.6%	87.7%	35.0%	67.6%
Northeast (Essex county)	6.4%	-6.8%	61.1%	56.8%	31.7%	81.3%
Greater Boston	7.9%	-4.9%	28.6%	73.7%	14.3%	68.0%
Middlesex county	7.0%	-5.2%	58.7%	85.6%	27.4%	75.5%
Norfolk county	6.3%	-6.4%	110.3%	94.4%	54.1%	130.1%
Suffolk county	11.3%	-1.6%	7.5%	35.9%	-14.4%	56.4%
Southeast	5.4%	-1.0%	107.7%	66.4%	-7.8%	85.0%
Bristol county	3.8%	-2.8%	91.9%	79.0%	-2.1%	102.3%
Plymouth county	7.2%	1.1%	115.3%	46.8%	-13.2%	56.1%
Cape and Islands	-1.7%	-5.2%	36.5%	116.5%	3.2%	114.3%
Barnstable county	-3.4%	-6.3%	42.4%	124.9%	-8.2%	88.7%
Dukes county	14.3%	10.4%	74.6%	-19.7%	39.3%	84.5%
Nantucket county	12.3%	-3.1%	-9.2%	75.0%	213.2%	498.1%

Source: 2010 Decennial Census and 2016 5-Year ACS, SF1, Tables H007, P18, P18A, P18 A – I *Not Hispanic

Table 2.10 identifies the communities within each region that have the highest and lowest proportions of Black, Asian, and Hispanic households. These communities vary widely in characteristics, comprising a range of wealthy towns, middle-class suburbs, cities serving as part the urban core in and adjacent to Boston (including Cambridge and Somerville) as well as mid-sized, geographically dispersed cities. Overall, at the county level, the counties of central and eastern Massachusetts are much more racially and ethnically diverse than those in the western part of the state, as well as the Cape and Islands.

Brockton has the highest proportion of Black households (37.2%). In comparison, 22.5 percent of households in Boston are Black households. Lawrence has the highest rate of Hispanic households (71 %). Much of this is driven by Lawrence’s large foreign-born population. Nearly 39 percent of Lawrence is foreign-born, as shown in **Table 2.13**, with almost 91 percent hailing from Latin America. The second highest rate of Hispanic households is in Chelsea, a part of Greater Boston’s urban core. There, 53 percent of households are Hispanic. Lexington (23%), Quincy (21%), and Westborough (20%) have the greatest concentrations of Asian households in the state.

Table 2.10: Municipalities with Highest and Lowest Share of Households by Select Racial/Ethnic Groups

County	Black		Asian		Hispanic	
	Highest	Lowest	Highest	Lowest	Highest	Lowest
Barnstable	Chatham 3.7%	Brewster 0.3%	Yarmouth 2.2%	Dennis 0.2%	Orleans 2.1%	Eastham 0.7%
Berkshire	Pittsfield 4.6%	North Adams 0.3%	Williamstown 5.4%	Dalton 0.5%	Great Barrington 8.5%	New Marlborough 0.2%
Bristol	Taunton 7.1%	Fairhaven 0.2%	Mansfield 3.7%	Swansea 0.2%	New Bedford 14.3%	Swansea 0.1%
Dukes	Tisbury 6.7%	West Tisbury 0.8%	West Tisbury 0.6%	Edgartown 0.4%	Oak Bluff 1.1%	Tisbury 0.4%
Essex	Lynn 13.6%	Salisbury 0.2%	Andover 12.1%	Groveland 0.4%	Lawrence 70.6%	West Newbury 0.4%
Franklin	Sunderland 3.0%	Leverett 0.4%	Sunderland 7.6%	Orange 0.2%	Greenfield 4.4%	Ashfield 0.3%
Hampden	Springfield 20.3%	Wales 0.3%	Longmeadow 5.2%	Brimfield 0.4%	Holyoke 43.8%	Monson 0.4%
Hampshire	Amherst 6.4%	Northampton 1.3%	Amherst 11.7%	Ware 0.4%	Northampton 7.1%	Westhampton 0.3%
Middlesex	Everett 15.4%	Westford 0.1%	Lexington 23.0%	Townsend 0.7%	Lowell 17.5%	Ashby 0.5%
Norfolk	Randolph 34.1%	Franklin 0.4%	Quincy 21.0%	Millis 0.5%	Randolph 6.1%	Plainville 0.4%
Plymouth	Brockton 37.2%	Pembroke 0.2%	Rochester 3.0%	Lakeville 0.3%	Brockton 8.8%	Carver 0.2%
Suffolk	Boston 22.5%	Winthrop 1.9%	Boston 8.6%	Winthrop 0.7%	Chelsea 53.3%	Winthrop 6.7%
Worcester	Worcester 11.6%	Sturbridge 0.1%	Westborough 20.2%	Gardner 0.2%	Southbridge 26.4%	Uxbridge 0.3%

Source: 2016 5-Year American Community Survey, Table B11001 Note: Nantucket County consists of only one municipality.

National Origin and Linguistic Isolation

Over the last 30 years, immigration has been a major driver of the state’s population growth and shifting racial and ethnic profile. Among the fifty states, Massachusetts has the 8th highest share of foreign-born residents, and these residents have become a significant part of the population in Massachusetts, especially in the eastern part of the state. Since 1990, more than 770,000 foreign born residents have settled in Massachusetts, and the Commonwealth’s diverse immigrant communities are changing the social, cultural and economic landscape in many ways. Increasingly, the state relies on immigration for growth and labor.

More than 1.1 million immigrants from all corners of the globe currently call Massachusetts home. Forty-five percent of the immigrant population has arrived since 2000. **Table 2.11** reveals the top 10 countries of birth for the foreign born population, which have remained the same from 2010 to 2016. China continues to hold the top spot. From 2010 to 2016, both the Dominican Republic, India, and El Salvador rose in the rankings, with Portugal, Brazil, Vietnam and Haiti falling to slightly lower spots in 2016 than they held in 2010.

Table 2.11: Top 10 Countries of Origin for the Foreign Born Population, 2010 and 2016

Country of Origin, 2010	Total Number of Residents, 2010	Country of Origin, 2016	Total Number of Residents, 2016
China	77,663	China	100,090
Brazil	66,838	Dominican Republic	80,495
Dominican Republic	62,248	India	62,019
Portugal	58,434	Brazil	60,919
India	46,381	Portugal	54,869
Haiti	43,654	Haiti	51,305
Vietnam	31,995	El Salvador	36,871
Canada	31,863	Vietnam	35,144
El Salvador	26,595	Canada	30,440
Guatemala	24,303	Guatemala	26,530

Sources: 2016 and 2010 5-Year American Community Survey, Table B05006

One-third of the state’s immigrants are non-Hispanic White, a group that made up almost half of the immigrants before 1990 but represented only a quarter of immigrants arriving since 2010. The diversity of Massachusetts’ immigrant population is reflected in their age, educational attainment, the languages they speak, and their fluency with English.

As is true in much of the country, there has been a shift in where the foreign-born population is coming from. **Table 2.12** depicts the changing patterns in region of birth over time of foreign-born Massachusetts residents. Most notably, the number of people who entered the United States from Europe has steadily declined, while the number of residents entering from Asia represented the largest increase over time.

Table 2.12: Region of Birth of Massachusetts' Foreign Born Population

Region of Birth	Total Shares	Entered 2010 or later	Entered 2000 to 2009	Entered 1990 to 1999	Entered before 1990
Total	100.0%	23.9%	26.1%	21.6%	28.4%
Europe	20.5%	12.0%	12.8%	20.0%	35.1%
Asia	30.3%	39.8%	28.1%	29.9%	24.7%
Caribbean	16.0%	15.5%	16.4%	15.9%	16.2%
Central America	9.6%	8.3%	13.6%	9.8%	6.9%
South America	11.4%	10.7%	15.8%	12.3%	7.3%
Other Areas	12.2%	13.6%	13.3%	12.3%	9.8%

Source: 2016 1-Year American Community Survey, Table B05007, 2011 3-Year American Community Survey, Table S0502

Communities Where More Than 20 Percent of the Population is Foreign Born

Foreign born residents account for more than 16 percent of Massachusetts' population, but in many cities and regions, the immigrant share is much greater. At 45 percent, Chelsea has the highest concentration of foreign born residents, and there are 30 cities and towns where immigrants represent more than 20 percent of the population (**Table 2.13**). Most of these communities are located within the Greater Boston region, with a few in the Central and Southeast regions. Between 2010 and 2016, Acton, Boxborough, Burlington, Everett, Lexington, Marlborough, Sharon, and Revere all saw a more than a 20 percent increase in their foreign-born populations.

A large majority of the foreign-born population in these municipalities have origins in Latin America or Asia.³³ Roughly 50 percent or more of the foreign-born residents of Everett, Framingham, Marlborough, Randolph, Boston, Chelsea, and Revere were born in Latin America. In Acton, Belmont, Boxborough, Burlington, Lexington, Lowell, Newton, Brookline, Quincy, Sharon, Shrewsbury, and Westborough, roughly half or more of those born outside the U.S. were born in Asia.

³³ The Census defines Latin America as including countries in Central and South America, as well as Caribbean nations. The region of Asia includes countries in East Asia like China and Japan, to South Asian countries like India and Pakistan, as well as "Western Asia," which includes Armenia, Iraq, and the United Arab Emirates.

Table 2.13: Communities Where More Than 20 Percent of the Population is Foreign Born

Municipality	Total population	Total foreign born	% foreign born
Chelsea	38,244	17,178	44.9%
Malden	60,732	25,972	42.8%
Everett	44,636	18,214	40.8%
Lawrence	79,337	30,901	38.9%
Revere	53,165	19,321	36.3%
Lynn	92,074	30,757	33.4%
Quincy	93,349	29,158	31.2%
Randolph	33,526	10,401	31.0%
Boston	658,279	181,652	27.6%
Cambridge	108,757	29,793	27.4%
Waltham	62,699	17,049	27.2%
Brockton	94,813	25,720	27.1%
Lexington	32,936	8,619	26.2%
Brookline	59,180	15,369	26.0%
Framingham	70,743	18,246	25.8%
Lowell	109,871	28,219	25.7%
Acton	23,209	5,915	25.5%
Marlborough	39,545	10,049	25.4%
Westborough	18,706	4,638	24.8%
Somerville	79,507	19,613	24.7%
Sharon	18,193	3,965	21.8%
Worcester	183,677	39,551	21.5%
Medford	57,180	12,273	21.5%
Newton	88,317	18,884	21.4%
Belmont	25,555	5,438	21.3%
Boxborough	5,287	1,113	21.1%
Burlington	25,698	5,324	20.7%
Shrewsbury	36,494	7,502	20.6%
New Bedford	94,988	19,431	20.5%
Watertown	33,849	6,829	20.2%

Source: 2016 5-Year American Community Survey, Table B05012, Table B05006

Linguistic Isolation

Language can be a barrier for people to access affordable and suitable housing, particularly in cases where leases and advertisements are written only in English. Spoken language also can be a source of discrimination, particularly against those who are linguistically isolated. The challenges posed by limited English proficiency vary widely by community.

While limited English proficiency may characterize individuals who speak languages other than English, regardless of their household composition, linguistic *isolation* is a Census term for households where there are no residents 14 years of age or older who are fluent English speakers. Some households denoted by Census as linguistically isolated live with other residents that speak the same language as they do; the term identifies linguistic isolation from English. Because they lack any adult or near-adult fluent English speakers, these households may be particularly in need of translation help to access housing information.

The proportion of linguistically isolated households within each of the seven Massachusetts regions has generally remained stable since 2010, with a few minor shifts. Understanding where linguistically isolated households live and what other languages are spoken is critical for fair housing access.

In Massachusetts overall, the languages spoken by linguistically isolated households reflect the country of origin patterns in the Commonwealth's foreign-born population in recent years. More than a quarter of linguistically isolated households speak Spanish, while close to 30 percent speak an Asian or Pacific Island dialect. (**Table 2.14**). In Greater Boston, Pioneer Valley, and Cape and Islands, linguistically isolated households are more likely to be those that speak an Asian or Pacific Island language. The ACS defines this language category to include Mandarin, Cantonese, Japanese, Korean, Hmong, Vietnamese, Khmer, Thai, Lao, Tagalog, and "other languages of Asia."

There are 26 communities in Massachusetts that have 1,000 or more linguistically isolated households, 15 of which are in the Greater Boston region (**Table 2.15**). The Greater Boston region has the highest share of linguistically isolated households: more than seven percent of households lack a fluent English speaker. In Suffolk County specifically, nearly 13 percent of households are linguistically isolated. While the city of Boston has the greatest absolute number of linguistically isolated households in each major language group, other communities in the state have higher rates of limited English proficiency households.

Lawrence and Chelsea have the highest concentrations of linguistically isolated households in the state. In Lawrence, nearly 6,700 households (25.8%) are linguistically isolated. In Chelsea, just over 3,300 households (or 26.6%) are linguistically isolated. In both cities, linguistically isolated households are primarily Spanish-speaking (92.1% in Lawrence and 82.2% in Chelsea). Both cities saw their rate of linguistic isolation decline modestly since 2010.

Table 2.14: Challenge of Linguistic Isolation in Massachusetts Regions and Statewide

By Region and County	% Linguistically Isolated (of Regional Households)	*Linguistically Isolated Households			
		Spanish Speaking	Other Indo-European Language Speaking	Asian and Pacific Island Language Speaking	Other Language Speaking
Massachusetts	5.7%	26.3%	18.9%	29.8%	19.8%
Berkshire (County)	1.7%	18.9%	19.4%	19.5%	15.6%
Pioneer Valley	4.9%	24.4%	17.1%	26.0%	15.5%
Franklin county	1.1%	11.8%	11.3%	16.4%	12.3%
Hampden county	6.7%	24.9%	19.7%	31.2%	19.4%
Hampshire county	1.6%	21.5%	8.3%	18.7%	4.3%
Central (Worcester county)	4.6%	25.8%	16.9%	27.1%	27.4%
Northeast (Essex county)	6.0%	27.8%	15.8%	24.9%	15.7%
Greater Boston	7.2%	27.5%	19.2%	31.2%	20.0%
Middlesex county	5.7%	22.0%	18.3%	24.1%	17.5%
Norfolk county	4.5%	9.4%	14.7%	32.7%	14.6%
Suffolk county	12.6%	34.4%	24.2%	44.3%	26.8%
Southeast	4.3%	22.8%	21.4%	22.0%	7.5%
Plymouth county	2.7%	12.1%	22.9%	21.7%	10.4%
Bristol county	5.6%	27.6%	20.7%	22.2%	5.6%
Cape and Islands	1.6%	18.6%	13.9%	27.8%	25.4%
Barnstable county	1.4%	16.5%	13.4%	26.4%	27.2%
Nantucket county	2.9%	37.6%	2.0%	40.5%	0.0%
Dukes county	2.5%	8.0%	20.8%	75.0%	0.0%

Source: 2016 5-Year American Community Survey, Table C16002

Note: Linguistically isolated households are ones in which no one 14 or older 1) speaks only English, nor 2) speaks a non-English language and speaks English "very well"

Table 2.15: Massachusetts Communities with More than 1,000 Linguistically Isolated Households

Community	Total Households	Total Linguistically Isolated Households	*%	Linguistically Isolated Households							
				Spanish	**%	Other Indo-European Languages	**%	Asian and Pacific Island Languages	**%	Other Languages	**%
Massachusetts	2,558,889	146,675	5.7%	58,859	40.1%	50,451	34.4%	30,291	20.7%	7,074	4.8%
Boston, Suffolk county	259,324	31,562	12.2%	14,359	45.5%	7,679	24.3%	8,217	26.0%	1,307	4.1%
Worcester, Worcester county	69,204	8,001	11.6%	3,876	48.4%	1,744	21.8%	1,255	15.7%	1,126	14.1%
Lawrence, Essex county	25,759	6,655	25.8%	6,130	92.1%	189	2.8%	240	3.6%	96	1.4%
Springfield, Hampden county	55,921	6,555	11.7%	5,422	82.7%	605	9.2%	383	5.8%	145	2.2%
Lowell, Middlesex county	38,735	5,347	13.8%	2,354	44.0%	1,303	24.4%	1,369	25.6%	321	6.0%
New Bedford, Bristol county	39,254	5,118	13.0%	1,971	38.5%	3,041	59.4%	106	2.1%	-	0.0%
Lynn, Essex county	32,242	4,816	14.9%	2,975	61.8%	1,134	23.5%	489	10.2%	218	4.5%
Quincy, Norfolk county	39,823	4,774	12.0%	134	2.8%	1,007	21.1%	3,469	72.7%	164	3.4%
Brockton, Plymouth county	31,991	3,684	11.5%	593	16.1%	2,938	79.8%	111	3.0%	42	1.1%
Malden, Middlesex county	23,087	3,643	15.8%	425	11.7%	755	20.7%	2,076	57.0%	387	10.6%
Fall River, Bristol county	38,366	3,600	9.4%	780	21.7%	2,677	74.4%	117	3.3%	26	0.7%
Framingham, Middlesex county	27,688	3,338	12.1%	1,165	34.9%	1,868	56.0%	243	7.3%	62	1.9%
Chelsea, Suffolk county	12,403	3,302	26.6%	2,715	82.2%	351	10.6%	137	4.1%	99	3.0%
Revere, Suffolk county	20,232	2,683	13.3%	1,167	43.5%	693	25.8%	239	8.9%	584	21.8%
Cambridge, Middlesex county	43,497	2,505	5.8%	545	21.8%	1,028	41.0%	682	27.2%	250	10.0%
Somerville, Middlesex county	32,229	2,451	7.6%	461	18.8%	1,491	60.8%	404	16.5%	95	3.9%
Everett, Middlesex county	15,269	2,449	16.0%	881	36.0%	1,361	55.6%	104	4.2%	103	4.2%
Holyoke, Hampden county	15,005	2,031	13.5%	1,905	93.8%	111	5.5%	15	0.7%	-	0.0%
Brookline, Norfolk county	24,741	1,797	7.3%	115	6.4%	443	24.7%	1,071	59.6%	168	9.3%
Marlborough, Middlesex county	15,442	1,679	10.9%	599	35.7%	981	58.4%	87	5.2%	12	0.7%
Waltham, Middlesex county	23,646	1,531	6.5%	491	32.1%	413	27.0%	575	37.6%	52	3.4%
Newton, Middlesex county	30,898	1,528	4.9%	184	12.0%	677	44.3%	645	42.2%	22	1.4%
Medford, Middlesex county	22,202	1,472	6.6%	61	4.1%	862	58.6%	409	27.8%	140	9.5%
Chicopee, Hampden county	22,988	1,132	4.9%	478	42.2%	488	43.1%	125	11.0%	41	3.6%
Methuen, Essex county	17,394	1,052	6.0%	729	69.3%	99	9.4%	176	16.7%	48	4.6%
Taunton, Bristol county	22,307	1,044	4.7%	182	17.4%	791	75.8%	58	5.6%	13	1.2%

Source: 2016 5-Year American Community Survey, Table C16002

* Percent of Total Households

** Percent of Linguistically Isolated Households

Socioeconomic Characteristics of the Foreign Born Population

Foreign born households, especially recent arrivals in the United States, are more likely than native born households to face economic challenges in addition to linguistic ones. This is a long-standing pattern, as historically, immigrants have faced challenges in the years immediately following their resettlement in a new country. Subsequent generations typically have fared much better.³⁴

³⁴ Immigrants arriving in Massachusetts since 2000, and especially those arriving since 2010, have been more highly educated than earlier arrivals. The 2016 American Community Survey reports that over half of the immigrants who arrived after 2010 had a bachelor's degree or higher, compared to fewer one-third of those who arrived before 2000. Fewer than 18 percent of the most recent arrivals lacked a high school diploma compared to 24 percent of the pre-2000 arrivals.

While there are some similarities in the characteristics of the native and foreign-born populations, a review of socioeconomic indicators reveals that the foreign-born population is distinct from its native-born counterparts in several ways (**Table 2.16**). Nearly 22 percent of adult foreign-born residents have attained less than a high school degree, compared to just 6.4 percent of the native-born population. While there are more native-born residents than foreign-born residents with some college or a college degree, foreign-born residents hold proportionately more graduate degrees than native-born residents do.

Since the end of the Great Recession, the unemployment rate has decreased for both the native-born and foreign-born workforce in the state, with a higher percentage of the foreign born population participating in the labor force than native-born (69.5% versus 66.5%). This is largely a reflection of age differences between the two groups. Although a higher percentage of native-born workers earn \$50,000 or more, foreign-born residents experienced a higher rate of income growth in these income categories between 2011 and 2016. This is likely related, in part, to the larger and growing share of foreign-born residents with a professional or graduate degree.

From 2011 to 2016, poverty rates decreased for all Massachusetts residents, regardless of place of birth, yet at 11.6 percent, the poverty rate for foreign-born families is nearly double that of native-born families. So while some foreign-born residents saw a boost in income over this time period, others may still be feeling the impact of the recession and recovery, which particularly impacted blue-collar workers, and industries considered lower skill, including construction, manufacturing, and retail.

More than half of the foreign-born population lived in rental housing compared to just over one third of native-born residents from 2011 to 2016. This may be a function of geography; most of the foreign-born population lives in or near Greater Boston, where a higher proportion of all residents rent their homes. In Boston alone, two-thirds of residents rent their households.

Table 2.16: Selected Characteristics of Native Born and Foreign Born Population

	Total	Native born	Foreign born
Total population	6,811,779	5,687,897	1,123,882
RACE AND HISPANIC ORIGIN			
White	78.5%	85.7%	42.2%
Black	7.4%	5.7%	16.1%
Asian	6.5%	2.5%	26.3%
Other	7.6%	6.1%	15.4%
Hispanic origin (of any race)	11.4%	9.3%	22.4%
White, not Hispanic	72.4%	80.3%	32.3%
MEDIAN AGE			
	39.4	37.9	43.3
HOUSEHOLD TYPE			
In married-couple family	56.7%	56.5%	57.8%
In other households	39.5%	39.5%	39.6%
Average household size	2.54	2.44	2.98
Average family size	3.16	3.08	3.45
EDUCATIONAL ATTAINMENT (Population 25 years and over)			
Less than high school graduate	9.6%	6.4%	21.9%
High school graduate (includes equivalency)	24.5%	24.6%	23.8%
Some college or associate's degree	23.2%	24.7%	17.4%
Bachelor's degree	23.8%	25.4%	17.5%
Graduate or professional degree	19.0%	18.8%	19.4%
LANGUAGE SPOKEN AT HOME AND ABILITY TO SPEAK ENGLISH (Population 5 years and over)			
English only	76.3%	88.5%	18.1%
Language other than English	23.7%	11.5%	81.9%
Speak English less than "very well"	9.2%	2.1%	43.0%
Linguistically isolated Households	5.8%	1.3%	25.5%
EMPLOYMENT STATUS (Population 16 years and over)			
In labor force	67.4%	66.9%	69.5%
Employed	63.7%	63.3%	65.8%
Unemployed	3.5%	3.5%	3.6%

Source: ACS 2016 5-year estimates, Table S0501 (Table continued, next page)

Table 2.16: Selected Characteristics of Native Born and Foreign Born Population, Cont.

	Total	Native born	Foreign born
Total population	6,811,779	5,687,897	1,123,882
INCOME (IN 2016 INFLATION-ADJUSTED DOLLARS)	(Distribution of earnings for full-time, year-round workers):		
Under \$15,000	3.1%	2.7%	4.7%
\$15,000 to \$34,999	18.7%	16.7%	26.5%
\$35,000 to \$49,999	18.2%	17.7%	20.2%
\$50,000 to \$74,999	24.7%	26.1%	19.3%
\$75,000 or more	35.4%	36.9%	29.3%
Median earnings for full-time, year-round workers:			
Male	\$62,868	\$66,515	\$51,626
Female	\$51,666	\$53,659	\$41,775
Median Household income	\$75,297	\$77,755	\$63,499
POVERTY STATUS			
Below 100 percent of the poverty level	10.4%	9.7%	14.3%
100 to 199 percent of the poverty level	11.9%	10.8%	17.1%
At or above 200 percent of the poverty level	77.7%	79.5%	68.6%
FAMILY POVERTY RATES			
All families	7.3%	6.1%	11.6%
With related children of the householder under 18 years	11.6%	10.4%	14.9%
Married-couple family	2.9%	2.0%	6.4%
With related children of the householder under 18 years	3.2%	2.1%	6.4%
Female householder, no husband present, family	22.7%	20.9%	28.6%
With related children of the householder under 18 years	32.7%	31.3%	37.0%
HOUSING CHARACTERISTICS			
Occupied housing units	2,579,398	2,102,227	477,171
1.01 or more occupants per room (overcrowded)	1.9%	1.0%	5.9%
Owner-occupied housing units	62.0%	65.4%	46.9%
Average household size of owner-occupied unit	2.71	2.63	3.21
Monthly housing costs 30% or more of HH income	26.4%	25.2%	33.6%
Renter-occupied housing units	38.0%	34.6%	53.1%
Average household size of renter-occupied unit	2.26	2.09	2.77
Gross rent 30% or more of Household income	46.8%	46.1%	48.8%

Source: 2016 1-Year American Community Survey, Table S0501

Family Status and Living Arrangements

Federal law prohibits housing discrimination based on “familial status,” which is defined as having a child (or children) under the age of 18 living in the home, as well as pregnant women, or people in the process of adopting or gaining custody of children. Families with children are a protected class, yet people with children continue to face barriers to fair housing in Massachusetts. These barriers include pushback on development from residents for housing for families and discrimination from landlords or realtors in Massachusetts.³⁵

DHCD convened a focus group to discuss particular barriers impacting housing choice for families with children, some of which are highlighted in the **Inset 2.2** below.

Inset 2.2: AI Advisory Council Families with Children Focus Group

The following reflects highlights of the November 2018 focus group comments:

Lead Paint

- Participants reported discrimination against families based on the potential cost of lead abatement, a lack of clear awareness of resources, and misperceptions of legal requirements relating to families with children under 6. Previous reports have noted these issues as well.³⁶
- Very old housing stock in Massachusetts means many units are in need of lead abatement work. Massachusetts lead abatement laws requires lead hazard removal only when a child under age six is in a unit. This discourages renting to families of young children due to lead abatement costs.
- Many landlords, property managers, and owners are unaware of remediation funding for lead abatement or the steps it involves, are concerned about or unable to cover the remaining costs, or think families with children can waive their rights to damages and that this resolves the issue. Focus group participants suggested education sessions and street law clinics could help.
- At the same time, funding for housing rehabilitation at the federal level through the Community Development Block Grant program is insufficient to de-lead entire units. Current state programs require property owners earn at or below a certain level of income, for buildings with less than 6 units in them. Priority is given to units with present, at-risk children, or pregnant women.
- In addition, some municipalities have only one lead inspector and certifier, significantly delaying inspection and the identification of lead-free units for children. A simpler process is needed.
- Many families are unaware of their rights or do not have the resources to pursue them. Many do not know that being refused housing due to lead paint is unlawful. Even if they do, their first priority is finding housing, not legal action. Complaints filed on the basis of public/rental assistance discrimination are often due to rental assistance program requirements for lead inspection.
- Direct outreach to families should include notice of lead-free properties (e.g., from state database)

³⁵ See <https://www.hud.gov/sites/dfiles/FHEO/documents/18ElPatrimoniCharge.pdf>

³⁶ See <http://realestate.boston.com/news/2017/06/21/families-with-young-children-face-rampant-discrimination-in-apartment-search/>

Senior and Student Housing Needs Competing with Housing Needs of Families with Children

- For senior housing, some costs are not taken into account (as compared to concerns raised about school-age child costs) such as greater need for emergency services.
- When affordable housing is being built, the term “family housing” can discourage senior residents by implying that non-elderly or those with children are the ones who are welcome.
- Senior housing can isolate or may be perceived by elders as isolating them from the community and therefore may be limiting their housing choices. Demand for senior housing may also taper off in the future depending on demographic changes, leaving excess stock.
- Massachusetts aged housing stock is often inadequate for seniors in need of accessibility features.
- “Nesterly” programs pair seniors with extra space with young people freeing up other units around town for families otherwise occupied by students or young people.
- Locally supported housing development could fit the needs of aging populations, as well as populations with disabilities regardless of age, by incorporating accessibility and universal design where it is not otherwise required by code. Housing types typically lacking in universal design and accessibility, such as townhouses and some single-family homes, are often favored by communities based on their appearance.
- In places with students, family housing is often broken into rentals by bedroom, inadequate or unaffordable for families with children. Meanwhile, Airbnb also absorbs some potential long-term family housing stock.

Extremely Low-Income Families and Families at Risk of Homelessness

- There may be an underestimation of real housing need, as the number of families “doubled-up” has grown substantially, and program definitions of homelessness excludes them. These families are at high risk of becoming homeless.
- Voucher payments standards are inadequate in some locations based on Fair Market Rents being set too low by HUD, particularly for units with more bedrooms.
- Community Preservation Act funds could be used by municipalities for rental assistance. However, the funding is annual and may not be available long-term.

Source: Department of Housing and Community Development, Summary of Families with Children Focus Group Comments, November 26 2018.
Note: The summary of comments above does not necessarily reflect the opinions of DHCD.

While discrimination based on familial status is itself a civil rights violation, discriminatory behaviors such as refusing to rent to families, or challenges arising from the presence of lead paint in so much of the Commonwealth’s aging housing stock, have a disparate impact on families of color.

The 2013 AI noted that Massachusetts’ emergent populations of color had already shifted the state’s household composition and living arrangements, and predicted that their preferences, needs and economic resources would shape residential landscape going forward. Five years later, that appears to

be the case.³⁷ Increasingly, households with children under 18 are families of color. Households headed by people of color tend to be younger and have more children than White-headed households. These households are also more likely to be headed by a single individual, and/or include multiple generations. And, they are more often lower income renters.

Large families (5 or more members) are more prevalent among Black, Asian and Hispanic households than among Whites, for renters as well as owners (**Table 2.17**) Extended families are also more prominent among racial/ethnic minority group households, especially when they are raising children or caring for elders (**Table 2.18**).

Table 2.17: Distribution of Households by Tenure and Size by Race/Ethnicity

	1 person	2 person	3 person	4 person	5 person	6 person	7 person	5+ person
	Owner Occupied							
MA Total	21.3%	34.5%	17.4%	16.5%	6.9%	2.3%	1.1%	10.4%
Black	18.1%	24.4%	19.2%	17.9%	11.1%	5.2%	4.1%	20.4%
Asian	11.1%	22.0%	22.0%	25.4%	10.4%	5.1%	4.0%	19.5%
Hispanic	11.3%	21.1%	19.5%	22.3%	13.8%	6.6%	5.5%	25.9%
White non-Hispanic	22.1%	35.8%	17.1%	15.9%	6.4%	1.9%	0.8%	9.1%
	Renter Occupied							
MA Total	41.1%	27.7%	14.7%	9.6%	4.2%	1.6%	1.1%	6.9%
Black	34.1%	25.0%	18.1%	12.1%	6.4%	2.5%	1.9%	10.8%
Asian	28.8%	29.4%	19.1%	13.5%	5.2%	2.2%	1.8%	9.2%
Hispanic	23.2%	22.7%	20.0%	16.7%	9.6%	4.3%	3.5%	17.5%
White non-Hispanic	47.6%	29.0%	12.4%	7.2%	2.6%	0.8%	0.4%	3.8%

Source: 2010 Decennial Census, SF1 Table H11, B, D, H, I

Note: Data on households with five or more members is not available by race and ethnicity in the ACS (Decennial Census only)

In 2016, non-Hispanic White households had the lowest share of households (with children under 18) that included a grandparent, either as the person responsible for the children’s care or as household member (**Table 2.18**).

³⁷ Some data, such as household size by race and ethnicity, is not updated in the American Community Survey. In those cases we present 2010 data, consistent with HUD guidance.

Table 2.18: Grandparents Living with and Raising Own Grandchildren, by Race/Ethnicity

	% of Households with children under 18 with grandparent living in home	% of Households with children under 18 with grandparent responsible for children
Black	22.9%	7.2%
Asian	23.7%	3.1%
White*	14.2%	4.2%
Hispanic	18.6%	5.2%

Source: American Community Survey 2016, 5-year estimates, Table S2501 and B10051, B10051H, B1005B, B10051D, B10051I

Universe: Grandparents living with own grandchildren under 18 years in households

* Not Hispanic

The differences in tenure and household size and type are described in greater detail in Section 6, as are the housing problems confronting different types of households.

Shifting Age Profile

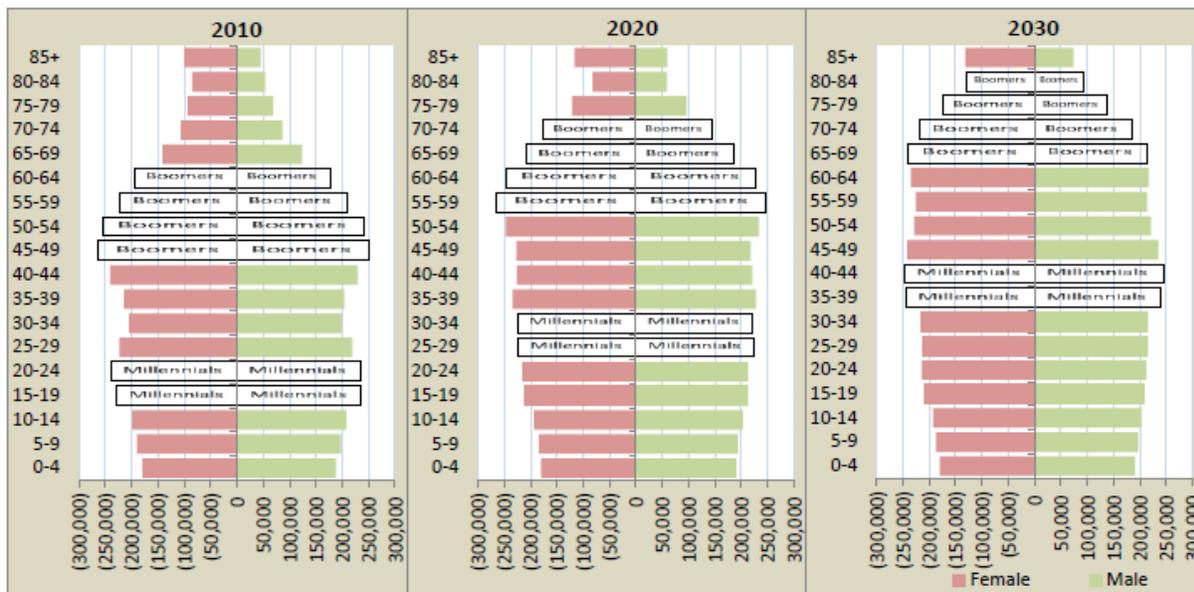
Shift in Population Distribution

Changes in the age composition of the population have significant social, economic and public policy implications. The nation is growing older, and so is Massachusetts. Between 2000 and 2010, there was a decrease in the percentage of residents under the age of 45 and an overall increase in the 45-64 age group. As is true in much of the nation, the Commonwealth's shifting age profile reflects the influence of the large post-WWII baby boomer generation, born between 1946 and 1964, and their offspring, millennials born between 1981 and 2000.

The population gain between 2000 and 2010 was largely attributable to the increase in 45-64 year olds (at the time of the 2010 Census, those born between 1946 and 1964) and 15-24 year olds (at the time of the 2010 Census, born between 1986 and 1995). The drop in the 30-44 age cohort represents the "baby bust" that occurred between 1965 and 1978. Increased longevity of the region's oldest residents continues to grow the 80 and over cohorts.

Currently, the overwhelming majority of the state's population is between 25 and 54 years old. The share of the population that is 55 years of age and over is increasing, and there is a continuing decline in the youngest residents under age 10 (**Figure 2.2**). This mirrors national trends overall and is related to the aging Baby Boomer population and the relatively smaller young age cohorts, in addition to slowing birth rates. Between 2000 and 2016, the share of the U.S. population that was 55 and older grew seven percent, mirroring the 7.1 percent in this group in Massachusetts. As noted in the overview, the median age of Massachusetts residents is 39.4, one of the oldest in the country.

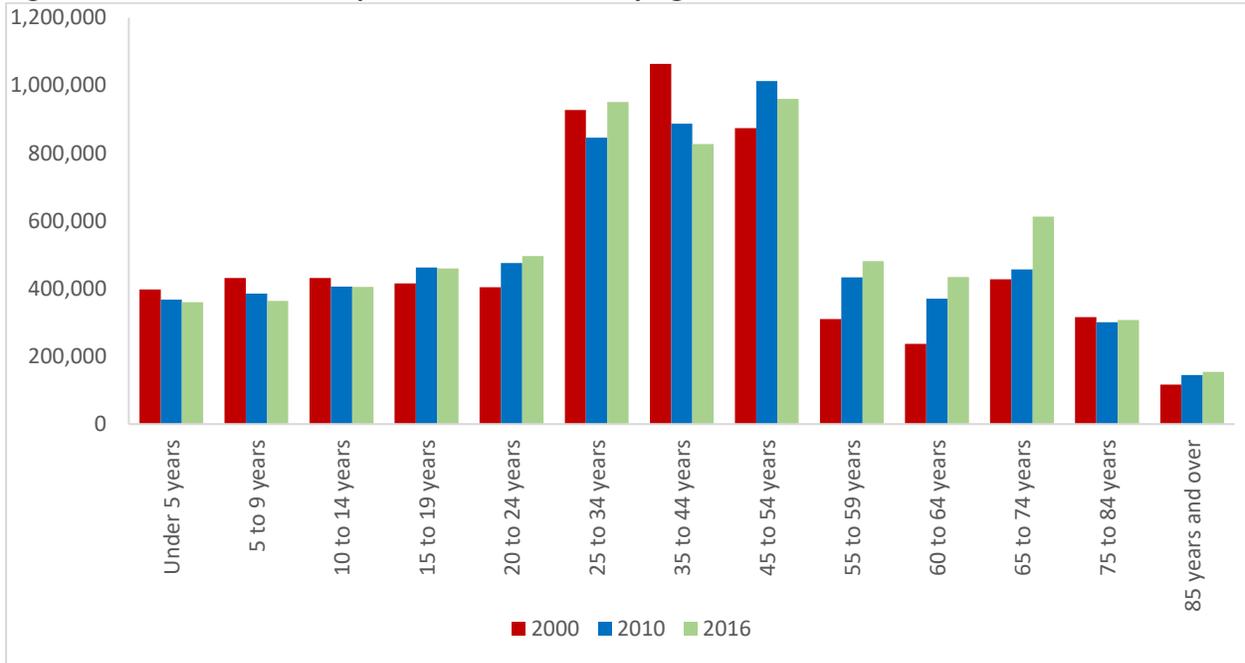
Figure 2.2: Massachusetts Shifting Age Profile – Past and Future



Sources: U.S. Census Bureau 2010 Census Summary File 1; UMass Donahue Institute Population Projections, 2015

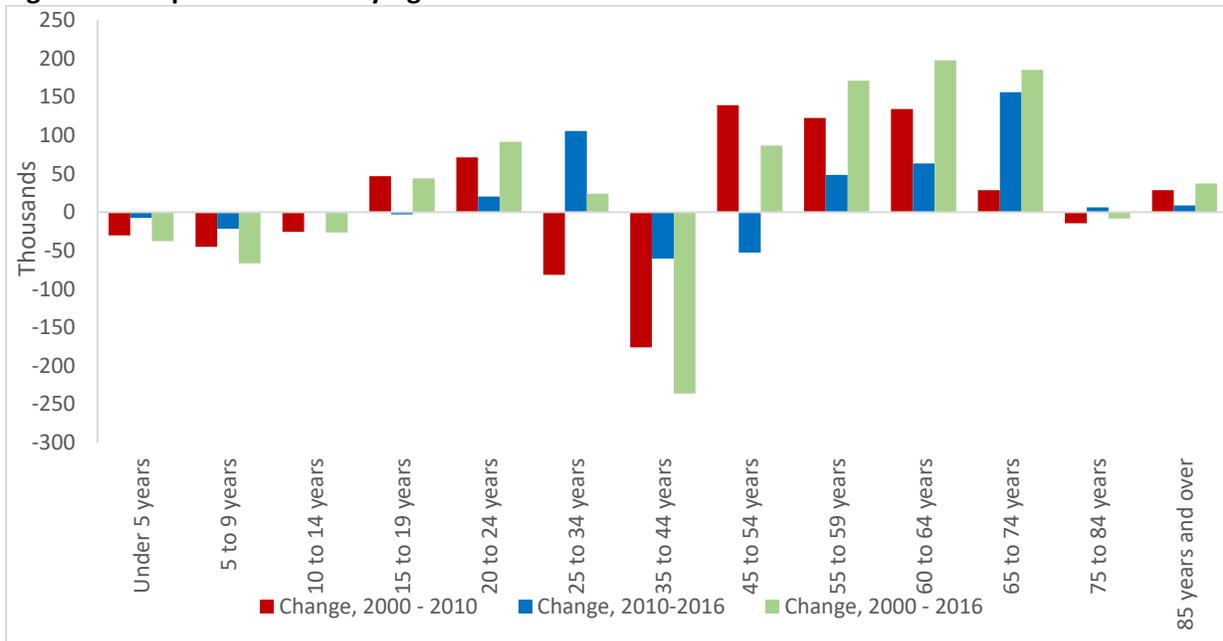
Figures 2.3 and 2.4 further illustrate Massachusetts’ shifting age profile over the period from 2010 through 2016. Figure 2.3 depicts the population distribution (number of people) by age group in 2000, 2010 and 2016 and Figure 2.4 documents the numerical shift in each age group over time. The biggest gains in population have been among the 55+ population. Most of this change occurred in the 2000-2010 period. There have also been gains among the 15-24-year-old population, in part due to increased college attendance in the general population. Massachusetts is known nationwide as an attractive place for young people to pursue higher education, and Greater Boston alone is home to more than 50 colleges. Gains of 25-34-year-olds in the period from 2010 to 2016 more than negated losses in the same group between 2000 and 2010.

Figure 2.3: Massachusetts Population Distribution by Age



Source: 2016 1-Year American Community Survey, Table B01001; 2000 Census (SF1), Table DP-1; 2010 Census (SF1), Table DP-1

Figure 2.4: Population Shifts by Age Cohort



Source: 2016 1-Year American Community Survey, Table B01001; 2000 Census (SF1), Table DP-1; 2010 Census (SF1), Table DP-1

As noted earlier in this chapter, Massachusetts has become a more racially and ethnically diverse state over the years, and that is particularly true when looking at the population by age. These shifts in

population by race and ethnicity are presented in **Table 2.19**. Between 2010 and 2016, the non-Hispanic White population under 18 years old decreased by seven percent overall. This population decreased in every region, with the Southeast, Cape and Islands and Central regions seeing between 10 and 54 percent increases in the Black population under 18, the Berkshire and Cape and Islands regions seeing an increase of 32.2 percent each in Asian population under 18, and every region seeing an increase in Hispanic children.

In Suffolk County, the most racially and ethnically diverse part of the state, the racial and ethnic differences between age cohorts are particularly striking. While nearly 59 percent of adults are non-Hispanic White in Suffolk County, only 40 percent of children in the county are non-Hispanic White. These numbers can be attributed in part to the aging and low-fertility rates of that group, coupled with immigration and higher fertility rates of younger Hispanics and other racial and ethnic groups.³⁸

³⁸ Most of the growth in the Hispanic population today is not due to immigration, but to births to existing residents.

Table 2.19: Shifts in Population by Race/Ethnicity: Under 18 vs Over 18

Age Group	Total (Under 18 Years Old)		White, Non-Hispanic		*Black		*Asian		*Other		**Hispanic	
	2016	2010-2016 % Change	2016	2010-2016 % Change	2016	2010-2016 % Change	2016	2010-2016 % Change	2016	2010-2016 % Change	2016	2010-2016 % Change
Under 18 Years Old												
Massachusetts	20.6%	-2.0%	63.9%	-7.0%	9.1%	7.0%	6.2%	9.1%	12.2%	-1.6%	16.8%	10.8%
Berkshire (County)	18.0%	-9.9%	81.1%	-12.6%	3.6%	24.1%	1.8%	32.3%	10.5%	24.5%	7.4%	10.0%
Pioneer Valley	20.4%	-5.0%	57.3%	-10.0%	8.2%	12.0%	2.4%	-8.4%	12.7%	-29.7%	29.1%	4.4%
Central (Worcester County)	22.0%	-4.2%	68.7%	-8.7%	6.1%	10.5%	5.3%	4.0%	9.9%	-7.4%	16.1%	5.6%
Northeast (Essex County)	22.0%	-1.5%	60.6%	-8.7%	5.1%	6.3%	3.8%	0.1%	19.7%	14.6%	28.4%	13.4%
Greater Boston	20.0%	1.0%	58.9%	-4.1%	12.0%	6.1%	10.1%	12.2%	11.7%	2.4%	14.9%	13.8%
Southeast	21.8%	-4.3%	75.0%	-7.9%	8.6%	22.4%	2.0%	5.2%	10.6%	2.6%	9.0%	13.3%
Cape and Islands	16.3%	-7.1%	81.1%	-9.9%	5.0%	54.4%	2.4%	32.3%	7.8%	-19.1%	5.8%	16.6%
18 Years Old and Over												
Massachusetts	79.4%	4.3%	76.3%	1.3%	6.8%	14.7%	6.1%	20.2%	6.1%	0.6%	9.3%	19.5%
Berkshire (County)	82.0%	-0.1%	91.3%	-1.2%	2.4%	3.9%	1.4%	17.9%	3.0%	15.8%	3.3%	18.0%
Pioneer Valley	79.6%	2.7%	75.8%	-0.6%	6.1%	2.9%	2.9%	19.9%	6.1%	-18.2%	14.1%	17.9%
Central (Worcester County)	78.0%	3.8%	81.3%	1.3%	4.4%	20.1%	4.3%	21.4%	4.8%	-2.1%	8.9%	17.2%
Northeast (Essex County)	78.0%	5.0%	76.3%	1.1%	3.7%	13.5%	3.3%	18.6%	10.4%	15.0%	16.1%	20.4%
Greater Boston	80.0%	5.4%	69.9%	1.8%	9.2%	13.9%	10.1%	20.5%	6.1%	0.5%	9.2%	20.2%
Southeast	78.2%	3.6%	85.5%	2.0%	5.7%	26.7%	1.6%	16.2%	5.2%	3.9%	4.3%	19.4%
Cape and Islands	83.7%	1.5%	91.3%	0.6%	2.5%	25.5%	1.1%	25.3%	3.3%	-9.8%	2.4%	21.2%

Source: 2016 5-Year American Community Survey, Table B01001, B01001A, B01001B, B01001C, B01001D, B01001E, B01001F, B01001G, B01001H, B01001I; 2010 Census, Table P12, P12A, P12B, P12C, P12D, P12E, P12F, P12G, P12H, P12I

*Includes those who may identify as Hispanic.

**Includes those who identify as White, Black, Asian, or another race.

Percent of 5-17-year-olds within each region

Fair access to housing is vital for families of all races and ethnicities to be able to live in communities with high-quality schools. While the school-age population overall has been steadily dropping – declining 4.6 percent between 2000 and 2010, and currently down 3.7 percent from 2010 – the population has experienced dramatic shift by race and ethnicity, along with place of residence, as discussed above. The non-Hispanic White population of school age children increased 50 percent in the Berkshire region from 2010 to 2016, while the neighboring Pioneer Valley region saw a nearly 23 percent decrease in the same population. The population of school age Asian children on the Cape and Islands increased close to 35 percent. In Massachusetts overall, the population of school-age Hispanic children increased close to 11 percent, the Asian school-age population increased 11.4 percent, and the Black population of the same age cohort increased just over five percent. These changes in school-age population by race and ethnicity are depicted in **Tables 2.20a and 2.20b** on the following page.

The Massachusetts Metropolitan Council for Educational Opportunity (“METCO”) program, launched in 1966, provides a window into the impact that attending a high quality school system can have on a child’s educational attainment, including post-secondary education. METCO is a state-assisted school-choice desegregation program for students who live in Boston or Springfield to participate in generally affluent communities with high performing schools. **Inset 2.3** describes this successful program.

Table 2.20a: Distribution of School Age Children, 2016

By Region and County	Distribution of School Age Population, 2016							
	Total Population	5-17 Year old % of Total Population	*White	*Black	*Asian	*Other	White not Hispanic or Latino	**Hispanic or Latino
Massachusetts	6,742,143	15.2%	73.5%	8.9%	6.0%	11.6%	65.4%	16.0%
Berkshire (County)	128,563	13.6%	85.1%	3.3%	1.6%	10.0%	82.1%	6.8%
Pioneer Valley	700,023	15.3%	76.9%	8.2%	2.4%	12.5%	58.5%	28.4%
Franklin County	70,916	13.8%	89.3%	2.5%	1.7%	6.4%	85.6%	6.7%
Hampden County	468,072	16.7%	73.0%	10.1%	2.2%	14.7%	49.6%	35.9%
Hampshire County	161,035	11.9%	86.4%	3.0%	3.9%	6.7%	80.4%	8.7%
Central (Worcester County)	813,589	16.5%	79.6%	5.7%	5.2%	9.5%	69.8%	15.6%
Northeast (Essex County)	769,362	16.4%	73.0%	4.6%	3.8%	18.5%	62.7%	26.6%
Boston	3,026,547	14.4%	67.1%	12.0%	9.9%	11.0%	60.3%	14.2%
Middlesex County	1,567,610	15.0%	73.9%	6.0%	11.0%	9.2%	68.1%	10.1%
Norfolk County	691,218	16.3%	76.9%	7.0%	9.9%	6.2%	73.7%	5.1%
Suffolk County	767,719	11.7%	37.1%	34.1%	6.9%	21.9%	23.2%	36.0%
Southeast	1,061,525	16.5%	79.9%	8.0%	2.0%	10.1%	76.4%	8.3%
Plymouth County	506,657	17.2%	80.2%	11.2%	1.0%	7.6%	77.7%	4.8%
Bristol County	554,868	15.9%	79.5%	4.9%	2.9%	12.6%	75.0%	11.8%
Cape and Islands	242,534	12.4%	85.2%	5.4%	2.6%	6.9%	82.4%	4.9%
Barnstable County	214,703	12.2%	85.9%	5.0%	2.8%	6.3%	83.4%	4.6%
Nantucket County	10,694	14.8%	79.6%	13.1%	0.8%	6.5%	69.9%	12.1%
Dukes County	17,137	14.2%	81.3%	4.1%	0.8%	13.8%	79.9%	3.2%

*Includes those who may identify as Hispanic

**Includes those who identify as White, Black, Asian, or another race.

Table 2.20b: Percent Change, Distribution of School Age Children by Race and Ethnicity, 2010 – 2016

By Region and County	% Change, Distribution of School Age Children, 2010-2016						
	Total (5-17)	*White	*Black	*Asian	*Other	White not Hispanic	**Hispanic
Massachusetts	-2.4%	-4.5%	5.1%	11.4%	0.0%	2.4%	10.9%
Berkshire (County)	-10.3%	-13.2%	-30.1%	18.3%	34.6%	50.1%	11.2%
Pioneer Valley	-5.7%	-0.1%	-11.8%	-7.4%	-27.1%	-22.7%	6.2%
Franklin County	-8.3%	-9.2%	61.8%	-2.9%	-12.6%	-4.7%	8.4%
Hampden County	-5.1%	3.7%	-14.3%	-10.1%	-28.9%	-25.1%	6.4%
Hampshire County	-6.8%	-6.8%	11.4%	-1.7%	-15.2%	-9.0%	1.6%
Central (Worcester County)	-4.3%	-5.8%	9.1%	7.1%	-3.6%	0.7%	8.6%
Northeast (Essex County)	-2.1%	-5.5%	-0.8%	2.5%	12.9%	15.3%	11.6%
Boston	0.3%	-2.8%	4.8%	14.8%	3.6%	3.3%	12.7%
Middlesex County	0.0%	-3.4%	9.5%	16.0%	7.4%	7.3%	14.3%
Norfolk County	-1.6%	-5.0%	2.9%	17.1%	13.8%	15.6%	16.5%
Suffolk County	3.5%	7.5%	3.3%	6.4%	-3.1%	-6.4%	11.0%
Southeast	-3.9%	-7.0%	17.5%	6.0%	7.5%	11.9%	15.4%
Plymouth County	-4.4%	-6.1%	21.9%	-24.8%	-11.9%	-7.9%	7.8%
Bristol County	-3.4%	-8.0%	8.9%	23.7%	23.8%	28.1%	18.8%
Cape and Islands	-6.2%	-8.3%	75.3%	34.8%	-22.0%	-16.8%	9.7%
Barnstable County	-8.1%	-9.9%	80.2%	40.3%	-27.7%	-21.3%	9.2%
Nantucket County	11.3%	7.3%	62.5%	-23.5%	-1.0%	-11.0%	35.2%
Dukes County	5.8%	3.5%	47.1%	-32.1%	14.8%	8.5%	-21.4%

*Includes those who may identify as Hispanic

**Includes those who identify as White, Black, Asian, or another race.

Sources: 2016 5-Year American Community Survey, Table B01001, B01001A, B01001B, B01001C, B01001D, B01001E, B01001F, B01001G, B010010H, B01001I; 2010 Census, Table P12, P12A, P12B, P12C, P12D, P12E, P12F, P12G, P12H, P12I

Inset 2.3: METCO: A Regional Approach to School Desegregation

The Commonwealth's METCO (Metropolitan Council for Educational Opportunity) program was founded in 1966 to increase racial/ethnic diversity and reduce racial isolation in Massachusetts' public schools. It is the second oldest inter-district and voluntary school assignment program in the nation. METCO's mission is to provide students from the Boston and Springfield Public schools (BPS and SPS) with access to enriching educational and extracurricular opportunities in participating school districts that will enhance their academic, personal, and interpersonal growth.

During the 2016-2017 school year, 3,216 students from the BPS and SPS are enrolled in the METCO program. They attend schools in 37 school districts across Massachusetts. The receiving districts, which received state-funded grants totaling over \$19 million, are as follows: Arlington; Bedford; Belmont; Braintree; Brookline; Cohasset; Concord; Concord-Carlisle; Dover; Sherborn; East Longmeadow; Foxboro; Hampden; Wilbraham; Hingham; Lexington; Lincoln; Lincoln Sudbury; Longmeadow; Lynnfield; Marblehead; Melrose; Natick; Needham; Newton; Reading; Scituate; Sharon; Sudbury; Southwick Tolland; Swampscott; Wakefield; Walpole; Wayland; Wellesley; Weston; and Westwood. Most of the METCO students come from the Boston Public Schools, a system that is 14 percent White, and enroll in systems that are more than 90 percent White. During the 2016-2017 school year, 70 percent of the participating students were Black, 22 percent were Hispanic, 5 percent were Multi-Racial, and 3 percent were Asian.

Children who participate in METCO have consistently shown higher levels of reading, math, and language arts proficiency than their peers who remain in Boston and Springfield, performing at levels that approach or exceed statewide averages. Ninety-nine percent of METCO students graduate from high school, compared to 88 percent of pupils statewide and 72 percent of the students in Boston. The METCO dropout rate, which was 2.9 percent in 2009, is 70 percent lower than the 2009 statewide average of 9.3 percent.

- In its 2013 Report to the State Legislature, the Massachusetts Executive Office of Education concluded that "the METCO program is having positive impact on students' postsecondary aspirations, their four-year high school graduation rates, and their enrollment rates in public and independent institutions of higher education."
- For each year since 2006, the aggregate four-year graduation rate of METCO students has surpassed 94%, and has also consistently exceeded or equaled the graduation rates of their peers in sending and receiving school districts.
- For each year since 2006, the percentage of METCO students who indicated their intent to pursue postsecondary educational opportunities exceeded the average percentage for all high school students in Massachusetts as well as the percentages in the BPS and the SPS.
- Greater percentages of METCO students have enrolled in out-of-state public and independent colleges and universities than their peers in the BPS and the SPS, and more METCO students have enrolled in independent institutions of higher education in Massachusetts than their peers in both sending and receiving districts.

Source: Commonwealth of Massachusetts Executive Office of Education, METCO Report to the Massachusetts State Legislature, January, 2013

Labor Force, Jobs and Transportation

The composition of the labor force, including the age, education and training of workers, the participation rate, and commuting patterns are all factors that determine economic opportunity and inform housing patterns. HUD's Affirmatively Furthering Fair Housing rule (AFFH) specifically identifies job proximity, labor market and transportation as three of the factors that must be analyzed when assessing barriers to fair housing. These factors may differ across protected classes like race, ethnicity or disability status, and understanding that variability is crucial to providing fair housing for all. This section explores how those factors differ across the state's major racial/ethnic groups.³⁹

Educational Attainment by Race/Ethnicity

Previous studies have found that lower levels of educational attainment are linked with lower salaries, lower levels of job participation and higher unemployment.⁴⁰ White and Asian populations have much higher educational attainment than Black or Hispanic populations in Massachusetts. In fact, the educational attainment of non-Hispanic White and Asian people has increased substantially since 2011.⁴¹ In contrast, fewer than one in three of the state's Black residents, and one in five Hispanic residents, has a Bachelor's degree or higher, and those rates have not substantively changed since 2011 (**Table 2.21**).

Educational attainment was previously discussed by nationality in **Table 2.16**, which showed that the foreign-born population has higher shares than the native-born population both of people with no high school diploma, and also of people with a graduate or professional degree. This is related to the fact that more recent immigrants have tended to have higher levels of education than in the past. Although nativity is not a proxy for race, differences in educational attainment by race can be better understood by including an analysis of the foreign-born population, while also noting that the native- and foreign-born populations differ in average age, which is also a factor in levels of educational attainment by racial/ethnic group.

Commute by Race/Ethnicity

Workers of color are more likely to use public transportation, carpool, or walk to work than White workers. This partially reflects the concentration of people of color in large urban areas in the state. Communities such as Boston, Springfield, Lynn or Lowell have more public transit options than do the predominantly White rural and suburban parts of the state. Urban areas typically are more densely populated, making walking or sharing a vehicle with neighbors/coworkers a more viable option. These commuting habits are also a function of socioeconomic status, with Black and Hispanic individuals in

³⁹ How they may affect residents with various disabling conditions compared to those with no such conditions is addressed in the section "Characteristics of Massachusetts Residents with Disabilities."

⁴⁰ For a table illustrating this point with wages, see the BLS-created figure *Unemployment rates and earnings by educational attainment*, <https://www.bls.gov/emp/chart-unemployment-earnings-education.htm>

⁴¹ However, there is great variation among Asian subgroups in educational attainment, addressed elsewhere in this report.

particular having lower incomes on average, which may make public transportation options a more affordable option than owning a vehicle (Table 2.22).

Table 2.21: Educational Attainment by Race/Ethnicity

	Population Group	Total Population	White, Not Hispanic	Black	Asian	Hispanic
EDUCATIONAL ATTAINMENT	Population 25 years and over	4,727,515	3,608,559	316,115	294,451	430,798
	Less than high school diploma	9.6%	6.1%	15.0%	14.9%	30.7%
	High school graduate (including GED)	24.5%	24.2%	30.7%	13.7%	29.1%
	Some college or associate degree	23.2%	23.7%	29.4%	12.2%	22.2%
	Bachelor's degree	23.8%	26.0%	15.7%	25.4%	10.8%
	Graduate or professional degree	19.0%	20.1%	9.3%	33.8%	7.2%

Source: 2016 1-year American Community Survey, Tables B15002, B15002B, B15002D, B15002H, B15002I

Table 2.22: Commuting Patterns by Race/Ethnicity

	Population Group	Total Population	White, Not Hispanic	Black	Asian	Hispanic
COMMUTING	Workers 16 years and over	3,399,796	2,608,312	224,865	207,008	304,384
	Car, truck, or van - drove alone	71.1%	75.2%	60.3%	55.6%	55.9%
	Car, truck, or van - carpooled	7.5%	6.4%	8.8%	11.3%	12.9%
	Public transportation (except taxicab)	9.9%	7.5%	20.7%	18.8%	17.2%
	Walked	4.9%	4.2%	5.9%	8.4%	7.0%
	Other Means	1.9%	1.7%	1.9%	2.1%	3.4%
	Worked at home	4.7%	5.1%	2.4%	3.8%	3.6%

Source: 2016 1-year American Community Survey, Tables B08105B, B08105D, B08105H, B08105I, B08101, B15002, B15002B, B15002D, B15002H, B15002I

Labor Force Participation, Employment and Unemployment by Race/Ethnicity

The civilian labor force⁴² is made up of all individuals who are either working or currently seeking employment. **Table 2.23** shows the labor force participation rate and unemployment rates vary dramatically by race and age. The unemployment rate of workers of color is greater than that of White workers for most combinations of age and race. A key exception is for ‘prime-age’ workers (ages 24 to 54), where Asians have slightly lower unemployment rates than Whites.⁴³

There are notable discrepancies between the unemployment rates of Black and Hispanic workers, respectively, compared with that of White workers. The unemployment rate for Black workers between

⁴² All non-military members of the labor force, which in Massachusetts comprises the large majority of workers.

⁴³ Note, however, while within the broader Asian group for which data are available the picture is overall strong, variation across Asian subgroups is highly pronounced—for more on this subject, see inset, prior, and Pew’s report at: <http://www.pewsocialtrends.org/2018/07/12/income-inequality-in-the-u-s-is-rising-most-rapidly-among-asians>

the ages of 16 and 54 is twice that of the White population. Similarly, Hispanics between 16 and 24 are unemployed at twice the rate of Whites while Hispanics between 25 and 54 are unemployed at just under twice the rate of Whites. In the population of older workers ages 55 to 69 years old, the Hispanic and Black populations are unemployed at approximately 1.5 times the rate of the White population.

These data identify differences but do not provide reasons for unemployment, such as employment discrimination, disparities in job opportunities and/or educational attainment, or other life circumstances such as providing family care, legal work status, etc.

Table 2.23: Labor Force Participation, Employment and Unemployment by Race/Ethnicity

		White	Black	Black vs White Rate	Asian	Asian vs White Rate	Hispanic	Hispanic vs White Rate
16-24 years	In Civilian Labor Force	64.3%	62.8%	0.98	45.7%	0.71	59.4%	0.92
	Employed (in civilian labor force)	90.7%	80.5%	0.89	86.4%	0.95	82.2%	0.91
	Unemployed (in civilian labor force)	9.3%	19.5%	2.10	13.6%	1.47	17.8%	1.92
25-54 years	In Civilian Labor Force	86.8%	83.7%	0.96	81.6%	0.94	79.5%	0.92
	Employed (in civilian labor force)	96.3%	91.9%	0.95	97.0%	1.01	93.2%	0.97
	Unemployed (in civilian labor force)	3.7%	8.1%	2.16	3.0%	0.80	6.8%	1.84
55-69 years	In Civilian Labor Force	64.5%	61.3%	0.95	56.5%	0.88	47.2%	0.73
	Employed (in civilian labor force)	96.4%	94.4%	0.98	95.2%	0.99	94.9%	0.98
	Unemployed (in civilian labor force)	3.6%	5.6%	1.57	4.8%	1.33	5.1%	1.42
70+ years	In Civilian Labor Force	51.1%	59.9%	1.17	55.7%	1.09	58.2%	1.14
	Employed (in civilian labor force)	26.6%	18.3%	0.69	14.4%	0.54	11.4%	0.43
	Unemployed (in civilian labor force)	0.9%	0.1%	0.09	1.2%	1.28	0.8%	0.89
Under 55 Years	Male Population in Armed Services	0.2%	0.4%	2.39	0.1%	0.56	0.1%	0.71
	Female Population in Armed Services	0.0%	0.1%	7.44	0.0%	0.00	0.0%	0.56

Source: American Community Survey 1-year data, Tables B23002B, B23002D, B23002H, B23002I

Employment and Recession

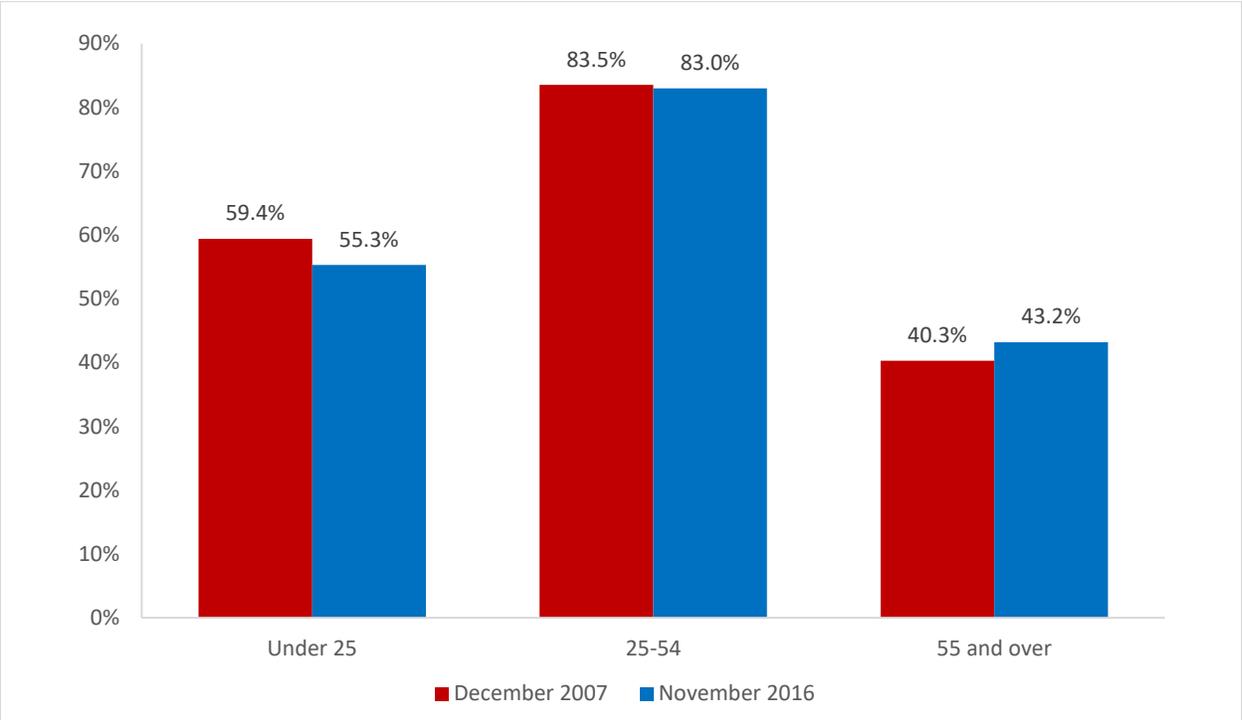
Labor force participation rates (LFPR) have nearly returned to their pre-recession levels.⁴⁴ This is a notable sign of recovery as declines in LFPRs suggest a shrinking labor pool. During down economic times, unemployed workers often become discouraged and leave the labor force, either by ceasing to actively look for work, or by going back to school. Since unemployment benefits are time-limited, if a worker fails to find a job within that the benefit period, it lowers the labor force participation rate.

Those over age 55 in particular are more likely to be in the labor force now than they were in 2007. For older workers who would normally retire, continuing to work may be a result of the need to recoup economic losses suffered during the recession, the shrinking of social safety net programs, or preferences or needs of some in the large Baby Boomer generation to continue to work past conventional retirement age. It may also indicate older workers remaining in occupations where younger workers are unavailable or inexperienced (**Figure 2.5**).

With the rate for workers under age 25 remaining below 2007 levels by several points, there may be a shortage of entry level workers as more young people choose to continue education beyond high school and college. Workers over the age of 55 may not always have the degrees or the advanced skills for certain positions, but their experience can be an adequate substitute in roles that may normally be occupied by those with more advanced credentials just starting their careers.

⁴⁴ According to the U.S. National Bureau of Economic Research (the official arbiter of U.S. recessions) the recession began in December 2007 and ended in June 2009. Source: New England Partnership (NEEP), January 2017 Revised Massachusetts Forecast.

Figure 2.5: Employment Pre- and Post-Recession by Educational Attainment and Age



Source: New England Partnership (NEEP), January 2017 Revised Massachusetts Forecast

Income and Poverty

The 2013 AI noted that Massachusetts families and individuals did not fare well financially during the first decade of the new millennium. Real incomes fell, poverty rates rose, and housing affordability problems worsened. Most indicators of economic distress have shown some improvement since then, but affordability is still a greater problem now than it was in 2000. This section explores how differences in household type, tenure, race, ethnicity, and age affect income and poverty. Poverty statistics are based on the federal poverty line (\$16,020 for a two-person household in 2016), which is a lower income threshold than may be considered livable in Massachusetts, where the cost of living is consistently ranked one of the highest in the country. Poverty is explored more fully in Section 4.

Overview

Income inequality reveals itself in many ways. Massachusetts renters report incomes of less than half those of homeowners; inequality by race and ethnicity is stark and persistent. White households report a median income of more than double Hispanic households and nearly double that of Black households, and the gap has not lessened in any meaningful way in the past 16 years. Disparities in income and poverty by household type compound disparities by sex, race and ethnicity. Single female householders report the lowest income of all household types, and Black and Hispanic households headed by single females report the highest rates of poverty of all household types by race, significantly higher, even, than their White and Asian counterparts in the same category. More than 692,000 Massachusetts residents, 10.4 percent of the population, were living in poverty in 2017, which is down from the 2013 peak when more than 770,000 people (11.9%) lived in poverty. It is difficult to make specific assessments from broad statistics of poverty, however, as incidence of poverty varies widely by race and ethnicity.

Income and Wealth for Families, Households, Rental Households and Owned Households

Household type and tenure affect economic well-being. Families generally fare better than households⁴⁵, and homeowners fare better than renters. The relatively better condition of families is often due to the fact that they have more wage earners.

The 2008-2009 recession⁴⁶ reduced or stagnated the incomes of households and families. For state residents collectively, and particularly for homeowners, both have since recovered, although the extent of recovery varies widely by region, community type and race/ethnicity. By 2016, median family income (in inflation-adjusted dollars) was up by 11 percent over the 2000 level, and median household income

⁴⁵ The Census Bureau defines households as one or more persons living in the same dwelling who may or may not be related, and defines a family as two or more members who live in the same home and are related by birth, marriage, or adoption.

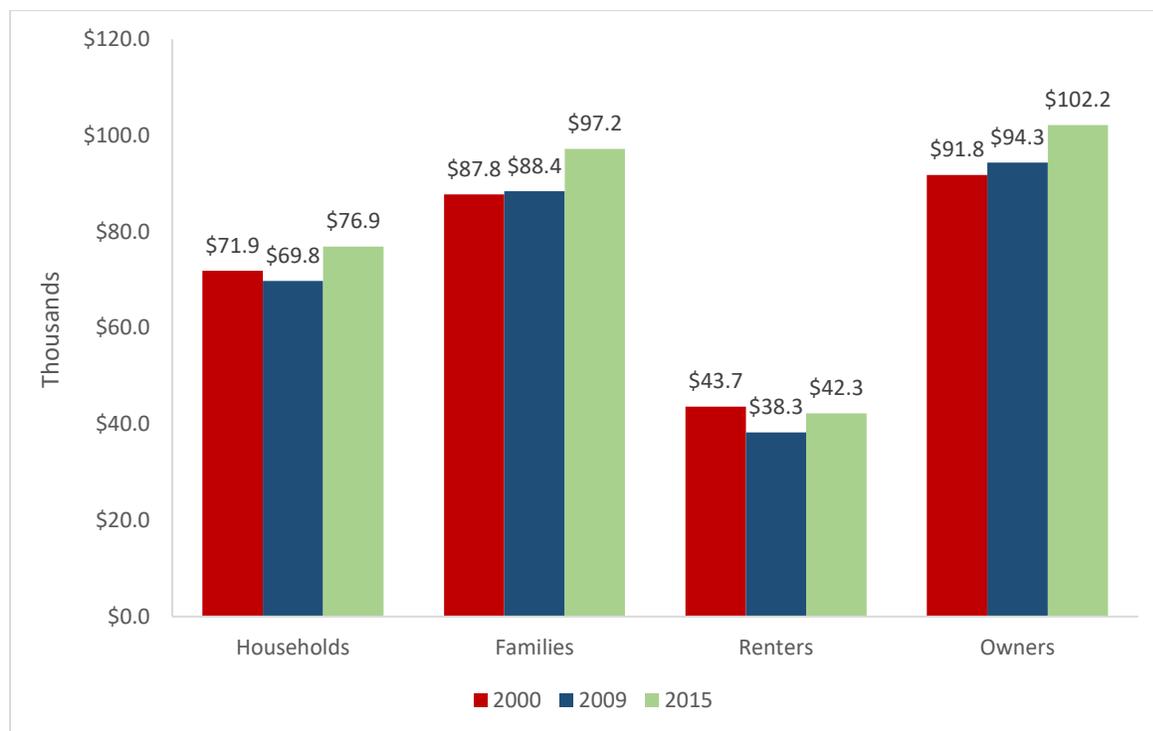
⁴⁶ Recessions are periods where GDP growth rate is negative for two consecutive quarters or more. Dr. Alan Clayton-Matthews of Northeastern University, who assesses state GDP growth for Massachusetts using a Current Index, defines the dates of the latest two recessions in Massachusetts as January 2001 to February 2003 and April 2008 to July 2009. National Bureau of Economic Research dates these recessions *nationwide* as March 2001 to November 2001 and December 2007 to June, 2009.

was up by 7 percent. Renters, however, have not benefitted from the economic recovery to the same extent as homeowners. The median renter income dropped by more than 12 percent between 2000 and 2009, and it remains 3 percent below the level it was in 2000 (adjusted for inflation).

As a result, the income gap between households that rent their homes and those who own them has grown. In 2000, renters earned 48 percent of what owners did. With the median owner income having risen by 11 percent since 2000, the gap between the two groups has grown; renters now earn just 42 percent of what owners do. These shifts are depicted in **Figure 2.6**.

The gap between the people who own their own residences and those who rent is likely to persist, if not worsen, as rising housing costs are likely to negate any income growth for renters. Young adults, both college students and those early in their careers, are more likely to be renters, and living in non-family households in general. Purchasing a home also requires a level of savings that people with lower incomes are unable to achieve.

Figure 2.6: Median Family, Household Income and Median Income by Tenure (2017 dollars)



Source: 2000 U.S. Census Bureau Decennial Census, 2010 and 2016 5-Year American Community Surveys, Tables S1903, B25119 Income is shown in 2017 dollars, using the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)

While homeowners may have escaped the recession unscathed from an income perspective, many Massachusetts current and former homeowners have seen their wealth diminish, post-recession. The impact of the recession on household wealth has varied widely both by geography and by race/ethnicity.

In the Greater Boston region – Boston and its close-in suburbs, in particular – home prices have soared past their pre-recession peaks, giving those who already owned their homes there a boost in wealth due to the increase in the value of their homes. Many who previously owned homes in these rapidly appreciating markets, but lost them through foreclosure as a result of the subprime fiasco, are now locked out of ownership in the communities where they once lived. Black and Hispanic populations are disproportionately represented in this category. In some other parts of the state, home values have yet to return to their 2005 levels, with current homeowners continuing to experience a loss of wealth due to the continuing depressed values of their homes. These communities also were disproportionately affected by the foreclosure crisis of the 2008-2009 recession, and continue to be impacted by a high volume of foreclosed and abandoned property.⁴⁷

⁴⁷ See B. Heudorfer, North Central Massachusetts Regional Housing Opportunity: What are the Needs? What are the Challenges? Where are the Opportunities? (October, 2016)

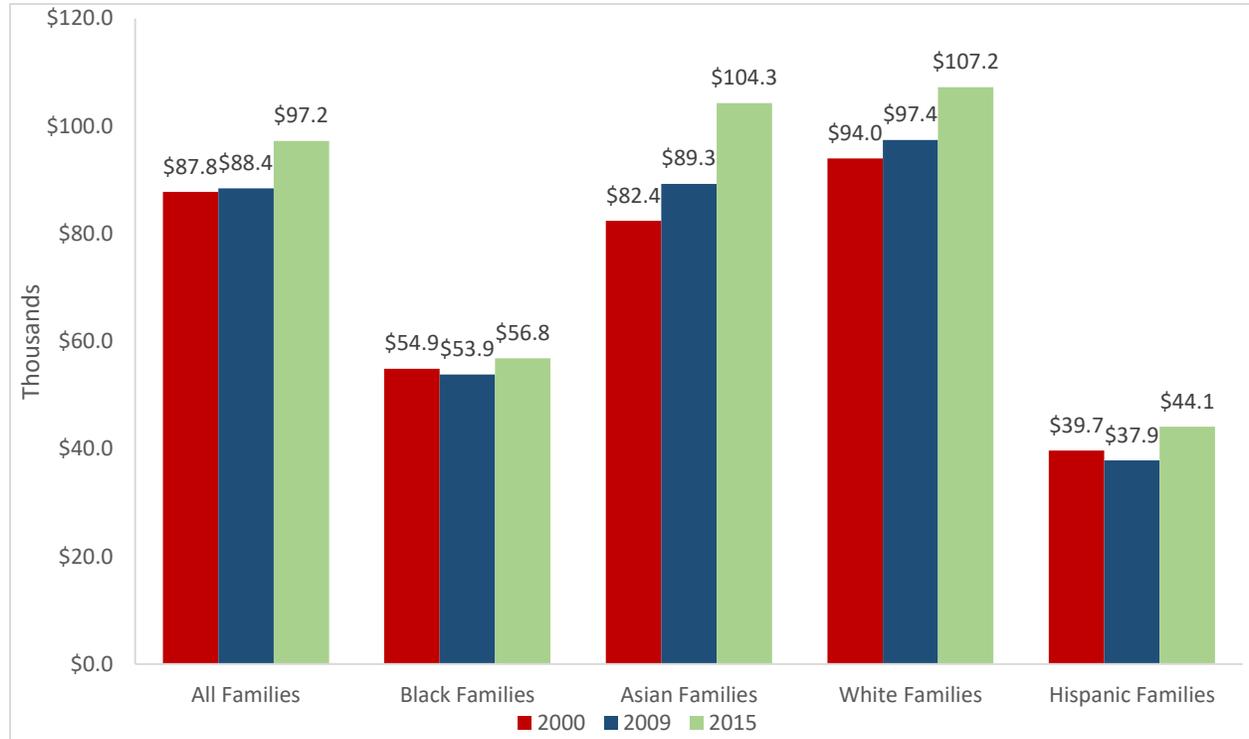
The result of both market conditions is a growing wealth divide. The impact of housing market volatility, especially on communities of color, is discussed in subsequent sections.

Family Income by Race/Ethnicity

As a group, Asian families saw their incomes rise by nearly 27 percent from 2000 to 2015. White families also experienced significant gains, with their incomes rising by 14 percent in that same period. Black and Hispanic families have not shared the same strong earnings growth. Black families' income rose by less than 4 percent from 2000 to 2015. Hispanic families have had slightly more success, experiencing an 11 percent growth in income, although that growth is still only a third of the income growth for White and Asian families (Figure 2.7).

There are identifiable and growing differences in income and other socioeconomic measures within each of the major racial and ethnic groups discussed in this AI, but in no racial group are these differences more pronounced than among the state's Asian population. There is substantial variation in income, education and employment among the diverse Asian subpopulations, often associated with the year of entry and country of origin, if foreign born, or ancestry if native born. Because of these differences, it may appear that all Asians are faring better in terms of educational or economic attainment than is the case. This issue is discussed in greater detail in Section 3.

Figure 2.7: Median Family Income by Race/Ethnicity (2017 dollars)



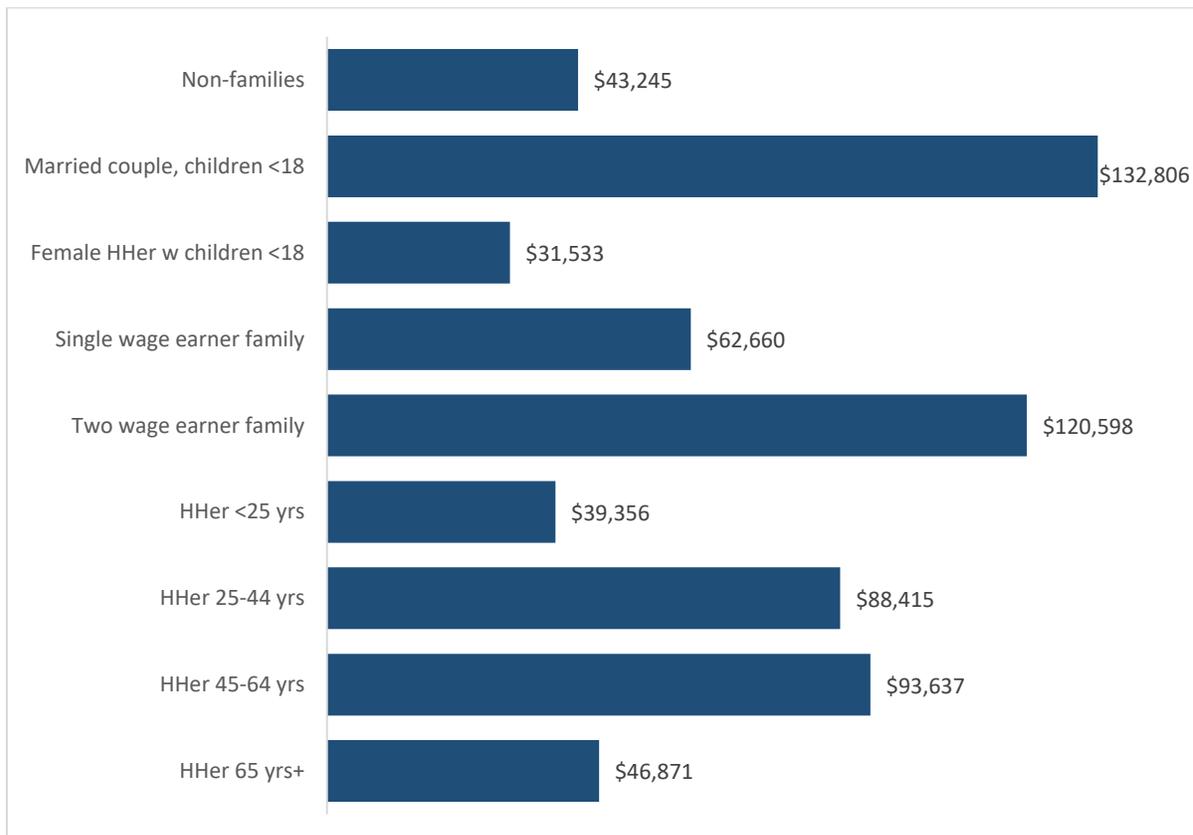
Source: 2000 Census SF3, Tables P077; P155B, P155D, P155H, P155I; 2010 & 2016 1-year ACS, Tables B19113; B19113B; B19113D; B19113H; B19113I

Notes: Excludes non-family households. Income is shown in 2017 dollars, using the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)

Household Composition and Income

Economic well-being varies dramatically by household and family composition. Married couples and two-wage earner families have the highest incomes, earning a median income of at least \$120,000 per year in 2016. As shown in **Figure 2.8**, while the median single-wage earner family makes half that of its two-earner counterpart, single-wage earners who are single women with children earn even less. Single mother families earn half of what all single wage earners make. Being a single mother can severely hamper income as working opportunities, hours, education and extra training may be difficult to assume while caring for a child. Additionally, the wage disparities between men and women and occupational differences may also impact the lower earnings that single mothers report.

Figure 2.8: Median Income by Household Type and Householder Age, 2016



Source: 2016 5-Year American Community Surveys, Tables B19049, B19121, B19126, B19202

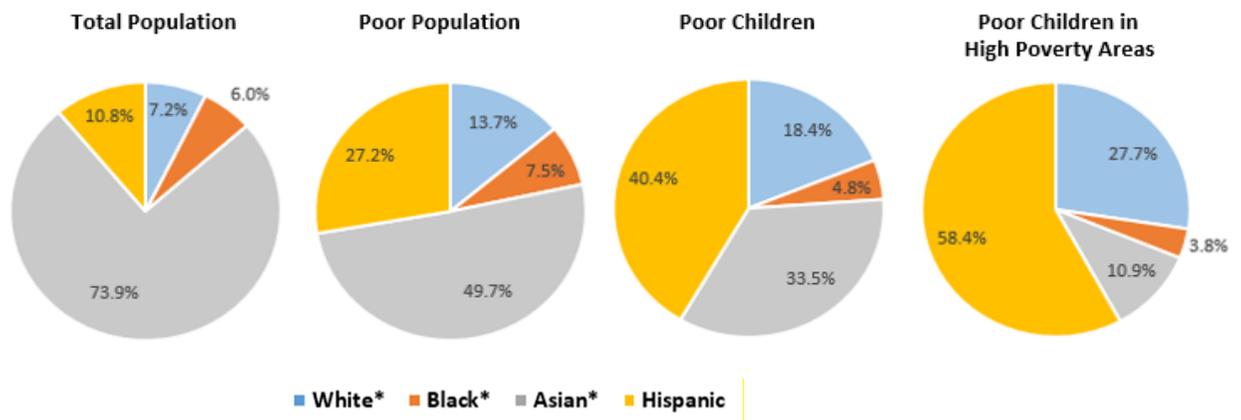
Poverty

In 2017,⁴⁸ more than 11 percent of the state’s residents were living in poverty.⁴⁹ Most, about 60 percent, were non-elderly adults. Children made up 27 percent of the state’s poverty population, while 13 percent were elderly. The number of people living in poverty fluctuates as economic and demographic conditions change, but the poverty rate among children typically exceeds that of either the adult working age population or seniors (65 and over). Seniors represent the smallest share of the state’s poverty population, and the lowest poverty rate, but their share is growing with the aging of the baby boom cohort.

There is great disparity among the state’s major racial and ethnic groups, both in the incidence of poverty and in the concentration of poverty. Poverty is considered concentrated in areas where a high percentage of all residents are in poverty, as **Figure 2.9** illustrates. Where people living below the poverty threshold live, and how that differs by racial and ethnic group is discussed in greater detail in Sections 4, 5 and 6. This section focuses on the characteristics of families and individuals who live below the poverty line, regardless of where they live.

Figure 2.9: Poverty Population Shares by Race/Ethnicity

Racial/Ethnic Group’s Share of...



Poverty by Age, Race and Ethnicity

The incidence of poverty varies widely among racial and ethnic groups. The poverty rate of the White population in 2017 was 6.8 percent. The Asian and Black populations were more than twice as likely to

⁴⁸ Note: The 2016 1-Year American Community Survey (ACS) and the 2017 One-Year ACS, released as the preparation of this AI was wrapping up, documented the continuing decline in poverty rates across household types, age groups and racial/ethnic groups. Those most recent data sources were used in Section 4 and are reflected in these opening paragraphs.

⁴⁹ The poverty threshold is the dollar amount considered to be the minimum level of resources necessary to meet the basic needs of an individual or family unit, and each year the Census Bureau calculates these thresholds to measure how many people in the U.S. have incomes insufficient to meet their basic needs. If a family’s annual before-tax income is less than the threshold for their family size and type, all individuals in the family are considered to be poor, or living in poverty. The poverty thresholds vary by the number and age of adults and the number of children under age 18 in the family unit, but they are the same for all states.

be poor (15.7% and 17.9%, respectively) and Hispanics more than three times (25.2%). Poverty rates for all four groups have declined since the last AI was undertaken, when the rate for the White population was 8 percent; for the Asian population, 16 percent; for the Black population, 23.4 percent; and the Hispanic population, 30.9 percent (2012). The White population has the lowest rate of poverty, but because they constitute such a large share of the state’s population, they account for nearly half of the poverty population (**Table 2.24**).

Despite being a smaller share of the total population, in most age groups there are significantly more Black and Hispanic individuals in poverty than Whites. Seventeen percent of Whites living below the poverty line are children and 18 percent are seniors; among Hispanic residents, children account for 40 percent of the poverty population while fewer than 8 percent are seniors. The result is that two-thirds of the state’s poor children are people of color, while almost two-thirds of poor elderly residents are Whites.

Differences in poverty rates by race and ethnicity, particularly between White and Asian children and Black and Hispanic children is particularly stark when looking at children under age five.

Asians in each age group have somewhat higher poverty rates than Whites at the same ages. Yet poverty rates are very high for the Asian population 65 years and over, exceeding the poverty rates of the Black population in the same age groups. The complexity of the demographic and socioeconomic profile of Asians as a racial group is being studied nationally.⁵⁰

Table 2.24: Population Living in Poverty by Age and Race/Ethnicity

Age	Below Poverty				Poverty Rate				Ratio to Non-Hispanic White			
	Black	Asian	Hispanic	White	Black	Asian	Hispanic	White	Black	Asian	Hispanic	White
Total Below Poverty Level	99,843	57,446	199,099	319,911	20.6%	13.7%	26.5%	6.7%	3.08	2.05	3.95	1.00
Under 5 years	11,353	2,806	24,447	15,127	48.0%*	11.7%*	47.3	7.8%	7.40	2.11	10.27	1.00
5 to 11 years	13,827	2,354	33,097	21,051	27.9%	6.5%	36.9%	6.7%	6.47	1.27	9.99	1.00
12 to 17 years	11,196	3,311	22,170	18,085	26.0%	11.0%	28.2%	5.7%	6.10	2.09	7.79	1.00
18 to 24 years	11,367	15,223	25,212	41,182	22.1%	43.9%*	28.6%	11.2%	2.72	4.21	3.89	1.00
25 to 64 years	43,628	26,071	79,263	167,553	16.7%	10.3%	20.9%	6.3%	2.57	1.77	3.01	1.00
65 years and over	8,472	7,681	14,910	56,913	18.4%	20.1%	34.5%*	6.3%	1.47	1.54	1.66	1.00

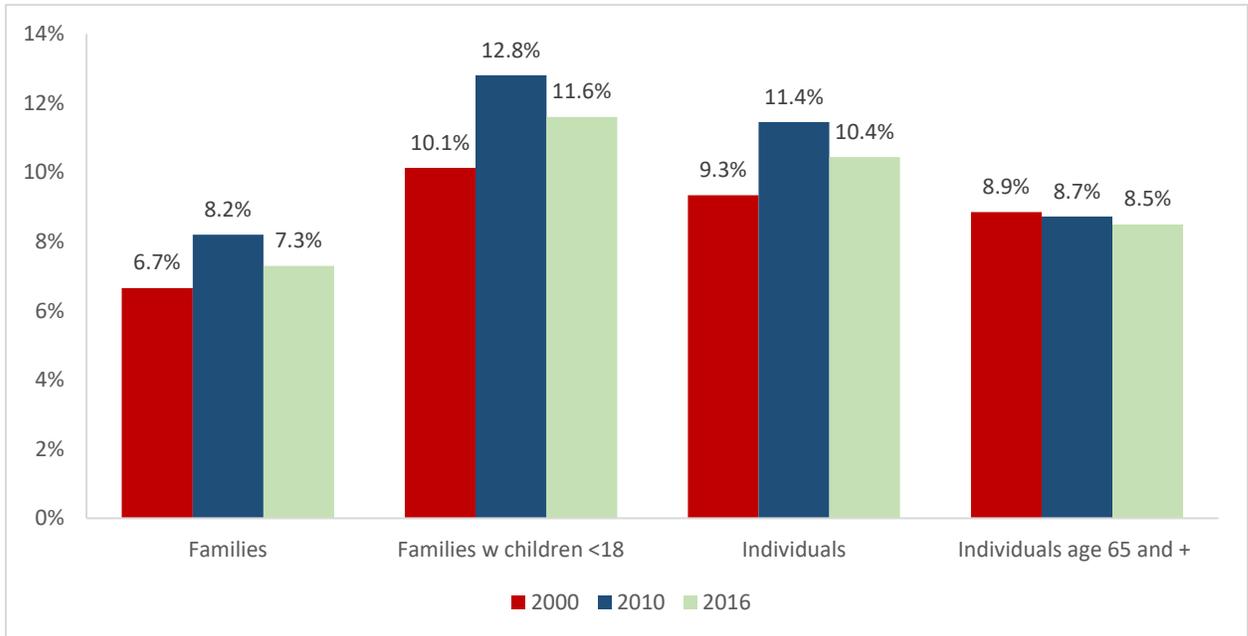
Source: 2016 1-year ACS, Tables B17001B, B17001D, B17001H, B17001I

⁵⁰ See *Income Inequality in the U.S. Is Rising Most Rapidly Among Asians: Asians displace blacks as the most economically divided group in the U.S.*, July 12, 2018. <http://www.pewsocialtrends.org/2018/07/12/income-inequality-in-the-u-s-is-rising-most-rapidly-among-asians/>.

Poverty by Household Type

Poverty rates in 2016 were down from their post-recession peaks, but they remain above their 2000 levels for all household types except individuals age 65 or over. Families with children experienced the greatest increase in poverty of all household types, followed by individuals younger than 65 (Figure 2.10).

Figure 2.10: Poverty Rates by Household Type



Source: 2000 Census SF3, Tables QT-P35, P087; 2010 & 2016 1-year ACS, Tables S1702 & S1703

Family Status and Poverty

Family status is an important determinant of childhood poverty. Fewer than four percent of married households with children in Massachusetts live in poverty, compared to 33 percent of female-headed households with children and no partner present. This translates into notable disparities across racial/ethnic groups, as **Table 2.25** illustrates. Fewer than 12 percent of Asian and 20 percent of White families with children are headed by a single female, compared to more than half of Hispanic and Black families.

Table 2.25: Poverty Status by Family Type

Family Type by Racial/ Ethnic Group	Total	White*	Hispanic	Black	Asian
All Families with Children <18	760,260	527,203	102,588	65,023	54,034
Married Couple Share	67.4%	74.5%	39.9%	40.2%	84.1%
Single Mother Share	25.8%	19.5%	50.0%	50.3%	11.7%
All Families with Children <18, income below poverty level	97,650	40,576	33,608	16,594	5,376
Married Couple Share	19.8%	21.8%	15.1%	12.5%	56.7%
Single Mother Share	70.7%	67.7%	76.1%	78.2%	38.9%
Poverty Rate, All Families with Children <18	12.8%	7.7%	32.8%	25.5%	9.9%
Married Couple Families with Children	3.8%	2.3%	12.4%	7.9%	6.7%
Single Mother Families with Children	35.2%	26.7%	49.8%	39.7%	32.9%
Single Mother Poverty Rate : Married Couple Poverty Rate	9.3	11.8	4.0	5.0	4.9

Source: 2016 5-Yr ACS, Table B17010B,D,H,I

*Non-Hispanic

Characteristics of Massachusetts Residents with Disabilities

People with disabilities often face challenges in finding affordable, accessible housing, and across the country, the need for such housing far outpaces the supply.⁵¹ In Massachusetts, the share of people with a disability increased slightly, from 10.8 percent of the population in 2010, to 11.7 percent of the population in 2016, according to the ACS⁵². As the Baby Boom generation continues to age, the number of people with disabilities is also expected to increase. As noted previously, the Commonwealth just completed an update of its Olmstead Plan, which will be an important complement to this AI. Highlights of that plan are shown in **Inset 2.4**.

People with disabilities who are in the workforce often face employment discrimination, or may work part time instead of full time. Nationally, the unemployment rate for people with a disability was 10.5 percent in 2016, as compared to 4.6 percent of people without a disability. In Massachusetts, more than half of people with disabilities do not participate in the labor force; this may be because they are older and have retired, or are unable to or choose not to participate in the labor force.

Residents with disabilities face particular challenges in finding affordable housing that is also accessible in communities with good opportunities for transit, employment, social services, and more. As with other protected classes, it is difficult to speak broadly about people with disabilities, as their needs and circumstances may vary greatly. This section looks at certain demographic characteristics of Massachusetts residents with disabilities, including by age and race, labor force participation, income, and poverty status. Information on disparate housing problems of people with a disabling condition as well as disparities among racial and ethnic groups and household types is included in Section 6.

Inset 2.4: The 2018 Massachusetts Olmstead Plan

⁵¹ Harvard University Joint Center for Housing Studies, 2013. http://www.jchs.harvard.edu/sites/default/files/w13-5_liebermann.pdf.

⁵² As noted later in this Section, the ACS defines disability differently (and more narrowly) than does the Fair Housing Act and other fair housing laws, but the ACS data remains the best current source of information relating to persons with disabilities.

In 1999, the U.S. Supreme Court ruled in *Olmstead v. L.C.* that the unjust institutional isolation of people with disabilities is prohibited, and that public entities are required to provide community-based services, and not institutionally-based services whenever possible, taking into account the needs of the individual, the needs of others with disabilities, and the resources available to the public entity.

Massachusetts created a comprehensive plan, known as an “Olmstead Plan” that was updated in 2018 and structured around four key goals. Below is an excerpt from the report, outlining those goals.

The four key goals are:

1. Expanding Access to Affordable, Accessible Housing with Supports

Affordable, accessible housing is one of the key elements necessary to help people with disabilities transition to and remain in the community. In 2018, an individual with a disability in Massachusetts whose sole source of income is Supplemental Security Income (SSI) has a monthly income of \$864 (\$878 if elderly), including the federal benefit of \$750 and a state supplemental payment. The 2018 average rents in Massachusetts for a one-bedroom or even an efficiency unit – \$1,204 and \$1,065, respectively – are well above the entire SSI benefit.

2. Enhancing Community-Based Long-Term Services and Supports

Access to a broad range of community-based services is critical to many people with disabilities coming from an institution or at risk of institutionalization. Individualized supports should be readily accessible and provided only on a voluntary basis. In addition to medical, mental health, substance use, personal care, and other services to meet individual needs, access to supports that can help individuals maintain a successful tenancy are critical.

3. Promoting Community-Integrated Employment of People with Disabilities

Research suggests most people with disabilities would prefer to work. Employment provides financial, social, and personal rewards. Providing people with disabilities with competitive employment opportunities as well as any needed supports to take advantages of these opportunities is key.

4. Investing in Accessible Transportation for Individuals with Disabilities

Many people with disabilities do not drive or own a personal automobile. A disability may make securing a license or having enough funds to purchase a car and cover the ongoing costs of insurance and gasoline difficult or impossible. Thus, many people with disabilities are reliant on local or regional public transportation systems to get to their grocery store, bank, medical appointments, social engagements, volunteer, and competitive work.

Source: 2018 Massachusetts Olmstead Plan, September 20, 2018, <https://www.mass.gov/files/documents/2018/09/20/olmstead-final-plan-2018.pdf>

Defining Disability

The wide range of disabling conditions and lack of a single definition of what constitutes a disability make it challenging to quantify their prevalence. Commonly used definitions vary, both in terms of who is protected under civil rights and fair housing laws and who is eligible for state and federal housing programs. Under the Americans with Disabilities Act (ADA), an individual with a disability is a person

who: (1) has a physical or mental impairment that substantially limits one or more major life activities; (2) has a record of such an impairment; or (3) is regarded as having such an impairment. In 2008, the ADA was amended, and while the ADA Amendment Act (ADAAA) did not change the definition of disability, it did clarify and broaden it to encompass impairments that substantially limit a major life activity. The ADAAA emphasized that the definition of disability should be construed in favor of broad coverage of individuals to the maximum extent permitted under the terms of the original Act.

The American Community Survey (ACS) defines disability as “a long-lasting physical, mental, or emotional condition. This condition can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.” This broad definition includes persons living in institutionalized settings, group quarters or service-enriched housing and many more who live independently, although the ACS reports only on the non-institutionalized civilian population.⁵³ People with disabilities self-report to the ACS as such.

People with Disabilities Living in Institutions and/or Group Quarters

Historically, those with significant disabilities lived in institutional settings like hospitals, state schools and nursing homes, or in quasi-institutional settings like community residences and halfway houses. There they were segregated with other people within a specific category of disability, such as mental illnesses, physical disabilities or developmental disabilities. Institutional and group settings do not offer the same housing opportunities typically accorded people without disabilities. These settings are often group residences where individuals do not control their living space or select the people with whom they live. Generally they are not subject to landlord-tenant laws, and residents may be evicted without notice or cause. Often, an individual with disabilities must give up control over decisions about medical treatment as a condition of occupancy.

In the past 20 years, however, new programs have emerged to serve more people with a wider range of disabilities and to provide more integrated housing options. This change reflects both the extension of fair housing and civil rights laws to people with disabilities—and litigation to enforce these rights—as well as major reductions in state hospital beds.

⁵³ The ACS considers a person to have a disability if that person answers “yes” to one or more of these six questions:

- Hearing Disability (asked of all ages): Is this person deaf or does he/she have serious difficulty hearing?

- Visual Disability (asked of all ages): Is this person blind or does he/she have serious difficulty seeing even when wearing glasses?

- Cognitive Disability (asked of persons ages 5 or older): Because of a physical, mental, or emotional condition, does this person have serious difficulty concentrating, remembering, or making decisions?

- Ambulatory Disability (asked of persons ages 5 or older): Does this person have serious difficulty walking or climbing stairs?

- Self-care Disability (asked of persons ages 5 or older): Does this person have difficulty dressing or bathing?

- Independent Living Disability (asked of persons ages 15 or older): Because of a physical, mental, or emotional condition, does this person have difficulty doing errands alone such as visiting a doctor’s office or shopping?

The enactment of Section 504 of the 1973 Rehabilitation Act and the Americans with Disabilities Act, and the Supreme Court decision in *Olmstead v. L.C.* established the principle that people with disabilities should receive benefits, services, and housing in the most integrated setting appropriate to their individual needs.⁵⁴

In Massachusetts, a series of lawsuits led to the closure of a number of state schools and hospitals between 2000 and 2010. These changes are documented in the 2010 Census,⁵⁵ which reported that the number of residents residing in state hospitals and schools and similar institutions dropped by half between 2000 and 2010, from over 6,660 to just 3,224. The number of residents living in nursing homes or other skilled nursing facilities declined as well, from 55,837 in 2000 to 43,833 in 2010. While these 47,000 residents represent a small segment of the state's population, they face a host of equity and access to quality-of-life issues.

People with Disabilities in the Non-Institutionalized Population

The following tables draw on data about disability from the ACS. The ACS definition of disability differs from the Americans with Disabilities Act (ADA)'s definition of disability. The ADA defines a person with a disability as "a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is perceived by others as having such an impairment.

The ACS considers six different specific disability types, which are hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, or independent living difficulty. Data are not available equally for all people; the ACS only collects data about ambulatory difficulty on the population over age 5, for example, and ability to live independently is not considered applicable to anyone age 18 and under. The ACS only considers people who identify as having one of these six disability types as having a disability. Individuals may report having more than one of these disability types.

⁵⁴ The U.S. Supreme Court held in its 1999 decision, *Olmstead v. L.C.*, that unjustified segregation of persons with disabilities constitutes discrimination in violation of Title II of the Americans with Disabilities Act (ADA). The Court held that public entities must provide community-based services to persons with disabilities when (1) such services are appropriate; (2) the affected persons do not oppose community-based treatment; and (3) community-based services can be reasonably accommodated, taking into account the resources available to the public entity and the needs of others who are receiving disability services from the entity. The Court interpreted the ADA to require states to provide services "in the most integrated setting appropriate to the needs of qualified individuals with disabilities." In addition, the Court instructed each state to develop an *Olmstead* plan to demonstrate efforts to be consistent with the ruling.

⁵⁵ It is important to note that Census and ACS data on disability status often exclude institutionalized populations, although research estimates that approximately 49.4 percent of the institutionalized population (which includes correctional and juvenile facilities in addition to nursing and other facilities) (nationally) is comprised of persons with disabilities (citing Brault, Matthew, "Disability Status and the Characteristics of People in Group Quarters: A Brief Analysis of Disability Prevalence Among the Civilian Noninstitutionalized and Total Populations in the American Community Survey (February 2008). Where data was available, it has been included.

Table 2.26 shows the total population and the number and percent of people who reported a disability in 2010 and 2016, by three age groups: children under 18, 18-64 years, and seniors age 65+. The most striking change is reflected in the increase in the 65+ population.

From 2010 to 2016, the population age 65 and over rose by more than 172,000, an increase of nearly 20 percent. As a result, the number of people reporting a disability also increased. The incidence of disability in this age group actually declined modestly between 2010 and 2016, so the number of people over 65 with a disability increased by only 16 percent.

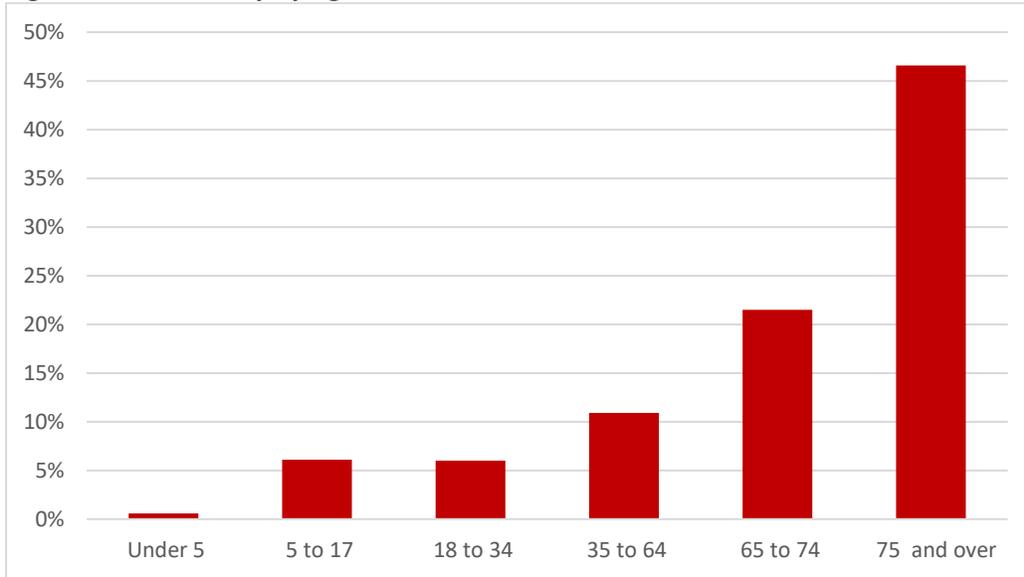
The aging population means that there will be a continued increase of people reporting a wide range of disabling conditions as Baby Boomers move into and through their older years. **Figure 2.11** documents just how dramatically the incidence of disability increases with age.

Table 2.26: Presence of Disability by Age, 2010-2016

		Population	Population with a Disability	Percent with Disability
2010	Under 18 years	1,414,746	59,452	4.2%
	18 to 64 years	4,199,533	354,378	8.4%
	65 years and over	863,788	285,422	33.0%
2016	Under 18 years	1,375,244	64,651	4.7%
	18 to 64 years	4,324,702	390,729	9.0%
	65 years and over	1,036,071	331,215	32.0%
Change 2010-2016	Under 18 years	-39,502	5,199	0.5%
	18 to 64 years	125,169	36,351	0.6%
	65 years and over	172,283	45,793	-1.1%
Change 2010-2016	Under 18 years	-2.8%	8.7%	
	18 to 64 years	3.0%	10.3%	
	65 years and over	19.9%	16.0%	

Source: 2010 1-Year American Community Survey, Table C18101; 2016 1-Year American Community Survey, Table S1810
 Universe: Total civilian noninstitutionalized population

Figure 2.11: Disability by Age



Source: 2016 1-Year American Community Survey, Table S1810

Table 2.27 reveals that ambulatory difficulties constitute the most common type of disability among all age groups. Much of the Commonwealth’s housing stock is not well-suited to people with mobility limitations and a growing number of the state’s residents require adaptations to their homes and/or supportive services to live independently.

Table 2.27: Disability Type by Age

	2016	All Ages	Under 18	18-64	65+
# with	Any Disability	786,595	64,651	390,729	331,215

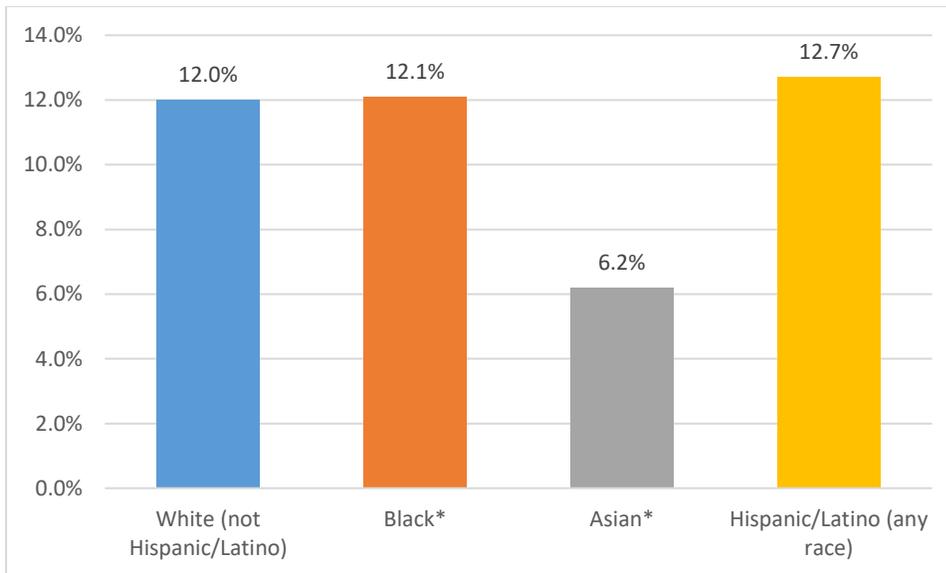
	Hearing	220,817	7,554	70,831	142,432
	Visual	128,020	9,525	64,211	54,284
	Cognitive	329,072	50,024	197,476	81,572
	Ambulatory	373,778	6,403	165,836	201,539
	Self-care	155,283	12,429	65,131	77,723
	Independent living	283,767		145,714	138,053
% with Disability	Any Disability	11.7%	4.7%	9.0%	32.0%
	Hearing	3.3%	0.5%	1.6%	13.7%
	Visual	1.9%	0.7%	1.5%	5.2%
	Cognitive	5.2%	4.9%	4.6%	7.9%
	Ambulatory	5.9%	0.6%	3.8%	19.5%
	Self-care	2.4%	1.2%	1.5%	7.5%
	Independent living	5.3%		3.4%	13.3%
Disability Type as % of Total Disabilities	Any Disability				
	Hearing	28.1%	11.7%	18.1%	43.0%
	Visual	16.3%	14.7%	16.4%	16.4%
	Cognitive	41.8%	77.4%	50.5%	24.6%
	Ambulatory	47.5%	9.9%	42.4%	60.8%
	Self-care	19.7%	19.2%	16.7%	23.5%
	Independent living	36.1%	0.0%	37.3%	41.7%

Source: 2016 1-Year American Community Survey, Table S1810

Universe: Total civilian noninstitutionalized population

There is little difference in disability status among three of the state’s four major racial/ethnic groups, with the non-Hispanic White population reporting a disability rate of 12.0 percent; the Black population, a 12.1 percent rate; and the Hispanic population, a 12.7 percent rate. The notable exception is the Asian population rate of just 6.2 percent (**Figure 2.12**).

Figure 2.12: Disability Rate by Race/Ethnicity



Source: 2016 1-year ACS, Table S1810

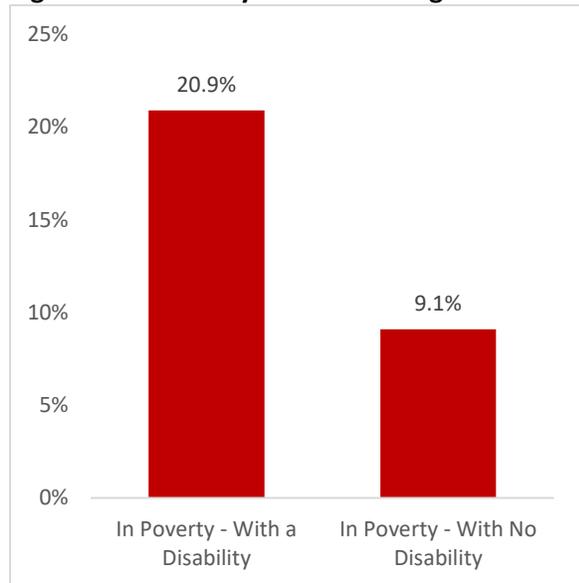
*Indicates Hispanic population included in the data set;

Universe: total civilian noninstitutionalized population

Disparities in Poverty, Employment, and Income Based on Disability Status

A much higher percentage of people of all ages, races and ethnicities with disabilities live below the federal poverty line than their peers without disabilities. **Figure 2.13** reveals that roughly one in five people with a disability live under the poverty line, whereas only around 9 percent of the population with no disability lives under the poverty line.

Figure 2.13: Poverty Status of All Ages With and Without A Disability



Source: 2016 1-year American Community Survey, Table C18130
 Universe: Civilian noninstitutionalized population for whom poverty status is determined.

Almost 5 percent of all people employed and in the workforce report having a disability, as do a quarter of those not in the labor force (**Table 2.28**). When looking at working-age adults aged 20 to 64, the gap between people with a disability and those with no disability in poverty is even more pronounced; 26.8 percent with a disability have incomes below the poverty line, as compared to 8 percent of this population with no disability. 56 percent of persons with disabilities living in poverty are not currently in the labor force, compared to 13.8 percent of people with no disability living in poverty that are not in the labor force (**Table 2.29**).

Table 2.28: Employment by Disability Status

Employment Status by Disability Status
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Total people in the labor force:	3,479,151	80.4%
Employed:	3,298,921	94.8%
No disability	3,148,274	95.4%
With a disability	150,647	4.6%
Unemployed:	180,230	5.2%
No disability	158,163	87.8%
With a disability	22,067	12.2%
Total people not in labor force:	845,551	19.6%
No disability	627,536	74.2%
With a disability	218,015	25.8%

Source: 2016 1-year ACS, Table C18120

Table 2.29: Poverty and Employment Status by Disability Status

	With no disabilities	% of total	With one or more disabilities	% of total
Total Population 20-64*	3,672,841	90.7%	375,142	9.3%
Below poverty level	294,498	8.0%	100,463	26.8%
At or above poverty	3,378,343	92.0%	274,679	73.2%
Civilian Labor Force**				
Employed	3,024,696	82.5%	144,622	38.6%
Unemployed	138,399	3.8%	20,334	5.4%
Not In labor force	504,958	13.8%	209,908	56.0%

Source: 2016 1-Year American Community Survey, Table B23024

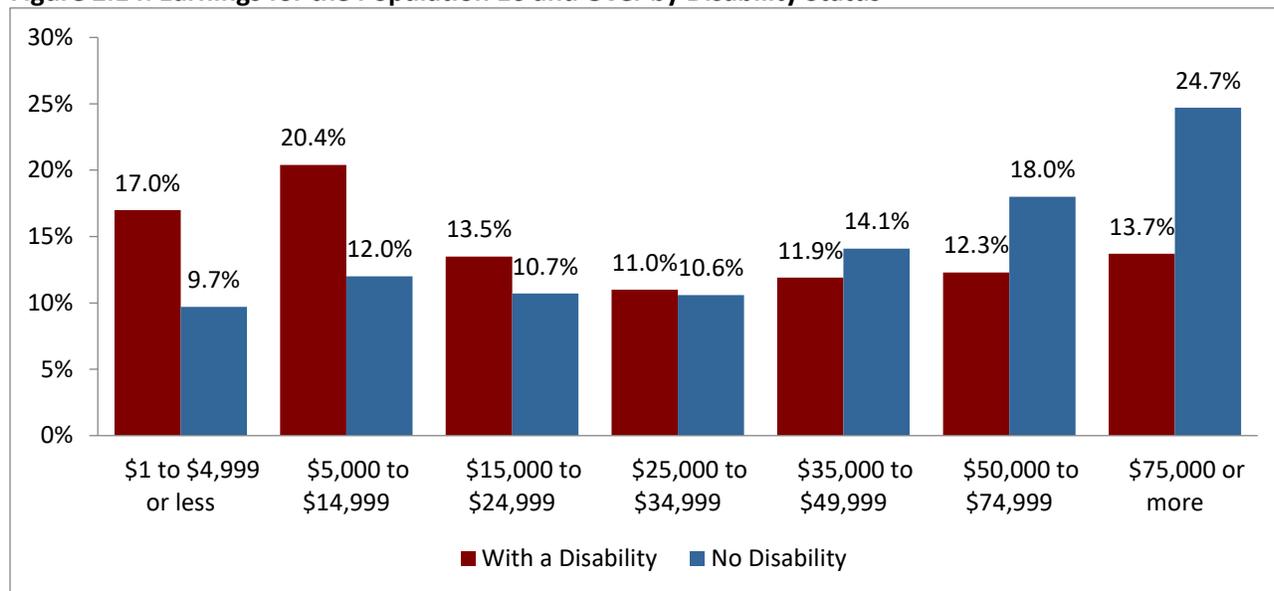
*Universe: Population 20 to 64 years old for whom poverty status is determined

**Universe: Civilian Labor Force 20 to 64 years old for whom poverty status is determined

Employment of persons with disabilities also varies greatly when broken out by disability type. When broken down by disability type, nearly 6 in 10 people with a cognitive disability are unemployed, the highest of any disability type. Workers with a hearing or vision difficulty are the only two categories with a more than 50 percent of people employed.

People with disabilities are also disproportionately concentrated on the lower end of the income bracket, as illustrated in **Figure 2.14**. In 2016, 37.4 percent of Massachusetts residents with one or more disabilities reported earning less than \$15,000, compared to 21.7 percent of people with no disabilities. On the upper end of the income bracket, 13.7 percent of people with a disability reported earning \$75,000 or more in 2016. Approximately 25 percent of people with no disabilities reported the same earnings. These lower earnings may in part be attributed to people with disabilities working part-time over full-time. However, there are still many people with disabilities who work full-time.

Figure 2.14: Earnings for the Population 16 and Over by Disability Status



Source: 2016 1-year ACS, Table S1811

Universe: noninstitutionalized population age 16 and over with earnings

Housing Affordability Challenges for People with Disabilities

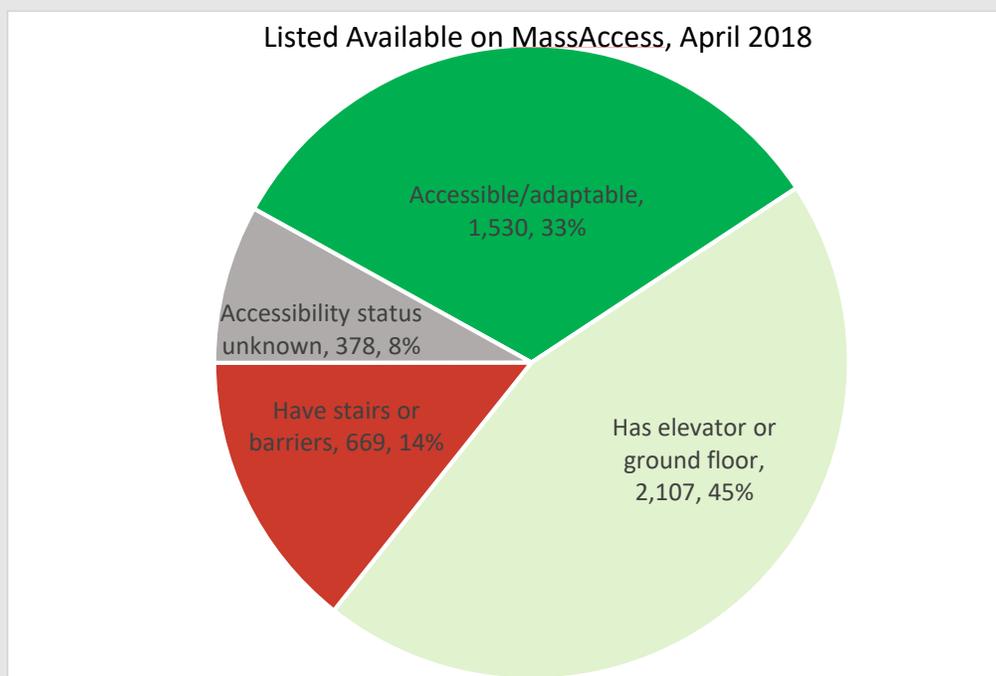
To assist those with disabilities to find accessible housing, the Massachusetts Rehabilitation Commission (MRC), a division of the Executive Office of Health and Human Services, and the non-profit Citizens' Housing and Planning Association (CHAPA) have collaborated to provide a statewide housing registry.

Inset 2.5 describes this resource, called MassAccess.

Inset 2.5: MassAccess

To assist those with disabilities to find accessible housing, the Massachusetts Rehabilitation Commission (MRC), a division of the Executive Office of Health and Human Services, provides a statewide accessible housing registry. This free online program was created by state legislation and is one of few such registries in the country.

Although it doesn't guarantee housing, MassAccess tracks vacancies of accessible and affordable housing for people with disabilities. The state's anti-discrimination statute, Chapter 151B, requires all owners, or persons having the right of ownership, of accessible housing in Massachusetts to report vacancies to the centralized MassAccess database, which has been managed since 1995 by the non-profit Citizens' Housing and Planning Association (CHAPA) under contract to MRC.



Data from April, 2018 showed a total of 4,684 units listed on the MassAccess registry as available. Not all units listed are accessible in all ways, and 378 have unknown accessibility. Many more units, spread across more than 2,500 private developments and more than 200 housing authorities, are registered at MassAccess, but were unavailable in April, 2018.

Source: MassAccess, 2018

People who are unable to work due to a disability are eligible for two different federal benefit programs from the Social Security Administration, Social Security Disability Insurance (SSDI), and Social Security Income (SSI). Housing affordability is a particular problem for people who receive Supplemental Security Income (SSI), but do not receive housing assistance. SSI is the a federal program that provides income to people who are unable to work because of their disability or disabilities, and who have no other source of income, and whose work history does not qualify them to receive Social Security Disability

Benefits . The monthly SSI benefit in Massachusetts is roughly 17 percent of the area median income of the state, adjusted for household size. In Massachusetts, the SSI monthly payment is \$847. Those receiving SSI are among the Commonwealth's most vulnerable populations: extremely low-income non-elder residents with significant long-term disabilities. Many people with disabilities reside in homeless shelters, public institutions, nursing homes, at home with aging parents, or in segregated group quarters, due to the lack of affordable housing in the community that is affordable to an individual with such low income. According to the Social Security Administration, more than 134,000 non-elderly Massachusetts residents received SSI in 2017.

A report by the Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force looked at the cost burden for people receiving SSI across Massachusetts. **Table 2.30** illustrates this cost burden by HUD Fair Market Rent Area in 2016. To rent an efficiency apartment – an apartment with no separate bedroom, also known as a studio apartment – at the HUD Fair Market Rent in effect at that time, in 2016 an SSI recipient with no other income would have been required to pay between 69 percent of their monthly income for a studio and 80 percent for a 1-bedroom apartment in western Worcester County, and in Greater Boston, exceeding monthly income, paying 141 percent for a studio to 162 percent for a 1-bedroom. Statewide, the average percentage of SSI required to pay the cost of housing at the FMR was over the total income payment, at 116 percent for an efficiency apartment and 133 percent for a one-bedroom apartment.

Table 2.30: HUD Fair Market Rents Compared to Monthly Social Security Income (SSI) Payment for Non-Elders Massachusetts Residents with Disabilities, 2016

MSA/Area	SSI Monthly Payment	SSI as % of Median Income	% SSI reqd. to pay for 1 BR Apt. at HUD FMR	% SSI reqd. to pay for Efficiency Apt. at HUD FMR
Barnstable town	\$847	17.1%	110%	100%
Berkshire County	\$847	17.4%	91%	86%
Boston-Cambridge-Quincy*	\$847	14.8%	162%	141%
Brockton	\$847	16.7%	107%	97%
Eastern Worcester county	\$847	13.8%	115%	105%
Easton-Raynham	\$847	13.8%	119%	116%
Fitchburg-Leominster	\$847	17.4%	91%	76%
Lawrence*	\$847	17.3%	121%	105%
Lowell	\$847	15.9%	113%	97%
New Bedford	\$847	24.6%	85%	78%
Pittsfield	\$847	17.4%	87%	70%
Providence-Fall River*	\$847	19.9%	98%	86%
Springfield	\$847	17.4%	100%	83%
Taunton-Mansfield-Norton	\$847	17.2%	100%	92%
Western Worcester county	\$847	17.4%	80%	69%
Worcester	\$847	17.4%	99%	88%
Statewide Non-MSA	\$847	18.7%	97%	90%
Massachusetts Statewide	\$847	16.9%	133%	116%
National	\$763	19.9%	112%	99%

Source: *Priced Out: The Housing Crisis for People With Disabilities*, 2017, Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force, based on data from the U.S. Department of Housing and Urban Development and Social Security Administration
 * indicates a housing market area that crosses state boundaries.

During the November 2018 focus group on accessible and affordable housing for people with disabilities, participants brought up a range of issues, from design factors to property manager knowledge. Key highlights from the focus group are located in Inset 2.6 below.

Inset 2.6: AI Advisory Council Housing for People with Disabilities Focus Group

This focus group discussed barriers impacting housing choice for people with disabilities, some of which are highlighted below.

Accessibility Needs and Gaps in Accessibility Requirements

- Architectural Access Board (AAB) regulations have gaps in accessibility coverage, including accessibility upon renovation.
- State funding spent on rehabilitation should also be used to help create more accessible units.
- Accessible units with multiple bedrooms are difficult to find, particularly units for which project-based rental assistance is available.
- Vertical housing is more often required to be accessible but is opposed by local communities who prefer townhouses and single family homes, which are often not required to be accessible.

Home Modification Loan Program (HMLP) and New Accessibility Grants

- HMLP administration should continue to find ways to streamline the application process for contractors and ensure consistency across regions. A customer satisfaction survey should also (continue to) be administered.
- The state should support maintaining the increased funding for accessibility under the FY19 budget in addition to funding for HMLP under the 2018 Bond Bill.

Other Housing Issues Impacting Adults and Children with Disabilities

- Publicly funded housing units are difficult to access for the homeless population, which is largely comprised of persons with disabilities, and more housing is needed to target this population.
- Criminal Offender Record Information (CORI) screening has a disparate impact on persons with disabilities trying to access housing; more education and training is needed for property managers on this topic.
- CORI for homeless people is often due to substance use disorders where the individual is possessing rather than trafficking. Service providers can help to assure landlords that they will help if tenancy issues arise.
- Many property managers have misconceptions about the services needed by people with disabilities.
- Application fees, credit scores and requirements by property managers that household income be three times the rent, screen out voucher holders and/or make it harder for those in need of housing assistance to find housing.
- There should be greater consistency in reasonable accommodation forms/standards used across the regional agencies which administer vouchers.
- Housing authorities should be required to report more extensively on efforts to affirmatively further fair housing.

Source: Department of Housing and Community Development, Summary of Disabilities Group Comments, November, 2018. Note: The summary of comments above does not necessarily reflect the opinions of DHCD.

Housing Market Profile

This section provides an inventory and assessment of the state's current housing supply. It describes the existing conditions and the regulatory framework (zoning, land use regulations, infrastructure, etc.) that influence what gets built and where, and the constraints on new development and redevelopment that prevent the market from responding efficiently to increased demand for housing. In particular, it considers how the existing conditions and recent market activity have affected protected classes.

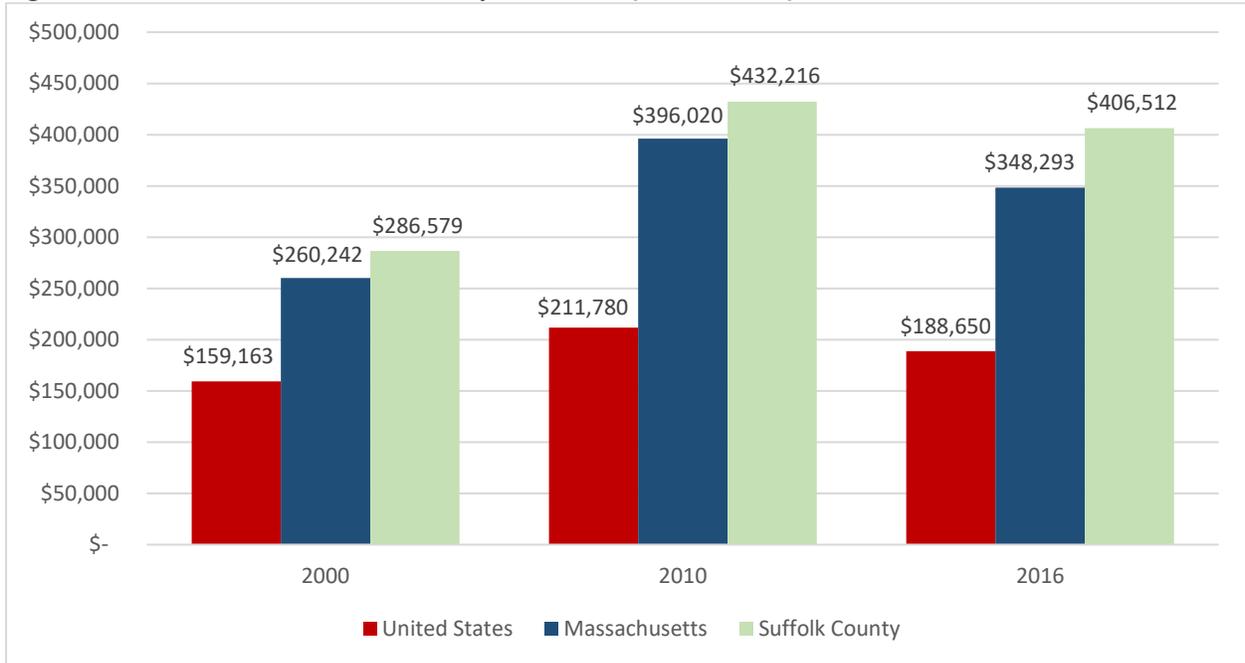
The Challenge of Expanding Affordable Housing Opportunity in Massachusetts

Massachusetts, especially the Greater Boston area, has been an expensive place to live for the past thirty years, for both renters and owners. Until the early 1980s, housing costs in the Commonwealth mirrored those of the nation as a whole, but they diverged sharply during the booming economy of the 1980s. The gap shrunk somewhat during the 1990s, but the state entered the 21st century as one of the tightest and most expensive housing markets in the nation.⁵⁶

In 2016, the median value of a home in Massachusetts was 80 percent higher than the national median. Greater Boston home prices have played a major role in these trends: in 2000, home values in Suffolk County were 10 percent higher than the state average; even in the midst of the recession, by 2010, they were nine percent higher, and by 2016, values in Suffolk County were more than 16 percent higher. Even compared to Massachusetts overall, a state with high home prices by national standards, Boston and the surrounding area are expensive.

⁵⁶ Because Massachusetts depends more heavily on technology than most states, it was hit particularly hard in the recessions of the early 1990s and early 2000s, when business in technology sectors crashed. Those recessions were deeper and more prolonged here than elsewhere in the U.S. During the most recent recession (the Great Recession), however, Massachusetts fared better than the nation as a whole. The state was spared the worst of the housing collapse and mortgage industry meltdown because it had not experienced the same level of speculative building as many other states. Still, the Great Recession altered homeownership patterns as well as the nature of local housing markets across the state.

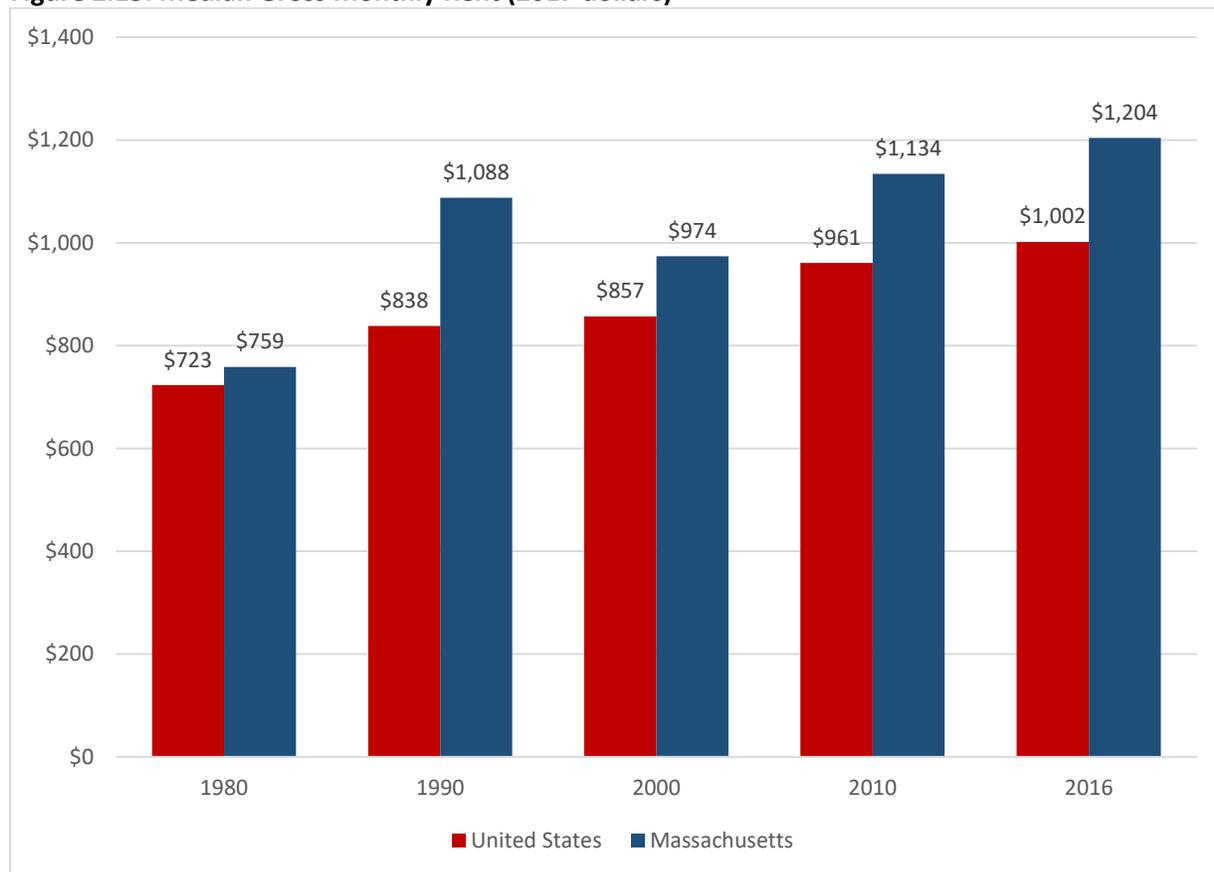
Figure 2.14: Median Value Owner Occupied Homes (2017 dollars)



Source: Census 1980 SF1, Census 1990 SF1, Census 2000 SF3; ACS 2010 & 2016 1-year data, Table B25077

Massachusetts is also a very challenging market for renters, particularly in Greater Boston. In 2016, Massachusetts rental prices statewide were 20 percent higher than the national average. While rents here have risen 24 percent since 2000, renter incomes have fallen by three percent in real dollars (refer to **Figure 2.15**). Unless incomes increase, housing affordability will remain a challenge for lower income populations in the state, even with modest increases in housing stock.

Figure 2.15: Median Gross Monthly Rent (2017 dollars)



Source: Census 1980 SF1, Census 1990 SF1, Census 2000 SF3; ACS 2010 & 2016 1-year data, Table B25064

This highlights a fundamental economic challenge. While the state economy is performing well by most metrics following the Great Recession, wage growth remains somewhat stagnant, especially for jobs requiring lower levels of educational attainment. The continued rise in housing costs exacerbates an already unhealthy economic situation for a large share of Massachusetts residents.

Massachusetts' high cost of housing has created affordability problems in every region and at every income level. Especially in Greater Boston, high housing costs threaten to derail business growth and continued economic expansion. Conventional economic theory would suggest that the market would respond to rising, or shifting, demand by producing additional housing of the type and in the locations where the demand warrants. It is instructive to look at why this did not happen, and why building new housing in the Commonwealth is so costly and challenging.

Some of the challenges are unique to affordable housing, but many apply to housing development generally. They relate to economic and fiscal considerations, resource allocation, the state's legal and regulatory framework, and public perception and attitudes. Most have been well documented. The

Massachusetts 2010-2014 Consolidated Plan identified the major barriers to housing development – which continue to be issues today – as the following:⁵⁷

- The Consolidated Plan found that the primary obstacle to meeting the housing needs of the Commonwealth’s lowest income residents was the growing gap between what it costs to create and maintain decent housing and what very low income households can afford to pay. Because it is so costly and challenging to build any new housing in Massachusetts – especially in those areas where there is market demand – it is difficult for the private market to create new housing even for moderate and middle income residents;
- High construction costs, including high labor costs (the Consolidated Plan cited to R.S. Means reports indicating that labor costs are 37 percent higher in Boston than in the 30-city national average, resulting in an overall cost premium of 16 percent over the other cities in the index.);
- High cost and relative scarcity of land available for development and the higher costs associated with building on the marginal sites that are available;
- Limited infrastructure in many communities and little incentive for improving roads, water and sewer systems;
- The elimination of deep federal subsidy programs for low income housing development and their replacement by multiple smaller, shallow subsidies that increase time delays and transaction costs;
- Complex or redundant building codes and the way that they are applied;
- Restrictive local zoning and land use controls and permitting processes, with most land use decisions being made at the local level;
- Limited planning and organizational capacity at the local level (The Consolidated Plan noted that half of the Commonwealth’s 351 municipalities have fewer than 10,000 residents, and most of these have no professional planning or community development staff.);
- Reluctance of communities to allow new residential development, especially affordable housing, because of concerns related to fiscal impact, property values and “community character;”
- Tendency toward “fiscal zoning” by municipalities whose land use decisions are made in the context of their responsibility for providing and paying for essential public services, including education, largely through the local property tax;
- Limited opportunities for large scale new development at higher densities because existing settlement patterns are well established and few sites are zoned for more intense development than that which already exists in the area (indeed many are zoned for considerably lower density); New development on virgin land usually offers greater flexibility than filling in the remaining parcels in a largely built out area, even if that buildout was done at a relatively low density.

Existing Conditions

Where housing has been built in Massachusetts communities – and the type of housing that has been built – reflects historic trends in employment, tastes in housing, land use policies, topographic

⁵⁷ These barriers were also identified in the 2014 AI.

conditions, public investment in infrastructure and transportation networks, and government policies regarding taxes, interest rates and mortgage credit, among other influences.

The Commonwealth's patterns of land use and governance have evolved over nearly four centuries. Its oldest town, Plymouth, was settled in 1620; its newest, East Brookfield, was established 300 years later, in 1920. Massachusetts has one of the oldest housing stocks in the nation. Land ownership is highly fragmented, and infrastructure in many communities is limited. The number of towns that are wholly or substantially dependent on septic, for example, is nearly unprecedented among urbanized states.

Spread Out, Not Built Out

Thirty-eight percent of the state is "urbanized,"⁵⁸ a higher share than all but New Jersey and Rhode Island, the only two states that surpass Massachusetts in overall population density. Based on the population density *within* its urbanized areas, however – and this is the more appropriate measure of the intensity of development – Massachusetts ranks just 29th among the states.

Development here is spread out, in long-established patterns, but it is not built out. Boston and a handful of other inner core communities have been developed at very high densities, but most municipalities would be classified as low suburban, exurban or rural, with population densities of fewer than 1,500 persons per square mile. In fact, this continuum of urban, suburban and rural densities is characteristic of the New England landscape. It is an important part of state's heritage and, most would agree, one worth saving. Clearly, though, there is ample room for additional development, even within Boston's inner core communities, streetcar suburbs and mature suburban towns.

Massachusetts communities often say they are "built out," but in fact, they are only built out to the capacity allowed under their current zoning regulations. Over the years, considerable attention has focused on the disadvantages – and there are many – of the land use practices in low density single zone developing suburbs, but a bigger barrier to expanding affordability and opportunity has been the inability to site new housing in amenity-rich communities and neighborhoods closer to, and within, Boston and the other inner core communities.

The greatest pent-up housing demand, as well as employment opportunities and infrastructure, exists in areas that are already substantially developed. Massachusetts has an impressive record of adaptive reuse of functionally obsolete structures – historic mills, schools, commercial buildings – but its ability to stimulate redevelopment and infill on a much larger scale, especially in established suburban markets within the MBTA service area, has been spotty at best.

Land Use and Zoning Policies and Practices

⁵⁸ There are no universal definitions of urban, suburban, rural, etc., but densities over 5,000 people per square mile are typically considered urban; those with 1,500-4,999 people per square mile are considered moderate suburban; 500-1,499, low suburban; 250-499 exurban; and under 250 people per square mile, rural.

There are numerous regulations that affect what gets built in Massachusetts, where, and at what cost. Many of these regulations address legitimate health, safety, environmental, and other public welfare concerns. However, business leaders, planners and environmentalists have all acknowledged that Massachusetts' regulations governing land use and housing development are failing on many levels.⁵⁹ They drive up housing costs, reducing the Commonwealth's ability to attract and retain workers and limiting its economic competitiveness. At the same time, many local regulations have exacerbated impacts on the environment by encouraging "urban sprawl" – low density residential and commercial development on undeveloped land – with associated loss of green space, impacts on water supplies, and increases in traffic and associated air pollution. Across Massachusetts, there is ample land on which to build, while still protecting critical open space. Moreover, there are hundreds of functionally obsolete properties and sites that are ripe for reuse, redevelopment or infill development.

The zoning bylaws or ordinances of each of 351 cities and towns determine the location, size, and type of housing in each community, influencing access to fair housing choice, housing affordability and residential development patterns generally. Under current law, they can be changed only by a two-thirds vote of the governing body, either Town Meeting or City Council. There is no requirement that local zoning and other land use regulations be consistent with a municipality's mandated master plan, nor that they accommodate a range of housing types, price or tenure. Since there is no county-level governance or statewide planning authority, and the 13 regional planning agencies serve in an advisory capacity only, little exists legislatively to compel localities to regulate land use and development in a way that supports regional or statewide goals.

Zoning is intended to regulate the use of property for the health, safety and general welfare of the public, but local restrictions that preclude multifamily housing, or restrict it to occupancy by seniors, have long been identified as exclusionary. In 2004, the Pioneer Institute for Public Policy Research concluded that restrictive regulations were also undermining the market's ability to meet housing demand in general. The basis of this conclusion was a comprehensive survey Pioneer undertook of zoning, subdivision, wetlands, and septic regulations in 187 eastern Massachusetts cities and towns.

Among the many land use practices about which Pioneer queried the cities and towns in its survey was whether multifamily housing was allowed by right in any part of the municipality; whether multifamily housing was allowed by special permit (including through overlays or cluster zoning); and whether attached single family houses (townhouses, 3+ units) were listed as an allowed use (by right or special permit). **Table 2.31** summarizes their findings.

Most analysts agree that an adequate housing supply can help stabilize prices and enhance affordability, but the Pioneer researchers found that local regulations in many communities impeded development of all but single-family homes on large lots, the most expensive type of housing. They identified widespread barriers to multifamily housing, town homes, single family houses on small lots, and accessory apartments in owner-occupied homes. In those instances where smaller lots or multi-family

⁵⁹ For example, see *South Shore 2030: Choosing Our Future*, a set of recommendations for housing policy as an integral part of building a stronger regional economy:
http://southshoremacocprod2018.weblinkproduction.com/uploads/1/2/1/3/121315200/sscc_-_housing_report_9-17.pdf

buildings were allowed, the new housing was often restricted to occupants 55 years or older. Relatively few of the municipalities in the study prohibited multi-family housing for families completely, the authors noted, but most regulated its development so tightly that building such housing became infeasible.⁶⁰

Table 2.31: Limited Multifamily Zoning in Massachusetts Municipalities

Region	Number of Communities in Region	Number of Communities Included in Pioneer Study	Multifamily by Right	Multifamily by Special Permit	Townhouses (3+ units) by Right or Special Permit
Berkshire	32	0	0	0	0
Greater Boston	75	73	39	69	57
Cape & Islands	23	0	0	0	0
Central	62	33	9	30	21
Northeast	42	42	16	42	32
Pioneer Valley	69	0	0	0	0
Southeast	48	37	14	30	37
Massachusetts	351	187	78	171	147

Source: Pioneer Institute Housing Regulation Database, 1990 Decennial Census, 2005 MassGIS

Note: This table is based on the municipality-based regions used in the 2014 AI; it has not been updated to the county-based AIs used for data analysis in this (2019) AI.

Another analysis performed by the Pioneer Institute, based on the MassGIS database, revealed that multifamily housing accounted for less than 5 percent of the residentially developed land in 18 of 32 municipalities in the Route 128 region, and 14 of 23 municipalities the 495/Metrowest region, the two areas that experienced the greatest employment growth – more than 100,000 new jobs – between 1995 and 2008. (See Section 3 for discussion on effects of exclusionary zoning.)⁶¹

These findings raise serious civil rights concerns. Spatial segregation not only reflects the existing social structure, it is a mechanism to enforce that structure. While the forces that contribute to spatial segregation by race and ethnicity are complex and varied, a number of studies have concluded that low density-only zoning that reduces the number of rental units also limits the number of Black and Hispanic residents. By contrast, new production in general, new rental and multifamily production, and new affordable rental production have been shown to be market conditions that promote inclusion of Black and Hispanic households.⁶²

⁶⁰ Housing and Land Use Policy in Massachusetts: Reforms for Affordability, Sustainability, and Superior Design by Amy Dain, Pioneer Institute for Public Policy Research, 2007. The Pioneer Institute was in the process of updating and expanding its 2007 study, but it had not been published by the time of the data analysis for the 2019 AI.

⁶¹ Section 3 includes further discussion from the AI Advisory Council Families with Children Focus Group relative to zoning as well as opposition to multifamily and affordable housing development (incorporated into Inset 3.1).

⁶² “Local Land Use Regulation and the Chain of Exclusion,” Pendall, *Journal of the American Planning Association*, November 2007).

Housing Supply

Overview

There are nearly 2.9 million housing units in Massachusetts (2.6 million occupied units). More than three quarters (78.3%) of these are in 1-4 unit structures. A relatively high share of residents rents (38%), most (53%) in 1-4 unit structures. The costs to rent or own a home are high, and they are only partially mitigated by the state's relatively high incomes and the substantial housing assistance it provides. The housing stock is old and requires ongoing investment and maintenance to keep it safe and functional. In 2010, the Boston-MA-NH metropolitan area, which includes the Greater Boston, Northeast and Southeast regions, has the highest share of housing stock in the country built before 1940, at 37.5 percent. Winters are long and cold, and high heating bills add to the already burdensome housing costs. Massachusetts is a slow growth state, and new housing units are permitted at only about half of the national rate. In spite of this comparatively slow rate of growth, there have been some noteworthy shifts in the housing supply in recent years, both in the utilization of the existing stock and the units added through new construction.

Inset 2.7 shows how Massachusetts compares to the other states on several key housing indicators.

Inset 2.7: A Snapshot of Massachusetts Housing and Households Compared to Other States

The 2016 1-Year American Community Survey provides the following snapshot of the Commonwealth's housing inventory compared to that of the other 49 states. The data for Massachusetts highlight its relatively old, expensive housing stock, its rising population of renters, and increasing costs for both owners and renters.

- A relatively high share of all residents— nearly 10 percent— have lived in their homes for almost 40 years or more (since 1979 or earlier).
- The state has the third lowest share (percent) of detached single-family homes, the third highest share of 2-unit homes, and the second-highest share of 3-4 unit homes after Rhode Island. Only Hawaii has a lower share of mobile homes.
- Massachusetts has the second-highest percentage of housing units built before 1940. Only Connecticut and New York have a smaller share of units built since 2000. Despite its age, the Massachusetts housing stock is in relatively good condition. Less than 0.3 percent of homes lack complete plumbing while less than one percent lack complete kitchens.
- The New England states have the highest share of homes that use fuel oil for heating.
- While over 70 percent of households own two or three vehicles, nearly 13 percent do not own an auto. Only New York has a higher share of car-less households.
- Owner households in Massachusetts have a comparatively large average household size (ranking #14, with 2.71 persons), while renter households, with an average of 2.26 persons, are comparatively small (ranking #37).
- 38 percent of Massachusetts residents rent their homes, the 9th-highest rate in the nation. Massachusetts has the fourth lowest homeowner vacancy rate, at 1.1 percent, while its four percent rental vacancy rate ranks as the sixth lowest.
- Only Hawaii and California have a higher (owner-occupied) median home value; only Hawaii has a smaller share of homes valued at under \$150,000.
- Only Hawaii, California, Maryland, and New York have a higher share of rental units costing more than \$1,500 a month.
- With a median gross rent of \$1,179, Massachusetts ranks #7 in the U.S., after Hawaii, California, Maryland, New Jersey, and New York.
 - It ranks #17, however, in share of renters paying more than 35 percent of income.
- Only New Jersey, Hawaii, and California have higher median housing costs for owners with a mortgage than Massachusetts' \$2,069/month.
 - Among homeowners with no mortgage outstanding, New Jersey, Connecticut, New Hampshire, and New York rank higher than Massachusetts' average \$736/month.
 - The Commonwealth's rank by share of owners paying more than 35 percent of income for housing costs is #13 for mortgaged homeowners and #7 for homeowners with no mortgage.

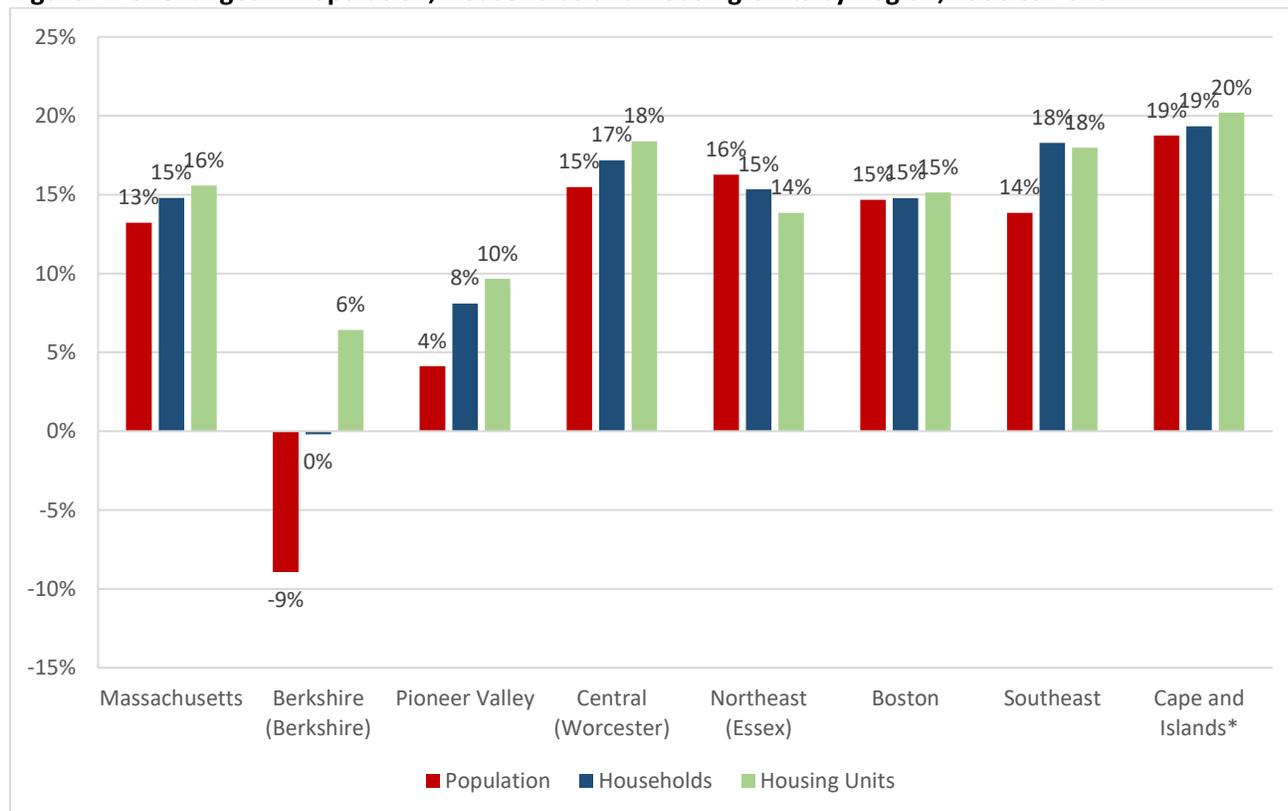
Source: 2016 1-year data, Table DP-01

Changes in the Housing Supply 2006-2016 and Since 2000

Since 2000, the housing supply has slightly outpaced population and household growth statewide, but the gains came in the early years of the 21st century when the state’s population growth was stagnant. Between 2000 and 2010, the housing inventory increased by 7 percent, outpacing the 3 percent increase in population and the 4 percent increase in number of households. Between 2011 and 2016, however, the total number of housing units is estimated to have increased by just 1.4 percent, while the population increased by 3.4 percent and the number of households by nearly 3.5 percent.

Now that both population and household growth have picked up, housing supply shortfalls are re-emerging. Within the Greater Boston, growth in the housing supply matched population and household growth, but in the Northeast region overall, housing supply did not keep pace with population growth (Figure 2.16).

Figure 2.16: Changes in Population, Households and Housing Units by Region, 1990 to 2016



Source: UMDI Population Estimates Program; 1990, 2000, 2010 Census SF1; 2010 & 2016 1-Year ACS Tables DP04, S1101

*Data on households and housing units was unavailable for Dukes and Nantucket counties.

Just under 91 percent of all housing units in the state were occupied in 2016, unchanged from 2010, although still less than the record high 93.2 percent reported in 2000. The last time the state’s housing supply failed to keep pace with household and employment growth was between 1990 and 2000, when

the housing supply grew by just 6 percent while the number of households increased by 9 percent and the number of jobs rose by 10 percent. This drove vacancy rates down, rents up, and contributed to the rising price of existing homes.⁶³ **Table 2.32** documents some of the key changes in the state’s housing supply.

Table 2.32: Changes in the Massachusetts Housing Supply 2006-2011-2016

	2006	2011	2016	5-Yr Change	10-Yr Change
Total housing units	2,709,208	2,819,028	2,858,087	1.4%	5.5%
Occupied housing units	2,446,485	2,532,067	2,579,398	1.9%	5.4%
Owner occupied housing units	1,588,359	1,573,279	1,598,930	1.6%	0.7%
Renter occupied housing units	858,126	958,788	980,468	2.3%	14.3%
Vacant housing units	262,723	286,961	278,689	-2.9%	6.1%
"Other" vacant housing units	59,222	75,029	70,365	-6.2%	18.8%
Homeowner vacancy rate	1.5	1.4	1.1	-0.3	-0.4
Rental vacancy rate	5.6	4.8	4.0	-0.8	-1.6

Source: 2016, 2011, and 2006 1-Year American Community Survey, 2000 Decennial Census SF1

* Other vacant excludes units held for seasonal or occasional use of for migrant workers

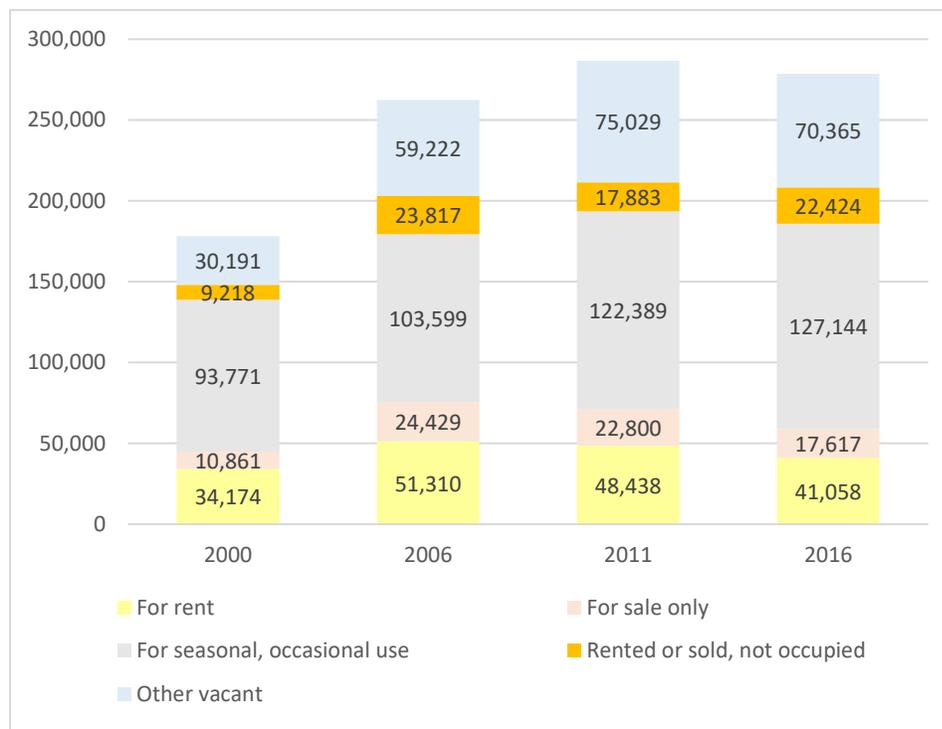
^ Vacancy rate is units for rent or sale/vacant units for rent or sale plus all occupied units.

Since 2000, there has been an increase in both owner occupied units (up 6.0%) and renter occupied units (up 4.8%), with the number of homeowners growing during the housing boom at the expense of renter households, and the opposite trend occurring in the years since. As Table 3.5 shows, the number of renter households increased more than 14 percent between 2006 and 2016. In Suffolk County, the number of renters has increased by more than 20 percent, and in Middlesex County, by nearly that much. These gains reflect the substantial new production of high end rental units that has taken place in these counties since the end of the recession. The number of owners has risen, too, post-recession. These local trends mirror national trends. A detailed version of **Table 2.32**, depicting changes since 2006 by region, can be found in **Appendix A**.

The most dramatic increase since 2000 has been in the number of vacant units, specifically those considered “other” vacant. This category *excludes* units that are available for rent or sale, rented or sold but not occupied, and those held for seasonal or occasional use by migrant workers. Foreclosures are believed to have been a major contributing cause of the increase in “other” vacant units. The number of these vacant units rose as the number of foreclosures did. Now, with rising prices, declining vacancy rates and a limited inventory of homes for sale, their numbers are dropping in the stronger markets; they remain an issue in the central and western part of the state. **Figure 2.17** illustrates how the vacant inventory has shifted since 2000.

⁶³ Most of this growth occurred in the second half of the decade as the state came out of its prolonged recession.

Figure 2.17: Vacant Units by Type, 2000-2006-2011-2016



Source: Census 2000 SF1; ACS 2010 & 2016 1-year data, Table B25004 and 2000 Decennial Census, SF1 Table H005

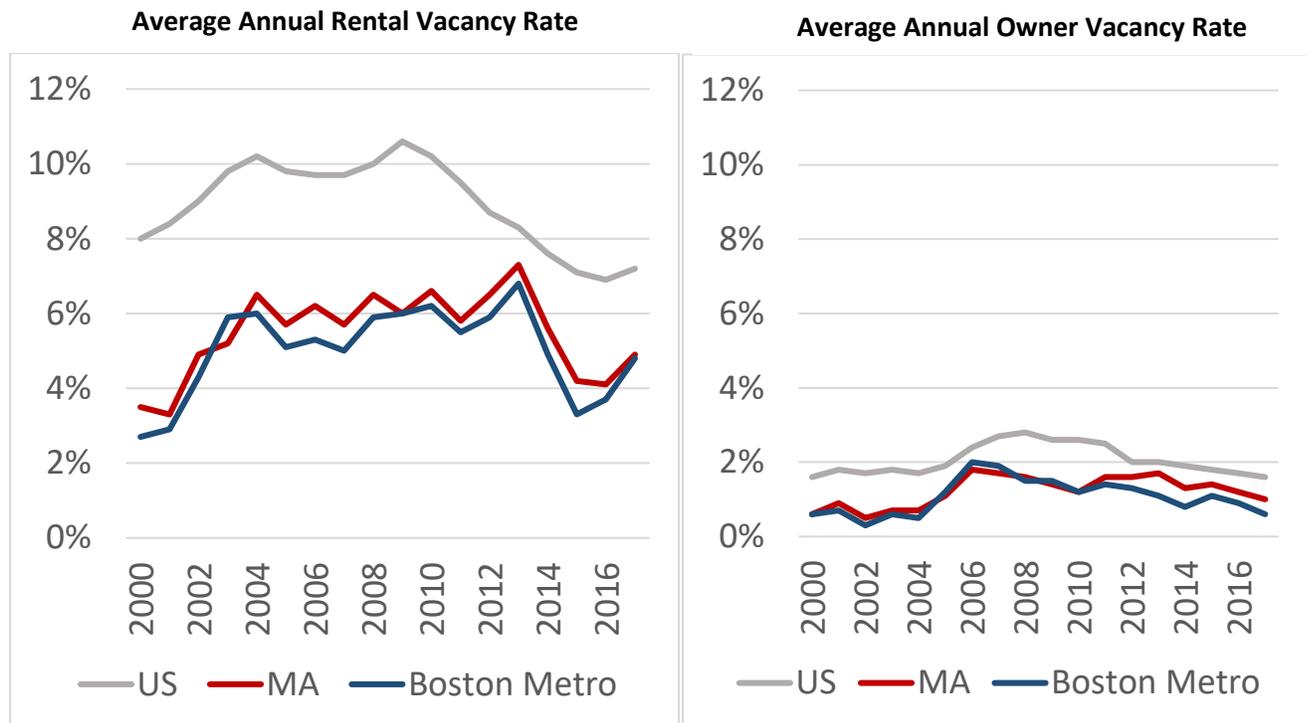
While the number of vacant units overall rose by more than 6 percent between 2006 and 2016, the number of units *available* for rent declined by 20 percent, and the number *available* for sale fell by 28 percent. The increase in vacancies overall (up 6%) was attributable to the increasing number of units held for seasonal, recreational or occasional use (up 23%) and "other" vacant units (up by 19%).

Historically, vacancy rates in Massachusetts have been lower than the U.S. rates, and the Boston metropolitan area rates have been lower than the statewide rates. This is true for both rental and ownership, although the difference is more pronounced in the rental market. Massachusetts—Boston, in particular —is a high rent market with strong fundamentals: it is a high barrier-to-entry market for developers, it has a relatively high income pool of potential renters, and the presence of so many colleges and universities drives up rents, both due to students’ occupancy of units that would otherwise serve the general renter market,⁶⁴ and because units turn over frequently, giving owners more opportunity to raise rents in a rising market.

⁶⁴ See City of Boston, “Student Housing Trends: 2017-2018 Academic Year” report, available at https://www.boston.gov/sites/default/files/boston_student_housing_trends_ay_17-18_revised_final_180515.pdf.

Despite the generally high demand for rental housing in the state, vacancy rates have recently been trending upward, likely due to the substantial number of new high end rental properties that have come onto the market in the past five years (**Figure 2.18**).

Figure 2.18: Annual Vacancy Rates – Boston Metro Area, Massachusetts, U.S., 2000 - 2018



Source: U.S. Census Bureau, 2000-2017 Housing Vacancy Survey. Boston Metro represents Boston-Cambridge-Newton MSA.

Changes in the Type of Housing

The type of housing is changing as the Commonwealth loses older, smaller multifamily units. **Table 2.33** documents the net loss of more than 26,000 units in 2-4 family structures, an affordable housing staple in many communities. While there were modest gains between 2010 and 2016, the decline of this type of housing before 2010 created a serious loss of units. The net gain between 2000 and 2016 was mostly in single family homes – both attached (townhouse) and detached single family – and large (50+ unit) multi-family properties. The number of owners living in large buildings with more than 50 housing units has increased by nearly 50 percent since 2000, and growth in these types of residences has picked up since 2010.

These changes may portend a housing market shift toward larger multifamily housing for ownership (condominiums) as well as rental, and away from the detached single family homes that had been the dominant form for the past half century and the two- and three-family homes that had prevailed during the first half of the 20th century, when the state’s older urban areas were developing. Recent growth in

the Greater Boston region has been driven by the expansion of transit-oriented development in the Inner Core and beyond.

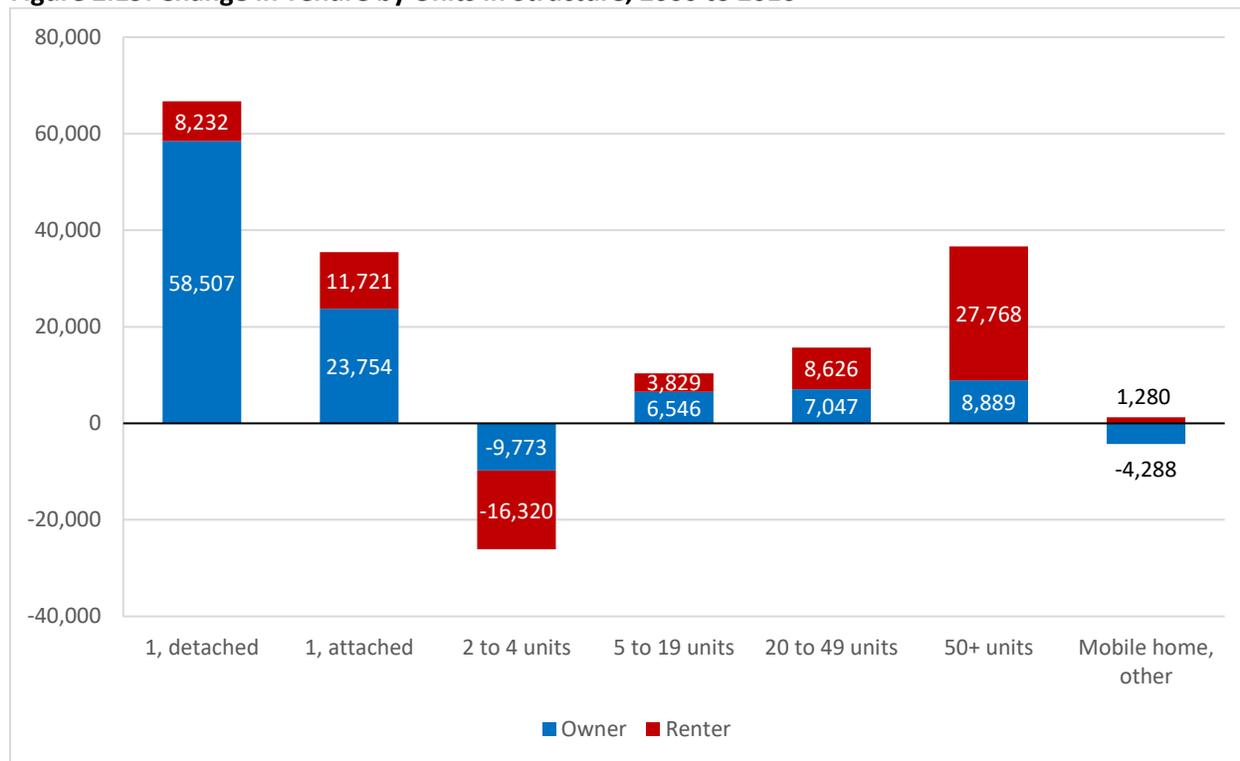
Table 2.33: Gains in Single Family Homes and Large Multifamily Properties

	1, detached and attached	2 to 4 units	5 to 19 units	20 to 49 units	50+ units	Mobile home, other
Stock type total: 2000	1,371,450	565,246	252,441	97,058	134,915	22,470
Stock type's share of total: 2000	56.1%	23.1%	10.3%	4.0%	5.5%	0.9%
Stock type total: 2010	1,447,178	529,521	259,325	108,604	156,301	19,490
Stock type's share of total: 2010	57.5%	21.0%	10.3%	4.3%	6.2%	0.8%
Stock type total: 2016	1,473,664	539,153	262,816	112,731	171,572	19,462
Stock type's share of total: 2016	57.1%	20.9%	10.2%	4.4%	6.7%	0.8%
Stock type's share of gain or loss: 2000-2010	65.5%	-92.3%	6.0%	10.0%	18.5%	(7.7%)
Stock type's share of gain or loss: 2010-2016	44.9%	15.7%	5.7%	6.7%	24.8%	(1.1%)
Stock type's share of gain or loss: 2000-2016	62%	89.7%	6.3%	9.5%	22.2%	10.3%

Source: 2000 Census SF3; 2010 & 2016 1-Year ACS, Table 25032

Figure 2.19, which illustrates the change in tenure by structure size between 2000 and 2016, documents the growing number of owners in multi-family properties. These are typically condominiums, as are most of the single family attached (townhouse) units. Again, this is driven by growth in the Greater Boston region. Single family homes still provide most of the Commonwealth's ownership housing.

Figure 2.19: Change in Tenure by Units in Structure, 2000 to 2016



Source: 2000 Census SF3; 2010 & 2016 1-Year ACS, Table 25032

The changes in the housing supply described above and depicted in the preceding figures and tables are net changes: the loss of older units through demolition or conversion to non-residential uses offset by the addition of units gained through new construction, adaptive reuse, the conversion of larger dwellings to smaller units, etc. A better sense of where the market is headed comes from looking separately at the housing development that occurred between 2000 and 2010, the post-recession housing development and the production pipeline.

Housing Production Past, Present and Future

Between 1990 and 2016, Massachusetts authorized, on average, just under 16,000 new housing units per year. This is about 55 percent of the annual number (29,000) permitted over the prior 30-year period, even though the population growth during the two periods was similar (17% between 1960 and 1980 and 15% since 1990). Permitting of new housing units peaked in 1971 at more than 53,000. Driving the multifamily boom in the late 1960s and early 1970s was the substantial development of subsidized housing being developed under urban renewal programs in the cities and low-rise suburban “garden” apartments being developed for maturing baby boomers, who were then reaching adulthood.

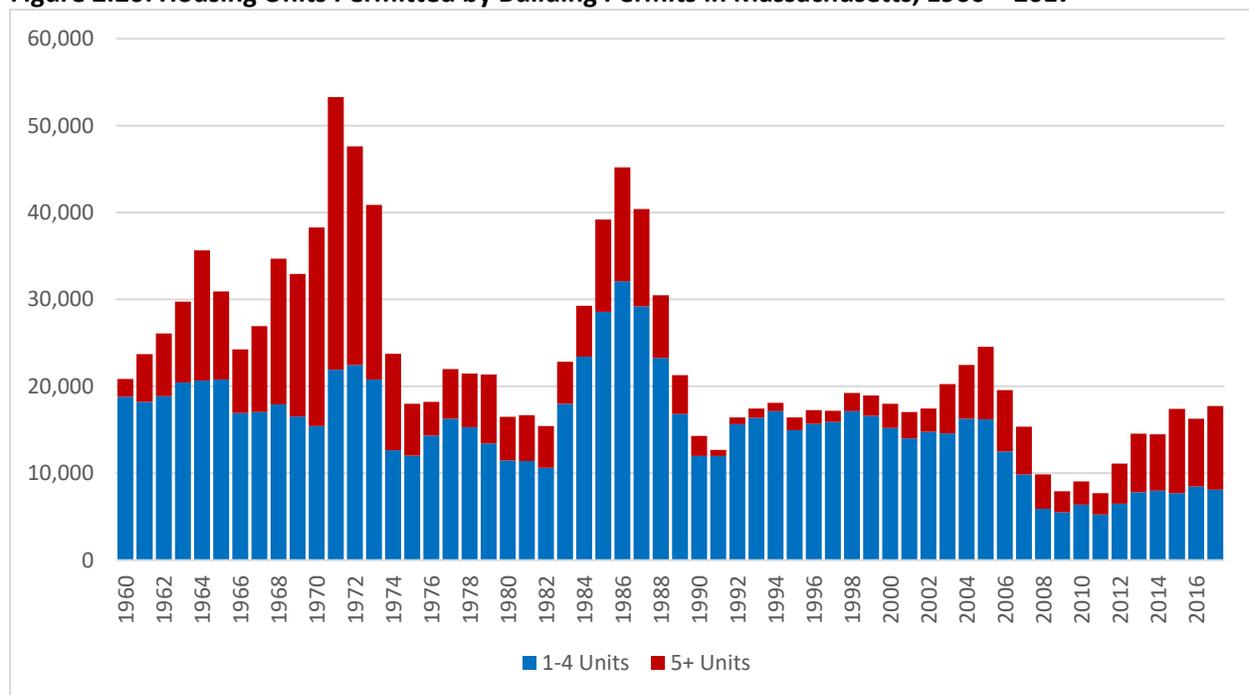
New construction also enjoyed a sharp rise during the 1980s (the “Massachusetts Miracle”), but it fell just as dramatically during the 1990 recession, which hit New England much harder than the rest of the

nation.⁶⁵ It has never fully recovered, despite a modest upturn during the housing boom in the mid-2000s.

The Great Recession brought production to a 40-year low, and permitting reached its nadir (7,300 units) in 2011. Since 2013, multifamily construction in and around Boston has lifted the state’s numbers. Still, production remains well below 1990s and early 2000s levels. And single family production remains well below the levels of the early 2000s housing boom. Despite rising home prices and a lack of inventory for sale – across price points – new construction has stalled, driving home prices in Greater Boston, in particular, to all-time highs.

Figure 2.20, which tracks the number of housing units authorized by building permits since 1960, documents the substantial year-to-year variation in construction activity.⁶⁶

Figure 2.20: Housing Units Permitted by Building Permits in Massachusetts, 1960 – 2017⁶⁷



⁶⁵ Over the course of the 1990s, Massachusetts produced little more than half of the housing units it needed. The drop off in multifamily production – buildings with 5 or more units, the majority of which are rentals – was especially pronounced in the Boston metro area. Production there averaged just over 700 units a year for 7 years between 1990 and 1997, triggering steep rent increases and plummeting vacancy rates. Multi-family production began to recover after 1998, when the major national apartment developers entered the Massachusetts market.

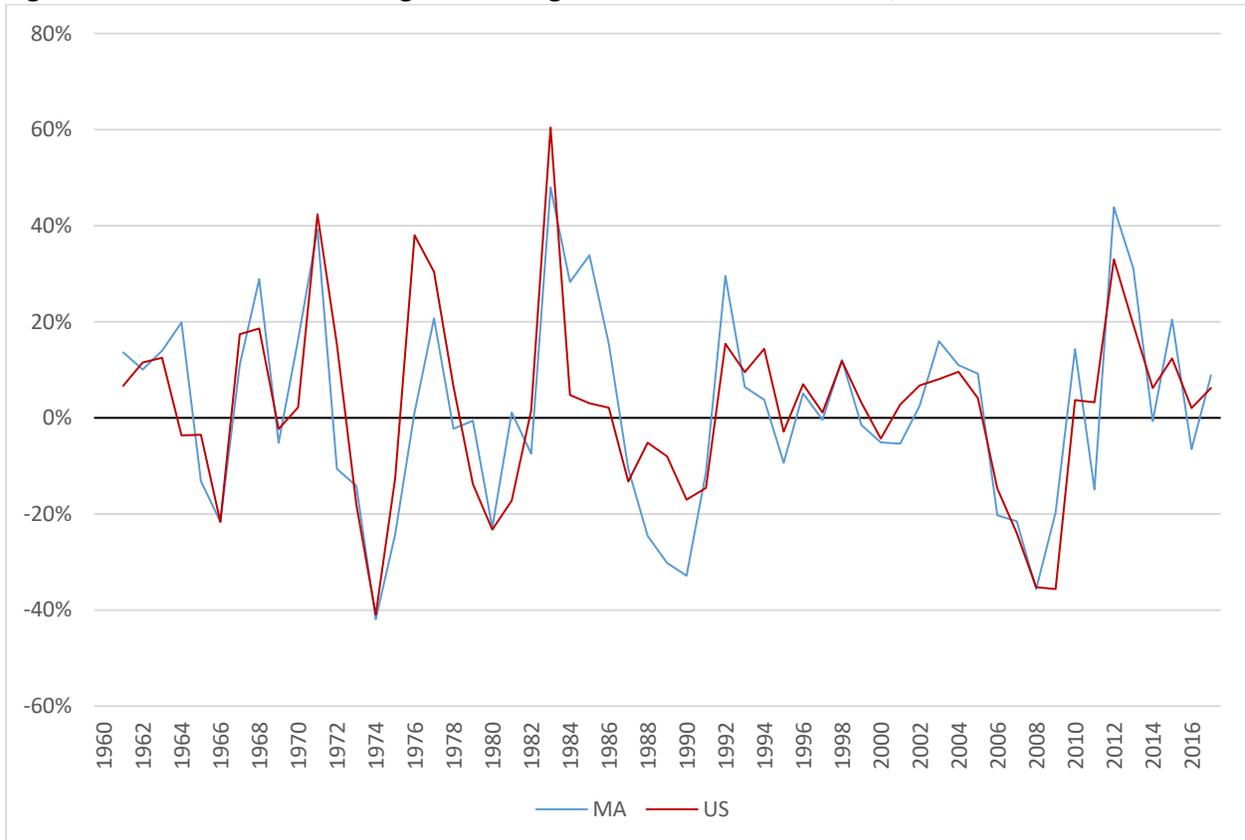
⁶⁶ Building permits reflect filings of intention to build and do not always translate into built units in the same year. In addition, permit reporting sometimes is missing and in those cases is imputed for some or all months of the year by Census.

⁶⁷ Census BPS data are the best data available, although it is not 100% accurate. For example, not every permit is built and becomes a unit. The UMass Donahue Institute and the Massachusetts Housing Partnership are working on methods to improve the accuracy of this data in the future.

Source: U.S. Census Bureau, Building Permit Survey, 1960-2017

The state's housing production, though modest by national standards, closely tracks national trends in terms of year-to-year production swings, underscoring just how much the construction industry is driven by national economic forces and policies (**Figure 2.21**).

Figure 2.21: Year over Year Change in Housing Units Permitted: MA vs US, 1960-2017



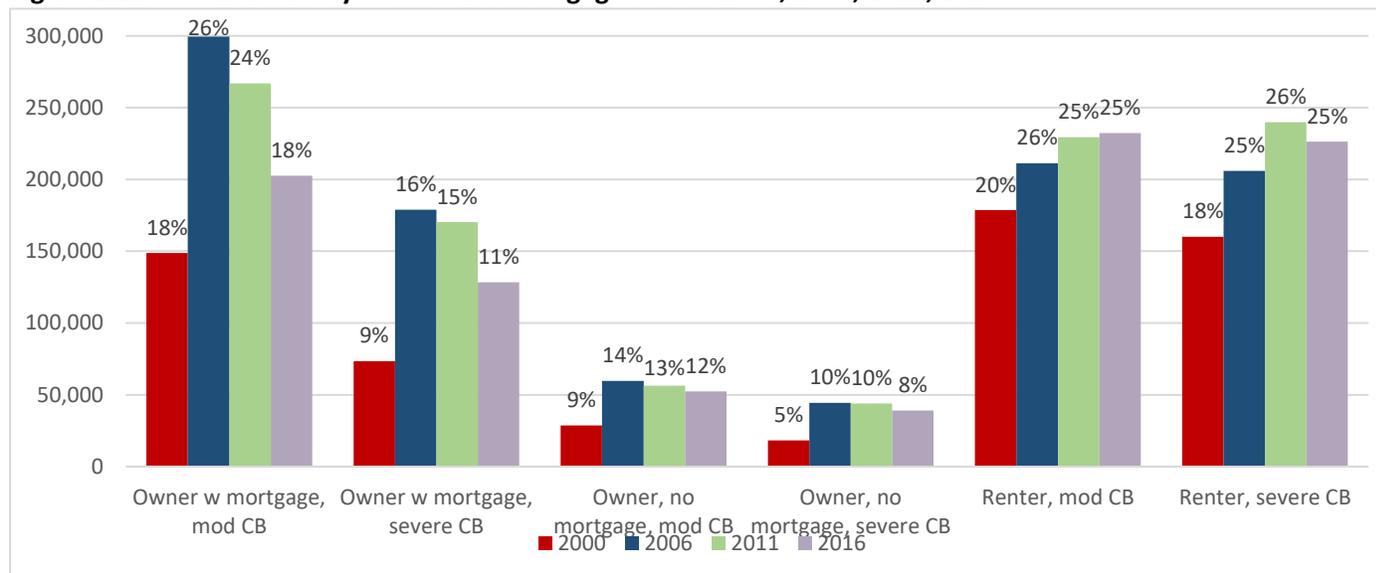
Source: U.S. Census Bureau, Building Permit Survey 1960-2017

Housing Costs and Affordability

Home sales and prices skyrocketed during the first half of the 2000 decade, fueled by easy credit and lax oversight, but when the housing market collapsed, it triggered the longest and most severe recession since the Great Depression. Home prices in some parts of the state have yet to fully recover, nearly a decade after bottoming out in 2009. The years immediately following the collapse of the housing bubble – sales peaked in the third quarter of 2004 in Massachusetts and home prices peaked the following year – were the worst, as measured by the drop in incomes, homeownership and household formation rates and the rise in foreclosures, unemployment, housing cost burdens and homelessness. There has been a

gradual improvement in cost burdens relative to income since 2006, as **Figure 2.22** illustrates, but the number and share of households moderately or severely burdened by high housing costs is in every category (owners with a mortgage, owners with no mortgage and renters) is significantly higher now than in was in 2000.

Figure 2.22: Cost Burdens by Tenure and Mortgage Status: 2000, 2006, 2011, 2016



Source: 2000 Decennial Census SF3 Table H094 and 2006 and 2011 One-Year American Community Survey, Table B25070

Table 2.34: Cost Burdens by Tenure and Mortgage Status: 2006, 2016 (in 2017 dollars)

Geography	2006 Median Value (Owner- Occupied Home)	Median Home Value to Median HH Income	2016 Median Value (Owner- Occupied Home)	Median Home Value to Median HH Income
Massachusetts	\$450,488	6.18	\$374,747	4.87
Barnstable County	\$508,258	7.33	\$391,395	5.64
Berkshire County	\$231,203	4.00	\$202,337	3.39
Bristol County	\$336,955	6.37	\$297,121	4.41
Essex County	\$474,083	6.54	\$392,621	5.20
Franklin County	\$252,730	4.01	\$235,430	4.04
Hampden County	\$231,690	4.26	\$202,950	3.85
Hampshire County	\$306,974	4.82	\$294,874	4.49
Middlesex County	\$542,434	6.29	\$487,712	5.01
Norfolk County	\$528,204	5.92	\$455,641	4.81
Plymouth County	\$463,380	5.70	\$361,571	4.31
Suffolk County	\$508,988	8.77	\$482,605	7.65
Worcester County	\$364,136	5.08	\$275,468	3.89

Source: 2006 and 2016 1-Year American Community Survey, Table B25077

Table 2.35: Cost Burdens by Tenure and Rent Status: 2006, 2016 (in 2017 dollars)

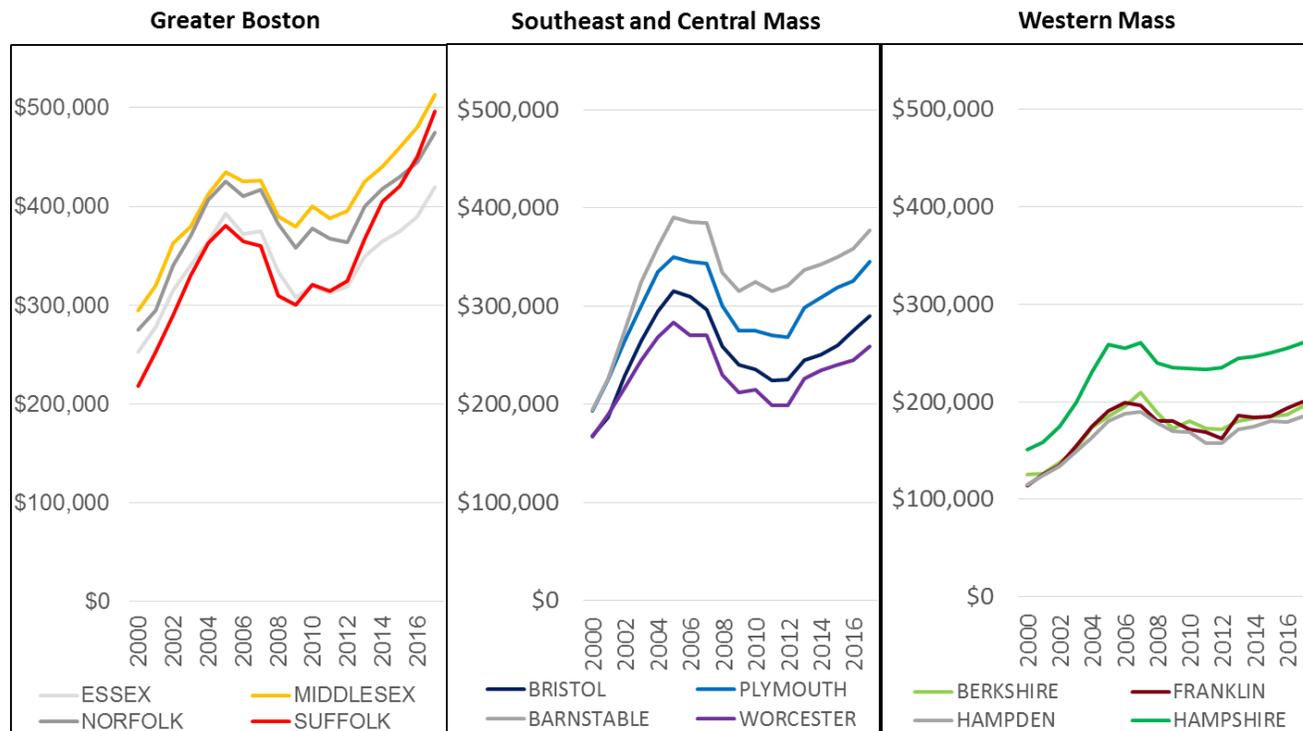
Geography	2006 Median Gross Monthly Rent	2006 Median Annual Rent to Median HH Income	2006 Median Annual Rent to Median RENTER Income	2016 Median Gross Monthly Rent	2016 Median Annual Rent to Med HH Income	2016 Median Annual Rent to Median RENTER Income
Massachusetts	\$1,135	0.19	0.35	\$1,204	0.19	0.34
Barnstable County	1,294	0.22	0.38	1,323	0.23	0.38
Berkshire County	749	0.16	0.31	837	0.17	0.28
Bristol County	881	0.17	0.31	844	0.15	0.29
Essex County	1,142	0.19	0.38	1,146	0.18	0.37
Franklin County	844	0.16	0.26	918	0.19	0.34
Hampden County	832	0.18	0.38	852	0.19	0.37
Hampshire County	969	0.18	0.33	1,018	0.19	0.37
Middlesex County	1,380	0.19	0.32	1,521	0.19	0.31
Norfolk County	1,412	0.19	0.33	1,489	0.19	0.32
Plymouth County	1,125	0.17	0.32	1,197	0.17	0.34
Suffolk County	1,293	0.27	0.41	1,484	0.28	0.41
Worcester County	951	0.16	0.32	989	0.17	0.32

Source: 2006 and 2016 1-Year American Community Survey, Table B25064

Housing Sales

Every region in Massachusetts saw prices rise during the housing bubble and fall as the market collapsed. However, the Greater Boston region began its recovery post-recession much sooner than any other region of the state and has experienced a price escalation at a level unmatched by other regions. Home prices in Middlesex, Suffolk, Essex, and Norfolk Counties began to rise in 2010. The remaining Massachusetts counties, however, continued to experience home price declines or stagnation until approximately 2012. Greater Boston home prices have risen the most sharply since the end of the recession. Even before the recession, at the start of the housing bubble, this region had the highest priced housing in the state. The Berkshire and Pioneer Valley regions have had the lowest housing prices since 2000, and have not experienced the same dramatic growth in prices as the rest of the state (**Figure 2.23**)

Figure 2.23: Home Sale Prices by Region (2017 dollars)



Source: 2000-2017 Massachusetts Association of Realtors (MAR)

Note: Island counties of Dukes and Nantucket are omitted.

Post-recession, home prices are on the rise and supply is tight. Data from the Massachusetts Association of Realtors in **Table 2.36** reveal 15-year lows in the number of properties listed for sale, the monthly supply, and the number of days listings stay on market, which are all indications that limited supply is currently driving prices up. By March 2018, the overall Massachusetts housing market had surpassed its pre-recession peak for the median price of both single family homes and condominiums, reaching \$369k and \$389k, respectively. The fact the condominium prices exceeded single family prices reflects the fact that condo sales are concentrated in the high cost areas in and around Boston, while the single family sales are spread across the state, including in areas that have yet to fully recover from the recession.

Table 2.36: Housing Market: Sales and Supply

Mon/Yr	1-Family Listings	New Listings	Monthly Sales	Median 1-Family Price	Monthly Supply	Days on Market	Condo Listings	New Listings	Monthly Sales	Median Condo Price	Monthly Supply	Days on Market
Mar-04	28,709	NA	3,340	\$318,000	8.6	NA	11,116	NA	1,340	\$274,523	8.3	NA
Mar-05	29,859	NA	3,373	\$350,000	8.9	106	13,445	NA	1,691	\$265,000	8.0	75
Mar-06	39,824	NA	3,550	\$344,000	11.2	126	20,549	NA	1,790	\$270,900	11.5	122
Mar-07	31,353	NA	3,450	\$344,000	9.1	158	15,557	NA	1,765	\$279,000	8.8	142
Mar-08	32,869	NA	2,339	\$315,000	14.1	162	15,835	NA	1,093	\$263,750	14.5	168
Mar-09	26,700	NA	2,235	\$255,000	12.0	156	11,700	NA	922	\$224,500	13.3	158
Mar-10	27,362	NA	3,120	\$279,950	9.5	132	11,709	NA	1,362	\$252,500	9.0	137
Mar-11	28,941	NA	2,646	\$273,500	8.8	127	11,576	NA	1,092	\$232,000	8.9	134
Mar-12	28,159	NA	3,113	\$269,000	8.6	131	9,908	NA	1,163	\$250,000	7.9	123
Mar-13	19,761	6,347	3,011	\$290,000	5.1	124	6,543	2,672	1,192	\$270,000	4.3	99
Mar-14	19,716	7,012	2,758	\$314,063	4.8	122	5,620	2,662	1,306	\$300,154	3.3	85
Mar-15	17,729	6,343	2,801	\$320,000	4.4	127	4,900	2,551	1,145	\$307,000	3.0	98
Mar-16	15,442	8,300	3,452	\$329,505	3.1	117	4,306	2,995	1,429	\$307,900	2.3	85
Mar-17	13,796	7,148	3,679	\$350,000	2.9	91	4,124	2,799	1,654	\$335,000	2.2	66
Mar-18	9,683	5,903	3,354	\$369,000	2.0	80	2,868	2,361	1,450	\$389,900	1.5	57

Source: 2004-2018 Massachusetts Association of Realtors (MAR)

Note: Highlighting shows highs (green) and lows (orange) for the periods around March 2005 and March 2018 (highlighted in yellow).

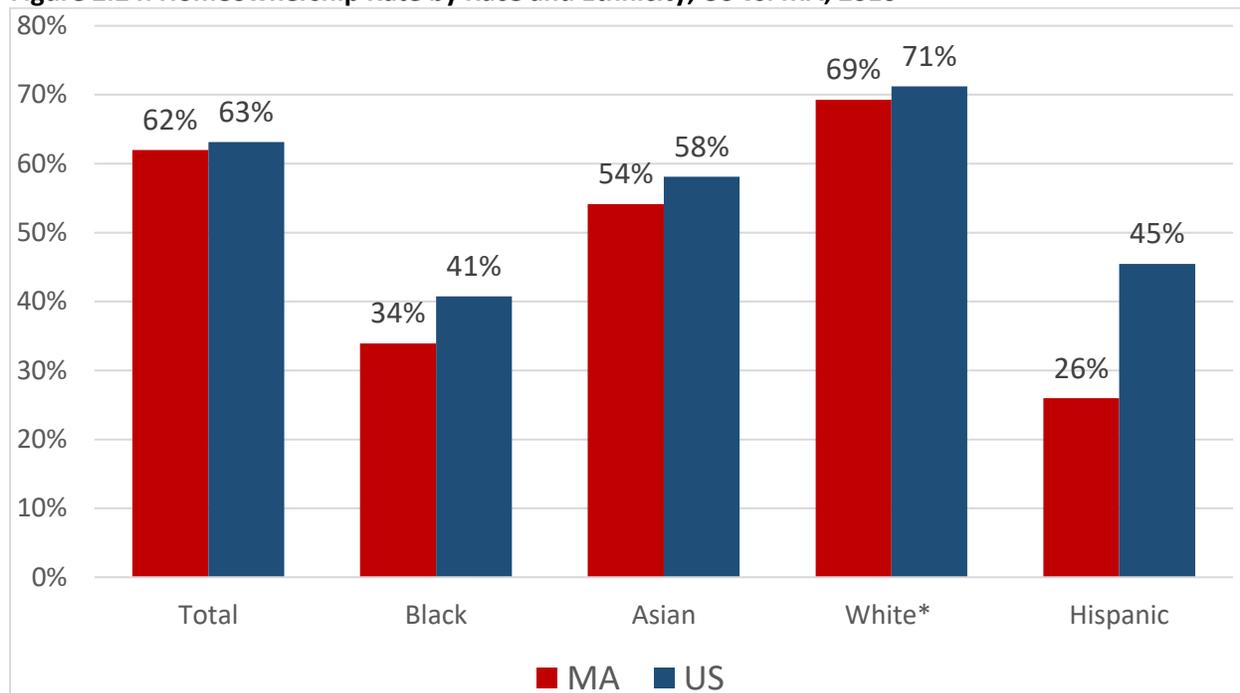
Unlike the early 2000s, easy credit is not fueling the rise in home prices; instead, the lack of inventory is the driving factor. Key market indicators – properties listed for sale, monthly supply, days on market – are at 15-year lows in the data from 2018. Without a substantial increase in the rate of housing construction, prices will remain inflated.

Impact of Market Forces on Communities of Color

Communities of color were disproportionately impacted by the foreclosure crisis, and as noted in the prior AI, many of the Commonwealth’s Gateway Cities were especially hurt by the crisis⁶⁸

⁶⁸ Overall, foreclosures have declined in frequency since the end of the Great Recession, but have increased since a hitting low in 2014. MHP, *Foreclosure Monitor 5 years later: Lessons learned*, September 3, 2014

Figure 2.24: Homeownership Rate by Race and Ethnicity, US vs. MA, 2016



Source: 2016 1-Year American Community Survey, Series B25003

*Non-Hispanic

As discussed in the fair housing demographics section, Asian and Hispanic households are the fastest-growing racial and ethnic groups in the Commonwealth since 1990. **Table 2.37** shows the number and percent of renters and owners in Massachusetts by race. White homeownership has grown nearly 10 percent since 1990, and the number of White renters has decreased nearly 18 percent; the White population owns homes at more than twice the rate that they rent them. Other groups such as Hispanic households, experience the reverse, renting at more than 3 times the rate that they own homes. At the same time, Asian households experienced the largest growth in homeownership of any racial or ethnic group.

Table 2.37: Tenure by Race/Ethnicity Since 1990

Homeowners	1990	2010	2016	Percent Change 1990-2016	Homeowners Per Renter
*White	1,271,823	1,418,689	1,396,941	9.8%	2.26
Black	26,222	50,643	53,354	103.5%	0.49
Asian	15,390	109,022	67,426	338.1%	1.08
Other	6,652	20,485	19,825	198.0%	0.29
Hispanic	15,296	45,653	53,837	252.0%	0.33
Total	1,335,383	1,644,492	1,591,383	19.2%	1.56

Renters	1990	2010	2016	Percent Change 1990-2010	Renters Per Homeowner
*White	752,912	641,760	618,125	-17.9%	0.45
Black	73,180	100,334	108,894	48.8%	1.88
Asian	23,338	55,012	62,379	167.3%	1.02
Other	36,172	72,745	67,468	86.5%	1.67
Hispanic	66,353	138,110	163,183	145.9%	3.63
Total	951,955	1,007,961	1,020,049	7.2%	0.64

Source: 1990 and 2010 Decennial Census, 2016 ACS 5-Year, Series B25012 *Indicates non-Hispanic, all other groups include Hispanic.

The disparate rates of homeownership among racial and ethnic groups are due to a number of factors; on average, White households generally have higher incomes than other racial groups with the exception of Asian households. They are also substantially older, with the White population having a median age in Massachusetts that is at least 10 years higher than all other groups and 16 years higher than the Hispanic population. Since homes are increasingly purchased well into adulthood, younger populations have fewer individuals at a point in life where owning a home makes sense, even before considering income. Young adults are also delaying homeownership in part due to rising costs, as well as student loan and other debt burdens. Disparity in wages, combined with the falling income of renters since 2000 in Massachusetts, paints a difficult picture for households that are renting while aspiring to move into homeownership in the future.

Racially discriminatory lending practices also play a role in who is able to obtain a mortgage, and what kind of mortgage a homeowner may be able to qualify for. In 2017, the Massachusetts Community & Banking Council found the denial rate for Black and Hispanic borrowers was significantly higher than the denial rate of White borrowers of the same income. In Greater Boston, the denial rates for Black, Hispanic and White mortgage applicants whose incomes were between \$101,000 and \$125,000 were 10.2 percent, 7.4 percent, and 3.7 percent, respectively.⁶⁹

⁶⁹ Jim Campen, Ph.D., for Massachusetts Community & Banking Council, "Changing Patterns XXV: Mortgage Lending to Traditionally Underserved Borrowers & Neighborhoods in Boston, Greater Boston, and Massachusetts, 2017."

3. Segregation and Integration

As Section 2 documented, the Commonwealth’s populations of color are more likely to have lower incomes and experience higher rates of poverty than their non-Hispanic White counterparts. These income differences alone, however, cannot explain the persistent patterns of residential segregation. Segregation can result from many factors, including the voluntary choices people make about where they want to live as well as involuntary limitations resulting from current or past discrimination in the housing market or from a lack of information about the residential opportunities available to them. Regardless of its cause, residential segregation contributes to persistent disparities in education, employment, and wealth.

This section looks at historical factors as well as recent trends that have contributed to racial separation in the Commonwealth. It examines segregation and integration at the state, regional and municipal levels using several different metrics to document the extent to which people of different racial and ethnic characteristics share the same residential geography and interact with one another, and how this has changed over time. It is organized as follows: first, it describes who lives where and how that has changed over time; next, it reviews segregation trends in Massachusetts and elsewhere for the state’s four major racial/ethnic groups; and third, it discusses the factors that have contributed to racial separation. These include historic causes as well as current drivers of segregation.

Racial Separation and Concentration in Massachusetts

Among the 50 states, Massachusetts ranks in the middle of the pack, both in terms of the size of its persons of color population (17th in 2016) and the share of its total population represented by people of color (25th). The state as a whole is becoming more diverse, however, and both the number and percentage of people of color living in Massachusetts has increased in recent years relative to other states (Table 3.1).

Table 3.1. Massachusetts is Becoming More Diverse

Rank	Rank among all 50 states		
	2006	2011	2016
<i>Size of state's population of color</i>			
Number	21	19	17
Share of total population	29	27	25
Rank	2006-2016	2006-2011	2011-2016
<i>Growth in the populations of color</i>			
Absolute growth		14	11
Percentage growth		20	4

Source: 2016 1-Year ACS, Table DP05

* Includes all but White alone, not Hispanic

In the past 27 years, as the state’s population overall rose by 14 percent, the non-Hispanic White population declined by more than 7 percent, a drop of over 372,000 residents. Population growth was

entirely attributable to the increase in people of color, including those who identify as more than one race. The number of Hispanics increased by more than 524,000; Asians by over 450,000; and the Black population, by nearly 478,000. International immigration has been a major component of the state’s population growth and increasing diversity. **Table 3.2** summarizes the state’s shifting racial and ethnic profile.

Table 3.2: Changes in Populations Share by Race/Ethnicity, 1990 to 2017[^]

Year	Total	White*	Black*	Asian*	Hispanic	Other*
1990	6,016,268	5,278,759	273,698	139,616	286,770	37,425
Share of Total	100.0%	87.7%	4.5%	2.3%	4.8%	0.6%
2000	6,349,624	5,197,835	361,908	261,713	428,209	99,959
Share of Total	100.0%	81.9%	5.7%	4.1%	6.7%	1.6%
2010	6,547,629	4,984,800	391,693	348,962	627,654	194,520
Share of Total	100.0%	76.1%	6.0%	5.3%	9.6%	3.0%
2017 (estimate)	6,859,819	4,906,564	477,846	450,311	811,292	213,806
Share of Total	100.0%	71.5%	7.0%	6.6%	11.8%	3.1%
# Change 1990-2000						
# Change 1990-2000	333,356	-80,924	88,210	122,097	141,439	62,534
# Change 2000-2010						
# Change 2000-2010	198,005	-213,035	29,785	87,249	199,445	94,561
# Change 2010-2017						
# Change 2010-2017	312,190	-78,236	86,153	101,349	183,638	19,286
# Change 1990-2017						
# Change 1990-2017	843,551	-372,195	204,148	310,695	524,522	176,381
% Change 1990-2000						
% Change 1990-2000	5.5%	-1.5%	32.2%	87.5%	49.3%	167.1%
% Change 2000-2010						
% Change 2000-2010	3.1%	-4.1%	8.2%	33.3%	46.6%	94.6%
% Change 2010-2017						
% Change 2010-2017	4.8%	-1.6%	22.0%	29.0%	29.3%	9.9%
% Change 1990-2017						
% Change 1990-2017	14.0%	-7.1%	74.6%	222.5%	182.9%	471.3%

Source: Decennial Census SF1, 1990, 2000, 2010 and 2017 1-Year American Community Survey

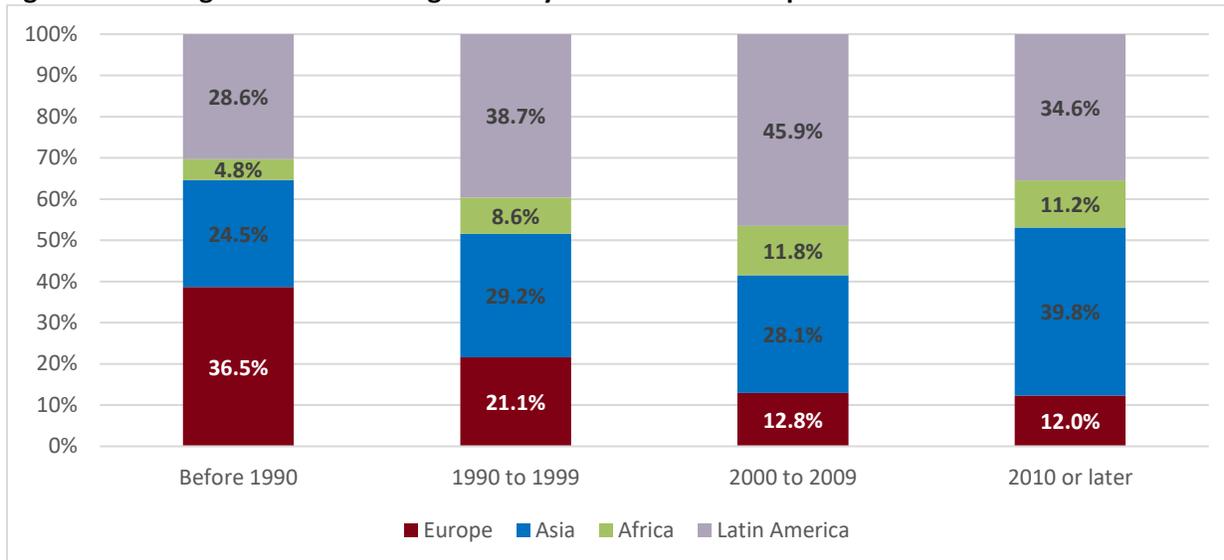
* Not Hispanic

[^] Table 3.2 incorporates population estimates based on the 2017 5-Year American Community Survey (ACS), which was released as this AI was being readied for publication. Elsewhere in the AI the 2016 ACS estimates were used, resulting in slight variation among tables.

Note: Beginning in 2000, Americans have had the option to identify with more than one race. Those identifying as multi-racial are included in the “other” category in Table 3.2.

Over 70 percent of the more than 1.1 million immigrants who now make Massachusetts their home have arrived since 1990, and roughly the same share (70%) are people of color: approximately 29 percent Asian, 17 percent, Black and 25 percent Hispanic. **Figure 3.1** identifies the regions of the world from which Massachusetts’ immigrants have come, and how that has changed over time. Historically, immigration status has explained some degree of segregation as recent arrivals often cluster in areas where others from their country or region of origin live. The longer they remain in this country, however, the more likely they are to fan out into other areas.

Figure 3.1: Immigration is Increasing Diversity Across Racial Groups



Source: 2011 and 2016 1-Year American Community Survey, Table S0502

People of Color are now the Majority in an Increasing Number of Communities

The 2000 Decennial Census was the first to document that people of color represented the majority population in any Massachusetts city or town. Since that time, people of color have become the majority population in 12 municipalities, including three of the Commonwealth’s five most populous cities (Boston, Springfield and Lowell). Because of the younger age profile of the non-White population, children of color (those under 18) are the majority population in 20 communities (**Table 3.3**).

Non-Hispanic Whites are now the minority population in Boston, Brockton, Chelsea, Everett, Holyoke, Lawrence, Lowell, Lynn, Malden Randolph, Springfield, and tiny Aquinnah on Martha’s Vineyard.⁷⁰

⁷⁰ Over two-thirds of the non-White population in Aquinnah is Native American. The Wampanoag Tribe of Gay Head (Aquinnah) is a federally recognized tribe by the U.S. Bureau of Indian Affairs. Aquinnah school children attend Martha’s Vineyard regional schools, which are majority White.

Table 3.3: Increase in Majority Communities of Color Since 1990

1990			2000			2010			2016			2016 - Under 18 only		
Municipality	Minority Population		Municipality	Minority Population		Municipality	Minority Population		Municipality	Minority Population		Municipality	Minority Population	
	#	%		#	%		#	%		#	%		#	%
			Lawrence	47,474	65.9%	Lawrence	60,740	79.5%	Lawrence	66,164	83.4%	Lawrence	1,623	92.4%
			Chelsea	21,656	61.7%	Chelsea	26,295	74.8%	Chelsea	29,368	76.8%	Chelsea	837	91.5%
			Springfield	77,791	51.2%	Springfield	96,812	63.3%	Springfield	102,847	66.8%	Springfield	6,429	84.0%
			Boston	297,580	50.5%	Randolph	19,559	60.9%	Randolph	20,934	62.4%	Randolph	1,297	79.8%
						Brockton	53,542	57.1%	Lynn	56,137	61.0%	Lynn	5,012	78.8%
						Holyoke	21,229	53.2%	Brockton	57,312	60.4%	Holyoke	2,155	77.8%
						Boston	327,282	53.0%	Aquinnah	357	59.9%	Boston	26,517	75.7%
						Lynn	47,360	52.4%	Holyoke	22,893	56.8%	Brockton	6,749	72.4%
									Boston	359,901	54.7%	Aquinnah	48	69.6%
									Everett	23,202	52.0%	Lowell	8,167	67.4%
									Malden	31,201	51.4%	Malden	3,976	64.9%
									Lowell	55,580	50.6%	Worcester	13,969	62.6%
												Everett	3,937	62.6%
												Fitchburg	3,876	57.9%
												Southbridge	1,691	55.1%
												Revere	4,747	52.8%
												New Bedford	10,159	52.5%
												Somerville	4,620	51.8%
												Quincy	7,507	50.5%
												Cambridge	6,418	50.1%

Sources: 1990, 2000, 2010 Decennial Census; 2016 5-Year American Community Survey

Modest Reduction in Racial and Ethnic Clustering Over Time

In 2016, 68 percent of the Commonwealth's Black households and 61 percent of Hispanic households lived in just ten cities. Asians were somewhat more dispersed, with only 49 percent of Asian households living in the ten communities that were home to the largest number of Asian households. White households, on the other hand, were spread out widely across the Commonwealth, with just 19 percent clustered in the ten communities with the largest number of White households. Only three cities – Boston, Worcester and Lowell – are among the top ten for all four groups.

Table 3.4 shows how these settlement patterns have changed over time. It depicts the top ten communities for each of the state's major racial/ethnic groups in 1990 and 2016 (that is, the ten communities where the largest number of households of each group lives), and the percentage of each group that lives in each of those communities. Table 3.4 is just a simplified way of illustrating how concentrated the Commonwealth's communities of color have been historically, and how concentrated they remain today. It shows that households of color have clustered in the same 10 or 15 communities for nearly a quarter century, but there has been some movement into new communities in recent years. While Black households remain heavily concentrated in Boston, that concentration has diminished over time. In 1970, 62 percent of the state's Black households lived in Boston; by 1990, the Boston share had dropped to 51 percent, and by 2016, it stood at 36 percent.

It is important to remember that no racial or ethnic group is monolithic, and there are identifiable and growing differences within each of the major groups discussed in this AI, often associated with year of entry and country of origin (if non-US born) or ancestry (if native born). Particularly striking are the differences between and among the many ethnic groups included under the broad heading "Asian." The Census classification "Asian" refers to a heterogeneous category that includes people and their descendants from across the Asian continent: the Far East (China, Japan, Korea), Southeast Asia (the Philippines, Vietnam, Cambodia, Laos), and the Indian subcontinent (India and Pakistan). It includes three of the state's largest immigrant groups (Chinese, Indian and Vietnamese.)

These subgroups have widely varying income, education and employment profiles. And, as described in Section 2, they have settled in a wide variety of community types. While Table 3.4 represents all those reported as Asian by the Census Bureau, those numbers would look very different if they were broken down by ethnicity within that category. For example, while 53 percent of Massachusetts' Cambodian immigrants, and 41 percent of Laotian immigrants, live in Lowell, less than 0.5 percent of the Chinese, Korean, Japanese, or Pakistani immigrants live there. Nearly half of Massachusetts' Chinese immigrants – its largest Asian immigrant population – lives in Boston, Quincy, Malden, Cambridge, and Newton, but fewer than 5 percent of the state's Cambodian and Laotian immigrants, and fewer than 22 percent of Indian and Pakistani immigrants, make their homes in these cities.

Table 3.4: Communities with the Greatest Number of Households in Each of the Major Racial/Ethnic Groups, 1990 and 2016

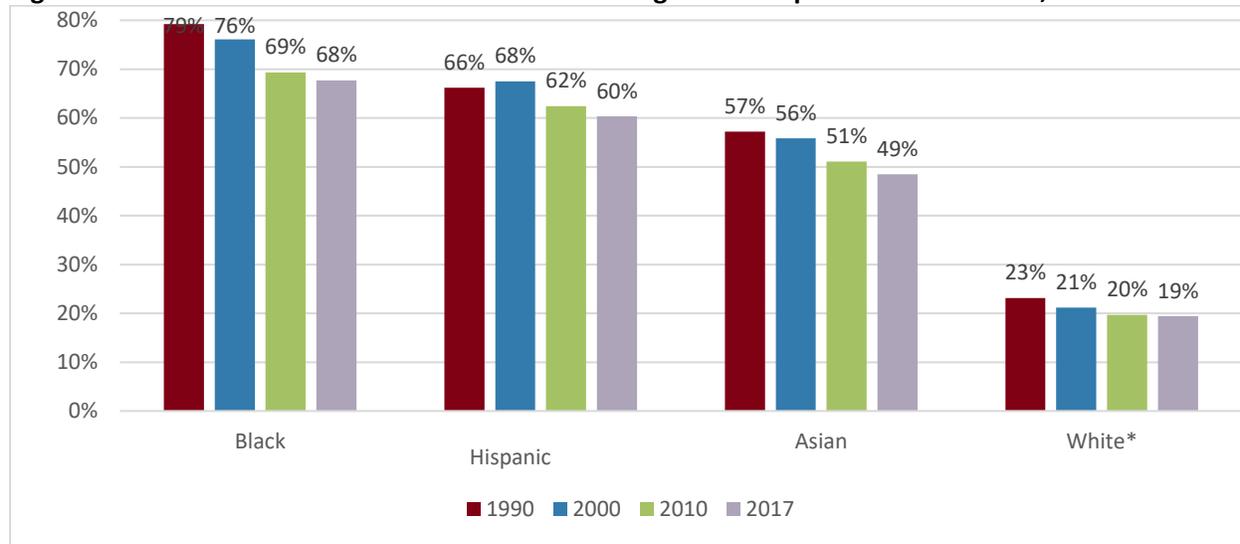
Black Households		Hispanic Households		Asian Households		White Households	
1990							
Boston	51.4%	Boston	22.8%	Boston	25.7%	Boston	7.5%
Springfield	10.7%	Lawrence	9.9%	Lowell	6.6%	Worcester	2.8%
Cambridge	4.7%	Springfield	9.5%	Cambridge	5.6%	Springfield	2.0%
Brockton	3.6%	Worcester	5.4%	Brookline	4.0%	Fall River	1.8%
Worcester	2.4%	Holyoke	4.7%	Quincy	3.8%	New Bedford	1.7%
Lynn	1.9%	Lowell	3.9%	Worcester	2.8%	Quincy	1.6%
New Bedford	1.4%	Chelsea	2.9%	Somerville	2.5%	Cambridge	1.5%
Somerville	1.3%	Lynn	2.6%	Newton	2.4%	Lowell	1.5%
Malden	0.9%	Cambridge	2.3%	Malden	1.9%	Newton	1.4%
Framingham	0.9%	New Bedford	2.1%	Amherst	1.9%	Lynn	1.3%
Total in top 10	79%		66%		57%		23%
2016							
Boston	36.0%	Boston	19.0%	Boston	17.2%	Boston	6.7%
Brockton	7.3%	Springfield	9.6%	Quincy	6.4%	Worcester	2.2%
Springfield	7.0%	Lawrence	8.4%	Lowell	4.5%	Fall River	1.6%
Worcester	5.0%	Worcester	5.8%	Cambridge	4.4%	Cambridge	1.4%
Cambridge	2.8%	Lynn	4.3%	Malden	3.6%	New Bedford	1.4%
Lynn	2.7%	Lowell	3.1%	Brookline	3.0%	Quincy	1.4%
Randolph	2.6%	Chelsea	3.0%	Worcester	2.8%	Newton	1.2%
Malden	1.8%	Holyoke	3.0%	Newton	2.7%	Somerville	1.2%
Lowell	1.7%	New Bedford	2.6%	Waltham	2.1%	Lowell	1.1%
New Bedford	1.5%	Revere	1.9%	Somerville	2.1%	Springfield	1.1%
Total in Top 10	68%		61%		49%		19%

Source: 1990 Decennial Census and 2016 5Yr ACS B25003 and B25003 B, D, H, and I

For much of the 20th century, Black migration to Massachusetts' suburbs was minimal. The state's Black population increased by more than 57 percent between 1960 and 1970, but by 1970 more than 80 percent of the Commonwealth's Black residents were still living in just eight cities: Boston, Brockton, Cambridge, Lynn, Medford, New Bedford, Springfield, and Worcester. Within these cities, they were often concentrated in older, poorer neighborhoods. Patterns of racial isolation still exist in communities where people of color predominate today. In Boston, 80 percent of Black and 61 percent of Hispanic people live in just five of the city's 26 neighborhoods: in these same five neighborhoods, Black and Hispanic residents account for more than 60 percent of the population: Dorchester, Roxbury, East Boston, Hyde Park, and Mattapan. Less than 20 percent of the city's White population lives in these districts.

Figure 3.2 shows that the “capture rate” of the “top ten” communities – the percentage of a racial/ethnic group’s total population in the state residing there – has declined steadily, but very modestly, over the past 25 years. People of color, particularly Black and Hispanic populations, remain concentrated in a handful of Massachusetts communities, while their presence in many of the Commonwealth’s 351 municipalities is minimal.

Figure 3.2: Trends in the Share of Households Residing in the “Top Ten” Communities, 1990 – 2017



Source: 1990, 2000 and 2010 Decennial Census SF1 H007 (1990, 2000) and H7 (2010); 2017 5Yr ACS B25003 (B, D, H, and I)
 Note: “Top Ten” refers to the municipalities that have the greatest number of households of a given racial or ethnic group living there. Which municipalities those are varies by racial/ethnic group. They may also vary over time.
 * Not Hispanic

Clustering by Race, Ethnicity or Place of Birth is Common

Sometimes the municipalities that are home to the largest *number* of residents of a particular racial or ethnic group are not the ones where that group constitutes the *greatest share* of the local population. Clustering by ethnicity and place of birth, or ancestry, becomes evident when looking beyond the major cities. **Table 3.5** identifies the municipalities where Black, Asian and Hispanic residents represent the largest share of the local population. The differences in the type and location of communities that have drawn substantial numbers of Black, Asian and Hispanic populations are striking, with Asians having settled in large numbers in some of Boston’s most affluent suburbs. This highlights a growing income inequality among Asian subgroups. Overall, Asians rank as the highest earning racial/ethnic group in Massachusetts, and nationwide, but this prosperity is not shared by all Asians. In 2018, the Pew Research Center reported that the gap in the standard of living between Asians near the top and the

bottom of the income ladder nearly doubled between 1970 and 2016, and that income inequality was now greater among Asians than any other racial or ethnic group.⁷¹

Table 3.5: MA Communities with the Highest Concentration of the Major Racial/Ethnic Groups*

Hispanic		Black*		Asian*	
Lawrence	77.7%	Brockton	41.7%	Quincy	28.2%
Chelsea	65.8%	Randolph	39.5%	Lexington	26.3%
Holyoke	49.9%	Boston	26.2%	Westborough	24.6%
Springfield	42.5%	Springfield	21.6%	Malden	23.4%
Lynn	37.0%	Everett	19.3%	Acton	22.6%
Southbridge	31.4%	Malden	15.1%	Lowell	21.4%
Revere	27.4%	Stoughton	14.1%	Boxborough	20.0%
Fitchburg	24.5%	Milton	13.9%	Brookline	17.2%
Methuen	24.4%	Worcester	13.7%	Shrewsbury	16.3%
Everett	20.8%	Lynn	13.3%	Sharon	16.0%
Worcester	20.4%	Holbrook	12.0%	Burlington	15.9%
Boston	19.0%	Avon	11.3%	Westford	15.6%

Source: 2012-2016 American Community Survey, Table B11002 (B, D, I)

*Based on population in households.

Scant Diversity in Many Massachusetts Towns

Most Massachusetts communities – over 85 percent, including some that lost population between 2000 and 2016 – have gained people of color. Over half of the state’s 351 municipalities saw their non-White populations more than double between 2000 and 2016. In most cases, though, their numbers were so small at the start of the century that they remain overwhelmingly White today.

People of color are now the majority of residents in 17 percent of the state’s 1,456 (populated) census tracts; in 2000, that was the case in just 11 percent of tracts. In 2000, 47 percent of the majority non-White tracts were located in the City of Boston. By 2016, just one-third were in Boston. Still, that leaves vast swaths of the state that remain racially separated. The 2014 AI reported that nearly 36 percent of all non-Hispanic White households lived in communities (236 of them) where fewer than 3 percent of all households were headed by a Black or Hispanic householder in 2010. More than 55 percent lived in one of the 287 communities where fewer than 5 percent of households were headed by a Black and Hispanic householder. The 236 “3 percent” communities constituted over 70 percent of the Commonwealth’s landmass and the 287 “5 percent” communities, 85 percent.

The 2016 ACS estimates that the number of towns where fewer than 3 percent of households were headed by either a Black or Hispanic householder had dropped to 190, and the number with fewer than

⁷¹ “Income Inequality in the U.S. Is Rising Most Rapidly Among Asians,” Rakesh Kochhar and Anthony Cilluffo, Pew Research Center Social & Demographic Trends, July 2018.

5 percent had dropped to 259. The result is a corresponding drop in the share of White householders who live in communities where so few of their neighbors were Black or Hispanic. (In other words, by 2016, the percentage of non-Hispanic White households who lived in the “3%” communities had dropped to 27 percent, and the percentage living in the “5%” communities had dropped to 46 percent. The 190 “3%” communities constituted 60 percent of the Commonwealth’s landmass and the 259 “5 percent” communities, 78%).⁷²

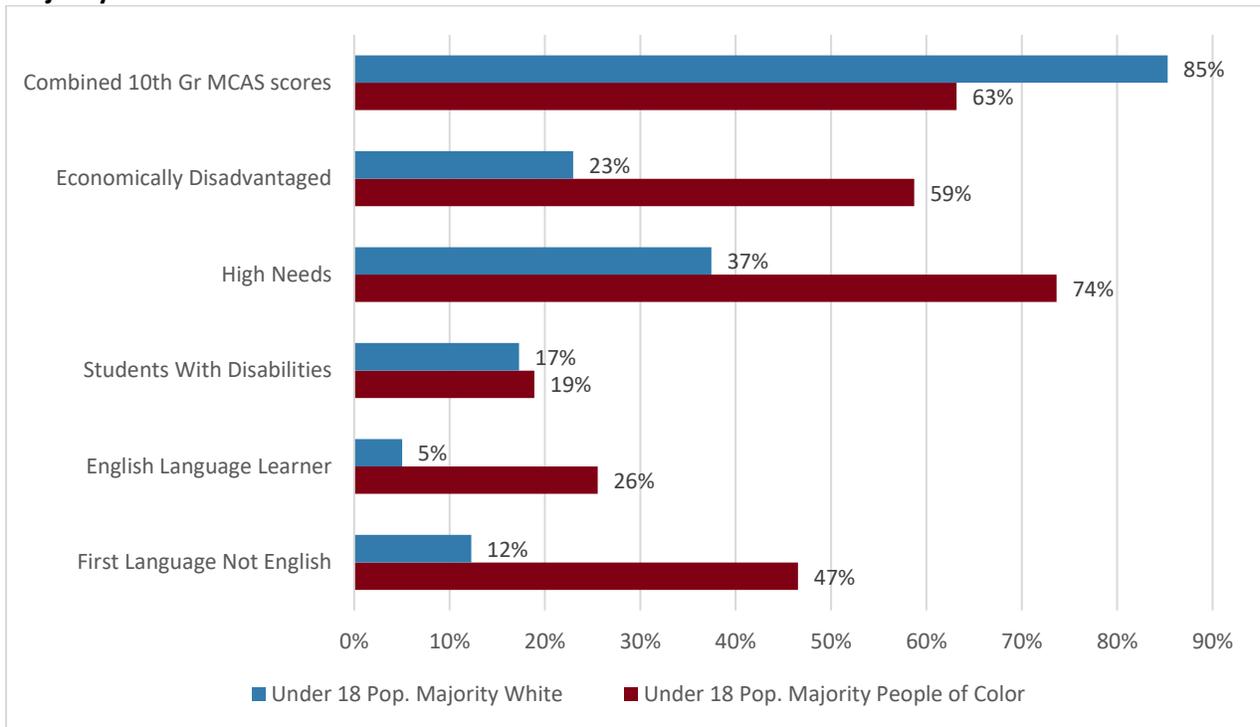
Segregated Communities Create Segregated Schools

Notwithstanding this modest progress, there remains limited opportunity for interaction in the community setting among people of different races or ethnic backgrounds. Since schools systems are local – in a few cases, regional systems serve similar neighboring towns – the schools reflect the racial and ethnic composition of each municipality. While the workplace has become more diverse over time, offering many adult workers an opportunity to engage with people of different backgrounds, colors and cultures, the same cannot be said of many school districts, and the racial isolation among the Commonwealth’s children is more pronounced.

The effectiveness of the local schools is a critical opportunity factor for children, but Black and Hispanic children overwhelmingly reside in communities with the greatest educational challenges and the poorest educational outcomes. Massachusetts is not unusual in this regard. Research on residential segregation in the U.S. has long shown that Black and Hispanic children grow up, not only in separate neighborhoods from their White peers, but in neighborhoods that are in many ways unequal. **Figure 3.3**, which compares selected characteristics of school districts where the school age population is majority White versus those where children of color are in the majority, illustrates this point.

⁷² The 2010 and 2016 figures presented here are not directly comparable. The 2016 ACS does not back Hispanics who identify their race as Black out of the Black racial group; it does back out White Hispanics from the White racial group; the 2010 decennial Census did. As a result, the number of Black and Hispanic headed households is likely to be somewhat inflated.

Figure 3.3: Characteristics of Students in Public Schools Attended by Majority White Students vs Majority Children of Color



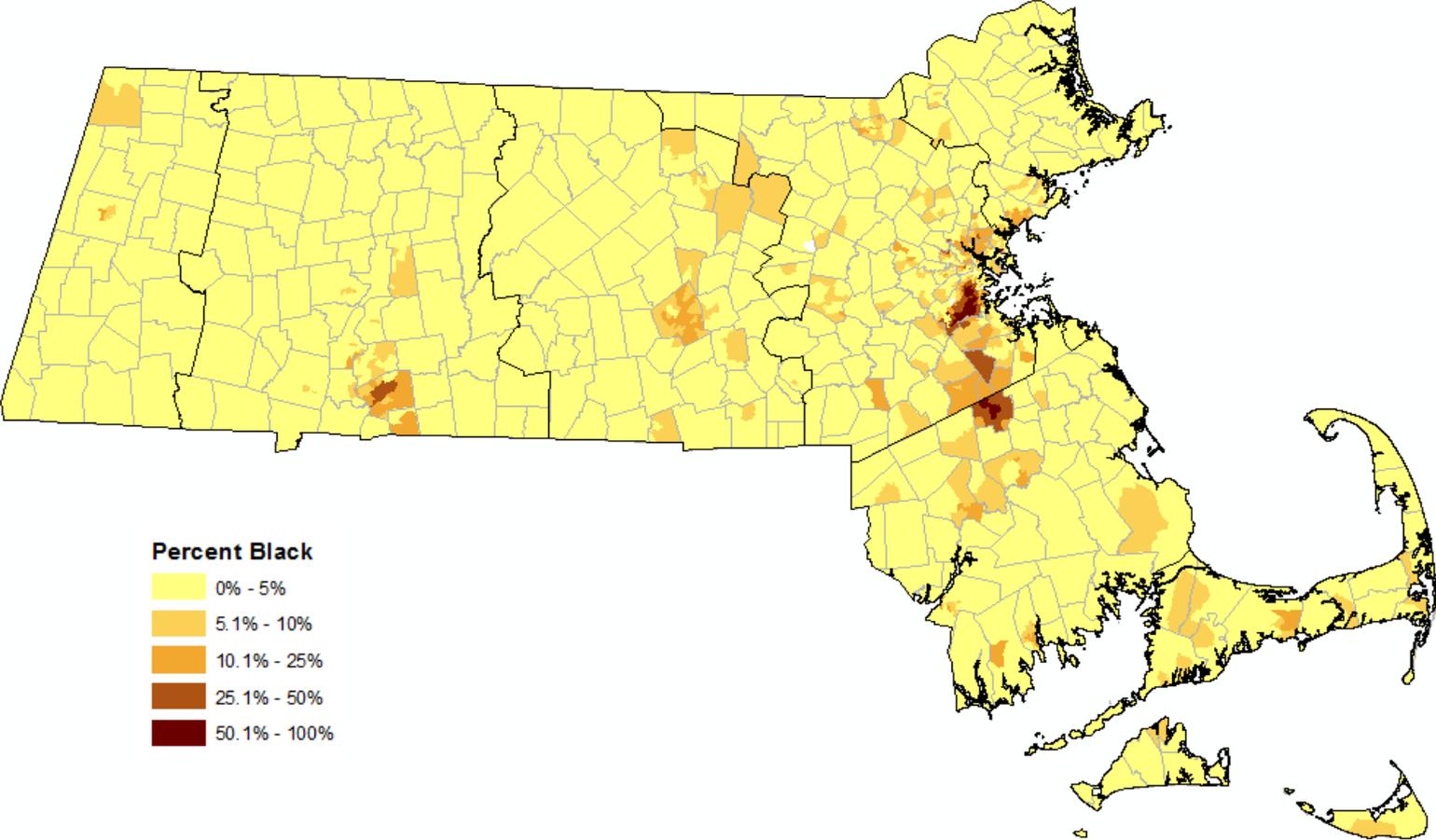
Source: 2017-18 Selected Populations Report (District), 2016 5-Year ACS, Tables B01001

In twenty Massachusetts municipalities, children of color represent the majority of the school age (5-17) population; in 55 others, there are fewer than 10 children of color. The City of Boston is home to nearly 57 percent of the Greater Boston region’s Black school age children and 39 percent of its Hispanic children, but fewer than 6 percent of the Non-Hispanic White children. The contrast in the Pioneer Valley region is even more dramatic, with over 80 percent of the region’s Black school age children, and 74 percent of Hispanic children living in Springfield and Holyoke versus only 7 percent of White children. The consequence of offering elementary and secondary public education within municipal boundaries is that White children are highly unlikely to come into contact with children of color either in their communities or within their schools.

Mapping the Racial Divide

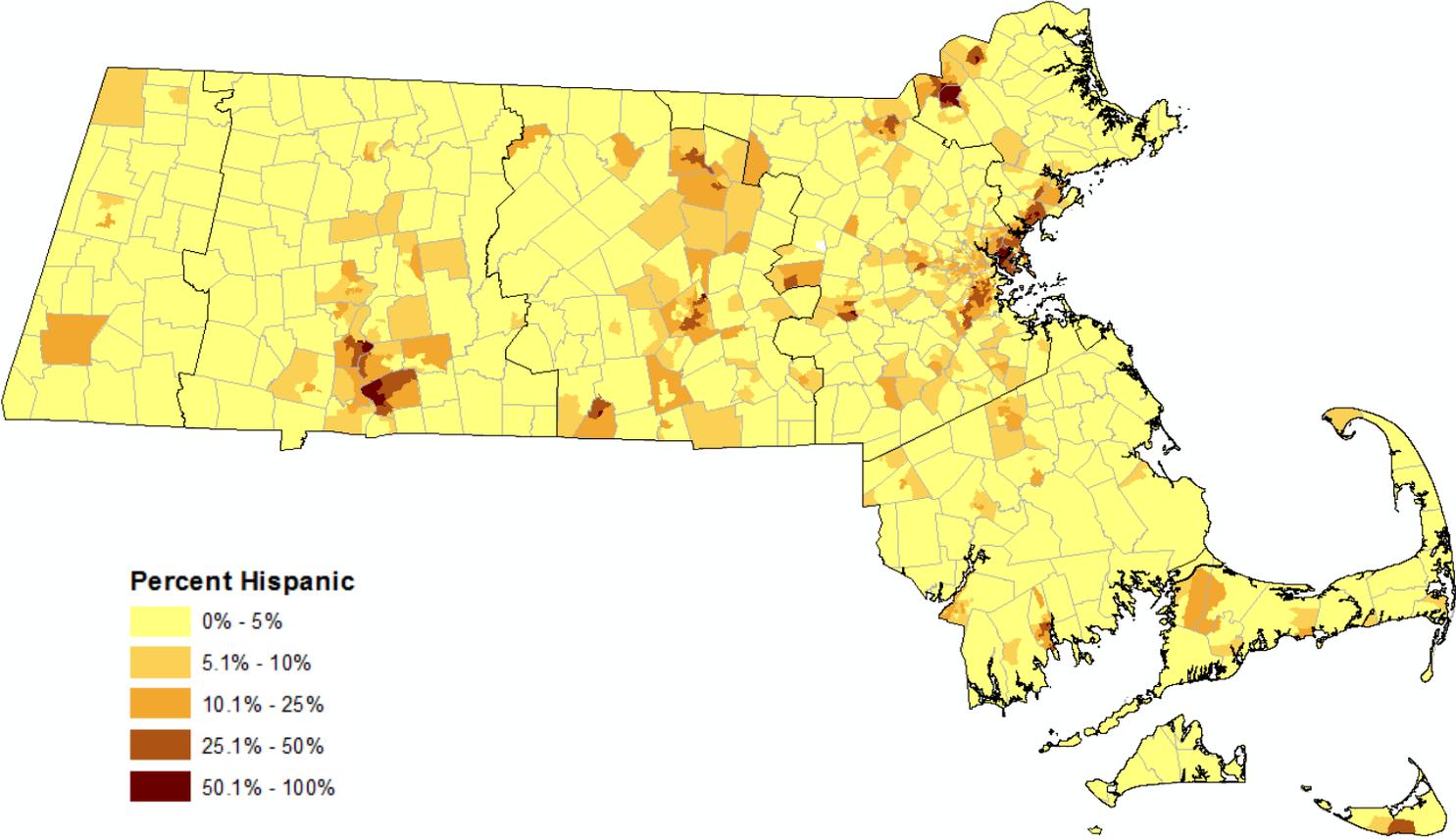
The series of Maps on the following pages underscores the fact that the Commonwealth’s communities remain highly segregated, especially for Black and Hispanic populations. **Map 3.1** illustrates the share of the Black population by census tract; **Map 3.2**, the Hispanic population; **Map 3.3**, the Asian population; and **Map 3.4**, the White population. The maps depicting the Black, White, and Asian populations include members of those races alone; they do not include Hispanic members of those races. The Hispanic map includes Hispanic people of all races.

Map 3.1: Black Share of the Population



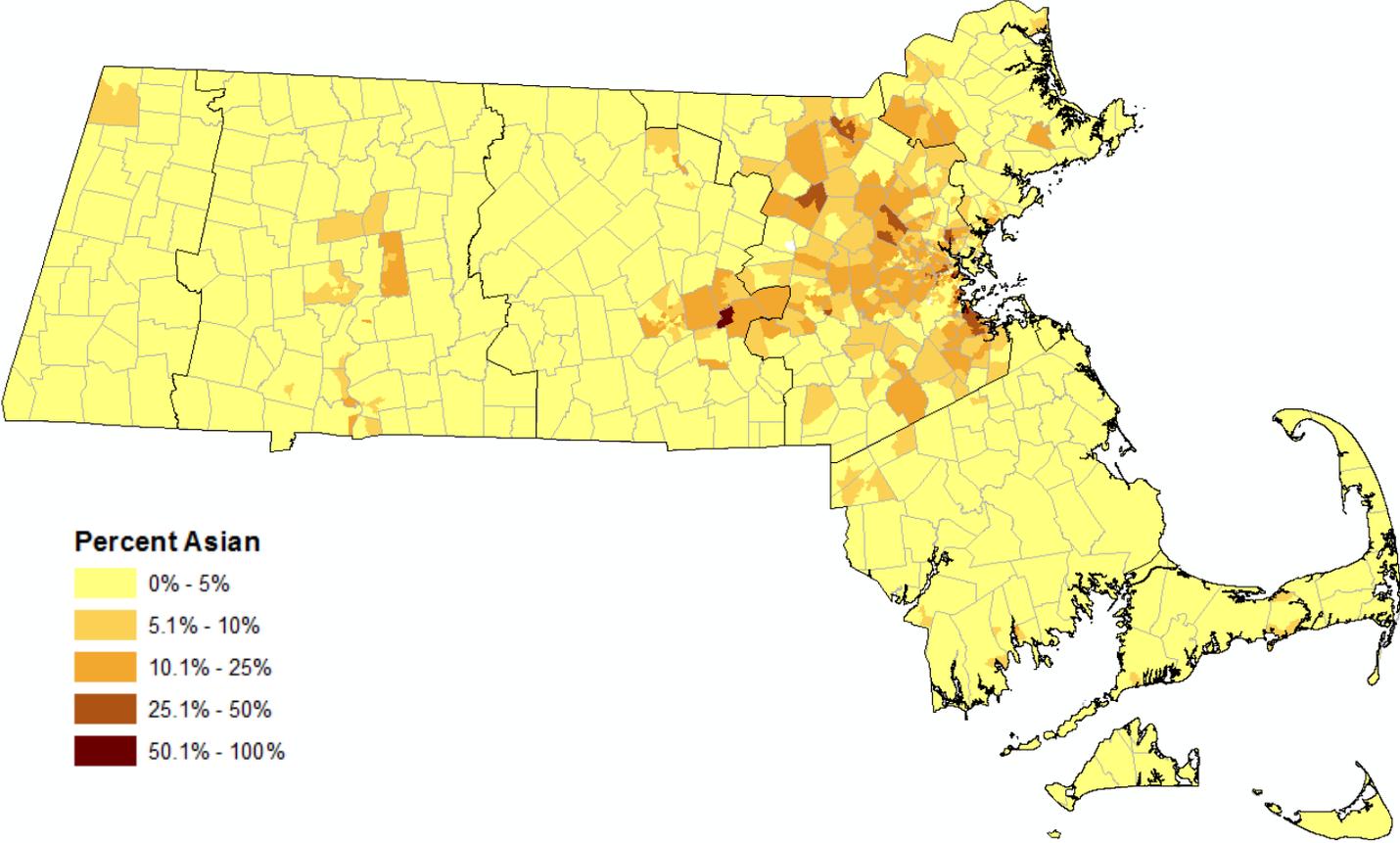
Source: 2016 1-Year ACS, Table DP05

Map 3.2: Hispanic Share of the Population



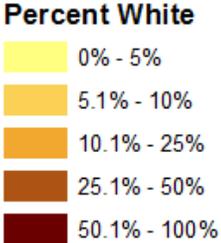
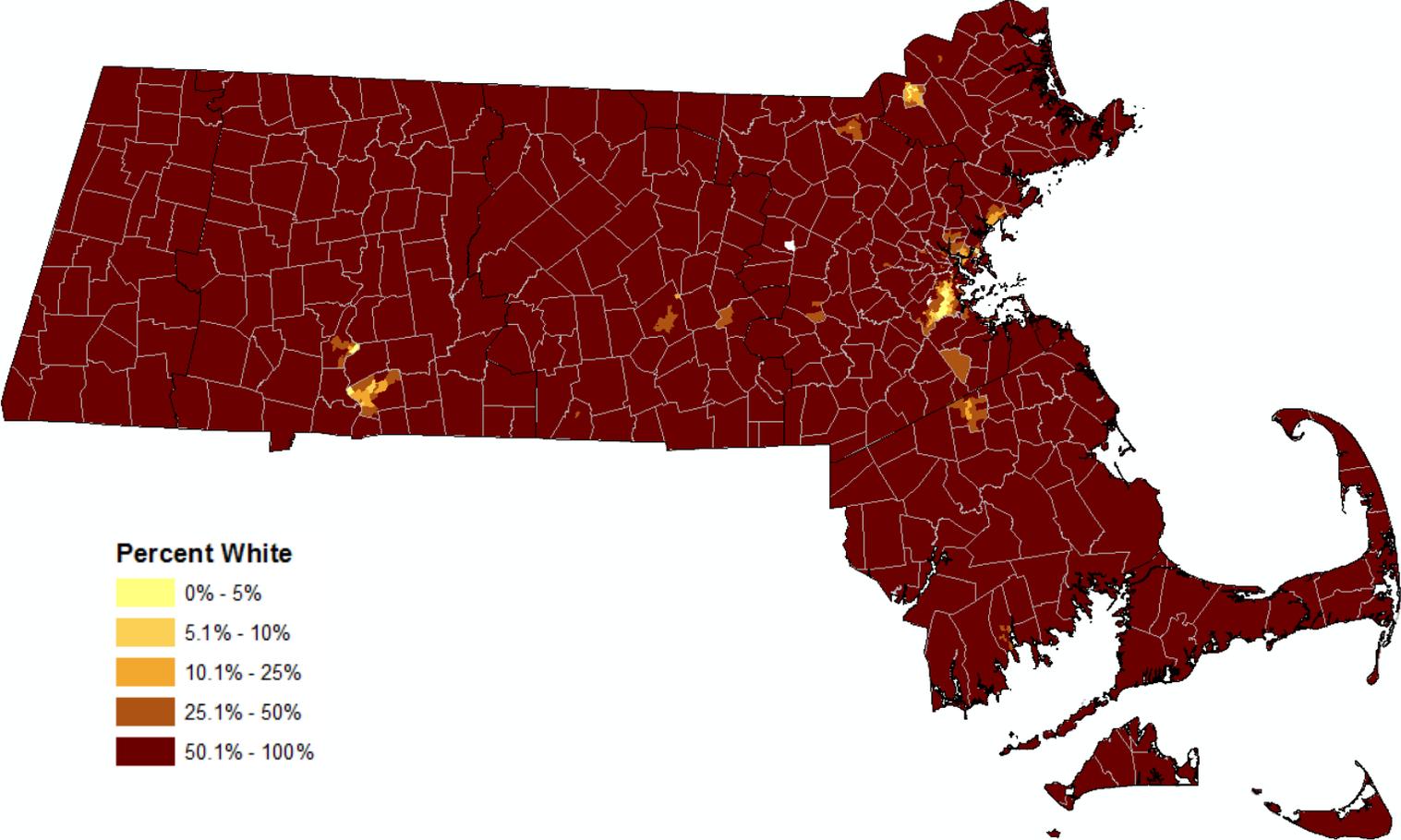
Source: 2016 1-Year ACS, Table DP05

Map 3.3: Asian Share of the Population



Source: 2016 1-Year ACS, Table DP05

Map 3.4: White Share of the Population



Source: 2016 1-Year ACS, Table DP05

Measuring Racial Separation and Concentration

Residential segregation has been studied extensively over the years using a variety of measures. Findings of studies by some of the nation's foremost sociologists and demographers were reviewed for this analysis. While there is some variation in the indices they use and their interpretation, these studies document a consistent trend: modest improvement over time, but still a high level of segregation between Black and White populations and between Hispanic and White populations.

This analysis focuses on two dimensions of population distribution that are frequently used to measure racial and ethnic segregation. The first is *evenness*, which refers to the spatial distribution of different racial and ethnic groups within an area, and is measured by the dissimilarity index. The second is *exposure*, which measures the degree of potential contact or the possibility of day-to-day interaction between different racial and ethnic groups.⁷³ This analysis also includes an alternative method, a predicted versus actual racial/ethnic composition ratio. While not a traditional measure of segregation, it provides a useful tool for examining what effect economic considerations may play in neighborhood segregation.

Long Term Trends in Segregation and Integration

Racial segregation in the U.S. has declined over the past several decades but it remains very high. Large metropolitan areas, including Boston and Springfield, are among the nation's most segregated regions. **Table 3.6** documents the trends in racial segregation in the Boston, Worcester, Springfield, and Providence metropolitan areas since 1990, using a dissimilarity index calculated by William Frey of the University of Michigan and the Brookings Institute. The index measures the degree to which the major racial/ethnic minority groups are distributed differently than non-Hispanic Whites across census tracts. Values range from 0 (complete integration) to 100 (complete segregation) with the value indicating the percentage of the racial/ethnic minority group that would need to move to be distributed exactly like the White population. A value of 60 or greater is generally considered indicative of a very high level of segregation. It means that at least 60 percent of the members of the racial or ethnic minority group would need to move to a different census tract in order for the two groups to be equally distributed. Values of 40 to 50 are usually considered indicative of a moderate level of segregation, and values of 30 or below are considered to be fairly low.

While Table 3.6 documents some improvement since 1990, there remain high levels of residential segregation between Black and White and Hispanic and White groups, especially in the Boston and Springfield metropolitan areas. Asians are considerably less segregated than Black or Hispanic groups, and their segregation levels have also shown modest improvement since 2000. This improvement

⁷³ The Census Bureau also uses three other dimensions of population distribution to study residential segregation; *clustering*, which describes the extent to which different populations live in segregated enclaves, spatially disparate from one another; *centralization*, which indicates the degree to which a particular group is located near the center of an urban area; and *concentration*, referring to the relative amount of physical space occupied by a group of people.

Table 3.6: Long Term Trends in Segregation in Massachusetts Metropolitan Areas

Name	Black-White								Rank Among 104 Largest Metros*				2014**	
	1990	2000	2009	2014	Change 1990-2000	Change 2000-2009	Change 2009-2014	Change 1990-2014	1990	2000	2009	2014	Total Population	Share NH Black
Boston-Cambridge-Quincy, MA-NH	68.47	67.55	66.67	65.66	-0.9	-0.9	-1.0	-2.8	33	28	19	18	4,650,876	7.0%
Providence-New Bedford-Fall River, RI-MA	60.48	57.24	58.15	56.97	-3.2	0.9	-1.2	-3.5	57	57	51	54	1,604,317	4.6%
Worcester, MA	51.40	52.15	56.86	55.17	0.8	4.7	-1.7	3.8	33	72	55	62	924,722	3.8%
Springfield, MA	68.52	66.59	66.08	64.03	-1.9	-0.5	-2.1	-4.5	32	32	25	29	626,775	6.4%
Name	White-Hispanic								Rank Among Metros*				2014**	
	1990	2000	2009	2014	Change 1990-2000	Change 1990-2010	Change 2009-2014	Change 2000-2010	1990	2000	2009	2014	Total Population	Share Hisp.
Boston-Cambridge-Quincy, MA-NH	59.32	62.50	60.66	59.57	3.2	-1.8	-1.1	0.3	9	5	5	5	4,650,876	9.7%
Providence-New Bedford-Fall River, RI-MA	57.85	64.46	62.40	61.11	6.6	-2.1	-1.3	3.3	12	2	4	3	1,604,317	10.9%
Worcester, MA	55.13	56.96	56.55	52.61	1.8	-0.4	-3.9	-2.5	17	16	13	20	924,722	10.0%
Springfield, MA	64.30	63.17	63.76	61.78	-1.1	0.6	-2.0	-2.5	4	4	1	1	626,775	17.7%
Name	White-Asian								Rank Among Metros*				2014**	
	1990	2000	2009	2014	Change 1990-2000	Change 1990-2010	Change 2009-2014	Change 2000-2010	1990	2000	2009	2014	Total Population	Share NH-Asian
Boston-Cambridge-Quincy, MA-NH	45.53	47.98	47.15	46.90	2.5	-0.8	-0.2	1.4	18	17	47	59	4,650,876	6.9%
Providence-New Bedford-Fall River, RI-MA	47.02	44.54	49.40	46.88	-2.5	4.9	-2.5	-0.1	13	36	27	60	1,604,317	2.7%
Worcester, MA	38.55	46.43	49.35	51.56	7.9	2.9	2.2	13.0	54	24	29	28	924,722	3.9%
Springfield, MA	43.92	44.64	49.26	49.42	0.7	4.6	0.2	5.5	23	35	31	37	626,775	2.8%

Source: William H. Frey, Brookings Institution and University of Michigan Social Science Data Analysis Network's analysis of census tract data from the 1990, 2000, and 2010 Census Decennial Census and the 2009 and 2014 American Community Surveys.

* #1 - highest level of segregation among 102 largest metro areas with population of 500,000 or more

** Summed from tracts

Note: In this analysis all racial groups (Whites, Blacks and Asians) are non-Hispanic members of those races. Hispanics are shown as a separate category.

notwithstanding, Massachusetts metropolitan areas remain among the most segregated of the nation's 100 largest metropolitan areas (those with populations of 500,000 or more). In 2014, Springfield ranked as the most segregated metropolitan area in the country for Hispanics, with Providence #3 and Boston #5. (The Providence metropolitan area includes the state of Rhode Island and all of Massachusetts' Bristol County.)

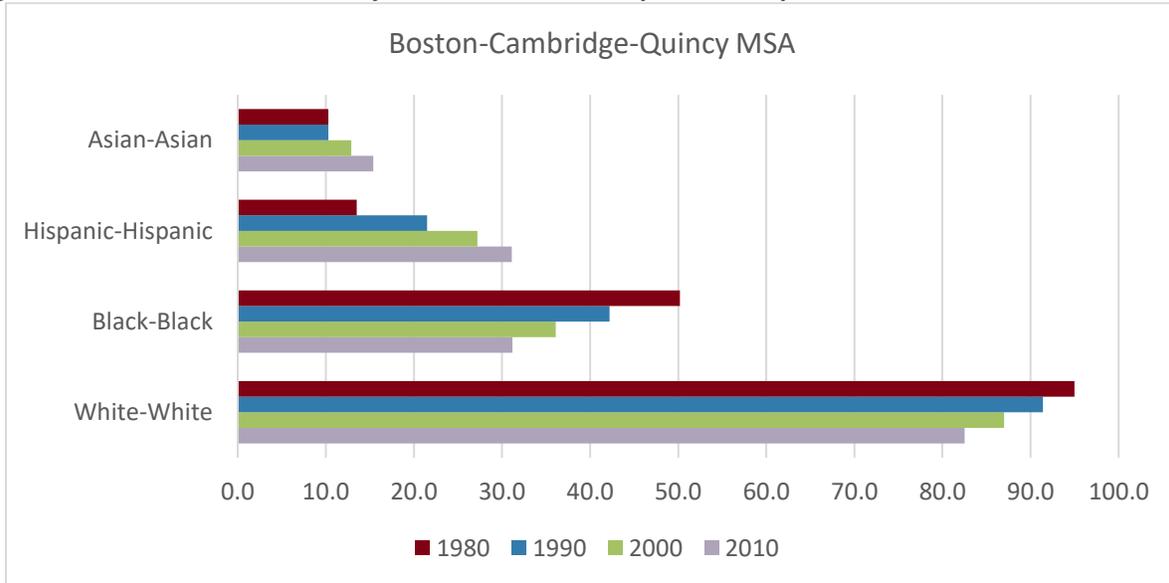
White Isolation

Under conditions of perfect integration, the racial distribution of a given neighborhood (census tract) would be the same as for the metropolitan area as a whole. This is rarely the case, however, in Massachusetts or elsewhere. Exposure is a way of describing the relationship between races, or how likely they are to interact on a daily basis. Unlike the dissimilarity index, which is a comparison of the degree of segregation between two groups, exposure indices examine how the composition of the average metropolitan area resident's neighborhood varies according to that person's race.

There two related measures of exposure: isolation and interaction. The former measures the degree to which members of one group are exposed only to one another while the latter measures the exposure of members of one group to members of another group. Like the dissimilarity index, the exposure index for the Boston metropolitan area underscores that the problem is largely one of White isolation.

Figures 3.4 and **3.5** express these concepts graphically. The isolation index (**Figure 3.4**) shows that while both Black and White rates of isolation have declined since 1980, in 2010, the average White in the Boston MA-NH MSA lived in a neighborhood that was nearly 83 percent White. It also shows growing levels of isolation among Hispanics and Asians, likely attributed to the influx of immigrants to the region and the concentration of the immigrants in a limited number of communities. Hispanic isolation is now equal to that of Black isolation.

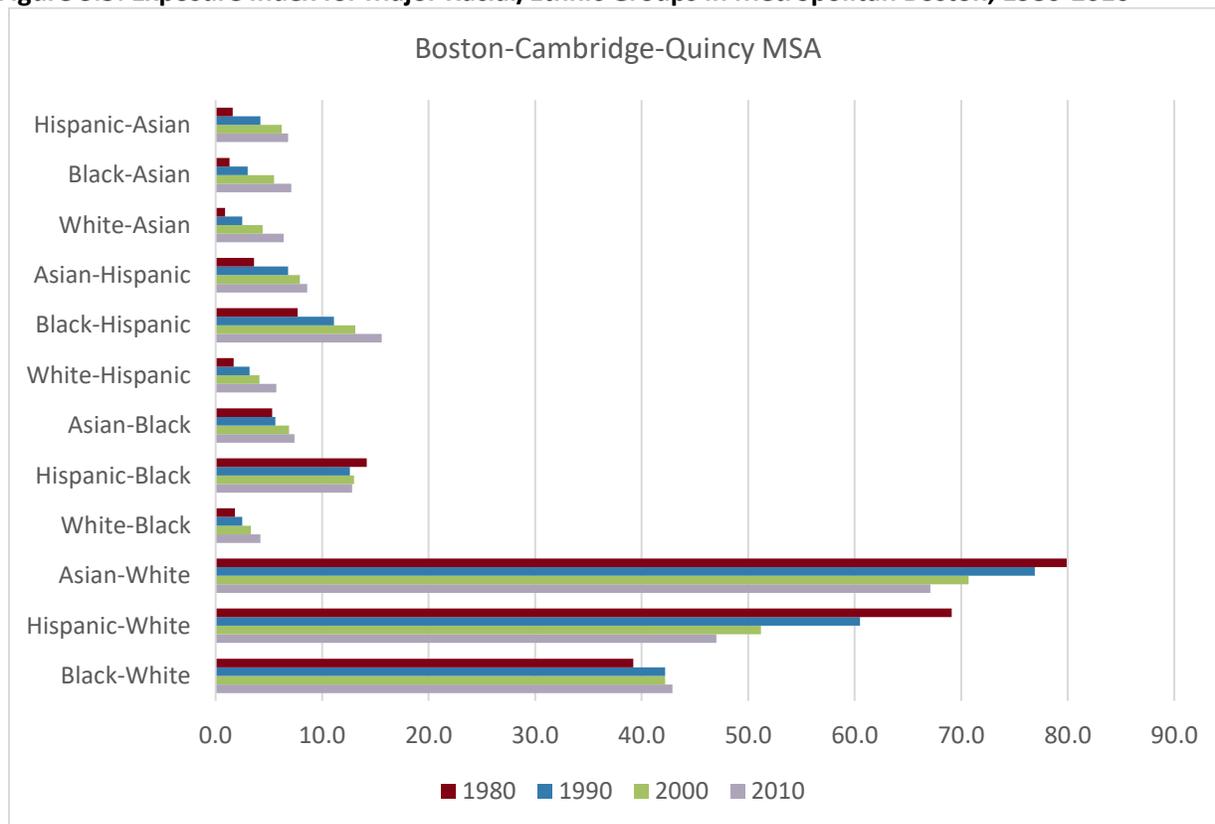
Figure 3.4: Isolation Index for Major Racial/Ethnic Groups in Metropolitan Boston, 1980-2010



Source: USA 2010 Project, Spatial Structures in the Social Sciences, Brown University

Figure 3.5, depicting interaction, the reverse of isolation, shows that while people of color may live near Whites, Whites live mostly with each other. Both these indices are affected by the size of the groups whose interactions are being measured; they are inevitably smaller where two smaller groups' interactions are being measured, and are likely to rise over time as one group or the other becomes larger. They were not available for the state's smaller metropolitan areas.

Figure 3.5: Exposure Index for Major Racial/Ethnic Groups in Metropolitan Boston, 1980-2010



Source: USA 2010 Project, Spatial Structures in the Social Sciences, Brown University

Springfield: A Metro Divided

Table 3.6 documented that Springfield, Providence, and Boston are among the nation’s most segregated regions for Hispanics. It is instructive to look at the population changes that have occurred since 1980 within Springfield and Holyoke compared to the metropolitan area, or more specifically, to Hampden County, which comprises two-thirds of the Springfield metropolitan area’s population. Between 1980 and 2017, Hampden County’s population grew by a modest 26,000 residents, or less than 6 percent.

The Black and Hispanic population of Hampden County grew by nearly 100,000 over the same period, while the non-Hispanic White population declined by more than 89,000. Springfield and Holyoke, which together represent about 43 percent of Hampden County’s population, accounted for nearly three-quarters of the county’s increase in Black and Hispanic residents, while 92 percent of the White population losses occurred in these two cities. The decline in the non-Hispanic White population in the other 21 municipalities in the county was a modest 3 percent (<7,300 residents, compared to the 82,000 drop in Springfield and Holyoke). It is little surprise that over 80 percent of the region’s Black, and 74 percent of Hispanic, school age children – but only seven percent of White children – live in Springfield and Holyoke.

Predicted Racial/Ethnic Composition after Adjusting for Income: An Alternative Way to Look at Segregation

The metrics used by the Census Bureau to measure racial and ethnic segregation are useful for assessing patterns of segregation across regions and for monitoring change over time, but most are size sensitive and have little meaning for very small geographic units, or geographies where there are very few residents in a specific racial or ethnic group. This limits their utility for this AI since most Massachusetts cities and towns have too few census tracts and/or residents of color for a dissimilarity index to be effectively applied. Another limitation is that the traditional measures do not account for locational disparities based on income. It is often asserted that disparities in income and wealth are the cause of racial segregation. While there are significant disparities in income and rates of poverty associated with race and ethnicity, these factors alone are not sufficient to explain segregation. To account for these anomalies, predicted racial and ethnic percentages for each municipality were calculated that take the community's income distribution into account. These predicted shares were then compared to the actual composition to identify disparities in the distribution of the population within each region.⁷⁴

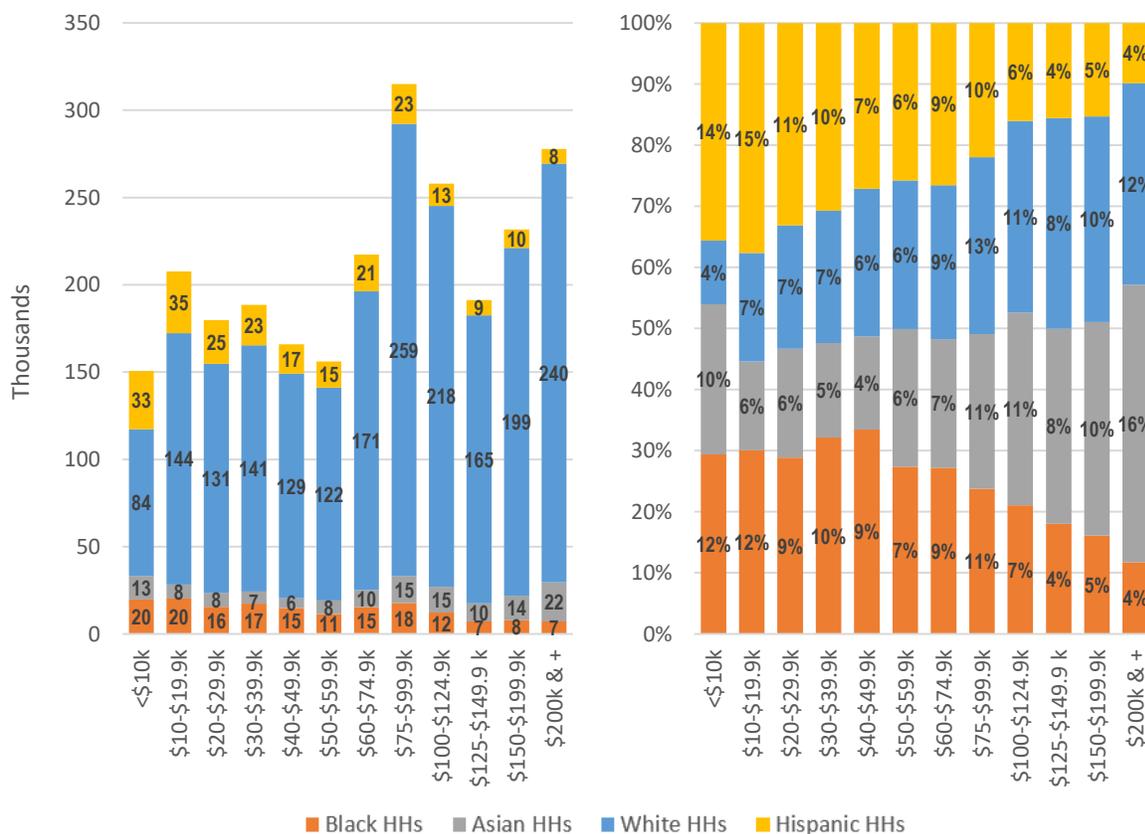
Predicted – or expected – values are based on the region's income distribution by race. The predicted value for a racial or ethnic group in a jurisdiction is calculated as the number of households the jurisdiction has in a given income category multiplied by the racial/ethnic group's share of that income group for the region. The totals are summed to determine the predicted number of each racial/ethnic group in the jurisdiction. This total is then compared with the actual number to ascertain actual to predicted ratio. A value of less than 50 percent indicates that the racial or ethnic group's representation is severely below the predicted level; 50-70 percent indicates a share that is moderately below that predicted; 70-90 percent, mildly below; at 90-110 percent, the group's share approximates what had been predicted; and 110 percent or greater indicates the racial/ethnic group's representation is above that predicted.

Figure 3.6 illustrates the basis for this methodology. The graph on the left in the figure shows the distribution of Massachusetts households by income, with the color coding indicating each of the major racial/ethnic groups' share of all households in that income band. The figure on the right translates that information into percentages, illustrating what percent of each racial/ethnic group falls into the different income bands. This figure documents the disparity in income among the state's major racial and ethnic groups, a disparity that is most pronounced at the high end of the income distribution. Twenty-four percent of Black, and nearly 30 percent of Hispanic, households earn less than \$20,000 a year compared to 16 percent of Asian, and 11 percent of White, households. At the upper end of the income distribution, more than 40 percent of White and Asian households earn over \$100,000 a year compared to just 21 percent of Black, and 17 percent of Hispanic, households.

⁷⁴ This methodology was first put forth by HUD for use in its Sustainable Communities Regional Planning Program and replicated by DHCD in the 2014 AI. While this analysis uses the same methodology, the results are not directly comparable to the results in the 2014 AI because of the shift this year to county-based regions.

Thus, a low-income community like Springfield or Lawrence, where over 30 percent of households earns less than \$20,000, would be expected to have more Hispanic and Black residents than Longmeadow or Andover, where just seven percent of households earn below \$20,000. While acknowledging that economic factors do play a role in racial segregation, it should be recognized that they do not play the defining role. For example, a number of suburban communities surrounding those where people of color have settled in large numbers (Boston or Springfield, for example) are home to substantial numbers of lower income households, but these are disproportionately White households. If income were the only factor driving where people live, one would expect to see higher numbers of White households in Boston and Springfield, and higher numbers of racial/ethnic minority group households in the surrounding communities where many low-income White households now live.

Figure 3.6: Massachusetts Household Distribution by Income and Race/Ethnicity



Source: 2016 1-Year American Community Survey, Tables B19001B; B19001D; B19001H; B19001I

By this analysis, three-quarters of the state’s cities and towns have Hispanic populations that are severely below the levels expected based on their income distribution, and nearly that many have Black populations that are severely below. Over half have Asian populations severely below those expected. Forty percent of Massachusetts municipalities are severely below for all three groups (Table 3.7).

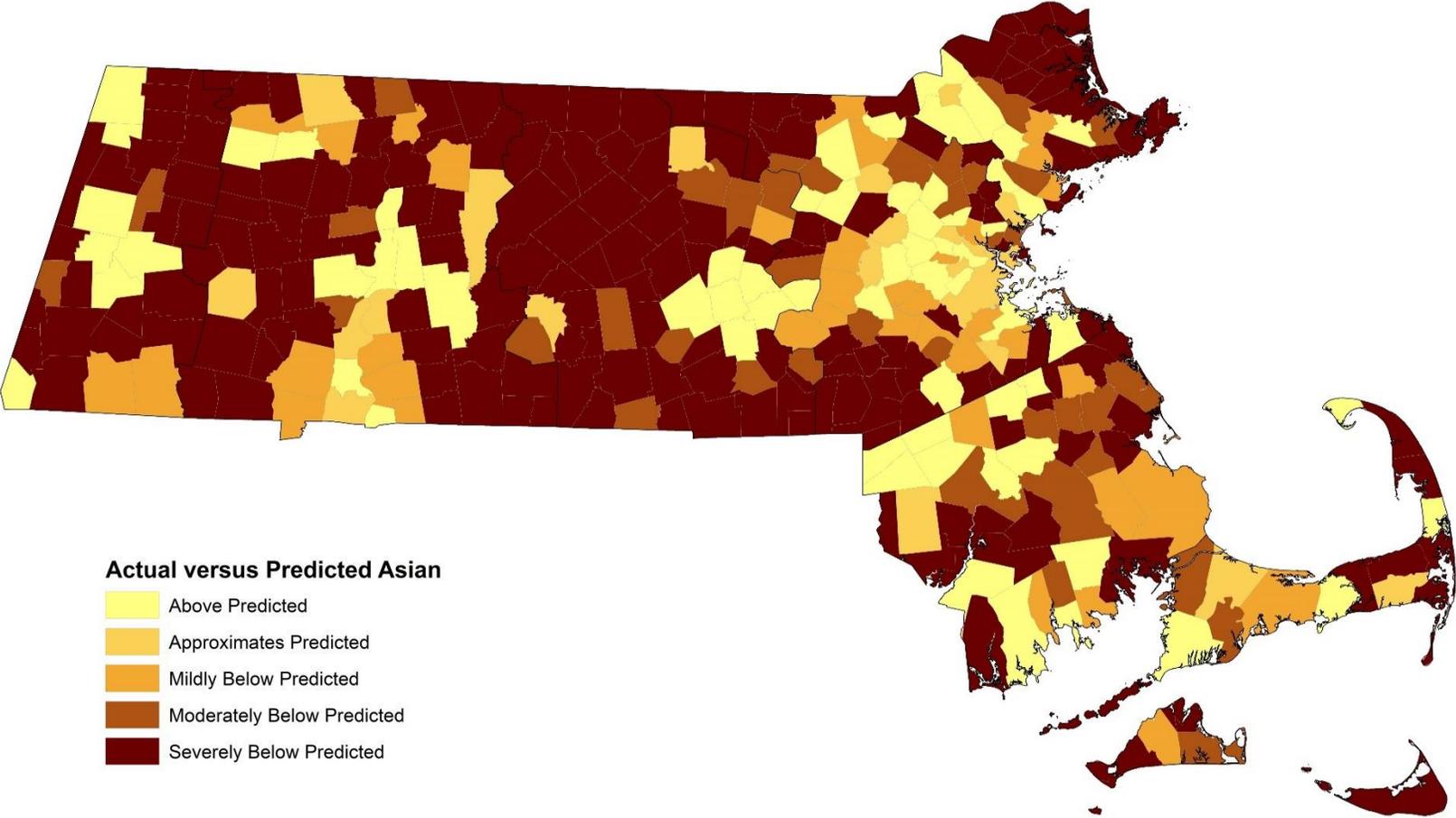
At the other end of the spectrum, Brockton, Randolph, Lynn, and Springfield have more than three times the predicted number of Black households, while Chelsea, Lawrence, Southbridge, New Bedford, and Holyoke have more than double the predicted number of Hispanic households. These findings are presented on **Maps 3.5, 3.6 and 3.7**.

Table 3.7: Summary of Results: Predicted v Actual Households by Race/Ethnicity by Region

	Black	Asian	White	Hispanic	Black	Asian	White	Hispanic
Massachusetts (351)								
Above Predicted	30	65	198	32	8.5%	18.5%	56.4%	9.1%
Approximates Predicted	13	20	136	11	3.7%	5.7%	38.7%	3.1%
Mildly Below Predicted	9	38	9	21	2.6%	10.8%	2.6%	6.0%
Moderately Below Predicted	42	40	7	23	12.0%	11.4%	2.0%	6.6%
Severely Below Predicted	257	188	1	264	73.2%	53.6%	0.3%	75.2%
Berkshire (32)								
Above Predicted	7	7	0	5	21.9%	21.9%	0.0%	15.6%
Approximates Predicted	1	0	32	1	3.1%	0.0%	100.0%	3.1%
Mildly Below Predicted	0	2	0	3	0.0%	6.3%	0.0%	9.4%
Moderately Below Predicted	4	2	0	2	12.5%	6.3%	0.0%	6.3%
Severely Below Predicted	20	21	0	21	62.5%	65.6%	0.0%	65.6%
Cape & Islands (23)								
Above Predicted	9	4	0	5	39.1%	17.4%	0.0%	21.7%
Approximates Predicted	2	2	22	2	8.7%	8.7%	95.7%	8.7%
Mildly Below Predicted	1	2	0	5	4.3%	8.7%	0.0%	21.7%
Moderately Below Predicted	4	3	1	1	17.4%	13.0%	4.3%	4.3%
Severely Below Predicted	7	12	0	10	30.4%	52.2%	0.0%	43.5%
Central (60)								
Above Predicted	1	7	43	5	1.7%	11.7%	71.7%	8.3%
Approximates Predicted	2	2	13	1	3.3%	3.3%	21.7%	1.7%
Mildly Below Predicted	2	1	4	4	3.3%	1.7%	6.7%	6.7%
Moderately Below Predicted	10	9	0	3	16.7%	15.0%	0.0%	5.0%
Severely Below Predicted	45	41	0	47	75.0%	68.3%	0.0%	78.3%
Greater Boston (86)								
Above Predicted	7	18	58	8	8.1%	20.9%	67.4%	9.3%
Approximates Predicted	2	7	22	1	2.3%	8.1%	25.6%	1.2%
Mildly Below Predicted	2	15	4	7	2.3%	17.4%	4.7%	8.1%
Moderately Below Predicted	12	11	2	8	14.0%	12.8%	2.3%	9.3%
Severely Below Predicted	63	35	0	62	73.3%	40.7%	0.0%	72.1%
Northeast (34)								
Above Predicted	3	7	27	3	8.8%	20.6%	79.4%	8.8%
Approximates Predicted	1	2	5	1	2.9%	5.9%	14.7%	2.9%
Mildly Below Predicted	2	3	0	1	5.9%	8.8%	0.0%	2.9%
Moderately Below Predicted	3	3	1	1	8.8%	8.8%	2.9%	2.9%
Severely Below Predicted	25	19	1	28	73.5%	55.9%	2.9%	82.4%
Pioneer Valley (69)								
Above Predicted	1	9	60	2	1.4%	13.0%	87.0%	2.9%
Approximates Predicted	2	6	7	1	2.9%	8.7%	10.1%	1.4%
Mildly Below Predicted	1	9	0	0	1.4%	13.0%	0.0%	0.0%
Moderately Below Predicted	4	3	2	3	5.8%	4.3%	2.9%	4.3%
Severely Below Predicted	61	42	0	63	88.4%	60.9%	0.0%	91.3%
Southeast (47)								
Above Predicted	2	13	10	4	4.3%	27.7%	21.3%	8.5%
Approximates Predicted	3	1	35	4	6.4%	2.1%	74.5%	8.5%
Mildly Below Predicted	1	6	1	1	2.1%	12.8%	2.1%	2.1%
Moderately Below Predicted	5	9	1	5	10.6%	19.1%	2.1%	10.6%
Severely Below Predicted	36	18	0	33	76.6%	38.3%	0.0%	70.2%

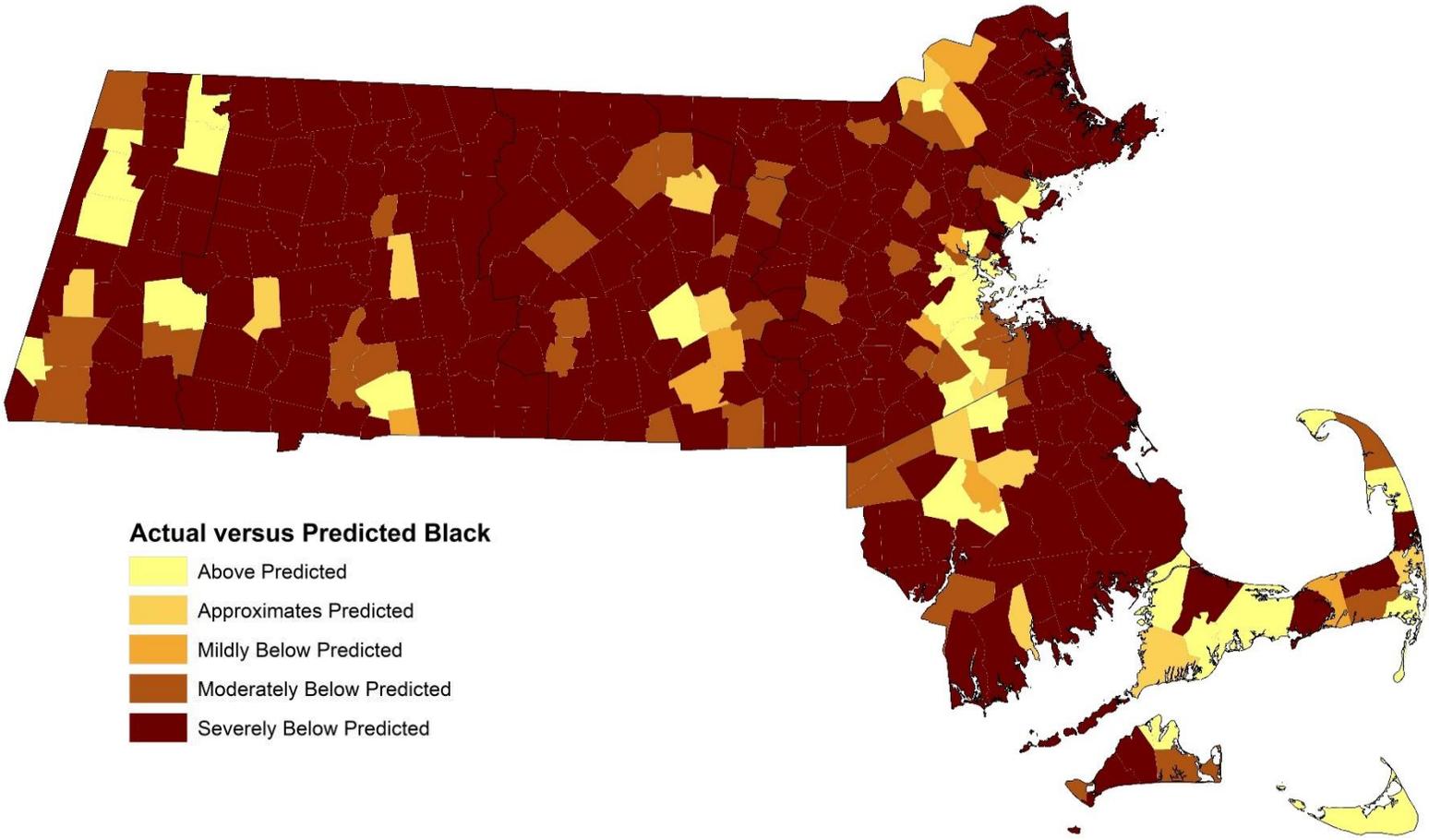
Source: 2016 5-Year ACS, Tables B19001 and 19001-B-D-H-I

Map 3.5: Actual versus Predicted Asian



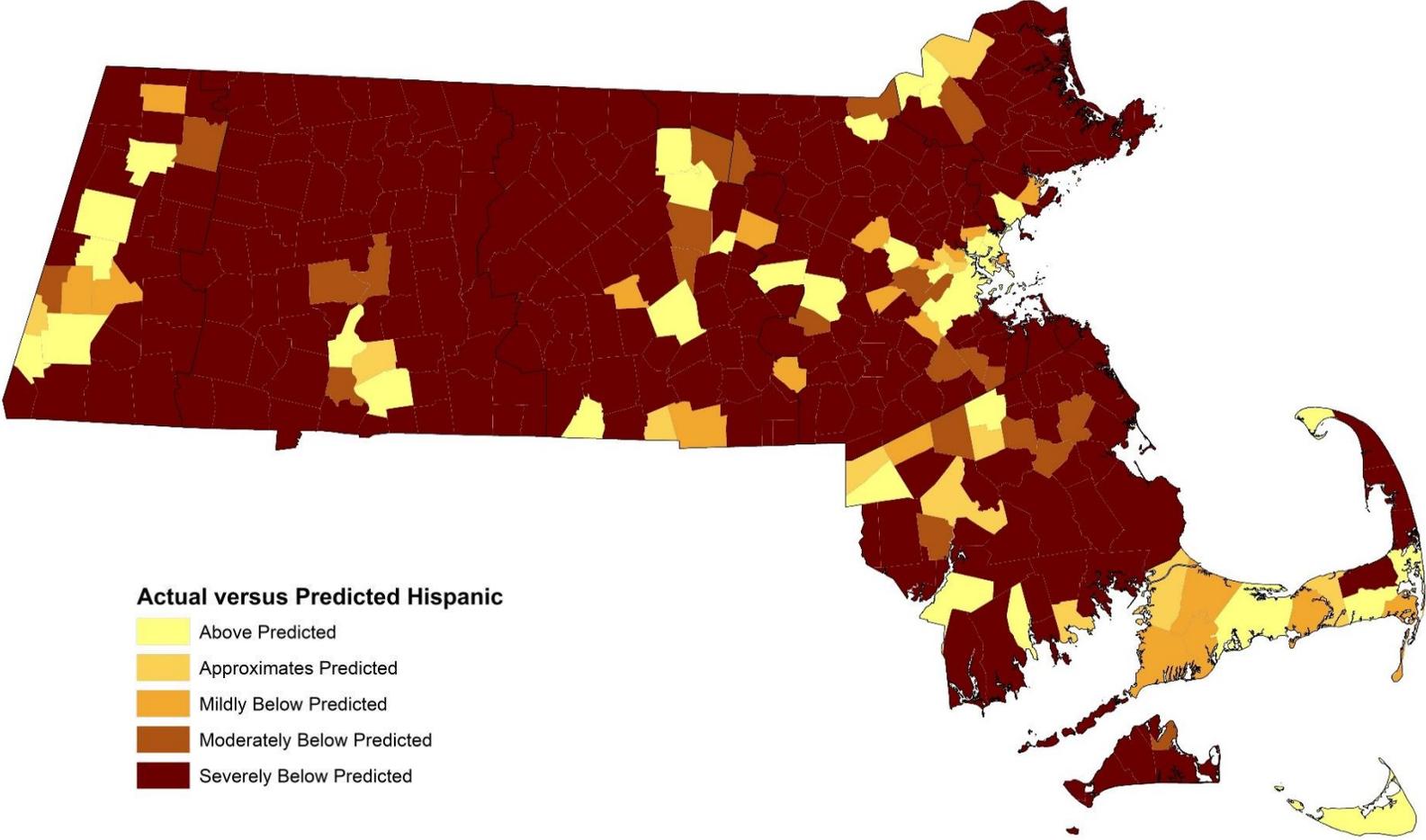
Source: 2016 5-Year ACS, Tables B19001 and 19001-B-D-H-I

Map 3.6: Actual versus Predicted Black



Source: 2016 5-Year ACS, Tables B19001 and 19001-B-D-H-I

Map 3.7: Actual versus Predicted Hispanic



Source: 2016 5-Year ACS, Tables B19001 and 19001-B-D-H-I

How Massachusetts Residents Came to Live in Such Segregated Communities

Despite the overriding importance of equal housing opportunity, and the fact that the nation's housing markets remain largely divided along racial lines, housing was the last of the major civil rights areas to be addressed by Congress. Even though a substantial body of law – through Presidential Executive orders, congressional action, and case law – has now established fair housing as the law of the land, it remains one of the most intractable civil rights issues.

In 2008 – 40 years after the Kerner Commission (the National Advisory Commission on Civil Disorders) concluded that the nation was “moving toward two societies, one black, one white – separate and unequal,” the National Commission on Fair Housing and Equal Opportunity, chaired by former HUD Secretaries Henry Cisneros and Jack Kemp, acknowledged that discriminatory practices in the nation's housing and lending markets continued to perpetuate extreme levels of residential segregation:

“Although their [discriminatory practices] antecedents are found in our country's deliberate history of establishing separate neighborhoods for Black and White Americans, these issues are not merely historical. Today, they continue to play an active and significant role in the real estate rental, sales, lending and insurance markets. Furthermore, continuing practices of discrimination and segregation affect not only African-Americans, but also Hispanics, Arab-Americans, Asian-Americans, families with children, and people with disabilities.”⁷⁵

This section examines the factors that contribute to segregation, including both the historical factors as well as recent and current conditions. While the primary focus is on policies and activities that created the deep and persistent racial divide between Black and White populations, many of the practices have had a similar detrimental effect on other protected classes.

⁷⁵ The Future of Fair Housing, the report of the National Commission on Fair Housing and Equal Opportunity, December 2008.

Factors that Contribute to Racial Segregation: The Legacy of the Past

Residential segregation by race and ethnicity did not happen by accident. It arose as the result of discriminatory practices in which the private housing industry and Federal, State, and local governments were active participants. There is a substantial body of literature that details the history of residential segregation in the United States and the roles played by the real estate and homebuilding industries; lending and insurance institutions; the federal, state and local governments; and others.⁷⁶ This AI highlights those conditions that have played a particularly prominent role in Massachusetts. Discriminatory practices date to the founding of this country, as the following list illustrates:

- Although never as central to the economy of New England as it was in the South, slavery existed in Massachusetts during the 17th and 18th centuries. The state was a center for the slave trade, and it was not until 1788 that slavery and the slave trade were banned in the Commonwealth. Institutional racial segregation, however, continued until the middle of the 19th century. Freed slaves, for example, had fewer civil rights than Whites. They were treated equally by the legal system, but they could not serve on juries. They paid taxes, but couldn't vote. In most cases, their children did not attend public schools, prohibited at least by custom and tradition, if not by law. It was not until 1855 that all Massachusetts public schools became integrated with the enactment of a law "prohibiting all distinctions of color and religion in Massachusetts public school admissions." ("African Americans and the End of Slavery in Massachusetts," The Massachusetts Historical Society).
- In the early 19th century, it was not uncommon for New England towns to "warn out" strangers to purify themselves racially. While the custom had as a stated goal the removal of poor and undesirable strangers from a community, Black people were disproportionately its targets, whether they were long-term residents or not. ("Slavery in the North," Douglas Harper). Proclaiming themselves "sundown towns," either formally or informally, was another way northern communities kept out African Americans, well into the 20th century. Racially restrictive covenants also were common until the middle of the 20th century.
- In 1917, the Supreme Court declared unconstitutional a city ordinance forbidding the sale to persons of color of houses or lots in majority-White areas.⁷⁷ However, in a 1926 decision (*Village of Euclid v. Amber Realty*, 272 U.S. 365 (1926)), the Supreme Court upheld a municipal zoning ordinance that the lower court had held to be aimed implicitly, if not explicitly, at perpetuating racial segregation.
 - Absent a clear showing of discriminatory intent, the Supreme Court has rejected constitutional equal protection claims based on the disparate impact of exclusionary zoning

⁷⁶ Among these resources are the findings of the aforementioned federal commissions, academic research and case law. A comprehensive review of the historical roots and ongoing practices and policies that have created a segregated America is provided by Richard Rothstein in his 2017 book *The Color of Law*. The governmental practices and private conduct that shaped the segregated landscape of the Greater Boston region, in particular, are described in "Route 128: Boston's Road to Segregation," a report issued by the Massachusetts Advisory Committee to the U.S. Commission on Civil Rights and the Massachusetts Commission Against Discrimination in January 1975. The Fair Housing Center of Greater Boston's interactive timeline, "Historical Shift from Explicit to Implicit Policies Affecting Housing Segregation in Eastern Massachusetts," available at <http://www.bostonfairhousing.org/timeline/> provides a good chronology of many of the factors that have created or perpetuated racial segregation.

⁷⁷ In 1948, U.S. Supreme Court ruled in *Shelley v. Kraemer* that the Equal Protection Clause prohibits racially restrictive housing covenants, and that such covenants are unenforceable in court.

- on people of color. (*Arlington Heights v. Metropolitan Housing Dev. Corp.*, 429 U.S. 252 (1977))
- It was not until the late 1970s that the Courts of Appeal, with the blessing of the Supreme Court, applied the Fair Housing Act to invalidate local zoning decisions based on discriminatory impact alone.
 - Legal challenges based on zoning often take years to litigate, with time and cost presenting substantial barriers.
- For much of the 20th century (the 1930s through the mid-1960s), federal housing policy promoted racial separation in its urban renewal, public housing, home mortgage, and insurance programs:
 - The Federal Housing Administration, Veterans Administration and Home Owner’s Loan Corporation underwriting practices required racial homogeneity in the provision of insured home mortgages that opened up the suburbs almost exclusively to White homebuyers. Real estate trade groups followed suit.⁷⁸
 - The National Housing Act enabled the creation of a segregated system of public housing
 - Site selection and tenant assignment procedures by local housing authorities in Massachusetts and elsewhere perpetuated racial separation.
 - Urban renewal efforts isolated neighborhoods of color, leading to decades of disinvestment and deterioration in housing.

Clearly, many forces have contributed to the pervasive and enduring racial segregation in the United States. (The above list is intended to be illustrative, not exhaustive.) But as Richard Rothstein notes in his 2017 book, *The Color of Law*, which documents how federal, state and local governments gave rise to and reinforced neighborhood segregation, private actions of prejudice or discrimination would not have been very effective absent the role of government. It was government policies that effectively locked African Americans out of the burgeoning suburban housing market during the middle of the 20th century – called “the greatest mass-based opportunity for wealth accumulation in American history” (*Black Wealth/White Wealth: A New Perspective on Racial Inequality*, Oliver and Shapiro, 1995 and 2007). At a time when many White families were gaining a foothold into homeownership in their communities of choice, aided by low down payment loans and mortgage insurance, many African Americans who desired and were able to afford home ownership were denied access, or found their choices severely constrained.

Factors that Contribute to Racial Segregation: Recent and Current (Market) Conditions

Examples of current conditions that perpetuate racial segregation include discrimination or differential treatment in the housing, mortgage and insurance markets; exclusionary zoning, land use, and school

⁷⁸ The Federal Housing Administration (FHA) Underwriting Manual established the FHA’s mortgage lending requirements, institutionalizing racism and segregation within the housing industry. FHA insurance often was isolated to new residential developments on the edges of metropolitan areas that were considered safer investments, not to inner city neighborhoods. This stripped the inner city of many of their middle class inhabitants, thus hastening the decay of inner city neighborhoods. Loans for the repair of existing structures were small and for short duration. FHA guides implied that different races should not share neighborhoods, and repeatedly listed neighborhood characteristics like “inharmonious racial or nationality groups.” Color-coded maps (“redlining maps”) were prepared for 239 American cities, including Boston that indicated the level of security for real estate investments. The maps were based on assumptions about the community, not on the ability of various households to satisfy lending criteria.

policies; government policies affecting the location of, and access to, subsidized housing; limited affordable housing and a lack of housing diversity in many communities; and a lack of, or unequal, private and public investments; and displacement of residents due to economic pressures. (See also the discussion in Section 4).

Some of these practices – restrictive zoning and land use regulations, lack of infrastructure, or high land and development costs, for example – limit housing variety and affordability, creating barriers to affordable housing in general. A number of studies, however, have concluded that low-density only zoning that reduces the number of rental units, also limits the number of Black and Hispanic residents (“Local Land Use Regulation and the Chain of Exclusion,” Pendall, *Journal of the American Planning Association*, November 2007).

The zoning bylaws or ordinances of each of the Commonwealth’s 351 cities and towns determine the location, size, and type of housing in that community, influencing access to fair housing choice, housing affordability and residential development patterns generally. They can be changed only by a two-thirds vote of the governing body, either Town Meeting or City Council. There is no requirement that local zoning and other land use regulations be consistent with a municipality’s mandated master plan, or that they accommodate a range of housing types, price or tenure. Since there is no regional governance or statewide planning, and the thirteen regional planning agencies serve in an advisory capacity only, there is little to compel localities to regulate land use and development in a way that supports regional or statewide goals.

Zoning is intended to regulate the use of property for the health, safety, and general welfare of the public, but local restrictions that preclude multifamily housing, or restrict it to occupancy by seniors, have long been identified as exclusionary. A 2004 study by the Pioneer Institute for Public Policy Research of zoning, subdivision, wetlands, and septic regulations in 187 eastern Massachusetts cities and towns found that just 78 of them allowed multi-family zoning by right.⁷⁹ The Pioneer Institute is currently in the process of updating its 2004 research.

Massachusetts was the first, and remains one of only a handful of states, to have adopted policies through legislation and other means, including Chapter 40B, expressly designed to override local zoning under limited circumstances, where such local zoning conflicts with regional housing needs. Arguably one of the most effective tools in the country for increasing the supply, and improving the distribution, of affordable housing, some 60,000 housing units have been created under its comprehensive permit provisions since the enactment of Chapter 40B in 1969, most in areas where they would not have been allowed under local zoning. More recently, the state added a smart growth overlay zoning program (Chapter 40R) to encourage cities and towns to establish new overlay zoning districts that promote housing production in smart growth locations. Chapter 40R and a companion funding law (40S) provide financial incentives to communities to adopt these new zoning districts. Restrictive zoning, however, remains the norm in Massachusetts, as discussed in Section 2 and in **Inset 3.1** from the AI Advisory Council focus group on families with children.

⁷⁹ See supra note 60.

Inset 3.1: AI Advisory Council Families with Children Focus Group

This focus group discussed issues including those highlighted below, and those covered in the AI Advisory Council Families with Children Focus Group inset in Section 2.

Exclusionary Zoning/Land Use

- Many suburban communities age-restrict their multi-family and affordable housing, both through local land use practices and through separate agreements with developers.
- Since many local decisions impacting housing are made by local permitting authorities or involve local funding contingencies, focus group members recommended that the state consider how it can prohibit land-use practices with discriminatory effects, including through statutory amendments.
- Communities should be educated as to what is exclusionary and discriminatory, including discriminatory statements made at city or town meetings or before local permitting authorities. Affordable housing is often found on the fringes of a community, which isolates residents and reinforces local perception that low-income families are not going to become part of the community or contribute to the community.
- The state should be more active in reviewing zoning bylaws beyond the level of review of the Office of the Attorney General (AGO). Currently limited in scope, AGO review and approval power could be expanded and their office could be allowed to conduct fact finding rather than limited facial review.

Local Opposition to Multifamily/Affordable Housing Development

- Many communities may be able to strategically achieve the 10 percent subsidized threshold under Chapter 40B through affordable development with age restrictions or limitations on the number of bedrooms in units. Some raise unsubstantiated concerns that the cost of education could be higher than corresponding new tax revenue. Focus group participants noted this even in communities with declining enrollments.
- Although not expressly stated or agreed with by local officials, focus group participants mentioned opposition to low income housing is also rooted in opposition to families of color joining the community. This may be tied to biased beliefs that low-income families of color will bring more children and/or children with additional needs, and consequently the school district rating will be lowered.
- Children, particularly children with disabilities, from more diverse areas of the state are sometimes not received well by suburban communities often as part of a school choice program, even though this may bring in more money to the district than a resident student.
- Multifamily housing has positive economic effects that are often overlooked, including that residents are a stream of patrons for local business.

Source: Department of Housing and Community Development, Summary of Families with Children Focus Group Comments, November 26, 2018. Note: the summary of comments above does not necessarily reflect the opinions of DHCD.

Other conditions, such as discrimination or differential treatment in the housing and mortgage markets and the location of, and access to, subsidized housing impact protected classes, in particular, people of color. As home values in Massachusetts' inner cities stagnated or fell during the middle of the 20th century (at which time 80 percent of the state's African American residents lived in just 8 cities, over 55 percent in Boston alone), values in the suburbs were rising, building equity for the White homeowners who lived there. Homeownership is the asset class that has enabled most families to generate wealth, and the disparity in homeownership is the major factor in the growing wealth inequality between the races.

When home prices were soaring in the early years of the 21st century, banks and mortgage lenders targeted Black and Hispanic communities for high cost subprime loans. In many cases, these subprime loans were issued to borrowers who were qualified for conventional loans. Housing in communities of color experienced exceptionally high rates of price inflation. The rise in subprime lending tracked the rise in home prices, especially in the Greater Boston region, and when the housing market imploded in 2006, these communities bore the brunt of the downturn. Foreclosure rates far-exceeded those in White communities. Research by economists at the Federal Reserve Bank of Boston documented the link between subprime mortgages and foreclosures ("Subprime Outcomes: Risky Mortgages, Homeownership Experiences, and Foreclosures," Gerardi, Shapiro and Willen, FRB of Boston Working Paper #07-15, December 2007), concluding that subprime lending had created a class of homeowners who were particularly sensitive to declining house price appreciation. Other economists and sociologists were more pointed in their criticism ("Racial Segregation and the American Foreclosure Crisis," Rugh and Massey, *American Sociological Review*, October 2010), noting that the subprime debacle was not simply a result of neutral market forces but was structured on the basis of race and ethnicity through the social fact of residential segregation. Discriminatory subprime lending, they argued, was simply the latest in a long line of illegal practices.

Many long term homeowners in neighborhoods like Roxbury, Dorchester and Mattapan lost their homes to foreclosure. Since many of these homes were two- and three-family dwellings, their tenants also were forced to leave. The concentration of subprime lending in those communities during the early part of the decade jeopardized the gains in homeownership for people of color, and the stability of entire neighborhoods.

Now, prices are rising in those same neighborhoods, again at a faster rate than in many suburban communities. And, again, a disproportionate number of Black and Hispanic families are missing out on the opportunity to build equity and net worth. Displacement due to market pressures may pose a greater threat to Greater Boston communities of color now than ever before, a concern that was voiced repeatedly by AI Advisory Council members, in public listening sessions and in the focus groups convened by DHCD as part of the AI public process.

Inset 3.2 summarizes the concerns and recommendations of the focus group on displacement, convened by DHCD in November 2018. A number of the concerns expressed by the group are relevant to issues of concentrated poverty, discussed in Section 4. See **Appendix C**, "Boston: A Case Study in the Factors that have Contributed to Racial Separation and/or had a Disparate Impact on People of Color in

Massachusetts from the Middle of the 20th Century to the Present” for a more detailed discussion of these factors.

Inset 3.2: AI Advisory Council Displacement Focus Group

This focus group discussed issues relating to displacement, some of which are highlighted below.

Displacement Risk Factors:

- Increases in lease termination and eviction actions, particularly when property-wide
- Increases in home prices and rents
- Increases in property taxes
- Transportation improvements
- Transit-oriented development with “luxury” rentals
- Expiring affordable use restrictions on privately owned subsidized housing
- Demolition of existing public housing stock
- Local government opposition to preserving existing subsidizing housing or creation of new subsidized housing
- Lack of investment in building conditions resulting in deterioration
- Private investment and home purchasing for the purposes of “flipping” houses or converting existing housing or lots to short-term rentals or “luxury” rentals

Consideration of Fair Housing Goals

- Reduction in concentration of a particular racial or ethnic group(s) as a result of gentrification may further certain fair housing goals to the extent it reduces segregation or R/ECAPs. However, it may also conflict with other fair housing goals by reducing housing choice and/or by driving relocation to communities with less opportunities (e.g., with higher transportation costs and more limited access to public transportation, medical and social services and networks, employment, etc.) and in some cases also increasing segregation or R/ECAPs in those communities.

Some Further Considerations and Recommended Actions:

- Conducting or reviewing studies that examine causes and consequences of displacement in order to have a better understanding of furtherance or hindrance of fair housing goals and the impact on protected classes.
- Supporting community-based and legal services organizations, including to educate tenants about their rights when landlords attempt eviction actions.
- Supporting a requirement of landlord notice to the state when an eviction action is filed.
- Increasing funding for fair housing enforcement agencies through supplemental state funding since discrimination against voucher holders is likely to increase in areas undergoing gentrification, and because voucher holders are not covered by HUD-funded enforcement activities (as they are not a federally protected class).
- Continuing to support increased private investment in distressed markets, such as in Gateway Cities, including through receivership where landlords are allowing properties to deteriorate.
- Identifying strategies for communities and developers, such as in the MAPC displacement toolkit, at <https://www.mapc.org/resource-library/managing-neighborhood-change-anti-displacement-strategies-toolkit/>

Source: Department of Housing and Community Development, Summary of Displacement Focus Group Comments, November 2018.

Note: The summary of comments above does not necessarily reflect the opinions of DHCD

4. Racially and Ethnically Concentrated Areas of Poverty

The detrimental effects of living in an area of concentrated poverty, particularly for poor residents, have been well-documented. Neighborhoods with a high concentration of disadvantaged residents face a host of challenges, and the consequences of these challenges are particularly harmful to children. While the extent of these effects is a matter of debate, and while these neighborhoods may offer cultural, linguistic, and community attributes not readily available in other areas, there is broad agreement that the concentration of very poor families and individuals in a limited number of high poverty areas not only compounds the challenges of their individual poverty, it perpetuates it.⁸⁰

Section 2 provided a brief overview of poverty in Massachusetts. This section takes a closer look at who is poor, where they live, and how that has changed over time. It identifies the state's high poverty areas and discusses trends in poverty concentration and the characteristics of concentrated poverty neighborhoods. It also examines the factors that have contributed to the concentration of poverty in the Commonwealth and the nexus between segregation and concentrated poverty. It begins with some definitions.

Definitions: Poverty, Concentrated Poverty and Racially or Ethnically Concentrated Areas of Poverty

Poverty. The poverty threshold is the dollar amount considered to be the minimum level of resources necessary to meet the basic needs of an individual or family unit. Each year the Census Bureau calculates these thresholds to measure how many people in the U.S. have incomes insufficient to meet their basic needs. If a family's annual before-tax income is less than the threshold for their family size and type, all individuals in the family are considered to be poor, or living in poverty. The Census Bureau calculates poverty threshold for a variety of household types, and they vary by age of the householder, household size, and number of children.⁸¹ The poverty thresholds are the same for all states, a fact that has long been a source of criticism. (**Inset 4.1** describes some of the limitations of the Census Bureau's current methodology for determining how many people live in poverty.)

The official poverty *thresholds* are the basis of the commonly used poverty *guidelines*, issued each year by the Department of Health and Human Services (DHHS). The guidelines, a simplified version of the poverty thresholds, are used for determining eligibility for certain federal programs. In 2018, the threshold was \$12,140 for a single person and \$25,100 for a family of four living anywhere in the continental United States, up 2 percent from the 2016 thresholds used in this AI. In 2016, the thresholds were \$11,880 for a single person and \$24,300 for a family of four.⁸²

⁸⁰ "Concentration of Poverty in the New Millennium: Changes in the Prevalence, Composition, and Location of High-Poverty Neighborhoods," Paul Jargowsky, The Century Foundation and Rutgers Center for Urban Research and Education, 2013

⁸¹ See <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>.

⁸² <https://aspe.hhs.gov/poverty-guidelines>.

Inset 4.1: Two Ways of Measuring Poverty: The Official and the New Supplemental Methods

The official poverty measure was developed in the mid-1960s by a staff economist at the Social Security Administration. Premised on the finding that families of three or more persons spent about one third of their after-tax income on food, poverty thresholds were established based on the cost of a minimum food diet multiplied by three to account for other family expenses.* While the thresholds are updated annually, the methodology has changed very little since 1963, leading to criticism on many fronts.

One criticism is that the thresholds are too low. Another is that the rate is a pre-tax cash income measure that omits non-cash benefits such as housing assistance, Medicaid and food stamps and refundable tax credits such as the Earned Income Tax Credit. A third criticism, which is particularly relevant for high cost areas like Massachusetts, is that the federal poverty level is the same throughout the continental United States even though the cost of living varies substantially within and across states.

To address these concerns, the Census Bureau began publishing a “Supplemental Poverty Measure” (SPM) in 2011. The SPM extends the official poverty measure by taking account of many of the government programs designed to assist low-income families and individuals that are not included in the official poverty measure. By including these and an estimate of real household expenditures, with housing costs adjusted for geography, the SPM provides a more complete picture of poverty. There is no expectation at this time, however, that the SPM will replace the official count or be used in determining eligibility for government programs.

Among the differences between the two methodologies (based on the 2015, 2016, 2017 3-year average) are the following:

- Using the supplemental methodology, the poverty rate nationally was 14.1 percent, or 1.3 percentage points higher than the official poverty rate of 12.9 percent
- There were 16 states plus the District of Columbia for which SPM rates were higher than official poverty rates, including Massachusetts. Eighteen states had lower rates under the SPM, and the differences were not statistically significant in the other 16 states.
- The SPM *lowers* poverty thresholds in less expensive areas and *raises* them in more expensive areas like MA.
- Under the SPM calculation, Massachusetts had an additional 170,000 people living in poverty, and the state’s poverty rate rose from 10.6 percent to 13.1 percent.
- Measured by the official poverty rate, Massachusetts poverty rate ranks 37th of the 50 states (that is, 36 states have higher rates of poverty). Under the SPM, Massachusetts ranks 22nd (21 states having higher rates).
- The difference between MA official poverty rate (10.6%) and its rate using the supplemental methodology (13.1%) was the 8th highest, following CA, MD, NJ, HI, FL, VA, and CT.

*This is an admittedly simplified description of the measure. The methodology differentiates thresholds by family size and also by farm/nonfarm status, by the sex of the family head, by the number of family members who were children, and (for one- and two-person units only) by aged/non-aged status. The result is a detailed matrix of 124 poverty thresholds; the figures generally cited, however, are weighted average thresholds for each family size.

Source: The Supplemental Poverty Measure: 2017 (P60-265), Liana Fox, U.S. Census Bureau, September 2018

Concentrated poverty. For more than 30 years, the term “concentrated poverty” (also called “extreme poverty”) has been widely used to describe areas – usually census tracts – where at least 40 percent of the population lives below the federal poverty threshold defined by the Census Bureau.⁸³ Only six percent or so of the nation’s roughly 73,000 census tracts meet this high threshold, however, prompting HUD to develop an alternative definition of concentrated poverty for use by jurisdictions preparing Assessments of Fair Housing as part of the Affirmatively Furthering Fair Housing (AFFH) process.⁸⁴ Under the expanded HUD definition, a census tract may also be considered concentrated poverty if its poverty rate is three times the average tract rate, weighted by population, for the metropolitan/micropolitan area in which it is located.

In the seven regions analyzed in this AI, the latter metric results in a poverty threshold ranging from 24.7 percent in the Cape and Islands to 50.9 percent in the Pioneer Valley. Since Pioneer Valley is the only region where three times the poverty rate *exceeds* the 40 percent threshold, and the HUD definition applies the lower of the two thresholds, it is the only main region in which the “40 percent” rule applies. In all the others, the “three times the average tract rate” applies.⁸⁵ The “concentrated poverty rate” is the share of poor residents who live in these extreme-poverty tracts.

Racially or ethnically concentrated areas of poverty. Because decades of social science research has found that the problems associated with segregation are exacerbated when combined with concentrated poverty, HUD requires program participants to include in their Fair Housing Assessment an analysis of patterns and trends in “racially or ethnically concentrated areas of poverty (R/ECAPs),” defined in the AFFH rule as geographic area(s) with “significant concentrations of poverty and minority concentrations.” [24 C.F.R. § 5.152].⁸⁶ The Analysis of Impediments (AI), therefore, focuses on census tracts where people of color are in the majority (i.e., where less than 50 percent of the population is White alone, not Hispanic) *and* the poverty rate exceeds the thresholds described in the preceding

⁸³ Sociologist William Julius Wilson is credited with coining the term in his 1987 study of poverty in Chicago, *The Truly Disadvantaged*. In this seminal work, Wilson drew attention to the problems associated with the spatial concentration of poverty. He described the “concentration effects” that emerge when the poverty level in a neighborhood exceeded a threshold level, and he noted that a child growing up in a high poverty neighborhood lived in a world where single parent families and lack of labor force attachment were the norms.

⁸⁴ Calculation based on HUD AFFH dataset, the source of which was the 2009-2013 American Community Survey.

⁸⁵ The effect of using HUD’s expanded definition to determine whether a census tract qualifies as an area of concentrated poverty is significant. In the Greater Boston region, which has 20 tracts at the “over 40 percent” threshold (13 where people of color are in the majority and 7 where non-Hispanic Whites are in the majority), the expanded definition adds another 22 “concentrated poverty” tracts (17 where people of color constitute the majority population and 5 where White people do. These high poverty census tracts are called racially/ethnically concentrated areas of poverty (R/ECAPs) if people of color are the majority population and White concentrated areas of poverty (WCAPs), if non-Hispanic White people are the majority. The Northeast region, with just 2 tracts over 40 percent, both R/ECAPs, now has 8 R/ECAPs (when using the “three times the poverty rate” measure of concentrated poverty). The expanded definition adds 4 tracts in the Southeast region and 5 in the Central region. Berkshire and the Cape and Islands would have no concentrated poverty areas were it not for the expanded definition. If concentrated poverty in the Pioneer Valley were measured by the same threshold as in the Greater Boston and Northeast regions, it would have an additional 4 concentrated poverty tracts (2 R/ECAPs and 2 WCAPs). It is worth noting that many researchers, not just HUD, consider a threshold lower than 40 percent as indicative of concentrated poverty (often 30%), but they do not differentiate from one metro area to another.

⁸⁶ HUD notes that the R/ECAP analysis is consistent with addressing concerns raised in the legislative history of the Fair Housing Act. It cites the 1968 Kerner Commission report, released just six weeks prior to the passage of the Fair Housing Act, which acknowledged that “segregation and poverty” create “a destructive environment.” *AFFH Rule Guidebook* (version 1, December 31, 2015). The Kerner Commission (The National Advisory Commission on Civil Disorders) report also warned that “America is dividing into two societies, black and white, separate and unequal,” and it cited residential segregation, which relegated Black people to crowded urban ghettos, as one of the chief manifestations of this inequality.

paragraph (the lower of 40 percent or more of the population living at or below the poverty line *or* a poverty rate that is three times the metropolitan area average).

By this standard, Massachusetts had 67 census tracts that were deemed racially or ethnically concentrated areas of poverty (R/ECAPs) according to the 2016 5-Year American Community Survey. It also had 24 majority White tracts that met the concentrated poverty thresholds (WCAPs). Forty-one of the R/ECAPs met the traditional definition of extreme poverty (40% or greater) as did 12 of the WCAPs. These pockets of poverty, particularly the R/ECAPs, are highly concentrated. Only 11 Massachusetts municipalities had any R/ECAPs in 2016, and over 40 percent of them were in Boston. Another 20 percent were in Springfield/Holyoke. Other smaller concentrations existed in Lawrence, Lowell, Lynn, and Worcester. **Table 4.1** identifies Massachusetts' Concentrated Poverty Areas, which are discussed later in this section.

Table 4.1: Massachusetts' Areas of Concentrated Poverty, 2016

Region	Total Census Tracts*	Total concentrated poverty tracts	RCAPs	Extreme poverty (40%+) RCAPs	WCAPs	Extreme poverty (40%+) WCAPs	Municipalities with RCAPs	Municipalities with WCAPs
Greater Boston	640	42	30	13	12	7	Boston (25); Lowell (3); Framingham and Quincy (1 each)	Boston (12)
Southeast	224	7	3	2	4	1	Brockton (2); New Bedford (1)	New Bedford (2); Fall River and Bridgewater (1 each)
Central	170	11	8	6	3	1	Worcester (8)	Fitchburg (2); Worcester (1)
Northeast	162	8	8	2	0	0	Lawrence (5); Lynn (3)	
Pioneer Valley	156	20	18	18	2	0	Springfield (13); Holyoke (5)	Amherst (2)
Cape & Islands	65	2	0	0	2	2		Barnstable (2)
Berkshire	39	1	0	0	1	0		Pittsfield (1)
Massachusetts	1,456	91	67	41	24	11		

Source: 2016 5-Year American Community Survey, Table S1701

Note: Metropolitan area definitions, census tract boundaries, and the threshold for determining concentrated poverty have all been modified over time. While this AI employs the HUD methodology to identify current R/ECAPs and WCAPs, it uses the traditional “40 percent” thresholds when documenting trends over time. The AI also uses poverty deciles (e.g., <10%, 10-20%), where appropriate, to facilitate comparisons among regions.

Makeup and Distribution of the Poor in Massachusetts

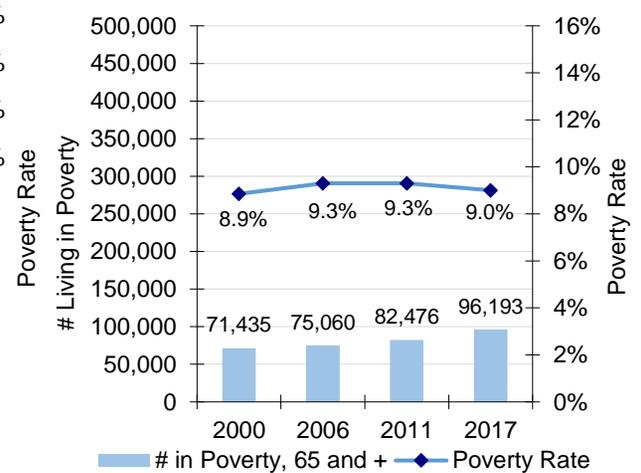
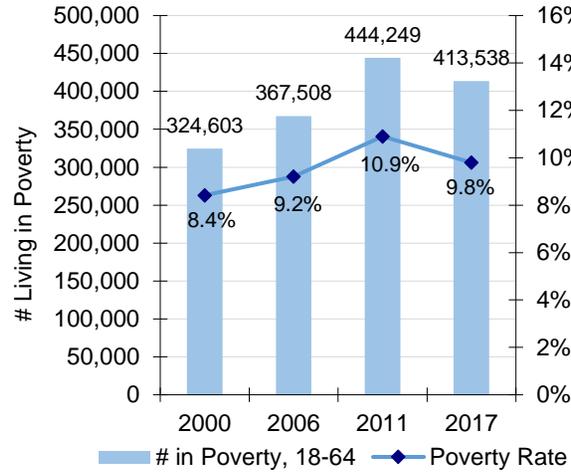
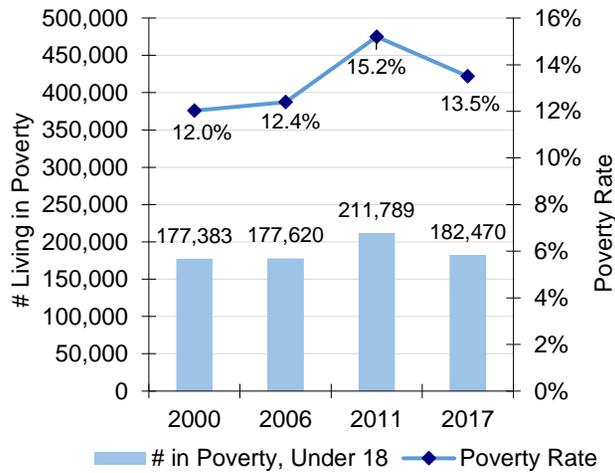
Who Is Poor?

In 2017, more than 10 percent of the state’s residents were living below the poverty level. Children experience the highest rate of poverty (13.5%) and make up 26 percent of the poverty population even though they represent less than 21 percent of the overall population.

Non-elderly adults (those age 18 – 64) encompass the largest segment of the total population (64%), and represent the largest segment of the poverty population as well (60%), even though their 9.8 percent poverty rate is substantially lower than the rate for children.

Seniors (age 65 and over) have the lowest poverty rate of the three groups (9.0%); they represent 14 percent of those living in poverty, compared to their 16 percent share of total population. Even though seniors represent the smallest share of the state’s poverty population and have the lowest poverty rate, their share is growing with the aging of the large baby boom cohort. Between 2011 and 2017, the senior share of the state’s poverty population increased from 11 percent to 14 percent, while the under 18 share declined from 29 percent to 26 percent (**Figure 4.1**).

Figure 4.1: MA Population Living in Poverty by Age Group, 2000-2006-2011-2017



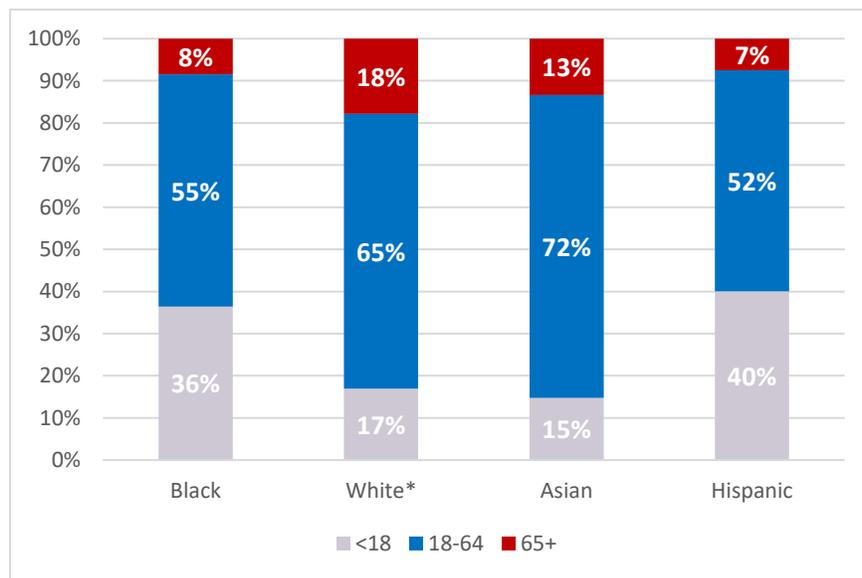
Source: 2006-2011-2017 One Year ACS, Table S1701; 2000 Decennial Census, SF3, Table P087

Decennial Census, SF3, Table P087

The incidence of poverty varies widely among racial and ethnic groups. The poverty rate of the non-Hispanic White population in 2017 was 6.8 percent. Asian and Black populations were more than twice as likely to be poor (15.7% and 17.9%, respectively) and Hispanics more than three times (25.2%). Poverty rates for all four groups have declined since the last AI was prepared, when the rate for non-Hispanic Whites was 8.0 percent; for Asians, 16.0 percent; for Blacks, 23.4 percent; and Hispanics, 30.9 percent (2012).

There are notable differences, too, by race and ethnicity in the age of the poverty population. Seventeen percent of non-Hispanic Whites living below the poverty line are children and 18 percent are seniors; among Hispanics, children account for 40 percent of the poverty population while fewer than 8 percent are seniors (**Figure 4.2**). The result is that two-thirds of the state’s poor children are people of color, while almost two-thirds of poor elderly residents are non-Hispanic Whites.

Figure 4.2: Age Distribution of the Poverty by Race/Ethnicity



Source: 2016 1-year ACS, Tables B17001B, B17001D, B17001H, B17001I

Household and family type are a major predictor of the likelihood that a family will be impoverished. Most striking is the disparity in poverty rate among families with children under age 18 between married couple families and those headed by single mothers. Fewer than four percent of married couple households with children live in poverty compared to over 35 percent of female headed households with children and no spouse present. Almost one-third of Massachusetts children – and more than 80 percent of those living in poverty – live with a single parent. This translates into significant disparities across racial/ethnic groups since fewer than 12 percent of Asian and 20 percent of White families with children are headed by a single female, but over half of Hispanic and Black families are (**Table 4.2**).

Table 4.2: Poverty Rate by Race/Ethnicity and Household Type

Racial/Ethnic Group	Total	White*	Hispanic	Black	Asian
All Families w Children <18	760,260	527,203	102,588	65,023	54,034
<i>Married Couple Share</i>	<i>67.4%</i>	<i>74.5%</i>	<i>39.9%</i>	<i>40.2%</i>	<i>84.1%</i>
<i>Single Father Share</i>	<i>6.8%</i>	<i>6.0%</i>	<i>10.1%</i>	<i>9.5%</i>	<i>4.2%</i>
<i>Single Mother Share</i>	<i>25.8%</i>	<i>19.5%</i>	<i>50.0%</i>	<i>50.3%</i>	<i>11.7%</i>
All Families w Children <18 with income below poverty level	97,650	40,576	33,608	16,594	5,376
<i>Married Couple Share</i>	<i>19.8%</i>	<i>21.8%</i>	<i>15.1%</i>	<i>12.5%</i>	<i>56.7%</i>
<i>Single Father Share</i>	<i>9.5%</i>	<i>10.5%</i>	<i>8.8%</i>	<i>9.3%</i>	<i>4.4%</i>
<i>Single Mother Share</i>	<i>70.7%</i>	<i>67.7%</i>	<i>76.1%</i>	<i>78.2%</i>	<i>38.9%</i>
Poverty Rate, All Families w Children <18	12.8%	7.7%	32.8%	25.5%	9.9%
Poverty Rate Married Couple Families w Children <18	3.8%	2.3%	12.4%	7.9%	6.7%
Poverty Rate Single Fathers w Children <18	18.0%	13.6%	28.4%	24.9%	10.5%
Poverty Rate Single Mothers w Children <18	35.2%	26.7%	49.8%	39.7%	32.9%
<i>Single Father Poverty Rate: Married Couple Poverty Rate</i>	<i>4.76</i>	<i>6.02</i>	<i>2.29</i>	<i>3.14</i>	<i>1.56</i>
<i>Single Mother Poverty Rate: Married Couple Poverty Rate</i>	<i>9.33</i>	<i>11.84</i>	<i>4.01</i>	<i>5.00</i>	<i>4.90</i>

Source: 2016 5-Year ACS, B17010 (and B17010 B, D, H, I)

* Not Hispanic

For most child rearing family units in Massachusetts, poverty rates are lower than are the U.S. rates. The share of families with children that are headed by single parents – while differing across racial and ethnic groups – also tracks national norms fairly closely with one exception: nationwide, just 29 percent of child rearing Hispanic families are headed by single mothers; here 50 percent are **(Table 4.3)**.

Table 4.3: Poverty Rate Among Families with Children Under 18 by Family Type, MA vs. US

	Total	White*	Hispanic	Black	Asian
MA Poverty Rate All Families	12.8%	7.7%	32.8%	25.5%	9.9%
US Poverty Rate All Families	17.4%	11.4%	27.0%	31.1%	10.3%
MA Poverty Rate Married Couple Families	3.8%	2.3%	12.4%	7.9%	6.7%
US Poverty Rate Married Couple Families	7.9%	4.9%	17.3%	10.3%	7.6%
MA Poverty Rate Single Mother Families	35.2%	26.7%	49.8%	39.7%	32.9%
US Poverty Rate Single Mother Families	39.7%	32.9%	47.4%	45.1%	27.3%
Single Mothers as a % of Racial/ethnic Group Families - MA		19.5%	50.0%	50.3%	11.7%
Single Mothers as a % of Racial/ethnic Group Families - US		19.8%	29.1%	54.3%	11.9%
Racial/ethnic Group's Share of All Families - MA		69.3%	13.5%	8.6%	7.1%
Racial/ethnic Group's Share of All Families - US		58.3%	20.0%	13.8%	5.5%
Racial/ethnic Group's Share of Single Mother Families - MA		39.7%	37.0%	18.8%	3.0%
Racial/ethnic Group's Share of Single Mother Families - US		58.3%	20.0%	13.8%	5.5%
Racial/ethnic Group's Share of All Families in Poverty - MA		41.6%	34.4%	17.0%	5.5%
Racial/ethnic Group's Share of All Families in Poverty - US		38.0%	31.0%	27.4%	3.3%

Source: 2016 5-Year ACS, B17010 (and B17010 B, D, H, I)

* Not Hispanic

A 2018 Boston Planning and Development Agency report underscored the link between single mother families and poverty, noting that Boston had a higher share of single mother households than most major cities in the country and that these households, 44 percent of whom lived in poverty, accounted for 70 percent of all households in the city with children in poverty. About 79 percent of the city's single mothers are Black or Latina and 40 percent are foreign-born. In the city's neighborhoods where people of color represent the largest share of the population – Roxbury, Mattapan and Dorchester – single mothers make up more than half of *all* families with children, accounting for 62, 54 and 53 percent, respectively.⁸⁷

Where Do Massachusetts' Poor Residents Live?

There are poor people in every region of Massachusetts and in every city and town, and most do not live in areas of concentrated poverty. Often, impoverished seniors (those age 65 and over) are house rich and cash poor; they are much more likely to live in low poverty areas than are poor working age adults or children. While 43 percent of impoverished seniors live in low poverty census tracts (those with a poverty rate less than 10%), just 28 percent of poor working age adults (18-64 year olds) and 21 percent of poor children do. And, as **Table 4.4** illustrates, there are substantial differences by race and ethnicity. Forty-two percent of poor White people, but just 23 percent of poor Asians, 11 percent of poor Black

⁸⁷ "A Profile of Boston's Single Mothers," June, 2018, Boston Planning and Development Agency. The report found that only 36 percent of single mothers had another adult living with them in the household. Of the other adults, about half were the adult children of the single mothers, and about 20 percent were the unmarried partners of the single mothers.

people, and nine percent of poor Hispanics live in low poverty census tracts. The disparity is even more pronounced among children. Forty percent of poor White children and 29 percent of poor Asian children live in low poverty areas compared to nine percent of poor Black, and eight percent of poor Hispanic, children.

Table 4.4: Share of Various Population Groups Living in High, Medium and Low Census Tracts

% Below Poverty Line	# Tracts	Total Black Population*	Poor Black People	Total Black children	Poor Black children	Total Asian Population*	Poor Asians	Total Asian children	Poor Asian children
Over 40%	53	7%	15%	8%	16%	3%	12%	2%	8%
30-39.99%	77	14%	21%	15%	22%	5%	11%	4%	11%
20-29.99%	153	22%	26%	23%	27%	13%	25%	11%	23%
10-19.99%	350	31%	27%	29%	26%	25%	30%	21%	29%
5%-9.99%	407	16%	8%	16%	7%	26%	15%	27%	19%
0-4.99%	415	10%	3%	9%	2%	28%	8%	36%	10%
Total	1,455	100%	100%	100%	100%	100%	100%	100%	100%

% Below Poverty Line	# Tracts	Total White Population**^	Poor Whites	Total White children	Poor White children	Total Hispanic Population*	Poor Hispanics	Total Hispanic children	Poor Hispanic children
Over 40%	53	1%	5%	0%	3%	11%	21%	11%	20%
30-39.99%	77	2%	8%	2%	8%	12%	18%	12%	19%
20-29.99%	153	5%	13%	4%	15%	25%	27%	24%	27%
10-19.99%	350	21%	32%	18%	34%	30%	25%	29%	25%
5%-9.99%	407	33%	27%	32%	27%	13%	7%	13%	7%
0-4.99%	415	38%	15%	44%	13%	9%	2%	10%	1%
Total	1,455	100%	100%	100%	100%	100%	100%	100%	100%

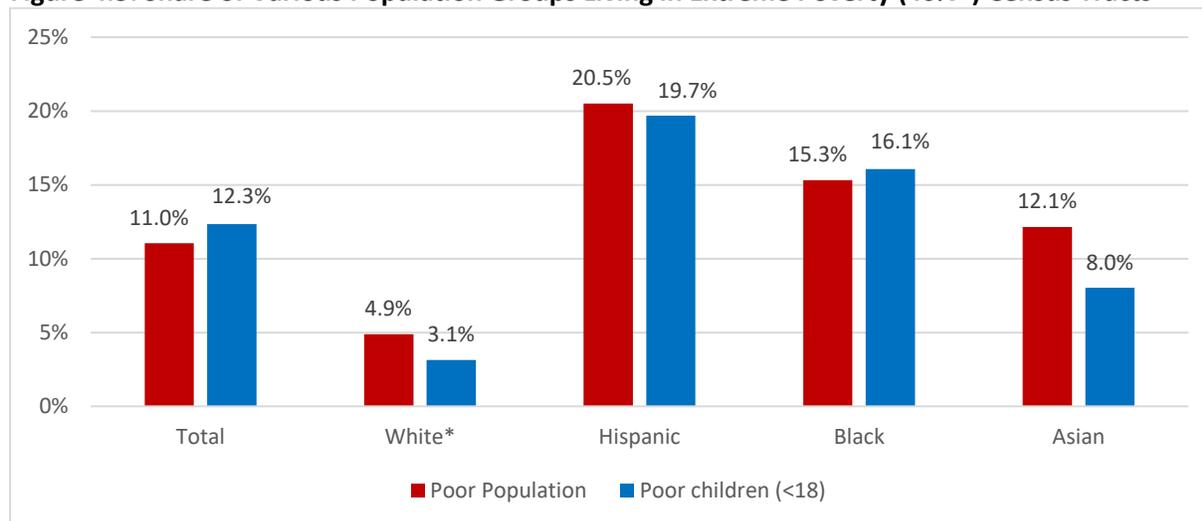
Source: 2016 5-Year ACS Table S1701

* For whom poverty status is determined

^ Not Hispanic

The disparities are even more pronounced at the other end of the spectrum. While just over three percent of poor White children and eight percent of poor Asian children live in extreme poverty (40%+) tracts, 16 percent of poor Black children, and almost 20 percent of poor Hispanic children do. **Figure 4.3** illustrates just how dramatic these differences are.

Figure 4.3: Share of Various Population Groups Living in Extreme Poverty (40%+) Census Tracts



Source: 2016 5-Year ACS Table S1701

Universe: Based on population for whom poverty status is determined

*not Hispanic

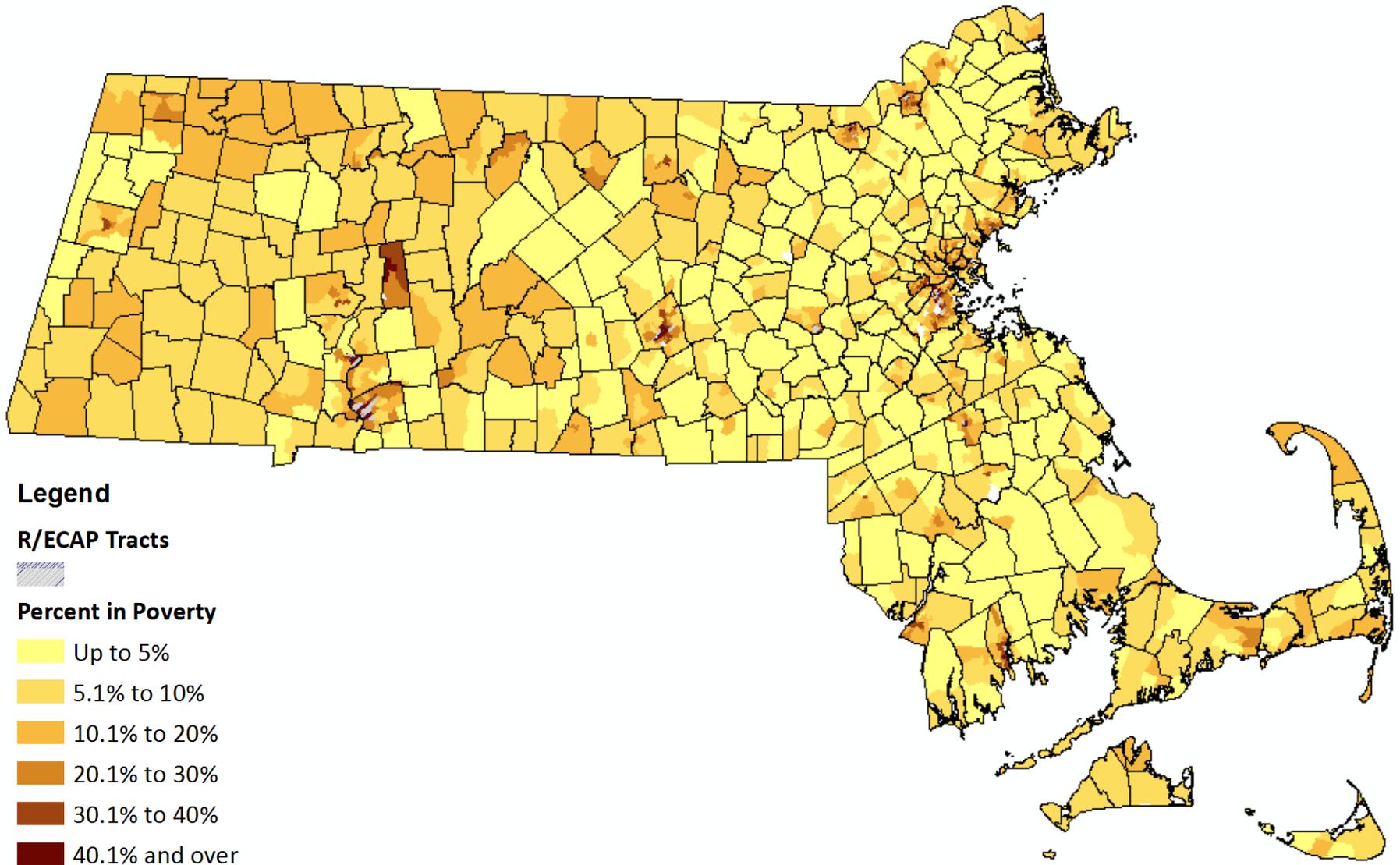
These differences translate into a “concentrated poverty rate” (the share of poor residents who live in extreme-poverty tracts) that is 2.5 times the White rate for Asian people, 3.1 times for Black people and 4.2 times for Hispanic people. For poor children, the disparity between White and Asian is 2.5 times; for Black children, 5.1 times; and for Hispanic children, 6.3 times. Springfield, one of the nation’s most segregated metropolitan areas for Hispanics, is also one with the highest concentration of poverty (poor people in poor tracts), at over 31 percent.

Many residents – mostly White, living in rural communities in the central and western part of the state – experience persistent poverty at rates exceeding those in the Greater Boston region. Their challenges, and they are substantial, derive from the fact that they have insufficient income to meet basic daily living expenses. For many poor urban families, however, the challenges of their own poverty are compounded by neighborhood concerns such as under-performing schools, and prevalence of crime, health and safety considerations. This is especially true for families raising children in high poverty racially concentrated neighborhoods, which is why this AI pays special attention to the spatial dimension of poverty in this analysis.

Racially/Ethnically Concentrated Areas of Poverty

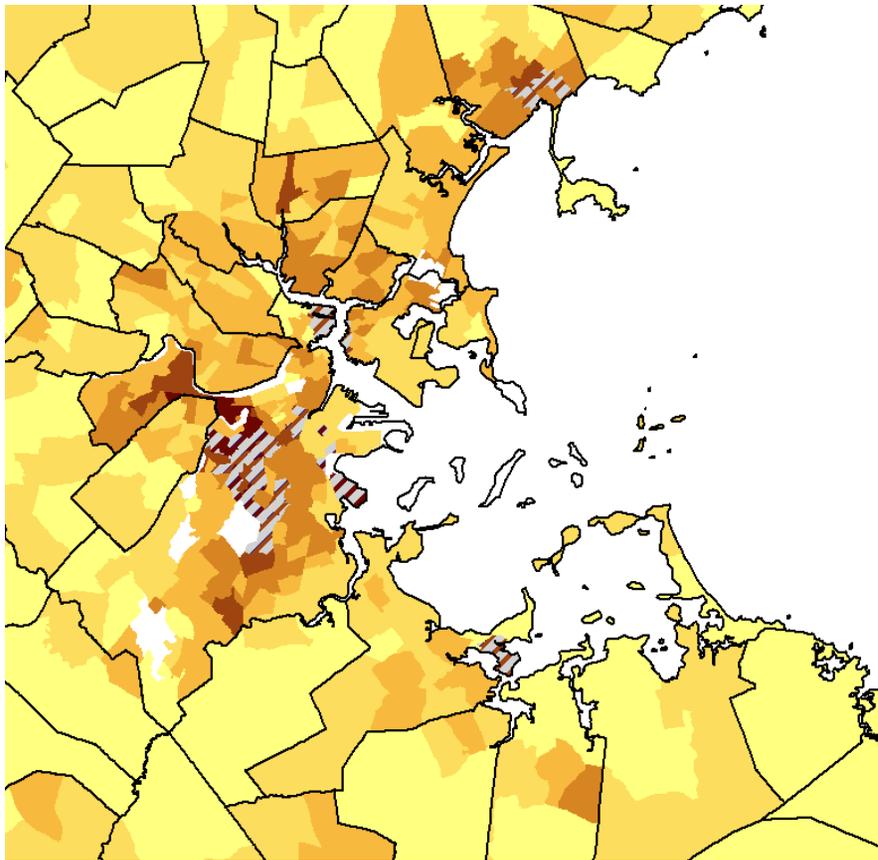
The Commonwealth’s concentrated poverty neighborhoods are in areas that are disproportionately people of color, mirroring the national pattern. **Map 4.1** identifies Massachusetts’ racially/ethnically concentrated (R/ECAP) and majority White (WCAP) concentrated poverty census tracts. **Maps 4.2 and 4.3** zero in on Boston (4.2) and Springfield/Holyoke (4.3), the geographies with the largest pockets of poverty. These two maps show just how much of the areas where Black and Hispanic people live is characterized by extreme poverty.

Map 4.1: Massachusetts Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs)



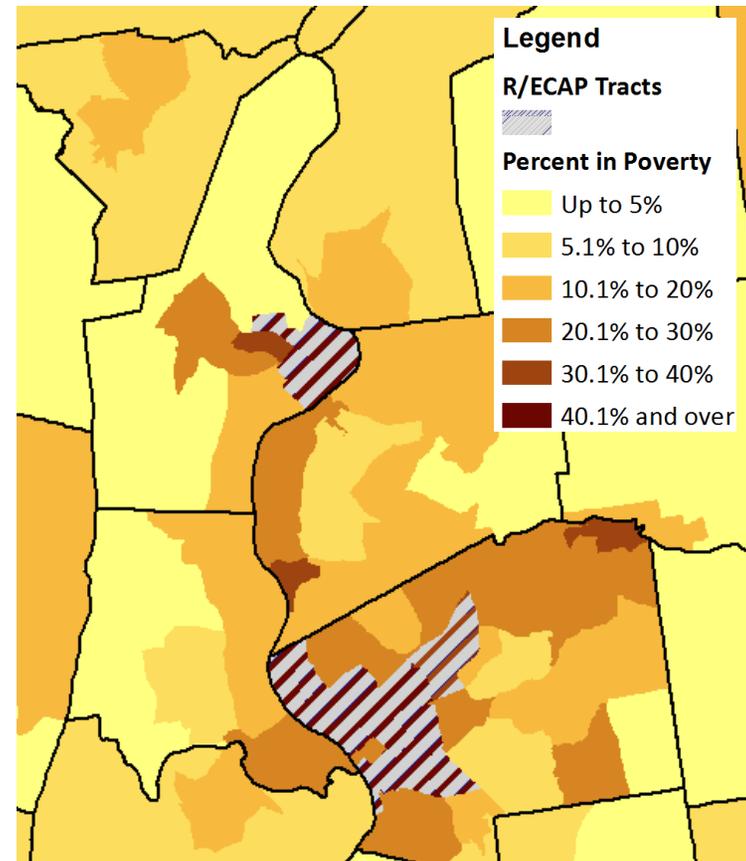
Source: 2016 5 year ACS, Tables B17001, B03002

Map 4.2: Boston R/ECAPs



Source: 2016 5 year ACS, Tables B17001, B03002

Map 4.3: Springfield Holyoke R/ECAPs



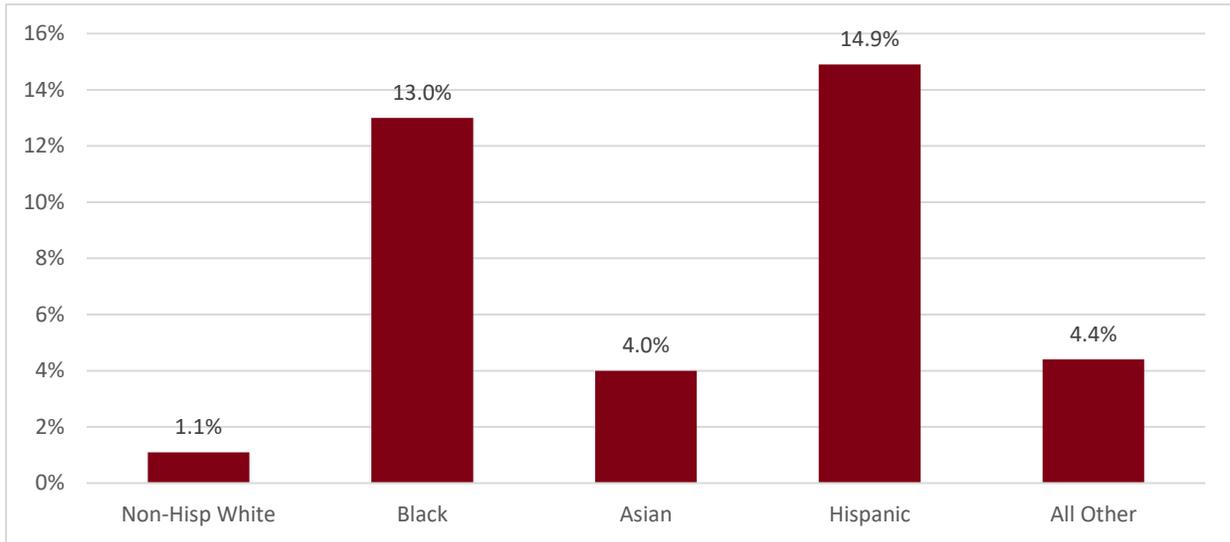
Sixty-seven (27%) of the 249 Massachusetts census tracts where the majority of residents are people of color are considered concentrated areas of poverty under the HUD definition. By comparison, fewer than 2 percent of the more than 1,200 majority White tracts meet the HUD thresholds, and many of those are college enclaves.⁸⁸ Most of the other majority White concentrated poverty census tracts have substantial populations of color living in them. People of color are more likely than their White counterparts to live in concentrated poverty areas *regardless* of their income. In 2016, seven percent of Black households, and five percent of Hispanic households, who earned over \$100,000 a year, lived in concentrated areas of poverty. Just one percent of high earning White households, and two percent of Asians, lived in those areas. As Table 4.4 illustrated, most Whites, regardless of their income, live in census tracts with very low levels of poverty.⁸⁹

Figure 4.4 shows the share of each of the four major racial/ethnic groups that lives in racially concentrated areas of poverty. Its companion, **Figure 4.5**, shows the number and share of the R/ECAP population that each of those four groups represents. Even though just over one percent of Whites live in R/ECAPs, they represent almost 22 percent of the R/ECAP population because of the White population is so much larger than the other three major groups. Hispanics, the group most likely to live in high poverty areas, account for 45 percent of the R/ECAP population. The percentage of Black people living in R/ECAPs is nearly the same as the percentage of Hispanics (13% v 15%), but the Black population is much smaller and so is its share of those living in high poverty areas.

⁸⁸ Poverty status is not determined for people in institutional group quarters (such as prisons or nursing homes) or in college dormitories or military barracks. It generally is determined for students living off-campus or in apartments on campus and this typically has the effect of increasing the poverty rate for the area.

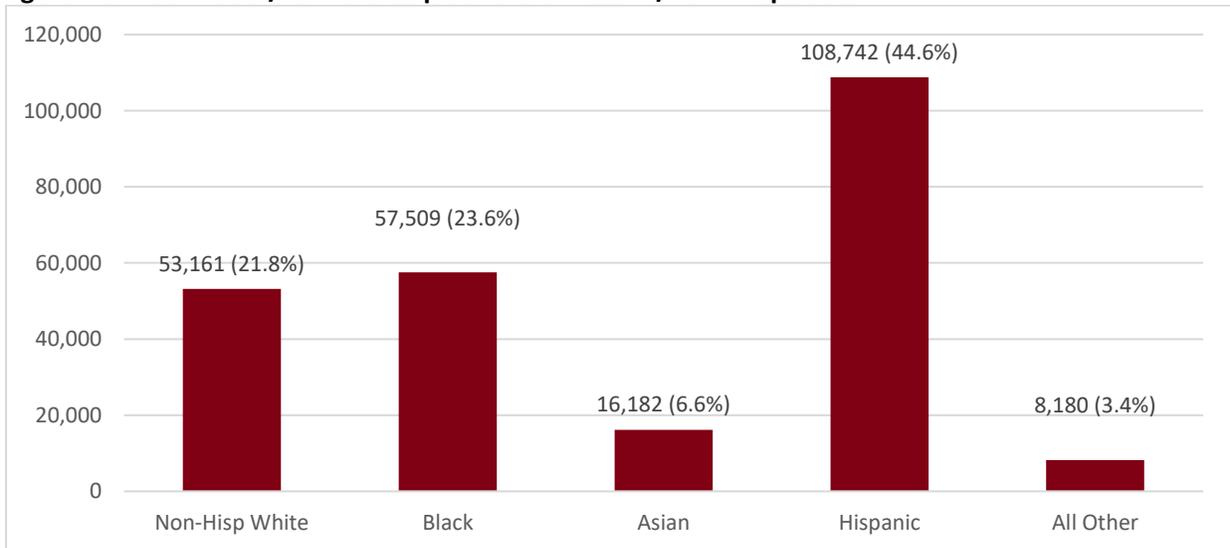
⁸⁹ Even with the expanded definition of concentrated poverty (40% or three times the metro area poverty rate), the HUD definition is a very high threshold. There are more than twice as many very low income census tracts in Massachusetts (tracts where the median family income is no more than 50 percent of the area median) as there are tracts meeting HUD's poverty threshold.

Figure 4.4: Share of Each of MA Four Major Racial/Ethnic Groups that lives in R/ECAPs



Source: 2016 5-year ACS, Tables B17001, B03002

Figure 4.5: Each Racial/Ethnic Group's Share of Total R/ECAP Population



Source: 2016 5-year ACS, Tables B17001, B03002

Majority White Concentrated Areas of Poverty (WCAPs)

HUD does not require an analysis of trends in the areas of concentrated poverty where Whites predominate, but one was conducted to document important differences between these areas and the R/ECAPs.

Key takeaways include:

- The three census tracts in the Berkshire and Cape and Islands regions that met HUD’s expanded definition of high, or concentrated, poverty are majority White, not surprising given the racial profile of these regions. In each case, however, they are the tracts with the highest, or near highest, concentrations of people of color in the region.
- In New Bedford, Fall River and Fitchburg – all diverse communities with low income populations – more than 40 percent of those living in the WCAPs are populations of color. The same holds true for many of the Boston WCAPs that are not student enclaves.
- The WCAPs in Amherst, Worcester, Bridgewater, and several of the ones in Boston are student enclaves. Often poverty among students is a temporary condition, not shared by their neighboring families. (Generally, poverty status is not determined for students living in dormitories; it is for students living in apartments or single family homes.)
- The contrast between WCAPs and R/ECAPs is particularly striking when viewed in the context of what is traditionally considered a very low, or extremely low, income area. Median family income (MFI) was equal to or less than 50 percent of the area median income (AMI) in all but three of the R/ECAPs statewide and none exceeded 60 percent. In all the others, the MFI ranged from less than 17 percent to just under 50 percent.⁹⁰ In other words, there is no question that the tracts identified as R/ECAPs are indeed very poor.
- The median family income in several of the Boston WCAPs, on the other hand, was *greater* than 80 percent of AMI – substantially greater in some cases – suggesting that the area was not in fact low income, even if it had a cluster of impoverished residents, for example, students, or a large elderly housing complex.

Trends in Concentrated Poverty

Nationwide, the number of neighborhoods with high concentrations of poverty rose dramatically during the 1970s and 1980s, before declining during the economic expansion of the 1990s. The improvement was short-lived, however. The number of people living in poverty rose during the Great Recession (December 2007 – June 2009), and it remains elevated. Many parts of the country that had witnessed sharp reductions in concentrated poverty during the 1990s are now experiencing a “re-concentration” of poverty.

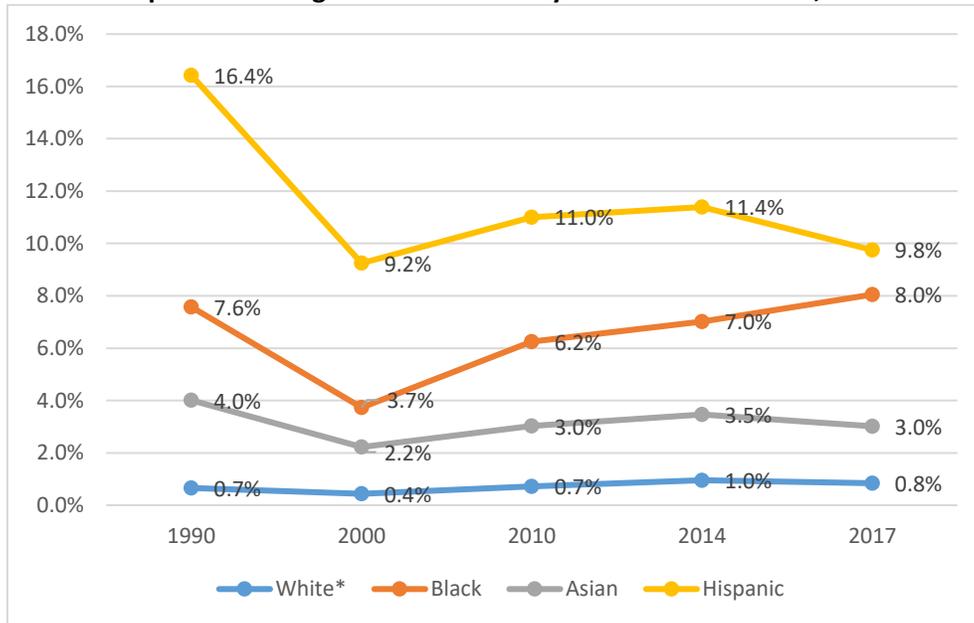
Like the rest of the country, the share of residents living in extreme poverty tracts (40%+) in Massachusetts dropped sharply during the 1990s, then rose between 2000 and 2014. By 2017, the share of non-Hispanic Whites, Asians and Hispanics living in such areas had levelled off and was trending downward. In fact, the share of Hispanic and Asians living in extreme poverty tracts in 2017 was lower than it had been in 1990, markedly so for Hispanics. The share of Black people living in extreme poverty

⁹⁰ The practice of identifying neighborhoods (census tracts) by income category based on median family income is the standard employed by HUD in its CDBG programs and CHAS analyses and by the Federal Financial Institutions Examination Council in Community Reinvestment and Home Mortgage Disclosure Act reporting, among others. The source of the tract designations used in this AI was the FFIEC, available at <https://www.ffiec.gov/census/default.aspx>.

tracts has been climbing since 2000 and is now higher than it was in 1990. **Figure 4.6** illustrates these trends.

While the *share* of the population living in extreme poverty areas has been dropping for three of the state’s major racial/ethnic groups, there are *substantially more people*, in all four groups, living in extreme poverty census tracts now than there were in 1990. This is documented in **Table 4.5**.⁹¹

Figure 4.6: Share of Population Living in Extreme Poverty Census Tracts in MA, 1990 – 2017



Source: 1990 and 2000 Decennial Census (SF3), 2010, 2014 and 2017 5-Year American Community Survey

Table 4.5: Trends in Population Living in Extreme Poverty Census Tracts in MA, 1990 - 2017

Percent living in extreme poverty tracts by race/ethnicity (40%+)	1990	2000	2010	2014	2017
White*	35,160 0.7%	28,598 0.6%	51,551 1.0%	45,845 0.9%	40,173 0.8%
Black*	20,705 7.6%	10,185 3.2%	22,535 5.8%	30,978 7.0%	38,422 8.0%
Asian*	5,566 4.0%	5,780 2.4%	12,044 3.5%	12,691 3.5%	12,211 3.0%
Hispanic	45,258 16.4%	38,646 9.0%	67,635 10.8%	75,007 11.4%	71,582 9.8%

Source: 1990 and 2000 Decennial Census (SF3), 2010, 2016 and 2017 5-Year American Community Survey

⁹¹ The AI tracks changes in the population in extreme poverty, or high poverty, census tracts rather than the *number* of such tracts because the total number of census tracts changes from Decennial Census to Decennial Census. In 1990, Massachusetts had 1,354 census tracts; in 2000, it had 1,369; and in 2010 and beyond, 1,478. There were 42 extreme poverty (40%+) tracts in 1990 (3.1%); 34 in 2000 (2.5%); and 53 in 2010 and 2017 (3.6%).

Characteristics of Concentrated Poverty Neighborhoods

The Commonwealth’s concentrated poverty neighborhoods (census tracts) are characterized by a high share of children being raised in single parent families and a high share of men who are either unemployed or not in the labor force. **Table 4.6** documents this. Children in the highest poverty census tracts (40%+) are almost four times as likely to be living in single parent homes as children in the lowest poverty areas (<10%). And men in those areas are twice as likely to be unemployed and only 74 percent as likely to be in the labor force. The differences between all concentrated poverty census tracts (30%+) and all those with poverty rates below 30 percent are less extreme, but still pronounced.

Concentrated poverty neighborhoods are also characterized by a high level of renter households, including a disproportionate share of public and subsidized housing. Nearly 88 percent of households living in extreme poverty census tracts rent their homes, and it is estimated that over 40 percent of those homes are in public or subsidized housing developments.⁹²

Table 4.6: Summary of Family Type and Employment Status by Poverty Level

Census Tract by Poverty	% Males 16 and over -		
	% Children living in single parent household	In civilian labor force	In labor force but unemployed
Extreme poverty census tracts (40%+ poverty)	73.8%	54.1%	8.9%
All concentrated poverty census tracts (30%+ poverty)	65.2%	64.3%	8.3%
All other census tracts (poverty <30%)	45.2%	71.5%	6.2%
Low poverty (<10% census tracts)	18.8%	72.7%	4.4%

Sources: 2016 5-Year American Community Survey, Tables B1701, B09005, B23001

Factors that Contribute to Concentrated Poverty

The underlying causes of poverty are varied and complex. They include, among other things, the lack of education or job skills, unemployment, disabling physical or mental conditions, and lack of family supports. Often poverty is temporary, owing to illness, job loss, family or household disruption. Among the working poor, low wages and inadequate benefits are leading causes. Thousands of Massachusetts residents work full-time and still live below the poverty line. Most impoverished residents, however, do not live in areas of concentrated poverty; a disproportionate share of families of color do.

⁹² Based on analysis of public and subsidized housing reported under HUD's 2017 PSHs and the 2017 MA State Data Collection Act, there more than 25,000 public and subsidized housing units located in extreme poverty tracts, most developed under federal housing assistance programs (public housing, Urban Renewal, Model Cities, etc.) This count does not capture all federally funded developments, only federal public housing and those privately funded units that were required to report under the MA Data Collection Act, so it should be considered a *minimum* number. Section 6 describes the location of the state’s public and assisted housing inventory in greater detail.

The Affirmatively Furthering Fair Housing (AFFH) Rule specifically identifies racially or ethnically concentrated areas of poverty – not poverty, per se – as a “fair housing issue,” that is, a condition that restricts fair housing choice or access to opportunity. The rule and accompanying guidance acknowledge that both public and private policies and practices *may* “create, contribute to, perpetuate, or increase the severity” of fair housing issues (emphasis added).⁹³ It is now widely acknowledged that this has been the case, nationwide.

Among the factors that have contributed to the creation or perpetuation of racially and ethnically concentrated pockets of poverty in the Commonwealth are the location and type of affordable housing created in specific neighborhoods, the lack of effective public investment in services or amenities (other than assisted housing) in these same neighborhoods and the lack of private investment (for example, home mortgages, small business loans, retail services, etc.). These are described more fully in Section 3, along with citations. Also described in Section 3 is the impact investments of the wrong type (“FHA-only, or subprime and predatory lending) or the wrong timing (siting low-income housing disproportionately in urban centers at a time when employment opportunities were moving to the suburbs) have had on low income neighborhoods of color.⁹⁴ Other factors that have contributed to the concentration of poverty include land use and zoning practices (discussed in Section 2 and Section 3) and the availability of public transportation and other limitations on mobility to lower poverty opportunity areas (discussed in Section 5).

Massachusetts boasts one of the nation’s most comprehensive subsidized housing safety nets, but much of it was created in the 1960s and 1970s under federal programs such as Urban Renewal and Model Cities that concentrated low income housing in a limited number of urban neighborhoods.⁹⁵

⁹³ 24 C.F.R. § 5.152

⁹⁴ There is considerable overlap in the factors that created, or contributed to, the concentration of poverty and those that contributed to the creation and perpetuation of racial segregation, which are identified in the preceding section (Section 3). Urban sociologists like Harvard’s Robert Sampson and NYU’s Patrick Sharkey have shown how concentrated neighborhood poverty shapes everything from higher crime rates to limited social mobility for the people—and especially the children—who live in these neighborhoods. Rutgers’ Paul Jargowsky has described the devastating growth of geographically concentrated poverty and its connection to race across America. Locally, the Federal Reserve Bank of Boston, the Massachusetts Community and Banking Council, the Boston Planning and Development Agency (formerly the Boston Redevelopment Authority), among others, have documented the excesses and shortfalls of capital into certain neighborhoods. Among the particularly relevant publications from these organizations are the Federal Reserve Bank of Boston’s “Geographic patterns of mortgage lending in Boston, 1982-1987,” Bradbury, Case and Dunham, 1989; “Mortgage Lending in Boston: Interpreting HMDA Data,” Munnell, Browne, McEneaney, and Tootell, 1992; and “The Color of Wealth in Boston,” a 2015 joint publication with Duke University; “Mortgage Lending in Boston’s Neighborhoods, 1981-1987: A Study of Bank Credit and Boston’s Housing, 1989, undertaken for the Boston Redevelopment Authority; and the “Changing Patterns” series of reports on mortgage lending, published annually by the Massachusetts Community and Banking Council (“Changing Patterns I-XXV: Mortgage Lending to Traditionally Underserved Borrowers & Neighborhoods in Boston, Greater Boston and Massachusetts.”) In these reports, UMass Boston economics professor emeritus Jim Campen has analyzed Home Mortgage Disclosure Act (HMDA) data from 1993 through 2017 to document lending patterns and disparities.

⁹⁵ The legacy of Urban Renewal and federal transportation programs in Massachusetts and elsewhere is mixed, at best. Publicly-funded transportation projects, such as the construction of Route 128 and later the Central Artery, facilitated the migration of (mostly White) families and jobs from Boston to the suburbs. As technology industries expanded along the new Route 128, manufacturing declined in the city. And despite the investment of hundreds of millions of Urban Renewal dollars, Boston experienced a net loss of housing units between 1960 and 1970, including the loss of affordable homes; by 1970, there were more than 1,200 abandoned residential buildings awaiting demotion, primarily in the South End, Roxbury and North Dorchester.

5. Disparities in Access to Opportunity

There are more than 14,000 units of public and subsidized housing in 150 developments in an area of less than 10 square miles in Boston, in the heart of the state's Black community. By design and government regulation, this housing serves low, very low and extremely low-income households, most of whom live below the poverty line. That these areas are now characterized by high levels of poverty is not surprising, but it underscores how the goals of serving the lowest incomes and deconcentrating poverty can be at odds. This is particularly true in high poverty concentrated areas that *do offer opportunities* such as access to public transportation, employment, and amenities. Additionally, many of these areas are also at risk of gentrification, in part because of these opportunities, which may pose a risk of displacement to areas with concentrated poverty *and* fewer opportunities. Particularly in cities like Boston where economic expansion and rising housing costs currently threaten existing residents with displacement, there remains a pressing need for continued investment, including preservation of affordable housing that, without which, many extremely low income and vulnerable populations would experience unsafe housing conditions, instability, or homelessness.

Providing decent housing and reducing rent burdens for the poor does not by itself increase incomes or lift residents out of poverty, however. Other critical resources and services are required to do that, and many of those have been insufficient, ineffective or entirely absent in some of the Commonwealth's racially isolated pockets of concentrated poverty. Issues related to access to opportunity encompass more than the income and poverty discussed here, and they are the subject of the following section.

Place matters. The location of one's home corresponds with a wide range of opportunities that play an important role in residents' lives. Communities that provide access to high-quality education, a healthy and safe environment and sustainable employment increase the likelihood that residents will meet their full development potential, while the lack of opportunity associated with place can perpetuate poverty. Low-income residents may remain in poverty due to low-performing educational systems, limited opportunity in the labor force, poor health, restricted transportation access, and networks limited to others in poverty. Often generational poverty, which is family poverty spanning more than one generation, is reinforced by lack of access to opportunity.

Although individual and socioeconomic characteristics play a role in determining who succeeds in our society, neighborhood conditions are critical in promoting or impeding people's upward mobility, and the location of one's home generally dictates the degree to which its household members have access to these critical building blocks.⁹⁶ The high degree of residential segregation in Massachusetts, combined with the fragmented nature of governance — 351 municipalities individually controlling their own education systems and other important resources, as well as land use and many environmental restrictions — has limited the access of some groups to important amenities related to educational and economic opportunity.

This section examines, primarily based on HUD-provided data, issues related to access to opportunity to understand how protected classes are situated relative to “geographies of opportunity,” that is, neighborhoods with certain conditions or resources that are conducive to helping residents succeed. “Areas of high opportunity” are described in HUD's Office of Policy and Research Magazine, *The Edge*, as “places where jobs are relatively plentiful and access to education, healthcare, and other amenities is close at hand”.⁹⁷ In fact, the qualities that define a community as offering high opportunity are multi-dimensional. All neighborhoods possess attributes that are of great value, as well as some disadvantages. While it can be assumed that every resident wants to live in a safe and healthy environment, the relative importance of high-performing schools or transit access compared to other features may depend on the household type and its priorities, which are likely to shift as a family unit changes or its members' ages.

Factors that contribute to disparities in access to opportunity include, but are not limited to, factors that contribute to segregation and/or racial/ethnic concentration of poverty (analyzed in Section 3 and Section 4) and the following: location of proficient schools and school assignment policies; location

⁹⁶ “The Geography of Opportunity: Building Communities of Opportunity in Massachusetts,” The Kirwan Institute for the Study of Race and Ethnicity, Ohio State University, 2009. In 2008, Massachusetts Law Reform Institute commissioned The Ohio State University's Kirwan Institute to undertake an “opportunity mapping” analysis of the state, and much of that methodology was replicated in the Commonwealth's 2014 Analysis of Impediments.

⁹⁷ “Equity Mapping and the Geography of Opportunity,” https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_042114.html. It is noteworthy that neither “opportunity,” “areas of opportunity,” nor “areas of high opportunity” are defined in HUD's AFFH Rule or in the agency's Assessment of Fair Housing (AHF) Guide, although variables – metrics - that are generally associated with high quality of life are identified. While the concept of “opportunity” seems relatively straightforward, establishing a practical and universally accepted definition for what constitutes a “high opportunity area” has proven difficult. In addition to HUD's Office of Policy Development and Research and the previously cited Kirwan Institute, the Federal Housing Finance Agency (FHFA), Enterprise Community Partners, and Harvard University's Opportunity Insights (formerly the Equality of Opportunity Project) have all suggested ways of defining opportunity and opportunity indicators.

of/access to employers; location of environmental health hazards; lack of, or ineffective, public and/or private linkages between residents and services and child care; disparities in neighborhood safety as well as crime enforcement; availability of affordable, integrated housing for individuals who need supportive services; location of affordable and/or accessible housing in a range of unit sizes; background screening practices; voucher payment standards based on the HUD Fair Market Rent; and source of income/voucher discrimination.

Although not all of these factors are analyzed in this section (some are analyzed in Section 2, Section 6, and Section 7), or in this AI due to data limitations, they are included based on input from DHCD's AI Advisory Council (see also Inset 5.1 below).

Framing the Issue

This Analysis of Impediments (AI) uses opportunity indices provided by the U.S. Department of Housing and Urban Development (HUD) as well as supplementary measures on local access to jobs and health care to evaluate how place and socio-economic factors affect the access that people have to different types of opportunities, with a specific focus on protected classes. It examines differences in access to opportunity at the state and regional levels and among different types of communities (urban, suburban and rural). In so doing, it illustrates the role that place, and therefore access to housing, plays in economic mobility and prosperity.⁹⁸ (Note: not all indicators are available for all protected classes and/or all geographies; the broadest coverage is by race and ethnicity).

This section is organized in the following manner. First, it explains the HUD-provided data and methodology, generally, and what we did to augment that data with two supplementary measures. Next, it describes what the indices revealed at the state level. This is followed by a summary of findings at the regional level and by community type (urban, suburban, and rural). In the latter two cases, just the most salient differences between protected classes *within* and differences *among* the various regions and community types are described in the text; detailed figures and tables are included in **Appendix B**. Areas of opportunity where protected classes are currently under-represented at the municipal and neighborhood level are then identified with maps and data-based analysis.

Analyzing Opportunity Using HUD Methodology

Following its issuance in 2015 of the Affirmatively Furthering Fair Housing (AFFH) Rule, HUD prepared a series of metrics, or indices, to help jurisdictions assess how one neighborhood compares with another in each of five dimensions (poverty, education, employment, transportation, and health), and to identify whether there are significant disparities affecting people in particular racial and economic subgroups. The AFFH rule defines "significant disparities in access to opportunity" as "substantial and measurable

⁹⁸ Guidance for States, Public Housing Agencies and Insular Areas on how to prepare an assessment of fair housing (AFH) to comply with the 2015 Affirmatively Furthering Fair Housing (AFFH) Rule was never provided by HUD. A major reason was that the tools HUD developed to assess access to opportunity within a single community or metro area were not transferable to the state level.

differences in access to educational, transportation, economic, and other opportunities in a community based on protected class related to housing.”⁹⁹

The indices values range from 0 to 100. Higher values for a particular protected class indicate a greater likelihood that they reside in census tracts with greater access to that opportunity indicator. HUD provided “opportunity indicators” in seven categories, six of which we use in this report¹⁰⁰:

- Low Poverty Index
- Labor Market Engagement Index
- School Proficiency Index
- Low Transportation Index
- Transit Trips Index
- Environmental Health Index

Two supplemental measures are included in this AI to address job proximity and health access, areas where HUD’s data are limited: a Job to Labor Force Ratio and a calculation of Primary Care Physicians per Person.¹⁰¹

HUD calculated opportunity indices by race and ethnicity for every census tract in the country, using standardized datasets, and provided them to jurisdictions to assist them in the preparation of their assessments of fair housing. More information on HUD’s data sources and methodology can be found in **Appendix B**. These indices make it possible to distill complex data into values that simplify comparisons between both key attributes of neighborhoods (i.e., census tracts) and access to opportunity by population groups (e.g., race/ethnicity). Because they present index values for both the total population by racial/ethnic group, and also for members of those groups living below the federal poverty line, the indices shed light on the extent to which disparities in access to opportunity are the result of differences in income and the extent to which other factors, such as place of residence, play a role.

Table 5.1 provides an overview of the six HUD Opportunity Indices utilized in this report. As noted, a higher score signifies greater access to opportunity. Low index values represent challenging conditions, such as high proximity or exposure to others in poverty, high unemployment, lower educational attainment of households, low-scoring schools, elevated levels of air toxins, and remoteness from jobs and modes of transportation. Not every measure of opportunity, of course, is captured in this analysis. For example, public safety and low crime rates are important measures of opportunity that affect economic and personal prosperity. However, safety is not covered by the HUD Opportunity Indices, nor is there a universal, comparable, and reliable data source for Massachusetts neighborhoods.

⁹⁹ 24 C.F.R. § 5.152.

¹⁰⁰ The data in the Job Proximity Index appeared to contain error, so a supplementary Jobs to Labor Force Ratio was created.

¹⁰¹ Primary care physicians includes medical doctors (MDs), physician assistants (PAs) and nurse practitioners (NPs) who practice in Massachusetts. Medical doctors acting as primary care physicians include those who reported practicing Internal Medicine, Family Medicine, Geriatric Medicine, Obstetrics and Gynecology, and Preventive Medicine.

Table 5.1: Understanding Selected HUD Opportunity Indices

HUD Opportunity Index	Measures under Analysis	Interpretation (Index Values Range 0-100)
Low Poverty Index	Measures the contact that people in a given neighborhood have to others in poverty	High: less exposure to others in poverty in a neighborhood Low: more exposure to others in poverty in a neighborhood
School Proficiency Index	Performance of schools in a given neighborhood, as measured by the performance of elementary school scores on standardized reading and math tests	High: higher performance of the school system in a neighborhood Low: lower performance of the school system in a neighborhood
Labor Market Engagement Index*	Combines educational attainment, unemployment and labor force participation to estimate the local job market’s engagement with households	High: higher employment and human capital (education) in a neighborhood Low: lower employment and human capital (education) in a neighborhood
Low Transportation Cost Index**	Evaluates household spending on all public and private transportation including cars, taxis, public buses, and trains	High: lower household spending on transportation in a neighborhood Low: higher household spending on transportation in a neighborhood
Transit Trips Index	Reveals households’ usage of mass transit in a neighborhood	High: more likely that households in a neighborhood utilize public transit Low: less likely that households in a neighborhood utilize public transit
Environmental Health Index	Neighborhood-level risk factors associated with carcinogenic, respiratory and neurological threats to air quality to measure the presence of air toxins	High: less exposure to air toxins in a neighborhood Low: more exposure to air toxins harmful to human health in a neighborhood

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T) Affirmatively Further Fair Housing Data and Mapping Tool version 4.1 September 2017 <https://www.hudexchange.info/resource/4868/affh-raw-data/>. Note: Zero or null index values reported by HUD indicate that the index value was not reported for that particular geography. * Labor Market Engagement reflects the number of jobs locally available, the resources of the local population to complete higher education, and discrimination and participation in the job market.** Transportation costs may be low due to efficient transportation infrastructure or the heavy concentration of residences and employment opportunities in the neighborhood.

Taken together, these measures highlight some of the most relevant elements available to evaluate disparity in opportunities – and its relationship to place – in Massachusetts.¹⁰² HUD publishes data on selected opportunity indicators by race/ethnicity and poverty status at the state level and for the total population at the neighborhood level.¹⁰³ Analyses of opportunity for other protected classes are possible for geographies larger than neighborhoods, such as region and type of community, as shown below. Unfortunately, data were not available that would quantify disparities faced by people with disabilities who, as another protected class, often face intense place-based barriers to opportunity. (See Sections 2 and 7 for discussion of fair housing challenges faced by persons with disabilities.)

Supplemental Measures of Opportunity

In addition to HUD's Opportunity Indices, two supplementary measures were developed for the AI to estimate the proximity to jobs (jobs-to-labor-force ratios) and access to health care (resident-to-physician ratios). HUD's Job Proximity Index looks at employment levels, local labor supply and availability of jobs within a neighborhood (as approximated by census tract), but for purposes of this AI it was determined that this index lacked reasonable coverage for the state. Moreover, patterns in the data were inconsistent and inconclusive, so jobs-to-labor-force ratios for every census tract in Massachusetts were developed as a substitute measure of jobs proximity. The higher the jobs-to-labor-force ratio, the higher the access to jobs within a neighborhood. When the ratio is over 1.00, the neighborhood has more jobs than can be filled by its own labor force.¹⁰⁴

The second supplemental opportunity measure is the number of residents per doctor, by municipality. This measure attempts to gauge the access to healthcare in a community. Comparing the number of people living in each city or town to the number of practicing primary care physicians within the same community identifies those municipalities that are isolated from doctors (including nurse practitioners and physicians' assistants, who now provide a considerable amount of primary care). While other factors, including health insurance, time available, and transportation also affect access to health care, the higher a community's population-to-physicians ratio, the less access that households have to medical doctors.

¹⁰² Data by major racial groups does not include detail within the Asian population, which would show a much wider variety of experiences within the larger group. As noted in an inset in the demographic (Section 2) section of this report, the experiences of access to opportunity are not necessarily shared in the same way across households of all Asian subpopulations and in all regions of the state. See "Income Inequality in the U.S. Is Rising Most Rapidly among Asians: Asians displace Blacks as the most economically divided group in the U.S.," July 12, 2018. <http://www.pewsocialtrends.org/2018/07/12/income-inequality-in-the-u-s-is-rising-most-rapidly-among-asians/>.

¹⁰³ HUD's data on selected opportunity indicators are built from the neighborhood (census tract) level. Data on selected opportunity indicators are based on the total population of each census tract. HUD also collects population totals by neighborhood for selected protected classes,¹⁰³ such as race/ethnicity, poverty status, foreign-born status, limited English-language proficiency, and household size of five people or more. For these protected classes, HUD produces opportunity data only for larger geographies, including states.

¹⁰⁴ The ratio of jobs to the local labor force will be greater than 1.00 in areas lacking a civilian labor force (e.g., a military installation or public park), but it serves as a more reliable way to approximate the geographic distance of local households to jobs in the immediate area.

Disparities in Opportunity Statewide by Race/Ethnicity

Table 5.2 below presents the HUD Opportunity Indices statewide by race and ethnicity for Massachusetts’ four major racial/ethnic groups for all households (depicted in top half of table) and for poor households (depicted in bottom half). As the term is used throughout this AI, poor households are those whose income falls below the federal poverty level. Presented in this way, the opportunity scores can be examined within—and between—demographic groups. Overall, statewide analysis reveals that Massachusetts’ Black and Hispanic households are more likely to live in neighborhoods with greater exposure to poverty, higher exposure to unemployment, lower levels of educational attainment, lower uptake by the labor market, and poorer air quality than neighborhoods where White households are more likely to reside. White households tend to live in neighborhoods with higher transportation costs and lower rates of public-transit trips.

Table 5.2: HUD Opportunity Indices by Race and Ethnicity for All Households and for Poor Households

Dimension	Total White*	Total Black*	Total Asian*	Total Hispanic	Index vs. White		
					Black*	Asian*	Hispanic
Low Poverty Index	70.0	42.1	61.9	37.5	0.60	0.88	0.53
School Proficiency Index	55.7	30.1	52.7	32.3	0.54	0.95	0.58
Labor Market Engagement Index	71.3	45.6	70.2	42.9	0.64	0.98	0.60
Transit Trips Index	61.7	81.3	78.9	78.1	1.32	1.28	1.27
Low Transportation Costs Index	81.7	90.1	88.4	90.6	1.10	1.08	1.11
Environmental Health Index	65.2	47.4	49.9	43.2	0.73	0.77	0.66

Dimension	Poor White*	Poor Black*	Poor Asian*	Poor Hispanic	Index vs. White		
					Poor Black*	Poor Asian*	Poor Hispanic
Low Poverty Index	55.7	29.1	43.7	24.8	0.52	0.78	0.45
School Proficiency Index	45.1	24.8	39.9	25.9	0.55	0.88	0.57
Labor Market Engagement Index	61.2	37.5	57.9	32.1	0.61	0.95	0.53
Transit Trips Index	66.6	84.3	84.6	78.7	1.27	1.27	1.18
Low Transportation Costs Index	85.8	92.5	92.6	92.3	1.08	1.08	1.08
Environmental Health Index	57.7	40.7	38.4	38.2	0.70	0.67	0.66

Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>. Note: "Family size" refers to "household family size".

*Not Hispanic

This table also illustrates that opportunity scores are generally lower across the board for poor households than they are for the population at large. Poor households tend to live in neighborhoods with more exposure to poverty, higher exposure to unemployment, lower levels of educational attainment, lower uptake by the labor market, poorer school performance, and more air toxins, enumerating the intuitive concept that housing costs may limit opportunities as households with more limited economic means are less likely to live in neighborhoods which score highly on these opportunity indices. However, the differences between neighborhoods where White households live and neighborhoods where Black, Hispanic or Asian households live are similar *regardless* of income. This finding suggests that certain demographic groups face barriers to opportunity which transcend income disparities and hints at other non-monetary factors.

It is important to note that people with disabilities face much higher rates of poverty than the overall population in Massachusetts (as illustrated in Section 2).

Among transportation-related measures, the difference between poor households and all households is less pronounced, and overall poor households live in places with somewhat better transportation-related index scores, likely out of necessity and/or historical development patterns. Across all racial and ethnic groups, transportation costs are lower and transit trips are higher for neighborhoods where poor households reside than for the average household's location. The Low Transportation Costs Index, for example, ranges from 81 to 90 for all households but 85 to 92 for poor households. The Transit Trips Index is similarly slightly higher for poor households: 66 to 84 compared to 61 to 81 for all households. These results support the idea that people with low incomes rely more on public transit and have to choose their housing location to help keep transportation costs low. In supporting access to affordable housing, these scores give additional credence to consideration of locations where transportation costs

are lower.¹⁰⁵ These results are not unique to Massachusetts. A common trend in opportunity analyses is that proximity to jobs and transit is higher in low-income neighborhoods, but proficient schools and environmental quality is higher in higher-income areas.

Disparities in Opportunity Experienced by Other Protected Classes

Overall in Massachusetts, households from protected classes generally tend to reside in places where they face more poverty and in locations with less engagement from the labor market denoted by a combined score of higher exposure to unemployment, lower levels of educational attainment, and lower uptake by the labor market; lower-performing schools; lower transportation costs; more frequent public transit usage; and more exposure to air toxins. **Figure 5.1** compares the HUD Opportunity Indices at the state level by foreign born status,¹⁰⁶ limited English proficiency, and family size in addition to race and ethnicity. Looking at the index values for the state will provide a summary of overall trends in access to opportunity and the identity of populations that are disproportionately exposed to negative conditions (illustrated by low opportunity index scores). Because this state level data are available for additional protected classes not covered by the HUD Census tract level data, it provides the additional opportunity to look at access to opportunity more broadly.

It is also important to recognize barriers to mobility faced by voucher holders, a very high proportion of whom are extremely low-income,¹⁰⁷ in accessing rental opportunities in lower poverty areas with higher-performing schools, due to inadequate rental stock and/or discrepancies in voucher payment standards in comparison to Fair Market Rents, discussed further in Section 6 and noted in **Inset 5.1**.

Limited English Proficiency and National Origin (Foreign-Born)

Limited-English proficiency is defined by the U.S. Census in terms of households with members five years of age or older who speak English less than “very well”. The Census defines the foreign-born population as anyone who is not a citizen of the U.S. (including Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands) at birth. It includes those who obtained U.S. citizenship through naturalization, lawful permanent residents (immigrants), temporary migrants and foreign students, refugees and asylees, and unauthorized migrants. Neither

¹⁰⁵ Note that the indices do not address convenience of transportation, such as immediate proximity to MBTA stations as opposed to bus-only or bus-to-MBTA transit. For discussion regarding transportation equity, see e.g., , “Commuter Flows: Employment and Residence Patterns in Greater Boston,” by the Boston Redevelopment Authority Research Division (August 2016), available at <http://www.bostonplans.org/getattachment/6f3d9f5a-2204-4378-84db-80c789e4ff21> and “Transportation Equity” by the Boston Region Metropolitan Planning Organization, available at https://www.bostonmpo.org/data/pdf/plans/LRTP/paths/2035_LRTP_Chapter6.pdf; for discussion of transportation equity and potential gentrification as a result of transportation improvements, see e.g., “Maintaining Diversity in America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change,” Northeastern Dukakis Center for Urban and Regional Policy, available at https://www.northeastern.edu/cssresearch/dukakiscenter/wp-content/uploads/sites/7/2018/03/TRN_Equity_final.pdf.

¹⁰⁶ The term national-origin “status” is used here because technically HUD does not look at indices by national origin (i.e., by country of origin). Instead, HUD uses the Census designation of foreign-born, however, the protected class is for national origin.

¹⁰⁷ See Section 6, e.g., Table 6.11 and Table 6.12.

limited-English nor foreign-born status is a racially or ethnically based categorization. More detailed information on foreign-born residents and national origin appears in the Section 2 demographics.

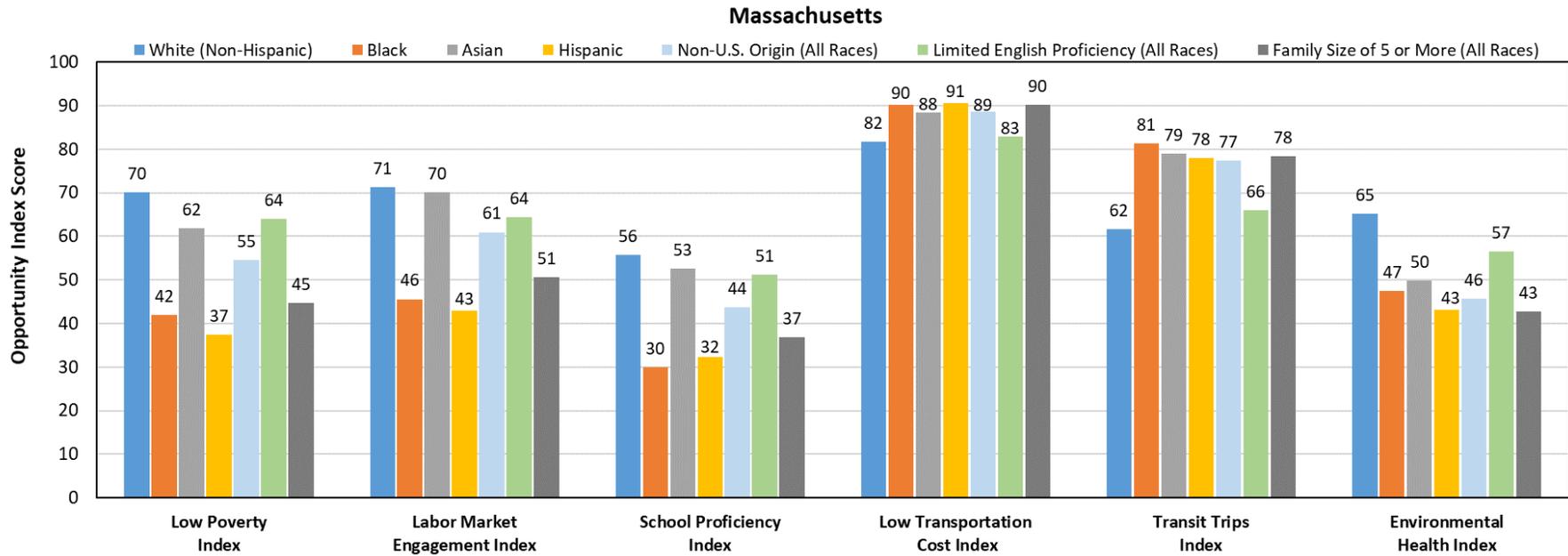
Households with limited-English proficiency have the third-highest opportunity scores in exposure to poverty, labor-market engagement, and school proficiency across all demographic groups, and they track with White households in low transportation costs and transit trips. For example, the Low Poverty Index and Labor Market Engagement Index scores for households with limited-English proficiency are 64.1 and 64.5 respectively, while the opportunity scores of Black households, Hispanic households, and households with large families, in comparison, do not exceed 51. Households with limited-English proficiency also tend to be located in neighborhoods with higher-performing schools and better air quality, as evidenced by their School Proficiency Index score of 51.3 and Environmental Health Index score of 56.6 (the second highest score in this measure, after White households).

Foreign-born Massachusetts households have lower opportunity scores in terms of economic and social mobility, but their scores do not rank among the lowest in the state despite some members of households in this group experiencing language barriers or lack of citizenship. In all socioeconomic measures, their scores are slightly below those of households with limited-English proficiency but higher than those of Black, Hispanic, or family households with five or more members. Foreign-born households tend to be located in neighborhoods with more exposure to poverty, lower educational attainment and unemployment, and lower-performing schools, than White households, but still have higher index scores in those categories than Black or Hispanic households. Similar to Asian, Hispanic, and Black households, foreign-born households tend to be in neighborhoods with lower transportation costs, more use of transit, but also more air toxins. These findings also further reinforce the conclusion that it is more likely for households of protected classes in Massachusetts to live inside areas of concentrated poverty.

Families of 5 or More People

Familial status is a protected class under federal and state fair housing laws, but families with children – particularly low income renters – face barriers to economic and social mobility. Large families (those with five or more members) tend to experience barriers to opportunity similar to those that neighborhoods of Black and Hispanic households face in their communities and have the third-lowest opportunity scores throughout the state, behind Hispanic households and Black households. Their scores for Low Poverty, Labor Market Engagement, School Proficiency, and Environmental Health are 44.8, 50.7, 36.9, and 42.7, respectively. This means that they tend to live in neighborhoods that experience more poverty, less labor-market engagement, lower-performing schools, and more toxins in the air.

Figure 5.1: HUD Opportunity Indices in Massachusetts by Selected Protected Class



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017; UMDI analysis. Note: “Family size” refers to “household family size”.

Inset 5.1: AI Advisory Council Access to Opportunity Focus Group

In November 2018, DHCD conducted a focus group on access to opportunity. Three central barriers were identified by participants that can preclude Massachusetts residents from gaining access to neighborhoods scoring higher on the HUD Opportunity Indices:

- personal bias of private landlords or realtors;
- program limitations; and
- local institutional barriers.

Racial discrimination, leases provided only in English, discrimination against voucher holders, and discrimination based on lead paint in older buildings are examples of barriers to entry for people of color, families with children, persons with limited English proficiency, and/or low-income or homeless residents with limited means of recourse. Landlord background screening also has a limiting effect on access to housing in areas of opportunity, particularly for persons of color and persons with mental health or substance use related disabilities.

The time allowed for participants under voucher programs to find suitable housing is also critical. If insufficient, parents with young or school-aged children in need of appropriate nearby childcare, or for individuals with disabilities needing access to transportation, medical facilities, or other services may be unable to find housing. Voucher holders with children under six years of age face additional obstacles in finding housing without lead paint in accordance with requirements of the voucher programs. In addition, determining where appropriate subsidized housing exists (affordable to persons with vouchers and without vouchers) has itself been challenging. Over time, new online resources have been released and more are being developed in order to aid housing-seekers in this process.

Focus-group participants also reported that, outside of Chapter 40B, affordable housing typically comprises only a small percentage of new housing developments under inclusionary zoning practices. Respondents added that displacement of residents by neighborhood gentrification and insufficient housing production are two trends that have further intensified the need. Furthermore, the construction of affordable housing is time consuming and complicated. Developers often require multiple subsidies to fund construction. This process, coupled with the local permitting process, can make a subsidized housing project take several years to complete. Newly constructed housing is particularly important for persons with disabilities with accessibility needs because such housing is generally subject to more accessibility requirements compared to older housing stock.

These challenges increase barriers for persons of color, people with disabilities, families with children, low-income households and other vulnerable populations seeking affordable and/or accessible housing near job opportunities, transportation options, quality schools, and other opportunities. Some focus group commenters also suggested that policy considerations with respect to access to opportunity should take into account different housing needs as well, such as housing with three or more bedrooms (to accommodate larger household sizes), rental housing (e.g., for use by voucher holders), absence of lead paint, accessibility, and access to public transportation (disproportionately needed by extremely low-income populations and persons with disabilities).

Source: Department of Housing and Community Development, Summary of Families with Children Focus Group Comments, November 26, 2018. Note: The summary of comments above does not necessarily reflect the opinions of DHCD.

Access to Opportunity by Massachusetts Region

This section provides a closer look at access to opportunity at the regional level. A comparison of HUD Opportunity Indices within and across Massachusetts' seven regions shows that access to opportunity is uneven geographically and by protected class.¹⁰⁸ While barriers to opportunity persist for protected classes in the state as a whole, those barriers are more visible in some regions than in others. For example, Black or Hispanic households in the Pioneer Valley have the highest exposure to poverty in the state with opportunity scores of 30 and 25, respectively. This is less than half of the score of White households in the same region (71). The low scores for Black and Latino households are driven by Gateway Cities such as Springfield and Holyoke. As mentioned in Section 3, over 80 percent of the Pioneer Valley's Black school-age children and 74 percent of its Hispanic children live in Springfield and Holyoke versus only seven percent of the region's White children. Exposure to poverty in the Cape and Islands, in contrast, is less overall, and the differences between groups is comparatively smaller: 56 and 59 for Black and Hispanic households, respectively compared to 66 for White households. The Low Poverty score for White households is highest in the Greater Boston region with 74 and lowest in the Berkshires with 56.

Many of the disparities by region can be explained by their level of urbanization. Transportation scores for example, are strongest in the Greater Boston region for all groups, reflecting the region's well-developed transit system (subway, buses, commuter rail). Meanwhile, the level of exposure to air toxins is lowest for all groups in the Berkshires, where population density is lower and households are more widely dispersed.

Some indices – economic, and health-related ones, for example - show wider differences among racial groups and protected classes *within* each region. This suggests the importance of social and economic drivers in determining households' access to those types of opportunities. The index results for protected classes at the state level generally hold true at the neighborhood level, regardless of region. However, regional analysis shows that disparities are greater in some regions than in others: neighborhoods with Black and Hispanic households, foreign-born households, households with limited English proficiency, and family households of five or more in the Cape and Islands have more in common with neighborhoods of White households in the Cape and Islands than they do in any other region. Disparities are greater in the Pioneer Valley, where Black, Hispanic, and limited-English opportunity scores in poverty, labor-market engagement, and environmental health are almost half of those of White households. Overall levels in the Pioneer Valley are also low compared to those of other regions.

While, across regions, the most extreme disparities in access to opportunity by race and ethnicity appear to occur in the Pioneer Valley, home to the state's third largest population of people of color (11%), uneven access to opportunities must also be considered for Greater Boston region where the majority of people of color live. In the Greater Boston region, home to 54% of the state's people of color, Black and Hispanic households have the highest exposure to poverty across race and ethnicity groups with opportunity scores of 44 and 45, respectively. Relatively less exposed to poverty than Black and Hispanic households in the Pioneer Valley, these communities in the Boston area nevertheless live

¹⁰⁸ For detailed figures illustrating the findings for this discussion, see **Figures 5.8-5.13**, located in the **Appendix**. These figures which compare each of the HUD Opportunity Indices within and across Massachusetts seven regions.

in far poorer communities than White households in the region, who also represent the group least exposed to poverty across the entire state (74). Disparities across other measures in Greater Boston are also high. Black and Hispanic households score lowest of all protected classes in labor-market engagement in Greater Boston, 51 and 56 respectively, at the same time that White households' labor-market participation (81) is highest of all groups across regions of the state. The main disparities in labor market engagement between Black and Hispanic households and other groups occur in Suffolk County. Of all measures of disparity in Greater Boston, school proficiency inequities for Black households are perhaps most troubling, and a look at county-level scores shows that the problem lies within Suffolk County. Black households in the Greater Boston region score lowest across all protected classes in school proficiency access. But while Black households have a regional score of 32, household school proficiency scores in Suffolk County are only 17.6, significantly lower than Hispanic and Asian households' scores.

With scores nearly as high as White households, families of 5 or more and Asian households tend to reside in neighborhoods which provide access to high-scoring schools. Furthermore, Limited English proficiency households have better access to high-scoring schools than Black and Hispanic households. When it comes to labor market engagement, families of more than five (72), non-U.S. origin households (68), and limited English proficiency households (61), along with Asian households (74), all score better than Black and Hispanic households (51 and 56 respectively), due to location.

Table 5.3: Disparities in Access to Opportunity in Massachusetts Regions

Greater Boston	White*	Black*	Asian*	Hispanic	Foreign-born	Limited English Proficiency	Family Size over 5
Low Poverty Index	73.9	44.3	63.3	45.3	57.6	49.9	67.4
Labor Market Engagement Index	80.6	50.8	74.0	56.1	68.1	60.7	71.9
School Proficiency Index	61.7	31.9	53.7	36.7	46.3	40.3	56.9
Low Transportation Cost Index	86.2	91.9	90.0	92.7	91.0	92.1	85.9
Transit Trips Index	83.4	91.6	88.3	91.8	89.7	91.3	83.5
Environmental Health Index	50.1	39.7	41.8	32.1	38.9	35.4	51.5

Pioneer Valley	White*	Black*	Asian*	Hispanic	Foreign-born	Limited English Proficiency	Family Size over 5
Low Poverty Index	61.4	30.3	54.3	24.5	47.9	32.9	48.0
Labor Market Engagement Index	61.6	30.5	57.3	25.0	48.7	32.4	48.1
School Proficiency Index	41.7	26.8	47.7	23.1	38.7	28.2	34.3
Low Transportation Cost Index	74.2	84.1	78.8	86.8	80.2	84.9	78.4
Transit Trips Index	42.3	63.0	48.7	67.1	53.6	63.0	51.8
Environmental Health Index	47.8	30.3	44.2	22.9	38.4	28.4	38.5

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: "Family size" refers to "household family size".

*Non-Hispanic

Table 5.4: Disparities in Access to Opportunity, Greater Boston County-Level Detail

Middlesex County									Index v White		
Index	White	Poor White	Black	Poor Black	Hispanic	Poor Hispanic	Asian	Poor Asian	Black	Hispanic	Asian
Low Poverty	76.7	65.4	58.9	47.0	56.5	43.0	67.7	54.2	0.77	0.74	0.88
School Proficiency	65.8	56.3	48.7	47.4	48.1	41.6	59.4	49.2	0.74	0.73	0.90
Jobs Proximity	47.7	47.4	43.0	42.8	46.8	53.7	47.5	52.0	0.90	0.98	1.00
Labor Market Engagement	82.7	76.0	71.2	69.8	67.3	56.9	76.8	69.1	0.86	0.81	0.93
Low Transportation Cost	84.8	88.8	91.4	93.8	90.4	92.0	88.3	92.0	1.08	1.07	1.04
Transit Trips	82.5	87.4	90.4	92.7	89.4	91.6	86.8	91.4	1.10	1.08	1.05
Environmental Health	57.5	49.5	42.7	36.7	47.6	45.4	49.4	41.3	0.74	0.83	0.86
Share of Total Population	23.4%		16.7%		16.0%		41.4%				
Norfolk County									Index v White		
Index	White	Poor White	Black	Poor Black	Hispanic	Poor Hispanic	Asian	Poor Asian	Black	Hispanic	Asian
Low Poverty	79.6	70.4	68.0	63.4	73.7	67.5	70.6	62.5	0.85	0.93	0.89
School Proficiency	74.5	67.8	49.6	53.1	65.8	60.9	65.0	61.8	0.67	0.88	0.87
Jobs Proximity	18.3	18.5	15.8	16.4	17.9	21.5	19.1	22.3	0.86	0.98	1.04
Labor Market Engagement	81.1	76.7	69.0	68.0	75.9	82.3	77.0	74.8	0.85	0.94	0.95
Low Transportation Cost	83.3	86.9	85.0	86.6	85.3	89.0	88.0	91.0	1.02	1.02	1.06
Transit Trips	77.9	84.1	83.0	85.2	81.7	86.4	85.5	89.6	1.06	1.05	1.10
Environmental Health	65.7	60.6	66.2	65.0	61.9	51.1	58.0	51.8	1.01	0.94	0.88
Share of Total Population	10.8%		9.5%		3.8%		16.9%				
									Index v White		

Suffolk County											
Index	White	Poor White	Black	Poor Black	Hispanic	Poor Hispanic	Asian	Poor Asian	Black	Hispanic	Asian
Low Poverty	55.9	50.6	30.1	23.4	33.3	25.5	43.2	33.0	0.54	0.59	0.77
School Proficiency	31.0	27.8	17.6	16.4	24.5	20.5	27.8	26.5	0.57	0.79	0.90
Jobs Proximity	38.7	39.3	36.5	36.6	37.8	37.4	40.4	38.7	0.94	0.98	1.05
Labor Market Engagement	73.0	69.1	34.9	32.7	45.4	41.0	61.8	53.9	0.48	0.62	0.85
Low Transportation Cost	95.4	96.5	94.5	95.6	95.6	96.2	96.6	97.2	0.99	1.00	1.01
Transit Trips	95.0	95.9	95.0	95.5	95.3	95.7	95.5	96.1	1.00	1.00	1.01
Environmental Health	24.9	22.0	35.6	32.5	28.3	28.1	22.4	21.1	1.43	1.14	0.90
Share of Total Population	7.1%		34.9%		22.9%		15.9%				

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: "Family size" refers to "household family size".

Assessing Disparities in Opportunity by Community Type

This AI report uses as its overall framework Massachusetts' seven primary regions, which comprise seven distinct economic markets. However, due to historic waves of development in the state, there is great diversity in urban form and levels of development both across and within Massachusetts regions. Cities and towns within each region vary widely in terms of size, density, historical settlement patterns, governance, socio-economic profile, and other characteristics. Due to these major variations, when it comes to opportunities, communities often have more in common with similar places in other regions than they do with their immediate neighbors. Different types of communities present very different fair housing challenges and opportunities, so in this section access to opportunity has been assessed by community type. The community typology was developed by the Metropolitan Area Planning Council (MAPC), the largest of the Commonwealth's 13 regional planning agencies.¹⁰⁹ MAPC identified five major community types that share important characteristics (land use and housing patterns, recent growth trends, projected development patterns, etc.) that have influenced, and will continue to influence, their development over the coming decades. The AI has adopted these MAPC typologies: the five major categories are Inner Core, Regional Urban Centers, Maturing Suburbs, Developing Suburbs, and Rural Towns.

The Commonwealth's population is not distributed evenly by race or protected status across Community Types, and households in protected classes are least likely to live in Massachusetts' suburban and rural areas. More than 80 percent of Black households, those with limited English proficiency and Hispanic households live in urban areas. Three quarters of both the state's foreign-born households and poor households live in cities (see **Table 5.5**). This context is important to understanding the types and levels of opportunities to which households have access in their particular community types. **Table 5.5** shows the distribution of population in classes protected under federal and state fair housing laws by region and by type of community.

¹⁰⁹ The seven regions used for analysis throughout this AI differ in that they are organized by county-based MassBenchmarks regions. There are more RPAs because they are organized by smaller traditional labor market areas established in the manufacturing area, typically centered on Massachusetts' Gateway Cities as well as its larger cities (with the exception of the Cape region, reasonably considered separate as well). The MassBenchmarks regions are larger economic areas that follow counties, allowing more analysis with publicly available data while still allowing separate consideration of broader labor markets and economic regions.

Table 5.5: Distributions of Population by Protected Class and Community Type

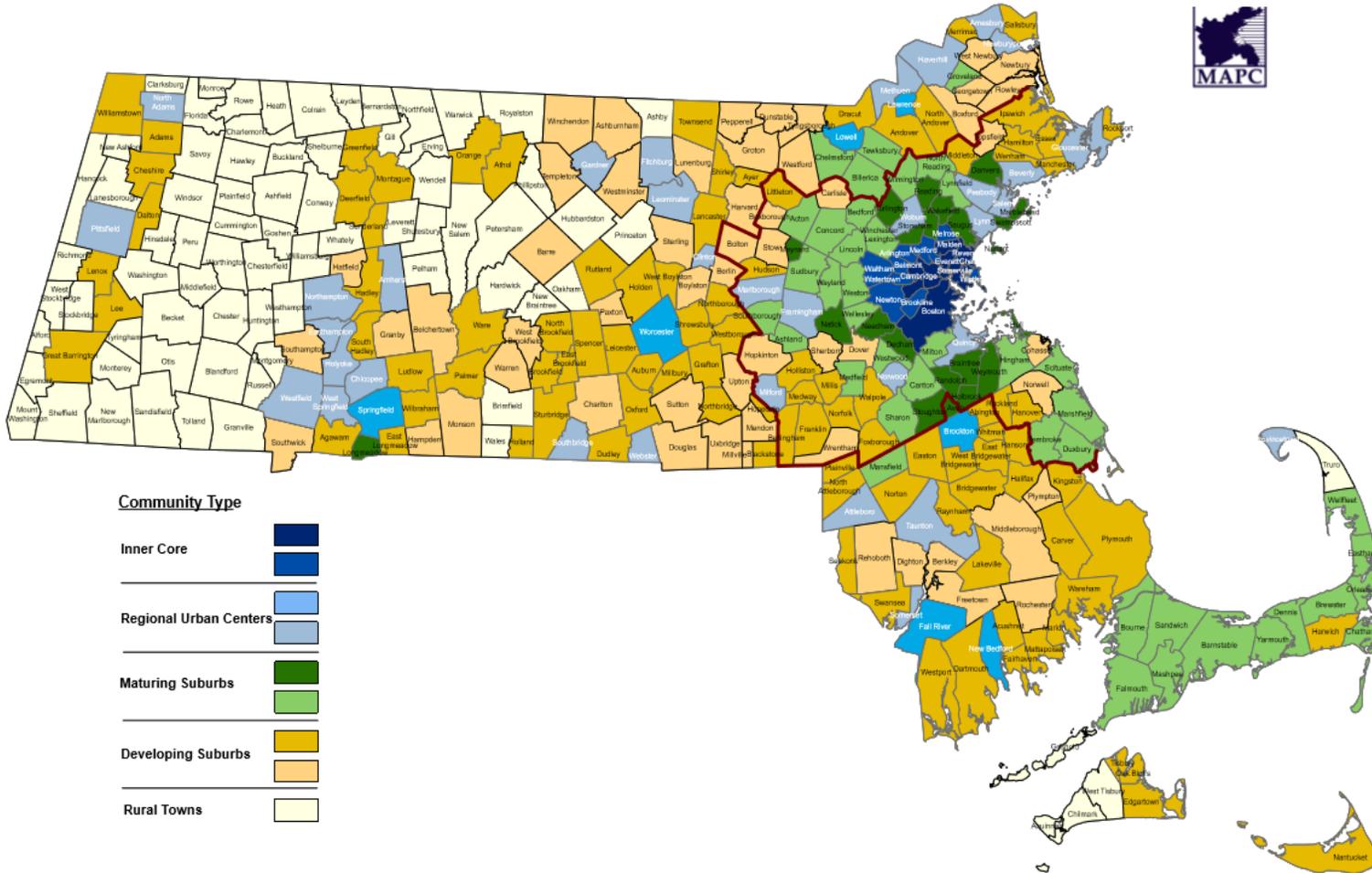
MAPC Community Type	White*	Black*	Asian*	Hispanic	Households with Income below the Poverty Level	Non-U.S. Origin (All Races)	Limited English Proficiency (All Races)	Family Size 5 or More (All Races)
Inner Core	17%	46%	37%	31%	29%	38%	39%	18%
Regional Urban Centers	27%	36%	28%	55%	45%	35%	47%	32%
Maturing Suburbs	22%	11%	20%	6%	10%	14%	7%	21%
Developing Suburbs	32%	7%	14%	8%	14%	12%	7%	27%
Rural Towns	2%	0.2%	0.2%	0.3%	1%	0.4%	0.1%	1%

Source: U.S. Census Bureau, 2012-2016 5-year American Community Survey; UMDI analysis.

Note: Community Types were developed by MAPC. Shares of total may not sum to 100% due to rounding. "Family size" refers to "household family size".

*Not Hispanic

Map 5.1: MAPC Community Types



Source: MAPC Community Types, July 2008, http://www.mapc.org/wp-content/uploads/2017/09/Massachusetts-Community-Types-Summary-July_2008.pdf

Map 5.1 identifies Massachusetts' 351 municipalities by community type. Deeper analysis by MAPC community type details how urban, suburban and rural dimensions also interact with differences in access to opportunity by race and ethnicity. As discussed earlier in **Table 2.14**, the Commonwealth's more rural regions (e.g., Berkshire County and the Cape and Islands), are less racially diverse than other regions. These regions also are more geographically isolated from public transportation systems, low-cost mass transit, and access to job markets (due to lower levels of local economic development and limited communications infrastructure to allow telecommuting). Conversely, urban regions, such as the Greater Boston and Northeast regions, proportionally have a greater share of Black, Hispanic and Asian households than do rural area regions. Examining the available index data by MAPC's five major Community Types, no single community type is favorable for all of the opportunity indices. Urban areas score higher on low-cost transportation and frequent transit trips indices; whereas lower exposure to poverty, cleaner air, and comparatively higher-performing schools characterize suburban and rural areas.

Access to Opportunity in Urban, Suburban, and Rural Areas for Select Protected Classes

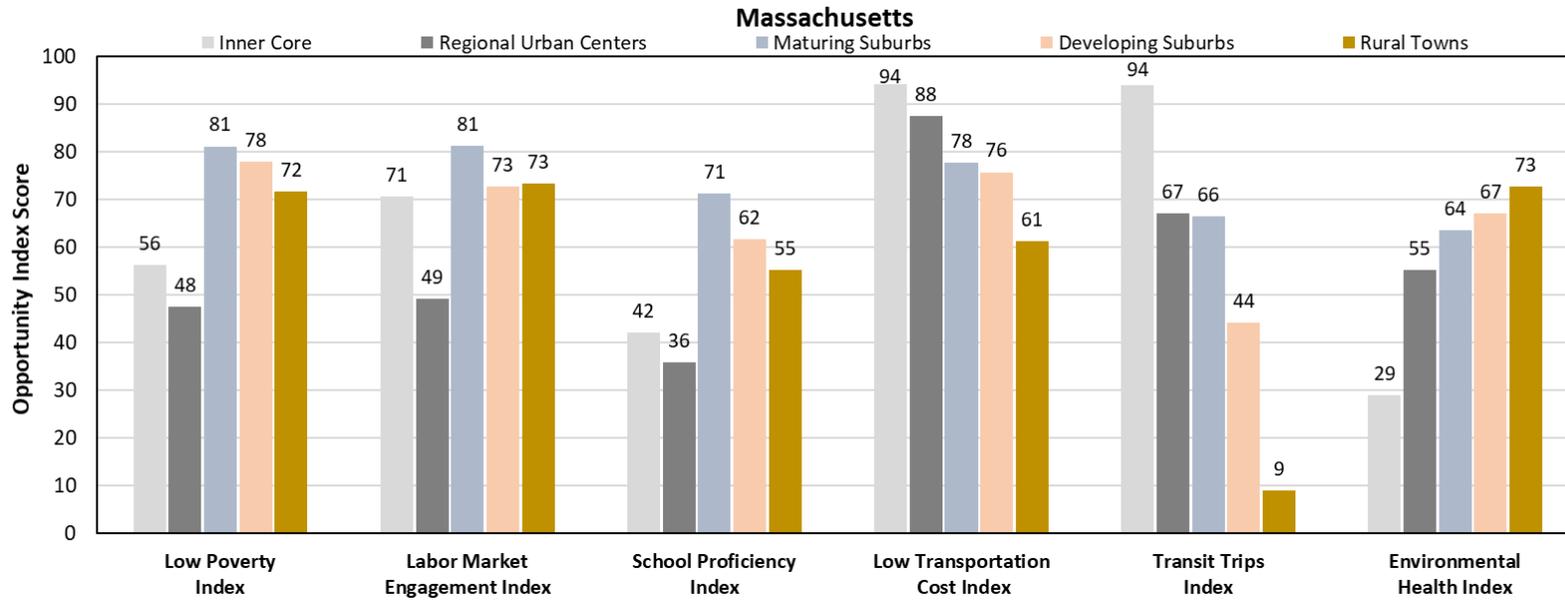
Figure 5.2 below provides a state-level overview of the HUD opportunity indices through a comparison of *urban* (a combination of the MAPC-designated Inner Core and Regional Urban Centers), *suburban* (MAPC's Maturing and Developing Suburbs) and *rural* (Rural Towns) contexts.

Households in protected classes are underrepresented in Massachusetts' suburban and rural areas. Access to the types of opportunities measured by the HUD opportunity indices is often an issue in urban areas, and great disparities exist between neighborhoods within those areas. This section analyzes the HUD Opportunity Indices by MAPC community type so as to understand how the density and development levels of settlement affects disparities in access to opportunity and to show the places where high and low opportunities exist and among what types of neighborhoods.

Overall, analysis by density reveals that separation from poverty, educational attainment and employment, air quality, and school proficiency are more favorable outside of Boston and the surrounding cities which make up the Inner Core, while transportation-related opportunities are more favorable in more heavily concentrated neighborhoods.¹¹⁰

¹¹⁰ In Massachusetts, public transportation consists of the Massachusetts Bay Transportation Authority (the MBTA, also known as the "T"). Serving the Greater Boston region, the MBTA features bus lines and the Commonwealth's only commuter rail and subway system and 15 Regional Transit Authorities (RTAs) of bus routes that serve the rest of the state < <https://www.mass.gov/info-details/public-transportation-in-massachusetts#mbta-services>>. Thus the breadth of transportation infrastructure largely depends on population density and impacts how residents of those communities travel to work as well as how much they spend on transportation.

Figure 5.2: HUD Opportunity Indices in Massachusetts by MAPC Community Type



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: Community Types were developed by MAPC.

Urban Areas

Jobs and transportation are the strongest opportunities for households in urban areas. However, the most densely settled neighborhoods in the Commonwealth show some of the largest discrepancies of opportunity, with high variation, including neighborhoods which tend to have higher exposure to poverty, lower-performing schools, and more exposure to air toxins. Further, Black, Hispanic and limited English proficiency households benefit much less from the urban job market as evidenced by far lower labor force engagement index scores.

The Commonwealth's biggest cities of Boston, Worcester and Springfield have high levels of jobs-to-labor force ratios; however, smaller regional cities tend to have fewer jobs per working age person. See **Map 5.8**. Compared to the Inner Core, Regional Urban Centers (mainly Gateway Cities) have more exposure to poverty, lower educational attainment levels and higher unemployment, lower levels of labor market engagement, lower-performing schools, higher transportation costs, less public transit, and less exposure to air toxins. These cities typically have higher unemployment rates than the state, which help to explain why they would have lower labor market engagement. Also, since these cities are industrial centers, it is more likely that households are located in neighborhoods that are in close proximity to current or former factories, and mills and therefore have higher exposure to toxins.

Members of the Commonwealth's protected classes are disproportionately represented in urban areas, which tend to have lower scores in poverty, school performance and air quality. As seen in **Table 5.2**, over 80 percent of Black households, those with limited English proficiency, and Hispanic households live in urban areas. For foreign-born households and those below the poverty line, three-quarters live in cities. While family households of five or more are nearly split in half between those living in urban and suburban areas, the majority still lives in cities.

Perhaps the most striking feature of the Commonwealth's urban areas is disparity. Within the largest cities there are high opportunity areas along with great disparities in access to those same opportunities. See **Maps 5.2-5.9**. The vast majority of Black and Hispanic households and the non-native-born, poor, or limited-English-speakers face multiple barriers to the economic, educational and environmental opportunities accessed by households in neighborhoods of opportunity within the same cities, as well as households in suburban and rural areas.

Suburban Areas

Among suburban areas, low poverty and school proficiency score the highest in the state in the aggregate. Across nearly all protected classes, the least exposure to poverty occurs in the suburbs where most opportunity scores exceed 75. It is striking, however, that some groups have much higher exposure to others in poverty even in the suburbs. Suburban households which are Black, Hispanic, and limited English proficiency are still in neighborhoods scoring lower than other groups.

Suburban neighborhoods also experience some of the highest levels of labor market engagement, and lowest levels of environmental threats in the state. This is especially true in suburbs within close commuting distance of urban job centers.

Another key advantage in suburbs is high-proficiency schools; however, suburban Black households still face disparities in access to high-scoring schools, due to the locations of their neighborhoods. On the whole, all households in these communities have more access to opportunity than their counterparts in urban settings.

While there are distinct opportunities in suburban areas, protected classes are less well-represented in those areas. More than half of the Commonwealth's White population and less than 35 percent of its residents of color live in the suburbs (**Table 5.5**). For poor households and those born outside of the U.S., that figure is only one quarter of their respective populations. Less than one-fifth of Black, Hispanic or limited English proficient households in Massachusetts are located in suburban areas. This is further evidence that neighborhoods with more advantageous economic, educational and environmental opportunities are less accessible to residents of color and the poor. Asian households, economically diverse in a manner not captured in these data, overall fare better than other households of color but aren't as likely to be located in areas of opportunity as White households.

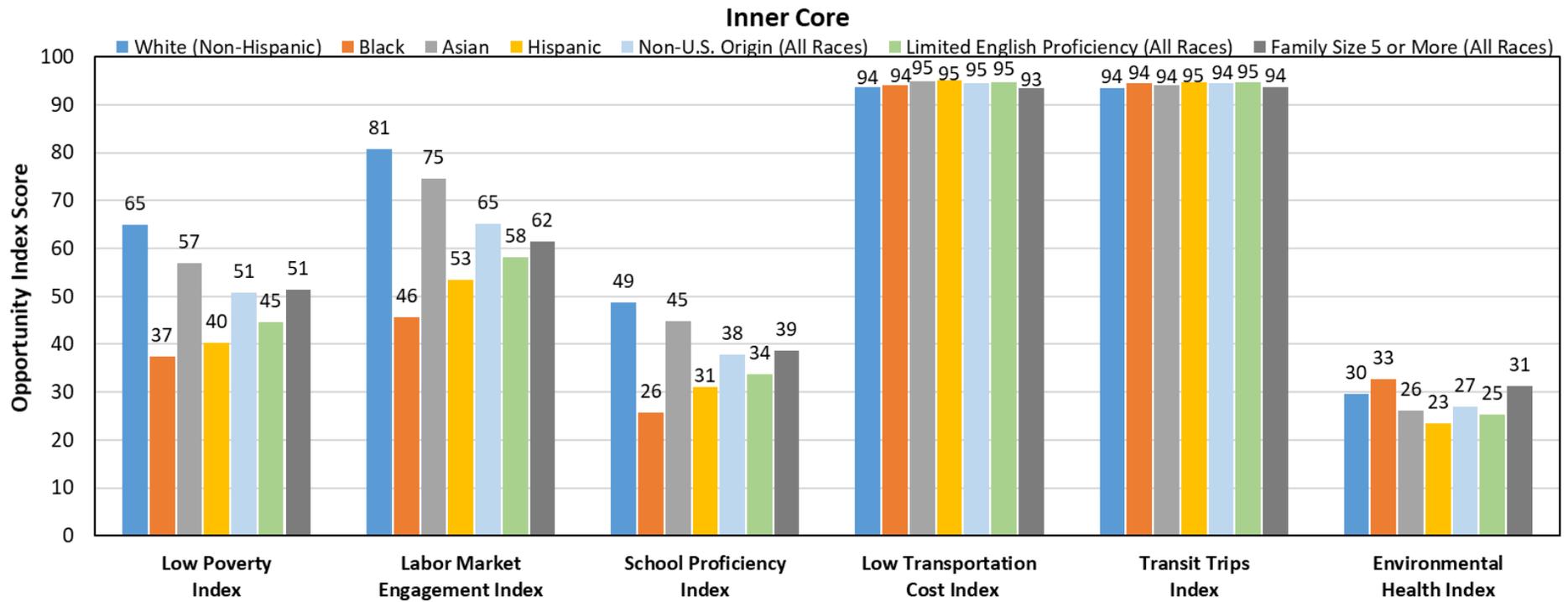
Rural Areas

Neighborhoods in the Rural Towns seem to fare the best in terms of environmental quality; but their access to public transportation is the most limited and their transportation costs are the highest in the state. This is to be expected given their presumed distance from factories, cities and employment hubs. The proficiency of schools in these areas are higher than any of the urban communities but lower than those in suburban areas. Rural towns by definition have fewer people; they also have low representation of protected classes.

Community Type Conclusion and Figures

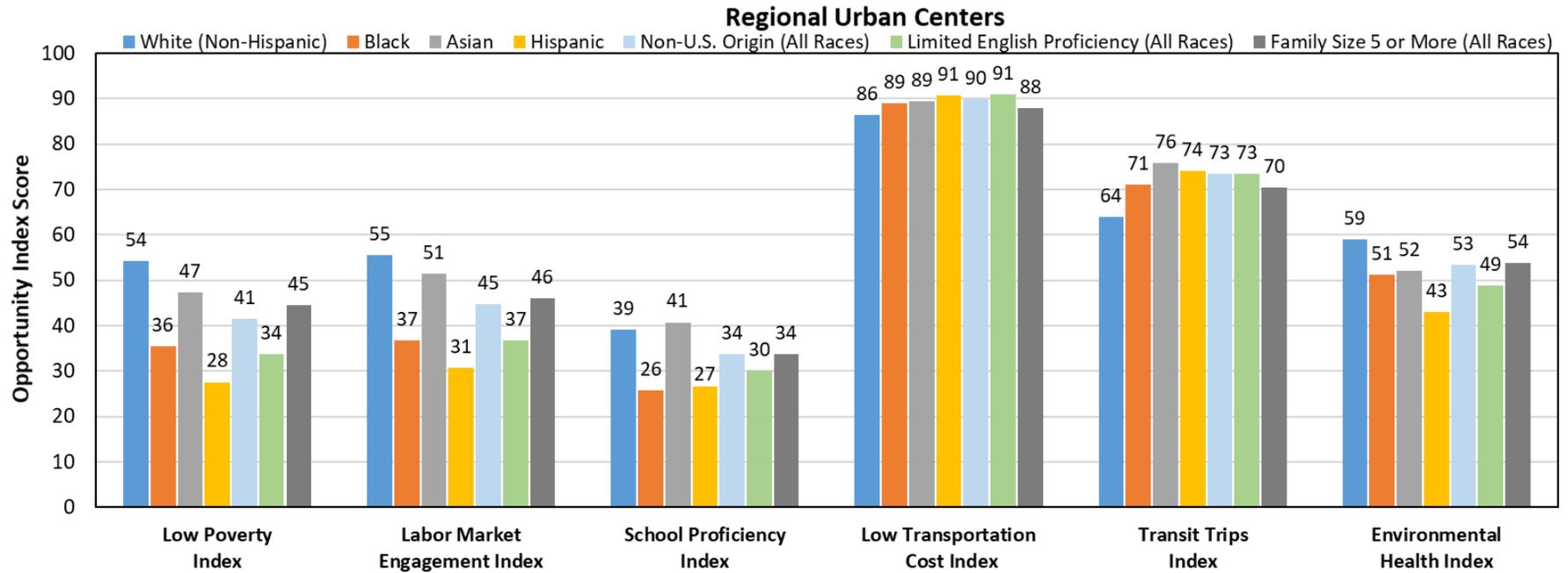
Analysis by protected class reveals that, for some groups, community type does not have a singular effect, as it might if all other factors were equal. Neighborhoods with White and Asian residents in the Inner Core and Regional Urban Centers enjoy substantially less exposure to poverty, more engagement of the labor market, better performing schools, and fewer air toxins than their counterparts in neighborhoods of Black, Hispanic, or people of other national origin, limited English, and large-family households within those same geographic areas, as evidenced by their higher opportunity index scores. While this disparity diminishes with decreasing population density, and the differences in Rural Towns is negligible by comparison, this may be due to lower rates of representation in all of the protected classes for which data are available. **Figures 5.3-5.7** illustrate detailed index scores for various protected classes across community types.

Figure 5.3: HUD Opportunity Indices by Protected Class and MAPC Inner Core



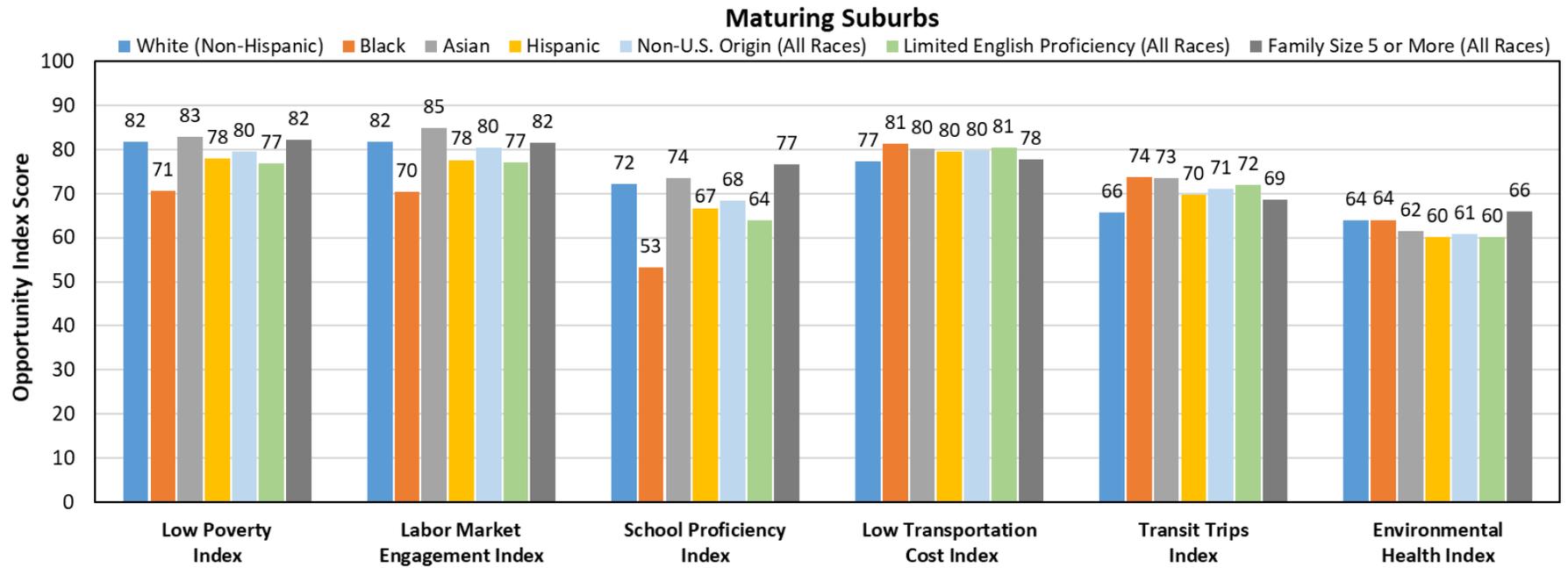
Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: Community Types were developed by MAPC. “Family size” refers to “household family size”.

Figure 5.4: HUD Opportunity Indices by Protected Class and MAPC Regional Urban Centers



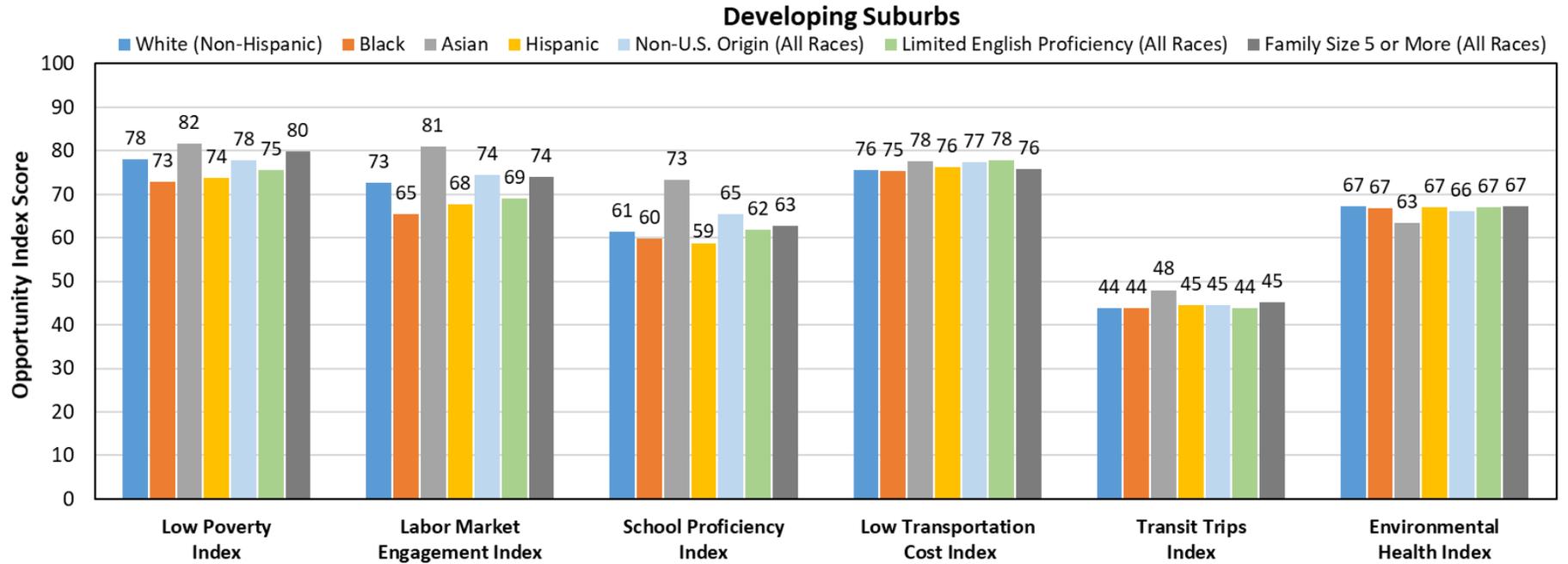
Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: Community Types were developed by MAPC. “Family size” refers to “household family size”.

Figure 5.5: HUD Opportunity Indices by Protected Class and MAPC Maturing Suburbs



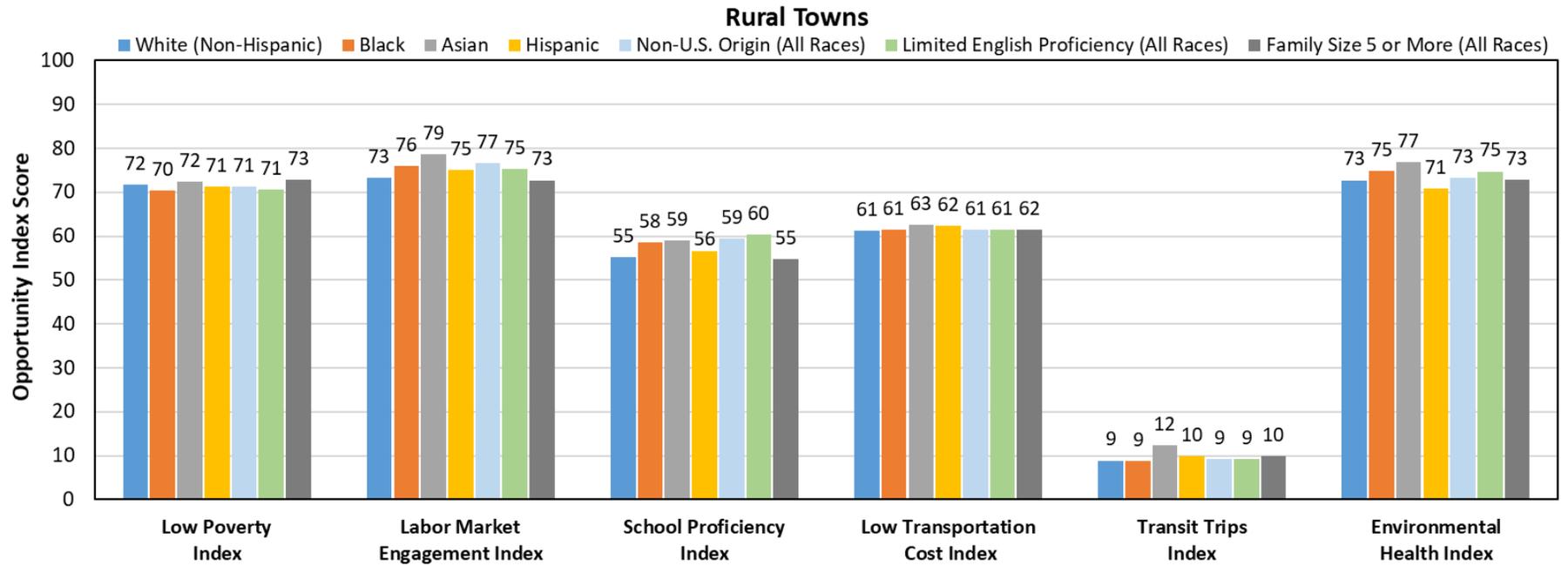
Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: Community Types were developed by MAPC. "Family size" refers to "household family size".

Figure 5.6: HUD Opportunity Indices by Protected Class and MAPC Developing Suburbs



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: Community Types were developed by MAPC. “Family size” refers to “household family size”.

Figure 5.7: HUD Opportunity Indices by Protected Class and MAPC Community Type



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: Community Types were developed by MAPC. “Family size” refers to “household family size”.

Maps of Access to Opportunity at the Local Level

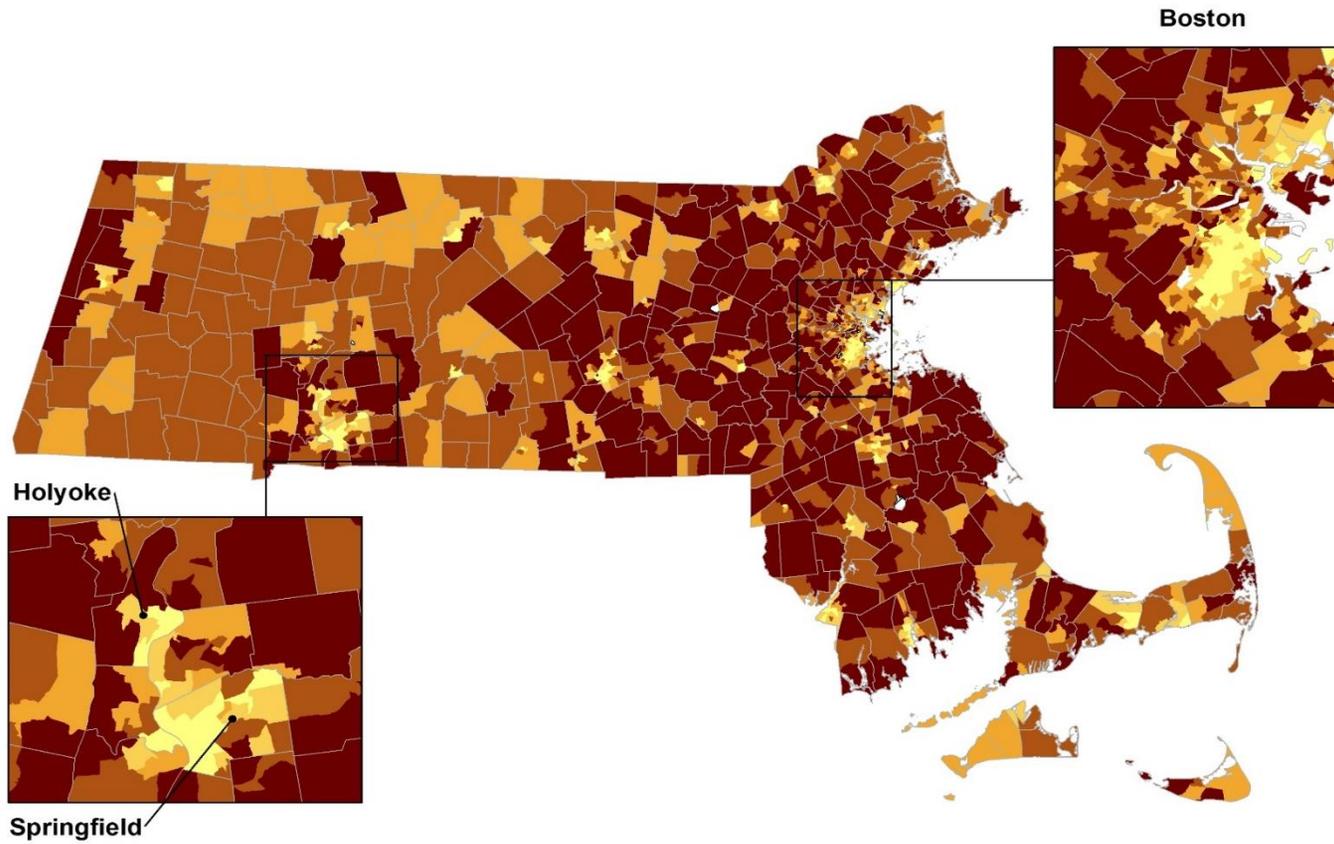
As discussed earlier, neighborhoods in regions and community types in the Commonwealth do not have similar levels of access to the same opportunities. **Maps 5.2-5.9** show the HUD Opportunity Indices at the neighborhood level in order to identify where access to opportunity is the most ubiquitous (darkest shading) or limited (lightest shading).

The maps show there are large pockets of opportunity in the state, particularly in Middlesex and Norfolk counties. Many cities and towns scattered across the state also offer these opportunities. Furthermore, it is very common for communities with limited opportunity to be adjacent to communities with high opportunity. The benefits or advantages available in communities with higher access to opportunity experience frequently do not extend beyond town or neighborhood borders. Rather, these advantages are contained within a few regions and, in many cases, specific municipalities or neighborhoods. This is especially true for households' exposure to poverty, low labor market engagement and access to higher-performing schools. A recognizable example of this phenomenon is Boston and Brookline. Wide differences in the index scores of neighboring municipalities is less apparent for environmental health, which makes sense given that air quality is related more to the proximity to factories than town borders.

Labor-market engagement (**Map 5.3**) and proximity to jobs (**Map 5.8**) appear to be more heavily concentrated in the more urban parts of the state. As mentioned in the discussion of urban areas, labor-market engagement and jobs-to-labor-force ratios are especially high but also highly variable from neighborhood to neighborhood in the Greater Boston region as well as around Worcester, Springfield, Pittsfield, and even the Amherst-Northampton area, all of which have high concentrations of jobs and are accessible by major transportation routes. At the same time, the maps show adjacent areas with severely low access to jobs (as indicated by Labor Market Engagement Index scores and jobs-to-labor-force ratios and below 0.21). Some smaller cities face issues across most neighborhoods.

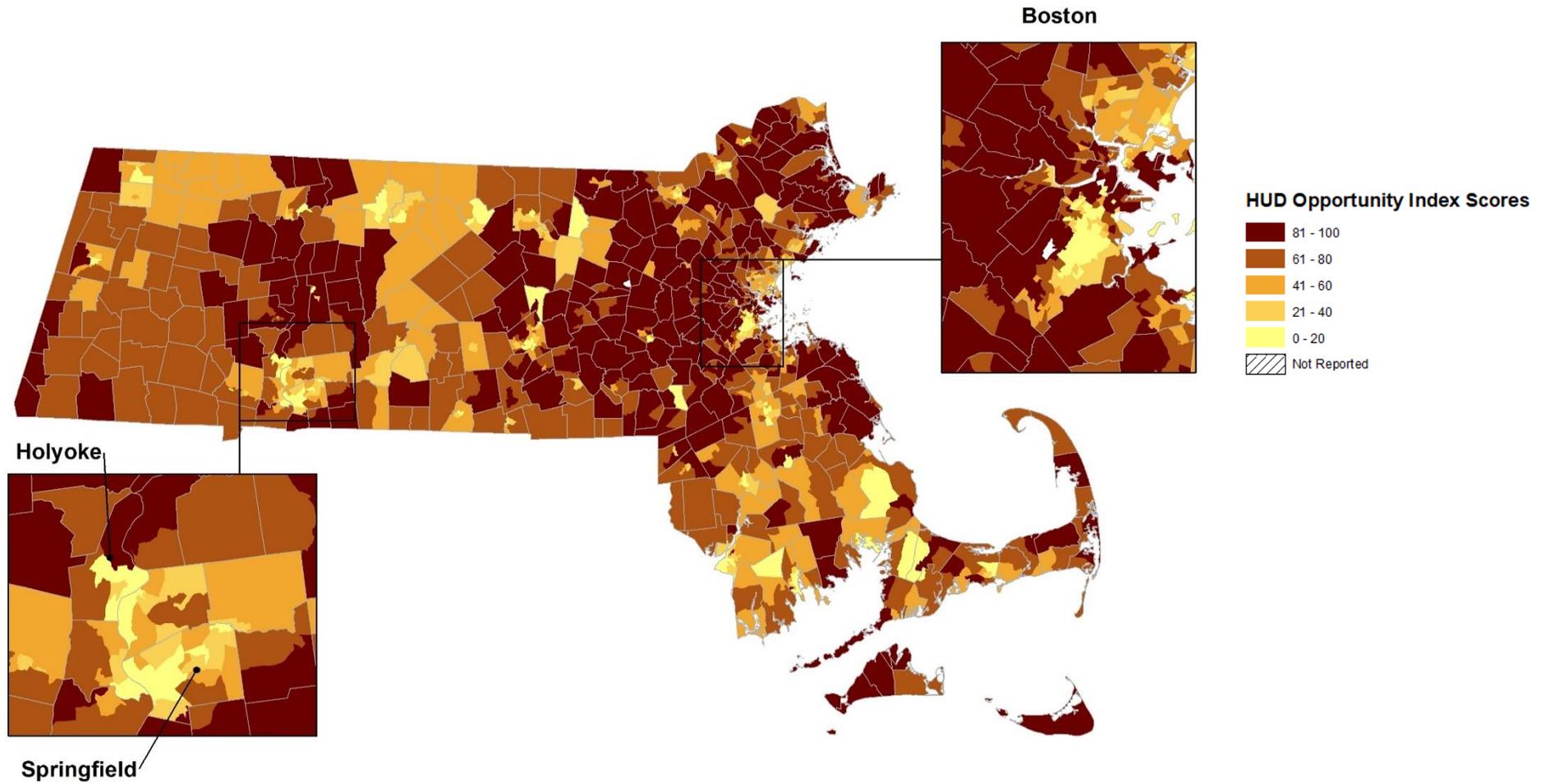
Certain cities have low Index scores across a broad range of indices: the labor market, exposure to poverty, air toxins, proximity to jobs and physicians, and school performance. This closer look at the spread of opportunity across the state's municipalities, as well as the interaction between different types of opportunity, underscores that policy solutions must consider the multitude of dimensions that affect households' access to opportunity, regional and urban-suburban-rural divides, and how vulnerable populations can access opportunities available in neighboring areas.

Map 5.2: HUD Low Poverty Index by Neighborhood



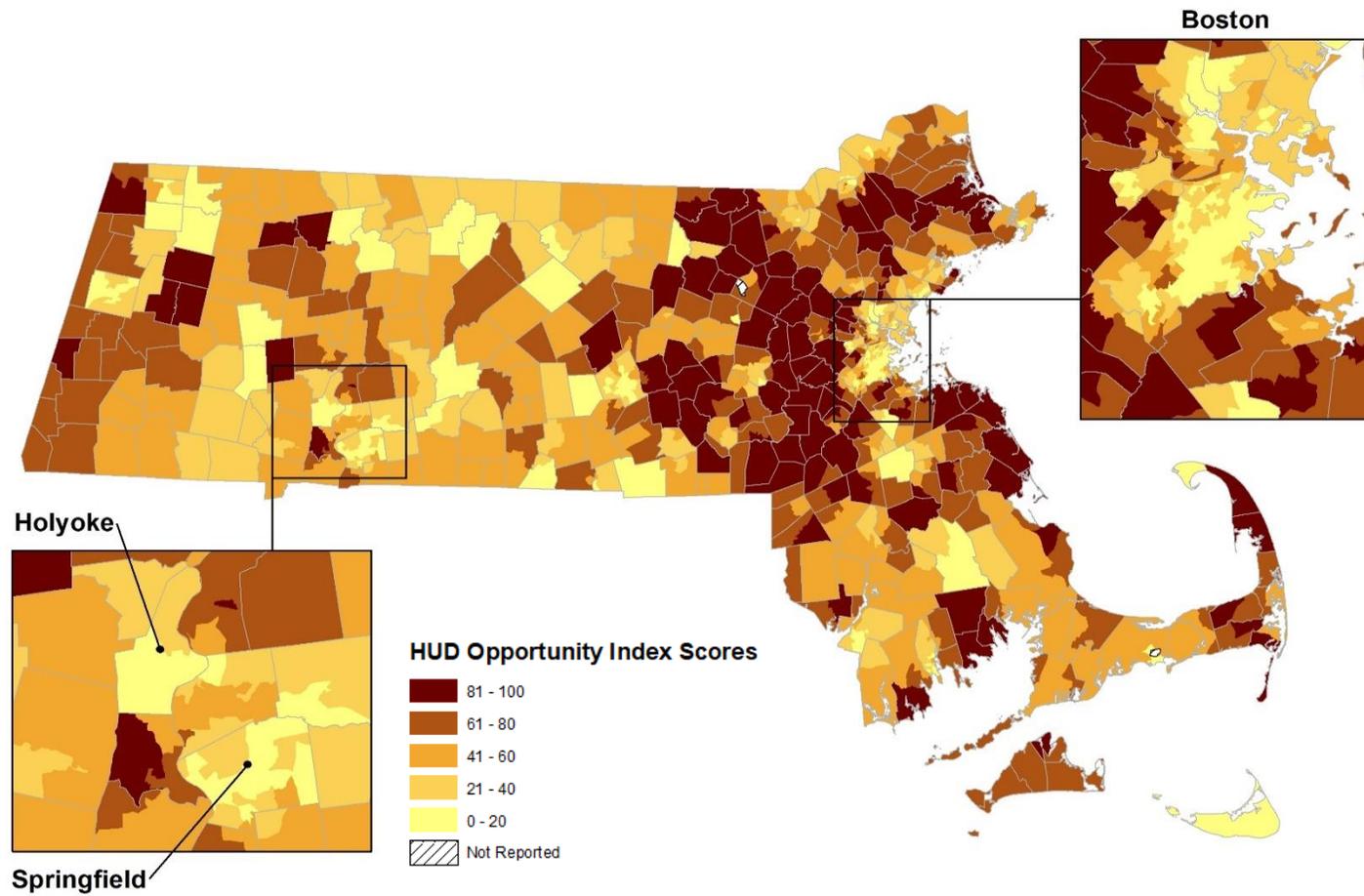
Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>.

Map 5.3: HUD Labor Market Engagement Index by Neighborhood



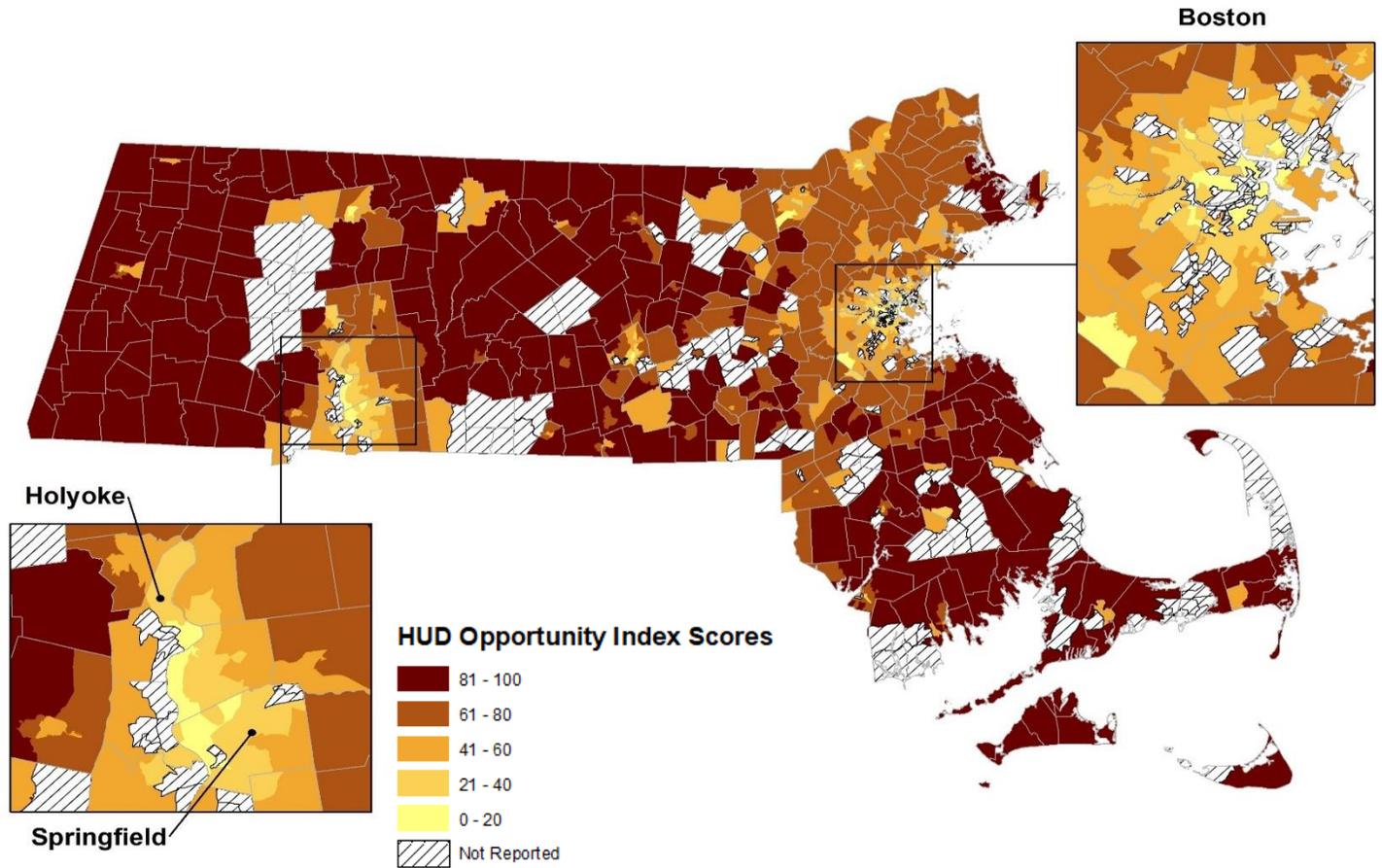
Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>.

Map 5.4: HUD School Proficiency Index by Neighborhood



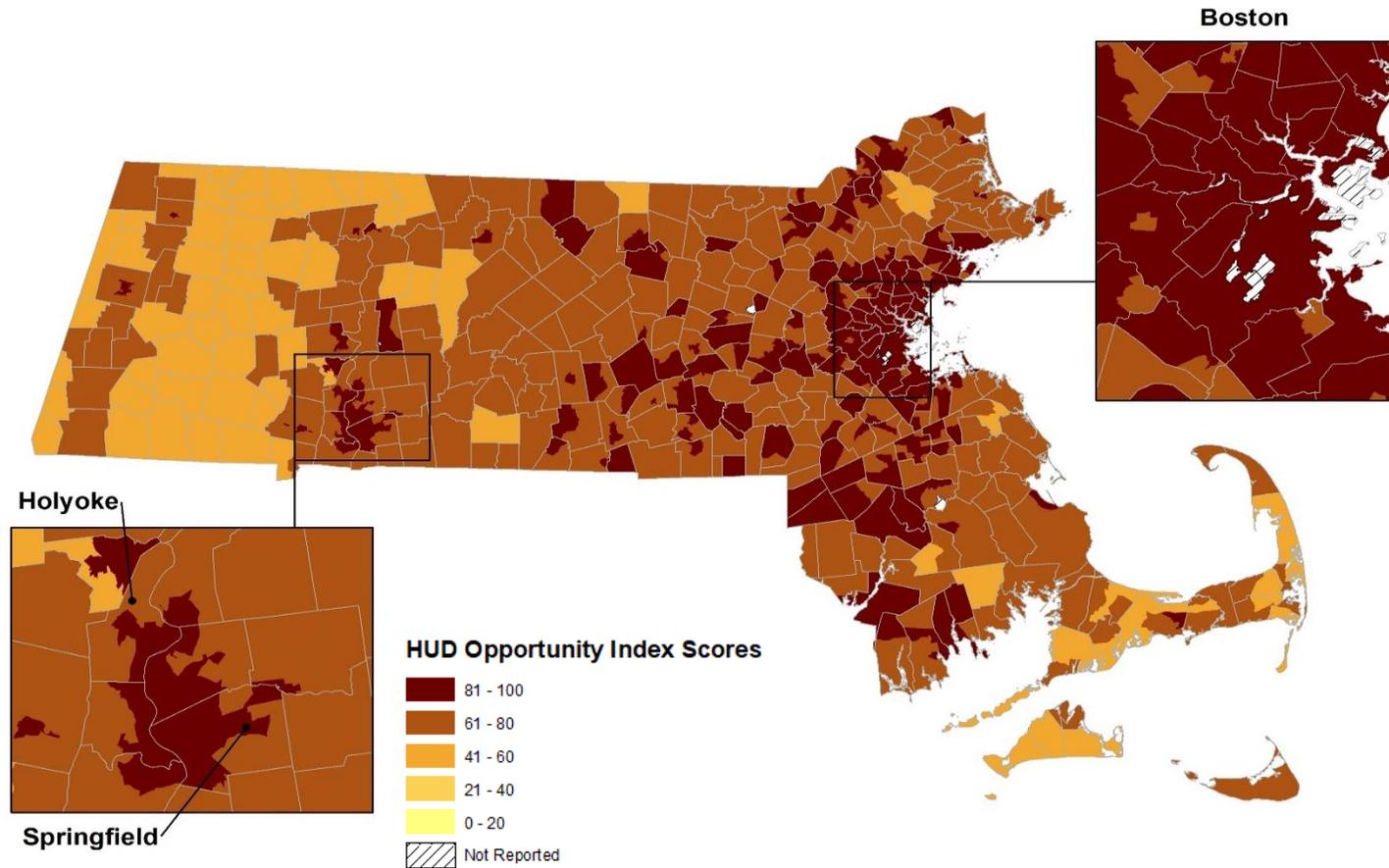
Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>.

Map 5.5: HUD Environmental Health Index by Neighborhood



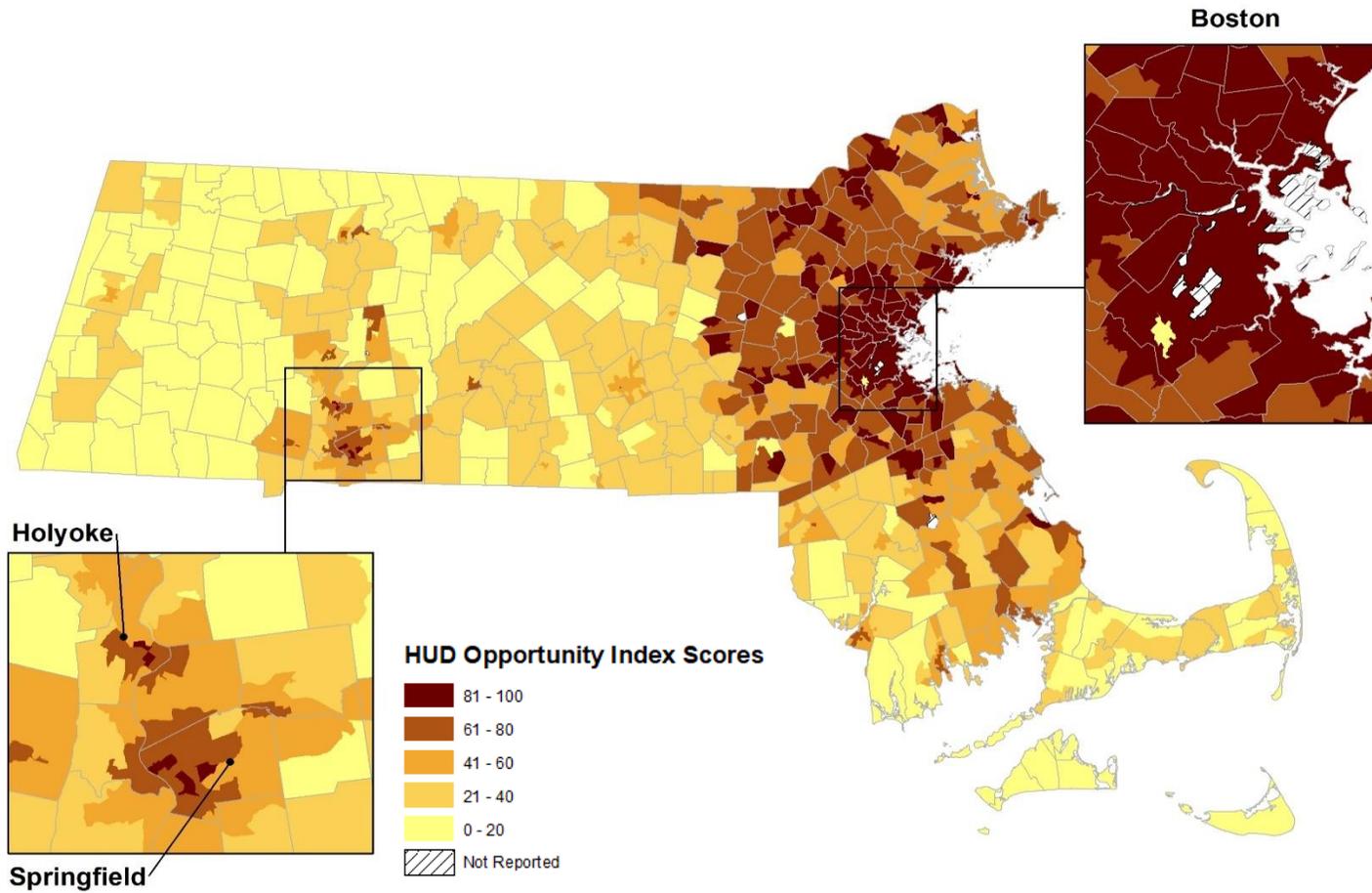
Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>.

Map 5.6: HUD Low Transportation Costs Index by Neighborhood



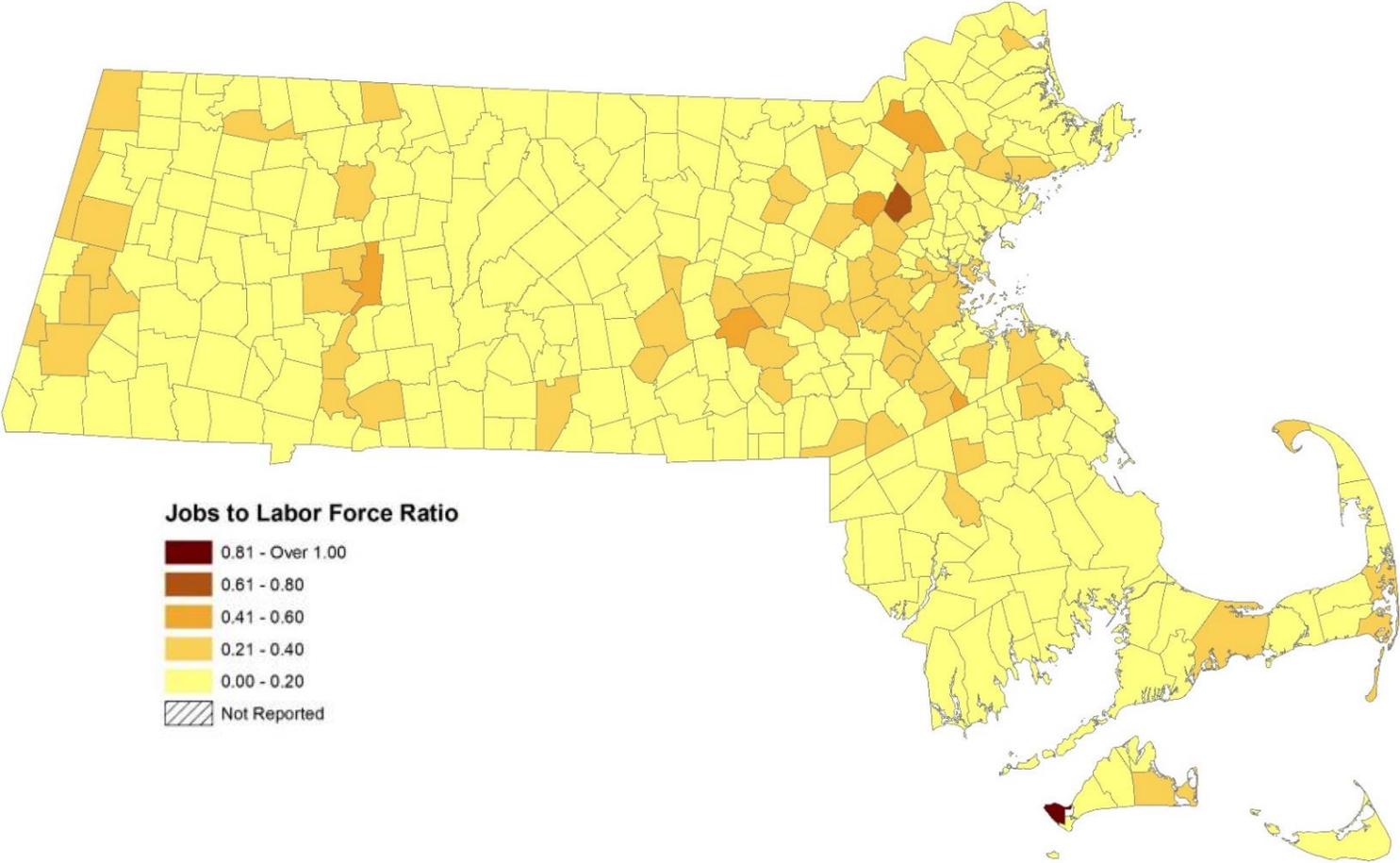
Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>.

Map 5.7: HUD Transit Trips Index by Neighborhood



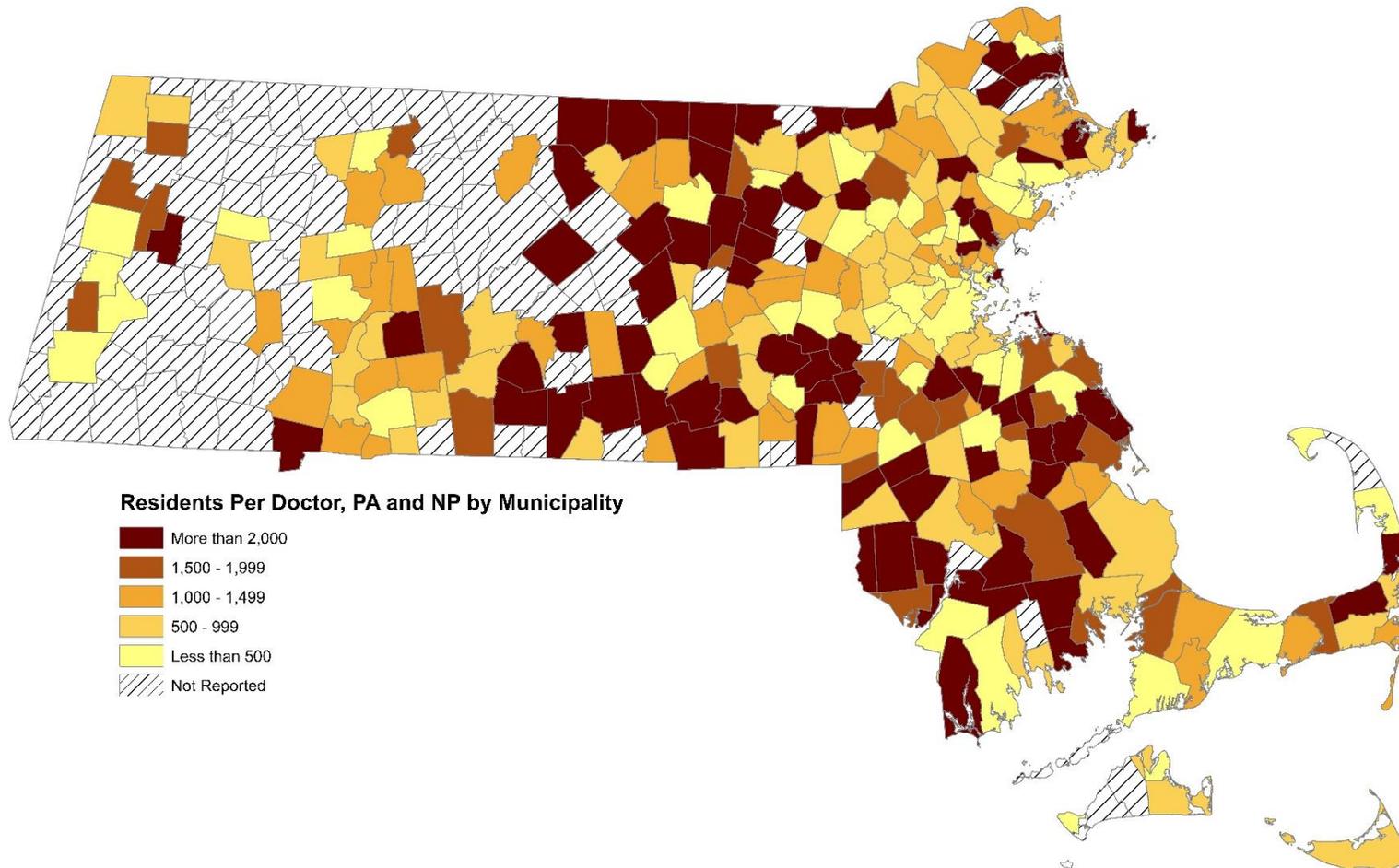
Source: UMDI analysis of U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>.

Map 5.8: Jobs to Labor Force Ratio by Municipality



Source: UMDI analysis of U.S. Census Bureau LEHD Origin-Destination Employment Statistics (LODES) Worker Area Characteristics (WAC) and American Community Survey 5-year 2013-2017, Table B23025. Note: Ratios reflect the comparison of establishment-side jobs to the labor force in each town. Census tracts do not evenly conform to municipal boundaries, and some towns comprise the same census tract. As a result, every municipality was not assigned a census tract.

Map 5.9: Residents to Primary Care Physician Ratio by Municipality



Source: UMDI analysis of Massachusetts Department of Public Health 2014 Physicians Data Series and U.S. Census Bureau 5-year 2008-2013 American Community Survey. Note: Ratios reflect the number of residents per primary care physician by municipality. Not all municipalities reported the number of physicians to the Massachusetts Department of Public Health, and this explains the low coverage observed in the map. Map insets are not provided because these data are not available by census tract. Primary care physicians include medical doctors (MDs), physician assistants (PAs) and nurse practitioners (NPs) who practice in Massachusetts. Medical doctors acting as primary care physicians include those who reported practicing Internal Medicine, Family Medicine, Geriatric Medicine, Obstetrics and Gynecology, and Preventive Medicine.

Access to Opportunity for Protected Classes at the Neighborhood Level

This discussion identifies the specific neighborhoods (as approximated by census tracts) in Massachusetts with high representations of households in protected classes as well as the types of opportunities that those neighborhoods offer. Not only are greater proportions of White households located in communities with higher levels of access to opportunity, but White households have more access to opportunity even within the same cities where households of color and other protected classes reside.

As seen in **Tables 5.6-5.12** in **Appendix B**, the juxtaposition of opportunity index scores and demographic representation by neighborhood reveals a few key findings. Neighborhoods with the least exposure to poverty, highest performing schools, and highest labor-market engagement are located in communities such as Westford, Milton, Cambridge, Concord, Lexington, Newton, Dedham, and Andover. Neighborhoods with the highest environmental quality (i.e., fewest toxins in the air) are almost exclusively found on the Cape and Islands. All of these neighborhoods are considered to be “areas of high opportunity” because they feature high levels of access to opportunity, as evidenced by their index scores. These neighborhoods also tend to have higher proportions of White or Asian households and households of five or more people.

Due to the sheer population size of Boston and the Commonwealth’s other largest cities, variations within municipalities are visible across multiple neighborhoods or census tracts. Some of Boston’s neighborhoods have among the highest opportunity scores in their residents’ exposure to poverty, engagement in the labor market, school performance, and proximity to jobs while other neighborhoods in Boston have among the state’s lowest scores in those same opportunity types. Given that Boston is home to approximately one third of the state’s total Black population and 17 percent of its Hispanic population, the level of access that its individual neighborhoods have to opportunities has serious implications for protected classes’ access to opportunity.

For the most part, neighborhoods with high representation of protected classes tend to have fewer White households and indices of high opportunity by comparison. Neighborhoods with high concentrations of households who are Black, Hispanic, or have limited-English proficiency, in contrast, tend to be characterized by higher exposure to poverty, lower labor-market engagement, lower school performance, and more exposure to air toxins. Top neighborhoods of this type are located in Springfield, Randolph, Brockton, Lawrence, Chelsea, Holyoke, Malden, as well as in Boston. Neighborhoods with more representation among family households with five or more people and households born outside of the U.S. have wider-ranging opportunity scores, which suggests that access to opportunity is not as consistently low among those groups. Variations by selected Census tracts are shown in **Appendix B**.

6. Housing Needs and Allocation of Resources

This section examines the housing needs of Massachusetts' residents and how well they are being met, both in the private market and in the assisted inventory, with particular focus on protected classes. It examines housing problems (cost burdens, overcrowding, and substandard housing) by race/ethnicity, family (household) size and disability status to determine whether members of any protected class are experiencing disproportionate needs when compared to other groups or the population at large.¹¹¹ It includes an estimate of the number and type of households that are income-eligible for assistance under various state and federal housing programs compared to the available housing resources, and it provides a detailed analysis of the state's public and subsidized housing and rental assistance programs, including a description of who is being served and where.

Estimates of housing need and eligibility for housing assistance come from several sources. Primary datasets include the 2010 Decennial Census; the 2016 one- and five-year American Community Surveys (ACS); and the 2010-2014 ACS-based Comprehensive Housing Affordability Strategy (CHAS) data.¹¹² Information on the demographic, economic and household characteristics of those living in public or publicly assisted housing, or receiving housing assistance in the form of rental vouchers, comes primarily from two sources: information collected under the Massachusetts Data Collection Act (Chapter 334 of the Acts of 2006) and the federal Department of Housing and Urban Development (HUD) Picture of Subsidized Households. In both cases, data are from the 2017 reporting.

Data prepared by HUD and made available to jurisdictions preparing Assessments of Fair Housing using the agency's data and mapping tools was also reviewed. While these tools and resources were never approved for use by states – and have since been rescinded for use by local jurisdictions for which they had been approved – DHCD has incorporated them into its review.¹¹³

Housing for Whom? A Snapshot of Massachusetts Households in 2016

The 2016 1-Year American Community Survey estimated that there were 2,579,398 households in Massachusetts, an increase of 1.3 percent over the 2010 Decennial Census count. Of these, 1,587,580 (62%) were owner households, up 0.7 percent over 2010, and 980,468 (38%) were renter households, up 2.1 percent.

¹¹¹ HUD defines housing problems as any one of the following: 1) housing unit lacks complete kitchen facilities; 2) housing unit lacks complete plumbing facilities; 3) household is overcrowded (more than 1.01 persons per room; or 4) household is cost burdened (monthly housing costs including utilities exceeds 30 percent of monthly income).

¹¹² Each year, the Census Bureau prepares a set of custom tabulations of American Community Survey (ACS) data for HUD. These tabulations, known as the "CHAS" data (Comprehensive Housing Affordability Strategy) generally are not otherwise available to the public. The primary purpose of the CHAS data is to demonstrate the number of households in need of housing assistance. This is estimated by the number of households that have certain housing problems and have income low enough to qualify for HUD's programs (primarily 30, 50, and 80 percent of median income). The CHAS data also document the prevalence of housing problems among different types of households, such as the elderly, disabled, minorities, and different household types, as well as issues like lead paint risks, "affordability mismatch," and the interaction of affordability with variables such as the age of homes, number of bedrooms, and type of building.

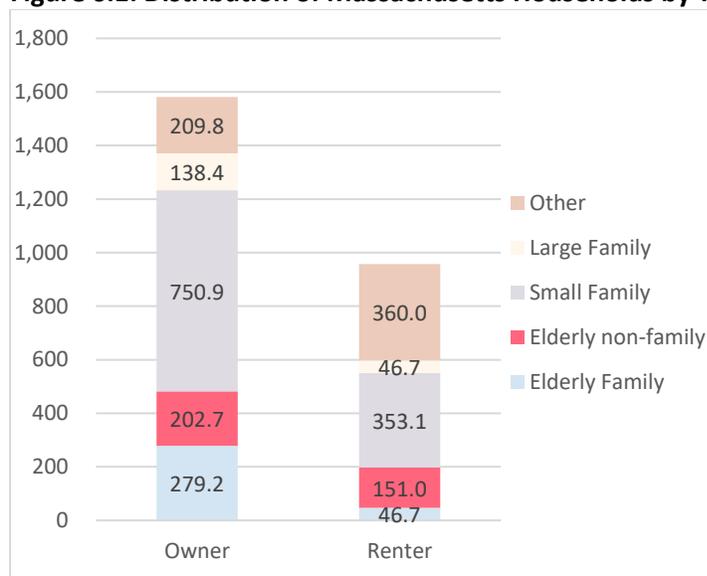
¹¹³ HUD used 2016 data for its analysis of public housing, project- and tenant-based rental assistance, 2014 Low Income Housing Tax Credit data, the 2010 Decennial Census to determine R/ECAPs and the 2009-2013 Comprehensive Housing Affordability Strategy (CHAS) data. While it is not directly comparable to this analysis, it provides valuable insights.

Figure 6.1 illustrates the estimated distribution by household type according to the classification system HUD uses in its CHAS estimates: large family, small family, elderly families, elderly non-families, and other.¹¹⁴ The categories are defined as follows:

- Small family - a small family is a 2 person family where neither member is 62 or older, or a 3 or 4 person family
- Large family - a large family is a family with 5 or more members
- Elderly family - An elderly family is a 2 person family, where either or both is 62 or over
- Elderly non-family – An elderly non-family is one or more individuals who are not related, all of whom are age 62 or over¹¹⁵
- Other - All other non-elderly, non-family households

Small households –whether made up of empty-nesters, younger individuals or small families – predominate, among both renters and owners. Sixty-nine percent of renter households consist of just one or two persons and 84 percent have one-to-three members. The corresponding figures for homeowners are 57 percent and 75 percent.

Figure 6.1: Distribution of Massachusetts Households by Tenure and Household Type



Source: # of households, 2010 Census; distribution, 2005-2009 CHAS tabulations

Note: Households shown in thousands

Who is Income Eligible for Housing Assistance?

¹¹⁴ The Census Bureau defines a family as a group of two or more people who reside together and who are related by birth, marriage, or adoption.

¹¹⁵ In many of the calculations in this AI, the two elderly categories have been combined. For planning purposes, however, the number of seniors – frail elderly homeowners, in particular – who live alone is an important market segment to monitor. It faces a number of special challenges, and it is a population that is expected to grow significantly in coming years.

More than 15 percent of Massachusetts households earn less than 30 percent of the median income in their market area, and three-quarters of these extremely low income households are renters. At the other end of the income spectrum, nearly one third of the state's households earn over 140 percent of area median income, and 84 percent of these households own their homes. Federal and state housing assistance programs, the focus of this section, typically restrict eligibility to renter households earning no more than 80 percent of the area median income, though most serve households earning far less.¹¹⁶ The income categories used by HUD to determine eligibility for its various housing and community development programs are:

- Extremely low income (ELI) - less than or equal to 30 percent of HUD area median family income (HAMFI, or AMI)
- Very low income (VLI) - greater than 30 percent but less than or equal to 50 percent AMI
- Low income (LI) - greater than 50 percent but less than or equal to 80 percent AMI, and
- Moderate income (MI) – greater than 80 percent but less than or equal to the median (100%).

Limited information is available also for households earning 51-60 percent and 81-100 percent of AMI, categories identified as tax credit and moderate income, respectively. Where all three of the low income categories are combined, they are referred to as “all low income.” Households earning above 80 percent of AMI are referred to as “not low income.”

Inset 6.1: Federal Housing Policy: Who Benefits?

While federal programs funded through HUD serve low-income populations, in fact the Federal government provides far more assistance for middle- and upper-income households, through homeownership tax programs and loan guarantees.

The primary federal programs serving low-, very-low and extremely-low income households are Federally-assisted public housing and rental assistance programs such as Section 8, primarily administered through HUD. For FY2019, HUD is authorized to receive a total of \$44.2 billion, approximately 4% more than in the prior federal fiscal year. (Source: D. Kimura, “Fiscal 2019 HUD Budget Approved,” *Affordable Housing Finance*, 2/20/19) The U.S. Department of Agriculture is authorized to expend approximately \$1.3 billion more to maintain rental assistance payments in rural housing developments, and \$250 million for multi-family guaranteed loans to support rural housing development.

Source: USDA FY2019 budget summary, available at <https://www.usda.gov/sites/default/files/documents/usda-fy19-budget-summary.pdf>.

The low income housing tax credit program provides approximately \$8 billion per year in additional budget authority to support the acquisition, rehabilitation or new construction of rental housing targeted to lower-income households (primarily those with incomes at or below 60% of area median).

¹¹⁶ In many of the calculations in this AI, the two elderly categories have been combined. For planning purposes, however, the number of seniors – frail elderly homeowners, in particular – who live alone is an important market segment to monitor. It faces a number of special challenges, and it is a population that is expected to grow significantly in coming years.

Source: HUD Office of Policy Development and Research, “Low Income Housing Tax Credits,” available at <https://www.huduser.gov/portal/datasets/lihtc.html>, revised 6/6/18.

In contrast, federal tax expenditures for homeownership programs during the same period is projected to include tax expenditures of \$91.4 billion (including \$33.9 billion in mortgage interest deduction (substantially less than in prior years, following the Tax Cuts and Jobs Act of 2017), \$21.2 billion in deductions for state and local income, sales and property taxes, and \$36.3 billion in exclusion of capital gains on sales of a principal residence).

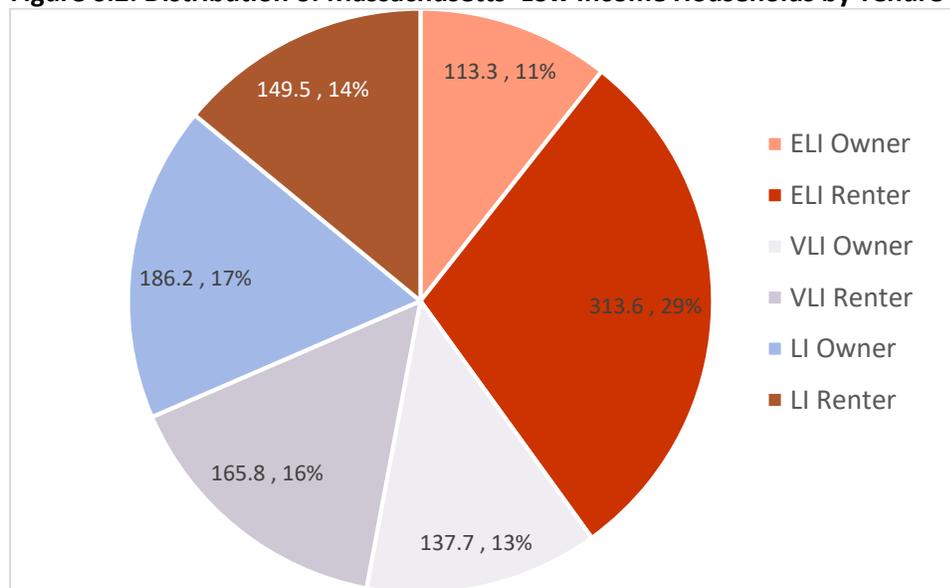
Source: Tax Policy Center Briefing Book, available at <https://www.taxpolicycenter.org/briefing-book/what-are-largest-tax-expenditures>, last accessed 3/25/2019.

Research has shown that 90 percent of the benefit of the homeownership tax deductions goes to homeowners earning over \$100,000 per year. (Source: The Nation, “Who Benefits Most from Housing Subsidies? The Wealthy,” by David Meni and Ezra Levin, 6/1/2016.) Also in FY2019, the USDA’s budget includes \$24 billion in funding for the Single Family Housing Guaranteed Loan Program, serving homeowners with incomes up to 115% of area median.

Source: USDA FY2019 budget summary, supra.

Figure 6.2 shows the distribution of just the low income households – those earning no more than 80 percent of AMI.

Figure 6.2: Distribution of Massachusetts’ Low Income Households by Tenure and Income Category



Source: # of households, 2016 1-Year ACS; income distribution, 2010-2014 CHAS tabulations

Note: Households shown in thousands

Among renter households earning no more than 80 percent of the area median income, just over 35 percent are small families of 4 or fewer members, 27 percent are seniors (age 62 and over) and one third are non-family households headed by a person under 62 (called “other”). Just over 5 percent are

large families with five or more members. Among owner households, 53 percent are seniors, 27 percent are small families, 6 percent are large families, and just over 14 percent are other.

Among all renters, 32 percent are extremely low income (ELI), 17 percent are very low income (VLI), 15 percent are low income (LI), 9 percent are moderate income (MI) and 26 percent earn more than the median income. This distribution suggests that the Commonwealth should strive to maintain a housing supply that includes about 314,000 rental units that are affordable (and available) to ELI renters, an additional 166,000 units for VLI renters and 150,000 for LI renters. Such housing might be low cost public housing or deeply subsidized private housing; market rate housing that is within the allowable rent limits (fair market rents) established by HUD; or some combination of the two. This estimate represents an *increase* of 9,000 units needed for ELI renters and 6,000 for VLI renters over the estimates presented in the 2013 AI.¹¹⁷ The number of units needed for low income renters (those earning between 50-80 percent of AMI) is *lower* by 5,000.

The comparable market shares among homeowners are 7 percent ELI, almost 9 and 12 percent VLI and LI, 10 percent MI, and 63 percent above median income. Although Massachusetts is one of a handful of states that has used its financial resources in the past to support the development of new homes for sale to low income households, it is not currently doing so. What new affordable ownership units are being created now, for the most part, are permitted under Chapter 40B, the state’s comprehensive permit statute or local inclusionary mandates. (Nearly 60 percent of ELI and VLI owners are seniors.)

Table 6.1 summarizes the distribution of households by type and tenure within each of the major income categories.

Table 6.1: Distribution of Households by Household Type, Tenure and Income

Household Type*	Total		Extremely Low Income		Very Low Income		Low Income		Moderate Income		>Median	
	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter	Owner	Renter
Total Households	62.3%	37.7%	7.1%	32.2%	8.6%	17.0%	11.6%	15.4%	9.7%	9.3%	63.1%	26.0%
Elderly Family	17.7%	4.9%	13.6%	4.3%	24.8%	6.6%	25.3%	5.6%	22.0%	4.9%	15.1%	4.0%
Elderly non-family	12.8%	15.8%	45.1%	27.2%	34.9%	19.6%	19.3%	11.1%	11.6%	7.0%	5.2%	5.0%
Small Family	47.5%	36.9%	19.2%	30.6%	23.3%	38.9%	33.8%	40.6%	40.7%	38.9%	57.5%	40.4%
Large Family	8.8%	4.9%	3.5%	4.4%	5.1%	6.5%	7.7%	5.8%	10.1%	5.4%	9.8%	3.6%
Other	13.3%	37.6%	18.6%	33.5%	11.9%	28.3%	13.8%	36.9%	15.7%	43.8%	12.4%	46.9%

Source: 2010-2014 CHAS tabulations

Affordability Gap Analysis: Are There Enough Affordable Housing Units?

¹¹⁷ This estimate of housing units needed is based on the 2010-2014 CHAS data; the estimate presented in the 2014 AI were based on the 2005-2009 data.

Units that are affordable to low income households are not necessarily occupied by low income households. This mismatch between households' incomes and the units they occupy can exacerbate affordability problems. To measure the extent to which affordability is a *supply* problem versus a *distribution* problem, we calculate the affordability gap. The gap is the difference between the number of households at a given income level and the number of units affordable, or affordable and available, to households at that income level. While it is not possible to simply reallocate existing occupied housing units – higher income households often choose to rent a lower cost unit than they can “afford” – the gap analysis is a useful tool for quantifying housing need.

To size the shortfall of affordable rental housing for the Commonwealth's low income residents, we compared the number of households, by income category, with the number of existing housing units they could afford. A unit was deemed affordable if the rent, including utilities, consumed no more than 30 percent of the gross income of a household at the upper limit of income eligibility. We then compared the number of affordable and available units to the number of households that need them. (For this analysis it does not matter whether or not the unit is subsidized. The critical contribution of the state's vast inventory of assisted housing to meeting the needs of its lowest income residents is discussed elsewhere in this section.)

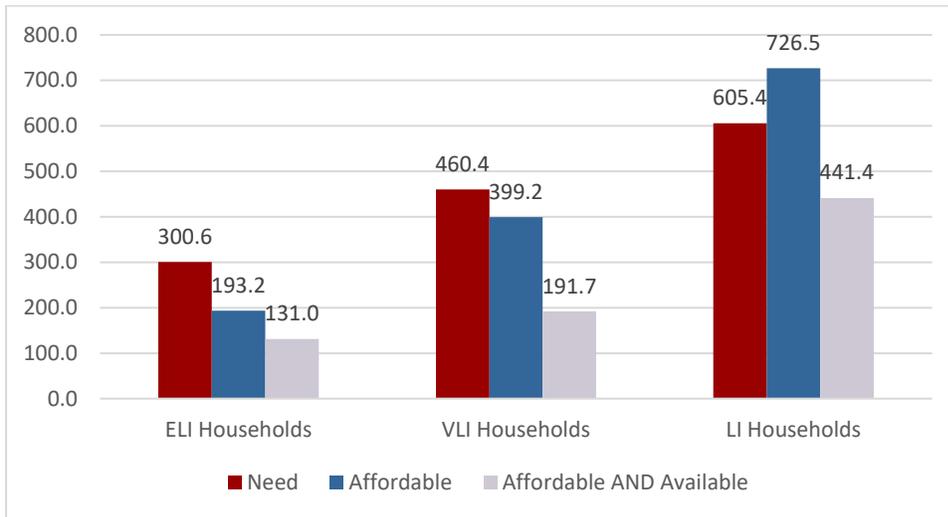
While Massachusetts has long been a national leader in providing low income housing and tenant-based rental assistance, its high housing costs mean that there is still a substantial shortfall of affordable homes. **Figure 6.3** depicts the Commonwealth's 2010-2014 rental housing supply by price range. There were about 941,000 renter households living in Massachusetts at that time. Nearly 32 percent – over 300,000 households – were extremely low income. There were about 131,000 rental units, occupied and vacant, that these households could potentially afford without spending more than 30 percent of their income on housing and utility costs. Another 160,000 renter households were very low income and 137,000 were low income. To house all three low income groups, would have required more than 605,000 “affordable” units (300.6K + 159.8K + 144.9K). The state had about 726,500 such units, but as Figure 6.3 illustrates, more than 39 percent of these units were unavailable because they were occupied by higher income households, leaving a gap of 164,000 units (the 605,400 needed minus the 441,400 available).¹¹⁸

By way of comparison, if each of the Commonwealth's cities and towns met the ten percent threshold for low or moderate income housing set by Chapter 40B, Massachusetts would have about 269,200 units that “count” on the Subsidized Housing Inventory (SHI). Currently, there are 262,223 units counted on the SHI (September 14, 2017 inventory). However, to incentivize the production of rental housing, DHCD's regulations allow a community to “count” 100 percent of the units in a rental development where at least 25 percent of the units are restricted for households with incomes at or below 80 percent of the area median income (or 20 percent of the units are restricted to households earning at or below 50 percent of the area median income). When only *low income rental units* are counted – those actually restricted to occupancy by households earning 80 percent of the area median income or less – the number drops to an estimated 212,000-215,000. A more detailed discussion of the

¹¹⁸ Income categories are cumulative. VLI includes ELI renters, LI includes both ELI and VLI. Vacant units are included if they have complete plumbing and kitchen facilities. Because each of these categories (ELI, VLI, etc.) covers a wide range of incomes (0-30%, 30-50%, etc.), a unit that is deemed affordable to a household earning the upper limit (30% of AMI for an ELI household, for example) would *not* be affordable to a household earning just 15 percent of AMI. Thus these rent gap estimates should be considered *minimum* shortfalls.

SHI is included later in this chapter.

Figure 6.3: Massachusetts Affordable Rental Housing Needs, Supply



Source: CHAS Table 15C, based on the 2010-2014 American Community Survey

Note: Income categories are cumulative. VLI includes ELI renters, LI includes both ELI and VLI. Includes vacant, but standard units (those with complete plumbing and kitchen).

Another way of stating the affordability mismatch is by the percentage of need met (the number of affordable (or affordable and available) units per 100 households). Again, the income categories are cumulative. **Table 6.2** shows that in 2010-2014 there was an absolute shortfall of affordable units for ELI and VLI renters but a surplus for low income renters in total (all those earning no more than 80 percent AMI). When availability as well as affordability was considered, just 44 percent of the ELI need, 54 percent of the VLI need, and 84 percent of the LI need was met.

Table 6.2: Affordable and Available Units for Every 100 Renter Households at or Below HUD Income Thresholds

	Affordable Units per 100 Needed	Affordable and Available Units per 100 Needed
ELI	64.3	43.6
VLI	86.7	41.6
LI	120.0	72.9

Source: CHAS Tables 14B and 15C, based on the 2010-2014 American Community Survey

The shortfall in affordable rental units became more acute between 2005-2009 (the dataset used in the 2013 AI) and 2010-2014 (the dataset on which these calculations are based), particularly for ELI and VLI renters. While the number of ELI households needing affordable rentals rose by 12 percent, the number of units affordable to a household earning 30 percent of the area median income (AMI) grew by just 4

percent. The cumulative need for units affordable to a VLI household earning 50 percent of AMI grew by 13 percent, but the number of affordable units increased by just 6 percent (Table 6.3).¹¹⁹

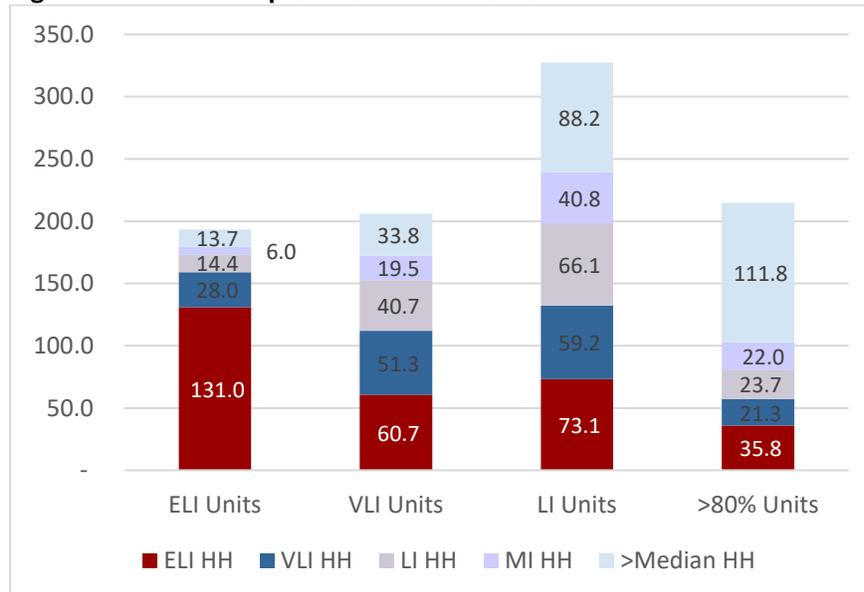
Table 6.3: Massachusetts Affordable Rental Housing Needs, Supply

	Percent Change between 2005-2009 and 2010-2014 in...		
	Need	Affordable	Affordable and Available
ELI Households	12%	4%	4%
VLI Households	13%	6%	-24%
LI Households	11%	10%	-7%

Source: CHAS Table 15C, based on the 2005-2009 and 2010-2014 American Community Surveys

Figure 6.4, showing who occupies the units that the lowest income renters could afford, illustrates why there are so many fewer available units than affordable units.

Figure 6.4: Who Occupies the Affordable Rental Units?



Source: CHAS Table 15C, based on the 2010-2014 American Community Survey

Note: Occupied units with complete kitchens and plumbing

An assessment of the affordable rental units by bedroom size (number of bedrooms) indicates almost 81 percent of the 0 and 1 bedroom units that are affordable to households earning 30 percent of AMI are occupied by such households, as are nearly two-thirds of 0 and 1 bedroom units affordable to the VLI and LI households. The percentage of units affordable to ELI (and VLI and LI) households that are

¹¹⁹ Rents have continued to rise since 2014, which was the most current CHAS data available at the time this AI was prepared, further aggravating the affordability challenges for the lowest income unsubsidized renters. (Median gross rent in Massachusetts rose by nearly 8 percent between 2014 and 2017; in Suffolk County, the increase was twice that amount, according to the 2014 and 2017 One-Year American Community Surveys.)

occupied by such households is considerably lower for 2 and 3 bedroom (and larger) units. Fewer than half of the 3 bedroom units deemed affordable to a household earning 30 percent of AMI are occupied by ELI households. The higher ELI and VLI occupancy rate for 0 and 1 bedroom units likely reflects the fact that most such units are in public or subsidized developments restricted to occupancy by low income seniors.¹²⁰ These trends are depicted in **Table 6.4**.

¹²⁰ Pressure on family-sized housing may result from more affluent singles and couples competing for the larger units due to personal preference. For an interesting discussion of this, see Yesim Sayin Taylor, D.C. Policy Center, *Taking Stock of the District's Housing Stock: Capacity, Affordability and Pressures on Family Housing* (March 27, 2018).

Table 6.4: Who Occupies the Affordable Rental Units by Bedroom Count?

	0 or 1 Bedroom	2 Bedrooms	3 or More Bedrooms
ELI Unit			
ELI Occupant	80.7%	62.3%	49.5%
VLI Occupant	11.5%	16.5%	18.0%
LI Occupant	3.9%	8.9%	12.6%
MI Occupant	1.7%	3.7%	5.3%
>Median Occupant	2.2%	8.6%	14.5%
<i>% occupied by ELI</i>	<i>80.7%</i>	<i>62.3%</i>	<i>49.5%</i>
VLI Unit			
ELI Occupant	36.6%	28.1%	23.6%
VLI Occupant	29.1%	23.9%	21.6%
LI Occupant	17.5%	19.8%	22.2%
MI Occupant	7.0%	10.8%	10.5%
>Median Occupant	9.8%	17.4%	22.2%
<i>% occupied by ELI and VLI</i>	<i>65.7%</i>	<i>52.0%</i>	<i>45.2%</i>
LI Unit			
ELI Occupant	26.3%	20.0%	21.6%
VLI Occupant	18.3%	17.9%	18.3%
LI Occupant	20.8%	20.4%	19.0%
MI Occupant	11.9%	12.9%	12.3%
>Median Occupant	22.7%	28.8%	28.7%
<i>% occupied by ELI and VLI</i>	<i>65.4%</i>	<i>58.3%</i>	<i>59.0%</i>

Source: CHAS Table 15C, based on the 2010-2014 American Community Survey

*Occupied units with complete kitchens and plumbing

In addition to these low income renter households, there are 103,000 extremely low income, and 136,000 very low income, homeowners in Massachusetts, and their numbers are growing as are their housing challenges.

Household Types with the Greatest Unmet Needs

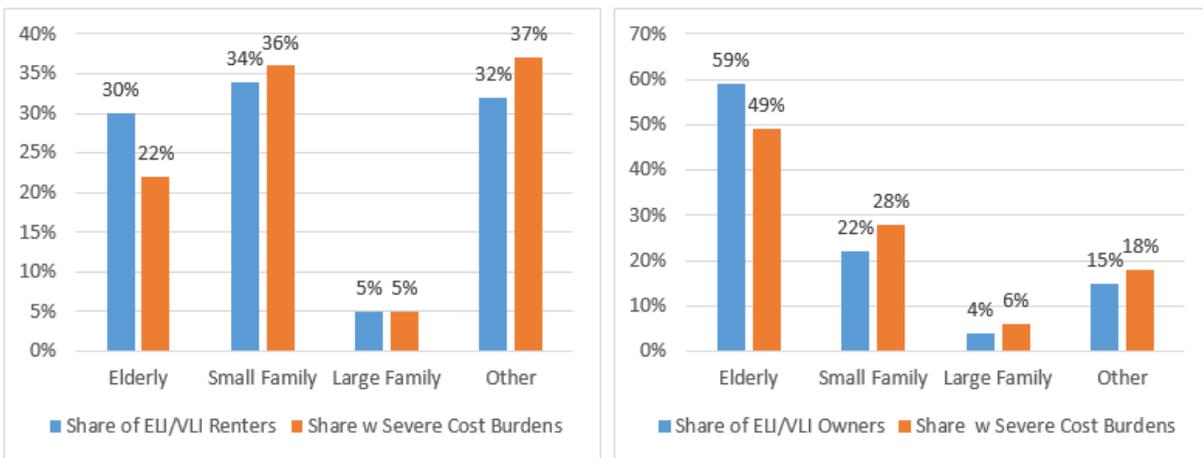
While the forgoing affordability gap analysis quantifies the Commonwealth’s *overall* affordable housing needs, and shortfall, it does not tell us what types of households are experiencing the greatest need and where they live. **Table 6.5** depicts the distribution of households by income, type and tenure and shows which household types have what HUD calls “worst case” housing needs. These are extremely low and very low income renters who live in overcrowded or inadequate conditions and/or have severe cost burdens (rent exceeding more than half their income).¹²¹ According to the 2010-2014 CHAS data, more

¹²¹ HUD bases its housing needs estimates primarily on data from the biennial American Housing Survey, but to document needs at the local level policy makers generally use the most recent CHAS data, as we have done. Because the two sources

than 214,000 Massachusetts households experienced worst case needs. While HUD does not consider homeowners with the same income and housing characteristics to have worst case needs, nearly 127,000 homeowners earned less than 50 percent of AMI and had severe cost burdens and/or other housing problems during the same period.¹²² Residents in every region of the state face housing challenges, but some demographic groups and household types are faring worse than others.

About 22 percent of the severely cost burdened ELI and VLI renter households are elderly, 36 percent are small families, 5 percent are large families and 37 percent are other (non-elderly, non-family).¹²³ (See Figure 6.5.)

Figure 6.5: Distribution of ELI-VLI Households and Those with Worst Case Needs



Source: CHAS Table 7 based on the 2010-2014 American Community Survey

employ different methodologies, the findings are not directly comparable. The Annual Community Survey on which the CHAS estimates are based does not distinguish between tenants receiving rental assistance or living in public or subsidized housing from those who receive no such assistance; the AHS does. As a result, the cost burdens of tenants who receive rental assistance in the form of vouchers is almost certainly overstated in the ACS estimates, if respondents answer according to the instructions. Thus it is more accurate, when comparing housing costs to household income based on the ACS or CHAS estimates, to say that costs “exceed” 30 or 50 percent of income, not that the household is paying that amount.

The Census Bureau’s Questionnaire Reference Book (QRB) provides the following guidance to survey workers regarding rent calculation: Include amounts paid by the government through subsidies or vouchers. For example, if the renter pays \$400 and the government pays \$200 through a subsidy or voucher, report the rent as \$600. What percent of income that rent translates to is calculated by the Census Bureau based on the respondent’s answer to the question of household income. Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else).

¹²² CHAS Table 2, based on the 2010-2014 American Community Survey

¹²³ CHAS Table 2, based on the 2010-2014 American Community Survey. Comparisons are to the same CHAS table based on the 2000 Decennial Census.

The number of ELI/VLI households – both renters and owners – has grown since 2000, as has the number experiencing severe housing problems (most often, severe cost burdens). One noteworthy shift in the *type* of ELI/VLI households has been the decline in family households with 5 or more members.

The data shows that cost burdens are not evenly distributed among ELI and VLI household types. About 30% of ELI and VLI renters are elderly, and among ELI and VLI renters who are severely cost-burdened, the percentage who are elderly declines to 22%. By comparison, about 59% of ELI and VLI homeowners are elderly, as are about 49% of severely cost-burdened ELI and VLI homeowners. The number of elderly renters experiencing worst case needs is lower than their overall market share, a reflection of the substantial inventory of senior housing that has been created with federal and state resources over the years. Elderly owners also experience disproportionately lower worst case needs, but in this case, it is more likely a reflection of their having purchased homes when housing was much less expensive and may have little or no mortgage debt outstanding.

Not surprisingly, there are correspondingly substantial differences in the percentages of ELI and VLI renters and homeowners in the “other” category (non-elderly, non-family). Among ELI and VLI renters overall, about 32% are “other,” while that percentage increases to 37% among severely cost-burdened ELI and VLI renters; among ELI and VLI homeowners overall, only 15% are “other,” with the percentage of “other” among severely cost-burdened ELI and VLI homeowners rising slightly to 18%. Small families comprise a substantially larger percentage of ELI and VLI renter households than owners (34% versus 22%, respectively), but when looking at ELI and VLI owner households that are severely cost-burdened, the percentages of small families that are severely cost-burdened are more similar (36% vs. 28%, respectively). Across all categories, large families comprise only a small percentage, ranging from 4% of ELI/VLI owners overall to 6% of severely cost-burdened ELI and VLI owners.

Table 6.5: Households with Worst Case Needs by Tenure, Type, and Income

	Total Households (in 000s)					# w Worst Case Needs (in 000s)					Percent w Worst Case Needs (WCNs)					Index (% of HH Type w WCNs v % of All HHs w WCNs)				
	All*	Elderly	Small HH	Large HH	Other	All*	Elderly	Small HH	Large HH	Other	All*	Elderly	Small HH	Large HH	Other	All*	Elderly	Small HH	Large HH	Other
Owner																				
ELI	111.5	65.4	21.4	3.9	20.7	75.5	41.5	16.7	3.4	13.9	67.7%	63.4%	78.0%	85.9%	67.2%	1.00	0.94	1.15	1.27	0.99
VLI	135.5	80.8	31.6	6.9	16.2	51.0	20.1	18.3	3.5	9.2	37.7%	24.8%	57.7%	51.6%	56.7%	1.00	0.66	1.53	1.37	1.51
LI	183.3	81.8	62.0	14.1	25.3	37.2	10.5	16.5	3.2	7.0	20.3%	12.8%	26.5%	22.7%	27.6%	1.00	0.63	1.31	1.12	1.36
MI	152.9	51.3	62.2	15.4	24.0	13.8	3.4	6.4	1.0	3.0	9.0%	6.5%	10.3%	6.6%	12.7%	1.00	0.73	1.14	0.73	1.40
>Med	997.7	202.5	573.6	98.1	123.5	13.1	3.4	6.3	0.7	2.7	1.3%	1.7%	1.1%	0.7%	2.2%	1.00	1.29	0.84	0.52	1.65
Total	1,580.9	481.9	750.9	138.4	209.8	190.6	78.9	64.1	11.8	35.8	12.1%	16.4%	8.5%	8.5%	17.1%	1.00	1.36	0.71	0.71	1.42
Renter																				
ELI	308.6	97.1	94.5	13.7	103.4	165.8	35.6	60.4	8.4	61.3	53.7%	36.7%	64.0%	61.6%	59.3%	1.00	0.68	1.19	1.15	1.10
VLI	163.2	42.8	63.5	10.6	46.2	48.5	11.3	17.5	2.0	17.6	29.7%	26.4%	27.6%	19.2%	38.1%	1.00	0.89	0.93	0.65	1.28
LI	147.2	24.7	59.7	8.5	54.3	10.6	2.7	2.6	0.1	5.3	7.2%	10.8%	4.3%	1.6%	9.7%	1.00	1.50	0.59	0.22	1.34
MI	89.2	10.6	34.8	4.8	39.1	1.6	0.5	0.2	0.0	0.9	1.7%	4.7%	0.5%	0.3%	2.2%	1.00	2.68	0.30	0.18	1.27
>Med	249.3	22.6	100.7	9.1	116.9	0.7	0.2	0.1	0.0	0.3	0.3%	1.0%	0.1%	0.0%	0.3%	1.00	3.81	0.35	0.00	1.10
Total	957.5	197.7	353.1	46.7	359.9	227.1	50.3	80.8	10.6	85.4	23.7%	25.4%	22.9%	22.7%	23.7%	1.00	1.07	0.96	0.96	1.00

Source: Table 7, 2010 – 2014 CHAS

* Includes only those HHS for whom cost burden was determined (cost burden was not available for about 1% of households)

Note: Data on worst case needs is not available for all protected classes. For example, the CHAS data reports the number and share of households with a disabled member who have *some (one or more)* housing problem (cost burden, overcrowding, lacking complete kitchen or plumbing), but not those with the severe housing problems that define worst case needs (*severe* cost burden, overcrowding, lacking complete kitchen or plumbing). From the CHAS tabulations, we know that more than 247,000 ELI and VLI households with a disabled member have *some* housing problem. The share of households reporting housing problems ranges from 67 percent of those who reported an ambulatory limitation to 74 percent of those with a cognitive limitation.

Disproportionate Housing Needs

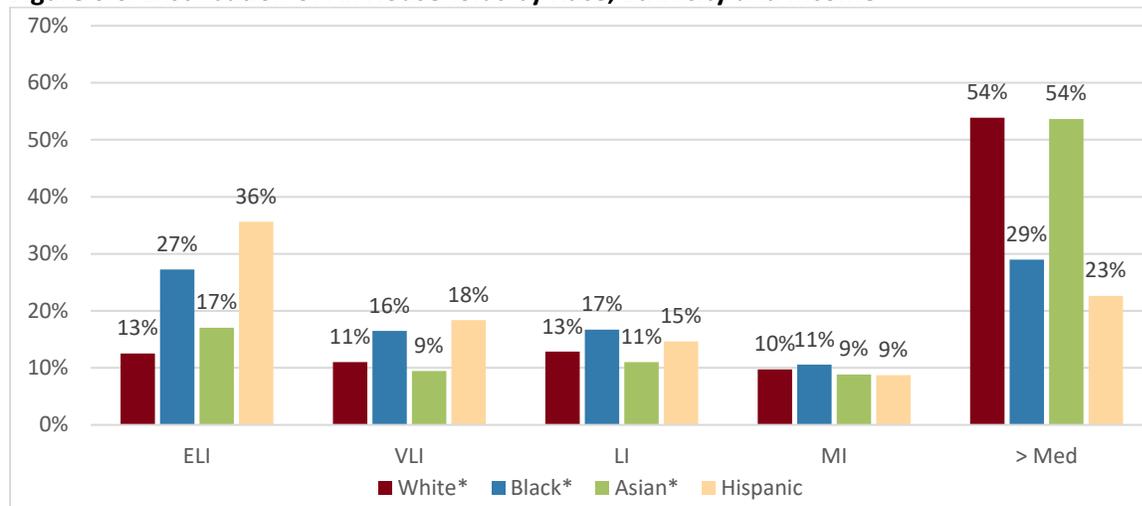
The extent of housing problems also varies by race and ethnicity. Families and households of color, particularly Black and Latino households, are more likely to be low income than their White counterparts (**Figure 6.6**), but people of color at all income levels experience housing problems at a higher rate than Whites do (**Table 6.6**). In addition to showing the percentage of households experiencing housing problems by race and tenure, Table 6.6 presents a “housing problem index.” The index compares the percentage of Black, Asian and Hispanic households with housing problems to the percentage of White households with housing problems (i.e., Black rate divided by White rate, and so on). This table illustrates that, at the lowest income levels (30 percent or less of area median), renters and homeowners across all categories experience housing problems at roughly the same high rate: over 75 percent for renters and 92 percent for homeowners. These numbers represent a significant increase in housing problems since 2000 for ELI households. The CHAS tabulations based on the 2000 Decennial Census reported that 65-71 percent of ELI renters and 78-85 percent of ELI homeowners had housing problems.¹²⁴

All racial and ethnic groups experience proportionately fewer housing problems as they move up the economic ladder, but people of color at higher incomes continue to report problems at a substantially higher rate than their White counterparts. The difference is most pronounced among homeowners. Among low income renters, only Asian renters in the 50.1-80 % AMI range, experience any notable disparity compared to Whites in terms of housing problems. The state’s substantial “safety net” of publicly assisted housing and rental assistance, which serves a disproportionate number of Black and Latino households, is most likely reflected in these numbers. Above the income cutoffs for assisted housing, however, disparities between renters of color and White renters resurface.

Among homeowners, the disparities are more pronounced at all but the lowest income (ELI) levels. Some of the differential among homeowners may be attributable to the fact that people of color were more likely than Whites to have purchased their homes during the late 1990s and early 2000s when prices were escalating sharply. (Only 16 percent of White homeowners bought their homes between 1995 and 2000, compared with 36 percent of Black, 50 percent of Asian, and 57 percent of Hispanic homeowners). Compounding the problem for Black and Latino homeowners is the fact that they were more likely to have gotten high cost subprime mortgages, either when they purchased their homes, or upon refinancing. Not captured in this table, but certainly an additional challenge, is the fact that homeownership within racial/ethnic minority groups is highly concentrated in cities with the oldest housing stock.

¹²⁴ Commonwealth of Massachusetts 2010 Consolidated Plan.

Figure 6.6: Distribution of All Households by Race, Ethnicity and Income



Source: 2010-2014 CHAS Table 2

Table 6.6: Housing Problems by Race/Ethnicity

	All	White*	Black*	Asian*	Hispanic	All other	White*	Black*	Asian*	Hispanic	All other
% of Owner HHs with Housing Problems						Housing Problem Index					
ELI	92.4%	92.3%	92.8%	94.4%	93.6%	92.4%	1.00	1.01	1.02	1.01	1.00
VLI	68.8%	66.9%	81.5%	81.7%	89.3%	71.6%	1.00	1.22	1.22	1.34	1.07
LI	52.7%	49.9%	71.1%	65.4%	76.9%	65.7%	1.00	1.42	1.31	1.54	1.32
MI	43.1%	41.2%	59.7%	54.6%	53.4%	51.4%	1.00	1.45	1.32	1.30	1.25
> Median	13.3%	12.6%	23.0%	17.9%	18.6%	19.6%	1.00	1.83	1.42	1.48	1.56
% of Renter HHs with Housing Problems						Housing Problem Index					
ELI	76.3%	75.8%	77.4%	72.9%	77.3%	79.5%	1.00	1.02	0.96	1.02	1.05
VLI	75.0%	73.4%	78.3%	80.2%	75.7%	82.1%	1.00	1.07	1.09	1.03	1.12
LI	47.8%	48.3%	48.2%	58.5%	42.5%	44.4%	1.00	1.00	1.21	0.88	0.92
MI	25.8%	26.7%	20.5%	37.1%	20.8%	20.8%	1.00	0.77	1.39	0.78	0.78
> Median	8.3%	7.3%	9.3%	13.5%	11.9%	7.8%	1.00	1.28	1.86	1.64	1.07
% of Owner HHs with SEVERE Housing Problems						SEVERE Housing Problem Index					
ELI	74.1%	72.9%	84.1%	84.1%	84.4%	81.5%	1.00	1.15	1.15	1.16	1.12
VLI	38.6%	36.1%	55.2%	57.4%	63.1%	49.3%	1.00	1.53	1.59	1.75	1.37
LI	21.4%	20.0%	30.7%	27.5%	33.3%	28.1%	1.00	1.53	1.37	1.66	1.40
MI	10.6%	9.4%	22.4%	21.6%	12.2%	18.1%	1.00	2.37	2.29	1.29	1.92
> Median	2.2%	1.9%	4.6%	4.9%	5.1%	3.4%	1.00	2.36	2.52	2.64	1.78
% of Renter HHs with SEVERE Housing Problems						SEVERE Housing Problem Index					
ELI	60.0%	60.5%	60.3%	58.7%	58.1%	65.8%	1.00	1.00	0.97	0.96	1.09
VLI	34.7%	34.2%	36.4%	49.0%	32.2%	35.4%	1.00	1.07	1.43	0.94	1.04
LI	11.5%	10.6%	11.2%	20.9%	12.6%	10.1%	1.00	1.05	1.96	1.18	0.95
MI	6.0%	5.2%	6.0%	10.4%	8.9%	4.0%	1.00	1.14	2.00	1.71	0.77
> Median	3.4%	2.1%	6.1%	8.4%	7.3%	5.4%	1.00	2.91	4.04	3.52	2.57

Source: 2010-2014 CHAS Table 2

Significantly greater disparities across racial/ethnic groups are evident when one considers *severe* housing problems, typically cost burdens of greater than 50 percent of income. Among low income renters, it is still Asians – the group with the lowest participation rate in the housing assistance programs tracked in this analysis – that experience the greatest disparity in housing problems compared to White renters. Above the 80 percent threshold, significant disparities exist between Whites and all other racial/ethnic groups. Among homeowners, disparities exist across the board, and they are significant for all groups except at the ELI level.

Where Low Income Renters with Worst Case Needs Live

As described in Sections 2 and 3, Massachusetts communities remain highly segregated by race and ethnicity. The rental inventory is concentrated in the cities. The predictable result is a concentration of extremely low and very low income renters – including those with worst case needs – in the state’s largest cities. Boston, which represents about 10 percent of the state’s population, is home to 18 percent of all ELI and VLI renter households and 29 percent of ELI/VLI Black and Latino renters. **Table 6.7**, which ranks the cities that are home to the largest number of ELI and VLI renters and those with severe housing problems, shows that this varies by race/ethnicity. Springfield, Lawrence, Holyoke, Brockton, and Chelsea host a higher share of the Commonwealth’s Black and Latino households with housing problems, while Fall River, New Bedford, Quincy, and Somerville are home to a greater number of White households with housing problems.

Table 6.7: Cities with the Greatest Number of Renter Households by Race, Income and Housing Problems

Rank	All Renters	All ELI and VLI Renters	All White ELI and VLI Renters	All Black and Latino ELI and VLI Renters	White ELI/VLI Renters w Severe Housing Problems	Black & Latino ELI/VLI Renters w Severe Housing Problems
1	Boston	Boston	Boston	Boston	Boston	Boston
2	Worcester	Worcester	Fall River	Springfield	Worcester	Springfield
3	Springfield	Springfield	Worcester	Lawrence	Fall River	Lawrence
4	Cambridge	Fall River	New Bedford	Worcester	New Bedford	Worcester
5	Fall River	Lawrence	Lowell	Lynn	Quincy	Lynn
6	New Bedford	Lynn	Quincy	Brockton	Cambridge	Brockton
7	Lowell	Lowell	Cambridge	Holyoke	Lowell	Lowell
8	Somerville	New Bedford	Lynn	Lowell	Somerville	New Bedford
9	Quincy	Cambridge	Somerville	Cambridge	Revere	Holyoke
10	Lawrence	Brockton	Pittsfield	New Bedford	Lynn	Chelsea
11	Lynn	Quincy	Revere	Chelsea	Springfield	Cambridge
12	Brockton	Somerville	Springfield	Framingham	Framingham	Framingham
13	Malden	Framingham	Framingham	Chicopee	Salem	Fall River
14	Brookline	Malden	Salem	Fall River	Waltham	Everett
15	Waltham	Holyoke	Brockton	Everett	Pittsfield	Malden

Source: 2010-2014 CHAS Table 1.

Note: Housing problems include cost burden greater than 30 percent of income and/or overcrowding or lacking complete kitchen or plumbing facilities.

Additional Challenges Facing Those with Disabilities and Families with Children

Large families, including households with young children and those with a member with a disability often face financial challenges; they are more likely to have lower incomes and rely on a single wage earner. Moreover, their housing options may be further limited by a housing inventory that is not well-suited to their space or accessibility requirements.

The Comprehensive Housing Affordability Strategy (CHAS) data enable us to compare the incidence of housing problems across household type, size and tenure. Among all household types, renters experience housing problems at a greater rate than homeowners. Likewise, large families, whether renters or owners, experience housing problems at a higher rate than small families and single parent families experience problems at a higher rate than married couple families. This is not surprising, or unique to Massachusetts.

Table 6.8: Percent of Households with Housing Problems, by Household Type and Tenure

	All households	Small family, no spouse	Large family, no spouse	Small married couple family	Large married couple family	Small non-family HH	Large non-family HH
<i>Percent with housing problems</i>							
Owner HH	31%	40%	41%	22%	30%	45%	33%
Renter HH	49%	58%	68%	35%	59%	48%	42%
Total HHs	37%	50%	56%	24%	35%	47%	41%
<i>Housing problem index</i>							
Owner HH	1.00	1.30	1.34	0.71	0.97	1.46	1.06
Renter HH	1.00	1.19	1.39	0.72	1.21	0.99	0.87
Total HHs	1.00	1.33	1.50	0.65	0.94	1.25	1.08

Source: 2010-2014 CHAS Table 4.

Note: There are too few large non-families to make a valid comparison

Table 6.9, which depicts the problems of households with and without a member with a disability or impairment illustrates that the lower a household's income, the more likely it is to have a member with a disability. For example, just 19 percent of renter households earning above 80 percent of the area median income reported an impairment while nearly 60 percent of ELI households did.¹²⁵ Within the population of households with a member(s) with a disability: the lower the income, the more likely the household is to experience housing problems and/or cost burdens. However, within the same income group, there is little difference in the rate at which householders with impairments and those without experience housing problems.

¹²⁵ Chapter 2 describes in greater detail the income and employment disparities between those with, and without, a disabling condition.

The CHAS data, and the American Community Survey from which it is tabulated, is limited in what it reveals about the challenges facing those who need accessible housing (or housing that accommodates other types of supports, e.g., personal care assistants). A housing unit that is considered adequate, and even adequate and affordable, may not be well-suited to an individual or family that needs special accommodations. The availability of accessible units can be especially challenging for families. MassAccess, the Commonwealth’s accessible housing registry described in Section 2 has more than 15,000 accessible units registered, but over 77 percent of these accessible units are congregate, studio or one bedroom apartments, 17 percent were two-bedroom units and just 5 percent had three or more bedrooms. Moreover, only 10 percent of the units registered were *available*, at the time the data was analyzed for this AI.

Table 6.9: Housing Problems of Householders (or Family Members) w Impairments vs. Householders w No Impairment(s)

	% of HHs w One or More Impairment(s)	% of HHs w Impairment(s) w Housing Problems	% of HHs w No Impairment(s) w Housing Problems	Index: HHs w Impairment(s) and Housing Problems v Those w No Impairment and Housing Problems
Renter HHs				
ELI	59.7%	67.9%	73.6%	0.92
VLI	48.8%	67.3%	78.5%	0.86
LI	34.8%	47.0%	48.1%	0.98
> 80% AMI	19.0%	17.9%	12.4%	1.44
Owner HHs				
ELI	53.0%	86.4%	84.4%	1.02
VLI	51.7%	65.2%	71.2%	0.92
LI	43.9%	44.6%	55.9%	0.80
> 80% AMI	24.1%	17.9%	17.2%	1.04
Total HHs				
ELI	58.0%	72.2%	76.7%	0.94
VLI	50.1%	66.3%	75.3%	0.88
LI	39.9%	45.5%	52.3%	0.87
> 80% AMI	23.0%	17.9%	16.1%	1.11

Source: 2010-2014 CHAS Table 6.

Assisted Housing in Massachusetts: What Counts? Who is Assisted? Where Do They Live?

What counts as subsidized housing, or housing assistance, depends on whom you ask and for what purpose. The state’s Subsidized Housing Inventory, HUD’s Picture of Subsidized Households and the data collected by the Department of Housing and Community Development (DHCD) under the 2006 Data Collection Act – also called the Massachusetts Government Assisted Housing Database – are the

three most comprehensive sources of information on housing assistance in the Commonwealth. Each of the three is used for different purposes, however, and they include different types of housing assistance.¹²⁶

What Counts: The Subsidized Housing Inventory

The Department of Housing and Community Development (DHCD) maintains the state’s official tally of units that qualify as affordable housing on its Subsidized Housing Inventory (SHI). These are the units that count toward a municipality’s 10 percent goal under Massachusetts General Law Chapter 40B, the State’s Comprehensive Permit Statute.¹²⁷ For units to be included on the SHI, the housing development in which they are located must involve some government subsidy, even if just in the form of technical assistance. What constitutes an eligible “subsidy program” has changed over time, as have the production tools, but it is now broadly defined to include – in addition to traditional government subsidy programs – local initiatives that involve only minimal technical support provided by DHCD and developments financed by conventional lenders under the Federal Home Loan Bank of Boston’s New England Fund. (Examples of local initiatives include buy-down programs or housing development funded with Community Preservation or municipal Affordable Housing Trust funds, or on town-owned land, or affordable units acquired under inclusionary mandates as long as they meet the income guidelines, satisfy affirmative fair housing marketing and resident selection requirements, are subject to a regulatory agreement, and are monitored by a public agency or non-profit organization.)

The SHI includes rental as well as ownership housing, group homes for certain populations with special needs, and existing homes that are repaired or upgraded using state or federal resources, as long as the unit is subject to both income eligibility and rent or sale prices restrictions. In rental projects, all units count, including the market rate ones; in homeownership projects, only the affordable units count. Households subsidized with tenant based rental assistance are not included in the SHI, nor are unsubsidized units purchased by first-time homebuyers with mortgages loans provided under MassHousing programs or the state’s Soft Second mortgage program.

More than 262,000 units, representing 9.7 percent of the state’s year round housing stock qualified as

¹²⁶ For the first time this year, HUD provided jurisdictions participating in its Community Development Block Grant (CDBG) programs detailed data on assisted housing resident characteristics and location. This HUD data originates from the same source as the Picture of Subsidized Households, and it includes much, but not all of what has been collected and analyzed locally for this AI, but it is based on earlier (2014 and 2016) datasets. Where the HUD data provides relevant information that would not otherwise be available, it has been incorporated into this AI.

¹²⁷ “An Act Providing for the Construction of Low and Moderate Income Housing in Cities and Towns in Which Local Restrictions Hamper Such Construction” was enacted in 1969 as Sections 20-23 of MGL Chapter 40B, the state’s Regional Planning Law, to increase the supply and improve the distribution of housing for low and moderate income families. It allows developers of subsidized housing to apply for all necessary local approvals in the form of a single “comprehensive permit” and to request overrides of local zoning and other restrictions if necessary to make the housing economically feasible. In communities where less than 10 percent of the year-round housing is subsidized and little progress is being made, developers can ask the State Housing Appeals Committee (HAC) to overturn local denials of a comprehensive permit or the imposition of conditions they believe make a project infeasible, absent a finding that the project presents serious health or safety hazards. The statute can be found at <http://www.mass.gov/dhcd/components/SCP/ch40Bsr.htm>. The 40B implementing regulations are found at 760 CMR 56.00 *et seq.*

subsidized housing on the September 14, 2017 SHI. It is estimated that over 85 percent of the units that “count” (some 223,000 units, or 8.3 percent of all year round housing units) are income restricted¹²⁸ to households earning no more than 80 percent of the area median income (AMI).¹²⁹

An estimated 212,000 of the low income (restricted) units are rental units; over 6,000 are homeowner units. Another 3,000 units qualified when their income-eligible owners, or landlords on behalf of income-eligible tenants, repaired or upgraded their homes with public funds. Beds in group homes serving special populations, under contract or licensed with the state Departments of Mental Health and Developmental Services, account for over 12,000 units.¹³⁰ Over 33,000 of the rental units that count on the inventory are market rate units in mixed income developments. These units are not restricted to occupancy by low income households and are not included in the “223,000” estimate. DHCD does not list the number of income-restricted units separately on the SHI.

Massachusetts Data Collection Act

The second major dataset of assisted housing exists as the result of the passage of Chapter 334 of the Acts of 2006 (An Act Relative to Data Collection for Government Assisted Housing in Massachusetts). Massachusetts is one of just a handful of states with a sizable public housing inventory built and maintained with state funds (approximately 40,000 units). It is also one of the few that provides tenant-based rental assistance, similar to the federal Section 8 Housing Choice Voucher (HCV) program (more than 8,000 vouchers), and other housing production resources. While HUD has long reported demographic and economic data on residents living in federally assisted housing, or receiving federal rental assistance, Massachusetts did not have a mechanism for capturing and reporting such information prior to 2006.

Commonly known as the Data Collection Act, Chapter 334 was intended to help DHCD affirmatively further fair housing by providing the agency with information with which to analyze and evaluate its various housing programs. It requires DHCD to collect, and report annually to the Legislature, the number and location of assisted housing units in Massachusetts and the characteristics of residents receiving assistance. Reporting requirements apply to state funded public housing, voucher programs, and privately owned housing that is supported by state or federal subsidies administered by the state.

The implementing regulation requires DHCD to collect information on unit characteristics, including address, tenure, type of building, type of housing (e.g. elder persons, persons with disabilities, family, special needs, mixed), number of bedrooms, numbers accessible for mobility impairments and for

¹²⁸ For renters, income typically must be certified annually; owners need only income qualify at the time of purchase but are subject to resale restrictions limiting the amount for which they can sell or refinance their home, as well as restrictions on income eligibility for subsequent purchasers.

¹²⁹ The number of income restricted rental units is not reported on the Subsidized Housing Inventory. The estimates are based on the author’s own tracking system. (Owner units are only included on the inventory if they are income restricted.)

¹³⁰ Most of these group homes were added to the inventory after 2002 when a DHCD rule change first allowed their inclusion, although many had been serving the same residents for years. For purposes of the SHI, units are counted based on group home capacity (i.e., the number of individuals capable of being served in the group home) as reported by DMH and DDS.

sensory impairments, and the source and terms of any and all subsidy. It must also collect household data, including income level, race and ethnicity, household type, number of children under age 6 and between age 6-18, and number of households that received *or* requested as accessible unit.¹³¹ There are five broad categories of assistance for which data are reported:

- State public housing, reported by local housing authorities (LHAs)
- Privately owned/publicly subsidized units, reported by project owners/managers, (These include properties built or rehabbed in the 1960s-1980s under federal programs such as the 221(d)3, 236, Section 8 New Construction/Substantial Rehab programs if they have received additional funding or state or federal low-income housing tax credits (LIHTCs) allocated by DHCD, as well as those built/rehabbed since that time using state or federal resources (including tax credits).
- Tenant based mobile vouchers, reported by administering local housing authorities (LHAs) and regional non-profit agencies. These include all of the state mobile vouchers and those federal mobile vouchers that are administered on behalf of DHCD by regional nonprofits. DHCD's allocation represents about 25 percent of the federal vouchers allotted to Massachusetts.
- Project-based (PB) vouchers, reported by administering LHAs and regional non-profit agencies (These include all of the state PB vouchers and those federal PB vouchers that are administered by regional nonprofits.)
- Homeownership loans (current year only), reported by MassHousing and the Massachusetts Housing Partnership (MHP).

As part of its preparation of this Analysis of Impediments to Fair Housing, DHCD authorized an analysis of the data collected for calendar year 2017. A similar analysis was conducted for the 2013 AI based on 2011 data. The first comprehensive analysis of data reported under the Act was conducted in 2009 by Nancy McArdle, a highly-regarded policy analyst, for the non-profit Action for Regional Equity. The 2008 and 2011 findings have been incorporated into this year's assessment.¹³²

Data on 167,539 units was collected in 2011, an increase of more than 14 percent over the 146,676 reporting for 2008. In 2017, the number of units reporting increased again to 171,625 (+2.4%) (**Table 6.10**).

Eight regional non-profit organizations that administer federal and state housing vouchers (either project-based or tenant-based (mobile) on behalf of DHCD are subject to the reporting requirements, as are the owners/managers of nearly 1,700 privately-owned subsidized developments. In addition, 211 local housing authorities administer programs that are covered by the Data Collection Act. Fifty-four percent of the reporting housing authorities reported data only on state public housing units they own. The others reported on some combination of units and vouchers, either project-based or mobile (The

¹³¹ The statute is found at <http://www.malegislature.gov/Laws/SessionLaws/Acts/2006/Chapter334>; the implementing regulations are found in Section 760 Chapter 61 of the Code of Massachusetts Regulations (CMR).

¹³² Highlights of Ms. McArdle's analysis of the 2008 data were also reported in the 2013 AI.

number of reporting housing authorities may vary from year to year depending on their program participation.). The reporting nonprofits are Berkshire Housing Development Corporation, Community Teamwork Inc., HAP, Housing Assistance Corporation, Metro Housing Boston, RCAP Solutions, South Middlesex Opportunity Council (SMOC), and South Shore Housing Development Corporation.

Table 6.10: Summary of Data Reported Under Chapter 334 of the Acts of 2006 (Data Collection for Government Assisted Housing in MA), 2008-2011-2017

Program Type	Number of Units Reporting		
	2008	2011	2017
Privately-Owned / Publicly Subsidized	81,774	95,189	98,498
State Public Housing	37,541	41,517	39,553
<i>Family</i>	NA	13,921	12,046
<i>Elderly/Disabled</i>	NA	27,322	27,139
<i>Special Needs</i>	NA	274	365
Federal HCVs* (mobile) administered for DHCD by Regional Non-Profits	19,660	21,579	20,780
Federal HCVs* (project-based) administered for DHCD by Regional Non-Profits	478	1,663	1,452
State Project-Based Assistance administered by Local Housing Authorities (LHAs)	1,854	2,317	2,015
State Project-Based Assistance administered by Regional Non-Profits	647	1,157	1,452
State Mobile Assistance administered by LHAs	1,383	1,618	1,863
State Mobile Assistance administered by Regional Non-Profits	987	869	2,997
MassHousing Homeownership**	1,865	1,437	2,708
MHP Soft Second	406	193	307
DHCD Homeownership	81	-	-
TOTAL	146,676	167,539	171,625

Source: DHCD 2008, 2011 and 2017 Housing Data Collection (2008 summaries provided by Nancy McArdle)

Note: Some units are subsidized by more than one program type, resulting in some degree of double counting. This typically occurs when tenants use a housing voucher to rent a home in a privately-owned, publicly subsidized units.

* Section 8 Housing Choice Vouchers

** MassHousing reported an additional 102 home improvement, lead paint abatement and septic repair/replacement loans in 2017, not included in summary

HUD's Picture of Subsidized Households

The final data source reviewed as part of the AI process is the federal Department of Housing and Urban Development's Picture of Subsidized Households (PSH), issued annually. This extensive national dataset – more than five million records are included in the 2017 report – provides characteristics on HUD assisted housing units and households, which can be summarized in a variety of ways (e.g., by geography at the state, local or census tract level, or by program type or administering agency).¹³³

¹³³ These HUD datasets are prepared by the agency's Office of Policy Development and Research. Household data are

The 2017 Picture of Subsidized Households provides a snapshot of nearly 183,000 Massachusetts households that received federal housing assistance that year.¹³⁴ The HUD data are similar to what is collected under the state requirements and the reporting format is similar as well. Included in the HUD count were approximately 34,000 residents living in federal public housing and 62,000 privately-owned, federally subsidized units and more than 83,000 households who received rental assistance in the form of Section 8 certificates or housing vouchers.

The federal public housing units included in the HUD dataset are *not* subject to the state reporting requirements, but there is substantial duplication in the privately-owned subsidized housing and the tenant-based rental assistance. The 21,000 federal Housing Choice Vouchers DHCD receives annually from HUD, which are administered by the regional nonprofit agencies on DHCD's behalf, *are* included in the 83,000 households on which HUD reported. They cannot be broken out from the units HUD allocates directly to local housing authorities at the census tract or municipal level. The privately-owned, federally-assisted units HUD captures are also reported to the state if they received state subsidies and/or federal (LIHTCs) allocated by DHCD. The Massachusetts Data Collection Act is the primary source of tenant characteristics in the LIHTC inventory. While HUD maintains a national database of information on more than 46,000 LIHTC projects (nearly 3 million housing units), it does not report tenant characteristics for those living in tax credit units unless the project has received other HUD funding (project based subsidies, below-market-interest rate, etc.).¹³⁵

Who Receives Housing Assistance? Characteristics of Residents Receiving Assistance Under Programs Covered by Massachusetts Reporting Requirements

Table 6.11 summarizes the characteristics of the residents and units for which information was reported in 2017 under the Data Collection Act. The table is organized by the major program types: privately-owned/publicly-subsidized housing,¹³⁶ state-aided family public housing, state-aided elderly/disabled public housing (Chapter 667), and those mobile vouchers covered by the Act. (Note: Placements are made in the state Chapter 667 program to achieve a mixed population of elderly households in 86.5

aggregated by program at various the geographic summary levels and by local public housing agency (PHA). Covered programs include (but are not limited to) federal public housing, Housing Choice Vouchers, Section 8 project-based housing, New Construction and Substantial Rehabilitation, and the Section 202 and 811 Supportive Housing programs.

¹³⁴ According to the PSH, there were nearly 195,000 units and vouchers available in Massachusetts in 2017, but tenant information was collected only on those units/vouchers that were in use at the time of reporting. Thus, while there were 91,382 vouchers allocated to MA in 2017, data were available only on the 83,505 in use. Likewise, information is available only on occupied public and privately-owned federally assisted units. The PSH suppresses tenant information in projects with fewer than 12 units reporting. Some duplication has been identified in the HUD database, mostly involving developments originally funded under one program and subsequently assisted under another, for example, a Section 236 development that later received Low Income Housing Tax Credits. In some cases, the HUD inventory reports multiple developments as a single property.

¹³⁵ The HUD database includes project address (and census tract), number of units and low-income units, number of bedrooms, year the credit was allocated, year the project was placed in service, whether the project was new construction or rehab, type of credit provided, and other sources of project financing.

¹³⁶ Reporting is for housing assisted with state and/or federal financial assistance (excluding financial assistance under voucher programs, which are reported separately) that are administered by DHCD, MassHousing, MHP, and/or MassDevelopment.

percent of the units and persons with disabilities in 13.5 percent of the units, in accordance with the statute.)

Table 6.11: Summary of Unit, Resident Characteristics in Rental Housing Covered by MA Data Collection Requirements, 2017

Characteristic	Privately-owned Subsidized	State Public Housing - Chapters 200 and 705	State Public Housing - Section 667*	Total Mobile Vouchers Covered by Data Reporting Reqts.^	Total Project Based Vouchers Covered by Data Reporting Reqts.^
# Units (in thousands)	98.5	12	27.1	25.6	5.6
% Accessible mobility	8%	2%	4%	--	--
% Accessible sensory	3%	2%	4%	--	--
% 0 or 1BR units	56%**	7%	99%	25%	60%
% 2BR units	30%	41%	1%	38%	24%
% 3BR units	11%	4%	0%	30%	13%
% 4 or more BR units	2%	1%	0%	7%	4%
% Vacant	2%	5%	3%	--	--
% Occupied by ELI households (0-30%)	64%	84%	86%	82%	86%
% Occupied by VLI households (31-50%)	18%	12%	12%	15%	10%
% Occupied by LI households (51-80%)	17%	4%	2%	3%	4%
% Occupied by households above 80% AMI	1%	0%	0%	0%	0%
Single person household	56%	14%	91%	36%	57%
2 or 3 person household	34%	58%	9%	43%	33%
4 person household	6%	18%	0%	12%	6%
5 or more person household	3%	11%	0%	8%	4%
% Households w no children under 18	78%	36%	100%	53%	66%
% Households w 1 child under 18	13%	26%	0%	19%	16%
% Households w 2 children under 18	6%	22%	0%	15%	11%
% Households w 3 or more children under 18	2%	16%	0%	13%	6%

One person, non-elderly household	23%	7%	14%	18%	34%
Elderly household	43%	10%	84%	7%	17%
Single parent household, dependent child(ren)	25%	60%	0%	66%	43%
Two parent household, dependent child(ren)	4%	11%	0%	5%	3%
All other households	6%	12%	2%	4%	3%
White not Hispanic	43%	39%	82%	40%	54%
All racial/ethnic minority	57%	61%	18%	60%	46%
Black not Hispanic	19%	15%	4%	24%	16%
Asian not Hispanic	6%	6%	4%	1%	1%
Hispanic, all races	27%	38%	8%	33%	27%
Other race	2%	1%	1%	1%	2%
2 or more answers, at least one racial/ethnic minority	2%	1%	0%	1%	1%
Formerly homeless households	3%	NA	NA	NA	NA
In R/ECAPs	21.60%	12.00%	0.80%	15.70%	14.50%
In extreme poverty (40%+) R/ECAPs	13.60%	8.30%	0.30%	11.80%	10.00%
In Maj White CAPs	4.40%	0.50%	1.50%	2.30%	2.00%
In extreme poverty (40%+) Maj White CAPs	1.90%	0.00%	0.90%	0.50%	1.10%

Source: DHCD 2017 Housing Data Collection Act Reports

Notes: * Placements are made in the state Chapter 667 program to achieve a mixed population of elder households in 86.5 percent of the units and persons with disabilities in 13.5 percent of the units in accordance with the statute.

^ Includes only those federal Housing Choice vouchers administered by regional nonprofits on behalf of DHCD, not the federal vouchers administered by LHAs. The DHCD share of total federal Housing Choice Vouchers is about 25 percent. Regional Non-profits report both federal and state vouchers. Household type is not a required field for federal vouchers, thus the totals shown for this category are for the state assisted units only.

** Including SRO units; without these, the share of 0 and 1BR units in private subsidized housing would be 52.0%

Percentages are based on totals where data was provided and exclude blanks, other non-conforming responses.

As Table 6.11 illustrates, state-assisted housing in Massachusetts serves a diverse group of extremely low income families and individuals, but the extent of the racial and ethnic diversity varies by program. The residents of the state's elderly/disabled public housing are overwhelmingly non-Hispanic White (83%). The 2016 American Community Survey (ACS) estimates that 88 percent of all households headed by someone 65 or over are headed by a non-Hispanic White, as are nearly two-thirds of elders living below the poverty line. There has been a noticeable drop in the non-Hispanic White share of seniors living in poverty in recent years, however; the 2010 1-Year ACS had estimated that over 71 percent of seniors living in poverty were non-Hispanic Whites. The White share of those living in poverty overall also dropped during this period, though the drop was more modest (4% v 7%).

The state's family public housing, privately-owned subsidized inventory and mobile vouchers serve a more diverse population: 60 percent of those living in family public housing are households of color, as are 57 percent of those living in the privately-owned subsidized units and 60 percent of the residents with tenant-based vouchers. Family public housing includes a higher share of three or more bedroom units and serves a higher percentage of families with children, large families and single parent households than the privately owned housing does, but there are so many more units in the privately-owned inventory, it serves many more families.

Characteristics of Residents Receiving Federal Housing Assistance Including Those in Units or with Vouchers Not Covered by Chapter 334

HUD's 2017 Picture of Subsidized Households provides substantially similar information on about 183,000 Massachusetts households that received federal housing assistance that year (**Table 6.12**). As described in the introduction to this section, the major difference is that the HUD data include some 34,000 federal public housing units not covered by the state statute and a total of 83,000 federal housing vouchers, *including* the 22,000 that were covered by the state reporting requirements. It is unknown exactly how many of the roughly 63,000 private developments included in **Table 6.10** (Project-based Section 8 and Sections 202 and 811) also reported to DHCD, but the overlap is clearly substantial.

As is to be expected given the extent of the overlap, the HUD data reveals patterns similar to DHCD's in terms of the race, ethnicity and income of households being served. HUD collects more detailed information on disability status of assisted householders, and family members, documenting that 44 percent of all assisted householders (or their spouses) under age 62 have a disability, as do 42 percent of those over age 62.¹³⁷ As was apparent in the state data, different programs have benefited different types of households. HUD's Section 202 and Section 811 programs are specifically targeted to special populations – Supportive Housing for the Elderly (202) and Supportive Housing for Persons with Disabilities (811).

¹³⁷ DHCD also collects data on units with income deductions for persons with disabilities in applicable state-aided public housing and state rental assistance programs; however, because the deductions only apply to some of DHCD programs (in contrast with the reported HUD programs), the data are not as comprehensive as the HUD data. Under the State Data Collection Act, the state-aided family public housing and MRVP programs apply such a deduction to households with a member with a disability in accordance with 760 CMR 6.05(4)(a) and 760 CMR 49.05(5)(d)(1), respectively. Based on reporting of deductions, sixteen percent of the state family public housing units were identified as serving a household with a tenant with a disability, as were approximately 45 percent of the MRVP vouchers administered by the regional non-profits and approximately 45 percent of those administered by the LHAs.

Table 6.12: Summary of Unit, Resident Characteristics in HUD-Assisted Rental Housing in Massachusetts, 2009 Picture of Subsidized Households

	Summary of All HUD Programs	Federal Public Housing	Housing Choice Vouchers	Project Based Section 8	Section 202	Section 811	S236/BMIR
Subsidized units available	194,522	34,424	91,382	58,375	3,841	973	3,157
% Occupied	94	98	92	96	98	95	NA
# Reported	182,961	33,548	85,303	55,815	3,816	938	1,107
% Reported	100	100	100	100	100	100	NA
% moved in past year	7	7	6	7	10	11	NA
Number of people per unit	1.9	1.9	2.2	1.6	1.1	1	NA
Number of people: total	350,433	63,528	183,712	91,518	4,245	957	NA
Avg Family Expenditure/mo	\$416	\$398	\$441	\$390	\$351	\$293	NA
Avg HUD Expenditure/mo	\$971	\$515	\$982	\$1,282	\$528	\$580	NA
Household income/year	\$17,486	\$17,769	\$17,801	\$16,927	\$15,888	\$12,359	NA
Household income/year per person	\$9,129	\$9,383	\$8,266	\$10,324	\$14,282	\$12,113	NA
% \$1 - \$4,999	5	5	4	5	4	2	NA
% \$5,000 - \$9,999	15	16	16	13	12	36	NA
% \$10,000 - \$14,999	34	36	33	35	36	40	NA
% \$15,000 - \$19,999	16	15	16	18	22	14	NA
% \$20,000 or more	30	28	31	28	25	9	NA
% Households where wages are major source of income	26	26	31	21	2	4	NA
% Households where welfare is major source of income	4	4	4	3	3	0	NA
% Households with other major sources of income	67	67	62	74	95	93	NA
% of local median (Household income)	24	24	23	24	24	19	NA
% very low income	94	92	94	95	98	100	NA
% extremely low income	75	75	75	74	73	92	NA
% 2+ adults with children	4	4	4	3	0	0	NA
% 1 adult with children	27	23	35	17	0	0	NA
% female head	73	67	79	69	69	37	NA
% female head with children	27	24	36	18	0	0	NA
% w disability, among Head, Spouse, Co-head, aged 61 yrs or less	44	46	46	37	33	99	NA
% w disability, among Head, Spouse, Co-head, aged 62 yrs or older	42	53	66	24	7	98	NA
% w disability, among all persons in households	27	31	30	19	7	98	NA
% 24 years or less (Head or spouse)	2	2	1	2	NA	3	NA
% 25 to 49 years (Head or spouse)	36	32	47	25	NA	37	NA
% 51 to 60 (Head or spouse)	22	21	27	15	0	35	NA
% 62 or more (Head or spouse)	40	45	25	58	100	25	NA
% 85 or more (Head or spouse)	5	5	2	10	21	1	NA
% White Non-Hispanic	43	36	43	44	64	72	NA
% Minority	56	64	57	51	30	19	NA
% Black Non-Hispanic	20	21	23	16	12	10	NA
% Asian or Pacific Islander Non-Hispanic	5	7	3	7	7	2	NA
% Hispanic	30	35	30	27	11	7	NA
Average months on waiting list	35	27	42	NA	NA	NA	NA
Average months since moved in	125	117	134	120	85	97	NA
% 0 - 1 bedrooms:	49	57	34	63	100	97	NA
% 2 bedrooms	28	23	34	25	NA	3	NA
% 3+ bedrooms	23	20	32	12	NA	0	NA
% Overhoused	13	9	18	8	NA	2	NA
% in poverty (Census tract)	23	28	20	24	16	14	NA
% minority (Census tract)	47	51	45	47	36	30	NA
% single family owners (Census tract)	26	20	29	24	38	44	NA

Notes: Occupied units as % of available, for vouchers, this is the utilization rate, * Not Hispanic, # Whoever is older, Percentages may not sum to 100 due to rounding. Does not distinguish between units administered by DHCD, local housing authorities and other entities.

Demographic Characteristics of Households Receiving Federal or State Assistance Compared to the Income Eligible Population

The housing resources that are available to assist low income families and individuals in Massachusetts have effectively targeted extremely low income households. These resources also serve a diverse group of households. (This is true of programs that report resident characteristics directly to HUD as well as those that report to DHCD under the Massachusetts Data Collection Act.) **Table 6.13** summarizes the racial and ethnic breakdown of households assisted by major program category from both sources. This table also shows the racial and ethnic breakdown of the Commonwealth’s extremely low and very low income households – the programs’ intended beneficiaries – for comparison. Overall and in most program categories, Black and Latino households are assisted at a higher rate than Whites and Asians, based on each group’s share of extremely low and very low income renter households.

Table 6.13: Distribution of Renter Households Assisted with Federal and State Housing Subsidies by Race/Ethnicity

	White*	Black*	Asian*	Hispanic	All Other
Share of MA ELI (<30%) Renter HHs	56%	12%	6%	23%	3%
Share of MA ELI and VLI Renter HHs (<50%)	58%	12%	5%	22%	3%
<i>Share of HHs assisted:</i>					
in Privately-owned subsidized housing	44%	20%	6%	27%	2%
in State family public housing	40%	16%	6%	37%	1%
in State elderly public housing	83%	4%	4%	8%	1%
in Federal public housing	36%	21%	7%	35%	1%
with State vouchers (mobile and project-based)	40%	24%	1%	34%	1%
with Federal vouchers (mobile and project-based)	43%	23%	3%	30%	1%

Source: 2017 MA State Data Collection Reports and HUD’s 2017 Picture of Subsidized Households, 2010-2014 American Community Survey-based CHAS tabulations. *Indicates “race alone” (not Hispanic).

Table 6.14 arrays the housing assistance programs in a similar way to illustrate their effectiveness at targeting the lowest income households. Of renter households earning no more than 80 percent of the area median income – those income eligible for housing assistance – nearly half (49%) are extremely low income, 26 percent are very low income and 25 percent are low income. Table 6.12 shows that all of the major categories of housing assistance overwhelmingly benefit extremely low income households. While a similar breakdown is not available for federal public housing or for federal housing vouchers *not* covered by the MA Data Collection Law, the Picture of Subsidized Households reports that 53 percent of all federal voucher holders in MA earned less than \$15,000 in 2017, as did 57 percent of households living in federal public housing; 69 percent of voucher households and 72 percent of federal public housing households had incomes of less than \$20,000 annually.¹³⁸

¹³⁸ The PSH reports that 75 percent of households served by federal public housing are ELI and 92 percent are ELI and VLI combined; low income (<80%) is not reported. The comparable figures for federal Housing Choice Vouchers are 75 percent and 94 percent.

These findings – the demographic and income characteristics of households receiving state and federal housing assistance -- have changed little over the decade since DHCD began monitoring. While the available housing resources fall far short of need, the Commonwealth’s programs – those funded and administered by the state as well as those funded by the federal government – continue to do an effective job of targeting assistance to those most in need.

Table 6.14: Distribution of Renter Households Assisted with Federal and State Housing Subsidies by Income Category

	% ELI	% VLI	% LI
Share of Income Eligible (</= 80% AMI) Renter HHS by Income Category	50%	26%	24%
<i>Share of HHS assisted:</i>			
in Privately-owned subsidized housing	65%	19%	17%
in State family public housing	84%	12%	4%
in State elderly/disabled public housing	86%	12%	2%
with mobile vouchers covered by MA Data Reporting Requirements	82%	15%	3%
with project based vouchers covered by MA Data Reporting Requirements	86%	10%	4%

Source: 2017 MA State Data Collection Reports and HUD’s 2017 Picture of Subsidized Households, 2010-2014 American Community Survey-based CHAS tabulations.

Does not include federal Housing Choice Vouchers administered by Local Housing Authorities, which represent about three-quarters of the federal vouchers in use in MA.

Location of Subsidized Housing

Table 6.15 summarizes the distribution, by region, of housing assistance reported for 2017 under the Massachusetts Data Collection Act. This table demonstrates that the distribution of housing assistance (units and vouchers) closely reflects the distribution of need, based on each region’s share of the state’s extremely low and very low income renter households. The Boston region, however, with its substantial inventory of older public housing and subsidized housing created under the Great Society programs of the 1960s and early 1970s – and its strong network of experienced for-profit and nonprofit affordable housing developers – provides a disproportionate share of the state’s subsidized “bricks and mortar.”

Table 6.15: Distribution of Renter Households with Federal and State Housing Subsidies by Region

	Berkshire	Boston	Cape & Islands	Central	Northeast	Pioneer Valley	Southeast	MA
% of State's ELI and VLI Renters	2%	48%	2%	11%	12%	12%	13%	100%
% of State Public Housing Units	2%	44%	2%	9%	16%	12%	14%	100%
% of Privately-owned Subsidized Units	2%	54%	3%	9%	10%	13%	9%	100%
% of State Rental Assistance	1%	44%	5%	8%	12%	17%	13%	100%
% of Federal Public Housing Units	1%	55%	1%	9%	6%	9%	18%	100%
% of Federal Housing Vouchers*	2%	48%	2%	9%	12%	13%	13%	100%
% of Public/Subsidized Units [^]	2%	52%	2%	9%	11%	12%	12%	100%
% of Total Housing Assistance [^]	2%	50%	2%	9%	11%	13%	12%	100%

* All MA federal vouchers including those administered by the regional non-profits on DHCD's behalf

[^] Includes just those programs/resources included in 2017 reporting

Source: 2017 MA State Data Collection Reports and HUD's 2017 Picture of Subsidized Households, 2010-2014 American Community Survey-based CHAS tabulations.

Assisted Rental Housing in Areas of Concentrated Poverty

The 2017 data collected by DHCD was also analyzed by census tract to determine the extent to which assisted housing is concentrated in high poverty areas, in particular, racially concentrated high poverty areas and the degree to which such concentration differs by tenant, program or unit characteristics. As described in Section 4, a census tract is considered a racially or ethnically concentrated area of poverty (R/ECAP) if the majority of residents are people of color *and* its poverty rate is the lower of 40 percent or three times the average tract rate for the metropolitan or micropolitan area in which it is located. The same threshold is used for identifying high poverty tracts where the majority of residents are non-Hispanic White (called WCAPs). These are both very high thresholds.

As discussed in Section 4, just 91 of the more than 1,450 populated census tracts in Massachusetts meet this high poverty threshold. Of these, 67 are racially concentrated. Only 11 municipalities have any tracts identified as R/ECAPs, and only 9 have majority White concentrated poverty tracts. These pockets of poverty are highly concentrated in just a handful of cities. Boston, Springfield and Worcester, which together represent less than 15 percent of the state's total population, are home to two-thirds of the population that lives in concentrated poverty census tracts. Lawrence and Holyoke, which together represent less than two percent of the state's population, are home to more than 9 percent of the

concentrated poverty population. The effect of decisions made decades ago that led to the creation of tens of thousands of units of public and subsidized housing in low income urban areas is addressed in Sections 3 and 4.

The share of assisted housing that is in high poverty areas and the share of housing vouchers that are used in such areas are summarized in **Table 6.16**. Twenty-six percent of the state’s privately-owned subsidized housing is located in high poverty census tracts (21.6% in racially/ethnically concentrated areas – R/ECAPs – and 4.4% in majority White tracts). The state-funded public housing is much less concentrated, with 5.4 percent in high poverty areas overall (4.2% in racially concentrated areas). There is considerable difference, however, between the family inventory and the elderly/disabled inventory, with 12.5 percent of the state’s family public housing in R/ECAPs (and 0.5% in majority White high poverty tracts) compared to 2.3 percent of the elderly/disabled housing (0.8% in R/ECAPs, 1.5% in majority White high poverty tracts). The assisted housing that is most heavily concentrated in R/ECAPs, and high poverty areas generally, is the federal public housing inventory. Over half (51.7%) of the unrestricted (family) federal units are in areas of concentrated poverty (40.6% in R/ECAPs and 10.1% in majority White CAPs) as are 27 percent of the elderly federal developments (25.0% in R/ECAPs, 2.0% majority White).

Table 6.16: Rental Housing Assistance in Areas of Concentrated Poverty

	Total Units/Vouchers Included in Analysis (in thousands)	Percent of units in...				Total Extreme Poverty (40%+) R/ECAPs	Extreme Poverty (40%+) Maj. White CAPs
		Total High Poverty	R/ECAPs	Maj. White CAPs	Total Extreme Poverty (40%+)		
Privately-owned Subsidized Housing	98.5	26.0%	21.6%	4.4%	15.5%	13.6%	1.9%
MA State Public Housing	39.6	5.4%	4.2%	1.2%	3.4%	2.7%	0.6%
<i>MA State Public Housing - elderly/disabled</i>	<i>27.1</i>	<i>2.3%</i>	<i>0.8%</i>	<i>1.5%</i>	<i>1.2%</i>	<i>0.3%</i>	<i>0.9%</i>
<i>MA State Public Housing - family/unrestricted</i>	<i>12.1</i>	<i>12.5%</i>	<i>12.0%</i>	<i>0.5%</i>	<i>8.3%</i>	<i>8.3%</i>	<i>0.0%</i>
<i>MA State Public Housing - special needs</i>	<i>0.4</i>	<i>3.0%</i>	<i>1.1%</i>	<i>1.9%</i>	<i>3.0%</i>	<i>1.1%</i>	<i>1.9%</i>
All Federal Housing Choice Vouchers	84.4 [^]	14.1%	12.2%	1.9%	7.9%	7.4%	0.5%
MA Rental Vouchers	8.1	18.6%	16.3%	2.3%	11.9%	11.2%	0.8%
Federal Public Housing	34.4 [*]	37.9%	32.1%	5.8%	24.5%	24.3%	0.2%
<i>Federal Public Housing - elderly/disabled</i>	<i>17.6</i>	<i>27.0%</i>	<i>25.0%</i>	<i>2.0%</i>	<i>20.5%</i>	<i>20.2%</i>	<i>0.3%</i>
<i>Federal Public Housing - family/unrestricted</i>	<i>16.3</i>	<i>50.7%</i>	<i>40.6%</i>	<i>10.1%</i>	<i>29.7%</i>	<i>29.5%</i>	<i>0.2%</i>

Source: 2017 MA State Data Collection Reports and HUD’s 2017 Picture of Subsidized Households

* Includes federal vouchers allocated to DHCD and administered by the 8 regional nonprofit agencies; excludes vouchers for which census tract was not available ^ Total is greater than sum of elderly and family units. In two cases, HUD reported combined data for clusters of family and elderly developments.

Tenants with Vouchers Cluster in High Poverty Areas

The housing choice voucher (HCV) program is the federal government's major program for assisting very low-income families, including the elderly, and those with disabilities, to rent decent and affordable housing in the private market. Since housing assistance is provided on behalf of a family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. A voucher holder is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. One of the expressed goals of the HCV program is to help poor households break out of the cycle of poverty by locating in neighborhoods with numerous opportunities for gainful employment, good schools, and racial and ethnic integration.

The 2017 data collected by DHCD under the Massachusetts Data Collection Act and that collected by HUD for its Picture of Subsidized Households document that many voucher holders do, in fact, use their vouchers to secure housing in areas that are not high-poverty. Indeed, of more than 1,450 populated census tracts in Massachusetts, only 61 did not have at least one voucher in use in 2017. The comparable number – still impressive – in 2009 was 151. **Table 6.14** also documents where tenant vouchers, the subject of the following section, are being utilized. This breadth of distribution notwithstanding, voucher utilization remains highly concentrated in high poverty areas. As several advisory committee members and others in the advocacy community have observed, this is due in part to the voucher rent limits and in part due to the number of owners willing to accept vouchers. (**See Inset 6.2.**)

More than 14 percent of households with tenant-based HCVs used their voucher to rent a home in a high poverty census tract, nearly all (12.2%) in a racially/ethnically concentrated tract, but as **Table 6.17** illustrates, there is substantial variation by race and ethnicity. Just 6.5 percent of White voucher holders rented in high poverty areas (3.4% in R/ECAPs, 3.1% in high poverty White areas) compared to 26.8 percent of Hispanic voucher holders (22.7% in R/ECAPs, 4.1% in majority White high poverty areas). The corresponding figures for Blacks and Asians were 14.9 percent and 14.4 percent (with 12.8% and 11.6% respectively in R/ECAPs).

Table 6.17 also depicts the substantial share of vouchers being utilized in areas that are very low income, even though they do not rise to the “3 times the average poverty rate, or 40 percent threshold” required to be considered high, or concentrated, poverty under the HUD definition. A “very low income” census tract is one in which the median family income (MFI) is less than 50 percent that of the MSA.¹³⁹ The final point this table makes is that voucher holders in all of the major racial/ethnic groups are *more likely* than other members of their income group to live in high poverty or very low income areas. While the share of White households living in low income or high poverty census tracts is much lower than it is for the other racial/ethnic groups, the disparity is much greater for White voucher holders (that is, they are much more likely than other White households in the same income group to live in high poverty areas).

¹³⁹ This is a generally accepted definition of a low-income area under the Community Development Block Grant, Home Mortgage Disclosure Act (HMDA) and Community Reinvestment Act (CRA) rules although what the 50 percent threshold is called differs from program to program. The 50 percent threshold is called low-income (and 80 percent moderate-income) under these programs, but it is more widely accepted now as “very low,” consistent with federal Section 8 definitions.

Housing Vouchers and Affordability

Rental assistance works to narrow the gap between the listed rental price and what households can afford to pay, based on federal income guidelines. The Massachusetts rental voucher program, funded through the state operating budget, supports both tenant-based and project-based vouchers. Mobile vouchers issued under the federal Housing Choice Voucher program represent only one of the types of rental assistance available in Massachusetts; in addition to Section 8 project-based vouchers, the Federal government supports certain long-term project-based Section 8 rental assistance contracts, as well as rental assistance targeted to households with disabilities under the Section 811 program, while the Massachusetts rental voucher program, funded through the state operating budget, supports both tenant-based and project-based vouchers. About 75% of the federal Housing Choice Vouchers in Massachusetts are administered by local housing authorities, rather than DHCD.

DHCD is in the process of developing a voucher management system that will, for the first time, provide more detailed, up-to-date information regarding utilization of tenant-based vouchers under state programs. Because the best currently available data relates to mobile vouchers issued through DHCD under its Housing Choice Voucher program, and because DHCD is one of a small number of agencies nationwide authorized by HUD to exercise certain program flexibility under the “Moving to Work” program, this section focuses exclusively on DHCD’s mobile HCVs as a subset of rental assistance programs. However, the related data on housing affordability in general is relevant to all rental assistance programs. The data reveals persistent gaps between the amount of assistance offered combined with the amount a household can afford to pay, and the cost of rent, particularly in regard to three protected classes; family status, race, and disability.

Fair Market Rent and Housing Affordability

As noted in Section 2, income differences and varying housing costs across Massachusetts make affordability difficult to define, as “affordability” in many ways is a local issue. In an effort to more closely represent this, HUD recognizes 19 separate Fair Market Rent (FMR) Areas, or HUD Metro FMR Areas (HMFAs), in Massachusetts. HUD’s calculation of FMR is intended to determine rents at the 40th or 50th percentile point within the rent distribution of standard-quality rental housing units in each geographic region. FMRs are used to determine payment standards for the Housing Choice Voucher program, as well as rent levels in certain other federal housing assistance programs.¹⁴⁰ The determination of “Fair Market Rent” is not a determination of fairness or equity; rather, it is a calculation of prevailing rents in a particular geography for standard, non-luxury, non-subsidized housing units. For this purpose, “rent” means the amount charged by the landlord plus a reasonable allowance for any utilities not included in that amount. **Inset 6.2** describes a study undertaken at DHCD’s request to inform the development of its housing mobility program. Among other things, this study looked at

¹⁴⁰ HUD utilizes the same regional boundaries in determining income limits for a variety of HUD programs, based on estimates of the median family income in each region, as well as the income thresholds for what is considered “extremely low income” (30 percent of area median income, also referred to as AMI), “very low income” (50 percent of AMI), and “low income” (80 percent of AMI). All HUD income calculations are adjusted for household size.

the impact of using Small Area Fair Market Rent (SAFMR), a calculation of FMR based on zip codes rather than HMFAs. DHCD is considering the implications of this study.

Inset 6.2: Massachusetts 2017 Rental Market Analysis for DHCD Voucher Holders

In 2017, at the request of DHCD, The American City Coalition (TACC) undertook a rental market analysis to inform the development of a pilot housing mobility program. They sought to understand:

- The geography of the opportunity areas across Massachusetts, based on select indicators of neighborhood opportunity; and
- The availability and cost of rental housing that could be accessed by DHCD's Moving to Work (MTW) Housing Choice Voucher (HCV) holders in select opportunity areas.

TACC based its assessment on a synthesis of rental market data and neighborhood indicators from multiple sources, including: DHCD's administrative data on Moving to Work (MTW) voucher households, Diversitydatakids.org's Child Opportunity Index (COI), prepared by the Kirwan Institute, HUD's Affirmatively Furthering Fair Housing indices and Small Area Fair Market Rents (SAFMRs), the American Community Survey data, and TACC's own online rental listing research. The HUD SAFMRs are HUD's calculation of FMR for ZIP Codes rather than for HUD Metro FMR Areas. The DHCD dataset included de-identified information on nearly 16,000 current voucher households. The final dataset of over 27,000 unique apartment listings included data such as listing date, location, number of bedrooms, and listing price. Each unit listing was geocoded to identify the census tract and to pair with the COI, AFFH indices, and ACS rental data.

This assessment used a comprehensive neighborhood opportunity index developed for Diversitydatakids.org by the Kirwan Institute Index (the COI), which included 19 indicators that measure opportunity across three core areas known to be critical for healthy child development and positive life outcomes: quality educational settings, health and environment, and social and economic environments. The assessment used the COI for the Commonwealth's four major metropolitan areas: Boston, Springfield, Worcester, and Providence (Bristol County). The assessment also included five composite neighborhood measures from HUD's AFFH Tool: low-poverty, labor market, school proficiency, environmental health, low-cost transportation, and transportation trips.

DHCD hoped the study might identify:

- What the geographic distribution of higher opportunity areas across the Commonwealth was
- What the geographic distribution of current voucher utilization was
- What the distribution of units affordable to voucher holders using current DHCD payment standards across higher opportunity areas was, and
- What the distribution of units affordable to voucher holders using HUD's proposed Small Area FMR payments might be.

The TACC regions closely corresponded to the regions used in this AI, but with MetroWest (Southern Middlesex Opportunity Council region) as a distinct region carved out of the Central and Greater Boston regions. TACC's analysis of all available housing units listed online through websites like Craigslist for October 2017 revealed a total of over 26,000 available units, only a quarter of which were affordable for voucher holders assuming a voucher payment standard equal to the HUD SAFMR. Just half that number were affordable at the (then) current DHCD payment schedule. Only 13 percent of the units available statewide at the SAFMRs were located in areas that ranked high or very high on the Kirwan index, and fewer than 4 percent were available at the DHCD payment standard. The MetroWest region had the largest percentage of affordable units in areas that ranked highest on the index, at almost 37 percent.

Available Units w High/Very High Scores on the Kirwan COI available at/under DHCD Payment Standard

Region	Total Listings	High/ Very High Listings		High / Very High at the Payment Standard*	
		Count	Percent	Count	Percent
Northeast	4,135	809	19.6%	93	11.5%
Pioneer Valley	1,282	830	64.7%	361	43.5%
Greater Boston	16,962	9,767	57.6%	2,506	25.7%
Central	1,670	655	39.2%	195	29.8%
MetroWest	1,193	725	60.8%	266	36.7%
Southeast	1,129	453	40.1%	112	24.7%
Total	26,371	13,239	50.2%	3,533	13.4%

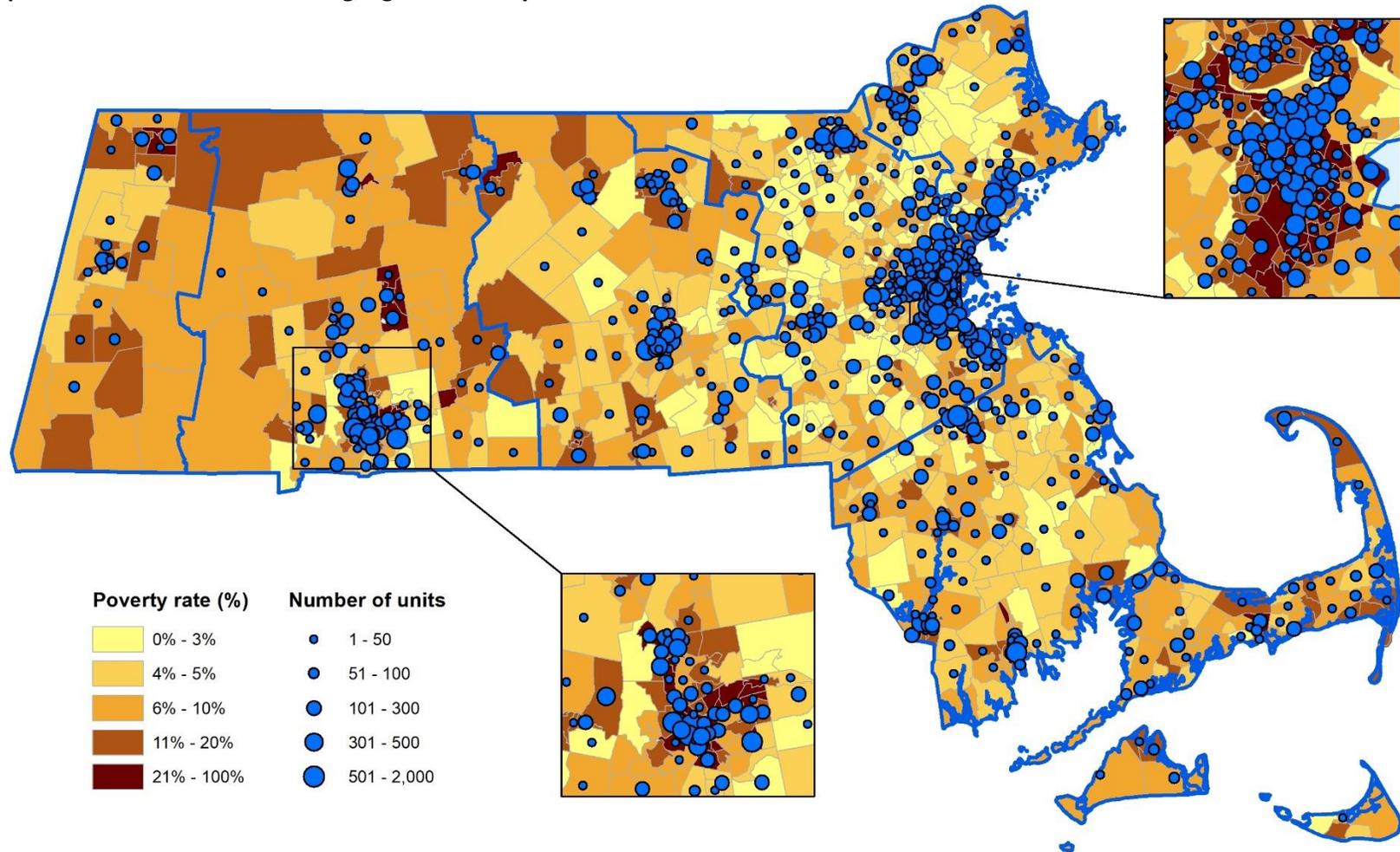
Source: The American City Coalition, Massachusetts Rental Market Analysis for DHCD Voucher Holders, 2017

TACC also looked at where voucher recipients needing 3 bedroom apartments were living. As noted elsewhere in the AI, families have reported difficulty in finding apartments in areas of interest that were large enough and that would accept vouchers. The report found that only 18 percent of the voucher holders living with children in units that had three or more bedrooms (statewide) were in areas with moderate to very high levels of access on the Kirwan COI. The MetroWest region has the largest number of three-bedroom apartments in areas that scored highly on the Kirwan COI, at 52 percent. The Northeast had the fewest such units, at 10 percent.

These figures suggest the higher costs and limited availability of larger units in areas that scored highly across the Kirwan Institute’s COI may prevent families with vouchers from accessing housing appropriate to their needs. In particular, this data suggests that families with children are limited in where they can find a three-bedroom apartment.

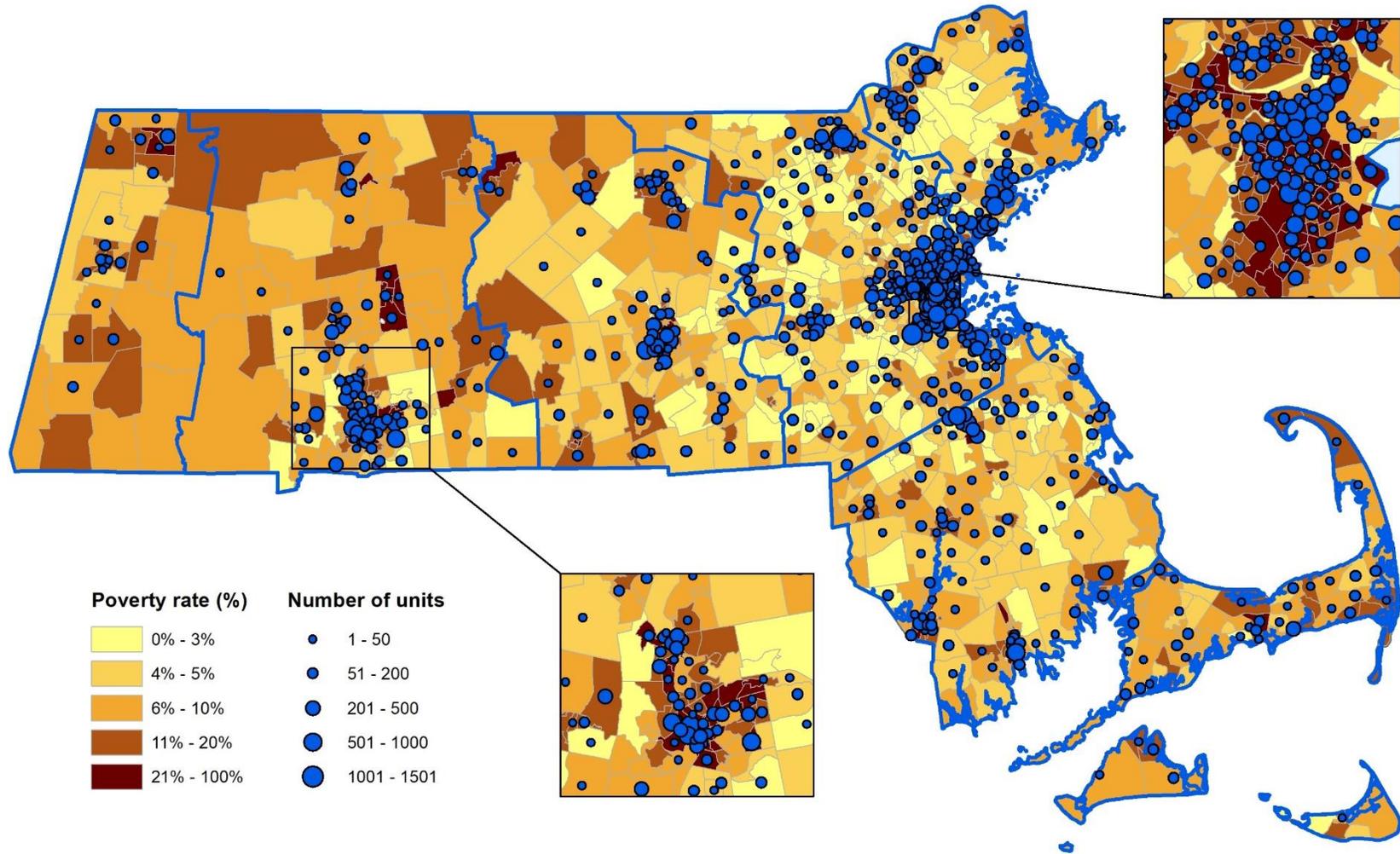
Maps 6.1-6.8 graphically illustrate voucher utilization across the state. These maps depict the distribution, by race of the voucher holder, of federal Housing Choice vouchers (and Section 8 certificates) reported in HUD’s 2017 Picture of Subsidized Households, including those allocated to DHCD.

Map 6.1: Private Subsidized Housing, Against Poverty Level of Census Tract



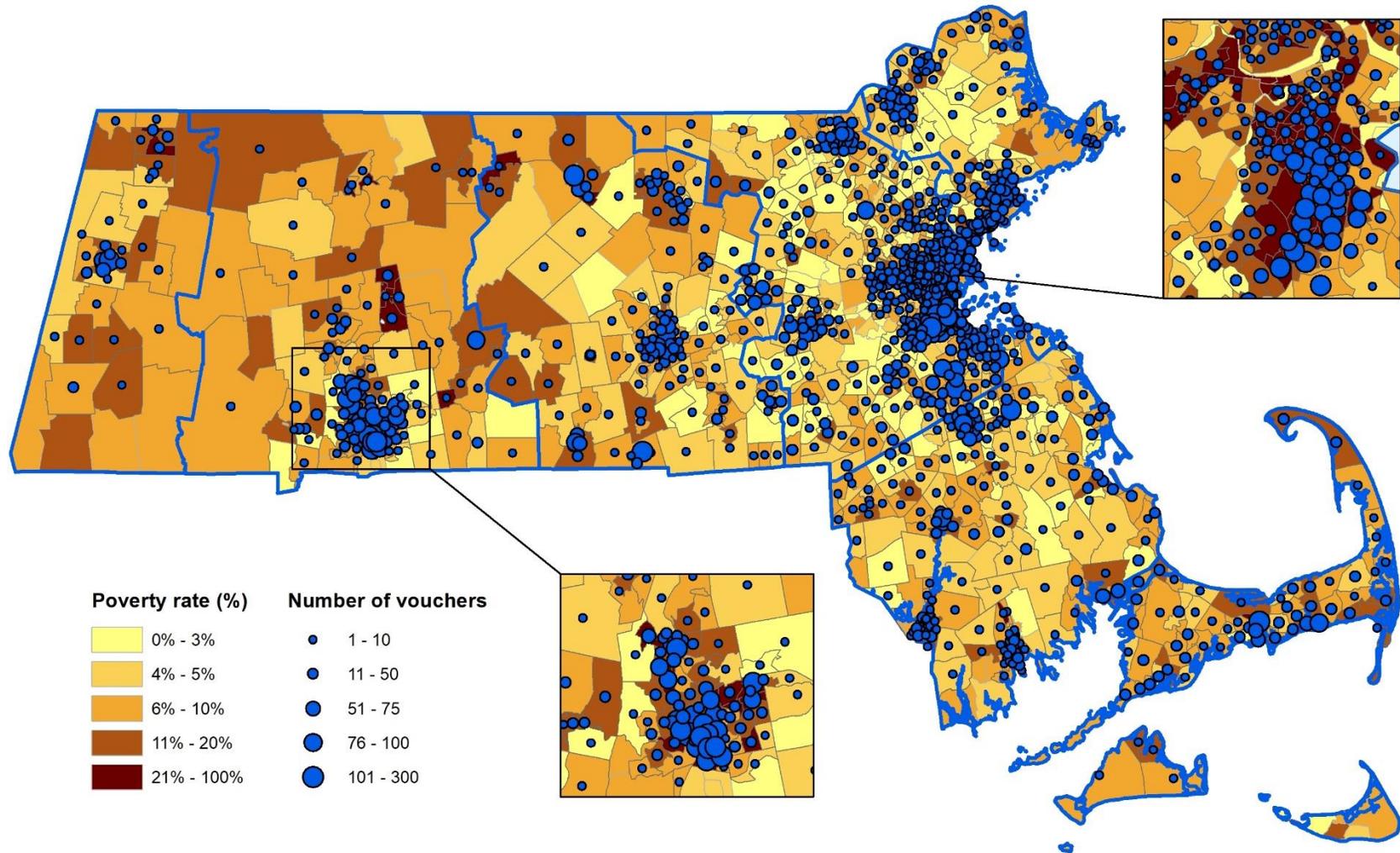
Source: Calculations by Bonnie Heudorfer, based on DHCD's Data Collection for Government Assisted Housing in Massachusetts, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Map 6.2: State Public Housing, Against Poverty Level of Census Tract



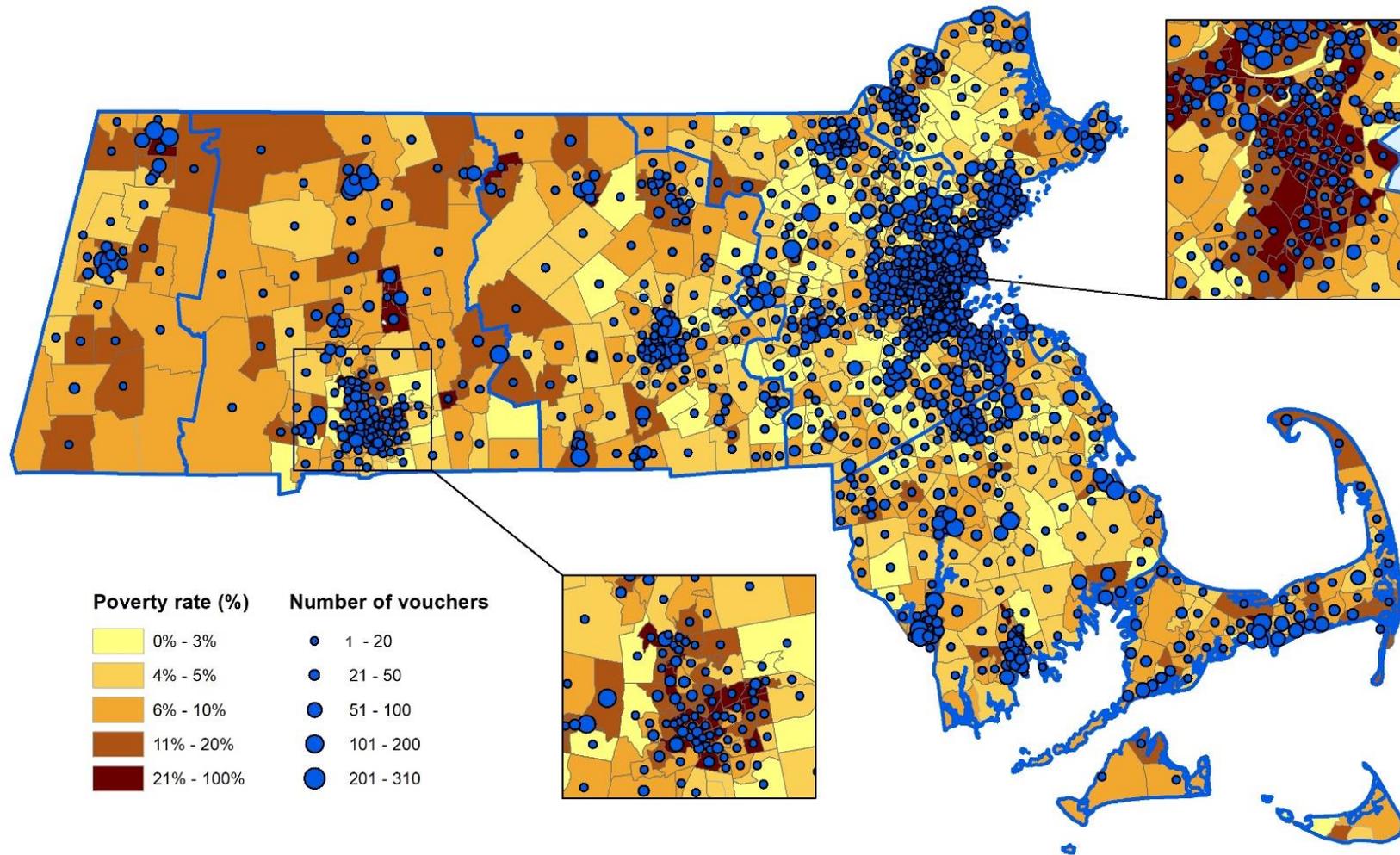
Source: Calculations by Bonnie Heudorfer, based on DHCD's Data Collection for Government Assisted Housing in Massachusetts, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Map 6.3: Tenant-Based Rent Vouchers in Use, 2017, Against Poverty Level of Census Tract
Includes only vouchers covered by the MA Data Collection Act.



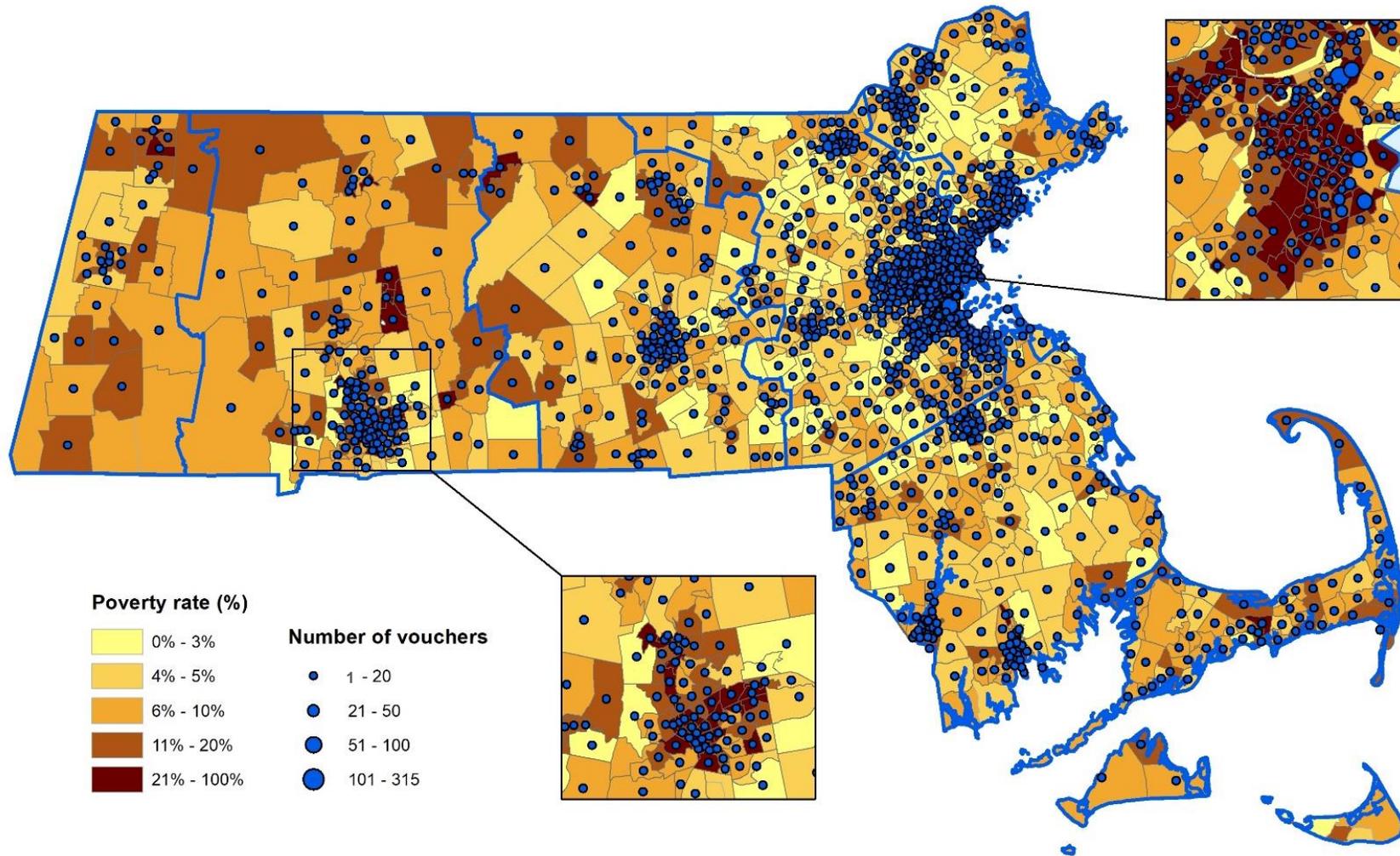
Source: Calculations by Bonnie Heudorfer, based on DHCD's Data Collection for Government Assisted Housing in Massachusetts, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Map 6.4: Vouchers Used by White Households, Against Poverty Level of Census Tract
Includes those administered by LHAs



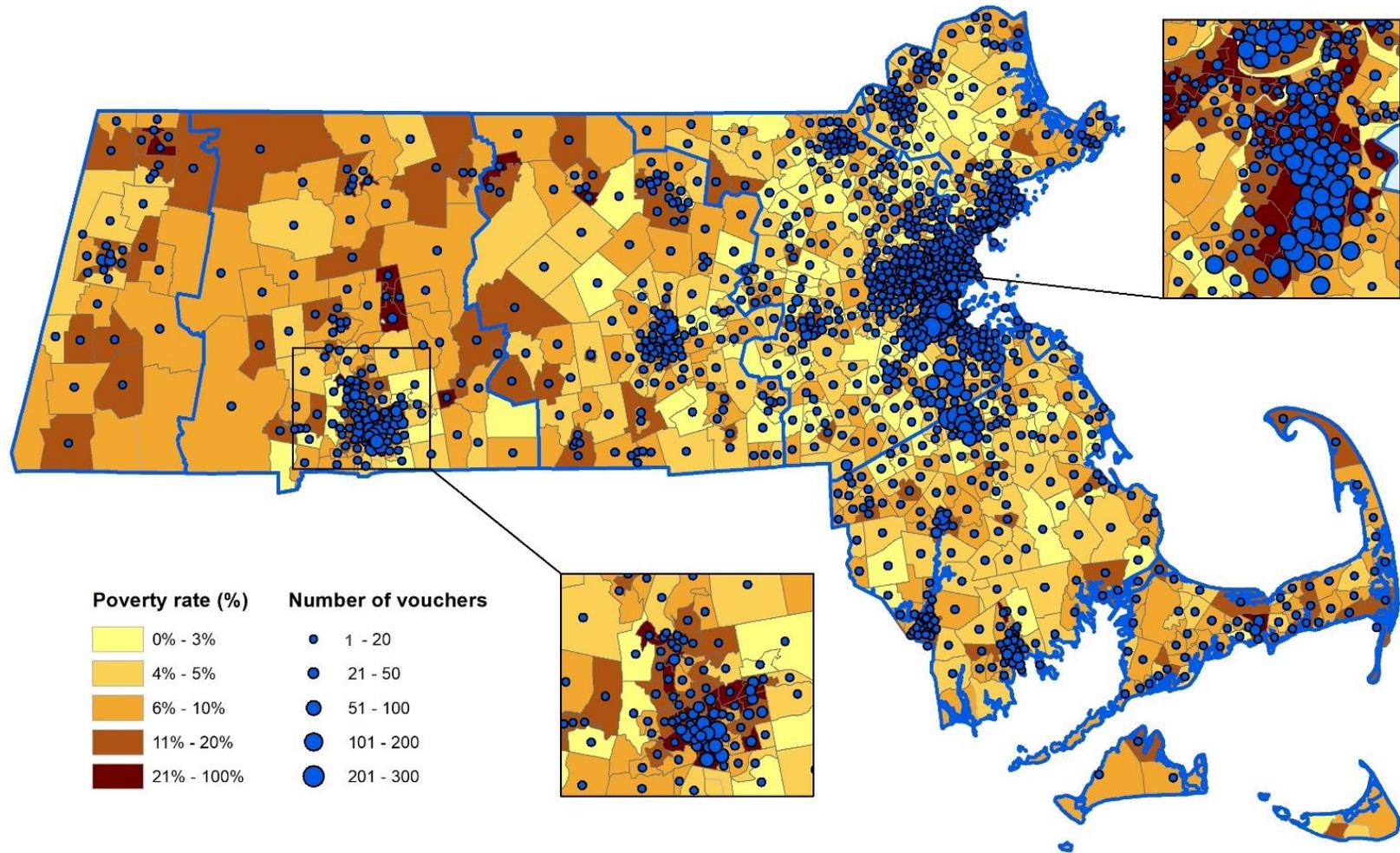
Source: Calculations by Bonnie Heudorfer, based on HUD's Picture of Subsidized Households, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Map 6.5: Vouchers Used by Asian Households, Against Poverty Level of Census Tract
Includes those administered by LHAs



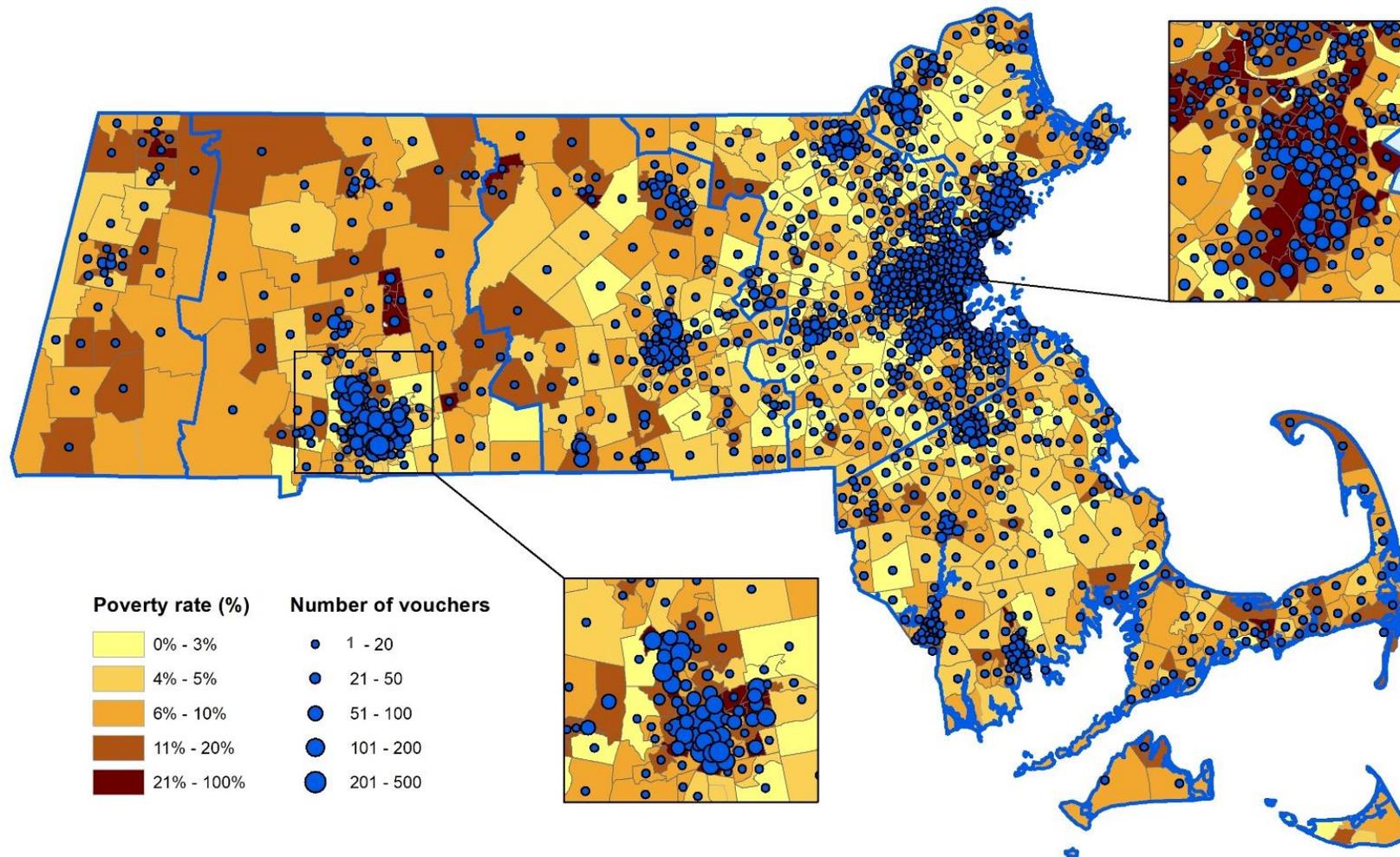
Source: Calculations by Bonnie Heudorfer, based on HUD's Picture of Subsidized Households, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Map 6.6: Vouchers Used by Black Households, Against Poverty Level of Census Tract
Includes those administered by LHAs



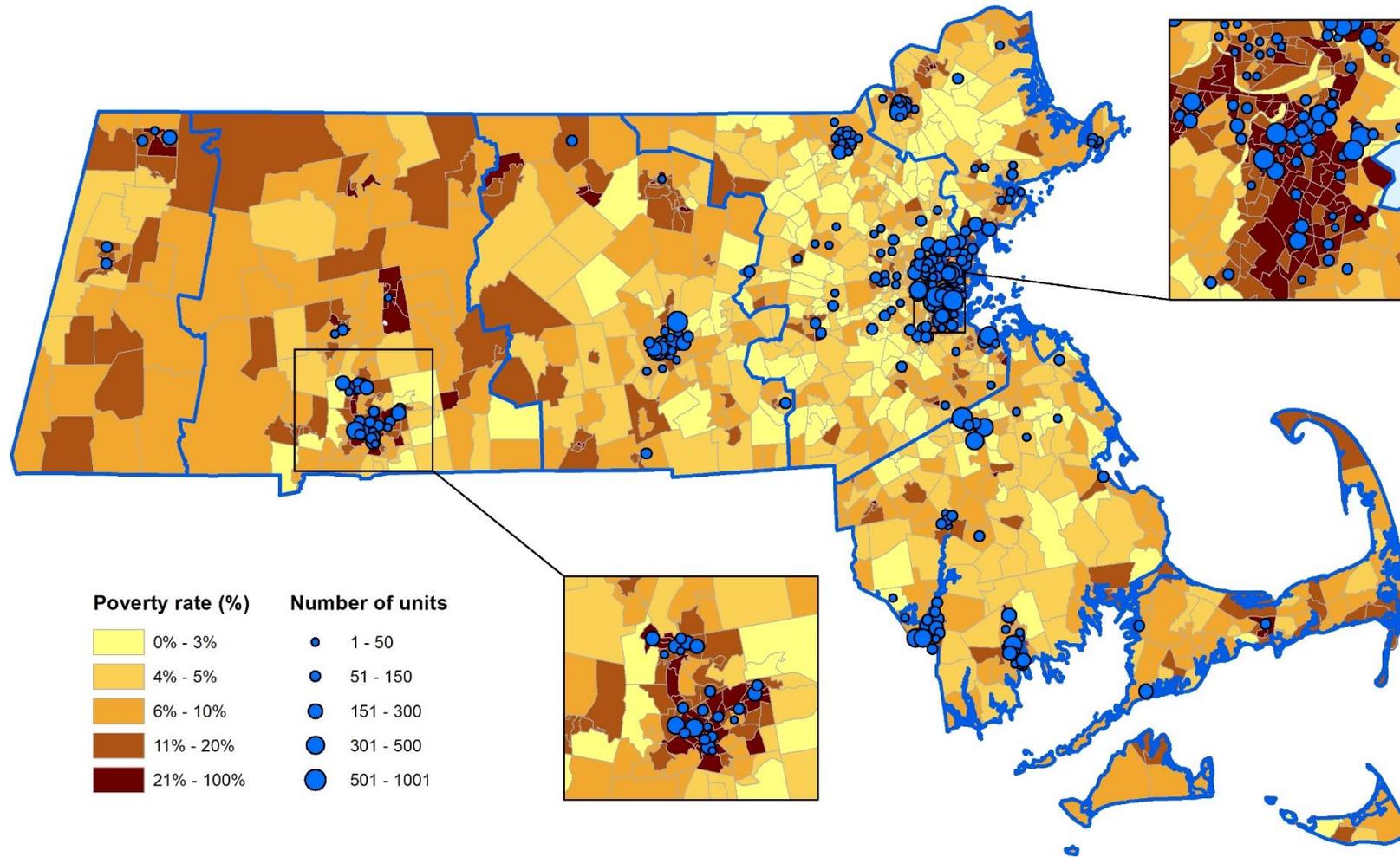
Source: Calculations by Bonnie Heudorfer, based on HUD's Picture of Subsidized Households, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Map 6.7: Vouchers Used by Hispanic Households, Against Poverty Level of Census Tract
Includes those administered by LHAs



Source: Calculations by Bonnie Heudorfer, based on HUD's Picture of Subsidized Households, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Map 6.8: Federal Public Housing, Against Poverty Level of Census Tract



Source: Calculations by Bonnie Heudorfer, based on HUD's Picture of Subsidized Households, 2017 (number of units) and 5-year ACS, 2016 (poverty rate). UMDI mapping.

Table 6.17: Housing Choice Voucher Utilization by Race by Location in High Poverty Areas

	Share of Population, Voucher Holders in High Poverty/VLI Census Tracts					Share of Voucher Holders in High Poverty/VLI Census Tracts v Share of Population			
	White*	Black*	Asian*	Hispanic	Total	White*	Black*	Asian*	Hispanic
% of total MA population living in concentrated high poverty census tracts (R/ECAPs and Maj White CAPs)	1.9%	15.6%	6.0%	16.5%	4.7%				
% of total MA population living in <i>racially/ethnically</i> concentrated high poverty census tracts (R/ECAPs)	1.0%	14.0%	3.9%	15.2%	3.6%				
% of total MA population living in majority White concentrated high poverty census tracts (White CAPs)	0.9%	1.5%	2.1%	1.3%	1.1%				
% of federal voucher holders living in high poverty census tracts	6.7%	16.8%	6.9%	23.8%	14.1%	3.53	1.08	1.15	1.44
% of federal voucher holders living in R/ECAPs	4.3%	14.7%	5.2%	22.6%	12.2%	4.30	1.05	1.33	1.49
% of federal voucher holders living in majority White CAPs	2.4%	2.0%	1.6%	1.3%	1.9%	2.67	1.33	0.76	1.00
% of federal voucher holders living in ELI/VLI census tracts	4.1%	31.8%	11.2%	36.9%	10.1%	2.17	2.04	1.87	2.24
% of federal voucher holders living in White minority ELI/VLI census tracts	2.4%	29.4%	10.3%	33.1%	8.1%	2.44	2.10	2.64	2.18
% of federal voucher holders living in majority White ELI/VLI census tracts	1.7%	2.4%	0.9%	3.9%	2.0%	1.86	1.60	0.44	2.97

Source: 2017 MA State Data Collection Reports and HUD's 2017 Picture of Subsidized Households, population and poverty data based on 2016 5-Year American Community Survey, Tables 17001-B-D-H-I. Includes population in households for whom poverty status was determined.

Public and Subsidized¹⁴¹ Housing Offering Units with 3 (or More) Bedrooms

Ten Massachusetts cities account for over 62 percent of the assisted units with 3 or more bedrooms: Boston, Springfield, Worcester, New Bedford, Cambridge, Holyoke, Lowell, Lawrence, Fall River, and Brockton. They account for 48 percent of the assisted units with 0-2 bedrooms. In half of these cities, people of color predominate. Communities with no large units (those with 3 or more bedrooms) in their public or subsidized inventory do provide more than 4,000 smaller units, often specifically restricted to seniors or those with disabilities.

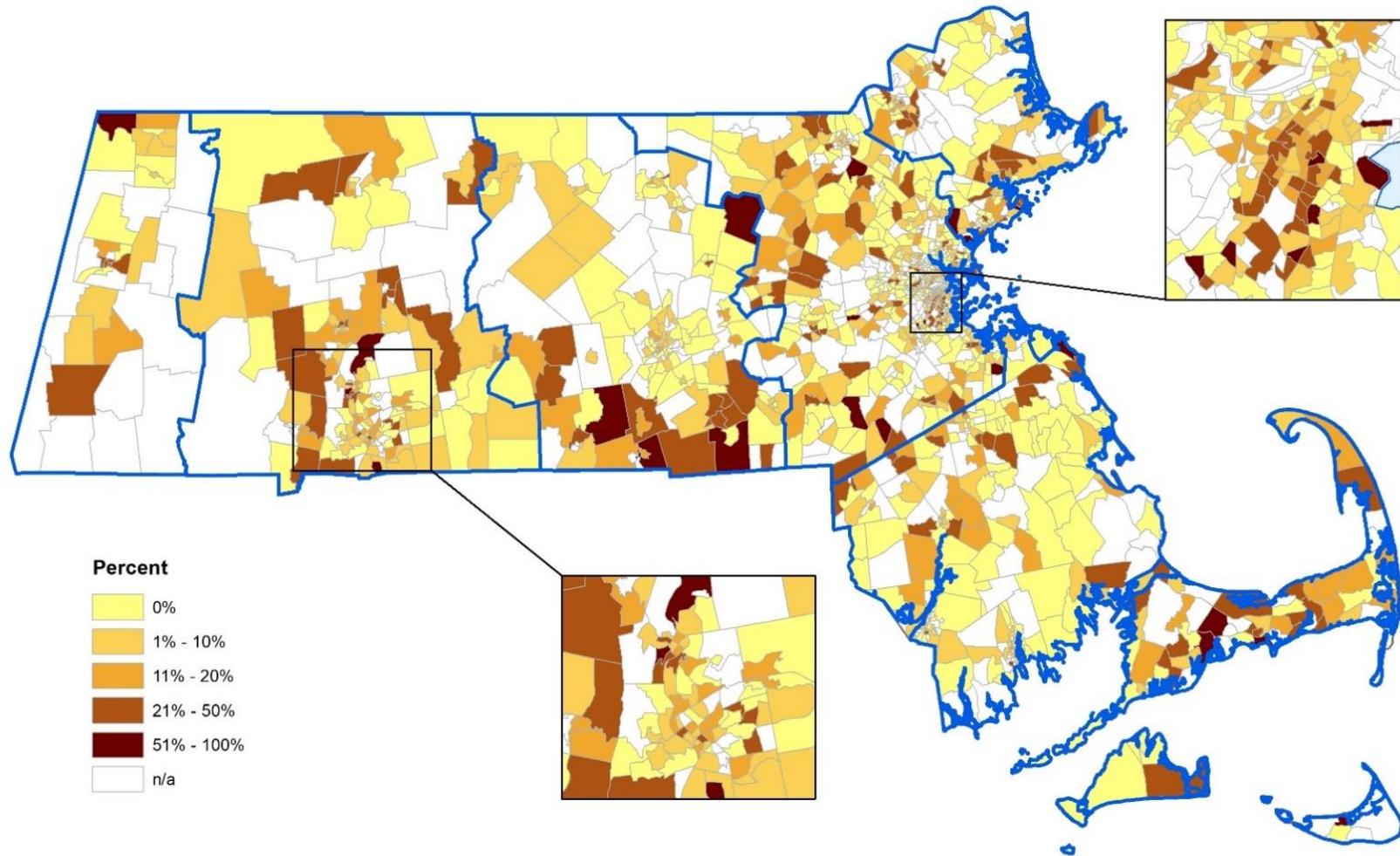
This concentration notwithstanding, nearly three quarters (260) of Massachusetts cities and towns include public or subsidized rental housing developments, and over three quarters of these include larger (3+ bedroom) units in their assisted inventory. This is a remarkable record, considering that more than 21 percent of the Commonwealth's municipalities have fewer than 3,000 residents – and half of these have fewer than 1,500 residents. The breadth of state's assisted housing network is the result of more than 50 years of policies and resources aimed expanding the supply and improving the distribution of affordable housing statewide. Massachusetts was the first state in the nation – and remains one of the few – with a mechanism (MGL Ch. 40B) providing a limited override of local zoning, if necessary, to create low-income housing. In the 1980s, when the state public housing resources were in high demand for the production of housing for seniors in suburban and rural towns, DHCD often conditioned approval on the community's willingness to include family housing or housing for those with disabilities.

Currently, sponsors who seek to build affordable senior housing are advised that DHCD will evaluate each community's prior support for affordable family housing before funding age-restricted units. Family housing production in neighborhoods and communities that provide access to opportunities, including, but not limited to, jobs, transportation, education, and public amenities is a priority category in the state's 2018-2019 Qualified Allocation Plan. DHCD requires that at least 65 percent of the units in a project must include two or more bedrooms, and at least 10 percent must be three-bedroom units, unless that percentage of two-bedroom or three-bedroom units is infeasible or unsupported by public demand.

Map 6.9 documents the percentage of each municipality's assisted housing developments – federal public housing as well as the state public housing and privately-owned subsidized units covered by the Massachusetts Data Collection Act – that include three or more bedrooms. The data are depicted on Map 6.5 and are summarized on **Table 6.18**.

¹⁴¹ "It is important to note that Subsidized housing" in this context refers to state and federally funded housing, not housing that satisfies the broader definition of "subsidy" for purpose of the SHI and c. 40B.

Map 6.9: Three or More Bedroom Units as a Percent of Subsidized Housing
Includes only housing units covered by the MA Data Collection Act and Federal Public Housing



Source: DHCD's Data Collection for Government Assisted Housing in Massachusetts, 2017 and HUD's Picture of Subsidized Households, 2017

Table 6.18: Units with 3 or More Bedrooms as a Percent of Municipality’s Public and Subsidized Rental Housing

Region	Number of Communities in Region	Number with Assisted Units	Total Number of Assisted Units (000s)	Number with 3 BR Units	Total Number of 3 BR Units in Assisted Developments (000s)
Berkshire	32	10	3.2	9	0.5
Cape & Islands	23	19	3.4	16	0.4
Central	60	47	13.6	30	2.0
Greater Boston	86	78	82.8	67	12.5
Northeast	34	29	17.8	24	2.2
Pioneer Valley	69	31	20.5	24	3.5
Southeast	47	46	18.8	28	2.3
MASSACHUSETTS	351	260	160.1	198	23.5

Source: Source: Source: 2017 MA State Data Collection Reports and HUD’s 2017 Picture of Subsidized

Note: Unit totals shown here (in thousands) differ from those presented elsewhere in the AI. This analysis captures about 93 percent of state and federal public housing and privately-owned subsidized units reported in 2017. It is based on entries with complete geographic identifiers and bedroom count. A small number of units in census tracts that cover two or more municipalities were also excluded.

Publicly Assisted Housing: The Safety Net for Low Income Renters

Massachusetts, with some of the highest housing costs in the nation, has long been a national leader in providing the resources to create and maintain a robust safety net of public and subsidized rental housing to serve its most vulnerable low income residents. Maintaining and growing this inventory is becoming ever more challenging. The number of households eligible for assistance is growing while the resources available to serve them are diminishing. Preserving and upgrading the state’s existing public and subsidized housing is consuming an increasing share of the available resources.

According to the September 2017 SHI, 67 communities are now over the 10 percent 40B threshold, up from 40 in 2012.¹⁴² Another 37 are between 8-10 percent. Most of the communities that have recently achieved the 10 percent threshold did so by adding new mixed income rental developments for which they received 100 percent credit on the SHI even though only 20-25 percent of the units are income restricted to households earning no more than 80 percent of the area median income. Still this is an impressive gain of several thousand housing units that, in most cases, required little or no public resources (subsidies, tax credits). These newly created apartments have substantially expanded the housing available in suburban areas to moderate and middle income households and those seeking accessible units.

¹⁴² If only units restricted to occupancy by low income households counted, just 23 communities would be, and half of these were ones that were at 10 percent by the end of the 1970s.

How The Safety Net Was Created

Massachusetts had already established itself as a leader in low and moderate income housing production by the time the first Subsidized Housing Inventory (SHI) was released in 1972. It had a large inventory of state and federally funded public housing, an ambitious pipeline of projects under the new Great Society programs that provided incentives to the private sector to build and operate affordable housing, and a newly created state housing finance agency to support the development of low, moderate and mixed income housing. Nearly 5 percent of the state's year round housing stock (approximately 86,000 units) was subsidized according to that first Inventory. All were rental units and nearly all were restricted to low income occupancy. Another 53,000 units were either under construction or in the planning phase. Eighty-four percent of all subsidized housing was located in the state's 39 cities, most in Boston and the other most populous cities.

Boston, Holyoke and Fall River were the only three cities that exceeded the 10 percent threshold in 1972, although ten others had sufficient subsidized developments in the planning stage or under construction to reach 10 percent threshold by the end of the decade. More than 200 communities had no subsidized housing at all in 1972. Another one-third had just started to build low and moderate-income rental units, using the State's public housing programs. Most of these had a single elderly housing development; a handful had small family developments, built for returning World War II and Korean War veterans.

Today the publicly assisted stock includes, approximately:¹⁴³

- 34,000 units of federally funded public housing (most built between 1945-1965)
- 38,000 units of state funded public housing (most built between 1950-1975)
- 100,000 units of privately owned publicly subsidized housing (most created between 1965-1990 under HUD, MassHousing and Rural Housing Services programs)
- 40,000 units subsidized housing added through a combination of low income housing tax credits and/or state and federal subsidies

Roughly half of the units added since 1972 resulted from new construction (including units gained through the adaptive reuse of non-residential properties). The remainder consist of existing units that were acquired, rehabilitated, preserved, and/or improved for continued low and moderate income occupancy. Most of the Commonwealth's communities are now credited with having some form of subsidized housing even though the housing "safety net" remains concentrated in the large cities.¹⁴⁴

¹⁴³ The current number of number of public housing units is down from the "as built" number. There are several reasons for this. Some units have been demolished, others reconfigured to make larger units. Others have been "privatized" under the federal HOPE VI program and similar initiatives. (In these cases, the low income units have been preserved but they are counted in the private inventory. In recent years several thousand state funded public housing developments have been "federalized," reducing the state count but increasing the federal count.

¹⁴⁴ In 1972, Boston, Fall River, Cambridge, Worcester, Springfield, New Bedford, Quincy, Lowell, Lawrence, Holyoke, Brockton, and Lynn provided two-thirds of the state's subsidized housing; in 2017, they accounted for just under 50 percent. By

Preserving and Growing the Subsidized Housing Inventory

It is becoming increasingly difficult to preserve and grow the assisted inventory with the available resources. The same forces that have eroded the aging private rental stock also threaten the assisted inventory: the housing is old and less efficient than new production. In addition, many of the use restrictions, subsidy contracts and/or financial assistance that initially required and enabled landlords to rent to low income households have expired, or soon will.

The Community Economic Development Assistance Corporation (CEDAC) maintains a comprehensive database of privately-owned affordable housing developments in the state (nearly 136,000 housing units in over 1,500 projects) to identify those that may be at risk for loss of affordability. In its most recent (January 2019) database, CEDAC reports that Massachusetts has lost 20,325 subsidized units in 167 developments through prepayments and rent subsidy contract terminations, although affordability in roughly half of these developments (10,277 units) was maintained using a combination of tax credit, tax-exempt bond, or other public subsidy regulatory (or negotiated) restrictions. M.G.L. Chapter 40T, provides, *inter alia*, DHCD (or its designee) the right of first offer and first refusal prior to the sale of certain publicly assisted housing, and therefore has been a powerful affordable housing preservation tool, resulting in the preservation of over 15,000 units.¹⁴⁵ The Commonwealth is still at risk of losing 10,954 additional subsidized units by December 31, 2022, however, unless sufficient resources can be marshalled to finance their preservation and make the improvements that are likely to be required.

Competition for public resources is intense and the need far exceeds the available resources. Nearly half of the units awarded tax credits and/or subsidies from DHCD or the federal government since 2005 were existing units that were being preserved, improved or acquired, not new production. The 2013 AI included an analysis of the tools used to create the more than 20,000 low income units that were added to the Subsidized Housing Inventory between 2001 and 2012. The findings of that detailed analysis are summarized in **Inset 6.3**.¹⁴⁶

comparison, these communities represent just 27 percent of the year round housing.

¹⁴⁵ <https://cedac.org/wp-content/uploads/2016/06/Chapter-40T-at-5-6.2.15-1.pdf>; see also Emily Achtenberg, "Chapter 40T at 5: A Retrospective Perspective of Massachusetts' Expiring Use Preservation Law," (May 1, 2015), available at <https://cedac.org/wp-content/uploads/2016/06/Chapter-40T-at-5-6.2.15-1.pdf>

¹⁴⁶ The 2012 analysis is the most current and comprehensive analysis available, however several public, quasi-public and private agencies – DHCD, MassHousing, MassDevelopment, MassHousing Investment Corporation, and the Massachusetts Housing Partnership (MHP) – are working to improve the timeliness and utility of the various assisted housing databases. Taking the lead in this effort is MHP's Center for Housing Data. MHP, a statewide public non-profit affordable housing organization, works with the Governor, DHCD and the quasi-public MassHousing and MassDevelopment to help increase the Commonwealth's supply of affordable housing. While MHP was established in 1985, a permanent source of funding to support the agency's activities was established in 1990 when the state legislature passed an interstate banking act that requires companies that acquire Massachusetts banks to make funds available to MHP for affordable housing. (Massachusetts is still the only state to have done so.) MHP's Center for Housing Data collects, interprets and shares housing data and data of interest to housing practitioners and policy makers.

Inset 6.3: Tools Used to Create Affordable Low Income Housing Units, 2001 to 2012

Excluding the City of Boston, which gained about 5,500 affordable units, and group homes and units added as the result of homeowner repair or accessory dwelling unit programs, nearly 21,000 affordable (income restricted) units were added to the Subsidized Housing Inventory (SHI) between 2001 and 2012. Three mechanisms were used to create these additional units: the comprehensive permit provisions of Chapter 40B; traditional subsidized production carried out by a network of for-profit and nonprofit developers who specialize in affordable housing development; and inclusionary mandates under which a set aside of affordable units, or a payment in lieu of such units, is required of developers building market rate housing. The state’s relatively new smart growth zoning statute, Chapter 40R, also saw some use, but the principal production engine outside the large cities was 40B.

Nearly 46 percent of the new affordable (income restricted) rental housing added to the inventory during that period – excluding Boston – was permitted under the comprehensive permit provisions of Chapter 40B, often in combination with traditional subsidies (e.g., HOME funding or the Affordable Housing Trust Fund) and/or Low Income Housing Tax Credits. Seventy-eight percent of the affordable ownership units were permitted under 40B, and relatively few of these involved additional subsidies. Important as 40B has been, however, to reach very low and extremely low income households requires tax credits and subsidies from the federal, state, and sometimes local government. Such developments are complex and time-consuming. They are carried out by a relatively small group of for-profit and nonprofit developers dedicated to, and highly skilled in, affordable housing development. The category “New Construction, not 40B/40R, no subsidy” generally refers to units gained as the result of inclusionary zoning mandates. Thirteen percent of the rental gains were the result of adaptive reuse, typically of mill buildings, schools, and the like, while 15 percent represents the acquisition, or acquisition and rehab, of existing properties.

Program/Tools	Total Affordable Units	Affordable Rental Units	Affordable Owner Units
Total Excluding Boston	20.7	15.8	4.9
Existing subsidized development	4.4%	5.8%	0.2%
40B with subsidy	23.6%	29.0%	6.0%
40B, no or shallow subsidy	29.8%	16.6%	72.0%
40R with subsidy	2.4%	3.0%	0.3%
40R, no or shallow subsidy	0.6%	0.7%	0.1%
New construction, not 40B/R, with subsidy	11.4%	13.4%	5.2%
New construction, not 40B/R, no subsidy	3.9%	2.1%	10.0%
Adaptive reuse with subsidy	9.3%	12.1%	0.4%
Adaptive reuse, no or shallow subsidy	0.5%	0.5%	0.6%
Existing residential property	12.5%	15.1%	4.3%
Other	1.5%	1.8%	0.8%

The 2012 SHI included 235,900 units, an estimated 85 percent of which were restricted to households earning less than 80 percent of the area median income. The 2017 inventory enumerated 262,233 units, a net gain of 26,323 units and an estimated gain of just over 15,000 income restricted units. Excluding the City of Boston, there were nearly 650 additions posted to the Inventory between 2012 and 2017, totaling 24,658 (SHI-eligible) units of which 11,755 are estimated to be income restricted.¹⁴⁷ The tools and resources employed to create these new units are similar to those employed from 2000 to 2012.

The Subsidized Housing Inventory is not the only, or even the best, way to track progress toward meeting the needs of low income residents. This AI also examined the developments awarded subsidies or tax credits by DHCD since the last AI was completed (7/2011-1/2018). During this period DHCD provided support for the production or preservation of nearly 22,000 rental units, 91 percent of which were income restricted to low income households. Sixty percent of the funded projects were preservation, not new production, and many of the new developments are small projects serving special populations. **Table 6.19**, which shows the subsidy programs and their source, documents the size and breadth of the Commonwealth’s housing programs. It also illustrates why the LIHTC program remains the major resource here and nationally for the creation and preservation of affordable rental housing.

Table 6.19: Affordable Housing Subsidy Sources (2013-2017)

Subsidy Program	Source	5-Year Annual Average (\$MMs)
9% Low Income Housing Tax Credit (LIHTC) Equity	Fed	171.2
4% Low Income Housing Tax Credit (LIHTC) Equity	Fed	163.5
State Low Income Housing Tax Credit (LIHTC) Equity	MA	38.6
Affordable Housing Trust Fund (AHTF)	MA	26.8
Housing Stabilization Fund (HSF)	MA	14.5
Housing Innovations Fund (HIF)	MA	10.9
Community Based Housing/Facilities Consolidation Fund(s)	MA	10.8
HOME Investment Partnerships Program (HOME)	Fed	10.8
Commercial Area Transit Node Housing Program (CATNHP)	MA	5.3
Capital Improvement and Preservation Fund (CIPF)	MA	3.9

Source: Massachusetts Department of Housing and Community Development, Massachusetts Housing Partnership

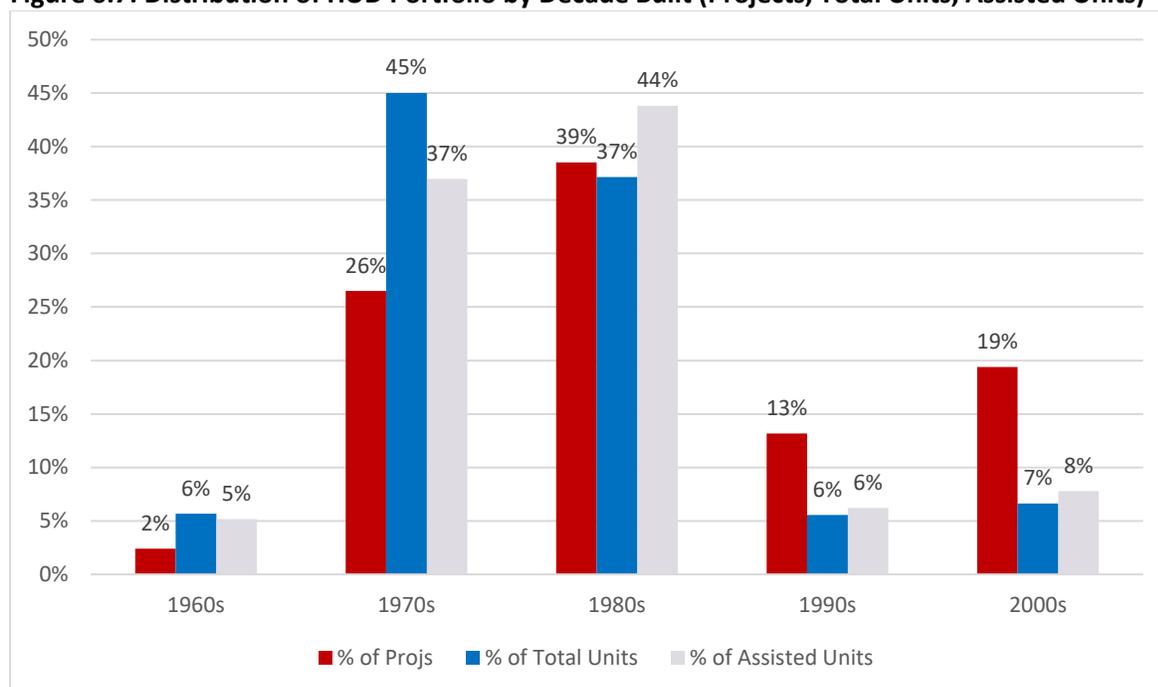
Conclusion

The elimination of deep federal subsidy programs for low income housing development and their replacement by multiple smaller, shallow subsidies has increased time delays and transaction costs and reduced the number of affordable units created, even as the need is growing and the number of projects seeking assistance remains high. The declining project size is illustrated in **Figure 6.7**. This figure portrays the distribution of HUD’s Massachusetts inventory of (HUD) insured and/or subsidized

¹⁴⁷ Between the 2012 and 2017, the City of Boston added more than 1,300 eligible units to the Subsidized Housing Inventory; a breakdown by tenure and income restrictions is not available at this time, but typically nearly all the SHI-eligible units added in the city serve income-eligible households (or moderate income households). With just 10 percent of the state’s year round housing units, Boston accounts for nearly 20 percent of the income-eligible units on the inventory and an estimated 24 percent of the income restricted units.

developments, by decade, since 1960, along with the number of total units and assisted units provided. It captures nearly 900 developments containing more than 77,000 privately-owned units in HUD’s multifamily portfolio. In the 1960s, the average Massachusetts development contained 207 units; in the 1970s, 150 units; and in the 1980s, 85 units. By the 1990s, the federal government had almost completely exited the business of financing directly the new construction of affordable housing, with the exception of its Section 202 and 811 programs, both funded at substantially reduced levels. In place of direct subsidies, the federal government role in low income housing was by then limited to stimulating private investment through the federal low income housing tax credit program and/or providing rental assistance to tenants.¹⁴⁸ The average number of units in the 1990s was 37, and since 2000, it has dropped to just 25.

Figure 6.7: Distribution of HUD Portfolio by Decade Built (Projects, Total Units, Assisted Units)



Source: HUD Massachusetts Multi-family Portfolio as of 6/29/18

Even though Massachusetts consistently ranks among the top states in the level of housing assistance it provides relative to its population – and such rankings typically do not capture the nearly 40,000 state-funded public housing units or the 8,000 tenants assisted with state-funded tenant rental assistance – the available resources still fall short of meeting the need. And even though state policy – in particular, Chapter 40B – has expanded the number and type of communities that now offer some level of assisted housing, much work remains to ensure that housing that is affordable to residents – in locations where there are ample employment opportunities, high performing schools, and healthy and safe neighborhoods – is available and accessible to all Massachusetts residents, including those protected by federal and state fair housing laws.

¹⁴⁸ LIHTC units are not included unless they have subsidies or insurance.

7. Fair Housing Enforcement, Outreach Capacity and Resources¹⁴⁹

This section identifies factors that significantly impact fair housing outreach and enforcement in Massachusetts. It describes the Commonwealth’s civil rights and fair housing enforcement infrastructure, the protected classes, and prohibited behaviors. It summarizes the discrimination complaints filed over the past five years and their outcomes, as well as other indicators of discrimination in the housing market, such as fair housing audits and hate crimes. It identifies other entities with fair housing interests, obligations and responsibilities, and emerging issues. It also highlights the major factors that limit the effectiveness of the state’s housing enforcement efforts, and identifies some emerging issues.

Overview

The Commonwealth’s fair housing infrastructure comprises both public and private organizations. Foremost among these are the Massachusetts Commission Against Discrimination (MCAD) and HUD’s Office of Fair Housing and Equal Opportunity (FHEO), the agencies to which residents who believe they have experienced discrimination in violation of federal or state laws may register their complaints.¹⁵⁰ Other entities with fair housing obligations and responsibilities include jurisdictions that receive funding from the federal government for housing and community development programs. Thirty-seven Massachusetts cities and towns receive Community Development Block Grant funds directly from HUD and are therefore required to conduct Analyses of Impediments to Fair Housing (AIs) for their own jurisdictions. Seventy additional communities receive HOME Investment Partnership program (HOME) funds from HUD, either directly or as part of a consortium. The Massachusetts Attorney General, civil rights groups, fair housing advocacy organizations, the legal community, and others play a vital role as well.¹⁵¹

¹⁴⁹ The Affirmatively Furthering Fair Housing Rule defines housing enforcement and fair housing outreach capacity to mean “the ability of a jurisdiction, and organizations located in the jurisdiction, to accept complaints of violations of fair housing laws, investigate such complaints, obtain remedies, engage in fair housing testing, and educate community members about fair housing laws and rights.” - 24 C.F.R. § 5.152

¹⁵⁰ Residents of Boston and Cambridge have the additional option of bringing their complaints to the Boston Fair Housing Commission or the Cambridge Human Rights Commission (CHRC).

¹⁵¹ The Civil Rights Division of the Massachusetts Office of the Attorney General (AGO) plays an important role in fair housing, enforcing the Massachusetts Civil Rights Act and protecting against hate crimes, including threats, harassment, violence, and other bias-motivated conduct. Its responsibilities include litigating MCAD and CHRC cases in court where necessary. Since 2015, the AHO has resolved dozens of fair housing matters and recovered more than \$1 million in restitution, penalties, and other relief for Massachusetts residents in fair housing matters. For example, in March of 2019, the AGO announced a \$600,000 settlement with a major property management company after bringing a complaint alleging discrimination on the basis of race and public assistance reciprocity (<https://www.mass.gov/news/ag-healey-reaches-600000-settlement-with-real-estate-company-over-allegations-of-racial-and>). The AGO also issued an advisory in 2018 reminding landlords and all other housing providers that all current and prospective Massachusetts tenants have a right under federal and state laws to be free from harassment and intimidation (available at <https://www.mass.gov/files/documents/2018/04/11/Advisory%20on%20Harassment%20in%20Housing.pdf>).

Jurisdiction

The Massachusetts Commission Against Discrimination (MCAD) is the independent state agency charged with enforcing the state's anti-discrimination laws. Established in 1946 by an act of the legislature, MCAD has the authority to investigate, prosecute, adjudicate, and resolve cases of discrimination in employment, housing, credit, public accommodations and access to education on behalf of individuals in protected classes. The Commission has four offices – in Boston, New Bedford, Springfield, and Worcester – where one can consult with an intake specialist and file a complaint. The statute of limitations for filing a complaint at MCAD requires that it be filed within 300 days from the last discriminatory act. MCAD receives about half of its \$6 million+ annual operating budget directly from the state; the balance comes from revenue generated from its training courses, and from workshare agreements with the federal government (the Department of Housing and Urban Development and the U.S. Equal Employment Opportunity Commission).¹⁵²

Protected Classes and Prohibited Conduct

Massachusetts residents who are members of protected classes are protected under both federal and state law, although state law recognizes more protected classes than does federal law. As noted in the introduction, the federal Fair Housing Act outlaws housing discrimination based on seven protected characteristics: race, color, religion, national origin, sex, disability, and familial status. The Massachusetts anti-discrimination statute (MGL Chapter 151B) outlaws discrimination based on these seven protected characteristics plus eight additional categories: gender identity, sexual orientation, marital status, age, public assistance reciprocity (source of income or rental assistance), veteran/military status, ancestry, and genetic information.

MCAD is certified by HUD as administering laws that are substantially equivalent to the Fair Housing Act (Title VIII). As such, the agency receives federal funding under the Fair Housing Assistance Program and shares federal Title VIII enforcement activities with HUD's Office of Fair Housing and Equal Opportunity. The jurisdiction of these offices depends on the authority delegated by the underlying laws, the classes of people protected by each law, and the size or type of the housing involved in the complaint. FHEO is responsible for enforcement of laws that forbid discrimination in housing receiving HUD assistance such as Title VI of the 1964 Civil Rights Act and Section 504 of the 1973 Rehabilitation Act. FHEO also investigates and resolves complaints of housing discrimination arising under the Americans with Disabilities Act.

Jurisdictional differences are also triggered by the size and other characteristics of the housing structure. For example, under the Fair Housing Act, dwellings in owner-occupied buildings with four or fewer units are exempt from many of the Title VIII prohibitions against refusing to rent or sell. Under Chapter 151B, covered housing generally does not include owner-occupied buildings with two or fewer units. (Note: these exemptions *do not apply* to rental or sale of units with the assistance of a broker or real estate

¹⁵² Massachusetts Commission Against Discrimination 2017 Annual Report, accessed 10/10/2018 at <https://www.mass.gov/files/documents/2018/06/20/2017%20Annual%20Report%20FINAL%2006-12-2018.pdf>.

agent or by other means of public offering, under either law, or discrimination on the basis of public assistance (including housing voucher) reciprocity).

Table 7.1 depicts the laws governing housing discrimination, the groups protected by the laws, and the agencies with jurisdiction over complaints of discrimination arising under each law.

Table 7.1: Laws Governing Housing Discrimination in Massachusetts

Law	Protected Groups	Agency with Jurisdiction
Federal Fair Housing Act, Title VII	Race, color, national origin, religion, gender, disability, family status	FHEO, MCAD
MA Chapter 151B	Race, color, national origin, religion, gender, disability, marital status, sexual orientation, age, genetic information, ancestry, status as a veteran or member of the armed forces, source of income (e.g., rental assistance or public assistance)	MCAD
Federal Title VI of the 1964 Civil Rights Act	Race, color, and national origin in programs receiving federal housing assistance	HUD
Federal Section 504 of the 1973 Rehabilitation Act	Disability in programs receiving federal housing assistance	HUD
Federal Americans with Disabilities Act	Disability in state or local housing programs	HUD
Federal Age Discrimination Act	Age, in programs receiving federal housing assistance	HUD

Source: Applicable federal and state law

Conduct is unlawful under both state and federal law when any of the following actions are motivated by the protected status of a complainant:

- Refusing to rent, sell, negotiate for rental or sale, or otherwise deny or withhold housing
- Making a written or oral inquiry about the protected characteristics of a buyer or renter, and keeping records of buyer or renter characteristics¹⁵³
- Discrimination in terms and conditions of a rental, sale, or occupancy, including segregating people with protected characteristics in a part of a building, development, or community.
- Discrimination in mortgage lending and credit
- Discrimination in brokering a sale or rental, in appraising property, and in other real estate related services, including insurance
- Discrimination in membership in brokerage listing services
- Retaliation, coercion, intimidation, and harassment (including sexual harassment) against any person in connection with fair housing rights
- Aiding the discrimination of others
- Discrimination in advertising
- Blockbusting
- Refusal of reasonable accommodation
- Refusal of reasonable modification

¹⁵³Inquiries about disability are permitted when necessary to assign an accessible unit, or a unit set aside for persons with disabilities.

Prevalence and Nature of Discrimination

Vigorous and comprehensive enforcement of fair housing laws is an essential feature of furthering fair housing. The number and types of reported incidents of discrimination speak not only to the level of intolerance in a community but also to the level of awareness of what constitutes a violation of law, and the level of comfort those victimized have to seek redress for those violations. During the five year period from April 1, 2013 and March 31, 2018, a total of 1,920 complaints were filed with the Massachusetts Commission Against Discrimination. These complaints with respect to alleged incidents or practices were filed in 198 cities and towns, in every region of the state. **Table 7.2** summarizes and compares the results of this analysis with a similar one conducted for the 2013 AI that was based on cases filed between January 1, 2007 and April 30, 2012. The number of complaints filed in 2013-2018 was 14 percent higher than the number filed in 2007-2012 even though the earlier analysis covered four additional months. While there was little change in the *total number* of municipalities generating complaints – 198 this time v 193 in the last analysis – there were significant changes in the communities from which the complaints originated.

[Note: In order to facilitate comparisons over time, the data included in the 2013 analysis have been resorted to conform to the county-based definition of regions used in this AI.]

Table 7.2: Distribution of MCAD Discrimination Complaints by Region, 2007-2012 vs. 2013-2018

Region	Share of MA Population	2014 AI		2019 AI	
		# Complaints	Region's Share	# Complaints	Share
Berkshire	1.8%	15	0.9%	22	1.1%
Cape & Islands	3.5%	30	1.8%	31	1.6%
Central	12.0%	130	7.7%	262	13.6%
Greater Boston	45.2%	1,059	62.8%	919	47.9%
Northeast	11.4%	101	6.0%	104	5.4%
Pioneer Valley	10.2%	191	11.3%	415	21.6%
Southeast	15.7%	159	9.4%	167	8.7%
MA Total	100.0%	1,685	100.0%	1,920	100.0%

Source: Massachusetts Commission Against Discrimination; Population shares based on 2017 Census Bureau estimates

Notes: The 2014 analyzed complaints filed with MCAD between 1/1/2007 and 4/30/2012 (5-1/3 years). This year's AI analyzed complaints filed between 4/1/2013 and 3/31/2018 (5 years). The regional breakdown shown in this table for both periods is based on the county-based Benchmark regions used in the 2019 AI.

In the 2013 analysis, the Greater Boston region (as amended) accounted for nearly 63 percent of the complaints filed. In this year's analysis, it accounted just 48 percent, the only region to post an absolute drop in MCAD complaints. The City of Boston share dropped from 26 percent to 23 percent. In contrast, the Pioneer Valley and Central regions saw discrimination complaints in 2013-2018 more than double compared to the number filed in 2007-2012. While Boston and most other inner core communities saw a drop in MCAD complaints filed, complaints from Springfield residents rose from 48 in 2007-2012 to 172 (258%) in 2013-2018, while complaints from Worcester residents increased from 71 to 168 (137%) during the same time frame. A substantial increase in discrimination complaints was noted in a number of other Pioneer Valley communities as well.

The characteristics of these complaints are summarized at the state level in **Table 7.3** (bases of discrimination alleged) and **Table 7.4** (alleged acts of discrimination). The basis on which most housing discrimination cases were brought between 2013 and 2018, was discrimination based on disability,

followed by claims of discrimination based on race. When complaints based on lead paint and family status – both of which may indicate an unwillingness to rent to families with young children – are added to those that specifically cited children as the basis of discrimination, this becomes the third most frequently cited basis.¹⁵⁴ These were also the most frequently cited bases in 2007-2012. Public assistance and national origin were the other most frequently cited bases in both periods, but in 2013-2018 complaints alleging discrimination based on religion rose sharply, becoming one of the leading bases. That and the increase in complaints based on “other” reasons warrant further investigation.

Table 7.3: Bases of Complaints Filed with MCAD, 2007-2012 and 2013-2018

Basis	2014 AI		2019 AI	
	# times cited	% of Total	# times cited	% of Total
Disability	658	28.4%	902	30.7%
Race or color	435	19.4%	467	15.9%
Creed (religion)	39	1.7%	233	7.9%
Public assistance	182	8.1%	228	7.8%
National origin	168	7.5%	218	7.4%
Children	247	11.0%	177	6.0%
Sex	80	3.6%	137	4.7%
Lead paint	113	5.0%	79	2.7%
Family status	80	3.6%	71	2.4%
Age	37	1.7%	68	2.3%
Sexual orientation	53	2.4%	64	2.2%
Marital status	55	2.5%	35	1.2%
Veteran	8	0.4%	10	0.3%
Gender identity	N/A	N/A	10	0.3%
Other	86	3.8%	237	8.1%
Total bases cited	2,241	100.0%	2,935	100.0%
Total # of complaints	1,685		1,920	

Source: MCAD. MCAD's database includes cases handled by the other agencies (HUD, the Boston Fair Housing Commission and the Cambridge Human Rights Commission)

Notes: The table is sorted by the 2019 Albases. The 2019 analysis includes 255 cases that had not yet been resolved. There were no complaints filed during this period alleging housing discrimination based on military service or genetic information. Among the 1,665 closed cases, 2,778 bases were cited. Individual complaints may include more than one violation.

Discriminatory Conduct

The most commonly reported violations over the past five years include the refusal to rent or sublet (15.7%) and the associated “other terms, conditions or privileges” related to rental of a unit (20.9%); denial of reasonable accommodation (18.7%); and eviction, or threatened eviction (17.3%). As noted in the preceding discussion of bases, the substantial increase in the undefined “Other” category warrants further investigation.

¹⁵⁴ Both federal and state law prohibit discrimination against families with children, including refusing to rent to families with children under the age of six. Massachusetts law (M.G.L. c. 111, s. 199A) *specifically prohibits landlords from discriminating against families with children under the age of six because a unit does or may contain lead paint* (emphasis added). Landlords have an obligation to abate lead hazards if a child under the age of six lives in a unit. Landlords may not reject a family to avoid their obligations under the lead paint laws.

Analyzing the alleged acts of discrimination by closed cases versus open cases reveals an increase in "refusal to rent or sublet" and "mortgage/lending" among open cases. This, too, warrants continued monitoring as it may be related to the continuing escalation of housing costs (rents and sales prices).

Table 7.4: Acts of Discrimination Alleged in Cases Filed with MCAD, 2007-2012 and 2013-2018*

Alleged Violations	2014 AI		2019 AI	
	# times cited	% of total	# times cited	% of total
Terms, conditions, or privileges related to rental of unit	480	21.0%	530	20.9%
Denied Reasonable Accommodation	452	19.8%	475	18.7%
Eviction or Threatened Eviction	258	11.3%	438	17.3%
Refusal to rent or sublet	461	20.2%	398	15.7%
Unlawful specification (oral or written)	118	5.2%	83	3.3%
Sexual Harassment	27	1.2%	42	1.7%
Mortgage/ Lending	55	2.4%	38	1.5%
Unlawful inquiry (oral or written)	65	2.8%	35	1.4%
Refusal to sell or discriminatory terms of sale	39	1.7%	18	0.7%
Other terms and conditions	246	10.8%	228	9.0%
Terms & Conditions	202	8.9%	160	6.3%
Terms and Conditions	44	1.9%	68	2.7%
Other	80	3.5%	247	9.7%
Total Acts Alleged	2,281	100%	2,534	100%
Total Complaints Included in Analysis*	1,685		1,672	

Source: Massachusetts Commission Against Discrimination.

*Because of data limitations, cross tabulation of bases, acts and resolution was not possible in all 1,920 of the 2013-2018 cases (1665 closed, and 255 open). The analysis for this period is based on 1,556 closed cases and 116 open cases. Three additional closed cases were determined to be employment complaints, not housing. The columns labeled 2014 AI include complaints filed between 1/1/2007-4/30/2012 (5 years, 4 months); the columns labeled 2019 AI include those filed between 4/1/2013 and 3/31/2018 (5 years)

Complaint Outcomes

Table 7.5 documents the resolution of alleged violations filed with MCAD by Massachusetts residents between 4/1/2013 and 3/31/2018 according to the basis on which the complaint was brought. Several categories have been combined in this table to facilitate analysis of outcomes: race, color, creed, and national origin; family status, children and lead paint; and gender identity and sexual orientation. Bases with no cases have been omitted.

Nearly two-thirds (65.5%) of the closed violations were closed for reasons that failed to substantiate the allegation of discrimination. These include complaints where the case was dismissed or withdrawn without a settlement; where the investigation was not authorized or where MCAD lacked jurisdiction; where the agency found a lack of probable cause or no violation; or where the complainant could not be found or failed to cooperate. Over 53 percent of the 1,665 closed cases (815) were closed due to a finding of no probable cause.

Discrimination complaints brought on the basis of family status, children and/or lead paint (combined) had the highest success rate for the complainant (53.2% of closed cases). Public assistance and disability complainants had success rates of 41.0 and 38.3 percent, respectively. The outcomes for complaints brought on the basis of race (including color, creed and national origin) were successful in just 28.8 percent of closed cases. Those brought on other bases had an even lower success rate for the complainant. These results mirror those reported in the 2013 AI, which were based on cases from 2007-2012.

Table 7.5: Resolution of MCAD Discrimination Complaints by Basis of Complaint, 2013-2018

Complaint Resolution by Basis	Total Cases*	Race, Color, Creed, National Origin	Disability	Family status, children, lead paint	Public assistance	Gender identity, sexual orientation	Sex, Age, Marital Status, Veteran	Other	Total Bases
Outcome successful for complainant									
Conciliated	117	47	56	39	27	2	9	13	193
Withdrawn with settlement	70	31	34	20	15	3	6	7	116
Removed to court	10	8	3	5	2	0	1	1	20
Judicial review	47	24	31	14	8	4	8	4	93
Violation enforcement	3	2	1	0	1	0	0	0	4
Pre-determination settlement	326	155	172	96	47	9	33	41	553
Settled at hearing	1	0	1	0	0	0	0	0	1
<i># of successful complaint outcomes</i>	<i>574</i>	<i>267</i>	<i>298</i>	<i>174</i>	<i>100</i>	<i>18</i>	<i>57</i>	<i>66</i>	<i>980</i>
<i>Successful outcomes as % of closed complaints</i>	<i>34.5%</i>	<i>28.8%</i>	<i>38.3%</i>	<i>53.2%</i>	<i>41.0%</i>	<i>14.0%</i>	<i>16.8%</i>	<i>27.8%</i>	<i>35.3%</i>
Outcome unsuccessful for complainant									
Complainant failed to cooperate or could not be located	28	10	11	3	4	0	1	3	47
No violation	3	0	1	0	1	1	1	1	5
No probable cause	815	487	361	100	93	44	128	122	1335
Not authorized	3	3	0	0	0	0	0	0	3
Dismissed	91	90	30	30	30	60	120	15	157
No jurisdiction	34	24	13	6	0	1	10	11	65
Withdrawn without a settlement	117	45	65	14	16	5	22	19	186
<i># of unsuccessful complaint outcomes</i>	<i>1091</i>	<i>659</i>	<i>481</i>	<i>153</i>	<i>144</i>	<i>111</i>	<i>282</i>	<i>171</i>	<i>1798</i>
<i>Unsuccessful outcomes as % of closed complaints</i>	<i>65.5%</i>	<i>71.2%</i>	<i>61.7%</i>	<i>46.8%</i>	<i>59.0%</i>	<i>86.0%</i>	<i>83.2%</i>	<i>72.2%</i>	<i>64.7%</i>
Total closed violations	1,665	926	779	327	244	129	339	237	2,778
Open violations	1665								
Total	3,330	926	779	327	244	129	339	237	2,778

Cases may involve more than one basis of discrimination. Source: Massachusetts Commission Against Discrimination. MCAD's database includes cases handled by HUD.

Fair Housing Audits

The low rate of outcomes supporting complainants' allegations of discrimination are at odds with results reported by civil rights groups and others when they conduct fair housing audits using matched pair testers. Such audits are a well-established means of testing fair housing conditions and a represent a benchmark against which it is possible to measure the effectiveness of enforcement activities. The 2014 AI cited additional audits conducted by local fair housing groups in the early part of the 21st century, which found that people protected by fair housing laws were likely to experience discrimination in at least half of their interactions with the rental and sales markets, results not reflected in the MCAD outcomes.

HUD's own Housing Discrimination Studies (HDS), undertaken every 10 years or so since the late 1970s, have documented discrimination in the housing search process. While the most recent (2012) national HDS study found fewer cases of overt discrimination than were found in the first one (1977), it found that other increasingly subtle forms of discrimination against people of color seeking homes persisted in both the rental and sales markets.¹⁵⁵

Denying families with children access to housing has been a recurring issue in Massachusetts, where two-thirds of homes were built before 1978 when lead paint was first banned for residential use. A 2016 press release reported that Suffolk University Law School's Housing Discrimination Testing Program (HDTP) had conducted 120 familial status tests and found evidence of discrimination in more than 58 percent of them. (Another 28 percent were inconclusive, and only 13 percent yielded no evidence of discrimination.)

Other studies have found evidence of housing discrimination against gay and lesbian home seekers, persons with physical or mental disabilities and discrimination based on source of income. Based on more than 350 audits conducted between 2012 and 2016, the Suffolk program found that testers fitting certain profiles were less likely to be shown available rental properties, and were more likely to be given false information or quoted different rental prices. The Suffolk program's efforts led to over \$150,000 in damages for victims of housing discrimination.¹⁵⁶

Design, Construction, Reasonable Modification, and Accommodation

The disability discrimination provisions of the Fair Housing Act, require new housing units in buildings with four or more units constructed for first occupancy on or after March 13, 1991 to comply with seven architectural access design standards. Buildings with three or more units are governed by the accessible design requirements under M.G.L. Chapter 151B, Chapter 22, sec. 13A, and the Architectural Access Board regulations at 521 CMR.

¹⁵⁵ The scope of the first HUD paired-testing study focused only on discrimination against Black testers. Subsequent studies included other racial and ethnic groups.

¹⁵⁶ <https://www.communitylegal.org/content/fair-housing-groups-file-complaints-housing-discrimination-based-lead-paint>

Both laws make it an act of discrimination to refuse to permit a person with disabilities to make reasonable structural modifications when necessary to afford the individual full enjoyment of a dwelling, and both require reasonable changes in rules, policies, practices, and procedures when needed to accommodate a person with disabilities. Under Chapter 151B (but not the Fair Housing Act), structural modifications in buildings or developments with ten or more contiguous units are at the expense of the owner. Modifications in publicly assisted housing, regardless of the size of the building or developer, are at the expense of the owner, subject to appropriation.

The number of cases filed with the MCAD alleging denial of reasonable accommodation between 2013 and 2018 was little changed from the prior five year period, but it remains one of the most commonly alleged discriminatory behaviors, representing 19 percent of MCAD cases.

Hate Crimes

Hate crime statistics are another indicator of the extent of discrimination in an area. A hate crime is any criminal act coupled with behavior that shows the crime was motivated by bigotry or bias. A crime is classified as a hate crime when the criminal act is motivated by racial, religious, ethnic, handicap, gender, or sexual orientation prejudice. Perpetrators of hate crimes are typically brought under criminal prosecution and, in some cases, can also be prosecuted civilly. Victims of hate crimes can file a civil rights complaint with the Attorney General's Office, and residents who feel they have been the victims of hate crimes are encouraged to contact their local police department.

In 1991, Massachusetts passed the Hate Crimes Reporting Act, which requires the Secretary of Public Safety to gather hate crime reports annually from all state, local and campus police departments and other law-enforcement agencies. For 2017, a total of 427 hate crimes reports were filed (including 438 separate offenses). The 427 incidents reported in 2017 was the highest in 14 years.

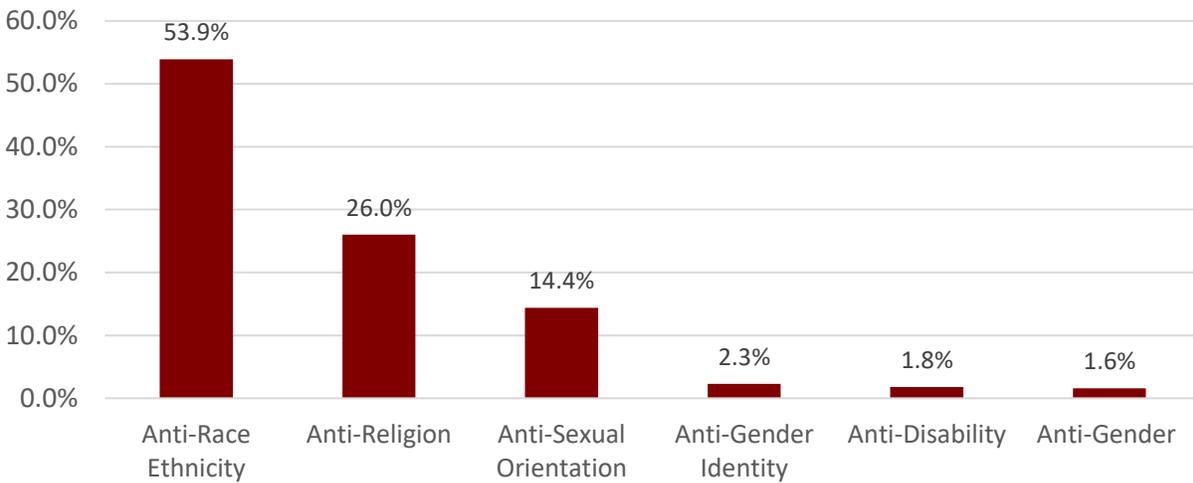
The most widely reported bias motivation was prejudice against race/ethnicity or national origin, representing 53.9 percent of the incidents. Religious bias was the second most frequently cited motivation, with 26.0 percent and sexual orientation bias was third with 14.4 percent (**Table 7.6**). The most frequently reported offenses were destruction of property and vandalism (37.9%) followed by threats and intimidation (29.7%) and assaults (26.2%).

Reporting of hate crimes appears to be limited and highly clustered. Only 86 cities/towns reported any such crimes in 2017, and 49 of the ones that did reported just a single incident.¹⁵⁷ The Inner Core of the Greater Boston region accounted for two-thirds of the reported incidents, with the City of Boston alone accounting for one-third. Of the crimes based on race/ethnicity, nearly 54 percent were based on anti-Black bias. Given that the Commonwealth's segregated residential patterns limit the exposure of one

¹⁵⁷ The corresponding numbers in 2016 were 80 municipalities reporting hate crimes, of which 53 reported just a single incident.

racial group to another, it is not surprising that the preponderance of incidents occur in those limited areas where the races are more likely to interact.

Table 7.6: Categories of Bias Reported in Massachusetts Hate Crimes in 2017



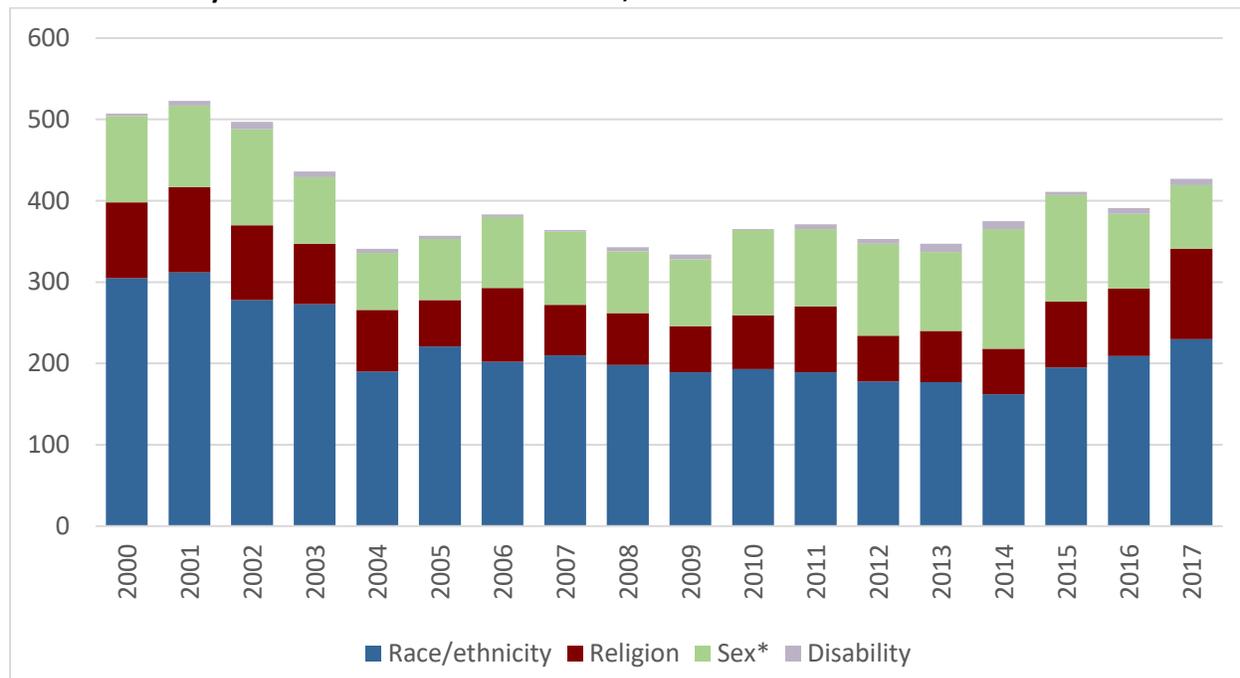
Source: Hate Crime in Massachusetts 2017 Executive Office of Public Safety and Security, November 2018

Hate Crime Trends

The number of hate crimes reported in Massachusetts declined from a peak of 523 in 2001 to an average of about 350 per year between 2004 and 2013. Since then, they have been on the rise, mirroring a national trend. The most frequently reported bias motivations have remained fairly consistent: Anti-Black bias (29.1%) has consistently been most frequent, followed by Anti-Gay (17.8%) and Anti-Semitic (14.1%). Only twice in the 18 years since 2000, have crimes based on race/ethnicity accounted for less than half of all reported hate crimes.

Hate crimes based on religious bias have spiked in recent years, nearly doubling in the past four reporting years. Crimes motivated by bias against transgender and gender non-conforming people were first reported in 2014, but by the end of 2017, 119 such instances had been reported.

Table 7.7: History of Hate Crimes in Massachusetts, 2000-2017



* Includes bias based on sex, sexual orientation and gender identity (including transgender and gender non-conforming)
 Source: Hate Crime in Massachusetts 2016, Executive Office of Public Safety and Security, October 2017

Concerned by the rise in hate crime reports, Governor Baker in 2017 re-established the Hate Crimes Task Force. The task force had been established by Governor Weld in 1991 to advise the Governor and the Secretary of the Executive Office of Public Safety on issues relating to the prevalence, deterrence, and prevention of hate crimes in the Commonwealth, but it was disbanded in 2003 when Governor Romney vetoed funding for the panel. The reconstituted task force will meet four times a year and issue an annual report and recommendations.

Other Fair Housing Resources

Fair housing organizations and other non-profits that receive funding through HUD’s Fair Housing Initiatives Program (FHIP) are often the first line of defense for people who believe they have been victims of housing discrimination. These organizations conduct matched pair testing, initiate preliminary investigation of claims of discrimination, and provide education and training. The Fair Housing Center of Greater Boston, the Holyoke-based Massachusetts Fair Housing Center (also known as the Housing Discrimination Project, Inc.), Community Legal Aid of Worcester, and SouthCoast Fair Housing, Inc. of New Bedford have all received funding under the Fair Housing Initiatives Program, as has Suffolk University Law School for its Housing Discrimination Testing Program. The Fair Housing Center of Greater Boston works throughout Suffolk, Norfolk, Middlesex, Essex and Plymouth counties; Community Legal Aid serves Worcester County; SouthCoast Fair Housing serves Plymouth and Bristol Counties as

well as the state of Rhode Island; and the Massachusetts Fair Housing Center serves Berkshire, Hampden, Hampshire, and Franklin Counties, and also Worcester County.

These groups received more than \$1.6 million in FHIP funding in 2017 and nearly \$2 million in 2016 to provide fair housing enforcement through testing in the rental and sales market, to file fair housing complaints to HUD, and to conduct investigations. Their education and outreach activities also help to educate the public, housing providers and local governments about their rights and responsibilities under the Fair Housing Act.¹⁵⁸

Even though the lack of consistent, predictable funding – particularly resources to support training and testing – is a challenge for all of these organizations, Suffolk University Law School’s Housing Discrimination Testing Program (HDTP) has emerged as a national leader in familial status and gender identity discrimination. The program has conducted some 120 familial status tests including children under and over the age of six. Denying families with children access to housing is a widespread, recurring issue in Massachusetts, where two-thirds of homes were built before 1978 when lead paint was first banned for residential use. HDTP testers found evidence of discrimination in over 58 percent of the tests. Twenty-eight percent of the tests resulted in inconclusive findings for various reasons, and only 13 percent of the tests yielded no evidence of discrimination.

HDTP’s 2015-2016 study documenting discrimination against transgender and gender non-conforming people is one of the most comprehensive ever undertaken. Sixty-six volunteers participated in the study, which included visits to 33 apartments in Boston, Cambridge, Somerville, and Quincy between December 2015 and June 2016. The Suffolk researchers selected pairs of volunteers, with each person similar in race, age, economic, and marital status. The only difference between them was their gender identity. The transgender testers and those who were gender nonconforming received discriminatory differential treatment 61 percent of the time and were 21 percent less likely to be offered a financial incentive, compared with those who were not transgender.¹⁵⁹ They were also 27 percent less likely to be shown additional areas of an apartment complex, compared with the other study participants, and they were nine percent more likely to be quoted a higher rental price.

¹⁵⁸ HUD provides FHIP funds through competitive grants to support activities in three categories: the Fair Housing Organizations Initiative (FHOI) provides funding for capacity building to improve the effectiveness of non-profit fair housing organizations; the Private Enforcement Initiative funds non-profit fair housing organizations to carry out testing and enforcement activities to prevent or eliminate discriminatory housing practices, and the Education and Outreach Initiative offers a comprehensive range of support for fair housing activities for initiatives that educate the public and housing providers about equal opportunity in housing and compliance with the fair housing laws.

¹⁵⁹ Suffolk University Law School Legal Studies Research Paper Series Research Paper 17-9, August 8, 2018
Transcending Prejudice: Gender Identity and Expression Based Discrimination in the Metro Boston Rental Housing Market by Jamie Langowski, William Berman, Regina Holloway, and Cameron McGinn.

Emerging Issues

Insufficient funding for fair housing testing and enforcement. This has long been, and continues to be, an issue. The state’s fair housing organizations and other non-profits assist in the filing of fair housing complaints, and often refer complainants to private attorneys who accept cases for a limited fee, on a contingency basis, or on a pro bono basis. However, these resources are limited, and the demand for legal help outstrips the availability of attorneys.¹⁶⁰ While Community Development Block Grant funds may be used for fair housing enforcement, the use of CDBG for public services activities may not exceed 15 percent of the total grant, limiting the availability of funds. Moreover, HUD funding for fair housing enforcement through the Fair Housing Organizations Initiative (FHIO) only pertains to the federally protected classes under the Fair Housing Act.

Besides resources, the following issues have been identified:

Language barriers. Some advocates have expressed the following concern about the extent to which people with limited English proficiency have meaningful access to agencies like MCAD, and the extent to which enforcement agencies use “plain language” materials that are easily understandable to all complainants.

Discrimination in the internet marketing of homes for sale or rent. An area of growing concern is housing discrimination in internet advertisements and other non-traditional electronic media. Not only has discrimination been documented in the placement of internet advertisements, differential treatment is increasingly being reported by those responding to internet advertisements. An extensive 2010 study undertaken by researchers at the State University of New York at Albany (SUNY Albany) detailed the treatment of more than 700 respondents to Craigslist advertisements and on-line solicitations for apartments in the Boston metropolitan area.¹⁶¹ Testers with Black- and Hispanic sounding names were significantly less likely than those with White sounding names to receive more than one response from housing providers. They were also significantly less likely to be invited to inspect the unit(s). In addition, the Black testers were significantly less likely than White testers to be told to contact the provider.

This study supports the findings of others (Massey et al.) that racial and ethnic discrimination is a “moving target.” Given the growing use of electronic resources in the housing market and the

¹⁶⁰ The Massachusetts Fair Housing Center reports, for example, that it processed at least 1,500 complaints from 2013 to 2018 from residents from five counties from the western and central parts of the state.

¹⁶¹ “Cybersegregation in Boston and Dallas: Is Neil a More Desirable Tenant than Tyrone or Jorge?” Samantha Friedman, University at Albany, SUNY; Gregory D. Squires, George Washington University; and Chris Galvan, University at Albany, SUNY, April 2010. A similar audit was conducted in the Dallas, Texas metro area with similar results. Even though the absolute response rates for all testers were quite high, the authors concluded that race and ethnicity continue to shape access to rental housing via the internet.

discrimination documented in this study, combating discrimination in electronic media should be a high priority for fair housing advocates and policy makers alike.

Housing discrimination against transgender individuals and gender non-conforming individuals and their families. The 2016 Suffolk study cited earlier found that transgender and gender-nonconforming people received discriminatory differential treatment in their housing search at higher rates than other protected classes. Consistent with recent studies of racial discrimination, including the SUNY Albany internet study, the Suffolk study noted the preponderance of more subtle forms of discrimination (e.g., higher rental quotes versus overt discriminatory statements).

Disability discrimination. Denial of reasonable accommodation related to assistance animals, for example “no pets” policies or restrictions on the size of pets.

Barriers to housing for ex-offenders. Another growing area of concern is the challenges faced by ex-offenders as they return to the community after completing their sentences. Ex-offenders are not a protected class, but the obstacles they face in securing housing are significant, and there have been some calls for expanding protections to ensure that they have access to housing upon their release. Balancing the legal issues and social concerns of these home seekers, landlords (including public housing authorities) and other tenants are complex.

Factors that Significantly Impact Fair Housing Enforcement, Outreach Capacity, and Resources

- **Lack of resources for local private fair housing outreach and enforcement.** As noted in the preceding section, insufficient resources are a major factor limiting the effectiveness of the Commonwealth’s fair housing enforcement and outreach capacity, and an issue of growing concern. Massachusetts has been a leader in adding protected classes to its anti-discrimination laws, but it does not provide funding to private fair housing agencies to support activities such as fair housing education, testing, litigation, negotiating and implementing settlement agreements, etc. Resources from HUD and other sources are limited and unpredictable.
- **Private Discrimination.** The fact that more than 300 complaints a year are filed with the Massachusetts Commission Against Discrimination, each alleging housing discrimination, suggests that landlords, property managers, home sellers, real estate agents, lenders, homeowners’ associations, condominium boards and others appear, either wittingly or unwittingly, to be violating federal and state fair housing laws. This suggests the need for greater public awareness and enforcement.
 - **Limited assistance for housing accessibility modifications –**
 - The Commonwealth has increased the availability of funding for housing accessibility modifications, through two mechanisms:
 - The housing bond bill passed as Chapter 99 of the Acts of 2018 authorized the expenditure of up to \$60 million over five years for a program of loans or grants to fund accessibility improvements. While the home modification program has

existed for many years as a program to assist homeowners or tenants with a household member with blindness or severe disabilities in making accessibility improvements to their respective units, the language was revised in the current bond bill to allow expenditure of funds to create accessory dwelling units and to allow up to 10% of the funds to be used for grants to assist landlords to make modifications for a current or prospective tenant with disabilities (where the landlord would not otherwise be obligated to make the modification under c. 151B).

- In the Commonwealth's FY2019 state budget, the Legislature authorized the expenditure of approximately \$2.7 million in additional funding for capital grants to improve or create accessible affordable housing units for persons with disabilities
 - DHCD's Division of Public Housing is exploring opportunities to increase accessibility in its portfolio of state-aided public housing units, with the goal of ultimately achieving at least 5% full accessibility across the state-aided public housing portfolio.
 - Notwithstanding these investments, because the vast majority of the Commonwealth's housing stock was built before the Americans with Disabilities Act and other laws imposing accessibility requirements, the cost of accessibility improvements is often prohibitive, exempting many owners from the obligation under c. 151B to modify their housing units on the grounds of undue hardship.
- **Inconsistencies in the law, confusion about what it requires and limitations on funding for lead removal or abatement.**
 - Massachusetts' lead paint law requires the removal or covering of lead paint hazards in homes built prior to 1978 only where the homes are occupied by children under 6.
 - While the lead paint law prohibits a landlord from discrimination against families with children, the fact that de-leading is only required in units where children under 6 are present creates a strong financial disincentive for landlords to rent to households with young children.
 - The Massachusetts Attorney General's office has provided an advisory to tenants, landlords and real estate professionals to remind them of their rights and obligations under the Massachusetts lead and anti-discrimination laws. (See <https://www.mass.gov/files/documents/2018/04/09/Lead%20Paint%20Advisory%20%28April%202018%29.pdf>.) However, various stakeholders have reported continuing confusion about what the law requires.
 - Funding available through the Massachusetts Childhood Lead Poisoning Prevention Program includes:
 - Low-cost financing to owners of 1-4 family properties to remove lead paint, with 0% deferred payment loans available for owner-occupants who meet program income guidelines
 - Loans to owners renting units to income-eligible households, with interest rates of 0% for non-profits and 3% for for-profit owners, with terms of 5-20 years depending on the size of the loan and borrower qualifications

- The Massachusetts Lead Paint Removal Tax Credit, equal to the cost of deleading expenses or \$1,500, whichever is less

However, financial assistance typically is not available to defray the often substantial cost of deleading for owners of market-rate properties with more than 4 units.

- DHCD promotes deleading in projects and programs where it provides financial assistance:
 - Funding is provided through CDBG grants administered by DHCD for lead paint abatement, and DHCD requires municipalities seeking funding for home rehabilitation to comply with HUD program rules and state law with respect to lead paint.
 - All units in all buildings rehabilitated with federal low income housing tax credits allocated by DHCD must be de-leaded in accordance with the provisions of the Massachusetts lead paint law as well as all EPA requirements.

The units created or rehabilitated through these programs, however, represent a small fraction of the Commonwealth's overall housing stock.

8. DHCD Goals and Action Steps

This section discusses 2019 AI goals and corresponding action steps. The 2019 AI goals are as follows:

- 1) Invest and develop policies to increase access to “opportunity areas”
- 2) Invest and preserve resources to improve opportunities for a range of households in racially/ethnically concentrated areas of poverty
- 3) Further access to opportunity through implementation of fair housing evaluation criteria or conditions on discretionary grants
- 4) Further access to opportunity through reduction of local barriers to housing choice
- 5) Expand accessibility
- 6) Increase supportive housing
- 7) Create/expand other state interagency coordination

Goal: Invest and Develop Policies to Increase Access to Opportunity Areas

DHCD aims to increase access to areas of opportunity through mobility initiatives, improved consumer awareness of housing opportunities, and improved evaluation of consumer access to affordable housing programs. Additionally, DHCD will continue to promote reduction of barriers in areas of opportunity, including local barriers to development of housing (discussed further below) that serves a diverse range of statewide and regional housing needs.

DHCD Rental Assistance Programs

- In response to various mobility barriers, DHCD had previously included a pilot mobility initiative in its Section 8 Moving to Work Administrative Plan discussed above, but prior to 2019 had not implemented this initiative. DHCD is now fully implementing its Section 8 MTW SNO Mass mobility pilot, which launched in FY19 in the Lowell and Springfield regional areas. Extending into FY 2020, Regional Administering Agencies (“RAAs”) will provide outreach and orientation to interested households and begin to enroll households in the program. The pilot includes the following methods for reducing barriers to mobility:
 - Small Area Fair Market Rents (“SAFMRs”) to assist with higher rents in opportunity areas
 - Mobility counseling
 - Longer housing search periods
 - Payment standards to further mobility
 - Financial assistance to facilitate moves
 - Other incentives may be provided based on family needs and budget availability such as transportation assistance, childcare referrals, training stipends, etc.
- DHCD will evaluate the results of the pilot and explore expanding the SNO Mass pilot to other regions, depending on the results of the pilot, program costs and DHCD’s obligation to maintain substantially the same number of vouchers in order to maintain compliance under its MTW

authorization from HUD; DHCD also may modify this initiative subject to available resources and input from DHCD AI Advisory Council members and other groups.

- Explore the availability of funds to aid fair housing enforcement agencies in the future, including potentially procuring additional MTW funds if approved by HUD, to assist Section 8 applicants who encounter discrimination from landlords during the housing search and lease-up process. If funding is available to DHCD for this purpose, develop and evaluate an initiative for assisting voucher holders encountering discrimination during the housing search and lease-up process.
- Continue to implement exceptions under various DHCD programs for reasonable accommodations.¹⁶²
- Implement program expansion for MRVP, Alternative Housing Voucher Program (AHVP) for persons with disabilities under age 60, and the Department of Mental Health (DMH) Rental Subsidy program, based on increased resources under state budget for these programs. Under the FY20 state budget, MRVP received a \$10 million increase (over the \$7.2 million increase in FY19), the AHVP program received a \$ 1.85 million increase in the FY20 state budget (over the FY19 state budget increase of \$1.5 million), and the DMH Rental Subsidy program received a \$1 million increase (over the FY19 state budget increase of \$2 million). For each of these programs, DHCD will assess how best to allocate the increased funds, taking into account the need to limit total spending to the amount appropriated, as well as the need to maintain and, if feasible, increase the number of available vouchers. Additionally, in the case of MRVP, the revised line item language (line item 7004-9024) provides that rent limits for MRVP mobile vouchers issued or leased after August 1, 2019 shall not be less than the current area-wide fair market rent based on unit size established annually by the United States Department of Housing and Urban Development (HUD), subject to a determination of rent reasonableness. These enhanced limits – effectively increasing the payment standard for mobile MRVP vouchers – will improve housing choice for voucher holders. DHCD has also raised the ceiling rent to 100% FMR for AHVP. Subject to funding availability, DHCD seeks to maintain the 100% FMR ceiling rent annually for MRVP and AHVP in the future.
- Develop and implement a voucher management program that will, for the first time, enable DHCD to track utilization and rents pertaining to MRVP vouchers in opportunity areas and across the Commonwealth.
- Implement DHCD award of \$800,000 from the 2018 HUD NOFA of approximately 89 new Mainstream (Section 811) vouchers, for which DHCD will be developing and implementing a limited preference for non-elderly persons with disabilities transitioning out of institutional and other segregated settings and those with disabilities experiencing homelessness. DHCD has also applied for additional Mainstream vouchers in response to the 2019 HUD NOFA.
- Expand CHAMP to state rental assistance programs (AHVP is expected to be available in CHAMP by the end of FY20, followed by MRVP to the extent feasible) to make it easier for applicants to access housing in areas of opportunity.
- Evaluate data in CHAMP to inform state rental assistance programs and housing needs analyses, including with respect to race/ethnicity, disability/accessibility needs, and source of income.

¹⁶² In addition to state rental assistance programs, DHCD is authorized under its MTW Plan, to approve any documented and reasonable exception to payment standards as a reasonable accommodation for Section 8 HCV households with a member with a disability. Id.

- Continue to support HCECs to assist with affordable housing navigation as well as homelessness prevention across the state. Explore the potential for expanding cross-data analysis within the HCECs to evaluate how clients are being served, including by developing a cross-data analysis model to establish common metrics and objectives across program areas/HCECs to establish best practices for program implementation, and by developing shared resources such as the online neighborhood opportunity index tool (used for the SNO Mass pilot) to assist clients with housing search.

DHCD Housing Development and Public Housing Programs

- Continue LIHTC QAP priority funding for:
 - Family housing production in neighborhoods and communities that provide access to opportunities.
 - Housing production in communities in which affordable housing stock is less than 12% of the total housing stock.
- Continue administration and evaluation of CHAMP data, such as waitlist demographics to inform the state-aided public housing program and housing needs analyses (including with respect to race/ethnicity, disability/accessibility needs, and source of income).
- Develop and implement a state-aided public housing tenant management system, and evaluate system data to inform the state-aided public housing program (along with CHAMP data) and analysis of housing stability amongst tenants

Goal: Invest and Preserve Resources to Improve Opportunities for a Range of Households in Racially/Ethnically Concentrated Areas of Poverty

DHCD will continue to balance efforts to improve access to opportunities for families and individuals, both where they currently reside (including based on choice, need, and/or constraints to mobility beyond availability of housing), and in lower poverty areas that are higher in opportunities such as high quality public education as discussed further below. DHCD aspires to improve access to opportunities by continuing to invest in housing and supportive services for vulnerable populations, including persons with disabilities, homeless and other extremely-low income households, and by initiatives to improve household economic opportunities.

DHCD/Other Housing Agency Investments

DHCD will continue its Federal LIHTC Qualified Allocation Plan (QAP) priorities for:

- Priority funding for investment in distressed and at-risk neighborhoods.
- Additional points for projects located in qualified census tracts that contribute to a concerted community revitalization plan (investments in jobs, education, and/or health care).
- Priority funding for preservation of existing affordable housing.

DHCD will track the number of funded applications seeking these priorities. DHCD will also, with partners and subject to available resources, analyze changes (e.g., relating to poverty, employment, education, and health) that occur after investment in qualified QCTs, and will examine gentrification and displacement research.

DHCD will continue preservation oversight, funding, and policy to prevent displacement and risk of homelessness through:

- 40T administration
- Continued emphasis in the QAP and other programs on preserving as many occupied units as possible each year, including remaining units funded under MassHousing's 13A program, and a long-term goal of preserving 85% of expiring (by 2030) LIHTC projects subject to c. 40T by the end of 2030.
- Targeted preservation funding, including continued implementation of the state LIHTC program expansion, with \$5 million in annual credits set aside for housing preservation
- Seeking additional funding for future preservation to prevent displacement.
- Continued implementation of DHCD's LIHTC income averaging policy

DHCD will examine neighborhood revitalization strategies in distressed areas:

- Implementation of the Liability to Assets pilot to assist municipalities in redeveloping deteriorated, abandoned housing; exploration of pilot renewal in additional locations.¹⁶³

DHCD and partners will explore new housing preservation strategies, including through:

- Ongoing efforts to develop approaches to preservation through the c. 40T Preservation Advisory Committee¹⁶⁴ and inter-agency working group, including identifying new strategies for certain asset portfolios and developing a DHCD asset management platform for LIHTC projects.
- Creation of a pilot program to preserve manufactured housing communities through septic and water system improvements and long-term affordability restrictions; evaluation and potential expansion of pilot.

¹⁶³ Liabilities to Assets is a pilot program created by DHCD to assist participating municipalities to redevelop deteriorated properties that are considered a blight in their community. The program is expected to operate for three to four years and will support the purchase and rehabilitation of primarily one and two family properties. Eligible properties must be vacant for at least 3 years and have a negative impact on their surrounding neighborhood. The program is expected to redevelop thirty properties, approximately five in each participating municipality.

¹⁶⁴ The Preservation Advisory Committee includes representatives from local, state, and federal agencies, for-profit and non-profit housing and developers, legal services, and other stakeholders.

DHCD/Other State Agency Investments in Household Economic Security

- In partnership with other state agencies, DHCD is making investments and exploring new opportunities to use housing as a springboard for families to achieve greater economic prosperity, including implementation and evaluation of the Family Self Sufficiency program and related state program, as well as Learn to Earn, a cross-agency tracking and policy planning effort to maximize household achievements with services and prevent benefit “cliff effects” that impede household progress
- Continued implementation of Learn to Earn includes the Data Use Licensing Agreement (DULA), through which tracking systems will be developed to bridge data from participating agencies into a shared database with dashboards to analyze data.

DHCD/EOHED Non-Housing Investments

- Continue implementation of MassWorks discretionary funding priority in support of Gateway Cities (EOHED).
- Continue implementation of the Learn to Earn workforce grants (EOLWD, EOE, EOHHS, EOHED), with newly enhanced programs designed to lead to sustained, unsubsidized employment and career progression, with on-going monitoring and assessment from an interagency workgroup to inform programmatic shifts and state-level policy changes.
- Continue implementation of the Economic Development Incentive Program (EDIP) to create jobs through tax credits to support economic revitalization and, with partners, evaluate success of EDIP in supporting economic revitalization in Gateway Cities and areas of economic need.

Goal: Further Access to Opportunity through Implementation of Fair Housing Evaluation Criteria for Discretionary Grants and/or Impose Fair Housing Conditions on Grants to Assure that Future Practices Serve the Goal of Affirmatively Furthering Fair Housing

DHCD seeks to raise awareness amongst applicants of DHCD discretionary funding of the goals of the AI, as well as to ensure that the activities that are being applied for are in concert with the goals of the AI.

- Develop guidance for applicants of discretionary funds under DHCD’s Non-Discrimination, Equal Opportunity, and Affirmative Furtherance of Fair Housing Regulations Governing Recipients of Department of Housing and Community Development Financial Assistance. (See 760 CMR 47.04, “other factors that the Department may consider in deciding whether to award Financial Assistance.”) Guidance under consideration will:
 - Instruct applicants on identifying in their applications how the discretionary funds would improve efforts they have undertaken or propose to undertake in support of AI goals;
 - Instruct awarded applicants on reporting their achievements in furthering such goals in subsequent applications for funding.
- Explore modifications to the CDBG annual Action Plan (and associated application guidance) to more fully reflect AI goals.

Goal: Further Access to Opportunity through Reduction of Local Barriers to Housing Choice

Restrictive local zoning and other barriers that impede housing choice for a diverse range of households continue to persist in the Commonwealth, and addressing these barriers also continues to be a significant challenge. As a critical first step, the Administration has proposed zoning reform that would expedite reduction of zoning barriers for municipalities that seek to expand the production of housing, particularly multifamily housing. The complexity introduced by local barriers, however, intensifies when they involve not only the housing type, but whom the housing will serve. This is often a matter that is outside the purview of local zoning (in theory or practice), but local restrictions designed to limit the target population(s) to be served by housing development ultimately impact land use. This is sometimes evidenced by a local desire to serve increasingly aging residents and/or by concerns about potential rises in school costs that would result from multifamily housing, which may not be sufficiently supported or valid in the context of fair housing laws. Given the diverse range of housing needs across the Commonwealth, as well as the existing patterns of residential segregation discussed in this AI, DHCD will continue to promote local approaches to meeting housing needs that take into account statewide needs, regional needs, and the needs of protected classes.

Reduce Local Zoning Barriers to Housing Choice

- Support passage of Governor Baker’s re-filed Housing Choice legislation that, if passed, would change state law to reduce the voting threshold required to adopt pro-housing zoning changes from a 2/3 “supermajority” to a simple majority vote, and also to change the voting threshold for a special permit-granting body to a simple majority for multi-family housing near transit or mixed-use development near commercial centers, where at least 10% of the units are affordable to households with incomes at or below 80% of the area median income.
- Continue to provide, through the Housing Choice Initiative, Housing Choice designated municipalities exclusive access to grants for local capital projects as a reward for housing production. See discussion under Create/Expand Other State Interagency Coordination below for further goals related to the Housing Choice Initiative.
- Expand Housing Choice grant program, subject to funding availability, to incentivize housing production that will benefit protected classes.

Increase Housing Choice for Families with Children

- Continue implementation of the Interagency Agreement on Housing Opportunities for Families with Children, generally requiring that at least 10% of units in a development contain 3 or more bedrooms if the development is funded or approved by a state housing agency.
- Continue implementation of prohibition against age-restricted housing under Chapter 40R regulations governing Starter Homes.
- Continue implementation of policy regarding inclusion of children in affordable 55+ housing units (LIP and other state housing programs).
- Consider further conditions in QAP as to age-restricted housing that is eligible for funding priorities.

Support increased funding and education to prevent lead paint discrimination, including developing and implementing education (by DHCD and/or partners) for the public and owners on lead paint discrimination and funding/load opportunities for lead abatement activities.

Increase Awareness of Barriers to Fair Housing Choice at the Local Level

- Increase municipal awareness of potential local impediments to fair housing choice, including through the above-mentioned DHCD guidance and highlighting of AGO zoning opinions, and sharing analysis of other organizations such as the Pioneer Institute’s analysis of zoning barriers.¹⁶⁵
- Consider withholding/withdrawing SHI inclusion of units in projects where local municipal requirements and/or owner marketing/tenant selection practices clearly violate Fair Housing requirements.
- Increase awareness of developers, managers, and other stakeholders regarding issues impacting protected classes at the local level through policy guidance, educational materials, and trainings in collaboration with state quasi-public agencies, regional planning agencies, and other partners.

Respond to Barriers to Housing Choice

- Reduce applicant screening barriers by developing and implementing a background screening policy (covering an updated CORI policy, income and credit standards, and consideration of mitigating circumstances) for application across state housing agencies for state-assisted housing.
- Reduce other barriers to the application process and housing search
 - Support other initiatives to improve affordable housing search, including the work of the Kuehn Charitable Foundation in partnership with CHAPA, housing funding agencies, property owners, advocates, and other stakeholders, and software developer Green River to create “Housing Navigator.” Housing Navigator is being designed as a comprehensive online search tool for affordable rental housing in Massachusetts that will include information about rental openings, wait lists, unit types, and other variables to expand consumer awareness and meaningful housing choice. DHCD has entered into a preliminary Memorandum of Agreement in support of Housing Navigator.
 - Monitor LHAs for compliance with regulatory requirement for language access plans (760 CMR 4.02(1)(e)).
- Increase education and awareness
 - Provide fair housing trainings for LHAs, including Executive Directors as well as LHA Board Members.
 - Further promote LHA attendance at MassHousing TAP trainings on reasonable accommodations for persons with disabilities.

¹⁶⁵ See e.g., AGO decision letter dated January 25, 2018 noting fair housing law considerations with respect to limitations on number of bedrooms under the proposed Carlisle zoning bylaw amendment; this and other AGO bylaw amendment review decisions are available at <https://massago.onbaseonline.com/MASSAGO/1801PublicAccess/mlu.htm>; see also supra note 60 regarding the Pioneer Institute’s zoning analysis .

- Develop further fair housing training modules for Emergency Assistance (EA) program providers.

Goal: Expand Accessibility

Although accessibility considerations apply across all of the goals discussed herein, the following outlines particular accessibility-related action steps for achieving this goal:

- Adopt policies for state-funded developments that address gaps in accessibility code standards or that otherwise enhance accessibility.
 - Support creation of accessibility in housing otherwise exempt under accessibility codes, or greater accessibility than required under accessibility codes. Enhance policy statements regarding inclusion of accessible units to QAP. As stated in DHCD's draft 2020-2021 QAP, DHCD, in its work with EOHHS, its commissions, and various advocacy groups, has identified potential design approaches in new construction, adaptive re-use, and preservation projects that will increase opportunities for persons with disabilities. These approaches include the application of the principles of universal design and visitability. DHCD will continue to work with the development community during 2020 and 2021 to implement these approaches.
 - Develop 40R guidance and LIP guidance.
 - Develop updated 40B design standards across the state housing agencies.
- Coordinate rental assistance for persons with disabilities in new development
 - Continue to incentivize through the QAP development that will accept 811 project-based rental assistance. As stated in DHCD's draft 2020-2021 QAP, DHCD encourages developers to indicate in their applications that they would accept Section 811 project-based rental assistance for persons with disabilities.
- Further accessibility by implementing new and expanded home modification programs.
 - Implement new affordable housing accessibility grants funded under FY19-FY20 budgets to improve or create accessible affordable housing units for persons with disabilities; seek inclusion of accessibility grants in state budget and/or capital plan for future fiscal years.
 - Implement Home Modification Loan Program (HMLP) expansion under Chapter 99 of the Acts of 2018 to:
 - Support creation of accessory dwelling units for a person with disabilities or an elder needing assistance with activities of daily living.
 - Allow up to 10% of funding to be used for grants to assist landlords seeking to make modifications for a current/prospective tenant with disabilities who would be unable to maintain or secure permanent housing without such a grant.
 - Explore improvements to/streamlining HMLP application.
- Further integrate accessibility into capital planning systems and budgeting for the state-aided public housing portfolio

- Continue DHCD commitment to goal of at least 5% fully accessible units across the entire state-aided public housing portfolio.
- Anticipated funding, as resources permit, to include:
 - DHCD released the “Notice of Funding Availability for Accessible Unit Initiative on April 17, 2019, committing \$3 million annually in FY21 and FY22. Subject to funding availability, DHCD plans to continue this level of commitment for at least 5 years.
 - Capital funding for at least \$1-2 million annually for accessibility improvements, including reasonable modifications.
- Promote accessibility through community funding programs
 - Continue implementing the MOU between MOD and DHCD under which communities applying for discretionary CDBG funds and Housing Choice Initiative grants from DHCD must have ADA/Section 504 self-evaluation/transition plans or commit to put plans in place (MOD technical assistance and grants available) within five years.
 - Explore expansion of MOU to cover other municipal grant programs.

Goal: Increase Supportive Housing

In achieving its goal of increasing supportive housing, DHCD will continue to work with the ICHH to ensure continued consistency with the Olmstead Plan for persons with disabilities, and in determining the supportive housing needs of other populations.

- Increase funding opportunities for supportive housing projects
 - Implement Capital Spending Plan FY2019-FY2023: Approximately \$1.2 billion for housing over 5 years (\$230 million+ annually), including funding programs for supportive housing:
 - CBH
 - FCF
 - HIF and HSF
 - HMLP (funding in addition to approximately \$2.7 MM in each of the FY19 and FY20 state budgets)
 - Continue to implement the National Housing Trust Fund program, as funds become available from HUD, and continue to devote 100% of awarded funds for supportive housing.
- Implement “An Act Relative to Community Services” (interagency coordination with EOHHS)/Implement Supportive Housing Initiatives with EOHHS including:
 - Inform funding priorities based on tracking of housing opportunities goals and production by the ICHH Committee on Supportive Housing Production and Services.
 - Fully implement expansion of 3% Priority across state housing agencies (DHCD, MHP, and MassDevelopment in addition to MasssHousing) and to populations served by various EOHHS agencies (EOEA and MRC in addition to DDS and DMH).
 - Utilize HUD 811 Project Rental Assistance that DHCD received from the HUD FY12 and FY13 grants to transition MassHealth members from long-stay facilities to the

community and to address the housing needs of other priority populations, with long-term services and supports from MassHealth, MRC, DDS, and DMH.

- Continue to apply for Section 811 project-based rental assistance grants from HUD, and as noted above, continue to incentivize through the QAP development that will accept 811 project-based rental assistance. As stated in DHCD’s draft 2020-2021 QAP, DHCD encourages developers to indicate in their applications that they would accept Section 811 project-based rental assistance for persons with disabilities. The draft 2020-2021 QAP also states that development team scoring will reflect whether the sponsor/owner previously has helped especially vulnerable populations by participating in the New Lease initiative and by leasing units through Section 811.

Goal: Create/Expand Other State Interagency Coordination

- Explore new/expanded inter-agency coordination to improve access to opportunity and to reduce barriers to housing choice.
 - Create further guidance or priorities within the Housing Choice Initiative for municipalities that have and will take actions in furtherance of AI goals, and coordinate with other agencies (including EOHEd) that award competitive points for municipalities with a Housing Choice designation.
- Regularly convene the ICHH committee (the ICHH Committee for Supportive Housing Production and Services), notably including EOHEd, EOLWD, DOT, DOC, DOE, and DPH, that focuses on access to opportunity for protected classes in addition to persons with disabilities, including racial/ethnic minority groups, families with children, and public assistance recipients.
 - Periodically meet with members of the AI Advisory Council to provide updates and receive feedback.
 - Consider analysis of new or updated housing data with partners (including ACS, CHAS, and AHS data), subject to availability of resources.

A DHCD 2019 AI Action Steps chart with affirmatively furthering fair housing goals, key impediments to such goals, responsive action steps, 2-5 year measures and milestones, and well as long-term measures and milestones, is available at <https://www.mass.gov/service-details/analysis-of-impediments-to-fair-housing-choice-ai> or <http://www.mass.gov/dhcd> (search “Analysis of Impediments Action Steps”).

9. Conclusion

Although DHCD has largely retained its key affirmatively furthering fair housing goals since its last AI, there have been some significant developments relating to impediments to these goals, as well as action steps to address impediments. Notably, gentrification pressures have intensified, particularly in the City of Boston, requiring significant DHCD and other government resources to preserve existing affordable housing in order to prevent displacement of residents who wish to remain in their communities. At the same time, DHCD is seeking to further housing choice and mobility through both increases in voucher payment standards in state rental assistance programs and the implementation of the SNO Mass pilot to assist Section 8 Housing Choice voucher holders who wish to move to “opportunity areas” through higher payment standards as well as mobility counseling. DHCD has also invested in new systems to reduce barriers to the housing application process, such as the CHAMP online application system for state-aided public housing, to track more data for assessment of programs and housing stability, and is supporting efforts to improve housing search tools. Additionally, DHCD is continuing its work with other state agencies on self-sufficiency programs, supportive housing, expanded housing options for persons with disabilities, the Housing Choice Initiative, and more. These actions, as well as others discussed in this AI and the DHCD 2019 AI Action Steps chart, will further housing choice for fair housing protected classes, and we look forward to tracking and providing updates on our progress.

Appendix A

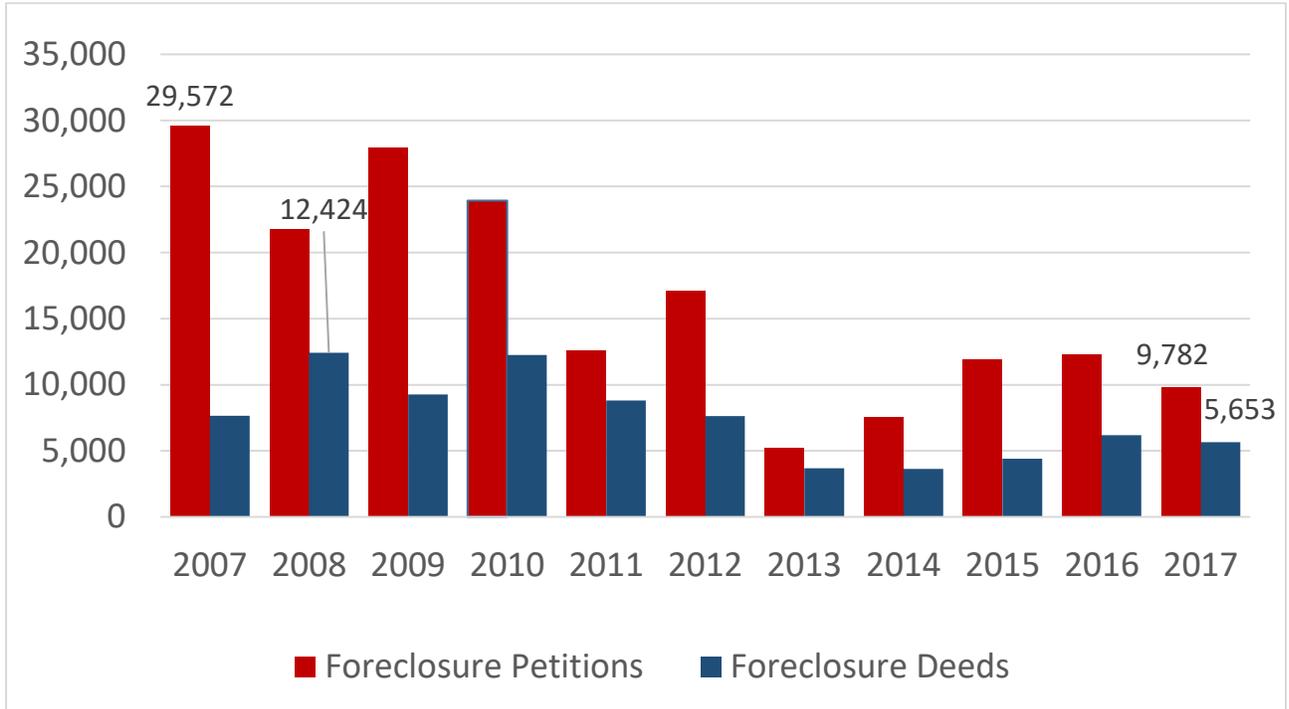
Housing Unit Change by Type of Structure and Tenure

	Total	1, detached	1, attached	2 to 4 units	5 to 19 units	20 to 49 units	50+ units	Mobile home, other
2000								
Total	2,443,580	1,274,187	97,263	565,246	252,441	97,058	134,915	22,470
<i>Stock type's share of total</i>		52.1%	4.0%	23.1%	10.3%	4.0%	5.5%	0.9%
Owner	1,508,248	1,184,458	61,913	172,712	35,956	16,049	17,951	19,209
		78.5%	4.1%	11.5%	2.4%	1.1%	1.2%	1.3%
Renter	935,332	89,729	35,350	392,534	216,485	81,009	116,964	3,261
		9.6%	3.8%	42.0%	23.1%	8.7%	12.5%	0.3%
2010								
Total	2,520,419	1,311,910	135,268	529,521	259,325	108,604	156,301	19,490
<i>Stock type's share of total</i>		52.1%	5.4%	21.0%	10.3%	4.3%	6.2%	0.8%
Owner	1,568,382	1,215,733	89,633	152,643	44,692	22,127	26,746	16,808
		77.5%	5.7%	9.7%	2.8%	1.4%	1.7%	1.1%
Renter	952,037	96,177	45,635	376,878	214,633	86,477	129,555	2,682
		10.1%	4.8%	39.6%	22.5%	9.1%	13.6%	0.3%
Change 2000 – 2010								
# Change 2000 to 2010	76,839	37,723	38,005	-35,725	6,884	11,546	21,386	-2,980
<i>Stock type's share of gain or loss</i>		32.6%	32.9%	92.3%	6.0%	10.0%	18.5%	7.7%
Owner	60,134	31,275	27,720	-20,069	8,736	6,078	8,795	-2,401
Renter	16,705	6,448	10,285	-15,656	-1,852	5,468	12,591	-579
% Change 2000 – 2010	3.1%	3.0%	39.1%	-6.3%	2.7%	11.9%	15.9%	-13.3%

Owner	4.0%	2.6%	44.8%	-11.6%	24.3%	37.9%	49.0%	-12.5%
Renter	1.8%	7.2%	29.1%	-4.0%	-0.9%	6.7%	10.8%	-17.8%
2016								
Total	2,579,398	1,340,926	132,738	539,153	262,816	112,731	171,572	19,462
<i>Stock type's share of total</i>		52.0%	5.1%	20.9%	10.2%	4.4%	6.7%	0.8%
Owner	1,598,930	1,242,965	85,667	162,939	42,502	23,096	26,840	14,921
		77.7%	5.4%	10.2%	2.7%	1.4%	1.7%	0.9%
Renter	980,468	97,961	47,071	376,214	220,314	89,635	144,732	4,541
		10.0%	4.8%	38.4%	22.5%	9.1%	14.8%	0.5%
Change 2010-2016								
# Change 2010 to 2016	58,979	29,016	-2,530	9,632	3,491	4,127	15,271	-28
<i>Stock type's share of gain or loss</i>		47.2%	98.9%	15.7%	5.7%	6.7%	24.8%	1.1%
Owner	30,548	27,232	-3,966	10,296	-2,190	969	94	-1,887
Renter	28,431	1,784	1,436	-664	5,681	3,158	15,177	1,859
% Change 2010 – 2016?	2.3%	2.2%	-1.9%	1.8%	1.3%	3.8%	9.8%	-0.1%
Owner	1.9%	2.2%	-4.4%	6.7%	-4.9%	4.4%	0.4%	-11.2%
Renter	3.0%	1.9%	3.1%	-0.2%	2.6%	3.7%	11.7%	69.3%
Change 2000-2016								
# Change 2000 to 2016	135,818	66,739	35,475	-26,093	10,375	15,673	36,657	-3,008
<i>Stock type's share of gain or loss</i>		40.5%	21.5%	89.7%	6.3%	9.5%	22.2%	10.3%
Owner	90,682	58,507	23,754	-9,773	6,546	7,047	8,889	-4,288
Renter	45,136	8,232	11,721	-16,320	3,829	8,626	27,768	1,280
% Change 2000 – 2016	5.6%	5.2%	36.5%	-4.6%	4.1%	16.1%	27.2%	-13.4%
Owner	6.0%	4.9%	38.4%	-5.7%	18.2%	43.9%	49.5%	-22.3%
Renter	4.8%	9.2%	33.2%	-4.2%	1.8%	10.6%	23.7%	39.3%

Source: 2000 Census SF3; 2010 & 2016 1-Year ACS, Table 25032

Foreclosure Trends



Source: 2007-2017 Massachusetts Association of Realtors (MAR)

Changes in the Massachusetts Housing Supply 2006-2011-2016 by Region

	Massachusetts	Berkshire	Hampden, Hampshire, and Franklin	Worcester	Essex	Middlesex	Norfolk	Suffolk	Plymouth	Bristol	Barnstable
2006											
Total housing units	2,709,208	67,750	282,017	314,228	296,017	590,906	263,392	297,687	191,333	224,322	154,914
Occupied housing units	2,446,485	55,272	258,921	290,280	271,908	552,936	252,869	272,396	175,694	208,014	98,466
Owner occupied housing units	1,588,359	37,398	169,654	198,819	179,600	363,068	177,935	108,848	135,983	131,922	77,889
Renter occupied housing units	858,126	17,874	89,267	91,461	92,308	189,868	74,934	163,548	39,711	76,092	20,577
Vacant housing units	262,723	12,478	23,096	23,948	24,109	37,970	10,523	25,291	15,639	16,308	56,448
"Other" vacant housing units ¹	59,222	2,901	7,668	7,732	8,032	12,369	3,835	5,030	2,442	6,561	1,729
Homeowner vacancy rate	1.5	1.6	1.6	1	1.5	1.6	1.4	2.7	1.1	1.2	1.7
Rental vacancy rate	5.6	2.2	5.3	8.3	5.7	5.2	2.7	5.3	6.3	5.4	8.6
2011											
Total housing units	2,819,028	68,500	288,784	328,606	307,583	614,017	271,502	317,343	201,424	231,091	161,015
Occupied housing units	2,532,067	55,230	265,490	296,948	288,403	582,946	257,098	292,390	179,609	209,256	94,569
Owner occupied housing units	1,573,279	38,806	168,871	192,527	183,405	361,054	178,307	102,133	136,379	131,281	72,494
Renter occupied housing units	958,788	16,424	96,619	104,421	104,998	221,892	78,791	190,257	43,230	77,975	22,075
Vacant housing units	286,961	13,270	23,294	31,658	19,180	31,071	14,404	24,953	21,815	21,835	66,446
"Other" vacant housing units	75,029	1,881	9,234	12,082	9,334	11,559	5,254	9,866	4,568	8,917	2,223
Homeowner vacancy rate	1.4	2.1	2.2	1.8	1.1	1	0.6	1.6	1.9	1.2	2.6
Rental vacancy rate	4.8	7.4	4.2	7.2	2.6	3	5.9	4	8.1	6.3	10.1
% Change 2006-2011											
Total housing units	4.1	1.1	2.4	4.6	3.9	3.9	3.1	6.6	5.3	3.0	3.9
Occupied housing units	3.5	-0.1	2.5	2.3	6.1	5.4	1.7	7.3	2.2	0.6	-4.0

Owner occupied housing units	-0.9	3.8	-0.5	-3.2	2.1	-0.6	0.2	-6.2	0.3	-0.5	-6.9
Renter occupied housing units	11.7	-8.1	8.2	14.2	13.7	16.9	5.1	16.3	8.9	2.5	7.3
Vacant housing units	9.2	6.3	0.9	32.2	-20.4	-18.2	36.9	-1.3	39.5	33.9	17.7
"Other" vacant housing units	26.7	-35.2	20.4	56.3	16.2	-6.5	37.0	96.1	87.1	35.9	28.6
Homeowner vacancy rate	-0.1	0.5	0.6	0.8	-0.4	-0.6	-0.8	-1.1	0.8	0	0.9
Rental vacancy rate	-0.8	5.2	-1.1	-1.1	-3.1	-2.2	3.2	-1.3	1.8	0.9	1.5
2016											
Total housing units	2,858,087	68,451	288,941	330,808	309,644	625,421	275,009	331,291	204,153	232,089	162,486
Occupied housing units	2,579,398	54,204	267,658	304,833	289,817	593,437	260,609	306,790	184,577	214,232	92,582
Owner occupied housing units	1,598,930	37,338	170,289	196,530	186,890	366,955	178,812	109,235	139,253	133,393	72,842
Renter occupied housing units	980,468	16,866	97,369	108,303	102,927	226,482	81,797	197,555	45,324	80,839	19,740
Vacant housing units	278,689	14,247	21,283	25,975	19,827	31,984	14,400	24,501	19,576	17,857	69,904
"Other" vacant housing units ¹	70,365	3,893	8,629	13,689	5,903	11,025	5,238	5,442	4,442	7,215	2,572
Homeowner vacancy rate	1.1	1.6	1.2	0.9	1	0.7	0.9	1.3	1.7	1.1	1.8
Rental vacancy rate	4.0	9.4	3.3	4.1	3.9	3.8	3.1	3.4	2.6	5.6	6.6
% Change 2011-2016											
Total housing units	1.4	-0.1	0.1	0.7	0.7	1.9	1.3	4.4	1.4	0.4	0.9
Occupied housing units	1.9	-1.9	0.8	2.7	0.5	1.8	1.4	4.9	2.8	2.4	-2.1
Owner occupied housing units	1.6	-3.8	0.8	2.1	1.9	1.6	0.3	7.0	2.1	1.6	0.5
Renter occupied housing units	2.3	2.7	0.8	3.7	-2.0	2.1	3.8	3.8	4.8	3.7	-10.6
Vacant housing units	-2.9	7.4	-8.6	-18.0	3.4	2.9	0.0	-1.8	-10.3	-18.2	5.2
"Other" vacant housing units	-6.2	107.0	-6.6	13.3	-36.8	-4.6	-0.3	-44.8	-2.8	-19.1	15.7

Homeowner vacancy rate	-0.3	-0.5	-1.0	-0.9	-0.1	-0.3	0.3	-0.3	-0.2	-0.1	-0.8
Rental vacancy rate	-0.8	2	-0.9	-3.1	1.3	0.8	-2.8	-0.6	-5.5	-0.7	-3.5
% Change 2006-2016											
Total housing units	5.5	1.0	2.5	5.3	4.6	5.8	4.4	11.3	6.7	3.5	4.9
Occupied housing units	5.4	-1.9	3.4	5.0	6.6	7.3	3.1	12.6	5.1	3.0	-6.0
Owner occupied housing units	0.7	-0.2	0.4	-1.2	4.1	1.1	0.5	0.4	2.4	1.1	-6.5
Renter occupied housing units	14.3	-5.6	9.1	18.4	11.5	19.3	9.2	20.8	14.1	6.2	-4.1
Vacant housing units	6.1	14.2	-7.8	8.5	-17.8	-15.8	36.8	-3.1	25.2	9.5	23.8
"Other" vacant housing units	18.8	34.2	12.5	77.0	-26.5	-10.9	36.6	8.2	81.9	10.0	48.8
Homeowner vacancy rate	-0.4	0	-0.4	-0.1	-0.5	-0.9	-0.5	-1.4	0.6	-0.1	0.1
Rental vacancy rate	-1.6	7.2	-2.0	-4.2	-1.8	-1.4	0.4	-1.9	-3.7	0.2	-2

Source: 2006 1-Year American Community Survey, Tables DP04, B25004, 2011 and 2016 1-Year American Community Survey, Tables BP25004 and DP04

Note: Data was not available for Duques and Nantucket counties. Those counties have been omitted from this table.

Appendix B

Access to Opportunity by Massachusetts Region and Selected Census Tracts

This appendix provides detailed access to opportunity index results for protected classes at the regional level. **Figures 5.8-5.13**, which compare each of the HUD Opportunity Indices within and across Massachusetts seven regions, show that access to opportunity is uneven geographically and by protected class. While barriers to opportunity persist for protected classes in the state as a whole, those barriers are more visible in some regions than in others. In contrast to findings by region, analysis by community type shows general similarities in levels of access to opportunity in rural and developing suburbs with greater disparities across groups in mature suburbs and urban places. A discussion of these issues and findings appears in the body of the report.

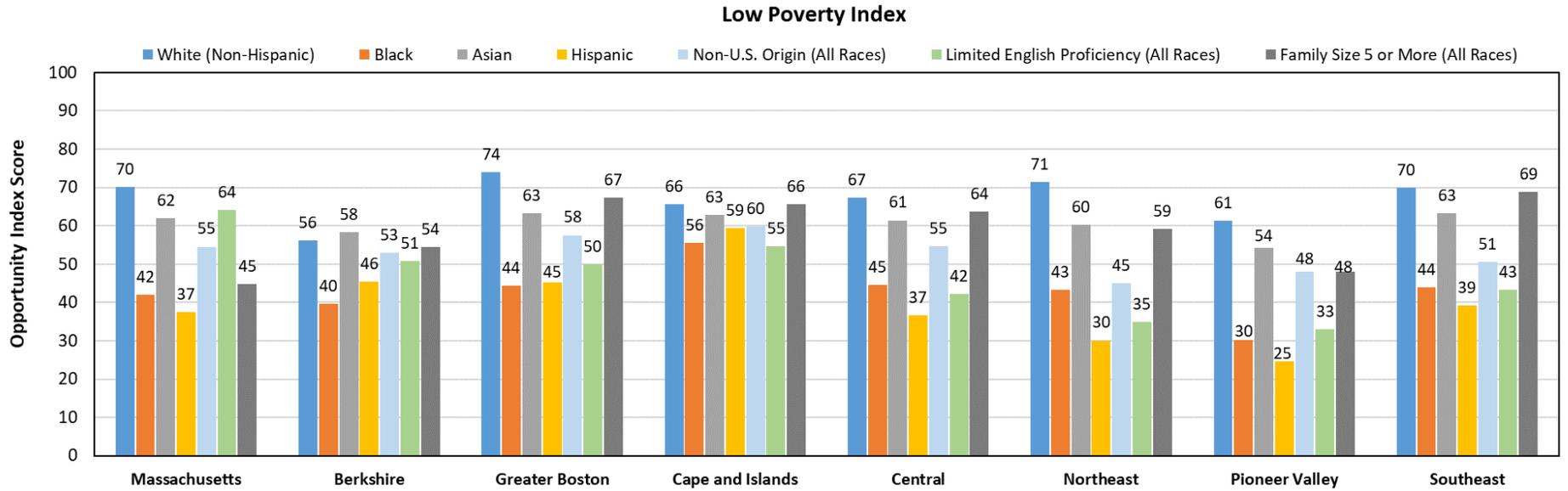
Methodology

HUD provided Opportunity Indices at the state, county and neighborhood (census tract) level.¹⁶⁶ The state-level indices show a broad overview of Massachusetts whereas county-level indices were used to inform a regional analysis using seven county-based regions that have been used throughout this AI. Access to opportunity is a critical element associated with the quality of life in a neighborhood, and identifies places where households may face multiple challenges to social mobility.

HUD provides its Opportunity Indices by race and ethnicity at the state and county level, but it does not provide indices by race or ethnicity at the census-tract level nor did it release indices for households of non-U.S. origin, limited-English proficiency, or households comprised of five individuals or more. For these demographic categories, we employed HUD's methodology by applying the share of each demographic population (as of the 2010 Census) in the particular geography to HUD's published Opportunity Index value for all households in that same geography and re-constituting the index for those groups. This was also how we created the Opportunity Indices by region and MAPC Community Type.

¹⁶⁶ For more information about HUD's methodology, please consult their data documentation, <https://www.hudexchange.info/resources/documents/AFFH-T-Data-Documentation-AFFHT0004-November-2017.pdf>.

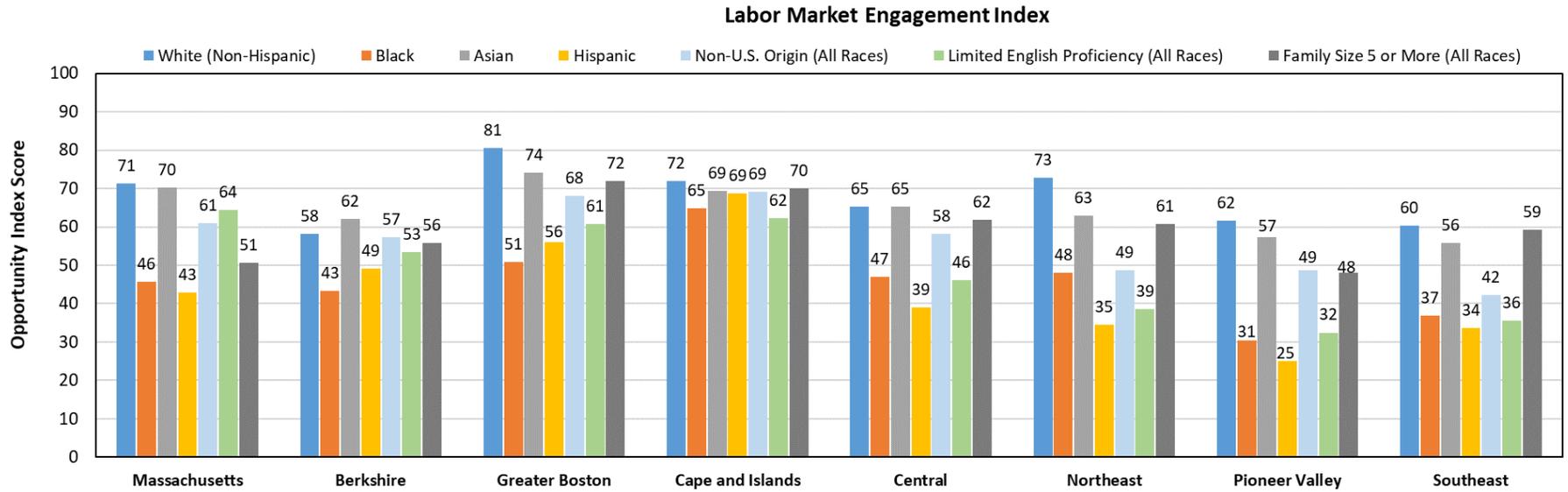
Figure 5.8: HUD Low Poverty Index by Protected Class and Region



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: “Family size” refers to “household family size”.

*White, Black, and Asian categories shown above do not include Hispanic.

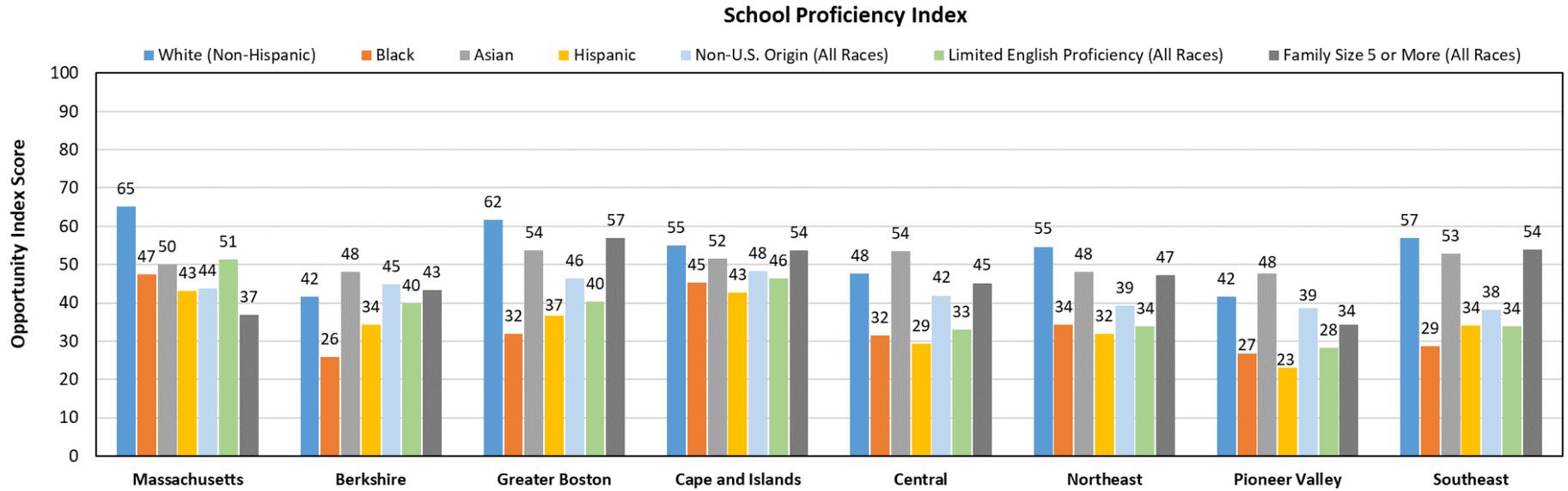
Figure 5.9: HUD Labor Market Engagement Index by Protected Class and Region



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: “Family size” refers to “household family size”.

*White, Black, and Asian categories shown above do not include Hispanic.

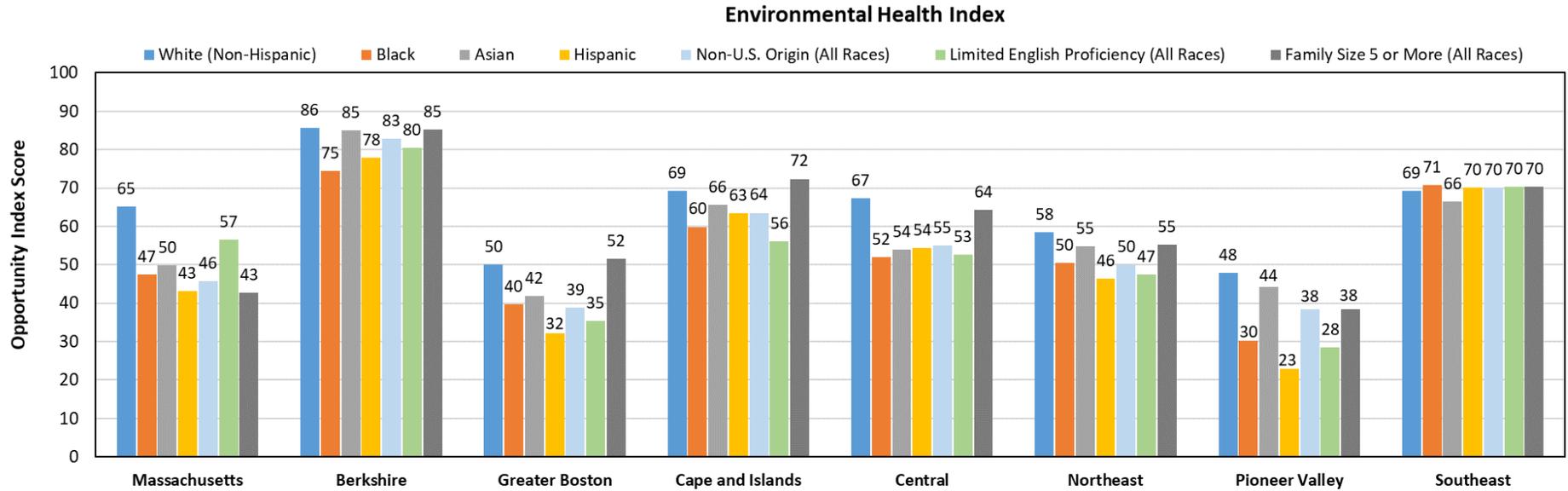
Figure 5.10: HUD School Proficiency Index by Protected Class and Region



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: “Family size” refers to “household family size”.

*White, Black, and Asian categories shown above do not include Hispanic.

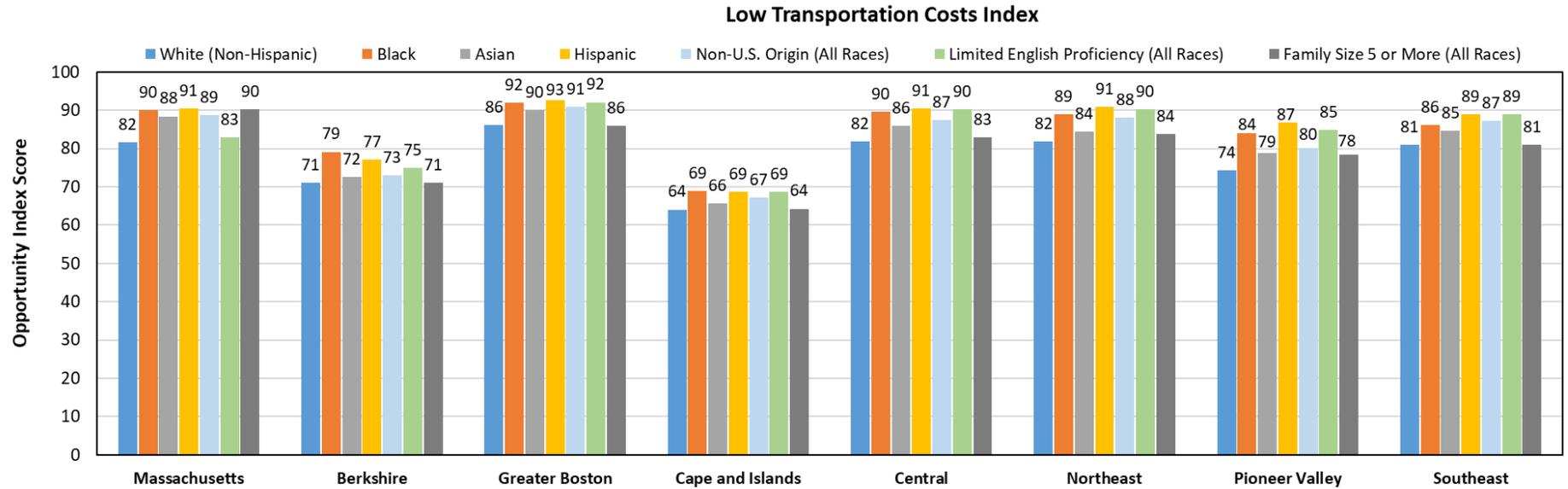
Figure 5.11: HUD Environmental Health Index by Protected Class and Region



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: “Family size” refers to “household family size”.

*White, Black, and Asian categories shown above do not include Hispanic.

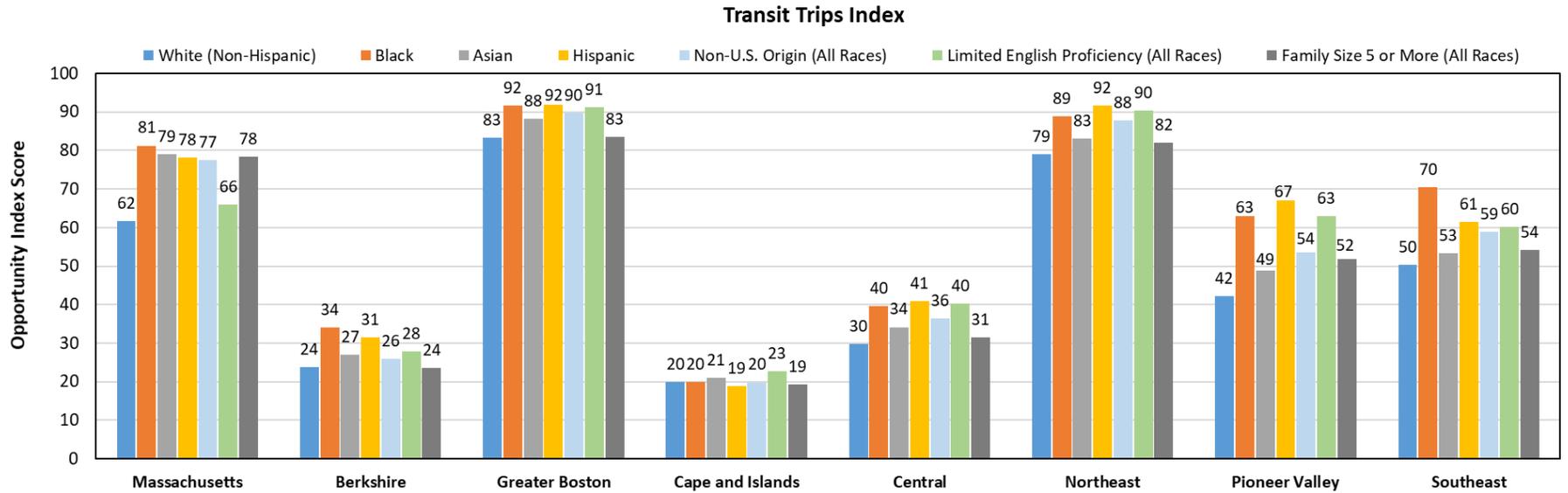
Figure 5.12: HUD Low Transportation Costs Index by Protected Class and Region



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: "Family size" refers to "household family size".

*White, Black, and Asian categories shown above do not include Hispanic.

Figure 5.13: HUD Transit Trips Index by Protected Class and Region



Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. Note: “Family size” refers to “household family size”.

*White, Black, and Asian categories shown above do not include Hispanic.

Analytical Tables: Access to Opportunity for Protected Classes at the Neighborhood Level

Table 5.6: HUD Opportunity Indices by Selected Census Tracts for Black Households

Census Tract	Municipality	Black*	Low Poverty Index	Labor Market Engagement Index	School Proficiency Index	Environmental Health Index	Low Transportation Costs Index	Transit Trips Index
25025140400	Boston	1.25%	64	30	13	50	90	94
25025101001	Boston	1.05%	27	21	4	41	93	95
25025101002	Boston	0.89%	26	24	10	54	92	93
25025101102	Boston	0.84%	11	14	4	39	94	95
25025100100	Boston	0.82%	8	16	3	30	94	95
25013801700	Springfield	0.82%	7	8	20	27	90	81
25025092400	Boston	0.81%	19	16	1	37	95	96
25025140300	Boston	0.80%	42	43	24	54	93	93
25025100500	Boston	0.78%	25	25	14	50	94	95
25025100400	Boston	0.78%	23	37	17	44	91	95
25021420302	Randolph	0.77%	67	47	13	77	87	87
25025090100	Boston	0.75%	19	11	0	38	97	96
25025082100	Boston	0.71%	5	8	6	32	97	97
25023510800	Brockton	0.71%	8	10	16	65	92	93
25025092000	Boston	0.65%	17	19	17	46	95	96
25025081700	Boston	0.63%	4	11	21	35	97	95
25025091900	Boston	0.63%	24	15	3	42	94	95
25025100300	Boston	0.61%	35	28	11	43	93	95
25021420100	Randolph	0.60%	42	61	19	75	85	85
25021420202	Randolph	0.60%	61	64	22	76	85	86
25025101101	Boston	0.59%	41	29	3	35	92	96
25021416200	Milton	0.56%	72	94	61	60	81	89
25023511600	Brockton	0.55%	19	12	5	78	90	92
25021420301	Randolph	0.55%	71	50	14	72	86	83
25025100900	Boston	0.55%	37	31	29	54	92	94
25023510502	Brockton	0.52%	67	32	17	79	89	88
25025092300	Boston	0.52%	22	14	2	44	94	96
25025100200	Boston	0.50%	29	23	7	37	94	95
25013801300	Springfield	0.48%	7	7	29	22	87	72
25025082000	Boston	0.48%	9	9	2	37	95	95

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis. *Not Hispanic

Table. 5.7: HUD Opportunity Indices by Selected Census Tracts for Hispanic Households

Census Tract	Municipality	Hispanic	Low Poverty Index	Labor Market Engagement Index	School Proficiency Index	Environmental Health Index	Low Transportation Costs Index	Transit Trips Index
25025160101	Chelsea	0.91%	11	23	16		96	96
25009250600	Lawrence	0.74%	18	35	21	40	91	95
25009251600	Lawrence	0.70%	7	24	38	32	93	94
25009250800	Lawrence	0.70%	39	15	12	47	91	94
25009251500	Lawrence	0.68%	24	22	40	49	92	93
25009250700	Lawrence	0.65%	16	16	14	35	93	95
25009250200	Lawrence	0.63%	27	30	40	52	91	93
25025160501	Chelsea	0.63%	17	41	15		98	97
25009251400	Lawrence	0.62%	12	12	39	56	92	94
25009250500	Lawrence	0.57%	6	9	23	41	94	96
25013800700	Springfield	0.56%	2	2	24	24	93	78
25009250400	Lawrence	0.56%	2	14	30	44	96	96
25013802300	Springfield	0.55%	14	3	34	22	91	80
25025050200	Boston	0.55%	47	60	29	20	98	98
25013800400	Springfield	0.54%	30	30	21	16	87	73
25025160200	Chelsea	0.53%	16	35	20	21	98	97
25009251300	Lawrence	0.53%	5	8	49	39	94	95
25013811600	Holyoke	0.51%	0	0	1	18	96	83
25025050101	Boston	0.50%	22	35	27		98	97
25009251700	Lawrence	0.50%	21	29	48	45	91	92
25013800900	Springfield	0.47%	0	0	21	8	96	84
25025050700	Boston	0.46%	35	54	26	19	98	97
25025170702	Revere	0.46%	20	18	40		95	96
25009206200	Lynn	0.45%	14	12	8	37	94	95
25025160502	Chelsea	0.44%	34	55	21		94	94
25025050901	Boston	0.43%	27	41	26		96	96
25009251800	Lawrence	0.43%	33	61	42	53	86	89
25009252400	Methuen	0.42%	34	30	18	43	91	93
25027731400	Worcester	0.39%	2	7	6	38	99	55
25027732400	Worcester	0.39%	9	6	7	43	97	53

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis.

Table. 5.8: HUD Opportunity Indices by Selected Census Tracts for Limited-English-Proficiency Households

Census Tract	Municipality	Limited English Proficiency	Low Poverty Index	Labor Market Engagement Index	School Proficiency Index	Environmental Health Index	Low Transportation Costs Index	Transit Trips Index
25025160101	Chelsea	0.67%	11	23	16		96	96
25025170702	Revere	0.58%	20	18	40		95	96
25025050700	Boston	0.51%	35	54	26	19	98	97
25025050101	Boston	0.49%	22	35	27		98	97
25025160501	Chelsea	0.49%	17	41	15		98	97
25025050200	Boston	0.48%	47	60	29	20	98	98
25025051101	Boston	0.47%	50	47	35		92	94
25025070200	Boston	0.45%	7	14	27	2	99	97
25009250500	Lawrence	0.40%	6	9	23	41	94	96
25025050901	Boston	0.40%	27	41	26		96	96
25009251500	Lawrence	0.39%	24	22	40	49	92	93
25009251600	Lawrence	0.39%	7	24	38	32	93	94
25009250700	Lawrence	0.39%	16	16	14	35	93	95
25009250800	Lawrence	0.39%	39	15	12	47	91	94
25017341300	Malden	0.39%	42	58	14	31	97	95
25009250200	Lawrence	0.38%	27	30	40	52	91	93
25009250400	Lawrence	0.36%	2	14	30	44	96	96
25017383102	Framingham	0.35%	11	45	34		93	92
25017342300	Everett	0.34%	43	56	38	30	94	96
25025092101	Boston	0.34%	21	36	53		94	95
25017341600	Malden	0.34%	43	46	18	44	94	94
25021417200	Quincy	0.34%	50	65	64	58	92	92
25017341200	Malden	0.34%	37	34	14	31	95	94
25009250600	Lawrence	0.33%	18	35	21	40	91	95
25027731500	Worcester	0.33%	2	6	5	29	98	57
25017341400	Malden	0.33%	67	69	18	36	95	95
25025160200	Chelsea	0.31%	16	35	20	21	98	97
25013812300	West Springfield	0.31%	18	19	63	24	90	71
25027732001	Worcester	0.31%	0	8	40	67	95	45
25027731800	Worcester	0.31%	10	35	12	24	98	54

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis.

Table 5.9: HUD Low Poverty Index by Selected Census Tracts and Protected Classes

Census Tract	Municipality	White	Black	Asian	Hispanic	Non-U.S. Origin	Limited English Proficiency	Family Size 5 or More	Low Poverty Index
25021442103	Franklin	0.13%	0.01%	0.11%	0.02%	0.05%	0.03%	0.20%	99
25017318300	Westford	0.13%	0.01%	0.24%	0.02%	0.07%	0.03%	0.16%	99
25021405100	Dover	0.10%	0.01%	0.09%	0.01%	0.05%	0.01%	0.15%	99
25021416400	Milton	0.11%	0.03%	0.09%	0.01%	0.07%	0.04%	0.13%	99
25009208400	Saugus	0.10%	0.04%	0.06%	0.03%	0.12%	0.06%	0.12%	99
25021443101	Bellingham	0.14%	0.03%	0.06%	0.04%	0.06%	0.01%	0.08%	99
25021402300	Dedham	0.08%	0.02%	0.04%	0.02%	0.04%	0.03%	0.07%	99
25017338300	Winchester	0.06%	0.01%	0.04%	0.01%	0.04%	0.02%	0.07%	99
25025130300	Boston	0.07%	0.04%	0.07%	0.04%	0.08%	0.07%	0.07%	99
25017338100	Winchester	0.05%	0.01%	0.12%	0.01%	0.05%	0.02%	0.07%	99
25009254301	Andover	0.07%	0.01%	0.09%	0.01%	0.06%	0.03%	0.06%	99
25027750300	Northbridge	0.05%	0.01%	0.01%	0.02%	0.01%	0.01%	0.06%	99
25027751102	Sutton	0.05%	0.00%	0.01%	0.01%	0.02%	0.00%	0.05%	99
25009254401	Andover	0.05%	0.01%	0.10%	0.02%	0.05%	0.02%	0.05%	99
25017317301	Chelmsford	0.04%	0.01%	0.10%	0.01%	0.02%	0.02%	0.04%	99
25015821200	South Hadley	0.03%	0.04%	0.12%	0.02%	0.06%	0.01%	0.00%	99
25015820600	Amherst	0.02%	0.05%	0.06%	0.03%	0.01%	0.00%	0.00%	99
25025981800	Boston	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	99
25025980700	Boston	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	99

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis.

*White, Black, and Asian categories shown above do not include Hispanic.

Table. 5.10: HUD Labor Market Engagement Index by Selected Census Tracts and Protected Classes

Census Tract	Municipality	White	Black	Asian	Hispanic	Non-U.S. Origin	Limited English Proficiency	Family Size 5 or More	Labor Market Engagement Index
25015820802	Amherst	0.02%	0.01%	0.02%	0.01%	0.01%	0.00%	0.00%	99
25017358100	Lexington	0.08%	0.02%	0.23%	0.02%	0.11%	0.05%	0.07%	99
25025030500	Boston	0.05%	0.00%	0.03%	0.01%	0.02%	0.01%	0.00%	99
25017354800	Cambridge	0.03%	0.02%	0.04%	0.01%	0.04%	0.02%	0.00%	99
25017373700	Newton	0.07%	0.02%	0.08%	0.01%	0.06%	0.02%	0.06%	99
25025010801	Boston	0.05%	0.02%	0.06%	0.02%	0.06%	0.02%	0.02%	99
25025040100	Boston	0.04%	0.00%	0.01%	0.01%	0.02%	0.00%	0.01%	99
25017363202	Acton	0.06%	0.01%	0.12%	0.01%	0.05%	0.02%	0.06%	99
25017374800	Newton	0.07%	0.04%	0.17%	0.03%	0.07%	0.07%	0.02%	99
25025030400	Boston	0.05%	0.00%	0.02%	0.01%	0.02%	0.01%	0.00%	99
25021401100	Brookline	0.07%	0.03%	0.15%	0.03%	0.09%	0.07%	0.10%	99
25025981300	Boston	0.01%	0.00%	0.01%	0.01%	0.01%	0.00%	0.01%	99
25009254302	Andover	0.08%	0.01%	0.13%	0.01%	0.05%	0.02%	0.10%	99
25021403100	Needham	0.13%	0.01%	0.10%	0.02%	0.05%	0.02%	0.18%	99
25021412100	Westwood	0.12%	0.01%	0.09%	0.02%	0.04%	0.02%	0.12%	99
25017366202	Wayland	0.08%	0.01%	0.13%	0.02%	0.05%	0.03%	0.09%	99
25017356100	Arlington	0.05%	0.01%	0.07%	0.02%	0.04%	0.02%	0.01%	99
25017357400	Belmont	0.04%	0.01%	0.05%	0.01%	0.04%	0.02%	0.04%	99
25025070600	Boston	0.04%	0.02%	0.04%	0.02%	0.05%	0.06%	0.03%	99
25017350900	Somerville	0.06%	0.02%	0.08%	0.02%	0.06%	0.02%	0.01%	99
25025060600	Boston	0.04%	0.01%	0.04%	0.01%	0.02%	0.01%	0.00%	99
25015821901	Northampton	0.06%	0.02%	0.05%	0.02%	0.05%	0.01%	0.02%	99
25025120103	Boston	0.03%	0.01%	0.02%	0.01%	0.01%	0.00%	0.01%	99
25017354100	Cambridge	0.05%	0.03%	0.08%	0.02%	0.07%	0.01%	0.00%	99
25025020101	Boston	0.08%	0.01%	0.06%	0.02%	0.05%	0.02%	0.02%	99

25017354400	Cambridge	0.03%	0.02%	0.03%	0.01%	0.01%	0.00%	0.02%	99
25017354700	Cambridge	0.04%	0.04%	0.07%	0.02%	0.04%	0.00%	0.02%	99
25025120600	Boston	0.04%	0.03%	0.03%	0.05%	0.03%	0.01%	0.02%	99
25025010701	Boston	0.04%	0.01%	0.06%	0.02%	0.05%	0.02%	0.02%	99
25017350800	Somerville	0.03%	0.03%	0.04%	0.01%	0.03%	0.03%	0.00%	99
25017374200	Newton	0.07%	0.03%	0.13%	0.02%	0.08%	0.03%	0.08%	99
25025010802	Boston	0.05%	0.01%	0.08%	0.02%	0.04%	0.01%	0.00%	99
25025010408	Boston	0.02%	0.01%	0.06%	0.02%	0.02%	0.00%	0.00%	99
25025030100	Boston	0.04%	0.01%	0.01%	0.01%	0.03%	0.02%	0.00%	99
25021400500	Brookline	0.08%	0.03%	0.17%	0.04%	0.17%	0.09%	0.03%	99
25025020302	Boston	0.02%	0.01%	0.02%	0.01%	0.02%	0.02%	0.00%	99
25017354200	Cambridge	0.05%	0.02%	0.04%	0.02%	0.05%	0.02%	0.05%	99
25017373400	Newton	0.05%	0.02%	0.08%	0.02%	0.06%	0.04%	0.03%	99
25025020200	Boston	0.06%	0.03%	0.07%	0.03%	0.05%	0.04%	0.01%	99
25025010702	Boston	0.04%	0.01%	0.04%	0.02%	0.02%	0.00%	0.01%	99
25021400300	Brookline	0.06%	0.02%	0.17%	0.03%	0.10%	0.04%	0.03%	99
25025060501	Boston	0.07%	0.01%	0.03%	0.01%	0.02%	0.03%	0.02%	99
25025061200	Boston	0.06%	0.02%	0.06%	0.02%	0.05%	0.03%	0.00%	99
25017353300	Cambridge	0.05%	0.07%	0.08%	0.03%	0.11%	0.03%	0.02%	99
25015821904	Northampton	0.05%	0.01%	0.03%	0.02%	0.02%	0.01%	0.00%	99
25025120700	Boston	0.03%	0.04%	0.05%	0.06%	0.04%	0.04%	0.00%	99
25025120400	Boston	0.09%	0.10%	0.09%	0.09%	0.07%	0.04%	0.03%	99
25025020301	Boston	0.03%	0.01%	0.11%	0.02%	0.08%	0.03%	0.00%	99
25025070300	Boston	0.06%	0.03%	0.16%	0.03%	0.08%	0.08%	0.00%	99
25025040300	Boston	0.06%	0.03%	0.04%	0.06%	0.04%	0.06%	0.06%	99

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis.

*White, Black, and Asian categories shown above do not include Hispanic.

Table. 5.11: HUD School Proficiency Index by Selected Census Tracts and Protected Classes

Census Tract	Municipality	White	Black	Asian	Hispanic	Non-U.S. Origin	Limited English Proficiency	Family Size 5 or More	School Proficiency Index
25017361200	Concord	0.09%	0.11%	0.08%	0.06%	0.06%	0.05%	0.07%	99
25017338300	Winchester	0.06%	0.01%	0.04%	0.01%	0.04%	0.02%	0.07%	99
25017361100	Concord	0.11%	0.01%	0.05%	0.01%	0.05%	0.02%	0.11%	99
25017373700	Newton	0.07%	0.02%	0.08%	0.01%	0.06%	0.02%	0.06%	98
25017358400	Lexington	0.07%	0.01%	0.25%	0.02%	0.10%	0.07%	0.09%	98
25017358600	Lexington	0.09%	0.02%	0.34%	0.02%	0.14%	0.07%	0.11%	98
25027739300	Shrewsbury	0.06%	0.02%	0.11%	0.02%	0.05%	0.03%	0.06%	98
25003931400	Peru	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	98
25003932300	Hinsdale	0.04%	0.00%	0.00%	0.00%	0.01%	0.00%	0.04%	98
25027739400	Shrewsbury	0.14%	0.04%	0.33%	0.03%	0.13%	0.09%	0.10%	98
25021412200	Westwood	0.07%	0.01%	0.04%	0.01%	0.04%	0.00%	0.08%	98
25017358100	Lexington	0.08%	0.02%	0.23%	0.02%	0.11%	0.05%	0.07%	98
25017365201	Sudbury	0.10%	0.01%	0.10%	0.02%	0.05%	0.02%	0.10%	98
25027761400	Harvard	0.11%	0.06%	0.07%	0.04%	0.07%	0.06%	0.09%	97
25017361300	Concord	0.11%	0.04%	0.08%	0.03%	0.04%	0.01%	0.12%	97
25017373800	Newton	0.09%	0.03%	0.23%	0.03%	0.10%	0.06%	0.05%	97
25017367200	Weston	0.12%	0.05%	0.20%	0.03%	0.11%	0.05%	0.19%	97
25021405100	Dover	0.10%	0.01%	0.09%	0.01%	0.05%	0.01%	0.15%	97
25023501101	Hingham	0.06%	0.00%	0.02%	0.00%	0.01%	0.01%	0.09%	97
25017356602	Arlington	0.07%	0.02%	0.08%	0.02%	0.05%	0.04%	0.02%	96
25017374400	Newton	0.10%	0.02%	0.15%	0.03%	0.08%	0.04%	0.14%	96
25021404301	Wellesley	0.10%	0.01%	0.13%	0.02%	0.04%	0.03%	0.14%	96
25017318300	Westford	0.13%	0.01%	0.24%	0.02%	0.07%	0.03%	0.16%	96
25017374800	Newton	0.07%	0.04%	0.17%	0.03%	0.07%	0.07%	0.02%	96

25021404400	Wellesley	0.10%	0.05%	0.22%	0.05%	0.13%	0.05%	0.10%	96
25023501102	Hingham	0.15%	0.02%	0.04%	0.02%	0.03%	0.02%	0.13%	96
25017373400	Newton	0.05%	0.02%	0.08%	0.02%	0.06%	0.04%	0.03%	96
25017318400	Westford	0.07%	0.01%	0.12%	0.01%	0.05%	0.03%	0.04%	96
25023500103	Hull	0.04%	0.01%	0.01%	0.00%	0.01%	0.00%	0.02%	96
25017374000	Newton	0.08%	0.05%	0.22%	0.03%	0.14%	0.09%	0.04%	96
25017356500	Arlington	0.11%	0.04%	0.16%	0.03%	0.08%	0.04%	0.05%	96
25027742402	Westborough	0.03%	0.01%	0.30%	0.02%	0.13%	0.05%	0.05%	96
25017366202	Wayland	0.08%	0.01%	0.13%	0.02%	0.05%	0.03%	0.09%	96
25027761200	Westborough	0.08%	0.03%	0.34%	0.04%	0.14%	0.10%	0.05%	96
25021404302	Wellesley	0.06%	0.01%	0.11%	0.02%	0.09%	0.05%	0.07%	96
25021412100	Westwood	0.12%	0.01%	0.09%	0.02%	0.04%	0.02%	0.12%	95
25021442102	Franklin	0.13%	0.02%	0.08%	0.02%	0.06%	0.02%	0.13%	95
25017374200	Newton	0.07%	0.03%	0.13%	0.02%	0.08%	0.03%	0.08%	95
25017382100	Natick	0.08%	0.02%	0.12%	0.02%	0.07%	0.04%	0.08%	95
25009209100	Lynnfield	0.11%	0.01%	0.07%	0.02%	0.07%	0.04%	0.13%	95
25027742300	Westborough	0.07%	0.01%	0.08%	0.04%	0.08%	0.07%	0.05%	95
25017366201	Wayland	0.06%	0.01%	0.07%	0.01%	0.05%	0.01%	0.06%	95
25023505101	Scituate	0.12%	0.01%	0.02%	0.01%	0.03%	0.02%	0.11%	95

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis.

*White, Black, and Asian categories shown above do not include Hispanic.

Table. 5.12: HUD Environmental Health Index by Selected Census Tracts and Protected Classes

Census Tract	Municipality	White	Black	Asian	Hispanic	Non-U.S. Origin	Limited English Proficiency	Family Size 5 or More	Environmental Health Index
25001010800	Brewster	0.09%	0.01%	0.01%	0.01%	0.02%	0.00%	0.08%	98
25001010900	Brewster	0.09%	0.01%	0.01%	0.02%	0.03%	0.01%	0.05%	98
25001011200	Harwich	0.06%	0.01%	0.01%	0.01%	0.03%	0.01%	0.02%	98
25007200300	Edgartown	0.07%	0.03%	0.01%	0.02%	0.01%	0.01%	0.03%	98
25001011400	Dennis	0.06%	0.01%	0.00%	0.01%	0.01%	0.02%	0.01%	98
25007200400	Aquinnah	0.07%	0.02%	0.01%	0.01%	0.03%	0.00%	0.03%	98
25001011700	Dennis	0.03%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	98
25003931300	Florida	0.03%	0.01%	0.00%	0.00%	0.00%	0.00%	0.02%	98
25019950500	Nantucket	0.02%	0.01%	0.00%	0.00%	0.01%	0.00%	0.00%	98
25003931400	Peru	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	97
25003932300	Hinsdale	0.04%	0.00%	0.00%	0.00%	0.01%	0.00%	0.04%	97
25001011100	Harwich	0.09%	0.02%	0.02%	0.01%	0.02%	0.01%	0.04%	97
25001011600	Dennis	0.05%	0.04%	0.00%	0.01%	0.01%	0.01%	0.06%	97
25001013500	Sandwich	0.13%	0.01%	0.03%	0.01%	0.02%	0.00%	0.09%	97
25003932200	Becket	0.04%	0.00%	0.00%	0.01%	0.01%	0.00%	0.03%	97
25001015100	Mashpee	0.07%	0.03%	0.02%	0.01%	0.04%	0.04%	0.03%	97
25001015200	Mashpee	0.04%	0.01%	0.00%	0.00%	0.01%	0.01%	0.00%	97
25001011500	Dennis	0.07%	0.03%	0.01%	0.01%	0.02%	0.02%	0.06%	97
25001014100	Bourne	0.02%	0.02%	0.01%	0.01%	0.01%	0.01%	0.05%	97
25001010600	Chatham	0.06%	0.01%	0.01%	0.01%	0.02%	0.01%	0.02%	97
25011040100	Charlemont	0.09%	0.01%	0.01%	0.01%	0.01%	0.01%	0.06%	97
25001013200	Barnstable	0.09%	0.02%	0.01%	0.01%	0.03%	0.00%	0.05%	97
25001013100	Barnstable	0.11%	0.03%	0.02%	0.02%	0.04%	0.04%	0.08%	97
25001010500	Orleans	0.06%	0.00%	0.00%	0.00%	0.02%	0.01%	0.01%	97
25015822700	Cummington	0.06%	0.01%	0.01%	0.01%	0.01%	0.00%	0.04%	97

25003923100	Cheshire	0.06%	0.01%	0.01%	0.01%	0.01%	0.01%	0.05%	97
25019950200	Nantucket	0.07%	0.12%	0.02%	0.10%	0.10%	0.02%	0.08%	97
25007200100	Tisbury	0.07%	0.05%	0.01%	0.02%	0.08%	0.04%	0.03%	96
25001010700	Chatham	0.06%	0.01%	0.01%	0.01%	0.02%	0.00%	0.02%	96
25003920102	Williamstown	0.05%	0.03%	0.05%	0.02%	0.03%	0.02%	0.02%	96
25003920101	Williamstown	0.08%	0.04%	0.08%	0.03%	0.04%	0.02%	0.03%	96
25001013300	Sandwich	0.06%	0.00%	0.01%	0.00%	0.02%	0.01%	0.04%	96
25001013600	Sandwich	0.12%	0.01%	0.03%	0.02%	0.02%	0.01%	0.14%	96
25001014300	Falmouth	0.08%	0.01%	0.02%	0.01%	0.03%	0.02%	0.01%	96
25001010400	Orleans	0.06%	0.01%	0.01%	0.01%	0.01%	0.00%	0.03%	96
25007200200	Oak Bluffs	0.07%	0.07%	0.02%	0.02%	0.06%	0.04%	0.07%	96
25001013400	Sandwich	0.08%	0.00%	0.01%	0.01%	0.02%	0.02%	0.08%	96
25001014500	Falmouth	0.10%	0.04%	0.01%	0.02%	0.03%	0.02%	0.12%	96
25003933200	Monterey	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	96
25003933300	New Marlborough	0.03%	0.01%	0.00%	0.00%	0.01%	0.00%	0.01%	96
25003933400	Otis	0.05%	0.00%	0.01%	0.00%	0.01%	0.00%	0.02%	96
25001012700	Barnstable	0.08%	0.03%	0.02%	0.02%	0.05%	0.02%	0.03%	96
25001012800	Barnstable	0.07%	0.02%	0.01%	0.01%	0.05%	0.04%	0.10%	96
25001013900	Bourne	0.09%	0.01%	0.02%	0.01%	0.01%	0.01%	0.04%	96
25001012200	Barnstable	0.10%	0.01%	0.02%	0.01%	0.03%	0.01%	0.05%	96
25001011300	Dennis	0.05%	0.00%	0.00%	0.01%	0.01%	0.00%	0.05%	96
25003931100	Clarksburg	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	96
25019950100	Nantucket	0.03%	0.01%	0.00%	0.00%	0.04%	0.02%	0.04%	96
25003922300	Adams	0.04%	0.01%	0.00%	0.00%	0.01%	0.01%	0.03%	96

Source: U.S. Department of Housing and Urban Development, Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T), November 2017, <https://www.hudexchange.info/resource/4868/affh-raw-data/>; UMDI analysis.

*White, Black, and Asian categories shown above do not include Hispanic.

Appendix C

Boston: A Case Study in the Factors that have Contributed to Racial Separation and/or had a Disparate Impact on People of Color in Massachusetts from the Middle of the 20th Century to the Present

Boston plays a central role in the history of racial separation in Massachusetts. This is not an indictment of the City's policies, or its residents. It is an acknowledgement that for much of the 20th century, few people of color – African Americans, in particular – lived outside the city and a handful of other communities. In 2015, Boston was home to less than 6 percent of the state's White population (White alone, not Hispanic), but more than one-third of its Black population. Within the city, the predominantly Black neighborhoods (Dorchester, Roxbury, Mattapan, and Hyde Park) were home to more than 26 percent of the state's Black population, but less than 1 percent of its White population.

The City of Boston's population peaked at over 801,000 in 1950 before an extended three decade exodus to the suburbs left the city with just under 563,000 residents by 1980. In 1950, the city's White population totaled nearly 759,000 residents; by 1980, the number of White residents had dropped by nearly half, to 377,000. During the same period, the number of Black residents in Boston more than tripled, from roughly 40,000 in 1950 to over 122,000 in 1980. In the 1960s, when so many of the assisted housing programs, mortgage programs, urban renewal programs and other activities that have shaped the racial patterns of eastern Massachusetts were being carried out, over 55 percent of the state's Black residents lived in Boston.

Examples of factors that contributed to segregation or otherwise had a disparate negative effect on people of color include:

Siting of Public and Subsidized Housing

The city has a higher share of privately owned subsidized units than almost any city in the US, and also more than most states. By 1975 Boston's majority Black census tracts had nearly 40,000 units of public and subsidized housing, much of it built in the preceding decade in Urban Renewal Areas. The current racially/ethnically concentrated areas of poverty (R/ECAPs) are the legacy of decisions made decades ago regarding the siting of very large public housing developments in the mid-20th century and later privately-owned subsidized housing. Many of the Census tracts that are now R/ECAPs became R/ECAPs due to the siting of large public housing or other subsidized developments in a racially concentrated area. In some cases, large assisted developments account for all or most of the rental housing units in the census tract in which they're located. Over time, the population served by public housing went from being a largely working poor population to being an extremely low-income population. Similar trends applied to many of the older privately-owned HUD-subsidized multifamily rental projects.

Boston provides over 51 percent of the Greater Boston Region's public and subsidized housing, and nearly half of those are in high poverty areas. A similar pattern is evident in other regions of the state: Springfield and Holyoke provide 54 percent of the Pioneer Valley's public and subsidized housing, and over 62 percent of those are in high poverty areas; Lawrence and Lynn provide 38 percent of the

Northeast Region's public and subsidized housing, and 35 percent of those are in high poverty areas. The problem is not that this housing was built, or that it is home to poor people of color. It is that other supports and investments (in education, jobs, job training, health and safety) either were not made, or were ineffective.

Employment Disparities

Between 1950 and 1975, Boston lost jobs in manufacturing, transportation and trade, while gaining jobs in finance, service and government, fields requiring more education and professional or technical training. This disadvantaged city residents who lacked the education and training necessary for the employment opportunities that were expanding in the city. At the same time, they had limited access to the semi-skilled and unskilled job opportunities that were expanding in the suburbs. While Boston continued to provide the majority of the region's jobs, between 1963 and 1973, the city added an average of only 2,700 new jobs annually compared to more than 16,000 annually elsewhere in the metropolitan area. The housing implication of these employment trends was that many low and moderate income families would have been more aware of, and had better access to, these emerging opportunities if they lived in the suburbs.

This pattern was certainly not limited to Boston; it was playing out in older urban centers across the county. Indeed, Massachusetts has been a leader on policies to ameliorate these inequities (disparities) in educational opportunities, tax policies, availability of mortgage credit (e.g., MassHousing, 40B, METCO).

Tax Inequities

During the 1960s and 70s, Boston's neighborhoods of color experienced high and inequitable property taxes. The BRA reported in 1975 that the city had not undertaken a comprehensive revaluation in more than 25 years. As a result, neighborhoods where property values had declined during that period, or were stable, were disadvantaged compared to those where values had risen. In Roxbury, where most of the city's Black residents lived, assessments were 75 percent of market value, while East Boston, Hyde Park, Brighton and West Roxbury – all mostly White enclaves at that time – were assessed at between 35 and 42 percent of market value.

Mortgage Lending Patterns

Mortgage lending practices over the years have been a major contributing factor in residential segregation, and in no part of the state was this more evident than in Boston. The following are some of the major lending patterns and practices that have proved most problematic:

Boston Banks Urban Renewal Group (BBURG).

After the FHA reversed its longstanding and discriminatory mortgage lending policies in the mid-1960s, the Boston Banks Urban Renewal Group (BBURG) was launched at the request of the city's mayor to provide home-mortgage funds in the city, but only to low-income Black families and only in targeted

neighborhoods of Roxbury, Dorchester, and Mattapan. The banks agreed to participate only after the FHA began to extend 100 percent mortgage insurance into urban areas. The program was established in the summer of 1968, but it was terminated four years later after mounting foreclosures and widespread, and well-documented, allegations of rampant speculation, racial blockbusting, fraudulent FHA inspections, loan documentation, and other irregularities. The program is chronicled in *The Death of an American Jewish Community: A Tragedy of Good Intentions* (Levine and Harmon)¹ reported that within three months of the program's launch, 314 loans were made. By 1974, however, 50 percent of BBURG purchasers had lost their homes through either foreclosure or abandonment.

FHA Only Lending and Seller Financing

In the wake of the BBURG fiasco, lenders were even less inclined to make loans in certain Boston neighborhoods, and when they did, they continued to require FHA insurance. The Massachusetts Mortgage Disclosure Directive, enacted more than a year before the 1975 Home Mortgage Disclosure Act (HMDA) became law, revealed that federally insured loans accounted for 69 percent of all 1-4 family mortgages (in the portfolios of reporting lenders) in Roxbury and 64 percent in North Dorchester. Further evidence that conventional lenders had written off large sections of the city is the fact that just 20 and 33 percent of all home sales in Roxbury and North Dorchester 1975 and 1976 involved a bank mortgage at all. The comparable figure citywide was 55 percent. In the balance of the metropolitan area (excluding Boston), 81 percent of home sales were financed with a bank loan.

Disparate Treatment

A 1992 study of mortgage lending by the Federal Reserve Bank of Boston ("Mortgage Lending in Boston: Interpreting HMDA Data," Munnell, Browne, McEneaney, and Tootell) found that even after controlling for financial, employment, and neighborhood characteristics, Black and Hispanic mortgage applicants in the Boston metropolitan area were roughly 60 percent more likely to be turned down than Whites. This discrepancy meant that applicants of color with the same economic and property characteristics as White applicants would experience a denial rate of 17 percent rather than the actual White denial rate of 11 percent, a statistically significant gap, which the researchers concluded was associated with race. This study represented the most comprehensive analysis of lending patterns ever undertaken in the Boston metropolitan area. It was based on more than 3,000 conventional loan applications, submitted to 131 mortgage lenders in 1990, the first year lenders were required under expanded Home Mortgage Disclosure Act regulations to include applicant income and racial characteristics, but it was neither the first nor the last to report similar findings.

Three years earlier, the Federal Reserve Bank of Boston had examined mortgage lending patterns in the City of Boston and concluded that housing and mortgage credit markets were functioning in a way that hurt Black neighborhoods ("Geographic patterns of mortgage lending in Boston, 1982-1987," Bradbury, Case and Dunham, 1989). The number of mortgage originations relative to the owner-occupied housing stock was 24 percent lower in Black neighborhoods than in White neighborhoods, after taking account of economic variables such as income, wealth, and other factors.

Subprime/predatory

Much of what transpired between 1997 and 2006, when the overheated Massachusetts housing market imploded, had a disparate impact on the Commonwealth's communities of color. Three trends, in particular, had important fair housing consequences: the volatility in the housing market, the concentration of home buying in a limited number of locations, and the reckless mortgage lending practices that fueled the housing bubble. Some of the greatest volatility occurred in low-income neighborhoods and communities of color, and the residents of these neighborhoods bore the brunt of the downturn as foreclosure rates in communities of color far exceeded those in White communities. Many long term homeowners in neighborhoods like Roxbury, Dorchester and Mattapan lost their homes to foreclosure. Black and Latino borrowers were much more likely to have received subprime loans during this period than were White borrowers. Subprime loan shares were much greater in neighborhoods with lower income levels and higher percentages of residents of color, though research has since shown that many who received high cost subprime loans could have qualified for a prime loan. (See 2014 AI for additional detail and citations.)

Racial disparities in the post subprime era

Racial disparities remain in the post-subprime era. By the end of 2008, subprime lending had ceased to be a major factor in mortgage finance. Nationwide, high cost loans dropped as a share of home purchase originations from about 25 percent in 2005 to less than 3 percent in 2012. There remains a race-associated disparity in conventional lending, however, between non-Hispanic Whites and Blacks and Latinos. Government-backed loans (FHA-insured or VA-guaranteed loans, or GBLs) are now the primary product for borrowers unable to get approved for, or afford, a conventional mortgage, and Black and Latino borrowers receive disproportionately more GBLs than do White and Asian borrowers. Denial rate disparities persist, in Massachusetts and across the country. In Boston,

Black applicants were 3.6 times more likely and Latino applicants 2.0 times more likely to be denied a loan than White applicants.

For 25 years, the Massachusetts Community and Banking Council has engaged Jim Campen, professor emeritus of economics at UMass Boston, to report on mortgage trends in Boston and statewide. His recently released "Changing Patterns XXV: Mortgage Lending to Traditionally Underserved Borrowers & Neighborhoods in Boston, Greater Boston and Massachusetts, 2017," shows that home-purchase lending to Black households in 2017 continues to be highly concentrated. In Boston, just four neighborhoods (Dorchester, Hyde Park, Mattapan and Roxbury) accounted for 82 percent of loans to Black homebuyers, while in six other neighborhoods there was just a single loan or none at all. Statewide, just five cities (Brockton, Boston, Springfield, Worcester, and Randolph) accounted for 46 percent of all loans to Blacks in Massachusetts. At the same time, Blacks received no home-purchase loans in 129 of the state's 351 cities and towns, and only a single loan in 50 others.

Black and Latino borrowers in Boston and statewide were much more likely to receive FHA loans in 2017 than were their White or Asian counterparts, although there has been steady improvement in this metric in recent years. The FHA loan share in tracts with at least 75 percent people of color was four times greater than it was in predominantly White tracts (28% vs. 7%). In the state's 26 Gateway Cities combined, one-third of home-purchase loans in 2017 were FHA loans, double the statewide FHA share. The report notes that the high level of FHA loans, especially to traditionally underserved borrowers and neighborhoods, appears to be a symptom of—and a constructive response to—a lack of availability of conventional loans to those borrowers and neighborhoods.

Foreclosures

The Great Recession and the resulting foreclosure crisis disproportionately impacted homeowners of color and neighborhoods of color. In 2010, within the city of Boston, two-thirds of the properties subject to foreclosure petitions (the first step in the foreclosure process) and more than three-quarters of the foreclosure deeds (the final step) were filed on properties in the five neighborhoods that had the highest number of people of color – Dorchester, East Boston, Hyde Park, Mattapan, and Roxbury – even though these neighborhoods comprised only 35 percent of the city's residential properties. Gateway cities were similarly affected, accounting for about 39 percent of MA foreclosures v 25 percent of MA housing stock.

Gentrification

Real estate trends across Massachusetts, and particularly within Greater Boston, are exacerbating the already significant racial homeownership and wealth gaps. In Boston, gentrification is now having a disparate impact in several of Boston's neighborhoods, including Chinatown, East Boston, and parts of Dorchester and Roxbury. Market pressures have created opportunities for landlords of unsubsidized low rent properties to sell their properties or empty out the buildings, renovate them and either rent them to a higher income group or convert the properties to condominiums. In its current AI, the City describes the multi-pronged approach it has adopted with its partners, including the State, to mitigating the impact of gentrification. Strategies include working with tenants and non-profits to acquire existing unsubsidized rental properties in order to convert them to permanent affordable housing, expanding homebuyer assistance programs to enable renters in impacted areas to buy homes in the neighborhood. Another strategy is to slow the market in these areas by increasing the total supply of housing, including the number of affordable units. The City has also sought legislation to regulate evictions, provide tax incentives to landlords to keep rents affordable and provide tenants with a right to counsel in eviction cases.

Appendix D: Summary of Comments on Draft AI and DHCD Responses

DHCD held public hearings in Springfield and Boston in April of 2019 on a draft of the AI that was also posted on DHCD's website along with a webpage that was developed for the public to submit feedback. Below is a summary of comments that DHCD on the draft AI posted on April 10, 2019:

1) Concrete Goals and Measurable Outcomes:

Comments:

Several organizations commented that DHCD's goals and actions steps need to be more concrete, and they have suggested that goals be quantifiable to determine progress and effectiveness of each step. One organization asked for timetables and measurable outcomes, and it has asked for a better explanation of how proposed activities or policies will promote fair housing. Another organization commented that the AI also include the state agency that is responsible for the implementation and steps of each goal.

At least two commenters recommended monitoring of progress towards AI goals. Specifically, one commenter encouraged DHCD to create a task force to identify the steps needed to meet the goals the AI document and to work in concert with DHCD to take action in promoting fair housing in Massachusetts. Another commenter recommended that, after completion of the AI, the Advisory Council should continue to meet periodically to monitor the progress of housing integration and anti-discrimination efforts.

DHCD Response:

At this time, DHCD has included concrete and measurable goals in the Analysis of Impediments (AI) Action Steps chart. DHCD expects to further refine and update these goals, with the comments made by various organizations in mind. DHCD also intends to convene with members of the AI Advisory Council on a periodic basis to establish and meet goals.

Although DHCD cannot dictate the policies and program implementations of other agencies, DHCD does coordinate with other agencies to further fair housing goals. DHCD regularly participates in an ICHH Committee that includes representatives of 26 state agencies, notably the Executive Office of Labor and Workforce Development, the Department of Transportation, the Department of Corrections, the Department of Education and the Department of Public Health. This committee has agreed to incorporate into its Action Plan a focus on access to opportunity for protected classes, including racial and ethnic minority groups, persons with disabilities, families with children, and public assistance recipients. Furthermore, DHCD is exploring new interagency coordination to improve access to opportunity and to reduce barriers to housing choice.

2) Housing Segregation and Access to Opportunity:

Comments:

Numerous commenters, including online commenters, identified segregation and racial/ethnic concentration of poverty as among the most troubling fair housing issues today. Several commenters expressed concern regarding the contribution of discriminatory practices to housing segregation. While acknowledging that the Commonwealth of Massachusetts has expanded the list of protected classes to its anti-discrimination laws, these commenters contended that these laws are not being adequately enforced, which results in systemic discrimination against certain protected classes. In particular, discrimination against recipients of housing vouchers is perceived to be rampant.

One organization asserted that the ethnic and racial housing segregation in Western Massachusetts results in concentrated areas of poverty, segregation in public schools, inequities in wealth accumulation and health care. In particular, the commenter noted that the cities of Springfield and Holyoke have extremely high poverty rates but each is surrounded by affluent communities with white-majority populations. This commenter contended that segregation continues in Springfield and Holyoke because of housing discrimination, particularly discrimination against housing voucher recipients.

Another organization indicated that, in order to combat the issues of concentrated poverty and disparities in access to opportunities, there should be increased funding for state rental assistance programs, including the Massachusetts Rental Voucher Program (MRVP), the Alternative Housing Voucher Program (AHVP) and Department of Mental Health (DMH) Rental Assistance Program. Furthermore, the commenter suggested that raising rental payment standards would provide families with more options throughout Massachusetts instead of only in concentrated areas of poverty. Because market rental rates have skyrocketed, the commenter believed that increasing payment standards would allow tenants to access housing in more areas because it would provide them with more choice.

One commenter recommended a change in how payment standards are determined in the Section 8 Housing Choice Voucher (HCV) program by using the Small Area Fair Market Rent (SAFMR) across the Commonwealth instead of exploring the use of SAFMRs through a program. The commenter suggested the MRVP program similarly should utilize SAFMRs.

One organization proposed that the use of residency preferences in state-funded housing be eliminated, as preferences for individuals who already live in a community would result in continued segregation. It also recommended that DHCD facilitate information flow and cooperation between PHAs and tax credit owners so that voucher holders will be aware of housing opportunities and can apply to affordable developments more successfully.

DHCD Response:

As discussed in the AI, DHCD agrees that housing discrimination and other barriers impede voucher holders' access to non-segregated and higher-opportunity areas. For a further discussion of voucher discrimination, see DHCD's responses in the voucher discrimination enforcement section below.

In response to the comment regarding increases in funding for state rental assistance, DHCD notes that, in the Massachusetts FY 2020 final budget, MRVP received a \$10 million increase in funding over FY2019, while AHVP increased by \$ 1.85 million and DMH Rental Subsidy program funding increased by \$1 million (over the \$1 million increase in FY19).¹⁶⁷ DHCD will assess how best to allocate the increased funds, taking into account the need to limit total spending to the amount appropriated, the need to maintain and, if feasible, increase the number of available vouchers, and, in the case of MRVP, the revised line item language described below.

The FY2020 state budget line item language (line item 7004-9024) provides that rent limits for MRVP mobile vouchers issued or leased after August 1, 2019 shall not be less than the current area-wide fair market rent based on unit size established annually by the United States Department of Housing and Urban Development (HUD), subject to a determination of rent reasonableness; these enhanced limits – effectively increasing the payment standard for mobile MRVP vouchers – will improve housing choice for voucher holders.

In addition, DHCD's SNO Mass pilot, currently being implemented in the Lowell and Springfield regional areas, incorporates higher payment standards, including use of SAFMR, to further mobility to opportunity areas. SNO Mass also includes a number of other features to encourage mobility, including mobility counseling, as well as a housing locator tool to help voucher holders identify whether units are in opportunity areas and what the approved payment standard is for their size voucher in that area. The tool also provides information on walkability, transits and schools. DHCD is currently exploring the expansion of SNO Mass to include other regions throughout the state. DHCD will examine the success of the program as well as the financial impact of supporting participants in higher market communities and may increase the number of households served as well as regions in FY 2020.

The Commonwealth has determined that there is a need for further research and studies before implementing SAFMR across the board in DHCD's Section 8 Housing Choice Voucher program or for MRVP. DHCD must carefully consider the best way to utilize program funds and to avoid unintended consequences that could be adverse to voucher holders or communities. For example, as the SAFMR assigns higher payment standards for certain zip codes within a metropolitan region, more funds would be diverted from areas with lower SAFMR if SAFMR were implemented on a state-wide level. Consequently, although an increase in payment standards would benefit some number of voucher recipients choosing to reside in a specific zip

¹⁶⁷ The DMH Rental Subsidy program was also increased by an additional 1 million in FY19.

code where SAFMR is higher than area-wide FMR, it could result in displacement of residents in lower SAFMR areas and/or less funds for future voucher issuance.

With respect to local residency preference, DHCD notes that such a preference is required in state-aided public housing by statute under M.G.L. c. 121B § 32. However, the local residency preference is only one of the many priority or preference selection categories required under the statute and DHCD regulations (760 CMR 5.00 et seq.). For example, homeless populations receive priority as detailed in the regulations. State-assisted private housing is generally subject to DHCD's Affirmative Fair Housing Marketing and Resident Selection Plan Guidelines (available at <https://www.mass.gov/files/documents/2016/07/oj/afhmp.pdf>), which limit the extent and use of local residency preference, and also require mitigation of potential discriminatory effects as detailed in the guidelines.

3) Fair Housing Education:

A commenter articulated that education is necessary to reduce barriers to housing opportunities. To address this, the commenter proposed that DHCD implement a statewide education program to inform owners of multifamily housing that discrimination against households with housing vouchers violates state law. It recommended that: (1) Mailed notification be provided to all owners; and (2) DHCD explore additional education efforts, including advertisements and community workshops.

DHCD Response:

DHCD will continue to work with partners and other organizations, including the Massachusetts Housing Finance Agency (MassHousing), Massachusetts Housing Partnership (MHP), and the Regional Housing Non-Profits and their Housing Consumer Education Centers, to enable the further education of landlords, tenants, and communities regarding discrimination. For example, MassHousing already has put in place a well-developed program to train audiences, particularly subsidized multifamily housing owners, regarding housing discrimination issues. DHCD will consider further education efforts in the future.

4) Fair Housing Enforcement Generally:

Comments:

Several organizations commented that there is a need for enforcement of the existing antidiscrimination laws in the Commonwealth, presenting a variety of perspectives on which issues are most pressing as well as different ideas on how to implement enforcement.

As discussed further in the voucher discrimination enforcement section below, several organizations commented on the impact of voucher discrimination. One such commenter noted that denial of housing to families that utilize housing vouchers has a disparate impact on

women, people of color, and people with disabilities. Another commenter emphasized the need for fair housing enforcement funding for classes of persons that are protected under Massachusetts law but not federal law, such as recipients of rental assistance. Several organizations recommended that the Commonwealth provide funding to private fair housing agencies to curb discriminatory practices by landlords and housing providers. One organization noted that the Commonwealth does not provide any type of funding to fair housing agencies for their anti-discrimination work. Another commenter highlighted that providing support for “FHIP agencies” (agencies funded through the HUD Fair Housing Initiatives Program, described at https://www.hud.gov/program_offices/fair_housing_equal_opp/partners/FHIP) will enable these agencies to further engage in enforcement activities to help families and individuals that fall under protected classes. The commenter also recommended that the Commonwealth provide support for local Fair Housing Committees.

In addition, one organization identified some of DHCD’s positive projects such as the SNO Mass demonstration mobility project in Lowell and Springfield, the QAP policies, and the proposal to develop AFFH guidance for applications of DHCD CDBG and other discretionary funds as examples of positive steps. However, the commenter stressed that there is a need for additional information about these activities, such as identifying which grants would be involved, when guidance would be issued, and how success be measured for action steps and goals. The organization also indicated that DHCD’s description of a number of its proposed action steps does not adequately explain in detail how and why these steps would further fair housing under HUD’s definition of fair housing.

DHCD Response:

DHCD notes that although it is limited in its capacity to represent tenants or enforce the law on behalf of tenants and/or voucher recipients encountering housing discrimination, the Commonwealth does so through the Massachusetts Commission Against Discrimination (MCAD) and the Attorney General’s Office (AGO). DHCD also notes that Federal funding is available for private, nonprofit agencies that provide fair housing advocacy services. For example, the Massachusetts Fair Housing Center (covering western Massachusetts), the South Coast Fair Housing, and Community Legal Aid (covering Central Massachusetts) all have received funding for fair housing work from HUD through the Fair Housing Initiatives Program (FHIP). Suffolk University Law School also receives FHIP funding to test the market for discriminatory housing practices. Additionally, although not a FHIP organization, Metro Housing Boston also provides advocacy services for participants in the programs that it administers. Nevertheless, DHCD acknowledges that there are limited resources to support fair housing advocacy for complainants overall, particularly as The Fair Housing Center of Greater Boston is currently inactive.

DHCD is also currently actively exploring the availability of funds to aid fair housing enforcement agencies in the future, including potentially procuring additional MTW funds if approved by HUD, to assist Section 8 applicants who encounter discrimination from landlords during the housing search and lease-up process.

5) Voucher Discrimination and Enforcement

Comments:

Several organizations, as well as online commenters and AI public hearing attendees, commented that voucher discrimination is a prevalent and persistent problem. One organization in particular recommended that policies be adopted so that any time new voucher holders are discriminated against in the housing search process, the time for the voucher recipients to use their vouchers would be extended. Another commenter asserted that housing segregation is, in part, caused by lack of enforcement activity against landlords who deny housing to qualified low-income voucher holders, resulting in the formation of pockets of extreme poverty where families of color frequently reside and perpetuating residential segregation based on race and national origin.

Another commenter also suggested providing longer housing search periods for voucher recipients. To support its assertion that voucher discrimination plays a significant role in barriers to housing, the commenter cited a study by Urban Institute (UI), which compiled data on property owners' acceptance of housing choice vouchers.¹⁶⁸ The commenter additionally referred to a 2018 study by SouthCoast Fair Housing that found that a significant number of landlords in Rhode Island were unwilling to rent to voucher holders.¹⁶⁹ Based on the UI and SouthCoast studies, the commenter stressed the need to increase the search time for voucher recipients when seeking housing.

Several organizations recommended that DHCD explore funding options to address the limited resources available for private fair housing enforcement, particularly voucher discrimination. One commenter recommended that, assuming adequate funding for enforcement efforts, state policy makers adopt policies that will require voucher administrators to encourage voucher holders to report housing discrimination and to refer them to private fair housing agencies to enforce their right to be free of discrimination. The commenter also noted that DHCD plans to launch a housing mobility program for voucher recipients in western Massachusetts, and the commenter encouraged DHCD to include an enforcement component in this project, contending that, in order to achieve success in this program, families must be able to procure housing in higher opportunity areas.

¹⁶⁸ The Urban Institute conducted a national study sponsored by the U.S. Department of Housing and Urban Development to determine whether property owners treat housing voucher recipients differently than other renters. (Urban Institute, *A Pilot Study of Landlord Acceptance of Housing Choice Vouchers*, Sept. 2018). As noted in the commenter's observations, the UI study found that on average 39 ads had to be screened to identify one potential unit.

This Urban Institute report indicated that UI had screened over 341,000 online rental advertisements across five study sites over period of 16 months. During this process, UI found 8,735 advertisements that appeared to be available to voucher recipients based on both the pricing information listed in the advertisement and the language of the advertisements themselves. On average, UI screened 39 advertisements to find 1 potential unit available to a voucher holder.

¹⁶⁹ South Coast Fair Housing, *"It's About the Voucher": Source of Income Discrimination in Rhode Island*, (2019).

Another commenter recommended that DHCD consider using funding from its MTW program to enforce the laws protecting voucher holders from discrimination. The commenter suggested setting up a hotline that would allow a family to report landlords that engage in discriminatory conduct by turning away tenants with vouchers. In addition, the commenter suggested a team that could act in response to discriminatory behavior by contacting the landlord, attempting to negotiate, filing a complaint with MCAD, etc.

DHCD Response:

DHCD recognizes the impact that housing discrimination can have on voucher participant housing search time.

DHCD currently allows for extensions beyond the normal period of housing search time in its Section 8 Housing Choice Voucher program. For example, families that require reasonable accommodation, have a family emergency, or are facing obstacles due to employment may be eligible for additional housing search time extensions. (See Section 5.3.5, 5-16 of DHCD's Housing Choice Voucher Administrative Plan.¹⁷⁰) MRVP also allows for additional periods of extensions beyond the normal housing search time period as a reasonable accommodation or if there is hardship or cause. See the MRVP Administrative Plan.¹⁷¹ The voucher search period may be extended up to 180 days for cause, with further extensions allowed as a reasonable accommodation.

Although DHCD is reviewing the suggestion that it offer longer housing search time periods to voucher recipients, DHCD must also keep in mind that the central purpose of the housing voucher program is to serve families and individuals in need of immediate housing or housing stability and to fully and efficiently utilize program resources. Unlimited housing search extensions would tie up a voucher that otherwise could be available to a household in need. Moreover, if such extensions resulted in lower voucher utilization over the course of a year, that might reduce the number of households served under the program. DHCD's compliance obligations under its MTW authorization from HUD include serving substantially the same number of household each federal fiscal year as it did prior to its MTW authorization. If DHCD fails to do so, HUD has the ability under the MTW Agreement to reduce DHCD's budget authority, which would reduce DHCD's ability to serve needy families. Therefore, in order to explore the possibility of increasing time limits for housing search, additional research will need to be conducted to determine the impact of such increased time limits on voucher utilization rates. As discussed in the AI, DHCD allows for longer search periods in one of its pilot programs,

¹⁷⁰ Massachusetts Department of Housing and Community Development, *Housing Choice Voucher Administrative Plan*, Approved September 2014.

¹⁷¹ Massachusetts Department of Housing and Community Development, *Massachusetts Rental Voucher Program Administrative Plan*, August 1, 2017.

SNO Mass. DHCD will examine the success of the SNO Mass pilot to determine the participant benefits and program impacts of longer search periods.

DHCD is also actively exploring possibilities for funding for fair housing advocacy and enforcement through its housing mobility program and in general – see responses under “Fair Housing Enforcement Generally,” above.

6) Domestic Violence Discrimination and Enforcement Comments:

The Violence Against Women Act (VAWA), which was last reauthorized in 2013 and has yet to be reauthorized, was adopted to protect the rights of domestic violence victims.¹⁷² In the context of housing, VAWA protections include prohibiting housing providers from denying or terminating assistance or evicting tenants under a covered federal housing program on the basis that the tenant or applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. VAWA also requires housing providers under covered federal programs to adopt an Emergency Transfer Plan to assist (although an admissions priority is not mandated) tenants that seek internal or external transfers due to domestic violence, dating violence, sexual assault, or stalking. Although several organizations have identified domestic violence as a topic of concern, they have all recommended different strategies to address this issue.

One organization noted that there is a perceived imbalance of protections for domestic violence victims at the federal level and state level. For example, it indicated that there are significant differences in verification requirements at the federal level and state level. As a result, victims living in federal public housing can access VAWA protections more easily than victims living in state public housing. The organization recommended that, in order to further housing opportunities for survivors of domestic violence, DHCD should adopt VAWA protections and standards for all public housing authorities in Massachusetts, regardless of source of funding. In other words, the organization recommended extending VAWA rights to residents of state-funded housing authorities. It also recommended that DHCD seek legislation to expand the state voucher program to include vouchers specifically allocated for survivors of domestic violence.

Another organization recommended that inclusion of survivors of domestic violence as a protected class under M.G.L. c.151B should be a state civil rights agenda priority. The commenter indicated that DHCD should see to the filing of such legislation by the end of 2020.

DHCD Response:

Some of the comments are outside the scope of DHCD’s authority or require either legislative change, additional funding, and/or action by other state agencies. . Unlike current DHCD

¹⁷² The 2019 reauthorization of VAWA passed by the House has yet to become law. HUD regulations implementing the 2013 reauthorization of VAWA have not been superseded.

programs, other agencies and organizations may offer housing options for domestic violence survivors that are not means-tested and/or can be provided as an emergency response (such as temporary shelter). For example, the Department of Public Health (DPH) is a separate state agency that has its own policies, rules, and shelter options for victims of domestic violence. Although DHCD cannot dictate DPH's policies, DHCD anticipates continuing to work with DPH on domestic violence issues to enable both DHCD and DPH to meet mutual goals. Since FY18, eligible families residing in DPH-funded domestic violence shelters have been able to access DHCD's HomeBASE to help them address obstacles to securing permanent housing. DHCD will also consider additional resources that may become available to serve survivors of domestic violence.

DHCD also regularly coordinates with other agencies on domestic violence issues. For example, DHCD participates in the Governor's Council to Address Sexual Assault and Domestic Violence. Part of this work includes cross-agency collaboration, training, and determination of additional supports needed by victims of sexual assault and domestic violence.

Current DHCD program work relating to domestic violence includes coordination with the Department of Transitional Assistance in assessing options for victims of domestic violence with children who may be eligible for the EA program, as well as implementing DHCD's VAWA Emergency Transfer Plan (ETP) policies for the DHCD-administered federal HOME and HTF programs. As an example of cross-agency support, these ETP policies include contracting with Casa Mryna, the operator of Safelink (the statewide hotline for domestic violence survivors) funded through DPH, to provide screening of and support for domestic violence survivors under the ETP. DHCD is also currently in the process of examining the incorporation of certain protections similar to VAWA into state programs, and already provides certain priorities for victims of domestic violence under its state-aided public housing and Massachusetts Rental Voucher Program.

7) Lead Laws, Familial Status Discrimination and Enforcement

Comments:

Several commenters identified discrimination against families with young children due to lead issues as an area of concern. Although several different organizations cited discrimination associated with lead issues as an area of concern, they have all proposed different strategies to approach this problem.

The Massachusetts Lead Law was put in place to protect children under 6 years old from lead exposure by requiring abatement of lead paint hazards in homes where such children reside. However, one commenter argued that these laws have actually resulted in discrimination against families with children under 6. Specifically, the commenter contended that landlords discriminate against families with children under 6 because there is financial incentive for landlords to avoid the significant costs of deleading that are mandated only when a child under 6 will be present in the unit.

To tackle this issue, the commenter proposed that the Massachusetts Lead Law be amended, so that families with children under 6 have access to pre-1978 rental housing with unabated lead hazards, similar to other individuals and families.

The commenter cited to Ms. Meris Bergquist, the Executive Director of the Massachusetts Fair Housing Center, who stated in her Law Review article¹⁷³ that:

The financial incentive for landlords to avoid the costs of mandatory lead abatement by denying rental housing to families with children under age six is irresistible. As a result, these families are never on an equal footing with other similarly situated applicants for most of the rental housing built before 1978” (Bergquist, 3).

Ms. Berquist suggested expansion of the lead laws as a means of eliminating the financial incentive to discriminate: “A nondiscriminatory alternative would require all landlords to comply with the statute in a way that would completely open the rental housing market to families with children under age six” (Berquist, 20).

Another commenter also expressed the view that landlords are discriminating against families with children under 6 because of the lead laws, but instead of amending the law, the commenter recommended enhanced *education* regarding the law. Specifically, the commenter recommended education of property owners, notifications, advertisements, and workshops to combat the discrimination faced by families with children under 6 years old. Specifically, the commenter recommended that DHCD implement a statewide education program to inform owners of multifamily housing, including three-family owner occupied units, of their duty to not discriminate against families with children and of existing programs that can assist with deleading efforts. It also recommended the following for education: (1) informing owners of the law by mailing notification of the law; and (2) using advertisements and community workshops to educate.

Another commenter recommended providing financial incentives to landlords to motivate them to delead, such as doubling the tax credit for homeowners who delead their properties. This commenter also recommended legislative changes in Massachusetts to adopt the federal standard for defining lead poisoning.¹⁷⁴ This commenter identified this topic as being a priority and recommended the filing of legislation by the end of 2020.

¹⁷³ The commenter cites to Meris Bergquist, “Civil Rights/Anti-Discrimination-How the Massachusetts Lead Poisoning Prevention and Control Act Codifies Systemic Housing Discrimination Against Families with Children in Violation of the Federal Fair Housing Act,” 40 W. New Eng. L. Rev. 1 (2018).

¹⁷⁴ The commenter indicated that the federal standard for defining lead poisoning is higher to cover more individuals. The following is a brief comparison of key state and federal standards:

In addition to comments regarding the impact of lead paint and lead paint discrimination, DHCD also received online comments regarding other barriers to fair housing choice for families with children.

One commenter described experiencing discrimination because of children and advocated for more family-friendly housing complexes with outdoor parks, game room for children, etc.

Several commenters underscored the impact that the high cost of housing in Massachusetts has on households with children. One commenter indicated that, after being evicted due to an inability to pay an increase in rent, combined with daycare costs exceeding \$1,000 a month, the commenter is left with the prospect of having to quit his/her employment and seek public benefits and public housing. Others noted the challenge of attaining affordable housing with a sufficient number of bedrooms to accommodate children.

DHCD Response:

Some of the comments are outside the scope of DHCD's authority or require either legislative change or new funding. The Department of Public Health is currently the state agency primarily responsible for lead enforcement and education. DPH is an agency that has its own regulations regarding lead. Although DHCD would not be able to dictate DPH's policies, DHCD agrees that working with DPH on lead issues would enable both DHCD and DPH to meet mutual goals. In addition, other organizations, including MassHousing, have focused significant efforts on tackling lead issues in housing. Mass Housing currently administers the Get the Lead Out Loan Program, through a partnership with Department of Public Health (DPH) and DHCD. See:

105 C.M.R. § 460.020 defines lead poisoning as "a medical condition present in a child younger than six years old in which the child has a concentration of lead in whole venous blood of ten micrograms per deciliter or greater." Furthermore, 105 CMR § 460.020 defines Blood Lead Level of Concern as the "concentration of lead in whole venous blood from 5 to less than 10 micrograms per deciliter in a child younger than six years old. Blood Lead Level of Concern shall be used for surveillance and outreach for children at risk of lead poisoning."

According to 24 C.F.R. § 35.110 "*Elevated blood lead level* means a confirmed concentration of lead in whole blood of a child under age 6 equal to or greater than the concentration in the most recent guidance published by the U.S. Department of Health and Human Services (HHS) on recommending that an environmental intervention be conducted. (When HHS changes the value, HUD will publish a notice in the Federal Register, with the opportunity for public comment, on its intent to apply the changed value to this part, and, after considering comments, publish a notice on its applying the changed value to this part.)" CDC currently indicates on its website that "[t]here are approximately half a million U.S. children ages 1-5 with blood lead levels above 5 micrograms per deciliter, the reference level at which CDC recommends public health actions to prevent or mitigate exposure be initiated." https://www.cdc.gov/nceh/information/healthy_homes_lead.htm .

Recently, the federal Environmental Protection Agency announced a final rule (Review of the Dust-Lead Hazard Standards and the Definition of Lead Paint, 84 FR 32632 (July 9, 2019); 40 CFR 745), effective January 6, 2020, that changes the dust-lead hazard standards for floors and windowsills in pre-1978 housing, certain schools, child care facilities, and hospitals. Under the rule, EPA reduced the threshold for determining lead point hazards from 40 µg/ft² to 10 µg/ft² for floors, and from 250 µg/ft² to 100 µg/ft² for windowsills.

https://www.masshousing.com/portal/server.pt/community/home_owner_loans/228/get_the_lead_out. Although DHCD cannot dictate the policies of other agencies, DHCD itself has invested a significant amount of its CDBG program resources in deleading activities. During the 2015-2019 CDBG program years, DHCD funded deleading activities for 453 owner-occupied housing units and 88 rental units through its administration CDBG to non-entitlement communities. DHCD is also exploring new resources to incentivize deleading.

Additionally, DHCD continues to participate in interagency efforts to address lead paint and housing discrimination issues. DHCD's regular participation in the aforementioned ICHH Committee enables DHCD to work with other state agencies to further awareness and remediation of lead paint. Most recently, at DHCD's request, the ICHH Committee on Supportive Housing Production and Services has added Action Plan items relating to cross-agency collaboration toward the AI goal of reducing lead-paint barriers for families with children under six.

DHCD also continues to implement the state's interagency three-bedroom policy, as well as its policy limiting certain age-restrictions that reduce opportunities for families with children, discussed in the AI, and is currently evaluating how to best track production of affordable housing units with three or more bedrooms.

8) Gentrification and Displacement

Comments:

Several commenters expressed the need to protect the residents of neighborhoods that are experiencing gentrification and displacement.

One commenter recommended that the State outline steps it could take to slow down displacement and gentrification. The commenter indicated this topic will require more in-depth discussions because of the significant impact it has on communities. However, one recommendation that the commenter did make is that developers file an "Anti-Displacement Impact Analysis" when developers apply for state funds or subsidies. In this analysis, developers would need to explain how their development would impact the surrounding community. The commenter also proposed that the Commonwealth identify and recommend certain steps to be taken to increase homeownership for those in protected classes through education, state support for the costs associated with home-buying, and the expansion of MassHousing's First Homebuyer Program.

Another commenter expressed concern that fair housing implications are not considered when state and local governments provide indirect or direct funding to develop new market-rate housing. The commenter recommended that DHCD review state programs that contribute to market rate housing development in cities at risk of gentrification, such as Lynn due to its proximity to Boston. Specifically referencing the Housing Development Incentive Program (HDIP), the commenter indicated that the currently \$10 million annual tax credit for developers allows, but does not require, up to 20% affordable units in market rate or luxury developments

in the Gateway cities. In addition, the commenter asserted that “affordable housing” designed to serve households with income up to 80% of AMI is still beyond the reach of extremely low income or very low income tenants.

DHCD also received numerous comment online and at AI public hearings identifying gentrification and displacement as among the most troubling fair housing issue today, particularly in Boston. Most of these commenters indicated that previously affordable neighborhoods are being gentrified (citing to condominium conversions and “luxury” housing developments), displacing residents of those neighborhoods, many of whom are persons of color. Several commenters added that residents are being displaced further from the city to communities with fewer jobs, less access to public transportation or reliable transportation, and fewer services.

DHCD Response:

DHCD is highly focused on efforts to prevent displacement, including displacement that may result from gentrification, and it has outlined action steps involving preservation oversight, targeted preservation funding, and LIHTC income averaging policies to assist in avoiding displacement. DHCD plans to continue, under its federal LIHTC Qualified Allocation Plan (QAP), providing priority funding for affordable housing preservation as well as investment in distressed and at-risk neighborhoods. There will be continued emphasis in QAP and other state programs on housing preservation.

DHCD also notes that promoting community development in lower income areas by funding market-rate housing does not by itself conflict with the goals of the AFFH rule. In fact, it is consistent with AFFH goals of deconcentrating poverty, particularly in racially and ethnically concentrated areas of poverty (R/ECAPs). In effect, this would contribute to diminishing concentration of poverty and, often, desegregating intensely segregated areas.

In particular, the HUD AFFH rule states:

. . . [I]t is entirely consistent with the Fair Housing Act’s duty to affirmatively further fair housing to counteract past policies and decisions that account for today’s racially or ethnically concentrated areas of poverty or housing cost burdens and housing needs that are disproportionately high for certain groups of persons based on characteristics protected by the Fair Housing Act... In addition, a large body of research has consistently found that the problems associated with segregation are greatly exacerbated when combined with concentrated poverty..”

Affirmatively Furthering Fair Housing, Final Rule, 83 Fed. Reg. 40713, 42283 (July 16, 2015); 24 CFR §§ 5, 91, 92, 570, 574, 576, 903.

Furthermore, the HUD AFFH rule states:

The concept of affirmatively furthering fair housing embodies a balanced approach in which additional affordable housing is developed in areas of opportunity with an insufficient supply of affordable housing; racially or ethnically concentrated areas of poverty are transformed into areas of opportunity that continue to contain affordable housing as a result of preservation and revitalization efforts; and the mobility of low-income residents from low-opportunity areas to high-opportunity areas is encouraged and supported as a realistic, available part of fair housing choice.”

Id. Therefore, programs that promote market rate housing that helps integrate higher income households into lower-income communities, such as HDIP, serve in part the AFFH goals of desegregation and de-concentration of poverty. Furthermore, not all strategies in furtherance of AFFH goals will singularly address *all* AFFH goals. DHCD is employing other strategies to respond to gentrification and displacement impacting protected classes and low-income households. Such strategies include DHCD’s affordable housing preservation efforts discussed in the AI and the AI Action Steps chart.

Various municipalities are also exploring the implementation of anti-displacement policies (e.g., affordable housing priorities for residents facing loss of housing due to rising area rents), and DHCD is currently working with some of these municipalities. DHCD would like to partner with organizations at the local level to determine appropriate solutions as well.

With respect to expanding access to homeownership as an anti-displacement strategy, in addition to the various first-time homebuyer loan products offered by MassHousing and MHP for income qualifying households, MassHousing has also just recently expanded its Down Payment Assistance Program. The expanded program also now offers increased down payment assistance for up to 5% of the purchase price or \$15,000, whichever is less (See https://www.masshousing.com/portal/server.pt/community/home_buyer_loans/226/down_payment_assistance.) This MassHousing program results in home ownership being more accessible to low- and moderate-income households, particularly in Boston and the Gateway Cities where qualifying first-time homebuyers can earn up to 135% of the area median income. Various agencies across the state also offer education for homebuyers and homeowners, such as the regional Housing Consumer Education Centers and the Massachusetts Affordable Housing Alliance.

10) Zoning Reform, Municipal Zoning Ordinances, and By-Laws

Comments:

Governor’s Act to Promote Housing Choices Zoning Reform (H.3507):

One commenter asserted that, while the administration’s proposed zoning reform legislation to expand housing production across the state allows for some useful zoning reforms, the bill does not consider civil rights barriers that could result from the housing produced under the zoning reforms. The commenter recommended explicit affordability and fair housing provisions, and urged that the zoning reforms in the bill be aligned with measures that produce and protect long-term affordability, prevent displacement, and ensure fair housing.

Housing Choice Initiative Grant Program:

This grant program of \$5 million in grants was awarded in Fiscal Year 2019 to encourage new housing in designated communities. Although the intent is to promote development of a diverse housing stock, one commenter expressed concern that there may be no affordability or fair housing requirements built into the grants in certain instances. The commenter proposed that this initiative, as well as other state programs such as the Open for Business Initiative, local tax incentives/deferrals, and Opportunity Zone Developments, incorporate fair housing criteria.

One commenter quoted DHCD’s plan to “[c]reate further guidance or priorities within the Housing Choice Initiative for municipalities that have taken and will take actions in furtherance of AI goals, and coordinate with other agencies (including EOHED) that award competitive points for municipalities with a housing choice designation.” The commenter asked for a timetable for this guidance.

One commenter opined that all municipal zoning ordinances or by-laws should be reviewed at least every 5 years when a city or town is required to file an AFH or an AI with HUD. The commenter suggested that the MCAD and Attorney General’s office should work collaboratively on the review efforts. In addition, the commenter suggested that if a review results in a finding that a zoning ordinance or by-law is in violation of the Fair Housing Act, M.G.L. c.151B, or any other civil rights law, the MCAD and/or the AGO should order the city or town to take corrective action.

DHCD Response:

DHCD generally notes that zoning and land use decisions are made locally and are not regulated by DHCD (outside of Chapter 40B and Chapter 40R), although pending Housing Choice legislation aims to reduce local zoning barriers. DHCD will continue to incentivize communities to reduce local zoning barriers through the Housing Choice Initiative as discussed in the AI and AI Action Steps chart.

Housing Choice (legislation and initiative):

Both the Housing Choice legislation and the DHCD Housing Choice Initiative serve the narrow and critical goal of increasing the supply of housing in Massachusetts. Annual housing production is half of what it was several decades ago and housing prices are surging. There is a

particularly pressing need for housing production to serve the need for an incoming workforce, as there is a large wave of retirees or pending retirees who will continue to need housing.

The legislation is not affordable housing legislation. The state has, however, recently passed a \$1.8 billion bond bill to finance affordable housing. Similarly, the Housing Choice Initiative is not an affordable housing program; instead, it aims to reduce local zoning barriers by incentivizing best practices that facilitate housing development. Local zoning barriers are discussed in the AI and have been recognized as having a disparate impact on protected classes, including families with children and racial and ethnic minorities.

Reducing zoning barriers to housing density is imperative for expanding housing choice, as greater density allows for housing that is affordable to a greater range of incomes. Additionally, in Massachusetts, many communities are motivated to ensure that a percentage of housing is restricted as affordable under state subsidy programs (which also require affirmative fair marketing) in order to increase their subsidized housing percentage to a level in excess of 10%, or to maintain such a percentage, for purposes of Chapter 40B.¹⁷⁵

DHCD also recognizes the importance of promoting housing development that is suitable for a range of household types, including families with children, and accessibility needs. DHCD will therefore continue to re-examine its Housing Choice grant criteria, including discretionary scoring criteria (i.e., “bonus points”). DHCD will also provide guidance or priorities within the Housing Choice Initiative for municipalities that have taken and will take actions in furtherance of AI goals, and will coordinate with other agencies that award competitive points for municipalities with a Housing Choice designation.

Despite the disparate impact that zoning barriers may have on protected classes, proving disparate impact liability is subject to a changing legal landscape. HUD recently released a proposed rule, “Reconsideration of HUD's Implementation of the Fair Housing Act's Disparate Impact Standard,” 84 FR 42854 (August 19, 2019), to amend its interpretation of the Fair Housing Act’s disparate impact standard for establishing legal liability for facially neutral practices which have discriminatory effects on protected classes. In its proposed rule, HUD asserts its intention to align the disparate impact standard with the U.S. Supreme Court decision *Texas Dept. of Housing and Community Affairs v. Inclusive Communities Project, Inc.*, 576 U.S. 2507 (2015), to ensure that only challenged policies or practices that are “artificial, arbitrary, and unnecessary barriers” result in disparate liability. The proposed rule would alter the standards by which a plaintiff may meet its burden of proof under the current burden-shifting framework, particularly at the *prima facie* stage, and consequently would limit the circumstances under which plaintiffs could prevail, even if certain policies or practices

¹⁷⁵ M.G.L. c. 40B and DHCD implementing regulations allows developers of subsidized housing to apply for necessary local approvals in the form of a single “comprehensive permit” and to request overrides of local zoning and other local regulations in communities where less than 10 percent of the year-round housing is eligible for inclusion on the Commonwealth’s Subsidized Housing Inventory, subject to certain additional statutory and regulatory safe harbors.

disproportionately impact protected classes.¹⁷⁶ The proposed rule, in effect, would create a higher bar for proving disparate impact. Accordingly, if the proposed HUD rule, it appears that it will become more difficult to invoke the Fair Housing Act to enforce Federal prohibitions against acts of discrimination resulting in a disparate impact on protected classes.

Disparate impact liability is also recognized under state law. However, although the Massachusetts Supreme Judicial Court expressly recognized disparate impact liability under the housing discrimination provisions of c. 151B in *Burbank Apartments Tenant Association v. William M. Kargman*, 474 Mass. 107 (2015), the court relied heavily on the “robust causality” requirement applied to disparate impact liability under the Fair Housing Act in *Inclusive Communities*.¹⁷⁷ Citing to *Inclusive Communities*, the court in Burbank stated that the plaintiff must be able to meet the robust causality requirement by “point[ing] to a defendant’s policy or policies that caused a statistical disparity,” and that the policy or practice must create “artificial, arbitrary and unnecessary barriers’ that create discriminatory effects or perpetuation of segregation.”¹⁷⁸ It remains an open question as to whether HUD’s interpretation of *Inclusive Communities*, including any further refinements to the “robust causality” requirement (a term that HUD indicates it may define in the final rule), will be adopted by MCAD and the Massachusetts courts for c. 151B housing discrimination disparate impact claims.

The Commonwealth recognizes the importance of combatting the discrimination that arises through facially neutral policies and practices that have discriminatory effects. Despite the legal uncertainty of future legal interpretation of disparate impact liability under federal and state law, DHCD continues to work with other agencies to combat discriminatory effects on protected classes as part of its affirmative fair housing efforts. While DHCD is not the government agency charged with anti-discrimination enforcement, DHCD will continue to explore opportunities for collaboration with the Attorney General’s Office and MCAD, which are the agencies that enforce M.G.L. c.151B.

¹⁷⁶ HUD proposes the following *prima facie* burden: (1) that the challenged policy or practice is arbitrary, artificial, and unnecessary to achieve a valid interest or legitimate objective such as a practical business, profit, policy consideration, or requirement of law; (2) that there is a robust causal link between the challenged policy or practice and a disparate impact on members of a protected class that shows the specific practice is the direct cause of the discriminatory effect; (3) that the alleged disparity caused by the policy or practice has an adverse effect on members of a protected class; (4) that the alleged disparity caused by the policy or practice is significant; and (5) that there is a direct link between the disparate impact and the complaining party’s alleged injury. 84 FR 42854, 42862. The proposed rule also establishes new standards for the defendant to meet its burden in defending against a *prima facie* case (if established), and should the defense burden be met, for the plaintiff to ultimately meet its burden of persuasion.

¹⁷⁷ “When interpreting ... specific provisions of G.L. c. 151B ... we consider Federal case law construing cognate provisions of the Fair Housing Act unless we discern a reason to depart from those decisions” *Kargman*, 427 Mass. at FN28 (citing to *Andover Hous. Auth. v. Shkolnik*, 443 Mass. 300, 306 (2005)).

¹⁷⁸ *Id.* at 127.

11) Other Comments

A. Comments Regarding Disability:

One commenter expressed concern that persons with disabilities are limited in housing choice under voucher programs because the payment standards are insufficient, resulting in persons with disabilities living in areas with a high concentration of poverty. The commenter also questioned where there is a sufficient portfolio of two-bedroom units under DHCD's 811 Rental Assistance Program that can accommodate persons with disabilities who require a bedroom for a live-in Personal Care Attendant. The commenter further recommended that Home Modification Loan Program (HMLP) applications be streamlined and less onerous in terms of documentation requested in order to attract more participants, and that contractors be subject to certification requirements pertaining to knowledge of accessibility standards.

Several commenters stressed the need to create more affordable and accessible housing for people with disabilities, including those with children in need of larger units. Another commented that more housing is needed for the deaf and hard of hearing, and that accommodations should be made to soundproof apartments in buildings where persons who are hard of hearing (that need to place electronics at higher volumes) reside to mitigate potential conflict with neighbors.

One commenter added that accessibility limitations in her community impact safety as well as access to affordable housing, noting that several public housing sites are located atop a steep grade elevation hill. The commenter underscored the need for families with children with a head of household is a person with a disability to have access to housing, including through a mobile voucher, that is suitably located to increase access to transportation, food, medical care, and greater independence overall.

Another commenter also stressed the need to protect the ability of individuals with disabilities who have criminal and eviction records to access housing.

DHCD Response:

As discussed in the section above regarding housing segregation and access to opportunity, the increase in voucher payments to current area-wide fair market rent under MRVP and the higher payment standard under the SNO Mass pilot, which is currently being considered for expansion to additional regions in the state, will further the potential for voucher participants to move to low-poverty areas. A significant share of voucher holders in Massachusetts are persons with disabilities (estimated in excess of 30-40%).

To expand integrated and deeply subsidized housing opportunities for persons with disabilities who are institutionalized/at risk of institutionalization, DHCD will also include incentives in the QAP for sponsors that will accept 811 project-based rental assistance and/or Community Based Housing subsidies. In terms of bedroom distribution under the 811 Rental Assistance program,

although current program data does not indicate a mismatch between demand and supply for two-bedroom units compared to one-bedroom units, DHCD will continue to work with owners to accommodate participant needs and to evaluate the program's success in meeting participant housing needs. Moreover, the expansion of the state 3% Priority Program will increase housing options for persons with disabilities across the state, including clients of the Massachusetts Rehabilitation Commission, as will the recent funding increases to the AHVP and DMH rental subsidy programs discussed above.

As discussed further in the AI and AI Action Steps chart, various statewide efforts are underway to expand accessibility, including through DHCD's Qualified Allocation Plan and the state-aided public housing program Accessible Unit Initiative, as well as through recent increases in capital funds for home modification loans (HMLP) and grants that will now serve homeowners as well as tenants. In 2014, CEDAC made several improvements to the HMLP application, which resulted in streamlining many components and minimizing the support documentation required, and CEDAC will explore further needed improvements to and/or streamlining. However, based on the input of the Massachusetts Rehabilitation Commission (MRC), the overall philosophy of this program is to support consumer choice and control, and therefore each HMLP borrower is responsible for finding, hiring and managing a contractor of their own choosing (i.e., based on their own selection criteria). To assist applicants, the program has a flyer outlining tips for hiring a contractor. A survey of consumers is also implemented once their home modification projects are complete. DHCD will periodically explore with CEDAC and MRC the possibility of updating guidance to better equip consumers in selecting contractors.

With respect to criminal history and other background screening barriers impacting persons with disabilities, DHCD is currently developing a background screening policy with the goal of adopting a common policy across state housing agencies.

Additional statewide, inter-agency efforts to expand access to housing and community integration for persons with disabilities are discussed in the Commonwealth's 2018 Olmstead Plan, available at <https://www.mass.gov/files/documents/2018/09/20/olmstead-final-plan-2018.pdf>.

B. Comments Regarding Text of Federal AFFH definition in 760 CMR 47:

One organization criticized the language in 760 CMR 47.03 defining Affirmatively Furthering Fair Housing as: "Has the meaning given by the U.S. Department of Housing and Urban Development under the Affirmatively Furthering Fair Housing Final Rule at 24 CFR 5.152." The commenter recommended that the full HUD definition be provided in the DHCD regulation. In addition, the commenter stated that in the regulation and elsewhere, DHCD should make clear that Title VI of the 1964 Civil Rights Act applies to all DHCD programs, including those that are fully state funded.

DHCD Response:

The Affirmatively Furthering Fair Housing (AFFH) Rule is defined in 760 CMR 47.00 using HUD's AFFH rule definition. Specifically, the CMR states: "Affirmatively Furthering Fair Housing. Has the meaning given by the U.S. Department of Housing and Urban Development under the Affirmatively Furthering Fair Housing Final Rule at 24 CFR 5.152." DHCD cites to the relevant regulatory provisions of the HUD rule; as the regulation may be amended over time, DHCD seeks to maintain the regulatory reference to ensure consistency with HUD requirements. The goal is to ensure that all the requirements addressed by HUD are also addressed by DHCD.

C. Comments Regarding Site-Based Applications:

One organization indicated that allowing site-based applications for project-based voucher housing presents a fair housing problem because it creates barriers to the housing application process. The commenter argued that barriers are created by site-based applications because potential applicants cannot easily access the locations of these units, and if they do know where the locations are, they must apply separately to each development. The commenter recommended that the process be more centralized, or at the very least, regionalized. It pointed out that the Common Housing Application for Massachusetts Public Housing (CHAMP) is a positive step towards a streamlined and centralized application process. However, it also stated that the application process for project-based housing is contradictory to the CHAMP application policies because the PB housing application process makes it difficult for applicants to apply for housing.

DHCD Response:

DHCD currently lacks the capacity to develop a centralized application process for all affordable housing programs across the state, particularly as many of the programs are not administered by DHCD (e.g. HUD, MassHousing, MHP, and MassDevelopment administer many programs, and collectively fund more affordable housing units than DHCD). Perhaps more importantly, many developments have multiple subsidies, some of which impose special eligibility criteria and/or target particular populations (e.g. extremely low-income, persons with disabilities). Therefore, developing a single application or universal wait-list derived from that application presents significant challenges, going well beyond the challenges of developing the CHAMP application portal described in the AI.

DHCD is, however, actively engaged in planning for expansion of the CHAMP portal to cover state rental assistance programs (AHVP and MRVP). In addition, DHCD is working closely with sponsors of the proposed Housing Navigator system, which would enable the public to more easily search for income-restricted rental housing across the state through a centralized inventory with a user-centered design. As currently proposed, the Housing Navigator would include up-to-date information on vacancies, lotteries, and wait lists, with a mapping tool and information about schools and other community features. It also would offer an income calculator to help users determine whether they would, in fact, be income-qualified for

particular housing opportunities.

D. Comments Regarding Lending Discrimination and Redlining

One organization recommended the following:

- an increase in fair lending testing;
- investigation of credit score discrimination;
- an upgrade of the powers of the State Banking Commission and Mortgage Review Boards; and
- enforcement of the fair lending laws by MCAD and AGO.

The commenter also indicated that such activities should be focused on banks, insurance companies, and mortgage companies.

DHCD Response:

The recommended changes are outside the scope of DHCD's authority. Some of these require changes in legislation not implemented by DHCD.

However, DHCD is regularly in contact with the Attorney General's Office regarding enforcement against predatory lending practices, which may disproportionately impact protected classes. As developments occur in ongoing matters, DHCD will continue to consult with the Division of Banks regarding opportunities for improved oversight.

E. Comments Regarding Housing Affordability:

The majority of comments that DHCD received online, as well as various comments made during the AI hearings, pertained to the inadequate supply of affordable housing in Massachusetts.

A common theme was that many people earn too much to qualify as "low-income" as defined under affordable housing programs in the state, while also not earning enough a livable income. Some commenters expressed that Boston has become a city only for the very rich and very poor, while middle-income earners (\$50,000-\$90,000) are being squeezed out, unable to qualify for rental assistance while also unable to cope with rising rents. Some of these commenters indicated that they needed to have a disability or to quit their job and receive public assistance in order to qualify for, or be more likely to receive, low-income housing.

Another common theme was that residents felt locked into their current housing, unable to afford housing elsewhere because of high sales prices, rents, and/or long affordable housing waiting lists, while barely affording to stay.

More than half of the online commenters advocated for enacting rent control and/or for building more affordable housing or incorporating affordability requirements into new

construction, particularly in gentrifying areas where “luxury” development is rapidly expanding. Various commenters sought solutions that would allow households facing eviction due to inability to meet rising rental costs to remain in their homes. One commenter suggested preservation of affordable housing, rent control, tax benefits for landlords that maintain affordable rents, and the right to representation by counsel in eviction cases as strategies to reduce evictions and displacement.

One commenter noted that while some households may be able to pay rising rent to avoid eviction, other bills might not be paid, resulting in lower credit, which in turn affects future ability to rent due to landlord screening of credit. The commenter further noted that households with poor credit but income too high to qualify for emergency shelter face particular obstacles to finding a place to live.

Another commenter expressed that when income-based tenant contributions are increasing for households with rental assistance, such as Section 8 participants, due to increases in their income, this in turn reduces the amount of money the family may be able to put aside for building self-sufficiency. The commenter also noted that there are often 2-3 year waiting lists for participation in the federal Family Self-Sufficiency (“FSS”) program. The commenter recommended that data on the FSS program be continually evaluated, including demographics on participants and waiting lists for the program.

Other commenters asserted that more affordable homeownership opportunities are needed, particularly in high cost areas where persons of color live. One commenter stated “Affordable home ownership opportunities in MA are limited, but those that do exist disallow the buyers keeping the equity they earn, and from passing the asset to their heirs. The wide gap in home ownership rates between black and white households remains the prime driver of the nation’s racial wealth gap. But when poor, first time home buyers of color use the state’s affordable home buyer programs to purchase their first home, they cannot reap any of the wealth-building benefits that home ownership affords to their wealthier counterparts. Therefore, the program does nothing to promote equity or combat the racist and discriminatory effects of redlining, mortgage loan discrimination or preferential federal housing subsidies.”

DHCD Response:

DHCD recognizes the high need for affordable housing in Massachusetts, particularly amongst fair housing protected classes. Although many of the suggestions proposed, such as rent control and land use requirements, involve a legislative and/or municipal solution, DHCD remains dedicated to preservation of affordable housing, particularly to mitigate displacement, as well as facilitating the expansion of housing production that serves a variety of incomes and housing needs across the state. Such efforts include strategies for affordable housing preservation, rental assistance expansion, affordable housing production (including in “opportunity areas”), and reduction of local barriers to housing production outlined in the AI and AI Action Steps chart.

In addition, MassHousing recently received \$86 million to expand Workforce Housing Initiative, which supports the creation of housing for households who cannot qualify for subsidized housing but cannot afford market rents. This funding includes \$60 million to support homeownership for roughly 500 moderate-income first-time homebuyers.

In addition to promoting the availability of affordable housing, as noted above, DHCD is currently developing a background screening policy to address background screening barriers (including credit) to securing state-assisted affordable housing.

With respect to advancing self-sufficiency, although DHCD is not the only public agency that administers the FSS program in the state (participating local housing authorities do as well), DHCD does intend to evaluate its FSS program and other state initiatives, such as MassLeap and Learn to Earn, in furthering self-sufficiency as discussed further in the AI and AI Actions Steps chart.

DHCD also notes that with respect to affordable ownership, some affordable ownership programs do require ongoing affordability (i.e., restricting the resale value so that resales continue to be affordable to low-income buyers), therefore primarily serving to expand opportunities for homeownership, housing stability, and access to communities of choice (i.e., communities with limited rental opportunities), rather than to build equity. However, DHCD recognizes the importance of equity building, and there are various loan products for income-eligible purchasers administered in the state by MassHousing and the Massachusetts Housing Partnership that do not involve such restrictions. There has also been a recent expansion of MassHousing's First Homebuyer Program discussed under the gentrification and displacement section above. Finally, DHCD notes that even if a property is subject to resale restrictions, homeowners have some ability to build equity through the combination of modest increases in permitted resale price and repayment of their mortgage loans.

12) Comments Regarding Other Government Entities and Agencies

Several commenters made recommendations that would require action by the legislature or other governmental entities or jurisdictions. As discussed above, these comments include proposals relating to the Housing Choice legislation, local zoning laws and land use decisions, lead paint laws and abatement funding, fair housing enforcement, and federal voucher programs. In addition, one commenter strongly suggested increasing penalties for licensed real estate agents who illegally discriminate. Specifically, the commenter indicated that M.G.L. c.112 § 87AAA¹⁷⁹ should be amended to curb repeat offenders.

¹⁷⁹ M.G.L. c.112 § 87AAA states in relevant part that "[t]he board shall, after notice by the Massachusetts commission against discrimination that said commission has made a finding, which finding has become final, that a licensed broker or salesman committed an unlawful practice in violation of chapter one hundred and fifty-one B arising out of or in the course of his occupation as a licensed broker or salesman, shall suspend forthwith the license of said broker or salesman for a period of sixty days, and, if the said commission finds that said violation by such licensed broker or salesman occurred within two years of the date of a prior violation of said chapter one hundred and fifty-one B, which finding has been final, it shall so notify the board, and the board shall forthwith suspend the license of such broker or salesman for a period of ninety days.

DHCD Response:

Please see earlier discussion for DHCD responses to comments relating to the Housing Choice legislation, local zoning laws and land use decisions, lead paint laws and abatement funding, fair housing enforcement, and federal voucher programs. Additionally, DHCD notes that Chapter 112 § 87AAA is also not regulated by DHCD and a statutory amendment would require legislative action.

13) Comments Regarding Other Partners:

As discussed above, several organizations indicated that private fair housing enforcement organizations, although they may be eligible to receive HUD FHIP grants, do not have sufficient funding for enforcement generally or for enforcement of state law protections not covered under federal law specifically. Some commenters suggested that DHCD assist with funding these organizations and/or assisting with or filing complaints against discriminatory landlords.

DHCD Response:

As noted in the fair housing enforcement section above, DHCD is currently considering seeking funds to assist fair housing enforcement in the future, including potentially procuring additional MTW funds if approved by HUD, to assist Section 8 applicants that encounter discrimination from landlords during the lease-up process. Moreover, although not through DHCD, the Commonwealth does enforce the law for victims of discrimination through other state agencies, i.e., the MCAD and AGO.

Whoever violates the provisions of clause (k) shall be punished by a fine of not less than one thousand nor more than twenty-five hundred dollars, or by imprisonment for not more than six months, or both.”