

CHAPTER II

City of Hopkinsville, Kentucky

Analysis of Impediments to
Fair Housing Choice

2010

Prepared for the City of Hopkinsville by



<http://www.hopkinsvilleky.us/agencies/planning-commission/>

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Hopkinsville, Kentucky
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Section I: Executive Summary

Fair housing is a term that describes the right of individuals to obtain housing of their choice, free from discrimination based on race, color, religion, sex, disability, familial status, or national origin. This right is guaranteed by the Fair Housing Act of 1968 (FHA) (42U.S.C.A. §§ 3601-3631) is also known as Title VIII of the Civil Rights Act of 1968, as amended, and other legislation which makes it unlawful to discriminate in the sale, rental, financing, and insuring of housing. The City of Hopkinsville initiated an update to the Analysis of Impediments to Fair Housing Choice in January of 2010. The primary reason for updating the Analysis of Impediments to Fair Housing Choice is that the United States Department of Housing and Urban Development (HUD) requires that each Entitlement Jurisdiction certify that it is in compliance with the Consolidated Plan Final Rule, published in the Federal Register (24 CFR 91.225). The jurisdiction must prepare and submit a Consolidated Plan to HUD in order to receive HUD funds. In the Consolidated Plan the Entitlement Jurisdiction must provide an Analysis of Impediments to Fair Housing and certify that the jurisdiction will work to “affirmatively further fair housing”. Conducting an analysis of impediments is a required component of certification and involves at a minimum an extensive review of a State or Entitlement jurisdiction's laws, regulations, and administrative policies, procedures, and practices; an assessment of how those laws affect the location, availability, and accessibility of housing; an evaluation of conditions, both public and private, affecting fair housing choice for all protected classes; and an assessment of the availability of affordable, accessible housing in a range of unit sizes.

Methodology

In order to provide a strong baseline of information for the analysis, the Community Development Department of the Hopkinsville-Christian County Planning Commission (HCCPC) reviewed data from a variety of sources, including:

- Demographic data available through the U.S. Census Bureau, as well as descriptive data pertaining to the housing market and trends in real estate over the past 10 years.
- Mortgage lending trends through the analysis of data available through the Home Mortgage Disclosure Act (HMDA). Enacted by Congress in 1975 and implemented by the Federal Reserve Board's Regulation C, HMDA requires lending institutions to report public loan data. Using the loan data submitted by these financial institutions, the Federal Financial Institutions Examination Council (FFIEC) creates aggregate and disclosure reports for each metropolitan area (MA) that are available to the public at central data depositories located in each MA.
- Historical documents included in previous Consolidated Plans relating to Fair Housing.
- Anecdotal information collected from research and/or discussions with local and regional stakeholders (Public Hearing, Public Comment Period, Kentucky Human Rights Commission 2009 Annual Report, and the Hopkinsville Board of Realtors).
- Locally-generated reports and other relevant data pertaining to the city's housing market, patterns, and local economy.
- To analyze municipal policies, procedures, and practices, Staff analyzed the building code for the City of Hopkinsville; the zoning ordinance for the City of Hopkinsville; and the City of Hopkinsville's 2005/2010 Consolidated Plan.
- In order to review Hopkinsville's compliance with all fair housing requirements, Staff evaluated the Program Guidelines for the Hopkinsville Home Improvement Program (HHIP) and the Hopkinsville Affordable Homeownership Plan (HAHP); Section 104(d) of the Housing and Community Development Act of 1974, as amended; and the Land Use Element of the Hopkinsville-Christian County Comprehensive Plan.

Section II: Community Overview

City of Hopkinsville, Kentucky

The City of Hopkinsville is located in southwest Kentucky in Christian County. It is situated approximately fifteen (15) miles north of the Tennessee state line and is geographically part of the Pennyryle region. The City of Hopkinsville lies in the Lower Cumberland Watershed. The City has a population of approximately 30,089 residents (2000, US Census) located in a 24 square mile area. The City is an established community with a mix of industrial, residential, and commercial development and redevelopment potential. Having recently annexed 444 acres in 2002 and 3,520 acres in 2001, Hopkinsville is at the cutting edge of new economic and community development opportunities. In addition to the Residential Enterprise Zone Program and the Inner City Residential Enterprise Zone Program that offer incentives to developers for developing in Hopkinsville, Hopkinsville is a prime location for industrial development. The City is located adjacent to Interstate 24 and is transected by US HWY 41, US HWY 41A, US HWY 68, and the Pennyryle Parkway. As a result of its excellent geographic location among major transportation corridors, it is home to a variety of large scale industries such as Wal-Mart Distribution Center store #6066, Ebonite International, Dana Corporation, Continental Mills, and White Hydraulics among others. In addition to its existing industrial sector it is also home to one of the remaining TVA certified Megasites.

Demographics

In the 2000 Census, Hopkinsville's population was 30,089. Hopkinsville's population is substantially diversified as it often becomes home to families and individuals who locate to the City of Hopkinsville because of industrial migration or the Fort Campbell Military Installation.

Race	1990	2000	# of Change	% of Change
White	20,830	19,875	-955	-3.2%
Black	8,645	9,302	657	2.2%
American Indian, Eskimo, or Aleut	69	69	0	0.0%
Asian or Pacific Islander	178	255	77	0.3%
Other race	87	588	501	1.7%
TOTAL	29,809	30,089	280	100.0%

The Median Age for the City of Hopkinsville appears to be consistent with the Median Age of the State of Kentucky as well as the Median Age of the United States. It would appear that the percentage of very young children (under 5 years) and the percentage of Elderly (65 +) are slightly higher than the State and National rates while the percentage of school aged children (5-17) is slightly lower.

Age Characteristic & Rate	Hopkinsville	Kentucky	United States
Total Population	30,089	4,041,769	281,421,906
Median Age	35.1 years	35.9 years	35.3 years
Under 5 years	7.4%	6.6%	6.8%
School Age (5-17)	4.1%	5.5%	6.5%
Elderly (65+)	14.8%	12.5%	12.4%

Economics

Income & Poverty

The City's median household income in 2000 was \$30,419.00 compared to the national median household income of \$41,994.00. In addition, 13.6% of families were living below the poverty line in 1999 compared with only 9.2% nationally. When considering earnings in relationship to sex classification, it appeared that a larger percentage of

men (12.46%) earned \$50,000.00 per year or more when compared to women (3.61%) who earned \$50,000.00 per year or more. The majority of women (62.48%) reportedly earned between \$1 and \$19,999.00 in 1999. With regards to poverty status it appears that only 5.25% of male householders with no wife present were below the poverty level in 1999 while 50.39% of female householders with no husband present were classified as being below the poverty level in 1999.

Employment

In analyzing the employment of the City of Hopkinsville, the 2000 Census provides that 93% of women in the labor force are employed with an additional 1% represented as being enrolled in the Armed Forces. Unemployed women accounted for approximately 6% (393) of the labor force in the City of Hopkinsville in 2000. The 2000 Census reported approximately 87% (6,017) men as employed in the city with approximately 8% (549) represented as being enrolled in the Armed Forces. The remaining 5% (318) men were reported as being unemployed.

Housing

Types of Housing

Based on a review of the 2000 Census Information, the supply of housing units within the City of Hopkinsville is comprised of primarily single-family, detached structures (71.82%). Multi-Family housing (three or more units) comprises the next highest percentage at 17.5%. More detailed information taken from the 2000 US Census (www.census.gov) regarding the breakdown of the number of housing units per structure is provided below.

Units In Structure	2000, City of Hopkinsville	% of Housing Units
Single-Family, detached	9,540	71.82%
Single-Family, attached	243	1.83%
2 units	649	4.89%
3 or 4 units	796	5.99%
5 to 9 units	803	6.05%
10 to 19 units	421	3.17%
20 to 49 units	99	0.75%
50 or more units	200	1.51%
Mobile home	532	4.01%
Boat, RV, van, etc.	0	0.00%
Total:	13,283	100.00%

The median value of owner-occupied housing in the City of Hopkinsville in 2000 was \$73,400.00 which is nearly an increase of \$30,000.00 from information obtained from the 1990 Census (www.census.gov). Based on information obtained from the 2000 Census, the largest percentage of owner-occupied housing is valued between \$50,000.00 and \$99,999.00 in 1999 dollars.

Vacancy

In order to fully assess the vacant housing units within the City of Hopkinsville, Staff reviewed the Vacancy Status information provided in the 2000 Census. A table reflecting the information is provided below:

Status	# of Units	% of Units
For rent	447	41.85%
For sale only	211	19.76%
Rented or sold, not occupied	131	12.27%
For seasonal, recreational, or occasional use	53	4.96%
For migrant workers	0	0.00%
Other vacant	226	21.16%
Total Vacant Units	1,068	100.00%

The 2000 Census indicates that 1,068 (8.74%) of existing housing units were vacant in 2000. It appeared that the largest percentage (61.61%) was housing units that were in transition either being for sale or for rent. It appeared that 12.27% of housing units were either rented or sold but appeared to not be occupied. The remaining percentage of vacant housing units was designated for seasonal, recreational, occasional, or other uses.

Age and Condition

The 2000 Census indicates that the majority (70.25%) of housing available in 1999 was constructed between 1950 and 1989.

Year Structure Built	# of Structures	% of Structures
Built 1999 to March 2000	260	1.96%
Built 1995 to 1998	905	6.81%
Built 1990 to 1994	826	6.22%
Built 1980 to 1989	1,669	12.56%
Built 1970 to 1979	2,681	20.18%
Built 1960 to 1969	2,768	20.84%
Built 1950 to 1959	2,214	16.67%
Built 1940 to 1949	912	6.87%
Built 1939 or earlier	1,048	7.89%
Total:	13,283	100.00%

In 2009, the Codes Department of the Hopkinsville-Christian County Planning Commission reports that approximately 47 new single-family structures have been constructed within the City of Hopkinsville with an average price of \$117,787.00. Since 2001, 331 new residential lots have been subdivided within the City of Hopkinsville. This number only considers new residential lots subdivided in the city.

Homeowner/renter

Based on a comparison of housing occupancy by tenure from the 1990 and 2000 census shown in the table below, it appears that there was a slight increase in homeownership from 53.4% to 57.9%. A similar increase can be observed between the percentage of occupied rental units in 1990 (39.8%) and 2000 (42.2%). With regards to homeownership rates, the City of Hopkinsville's percentage of owner-occupied residential units is lower than the state rate of 70% and the national rate of 66%.

Year	1990	% of Total	2000	% of Total	+/- Change	% Change
Vacant	834	6.8%	1,086	8.9%	+252	+23.20%
Owner Occupied	6,532	53.4%	7,053	57.9%	+521	+7.3%
Renter Occupied	4,870	39.8%	5,121	42.2%	+251	+4.9%
Total	12,236	100.0%	12,174	100.0%		

Familial Status

Based on information obtained from the 2000 Census, it appears that the majority (57%) of residents in the City of Hopkinsville were living in a Married Couple Household in 2000. In addition women comprise approximately 53% (16,010) of the population while men comprise approximately 47% (14,079). Although the population doesn't seem to be heavily weighted toward a specific sex with regards to composition of total population, the information provided in the table below portrays a distinct difference in Familial Status with regards to the Householder. Approximately 23% of the population in 2000 was classified as a "Female Householder with No Husband Present". The classification of "Male Householder with No Wife Present" was representative of 4% of the population in 2000.

Household Type	Population	% of Population
Married Couple	16,628	57%
Male Householder/No Wife	1,268	4%
Female Householder/No Husband	6,756	23%
Unrelated Individuals	4,496	16%

Single persons

Single persons that require housing assistance require special consideration due to the limited stock of small (0 to 1 bedroom) housing units. According to 2000 U. S. Census, there were 4,107 (33.67%) single person households in the City of Hopkinsville. Of this total number, 64.83% (1,362) single person households are living below the poverty level.

Large Families

In 2000, there were 2,433 (19.98%) large-family households with 4 or more persons in the household. Of this total number, 19.11% (432) are living below the poverty level.

Home Value

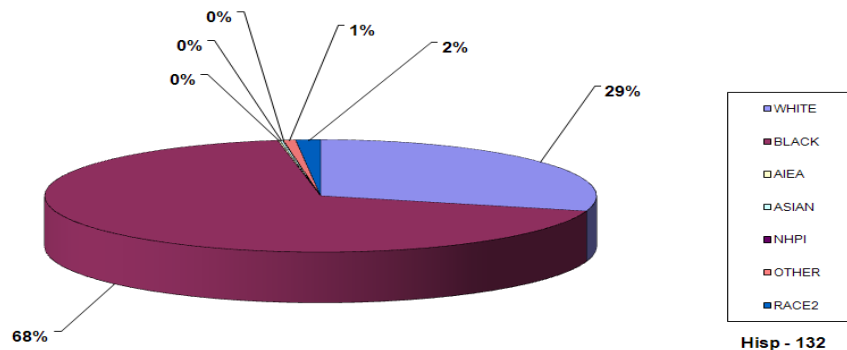
The Mayors Housing Conference that was held in March of 2010 introduced new information to the housing community regarding the current status of the housing market in Christian County. The information was provided by 10KResearch Firm of Minneapolis Minnesota. They presented an overall snapshot presentation of the current state of the local housing market at the Mayor's Housing Conference. 10KResearch provides housing market analysis

services to REALTOR® Associations, Multiple Listing Services and Real Estate Brokers across North America. Among the information reported to the public, it was noted that Christian County has a strong Affordability Index (211) for homes when compared with several other cities such as Milwaukee Wisconsin (163) and Washington DC (150). The presentation also indicated that the largest growth in new listings in recent months has been in homes that are priced at under \$75,000.00. This price is reflective of many home values in Christian County. Based on 2000 Census information approximately 50% (3,500) of homes were valued between \$60,000.00 and \$124,999.00. The next highest percentage (35%) was in homes valued between \$0 and \$59,999.00. The two lowest percentages were in the highest value categories. Approximately 11% of homes (806) were valued between \$125,000.00 and \$199,999.00 while 4% (278) homes were valued at \$200,000.00 or more. In 2009, the average value of new single-family home construction in Christian County was approximately \$177,000.00

Race/Ethnicity

Minority Concentration

The Inner-City Residential Enterprise Zone (ICREZ) is comprised primarily of census tracts 2001, 2002, and 2004. The 2000 Census data for these areas was utilized during the initial concept development and planning stages of the ICREZ. These areas were chosen based on the review of several socioeconomic indicators including the concentration of minorities. The chart below outlines the racial composition of the ICREZ areas.



Population by Household Type

Families are the most prevalent type of household and comprise 82% of all households. Of these, 60% are small (two to four persons) family households. The table below shows the total number of households by type in Hopkinsville.

Family Type	Renter	Owner	Total
Elderly (1-2)	850	2,233	3,083
Small Related (2-4)	2,433	3,333	5,766
Large Related (5 or more)	357	439	796
Other	1,373	782	2,155
Total	5,013	6,787	11,800

Poverty by Race/Ethnicity

With regards to the poverty status of families in 1999 by race, the 2000 Census indicates that approximately 13.58% of Hopkinsville families were classified as below the poverty line. When the families under the poverty line are considered by race category, the following is revealed:

Race	Percentage of Families Below Poverty Level
White	6.8%
African American	29.7%
American Indian/Alaskan Native	0.0%
Asian	0.0%

Native Hawaiian/Pacific Islander	0.0%
Some Other Race Alone	0.0%
Two or More Races	14.4%

Ethnicity	Percentage of Families Below Poverty Level
Not Hispanic	6.9%
Hispanic	0.0%

Housing Problems

By Department of Housing and Urban Development (HUD) standards, there are three criteria by which a household is determined to have a housing problem:

- If a household pays more than 30 percent of its gross monthly income for housing, it is considered *cost burdened*. HUD considers households that pay more than 50 percent of their income on housing costs to be *severely cost burdened*.
- If a household occupies a unit that lacks a complete kitchen or bathroom, the unit has a *physical defect*.
- If a household contains more members than the unit has rooms, the unit is *overcrowded*.

Extremely low-income Households (30% or less of median income)

Extremely low-income households are defined by earning 30% or less of the area median household income (adjusted for family size). The area median household income for Hopkinsville in 2009-2010 is \$52,900. Households earning \$15,870 or less are considered extremely low-income. The 2000 U.S. Census estimates that there are presently 1,818 and 1,269 renters in Hopkinsville earning at or below \$15,870 per year totaling 21% of households. Based on 2000 U.S. Census data, other important characteristics of this segment of the population include the following:

Renters:

- 85.6% of large related households (five or more persons) experience one or more housing problems - a higher percentage than any other category of renter
- 75.4% of small related households (two to four persons) experience a cost burden greater than 30% and 66.7% have a cost burden greater than 50%

Owners:

- 64.7% of owners versus 71.7% of renters experience one or more housing problems
- 47.9% of owners versus 55.8% of renters experience a cost burden of more than 50%

Very Low-Income Households (31% to 50% of Median Income)

Very low-income households are households earning between 31% and 50% of the area median household income (adjusted for family size). The area median household income for Hopkinsville in 2005 is in 2009-2010 is \$52,900, households earning \$26,450.00 or less is considered very-low income. The 2000 U.S. Census estimates that there are presently 688 owners and 955 renters in Hopkinsville earning between \$16,399 and \$26,450 per year, totaling 11% of households. Based on 2000 U.S. Census data, other important characteristics of this segment of the population include the following:

Renters:

- 63.8% of large related and 73.6% of small related households experience one or more housing problems
- 68.3% of small related households experience a cost burden greater than 30%.

Owners:

- 56.1% of owners versus 66.6% of renters experience one or more housing problems
- 54.3% of owners versus 63.6% of renters experience a cost burden of more than 30%

Low-to-Moderate-Income Households (51% to 80% of Median Income)

Low- and moderate-income households are those earning between 51% and 80% of the area median household income (adjusted for family size). Given the area median income for Hopkinsville in 2009-2010 is \$52,900, households earning between \$26,979 and \$42,320 per year are considered low-to-moderate income. The 2000 Census estimates that there are presently 909 owners and 1,004 renters in Hopkinsville earning between \$26,979 and \$42,320 per year, totaling 13% of total households. Based on 2000 U.S. Census data, other important characteristics of this segment of the population include the following:

Renters:

- 51.6% of large related households (five or more persons) experience one or more housing problems - a higher percentage than any other category of renter
- 13.4% of small related households experience a cost burden greater than 30%.

Owners:

- 24.8% of owners versus 21.3% of renters experience one or more housing problems
- 22.1% of owners versus 16.9% of renters experience a cost burden of more than 30%
- 3.6% of owners versus 0.4% of renters experience a cost burden of more than 50%

*Source: SOCDs CHAS Data; Housing Problems Output for all Households. See **APPENDIX L** for the CHAS Chart.*

Section III: Fair Housing

Unlawful discrimination is one of the most blatant impediments to fair housing, and it is therefore important to make efforts to measure the extent to which unlawful discrimination occurs in the housing market. Analyzing complaints brought by those who believe they have been illegally discriminated against can shed light on the barriers to housing choice and accessibility. Though the number of complaints cannot provide a complete picture of the level of discrimination, it can provide a snapshot of some of the barriers that may exist.

Status of Fair Housing at the National Level

One of HUD's annual reports, *The State of Fair Housing*, indicates under the subject of Enforcement that "HUD and FHAP agencies received a record-breaking combined total of 10,552 housing discrimination complaints. The most common basis of complaints was disability and the most common allegation was discrimination in the terms, conditions, privileges, services, or facilities of the sale or rental of housing. Over the past 4 years, the number and types of complaints have held relatively constant. The minor trends of note have been a slight increase in disability complaints and a slight decrease in race complaints between FY 2005 and FY 2008." The report also indicated that "HUD filed 5 Secretary-initiated complaints and conducted an additional 4 Secretary-initiated investigations. These included complaints against housing providers for discriminating on the basis of race, national origin, and familial status".

Status of Fair Housing in Hopkinsville

Reports of Unlawful Discrimination

The Hopkinsville Human Relations Commission is responsible for accepting and reviewing complaints related to discrimination and fair housing for the City of Hopkinsville. The Commission provides information on complaints annually to the City for inclusion in the CAPER that is submitted to HUD. Updated information has been requested from the Commission for inclusion in the Analysis of Impediments although to date updated information has not been received. Provided below are the statistics that were provided by the Hopkinsville Human Relations Commission Statistics for the 2008/2009 CAPER:

Basis for Complaint		
Employment Discrimination	35	66%
Sexual Harassment	3	6%
Housing Discrimination	8	15%
Other	7	13%
TOTAL	53	100%
Disposition of Complaints		
Withdrawn	15	28.3%
Mediated	23	43.3%
Forwarded to EEOC & KY Commission of Human Rights	8	15%
Pending	1	2%
No Contest	5	9.4%
Other Action	1	2%
TOTAL	53	100%

Actions Taken to Affirmatively Further Fair Housing Practices in the City

ACTIONS TAKEN	RESULTS
1. Fair Housing Policy	Adopted by City of Hopkinsville in 1971
2. Fair Housing Ordinance	Adopted by the City of Hopkinsville in 1994
3. Hopkinsville Human Rights Commission	Established by City of Hopkinsville in 1963
4. Fair Housing Month Declaration	April Annually
5. Fair Housing Workshop	April Annually
7. Public Hearings	2 meetings held annually at the Riverfront Community Room, a Housing Authority of Hopkinsville Property
9. Analysis of Impediments	The Analysis of Impediments was updated prior to submission of the Consolidated Plan/Annual Action Plan and no housing discrimination was observed

Measuring Performance Results

The Hopkinsville 2010/2015 Consolidated Plan includes a fair housing goal to support fair housing initiatives designed to affirmatively further fair housing choice and to increase access to housing and housing programs and services. The City annually declares the Month of April Fair Housing Month. The Human Relations Commission, Habitat for Humanity, U.S. Department of Housing and Urban Development, Christian County/Hopkinsville Development Corporation, Aaron McNeill House, City of Hopkinsville, County of Christian, Pennyrile Area Development District, Housing Authority of Hopkinsville, and the Hopkinsville-Christian County Planning Commission sponsor the annual Fair Housing Workshop in April of every year in which a community effort is made to affirmatively further fair housing throughout Christian County.

Section IV Fair Housing and Hopkinsville's Public Sector

Overview

The policies, procedures, and practices of City departments, the codes that govern those departments, and the decisions of city boards and councils impact fair housing goals – sometimes directly, but often indirectly. To affirmatively further fair housing, cities must address the reality that citizens of protected classes are particularly impacted by housing changes brought about by these public policies, procedures, and practices. This section of the fair housing impediment analysis assesses how the City of Hopkinsville's building codes, zoning laws, and associated procedures may interfere with the furtherance of federal fair housing legislation. An examination of Hopkinsville's municipal building code and zoning ordinance do not present apparent barriers to fair housing choices for protected classes. The City takes great care to ensure that such laws do not impact the availability of affordable, accessible, adequate, and available housing for persons protected by fair housing legislation.

To analyze municipal policies, procedures, and practices, the following documents were analyzed:

- The Building Code for the City of Hopkinsville;
- The Zoning Ordinance for the City of Hopkinsville; and
- The City of Hopkinsville's 2010/2015 Consolidated Plan.

Hopkinsville has a significant history in the area of fair housing – from the adoption of an Analysis of Impediments to Fair Housing to the recent Mayor's Affordable Housing Summit. The City strives to continue to monitor fair housing practices within the City through both the municipal policies, procedures, and practices of the City and the housing practices of private entities.

Building Codes

Human behavior is probably the biggest source of unfair housing practices; however, a community's building codes can impact fair housing, too – especially with regard to housing accessibility. The U.S. Department of Housing and Urban Development established *Fair Housing Accessibility Guidelines* to help communities comply with the Fair Housing Act. These guidelines refer to eight "safe harbors" documents that, if used as a municipal building code, will ensure that buildings comply with the Fair Housing Act. Some of these safe harbors include HUD's Fair Housing Accessibility Guidelines, HUD's Fair Housing Act Design Manual, ANSI A117.1 and ICC/ANSI A117.1 (when used with the Fair Housing Act's regulations and guidelines), the Code Requirements for Housing Accessibility 2000, and the International Building Codes of 2000 (as amended) and 2003 (with one condition).

The Codes Department of the Hopkinsville-Christian County Planning Commission is responsible for issuing building permits, certificates of occupancy, and renewals of temporary use permits. Ultimately, a permit must be obtained from the Building and Codes Department to erect a building or alter an existent building. Any development must comply with the City of Hopkinsville's building code. In addition, the Department must approve the alteration of any building and guarantee that changes comply with the necessary zoning and building codes. Hopkinsville has adopted the International Building Code. In guaranteeing compliance with the specific building codes, Department staff must ascertain compliance with yard, space, and structural requirements. As the U.S. Department of Housing and Urban Development has discovered in its Regulatory Clearinghouse, increasing building code requirements, especially those that increase the size of new properties, have a direct effect on the cost of housing and thus, on the choice of affordable housing for traditionally impacted classes of citizens.

Local Codes

The Assistant Director has reviewed the City of Hopkinsville's zoning regulations including lot size, building width, coverage, height and setback requirements for each zone. These requirements do not appear to affect the achievement of fair housing because they are consistent and a process exists through which requests for variances in zoning regulations may be granted. In reviewing the City of Hopkinsville's zoning maps, there appears to be more than adequate acreage zoned R-3, 4 and 5 for residential purposes. The City does not have any E-1 (Estates Residential) and has limited R-1 (Single-Family Residential) areas which designate lot sizes of 20,000 and 17,500 square feet, respectively. Additionally, the Hopkinsville Board of Zoning Adjustment has granted setback variances

for in-fill construction of new housing for low/mod clients and the Hopkinsville-Christian County Planning Commission has granted building permit fee waivers as a HOME grant match for the Hopkinsville Affordable Home Ownership Program and the Hopkinsville HOME Reconstruction Program. In order to prohibit nonconforming use, the Planning Commission does not allow the use of CDBG or HOME funds to rehabilitate existing single family residential structures located in zones where said use (single-family) is prohibited.

The City's construction fee schedule was also reviewed and reflects the following zoning/building permits fees:

1 and 2 family dwellings.....	\$50.00 + \$.13/square foot
1 and 2 family accessory structure....	\$25.00 + \$.13/square foot, excluding sheds #100 square foot
Electrical permit.....	\$10.00

These fees do not make area homes unaffordable. For a typical multi-family development of eight (8) units, the permit fees would average less than fifteen hundred dollars (\$1,500.00) and include the building/zoning permit fee, site plan review fee and construction plan review fee.

Other agencies, such as the local utility companies, have established fees which they have agreed to waive as part of their effort toward assisting in the furthering of affordable housing. The Hopkinsville Water Environment Authority's (HWEA) water and sewer tap-on fees are eight hundred dollars (\$800.00) per single-family unit plus twenty dollars (\$20.00) per meter which typically results in eight hundred twenty dollars (\$820.00) per unit in waived fees that are used as a match for HOME grant funds from the Kentucky Housing Corporation. The Hopkinsville Electric System (HES) donates water heaters valued at one hundred fifty dollars (\$150.00) per single-family unit and offers a rebate of forty dollars (\$40.00) per one hundred square foot (100 s.f.) of floor space for homes that are constructed all electric. The incentives offered by HES typically result in five hundred eighty-two dollars (\$582.00) per unit in waived fees. The Hopkinsville-Christian County Planning Commission has also agreed to waive single-family residential zoning permit fees as well as electrical permit fees for the Hopkinsville Affordable Home Ownership Program and the Hopkinsville HOME Reconstruction Program. These waived fees typically result in sixty dollars (\$60.00) per unit as a match for HOME grant funds. A local appraiser offers his services at a discounted rate of one hundred fifty dollars (\$150.00) per appraisal which also results in one hundred dollars (\$100.00) in match fees toward the HOME funded programs. The noted utilities have also agreed to participate in single and multi-family incentive programs that are available for private developers to construct units in the ICREZ areas.

Government caused construction delays can be expensive for builders and developers. This does not appear to be a problem in Hopkinsville because the Hopkinsville-Christian County Planning Commission has established the following review periods:

1 and 2 Family Structures.....	1 day
Multi-Family Structures.....	10 days
Site Plan Review.....	10 days
Construction Plan Review.....	10 days

The City of Hopkinsville enforces the Kentucky Building Code for multi-family, commercial and industrial developments. The City of Hopkinsville, through the recent adoption of a 1&2 Family Building Code, enforces the Kentucky Residential Code for 1&2 family dwellings. All building codes are enforced through the Code Enforcement Department of the Hopkinsville-Christian County Planning Commission.

Zoning Map Amendments

Rezoning a piece of property can be a lengthy process. Individuals who initiate a rezoning request should anticipate a five to six month process. A property owner who wishes to initiate a zoning map amendment must first fill out an application. An application for rezoning should contain, at a minimum, the following information/exhibits:

1. The existing zoning of the property and the proposed zoning,
2. A clear description of the property, such as a plat, legal description, or PVA parcel number,
3. A vicinity map of the property,
4. The names and addresses of all adjoining property owners,
5. Legal justification for rezoning as required by KRS 100.213.

According to KRS 100.212, a proposal for a zoning map amendment can originate with the Planning Commission, Fiscal Court or Legislative Body which is a member of the unit, or with an owner of the property in question. Regardless of the origin of the proposed amendment, it shall be referred to the Planning Commission before adoption. In accordance with KRS100.212, the Planning Commission will notify adjoining property owners, the general public via the local newspaper, and will post notices on the affected property. As part of the Staff's review, the application will be reviewed by the various City Departments including Police, Fire, Public Works, HWEA, and HES or PRECC. According to KRS 100.211, the Planning Commission shall then hold at least one (1) public hearing after notice and make findings of fact and a recommendation of approval or disapproval of the proposed map amendment to the various legislative bodies involved.

The recommendation is then passed to the Legislative Body that takes final action upon a proposed zoning map amendment. A final decision is then reached depending on each jurisdiction's requirements.

Board of Zoning Adjustment

The Hopkinsville Board of Zoning Adjustment most often receives requests for either a Conditional Use or a Dimensional Variance. Both processes require a public hearing be held and notice of the hearing must be advertised not less than 7 and no more than 21 days in advance. These requirements are provided through KRS 100 and are not set locally.

A Conditional Use is a special use permitted within a zoning district other than the principally permitted use, requiring a Conditional Use Permit and approval of the Board of Zoning Adjustment. Conditional Use Permits allow the proper integration into the community uses which are specifically named in the zoning regulations which may suitable only in specific locations. The process of obtaining a Conditional Use is usually about 30-45 days.

The Hopkinsville Zoning Ordinance Schedule of Uses sets forth the uses allowed by right, the uses not allowed, and the uses that are allowed by Conditional Use. KRS 100.237 grants the power to hear and decide applications for conditional use permits to the Board of Zoning Adjustment.

A Dimensional Variance is a deviation from the bulk and dimensional requirements of the Zoning Ordinance pertaining to height, width, or location of structures and setbacks. If circumstances arise where one of the aforementioned requirements of the Zoning Ordinance cannot be met, then a Dimensional Variance may be an option.

The Hopkinsville Zoning Ordinance sets specific requirements that a developer/builder must follow with regard to setback distances, height maximums, and parking requirements. The Board of Zoning Adjustment reviews a request for a variance in the City of Hopkinsville, as well as the City of Pembroke. Kentucky Revised Statutes 100.243 states that variances of Zoning Ordinance requirements may be granted by the Board of Zoning Adjustment provided that:

- (1) The Board must find that the granting of the variance will not adversely affect the public health, safety or welfare, will not alter the essential character of the general vicinity, will not cause a hazard or a nuisance to the public, and will not allow an unreasonable circumvention of the requirements of the zoning regulations.
- (2) The requested variance arises from special circumstances, which, do not generally apply to land in the general vicinity or in the same zone.
- (3) The strict application of the provisions of the regulation would deprive the applicant of the reasonable use of the land or would create an unnecessary hardship on the applicant.
- (4) The circumstances are the result of actions of the applicant taken subsequent to the adoption of the zoning regulation from which relief is sought.

Residential Site Plan Review

New residential developments may require plan reviews prior to the issuance of a building/zoning permit. Projects which are subject to these requirements include multi-family structures, planned unit developments, zero lot line developments, commercial and industrial developments. Multi-Family Residential Projects that are 1/2 acre or less, 2 copies of the site plan, 2 copies of Construction Drawings (KBC), which include the floor plan and detailed wall construction, must be submitted for an internal plan review. Review time is approximately 10 days. For Multi-Family Residential Projects that are greater than 1/2 acre and less than 2 acres, 12 copies of the site plan, 2 copies of Construction Drawings (KBC), which include the floor plan and detailed wall construction, must be submitted for an external plan review. Review time is approximately 10 days. For Multi-Family Residential Projects that are 2 acres or more, 12 copies of the site plan, 2 copies of Construction Drawings (KBC), which include the floor plan and detailed wall construction, 3 copies of the Storm Water Management calculations and drawings must be submitted for an external plan review. Review time is approximately one month.

Neighborhood Revitalization

Inner-City Residential Enterprise Zone (ICREZ)/ Neighborhood Revitalization Strategy Areas

The 2010-2015 Consolidated Plan identifies several strategies to community development. The Plan will provide the framework used to identify housing, and non-housing community and economic development resources and needs in order to tailor a strategic plan for meeting those needs. The strategies will provide recommendations for addressing current challenges and those that are expected to develop.

The City has taken on the challenge to target distressed neighborhoods within the jurisdiction that are in most need of assistance. The City of Hopkinsville recognizes these areas as the Inner-City Residential Enterprise Zone (ICREZ) also recognized by HUD as Neighborhood Revitalization Strategy Areas (NRSA). The ICREZ concept is a comprehensive long-term approach to community revitalization that focuses on four (4) elements : (1) Clean and Safe Neighborhoods, (2) Housing Stock Revitalization, (3) Economic Infrastructure, or Downtown Development, and (4) Economic Opportunity Plan as a means of stimulating redevelopment. It is a holistic approach that calls for sustained, multiyear commitment from the City of Hopkinsville, the Hopkinsville and Christian County Landbank Authority, Christian County/Hopkinsville Development Corporation, non-profit organizations, and the Neighborhood Associations

Below is a list of the ICREZ areas that have been adopted by the City Council.

- Westside Neighborhood
- Eastside/Attucks Neighborhood
- Durrett Avenue Neighborhood
- Canton Pike Neighborhood

Source: Guide to Implementation of a Neighborhood Revitalization Initiative for the City of Hopkinsville, Kentucky; Dennison Associates, November 30, 2006

Many of the issues associated with the ICREZ areas are similar to many other inner city neighborhoods:

- The Age of Infrastructure
- The Storm Water and Drainage Infrastructure
- Lot Size (with emphasis on consolidation of multiple lots of record)
- The Maintenance of Vacant Parcels
- The Acquisition of Vacant Parcels
- Housing Quality
- Abandoned Alleyways
- Internal Capital Investment
- Transitional Considerations

Source: Focus on the Future – Hopkinsville-Christian County Comprehensive Plan: Land Use Plan Element. Hopkinsville, KY: HCC Planning Commission, April 2005, pages 110-113

Within each area the City has identified elements that are poised for revitalization. Over the course of the next five years, the City will concentrate resources for housing, public infrastructure improvements, slum and blight removal, economic development, increasing recreational opportunities, and transportation.

The ICREZ areas were created through a strong citizen participation process that included residents in creating a vision for the areas, as well as creating possible strategies to achieve the vision. The residents were able to participate through the planning charettes that met throughout the planning process as well as various entities including: other City Departments, the City Council, the Mayor's office, private institutions, private consultants and public agencies seeking recommendations. The purpose was to identify the most feasible areas for development activities.

The goals of the plan will provide a visible and concentrated neighborhood revitalization initiative that can serve as a catalyst for private investment and change in the ICREZ areas. Specially, the City will seek to accomplish the following in the ICREZ (NRS) areas:

- Physical Improvements
- Infrastructure
- Streetscape
- Code Enforcement
- Parks and Open space
- Rehabilitation of Existing Housing Stock
- Construction of New Homes
- Resale of Vacant homes
- Correction of Code Violations
- Economic Development
- Facade Improvements
- Improving Living Condition and Aesthetics
- Increase community capacity and ownership
- Community clean-ups
- Public Transportation

In looking into the future, the basic premise underlying the 2010-2015 Consolidated Plan is a holistic approach to development in the identified NSRA. Through this approach the City seeks to address the four (4) elements of the

ICREZ : (1) Clean and Safe Neighborhoods, (2) Housing Stock Revitalization, (3) Economic Infrastructure, or Downtown Development, and (4) Economic Opportunity Plan as a means of stimulating redevelopment to better meet the needs of its residents.

Other Municipal Services

The City of Hopkinsville offers an array of housing assistance, funded through a mix of Federal, State, and Local funds. The City has adopted a Consolidated Plan that encourages long-term economic and social development, as well as providing for a variety of housing activities throughout the city to maximize housing choice.

Section V: Hopkinsville's Private Sector

Homeownership rates are important to a community's financial well-being. Prospective homebuyers expect to have access to mortgage credit; and home ownership programs must be available without regard to discrimination, income, or profession. To truly live up to fair housing laws, all persons must have the ability to live where they want and can afford. Access to mortgage credit enables residents to own their homes, and access to home improvement loans allows them to keep older houses in good condition. Access to refinancing loans allows homeowners to make use of the equity in their home for other expenses. Mortgage credit, home improvement loans, and refinancing loans together keep neighborhoods attractive and keep residents vested in their communities.

Lending Activity in Hopkinsville (HMDA)

In reviewing the HMDA information, it is difficult to determine any local discriminatory practices with respect to race because the HMDA information is reported based upon the Clarksville Metropolitan Statistical Area. Therefore, the report which classifies applications processed, approved, and denied based upon Census Tract identification was relied upon with respect to local lending institutions.

Information on the following local lending institutions was gathered and analyzed: Branch Banking & Trust, Bank of Cadiz, Planters Bank, Heritage Bank, United Southern Bank, and US Bank. The most current information available from the Federal Financial Institutions Examination Council (<http://www.ffiec.gov/>) was reported in June of 2009 for the 2008 year. Lending practices were examined in the area of conventional loans, FHA, FSA/RHS, and VA loans. The reason for denial of the application was also reviewed.

Conventional Loans (All Banks)

Race/Ethnicity	App Received	Loans Originated	App Denied	Other Actions	% Denied
African American	12	8	4	0	33%
White	320	262	28	30	9%
Hispanic	6	4	2	0	33%
Not Hispanic	331	270	31	30	9%
Asian	5	4	0	1	0%

Conventional Loans (Reason for Denial)

Race/Ethnicity	Debt /Income Ratio	Employment History	Credit History	Collateral	Insufficient Cash	Mortgage Insurance Denied
African American	2	0	4	0	0	0
White	8	1	13	1	0	1
Hispanic	0	0	1	0	0	0
Not Hispanic	10	1	16	2	6	1
Asian	0	0	0	0	0	0

It should be noted that not all banks reviewed for conventional loans in the first table provided information on the reason for denial of the conventional loan applications on the Federal Financial Institutions Examination Council website.

FHA, FSA/RHS, and VA Loan Applications (2 Banks)

Race/Ethnicity	Applications Received	Loans Originated	Loans Denied	Other Actions	% Denied
American Indian/Alaskan Native	1	1	0	0	0%
African American	8	6	2	0	25%
White	85	68	9	1	11%
Hispanic	2	0	1	1	50%
Not Hispanic	96	78	10	8	11%

It should be noted that not all banks reviewed for conventional loans in the first table provided information on the FHA, FSA/RHS, and VA loan applications on the Federal Financial Institutions Examination Council website.

FHA, FSA/RHS, and VA Loan Applications (Reason for Denial)

Race/Ethnicity	Debt /Income Ratio	Credit History	Collateral	Unverifiable Information	Other
African American	0	2	0	1	0
White	1	5	1	1	1
Hispanic	0	1	0	0	0
Not Hispanic	1	5	0	2	1

Based upon this information, racial discrimination doesn't appear to be a factor with respect to obtaining a loan relating to housing. The on-line reports that this information are attached.

Based on a review of the information provided above, it would appear that the primary reason that applicants are not receiving home loans is due to past credit history problems. The second most prevalent reason appears to be the applicant's debt-to-income ratio. There are currently two (2) HUD and KHC certified budget and credit counselors who offer a first-time homebuyer's class as well as budget and credit counseling. The Inner-City Advisory Committee is working with the local agencies who administer the homebuyer's classes, maintenance classes, and budget and credit counseling to ensure that all residents of Hopkinsville and Christian County know they have access to these

programs. The Hopkinsville-Christian County Board of Realtors has also recently offered their assistance with developing a program on learning what it takes to be a homeowner.

Alternative Lending Sources

Sub-Prime Lenders

While conventional lenders focus their marketing efforts on consumers with few or no credit blemishes (those with "A" credit), an alternative source of loan funds for consumers with lower credit scores ("B" or "C" credit) is sub-prime lending institutions. While sub-prime lenders simplify the application process and approve loan applications more quickly and more often, these lenders also charge higher interest rates to help mitigate the increased risk in lending to consumers with poorer credit histories. Interestingly, consumers who borrow from sub-prime lenders often do qualify for loans from conventional lenders, but succumb to marketing tactics that encourage them choose sub-prime institutions over conventional.

"Payday Lenders"

Another source of loans is check cashing or "payday" lenders. Check cashing outlets cash payroll, government, and personal checks for a fee. Their popularity increases as customers lose access to banks or cannot afford fees associated with the inability to maintain minimum balance requirements. Consumers use these outlets for their banking needs and are charged for the services they receive. These businesses offer temporary "payday loans" by accepting a postdated check from the customer, who receives the funds immediately, minus a fee. When used regularly, these fees can equate to double-digit interest rates. Although these services tend to be located in areas of highest minority and low-income concentration, they are also found in very close proximity to local lenders. Customarily, however, they fill the void left by banks that have moved from the area.

Predatory Lenders

While most sub-prime lenders serve a need by targeting borrowers with sub-par credit histories, some go far beyond ethical banking practices. Those that do are known as predatory lenders. Lending becomes predatory when lenders target specific populations (such as low-income, minority, or elderly homeowners), charge excessive fees, frequently refinance the loan, and often mislead the borrower. Since wealth is often tied to property ownership, this system threatens to deprive residents of their assets by overextending their home's equity and, in some cases, foreclosing on the homes of people who cannot afford the high interest rates and associated fees. While these types of loans and lenders provide an important service to those without opportunities, these institutions have been associated with predatory lending nationally and are a source of potential concern locally. These are located along the primary traffic corridors throughout Hopkinsville, where they mainly serve low-income populations.

Section VI: Conclusions and Recommendations

Public Awareness

The City of Hopkinsville commits to improving the general public's level of awareness with regards to Fair Housing Choice through the following actions:

- Distribute information regarding fair housing to residents of the ICREZ through Empowerment Plans and Neighborhood Networks.
- Provide information regarding fair housing choice on the City TV Channel.
- Provide information regarding fair housing choice on the City's website.
- Actively support Fair Housing Month activities.

Historical Isolation

Historical isolation of housing has resulted in a higher number of low-income people living in concentrated geographic areas. As a result the City of Hopkinsville commits to the following actions:

- Encourage the continuation and development of the ICREZ Initiative through:
 - Neighborhood Revitalization Activities
 - Housing Stock Revitalization Activities
 - Economic Opportunity
 - Economic Infrastructure

Affordable Housing

The ability to locate decent, safe, and affordable housing is recognized as an impediment to fair housing. As a result the City of Hopkinsville commits to the following actions:

- Continuing to provide assistance to clients through the Hopkinsville Home Improvement Program (HHIP)
- Continuing to provide assistance to clients through the Hopkinsville Affordable Homeownership Program (HAHP)
- Continuing to provide assistance to clients through the Repair Affair Program.
- Continuing to provide assistance to clients through the Basic Property Maintenance Code Program.
- Continuing to build on existing programming and add additional needed programming as funding becomes available.

Annual Fair Housing Workshop

The City hosted the Annual Fair Housing Workshop on April 28, 2010 at the Pennyryle Area Development District Offices on Hammond Drive in Hopkinsville. The closing session for the workshop focused on a roundtable discussion on perceived impediments to Fair Housing Choice. The discussion was led by Community Development Planner Holly Bradley and Bill Kerley, Director of the Pennyroyal Center. Mr. Kerley noted that the primary impediment that he has observed in the Pennyryle Region and not specifically in the City of Hopkinsville is the negative stigma associated with income based housing developments and residents desire to avoid having such developments located in close proximity to their properties. He also noted the high cost of developing single and multi-family developments which have a slow return on investment is many times a deterrent to private for-profit developers who desire a quick return on investment. He also noted that it appeared that large portions of available state and federal funding were allocated in other areas of the state rather than in Western Kentucky. Mr. Kerley also noted the narrow window for qualification to a program due to the specificity of certain housing related definitions. In

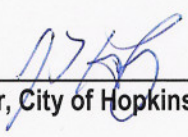
addition to the impediments suggested by Mr. Kerley, the audience participants provided the following as possible impediments to fair housing:

1. There appears to be an Affordability Gap in suitable and safe housing. Average rent amounts seem high when considering the median income of the City.
2. The state of the current housing stock. Units that would be considered affordable are either too small to accommodate the person or they are not well maintained by the property owner.
3. Residents have insufficient education on managing personal/household finances. Lenders present noted that in order to be granted a mortgage in the months following the economic downturn, a person's credit score must be on average 50 points higher than required a year ago for the same interest rate.
4. The City also has a high unemployment rate. The city's industrial based workforce has recently become largely laid off or unemployed due to the national economic downturn.

Certification

I, Mayor J. Daniel Kemp, certify that the City of Hopkinsville, Kentucky, will affirmatively further fair housing and that:

- This Analysis of Impediments to Fair Housing Choice was conducted by the City of Hopkinsville, Kentucky, in 2010, and that this document is an accurate representation of the analysis process;
- The City of Hopkinsville will take the appropriate actions as identified in this document to overcome the effects of the impediments identified in this Analysis; and
- The City of Hopkinsville will maintain records of this Analysis and the actions taken to overcome the impediments to fair housing choice.



J. Daniel Kemp, Mayor, City of Hopkinsville, Kentucky



Date