# City of Tuscaloosa, Alabama

# Analysis of Impediments to Fair Housing Choice

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# Section 1: Executive Summary

Everyone deserves a place to call home, a space that is safe, stable, and welcoming. In Tuscaloosa, where the city continues to grow and evolve, the goal of ensuring fair and equal access to housing is more than just a vision, it's a commitment grounded in both values and law. Fair housing isn't only about protecting residents from discrimination; it's about making sure every person, regardless of background or income, has a real chance to live in a community that offers opportunity, connection, and belonging.

This *Analysis of Impediments to Fair Housing Choice (AI)* is a tool to help achieve that goal. Required by the U.S. Department of Housing and Urban Development (HUD), the AI identifies the barriers, both visible and hidden, that stand in the way of housing equity in Tuscaloosa. It takes a close look at local housing patterns, zoning policies, lending trends, community input, and the lived experiences of residents. The document is not just a technical report; it's a roadmap for creating a more inclusive city, grounded in real data and informed by the voices of people who call Tuscaloosa home.

Throughout the AI, you'll find a detailed analysis of where disparities exist and why. From limited affordable housing options to uneven code enforcement and public resistance to inclusive development, the report shines a light on systems and policies that make it harder for certain groups to access stable housing. But just as importantly, the AI offers solutions, practical steps the City can take to remove those barriers. These include revising zoning laws, investing in affordable housing, improving public outreach, and expanding enforcement tools to protect residents' rights.

At its core, the AI is about action and accountability. It equips the City of Tuscaloosa, community partners, and residents with the information needed to make smart, fair housing decisions. It provides a shared foundation to build stronger, more equitable neighborhoods, places where people of all incomes, backgrounds, and abilities can find not just housing, but opportunity. As the City moves forward, this document will serve as a guidepost, helping ensure that progress in housing is progress for everyone.

## Purpose

The purpose of this Analysis of Impediments to Fair Housing Choice (AI) is to identify barriers that limit housing access in Tuscaloosa, especially those linked to discrimination or systemic inequality. As required under the federal Fair Housing Act and by the U.S. Department of Housing and Urban Development (HUD), the AI supports the City's obligation to affirmatively further fair housing (AFFH).

This report examines public policy, land-use regulations, lending practices, demographic trends, and resident experiences to identify areas where disparities exist. It helps guide the City's priorities in investment, zoning reform, and outreach, ensuring that housing efforts are inclusive and equitable. The AI also supports the effective use of federal resources such as the Community Development Block Grant (CDBG) and the HOME program funds.

## Section 2: Historical and Legal Context

This section outlines the historical drivers of housing discrimination
in Tuscaloosa and the legal tools in place to combat it. Together, they show how past and present policies continue to shape housing outcomes.

### 2.1 History of Housing Discrimination in Tuscaloosa

Tuscaloosa has a documented history of racially discriminatory housing practices. From racially restrictive covenants to redlining, these policies displaced Black families and prevented wealth-building through homeownership. During urban renewal in the mid-20th century, entire Black neighborhoods, such as the Southside, were cleared for redevelopment, often without relocation plans.

Though such practices are no longer legal, their effects persist. Many historically Black neighborhoods remain disinvested and underserved, with limited access to infrastructure, jobs, and public services. Patterns of residential segregation are still visible and continue to influence where people live, work, and go to school.

### 2.2 Redlining and Exclusionary Zoning

Historic redlining maps designated Black neighborhoods as high-risk for mortgage lending, cutting off access to credit and investment. Those same neighborhoods now show lower property values, older housing, and higher poverty rates.

Today, exclusionary zoning reinforces these divides. Zoning rules that restrict multi-family housing or require large lot sizes limit where affordable housing can be built. In Tuscaloosa, single-family zoning dominates, reducing options for renters, low-income families, and people with disabilities in well-resourced neighborhoods.

### 2.3 Legal Framework

Federal, state, and local laws prohibit housing discrimination and require jurisdictions to affirmatively further fair housing. Key federal protections include:
- **Fair Housing Act (1968):** Prohibits discrimination based on race, color, religion, sex, national origin, disability, and familial status.

- **Title VI, Civil Rights Act (1964):** Prohibits discrimination in programs receiving federal funds.
- **Americans with Disabilities Act (ADA) & Section 504:** Ensure access and accommodations in housing.
- **Age Discrimination Act (1975):** Protects against age-based discrimination in federally funded housing.
- **Violence Against Women Act (VAWA):** Protects survivors of domestic violence in federally assisted housing.

At the state level:
- **Alabama Fair Housing Law:** Mirrors federal law but lacks a HUD-designated enforcement agency. Alabama does not participate in HUD's FHAP program, limiting local authority and resources.
- **Alabama Uniform Residential Landlord and Tenant Act (URLTA):** Outlines tenant and landlord rights but provides limited habitability protections and weak enforcement mechanisms.

Local tools include:
- **Zoning Ordinances:** Still favor single-family development, restricting housing options for low-income residents.
- **Property Maintenance Code:** Based on the International Property Maintenance Code (IPMC), enforced by Tuscaloosa's Code Enforcement Division.
- **Education and Outreach:** The City partners with Legal Services Alabama and local nonprofits for fair housing education, but outreach remains limited.

*Property Maintenance Code and Code Enforcement:* Tuscaloosa adopts and enforces the International Property Maintenance Code (IPMC), which sets minimum standards for housing quality. The City's Code Enforcement Division investigates habitability issues and enforces penalties.

*Fair Housing Education and Outreach:* The City collaborates with Legal Services Alabama and local nonprofits to educate residents on their rights, offer legal assistance, and support proactive community engagement.

Case Example: Forrester Gardens Apartments the Forrester Gardens Apartments, declared a public nuisance in 2025, offer a stark example of systemic neglect and housing injustice. Conditions included:

- Raw sewage leaks through ceilings and walls

- Widespread black mold and standing water

- 76 out of 76 units declared unfit for habitation

# Section 3: Methodology

## 3.1 Stakeholder Engagement

Stakeholders shared valuable first-hand knowledge that helped explain what's really happening in Tuscaloosa's housing market. We spoke with people who work in local government, public housing, legal aid, real estate, nonprofits, and advocacy. They described ongoing problems, like discrimination, weak enforcement of housing rules, and obstacles faced by renters, especially Black and Hispanic residents, people with disabilities, and those using housing vouchers.

Some said things have improved recently, especially in how services are coordinated and how policies are communicated. But others pointed out that bias is still common, even if it's harder to prove. These conversations showed a clear need for stronger enforcement, more education about fair housing rights, and regular follow-up to make sure policies are working.

## 3.2 Community Forums

The city hosted multiple public forums to gather resident input and share initial findings:

- **April 21, 2025 (4:00 PM CST):** Introduced the Consolidated Plan and fair housing goals. Attendees shared personal experiences and identified key housing barriers.

- **April 21-25, 2025:** Turnout reflected a broad cross-section of the community, tenants, seniors, first-time homebuyers, and others. Feedback helped shape the formation of a Fair Housing Task Force, made up of residents, advocates, and civic leaders, to guide future implementation.

## 3.3 Online Survey Results

To reach those unable to attend in person, the city conducted an online survey promoted through social media, neighborhood networks, and local media. Topics included:

- Experiences with discrimination (rental or home purchase)

- Barriers related to race, disability, family status, or income

- Awareness of fair housing rights and enforcement mechanisms

**Key findings:**

- **Disability access:** Many reported difficulties finding accessible units and uncooperative landlords.

- **Source-of-income discrimination:** Voucher holders were frequently denied rentals without explanation.

- **Racial bias:** Several described racial steering, name-based profiling, or nationality-based discrimination.

- **Knowledge gaps:** Many respondents did not understand their rights or how to file complaints.

These findings revealed weaknesses in education, enforcement, and protections, particularly for vulnerable populations.

### 3.4 Quantitative Data Analysis

Quantitative sources were used to support and validate community feedback:

- **U.S. Census & ACS:** Demographics, tenure, affordability, overcrowding, and disability status

- **HMDA Data:** Lending patterns by race, income, and gender, to detect credit access disparities

- **HUD AFFH Mapping Tool:** Visualization of segregation, opportunity access, and local disparities

- **NFHA Reports:** National context and comparative case studies

- **City Records:** Code violations, zoning, complaint data, and public housing metrics

| STAKEHOLDER | ORGANIZATION / ROLE | KEY FAIR HOUSING CONCERNS |
|---|---|---|
| **LOCAL HOUSING AUTHORITY STAFF** | Tuscaloosa Housing Authority | Staff noted that demand for housing vouchers far exceeds supply, and it's especially difficult to place families needing larger units or residents with mobility impairments. They also face challenges getting enough landlords to accept vouchers, often due to stigma or misunderstanding of the program. |
| **LEGAL AID ATTORNEY** | Legal Services Alabama | Attorneys shared that many renters don't know their rights when it comes to housing discrimination, and that requests for disability accommodations are often ignored or denied. They also see language barriers, especially for immigrant tenants, as a major hurdle in accessing services or resolving disputes. |
| **COMMUNITY ORGANIZER** | West End Neighborhood Coalition | Organizers highlighted rising rents as a top concern, especially in historically Black neighborhoods where gentrification is pushing long-time residents out. They've also seen instances where renters are steered toward or away from certain areas based on race, and they emphasized the lack of home repair programs for low-income homeowners. |
| **PROPERTY MANAGER** | Private Landlord | A local landlord expressed confusion about how to properly handle reasonable accommodation requests, especially for service animals and unit modifications. Screening criteria like credit or rental history often unintentionally exclude vulnerable renters. There's also uncertainty about |

| | | |
|---|---|---|
| | | how to treat applicants with criminal records, many landlords want clearer guidance to balance safety concerns with fair housing rules, since blanket bans may violate HUD guidelines. |
| **RENTAL INDUSTRY REPRESENTATIVE** | NAA (National Apartment Association) | Representatives mentioned concerns over increasing regulation and legal exposure, particularly regarding fair housing compliance. Retrofitting older buildings to meet accessibility standards is costly, and there's little financial support to help owners make those improvements. |
| **CONSTRUCTION COMPANY REP** | Nixon Companies | Developers cited high construction costs, long permitting timelines, and strict zoning as barriers to building affordable housing. There's also little incentive to incorporate accessibility features, and shortages of skilled labor make project timelines difficult to manage. |
| **REALTOR** | Corder Real Estate | A local real estate agent expressed concern about inconsistent or outdated fair housing training. While acknowledging that some practices may disadvantage certain groups, he emphasized that most policies he sees are driven by income, things like income verification, application fees, and credit checks, rather than explicit racial bias. Still, he recognized that these standards often end up excluding people of color disproportionately, even if unintentionally. |

# Section 4: Demographics and Population Trends

**4.1 Demographic Overview**

**4.1.1 Population Growth and Trends** Between 2000 and 2020, Tuscaloosa's population grew by over 25,000 people, a 32% increase. This growth was driven by regional migration, new job opportunities, and expansion of the University of Alabama, which attracted students, staff, and support workers. Families and retirees have also moved to the area, drawn by the lower cost of living and access to healthcare.

Tuscaloosa now has a younger population than the national average, with nearly 30% of residents between ages 15 and 24. This is largely due to the university's presence and has increased demand for rental housing near campus and entertainment areas. At the same time, working-class families and seniors need affordable and accessible homes, demand that the current housing supply struggles to meet.

Growth has also put pressure on public infrastructure. As new housing developments expand outward, many lower-income residents are pushed farther from jobs, schools, and healthcare. Rising rents in central areas raise the risk of displacement and increase racial and economic segregation.

To manage continued growth, the City will need to adopt policies that balance density with affordability, such as reforming zoning, encouraging infill development, preserving existing affordable housing, and improving transportation access.

## Population Growth, City of Tuscaloosa (2000–2020)

| YEAR | POPULATION | POPULATION CHANGE | PERCENT CHANGE |
|------|-----------|-------------------|----------------|
| 2000 | 78915 | 0 | 0 |
| 2005 | 87097 | 8182 | 10.37 |
| 2010 | 90877 | 3780 | 4.34 |
| 2015 | 97603 | 6726 | 7.4 |
| 2020 | 104217 | 6614 | 6.78 |

TABLE 4.1

Tuscaloosa Population Growth (2000–2020)
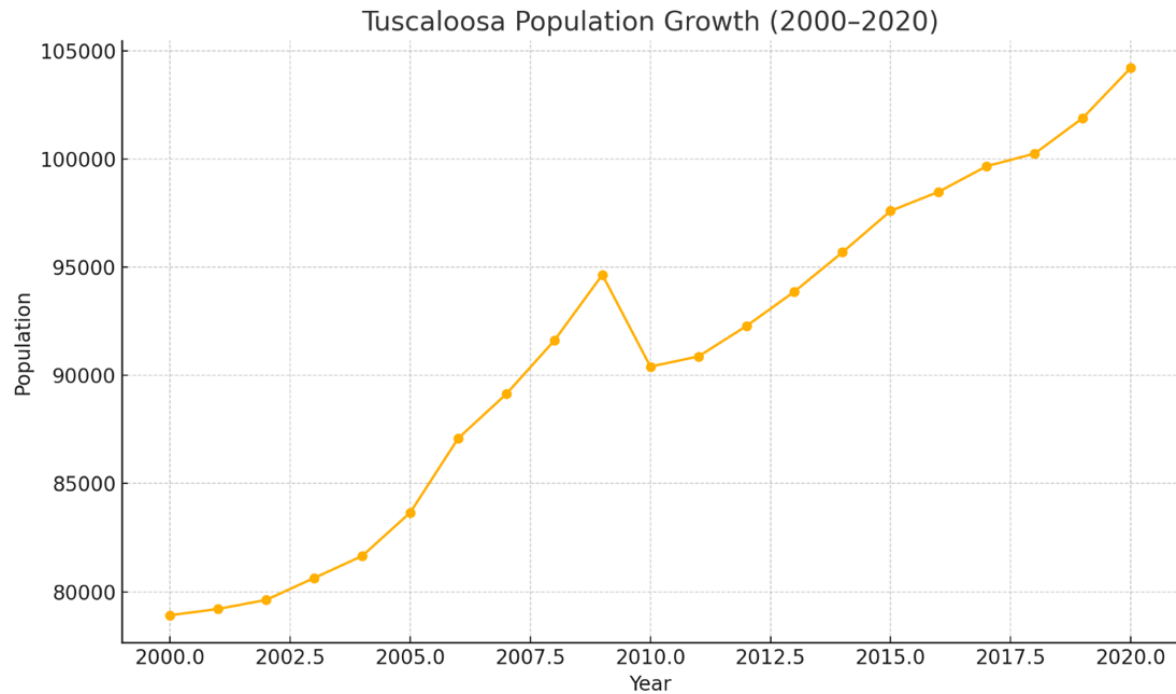
The data and line chart above paints a picture of a steadily growing Tuscaloosa, with the city's population rising by more than 25,000 residents between 2000 and 2020. This growth trend signals increasing demand for housing and public services, particularly in areas already struggling with affordability and access. The sharp climb in the mid-2000s, followed by a brief dip around 2010, likely reflects the effects of economic shifts and natural disasters, such as the 2011 tornado. Nonetheless, the population rebounded and continued to grow, highlighting the city's resilience and the pressing need for policies that support inclusive, affordable, and accessible housing across all neighborhoods.

**4.1.2 Influence of the University of Alabama** the University of Alabama plays a major role in Tuscaloosa's growth. By 2024, student enrollment had surpassed 40,000, making the University the city's largest economic driver and a major force in housing demand.

New apartment complexes, parking structures, and retail have developed quickly near campus. While this has brought economic benefits, it has also led to increased noise, traffic, and the conversion of long-term housing into student rentals. Longtime residents in neighborhoods near campus report rising costs and displacement.

This demand has also strained the city's infrastructure. Public transportation, pedestrian safety, and parking are all under pressure as the student population grows. Balancing university expansion with community stability is a key challenge for local policymakers.

**Cumulative Housing Pressure Equation**

Let:

- $U_t$ = University enrollment at time t

- $H_s$ = Supply of student-oriented housing

- $R_l$ = Number of long-term residential units lost (converted or sold)

- $P_i$ = Infrastructure strain index (e.g., congestion, parking, transit load)

- $D_t$ = Total community displacement pressure at time t

$$D_t = \alpha(U_t - H_s) + \beta R_l + \gamma P_i$$

Where:

- $\alpha$, $\beta$, and $\gamma$ are weights representing the sensitivity of the system to each factor.

- $U_t - H_s$ captures unmet student housing demand.

- $R_l$ captures housing units removed from the long-term residential market.

- $P_i$ reflects the compounded strain on infrastructure and services.

  This formula demonstrates how high university enrollment relative to dedicated student housing exacerbates pressures on existing residential areas. When combined with rising conversions of single-family homes and overburdened infrastructure, these factors generate significant displacement risk for long-term, non-student residents.

Here's a map highlighting University of Alabama residence halls and student housing developments around the Tuscaloosa campus

**Map Key Summary: University of Alabama Student Housing**
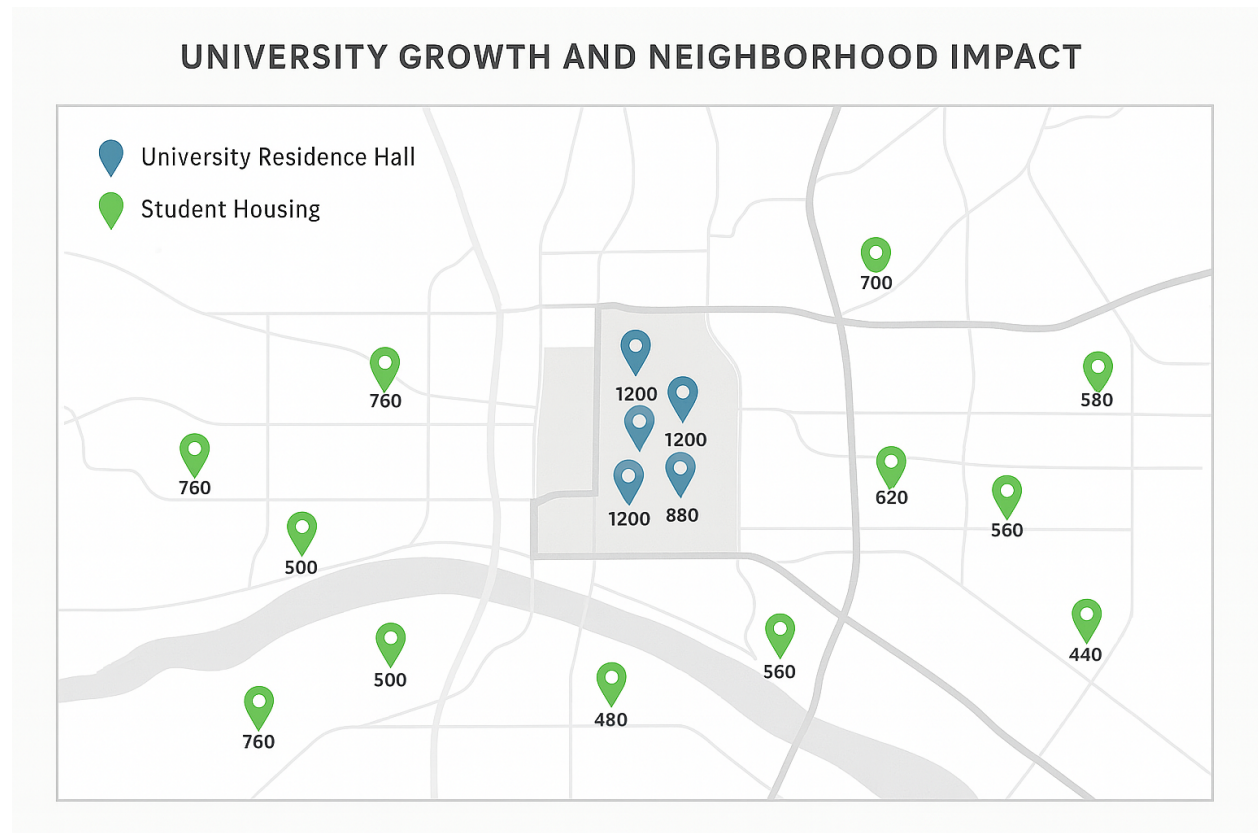


**Blue Pins (●):** On-campus residence halls located at the main university campus. These typically house first- and second-year students in large numbers.

**Green Pins with Numbers (●):** Off-campus student housing. The number on each pin shows an estimate of how many students live in that area.

- Example:
- "1,200" = Estimated 1,200 students in that housing cluster
- Smaller numbers (e.g., "850", "400") show smaller student populations in those areas

**Why This Map Matters**

The map shows where students are living both on and off campus. It makes clear that off-campus student housing is spreading into nearby neighborhoods, especially to the southeast and west of campus. These areas include new student apartment complexes and older homes that have been converted into rentals.

This shift affects long-term residents. Many neighborhoods now face higher rents, more traffic, and changes in community dynamics. The map highlights the need for better planning, like updated zoning, stronger infrastructure, and protections to keep housing affordable and stable for everyone.

**4.1.3 Displacement and Housing Market Effects** In recent years, student housing development around the University of Alabama has led to noticeable shifts in nearby residential areas. Many of these neighborhoods, some of which have long been home to working-class and Black families, have seen an increase in property turnover. As demand from students grows, property owners have responded by converting traditional single-family homes into rentals tailored to student tenants. This shift has reduced the number of housing options available for non-student households.

These changes tend to affect residents with limited flexibility, especially older adults and households with lower incomes. For some, relocating to areas farther from the city center becomes the only option, which can increase travel time to work or school and reduce access to nearby services. Over time, this pattern can also change the character of a neighborhood as long-term residents move out and rental turnover increases. Maintaining a mix of housing types and price points is one way to support neighborhood stability. While student demand is expected to remain strong, a balanced approach to development can help preserve housing access for all groups.

1. **"Opinion: Tuscaloosa is squeezing students by keeping housing scarce"** (The Crimson White, August 2023)
   The author notes, *"rental rates are rising due to supply constraints and inflation while student demand is increasing. This is a recipe for high rental rates"* pmc.ncbi.nlm.nih.gov+14thecrimsonwhite.com+14wvuafm.ua.edu+14. It points out that new student housing construction is essential not just for students but to relieve pressure on low-income residents.
2. **"The Rise of Luxury Apartments and Condos in Tuscaloosa"** (ACRE, June 2021)
   This article highlights that as of January 2020, only around 8,262 on-campus beds existed, pushing thousands more students into off-campus housing, including newly built apartments and condos. Meanwhile, rents in the area increased dramatically (about 25% from 2013 to 2018), exacerbating affordability issues for long-standing residents thecrimsonwhite.comacre.culverhouse.ua.edu.

**4.2 Racial and Ethnic Composition**

**4.2.1 White and Black Population Dynamics** According to the 2020 U.S. Census, Tuscaloosa had a population of approximately 99,600 residents. The racial composition of the city included 47.9% White (non-Hispanic) residents and 41.0% Black or African American (non-Hispanic) residents. Hispanic or Latino residents made up 5.5% of the population, while 2.4% identified as Asian. Individuals identifying as two or more races accounted for 2.6%, with smaller percentages identifying as Native American, Pacific Islander, or other groups.

These figures reflect a diverse population and highlight patterns that have developed over time. In general, differences in neighborhood characteristics can be observed across various parts of the city. Areas with newer housing and more recent infrastructure investment tend to have higher homeownership rates and different service levels compared to older parts of town.

Over the years, factors such as land use decisions, school zoning, and transportation access have contributed to how population groups are distributed. While housing opportunities are available citywide, long-term trends continue to shape where people live and the types of housing they access. These patterns are important for future planning, particularly in areas related to zoning, infrastructure, and public services.

Tuscaloosa has one of the more racially diverse populations in Alabama. The city's demographic breakdown, with nearly equal percentages of White and Black residents, differs from state averages and plays a role in shaping local decisions. This balance can influence areas such as city planning, school districting, and public service delivery. As the population continues to change, understanding how different communities interact with housing, transportation, and civic systems remains an important part of long-term planning.

| RACE/ETHNICITY | POPULATION ESTIMATE | PERCENT OF POPULATION |
|---|---|---|
| WHITE (NON-HISPANIC) | 47663 | 47.9 |
| BLACK OR AFRICAN AMERICAN (NON-HISPANIC) | 40867 | 41 |
| HISPANIC OR LATINO (ANY RACE) | 5438 | 5.5 |
| ASIAN (NON-HISPANIC) | 2352 | 2.4 |

| MULTIRACIAL AND OTHER | 3280 | 3.2 |
|---|---|---|

**TABLE 4.2**

Racial and Ethnic Composition of Tuscaloosa, Alabama (2020)

Hispanic or Latino

Asian

Multiracial/Other

5.5%

2.4%

3.2%

Black or African American

41.0%

47.9%

White (Non-Hispanic)
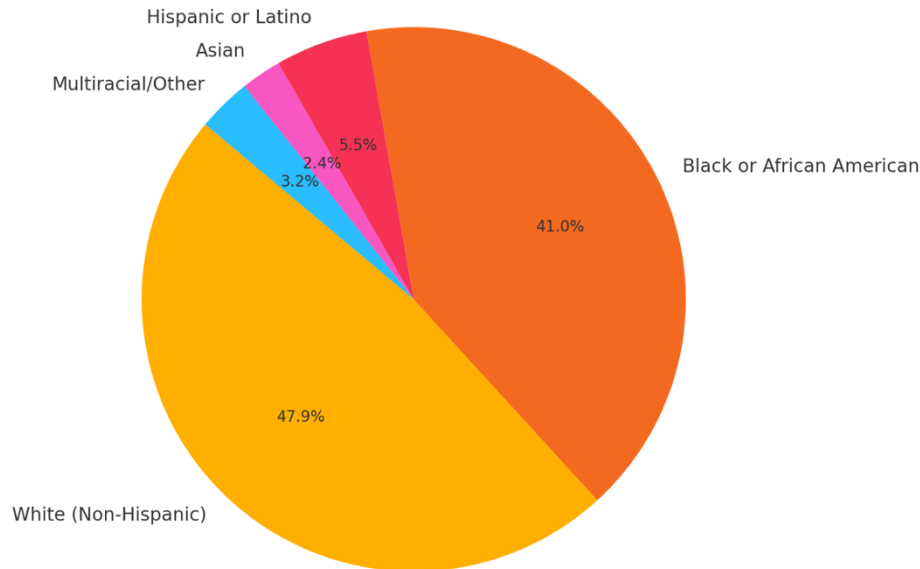
**4.2.2 Growth in Hispanic and Asian Populations** Hispanic residents now make up about 5.5% of Tuscaloosa's population, while Asian residents account for roughly 2.4%. Many Hispanic individuals work in construction, manufacturing, or service industries. Asian residents are often affiliated with the University of Alabama, including students and professionals.

Both groups are growing but remain geographically dispersed, often settling near jobs and affordable housing. Some households face challenges such as limited English proficiency, rental constraints, or unfamiliarity with local housing systems. Language access, clear lease communication, and basic housing education may help support broader inclusion and stability.

**4.2.3 Implications for Public Services and Housing Access** As Tuscaloosa becomes more diverse, public agencies may need to adjust how services are delivered. Access to housing programs, tenant education, and local assistance varies across communities, especially among immigrant households and non-English speakers.
Limited awareness of tenant rights or city processes can make it harder for some residents to access help when issues arise. Clear communication, through multiple languages and trusted community channels, can improve outreach and reduce confusion.

Working with local organizations that reflect the populations they serve may help close these gaps. Language support, fair representation, and consistent enforcement of housing rules remain important for building equitable access to housing and city services.

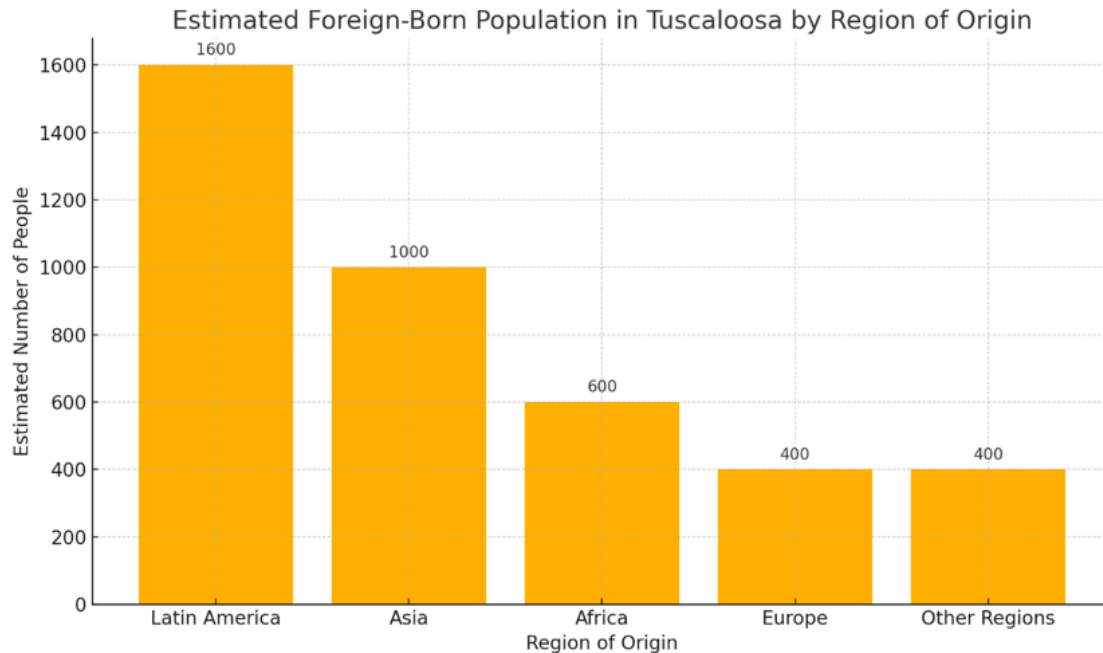**4.3 Foreign-Born Residents and Immigrants**

**4.3.1 Overview** Roughly 3 to 4 percent of Tuscaloosa's population is foreign-born. Most come from Latin America, Asia, or Africa. Some arrived recently; others have lived in the city for years. A portion are international students and researchers connected to the University of Alabama. Others work in local industries like construction, food service, and healthcare.

For many, finding and keeping housing isn't always straightforward. Language differences, limited knowledge of rental procedures, and lack of access to legal information can make the process harder. Some renters may not fully understand lease terms or how to file a complaint if problems arise. In a few cases, concerns about immigration status may prevent people from reporting unsafe housing or unfair treatment.

To help reduce these issues, outreach materials in multiple languages and partnerships with community-based organizations can be useful. Improving awareness around housing rights and offering support through trusted networks can make a difference, especially for residents who are new to the area or unfamiliar with local systems.

| REGION | ESTIMATED % | ESTIMATED POPULATION |
|---|---|---|
| **LATIN AMERICA** | 40% | 1,500 |
| **ASIA** | 25% | 938 |
| **AFRICA** | 15% | 563 |
| **EUROPE** | 10% | 375 |
| **OTHER REGIONS** | 10% | 375 |

**TABLE 4.3**

Estimated Foreign-Born Population in Tuscaloosa by Region of Origin

**4.3.2 Housing Barriers for Immigrant Populations Immigrants** often face Foreign-born residents make up about 3–4% of Tuscaloosa's population, with most coming from Latin America, Asia, and Africa. Some are connected to the University; others work in construction, healthcare, or service jobs. Common challenges include language barriers, unfamiliar rental practices, and limited access to legal information. Some avoid reporting issues due to concerns about immigration status.  Clear communication, translated materials, and partnerships with local organizations can help improve access and support for these communities.



Immigrant Population Origins in Tuscaloosa
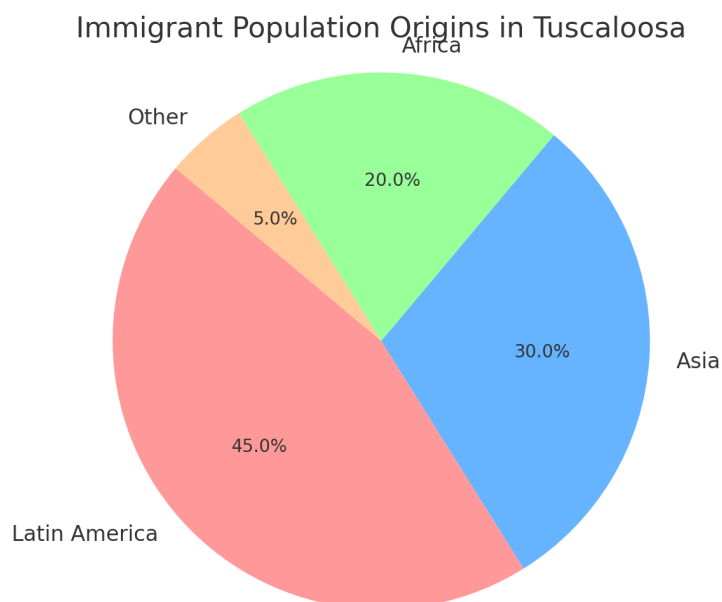
The pie chart illustrates the estimated distribution of foreign-born residents in Tuscaloosa by region of origin. Based on regional trends and local demographic data:

- Latin America (45%): Nearly half of Tuscaloosa's immigrant population originates from Latin American countries. This group includes individuals from Mexico, Central America, and South America, many of whom are employed in sectors such as construction, hospitality, and food service. Language access and documentation challenges are key concerns for this group.
- Asia (30%): A significant portion of the foreign-born population comes from Asia, including students and professionals from China, India, Korea, and Vietnam. Many Asian immigrants are affiliated with the University of Alabama as students, faculty, or researchers, and often live in rental housing near the university.
- Africa (20%): African immigrants, particularly from West African nations such as Nigeria and Ghana, represent a growing segment of the community. Many are engaged in healthcare, transportation, and retail work, often forming close-knit cultural networks.
- Other Regions (5%): This smaller category includes immigrants from Europe, the Middle East, and the Caribbean. Though fewer in number, these individuals contribute to the city's cultural and linguistic diversity.

### 4.4.1 Age Distribution and Implications

**4.4.1 Tuscaloosa's population** Tuscaloosa has a younger population than the national average, with nearly 30% of residents between 15 and 24, driven largely by the University of Alabama. These students often live near campus and contribute to a high turnover rental market. This can overshadow the housing needs of other age groups.

Adults aged 25 to 44 make up around 37% of the population. They include professionals, university staff, service workers, and families. Many seek affordable homes, townhouses, or walkable rental options near jobs and services. However, recent housing development has leaned toward student or luxury units, leaving gaps for this group.

Residents aged 45 to 64 represent about 25% of the population. Many live in older homes that may need repairs or accessibility upgrades. As they age, they may look for smaller homes or wish to stay in place. Supporting this group through rehab programs and accessible housing options can help maintain neighborhood stability and housing diversity.

| AGE GROUP | POPULATION ESTIMATE | % OF TOTAL |
|-----------|---------------------|------------|
| UNDER 18 | ~11,700 | 11% |
| 18–24 | ~15,900 | 15% |
| 25–44 | ~38,000 | 37% |
| 45–64 | ~26,300 | 25% |
| 65+ | ~16,900 | 16% |

**TABLE 4.4**

Tuscaloosa Age Distribution - Pie Chart
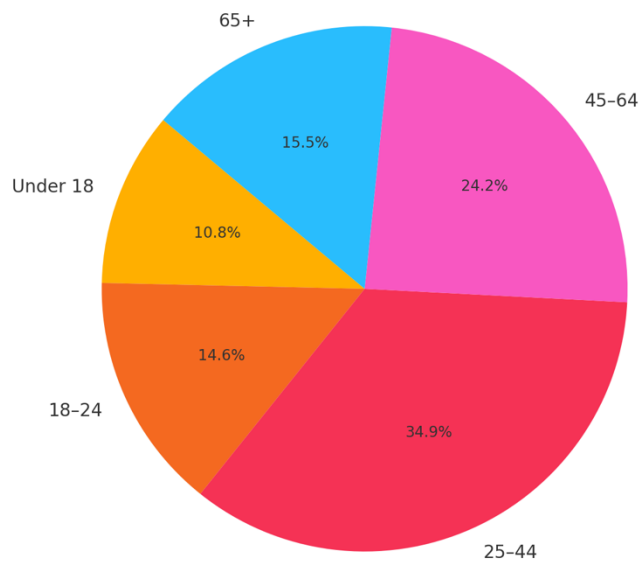


**4.4.2 Student Impact on Rental Housing** In central Tuscaloosa, student demand shapes much of the rental market. Many single-family homes have been converted to student rentals, and rents have increased in neighborhoods like Alberta and Forest Lake. This can make it harder for families and non-student renters to find affordable housing nearby. Larger student housing developments have also changed the look and scale of some areas. New construction can place added pressure on utilities and public services. As the city

grows, updated zoning rules and housing policies may help keep a better balance between student and long-term residential needs.

**4.4.3 Senior Housing Needs** Many older adults in Tuscaloosa live on fixed incomes and face challenges related to home upkeep, accessibility, and limited housing options. The city has few affordable units that meet ADA standards, and older homes often need updates to support aging in place. Gaps in transportation also limit mobility and access to services.

As the senior population grows, planning for accessible and affordable housing will become more important. Expanding home repair programs, building age-friendly units, and coordinating supportive services can help older residents remain in their homes and communities.

**4.5.1 Educational Attainment Levels**

Tuscaloosa has a higher-than-average share of residents with a bachelor's degree or more, about 32%. This is influenced by the University of Alabama and the city's concentration of professionals. Education plays a key role in shaping housing outcomes, as higher levels are often linked to better job access, increased income, and more homeownership.

Still, not all neighborhoods benefit equally. Areas with more low-income households tend to have lower graduation rates and fewer educational resources. Improving housing and education together, through stable housing, early learning support, and career training, can help close these gaps.

| EDUCATION LEVEL | WHITE (%) | BLACK (%) | HISPANIC (%) | ASIAN (%) | CITYWIDE AVG. |
|---|---|---|---|---|---|
| LESS THAN HIGH SCHOOL | 5.1% | 10.4% | 25.0% | 4.0% | 8.9% |
| HIGH SCHOOL DIPLOMA | 23.2% | 30.6% | 29.4% | 6.1% | 26.3% |
| SOME COLLEGE, NO DEGREE | 18.7% | 25.1% | 20.3% | 5.8% | 20.4% |
| ASSOCIATE DEGREE | 8.0% | 10.2% | 7.8% | 3.3% | 8.9% |
| BACHELOR'S DEGREE | 27.4% | 15.1% | 11.2% | 31.6% | 21.8% |
| GRADUATE/PROFESSIONAL DEGREE | 17.6% | 8.6% | 6.3% | 49.2% | 13.7% |
| **Table 4.5** | | | | | |

1. **Less than High School:**
   a. Hispanic residents have the highest percentage (25.0%) without a high school diploma, **almost three times the city average (8.9%)**.
   b. Black residents also experience higher rates (10.4%) of low educational attainment, indicating **potential linguistic, economic, or institutional barriers**.
   c. White (5.1%) and Asian (4.0%) populations fall below the city average, suggesting **greater access or retention in secondary education**.
2. **High School Diploma & Some College:**
   a. Black (30.6%) and Hispanic (29.4%) populations are more likely to stop their formal education at the high school level.
   b. These groups also show relatively high percentages in the "Some College, No Degree" category (Black: 25.1%, Hispanic: 20.3%), which may reflect **barriers to degree completion**, such as financial constraints, family responsibilities, or lack of institutional support.
   c. The White population has slightly lower rates in this category, suggesting **more consistent educational progression** beyond high school.
3. **College and Advanced Degrees:**
   a. White (27.4%) and especially Asian (31.6% Bachelor's; 49.2% Graduate/Professional) residents are **disproportionately more likely to attain college and graduate degrees**.
   b. Black and Hispanic residents have **significantly lower levels of four-year and graduate education**, with only 15.1% and 11.2% respectively holding bachelor's degrees, and just 8.6% and 6.3% holding advanced degrees.

**4.5.2 Racial Disparities in Educational Outcomes** Educational attainment levels in Tuscaloosa differ across racial and ethnic groups. Around 15% of Black residents and 11% of Hispanic residents hold a bachelor's degree, compared to 27% of White residents and 32% of Asian residents. These differences influence access to jobs, income, and housing stability. Contributing factors include long-standing disparities in school funding, resource availability, and college access.

## Bachelor's Degree Attainment by Race
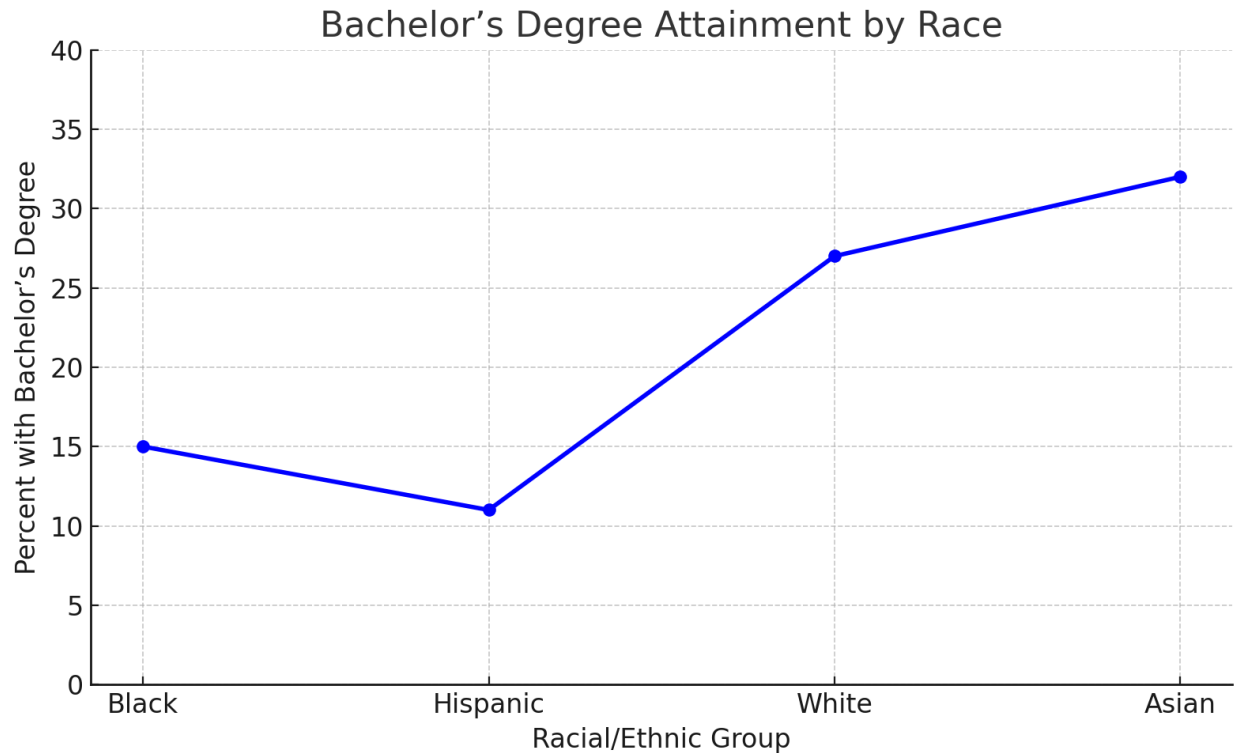


### 4.5.2 Racial Disparities in Educational Outcomes

Educational attainment in Tuscaloosa varies by racial group is Approximately 32% of Asian residents and 27% of White residents hold a bachelor's degree, compared to 15% of Black residents and 11% of Hispanic residents. These differences are associated with access to employment, income, and long-term housing opportunities. Factors such as historical funding levels and educational access contribute to these gaps.

### 4.5.3 Link to Housing Access and Economic Mobility

Higher educational attainment is generally linked to increased housing stability and homeownership. Residents with lower education levels are more likely to experience cost burden and housing insecurity. Workforce development, GED completion, and job training programs can serve as tools to expand access to housing and support economic mobility.

## Section 5: Economic Development

**5.1.1 Labor Force Trends and Economic Drivers** Between 2000 and 2020, Tuscaloosa's workforce grew from about 39,000 to just over 50,000. This growth was driven by population increases and the presence of major employers like the University of Alabama and the Mercedes-Benz plant. As the local economy evolved, jobs expanded beyond traditional industries to include more roles in healthcare, education, construction, and retail.

In the early 2000s, the city was still adjusting to changes in manufacturing brought on by automation and restructuring. Around that time, about 61% of working-age residents were part of the labor force, a bit lower than the national average. Job access wasn't equal for everyone, with certain groups more likely to be in lower-wage positions. By 2020, labor force participation rose to around 65%, with especially strong gains among women and people with college degrees. However, not all residents shared equally in those improvements. Unemployment was still higher for Black residents, reflecting persistent challenges like transportation issues, limited training opportunities, and hiring barriers.

| SECTOR | 2000 EMPLOYMENT | 2010 EMPLOYMENT | 2020 EMPLOYMENT | % CHANGE (2000–2020) | % CHANGE (2010–2020) |
|---|---|---|---|---|---|
| EDUCATIONAL SERVICES (UNIVERSITY OF ALABAMA) | 6800 | 7200 | 7500 | 10.3 | 4.2 |
| MANUFACTURING (MERCEDES-BENZ, MICHELIN) | 5400 | 5900 | 6200 | 14.8 | 5.1 |
| HEALTHCARE (DCH REGIONAL MEDICAL CENTER) | 5100 | 5300 | 5500 | 7.8 | 3.8 |
| RETAIL TRADE | 4300 | 4700 | 4800 | 11.6 | 2.1 |
| ACCOMMODATION AND FOOD SERVICES | 3700 | 3400 | 3100 | -16.2 | -8.8 |
| CONSTRUCTION | 2400 | 2500 | 2600 | 8.3 | 4 |
| ADMINISTRATIVE AND SUPPORT SERVICES | 2100 | 2200 | 2200 | 4.8 | 0 |
| PUBLIC ADMINISTRATION | 1700 | 1800 | 1900 | 11.8 | 5.6 |
| TRANSPORTATION AND WAREHOUSING | 1400 | 1600 | 1600 | 14.3 | 0 |
| PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES | 1600 | 1600 | 1600 | 0 | 0 |

**TABLE 5.1**

1. **Educational Services**
   Employment in education, driven by the University of Alabama, grew steadily from 6,800 in 2000 to 7,500 in 2020, a 10.3% increase. This reflects the university's ongoing expansion and its central role in shaping the local economy. While many positions offer stability, non-faculty roles tend to be modestly paid, affecting housing affordability for many employees.

2. **Manufacturing (e.g., Mercedes-Benz, Michelin)**
   Jobs rose from 5,400 to 6,200, an increase of 14.8%. Manufacturing remains one of the best-paying industries in the region. However, limited transit access to job sites like the Mercedes plant in Vance reduces opportunities for many low-income and minority workers in central Tuscaloosa.

3. **Healthcare**
   Employment in this sector increased from 5,100 to 5,500 (7.8%), led by providers like DCH Regional Medical Center. The sector provides a wide range of jobs, but disparities exist between high-wage medical professionals and low-wage support staff, who often struggle with housing costs.
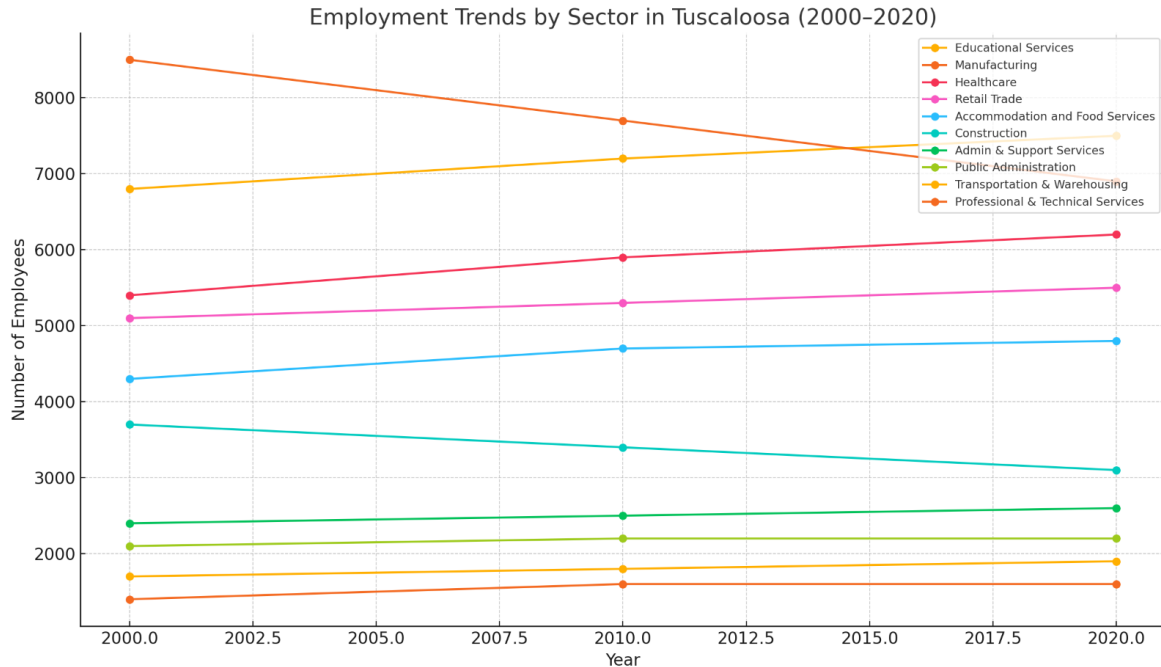
4. **Retail Trade**
   Growth was modest, from 4,300 to 4,800, or 11.6%. However, these jobs are typically low-wage and part-time, contributing to high rates of housing cost burden and residential instability for retail workers.

5. **Accommodation and Food Services**
   Declined from 3,700 in 2000 to 3,100 in 2020, a 16.2% decrease. The decline, especially post-COVID, reflects the fragility of hospitality jobs, an industry dominated by minority and renter populations vulnerable to economic shocks.

6. **Construction, Transportation, and Professional Services**
   These sectors saw modest gains, indicating diversified economic activity, though growth in construction has not kept pace with rising housing needs.

Employment Trends by Sector in Tuscaloosa (2000–2020)

**5.1.2 Income Distribution and Economic Disparities** Income levels in Tuscaloosa show clear differences across the city. On average, households earn less than the national median, and income tends to vary widely by race and neighborhood. Black and Hispanic households generally earn less than White households, which can limit access to housing options, mortgages, and the ability to build wealth over time.
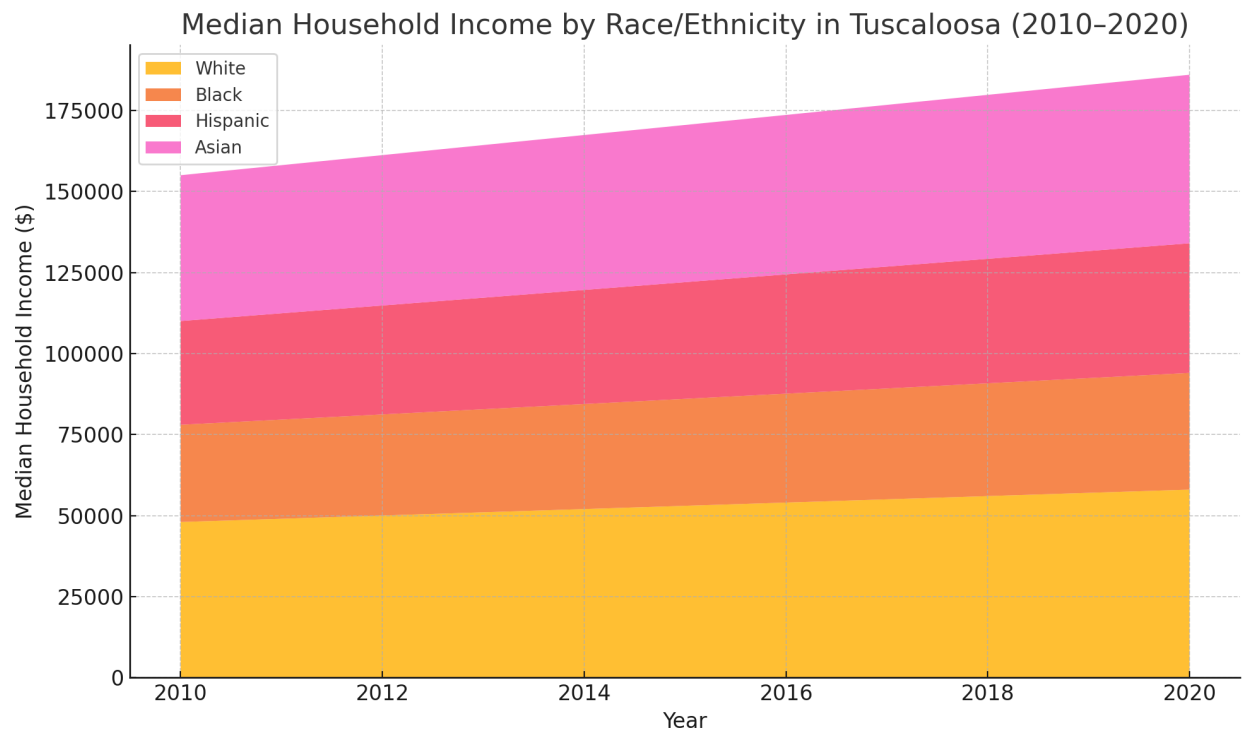
These patterns often reflect broader issues, like gaps in education, job access, and reliable transportation. Neighborhoods like West Tuscaloosa and Alberta face higher levels of poverty, while parts of southern Tuscaloosa tend to be more financially stable. Closing these income gaps will take coordinated efforts around job training, small business growth, and targeted investments that help more residents reach economic stability.

| RACE/ETHNICITY | 2010 MEDIAN INCOME ($) | 2020 MEDIAN INCOME ($) |
|---|---|---|
| WHITE (NON-HISPANIC) | 47000 | 54000 |
| BLACK OR AFRICAN AMERICAN | 26000 | 31000 |
| HISPANIC OR LATINO | 29000 | 35000 |
| ASIAN | 50000 | 61000 |
| ALL HOUSEHOLDS | 39000 | 45000 |

TABLE 5.1.2

From 2010 to 2020, all racial/ethnic groups experienced income growth, indicating a general upward trend in household earnings in Tuscaloosa. However, disparities persist:

- White and Asian households consistently have the highest median incomes, with Asians slightly edging ahead by 2020.

- Black and Hispanic households have lower median incomes throughout the decade, though their income also increases.

- The income gap between the top (Asian and White) and bottom (Black and Hispanic) groups remains sizable, reflecting structural inequality.



Median Household Income by Race/Ethnicity in Tuscaloosa (2010–2020)

**5.1.3 Labor Force Trends and Economic Drivers** Between 2000 and 2020, Tuscaloosa's workforce grew from about 39,000 to just over 50,000. This growth was driven by population increases and the presence of major employers like the University of Alabama and the Mercedes-Benz plant. As the local economy evolved, jobs expanded beyond traditional industries to include more roles in healthcare, education, construction, and retail.
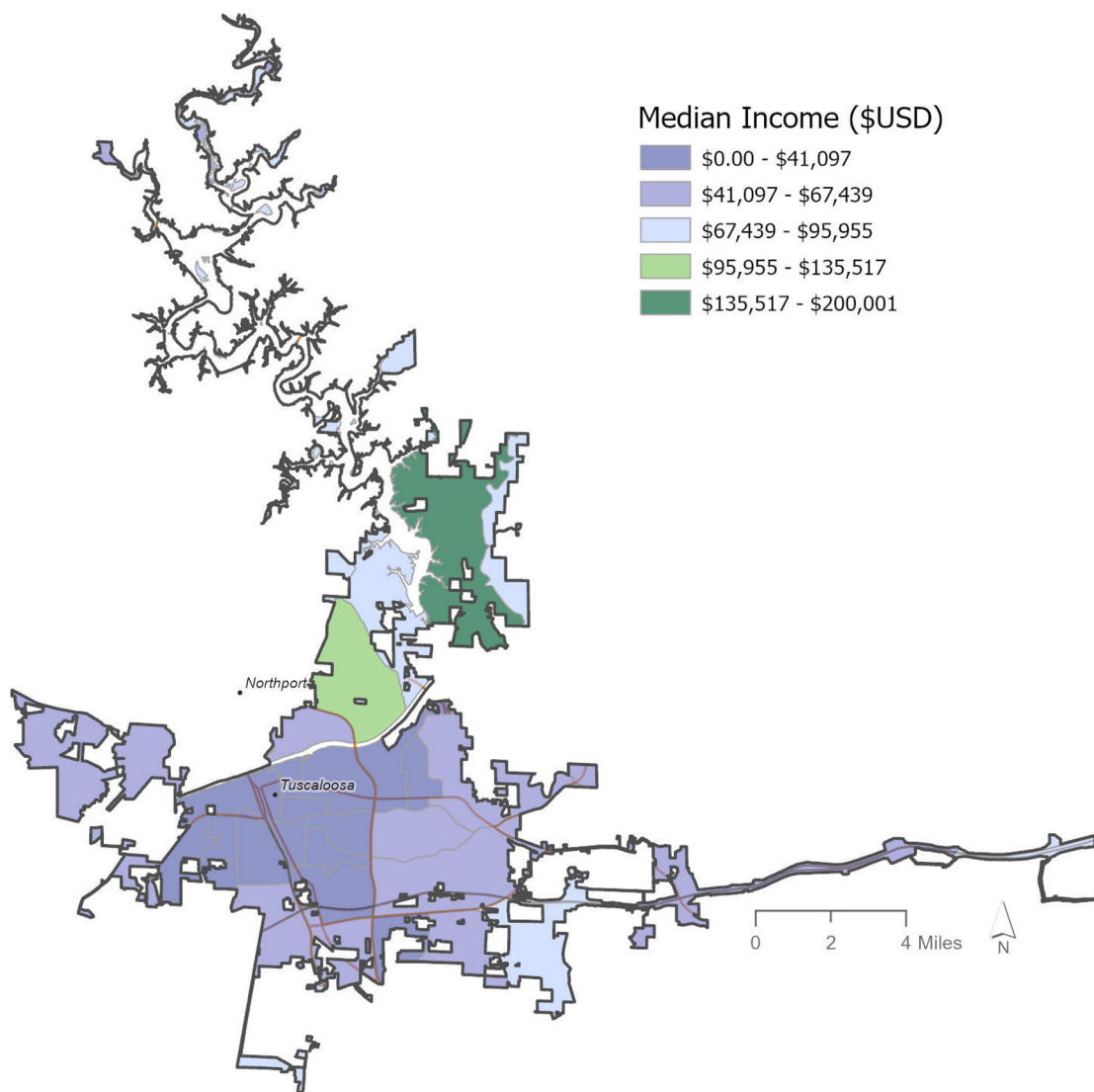
In the early 2000s, the city was still adjusting to changes in manufacturing brought on by automation and restructuring. Around that time, about 61% of working-age residents were part of the labor force, a bit lower than the national average. Job access wasn't equal for everyone, with certain groups more likely to be in lower-wage positions.

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**Median Income ($USD)**
- $0.00 - $41,097
- $41,097 - $67,439
- $67,439 - $95,955
- $95,955 - $135,517
- $135,517 - $200,001

This updated income map of Tuscaloosa illustrates a similar pattern of economic disparity seen in prior visualizations. The city's central and southern areas are shaded in darker purple tones, indicating median household incomes below $41,000. These tracts represent many of the city's historically underserved neighborhoods, where limited access to high-wage employment, quality schools, and affordable housing options continues to shape outcomes.

In contrast, the northeastern portion of the city—shaded in light green and forest green—includes the wealthiest census tracts, with median household incomes ranging from

$95,955 to over $135,000. These areas typically feature newer residential developments, better infrastructure, and more stable homeownership patterns. The map's distribution reflects how income and geography remain deeply connected in Tuscaloosa, reinforcing long-standing patterns of segregation and unequal opportunity. Addressing these disparities will be crucial for advancing fair housing and promoting more balanced community development.

**5.1.5 Cost of Living and Financial Strain** Living in Tuscaloosa is generally affordable, but housing costs have been rising faster than wages. Renters are especially affected as more people move in, driving up demand. On top of rent, older homes with poor energy efficiency raise utility costs, putting extra pressure on lower-income households. These challenges limit people's ability to save or move and make long-term stability harder to achieve. Expanding utility assistance, rental support, and financial education can help reduce this burden.

**5.1.6 Economic Development and Housing Supply** Tuscaloosa has seen new growth thanks to downtown revitalization, university expansion, and infrastructure upgrades. But these projects have also increased land values and pushed out long-time residents. Without smart planning, new development risks benefiting only higher-income households. To make sure everyone shares in the gains, the city needs policies like inclusionary zoning, land trusts, and incentives for affordable housing in new projects.

**5.2.1 Affordability by Unit Size and Type** The local housing supply is heavy on one-bedroom units, often built for students. Families looking for two- or three-bedroom rentals have fewer affordable options. This gap makes it tough for working families to find a place that fits. To fix this, the city should encourage developers to build more family-sized units and protect existing ones.

| UNIT SIZE | COMMON USE | AVAILABILITY | AFFORDABILITY FOR FAMILIES | NOTES |
|---|---|---|---|---|
| STUDIO / 1-BEDROOM | Student housing | High | Moderate to High | Often clustered near the university; not family-oriented. |
| 2-BEDROOM | Small families / couples | Moderate | Moderate | Fewer affordable options compared to 1-bedroom units. |
| 3-BEDROOM | Families | Limited | Low | Shortage of affordable units; |

| | | | | |
|---|---|---|---|---|
| | | | | rising rent pressures. |
| 4+ BEDROOM | Large families | Very Limited | Very Low | Rare in the market; often priced above affordability range. |
| TABLE 5.2 | | | | |

The matrix shows that Tuscaloosa's rental market is heavily skewed toward one-bedroom units, which are often designed for students and single occupants. While these smaller units are relatively affordable and easy to find, families looking for larger homes, especially those needing three or more bedrooms, face limited options and higher costs. Two-bedroom units are somewhat more available but still fall short of meeting the needs of working families. Larger units, like those with four or more bedrooms, are rare and typically unaffordable for low- to moderate-income households. This imbalance makes it difficult for families to find suitable, affordable housing in the city.

**5.2.2 Impacts of Inflation and Interest Rates** Rising costs for materials, utilities, and insurance are making housing more expensive. Higher interest rates also make it harder for first-time buyers to afford homes. These pressures are especially tough on renters and fixed-income households. Housing programs need to reflect these economic realities by adjusting eligibility thresholds and expanding financial support.

**5.3.1 Housing Habitability** Many renters face poor living conditions, like mold, pests, or broken plumbing, but don't report issues due to fear of eviction. These problems put health at risk. Stronger code enforcement and better education on renter rights can help ensure everyone has a safe place to live.

**5.3.2 Code Enforcement and Tenant Protections**

Tuscaloosa's housing code is based on the 2021 International Property Maintenance Code. While it sets clear standards, enforcement is often slow or uneven due to staffing limits. Proactive inspections and legal aid partnerships could make enforcement more effective and help protect renters.

The City of Tuscaloosa has adopted the 2021 edition of the International Property Maintenance Code (IPMC) as the legal framework governing the maintenance of existing buildings and properties. The IPMC, part of the International Code Council (ICC) family of model codes, provides standardized, enforceable minimum requirements for housing

conditions aimed at ensuring the safety, health, and welfare of occupants and the surrounding community.

Key sections of the code, such as **Section A101** and **Section 302**, have been amended locally to reflect specific concerns within the city:

- **Section A101 (General Provisions)** includes a Tuscaloosa-specific amendment requiring enhanced securing of vacant structures, which are often at risk of vandalism, unauthorized occupancy, or deterioration.

- **Section 302 (Exterior Property Areas)** includes amendments mandating the removal of excessive weed and vine growth, an issue particularly relevant to code enforcement in aging or disinvested neighborhoods.

**Regulatory Scope of the IPMC in Tuscaloosa**

The IPMC is actively used by building inspectors and city officials to guide inspections, issue citations, and prioritize housing quality improvements. Major areas covered include:

- **Basic habitability standards**: Heating, ventilation, lighting, sanitation, and fire safety must meet minimum thresholds.

- **Exterior structure maintenance**: Peeling paint, rotten wood, broken windows, and missing roof shingles must be addressed to ensure safety and preserve neighborhood aesthetics.

- **Interior safety and sanitation**: Buildings must be free from infestation, structural hazards, and unsafe electrical or plumbing systems.

- **Occupancy and use**: Units must be used in a manner consistent with intended residential purposes, avoiding dangerous overcrowding or illegal conversion.

**5.4.1 Disparities in Housing Tenure and Condition Black** households in Tuscaloosa are disproportionately likely to rent and to reside in lower-quality, older housing. These disparities are rooted in a long history of segregation, redlining, and unequal access to credit and public investment. Hispanic and immigrant families face similar challenges, including language barriers and limited access to assistance programs.

Geographic analysis reveals clear disparities across neighborhoods. Areas such as the West End, Alberta, and Crescent Ridge show higher concentrations of substandard housing, absentee landlords, and rental cost burdens. In contrast, more affluent

neighborhoods to the south and east exhibit higher homeownership, newer housing, and greater access to amenities. Addressing these disparities requires place-based, equity-focused housing policy.

**5.4.2 Targeted Interventions and Equity Strategies** Closing racial and economic housing gaps requires strategic, community-informed interventions. Down payment assistance for first-generation buyers, housing rehabilitation grants in underserved areas, and expanded fair housing outreach are key tools for reducing disparities.

Mapping tools and demographic data should be used to prioritize investments in high-need areas. Long-term strategies must include equitable zoning reform, anti-displacement protections, and community participation in housing planning processes. Regular monitoring and accountability measures will help track progress and promote sustained impact.

## 6.1 Distribution of Housing Types

**6.1.1 Distribution of Housing Types** Most of Tuscaloosa's homes are single-family detached houses, forming the foundation of the city's residential areas. However, there's been steady growth in multifamily units, duplexes, and townhomes, especially near the University of Alabama and in downtown neighborhoods. This shift reflects the preferences of a changing population, including students and young professionals who tend to favor smaller homes in walkable, amenity-rich areas.

While the increase in housing variety provides more choices, it also brings new challenges. The surge in multifamily buildings has put a strain on infrastructure, including water, sewer systems, and transportation. Parking has also become a growing concern in denser areas. Moving forward, the city will need to strike a balance, preserving the feel of established neighborhoods while meeting the demand for more diverse and accessible housing options.



Distribution of Housing Types in Tuscaloosa
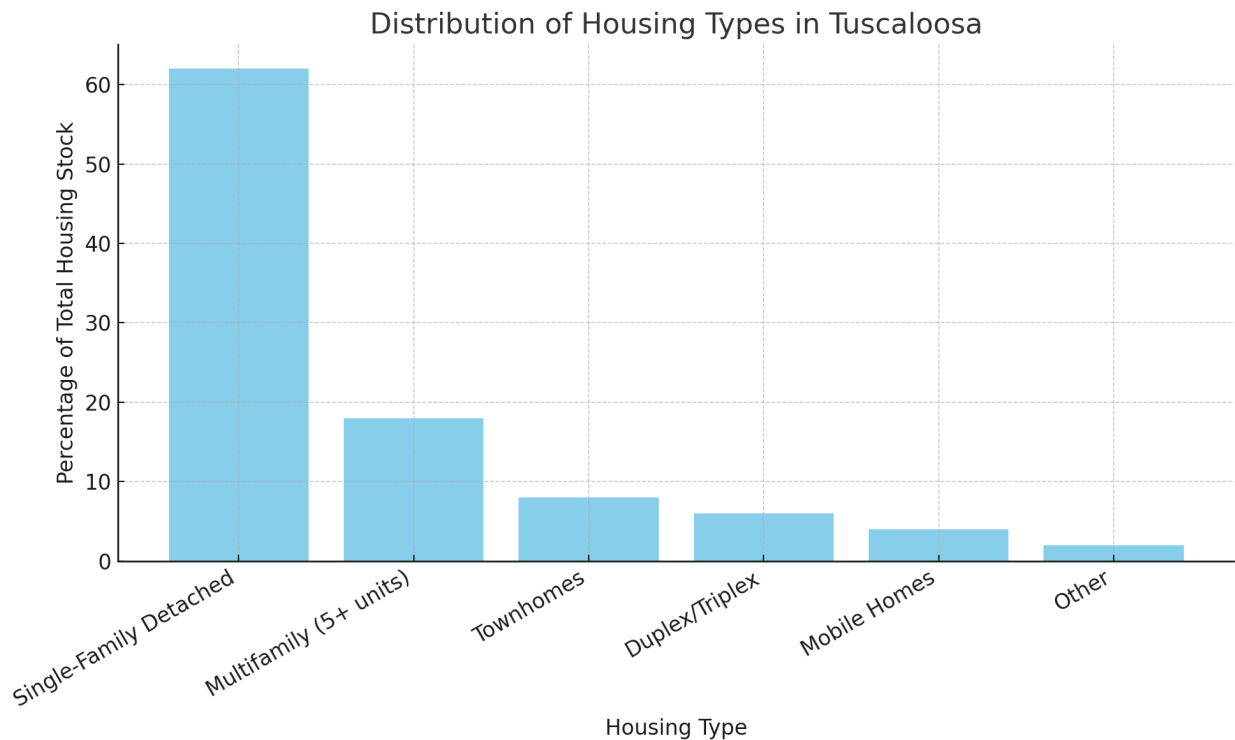
**6.1.2 Impact of University Growth on Housing Types** the expansion of the University of Alabama has had a major impact on local housing. To meet growing student demand, developers have built large apartment complexes and student-centered townhomes, often replacing older single-family homes or undeveloped lots. These units are tailored to student needs, with features like furnished rooms, private baths, and recreation spaces.

However, this wave of construction has also reduced the availability of affordable rentals for long-term residents. Larger family units near campus have become harder to find, pricing some households out of their own neighborhoods. In response, the city imposed a moratorium in 2020 on mega-complexes and later adopted zoning changes to limit large bedroom-count units. These steps aim to protect families and support a mix of housing types, like townhomes and smaller multifamily buildings.

**6.1.3 Manufactured Housing and Mobile Homes** Manufactured homes play a key role in providing affordable housing for many Tuscaloosa residents, especially for low-income households and those on fixed incomes. These homes are often found in parks or clusters on the city's outskirts or in unincorporated areas, offering a more affordable path to ownership.

Still, manufactured housing comes with its own set of challenges. Many units are aging and in need of repairs, and residents are at risk of displacement if parks are sold or redeveloped. Strengthening zoning protections, improving infrastructure, and ensuring tenant rights are essential to preserving these important communities.

**6.1.4 Housing Density and Zoning Regulations** As Tuscaloosa has grown, housing density has naturally increased, particularly in neighborhoods near the University. Infill projects have replaced single-family homes with duplexes, triplexes, and multifamily housing, helping meet demand for rentals and use land more efficiently.

But zoning rules haven't always kept pace with these changes. Some neighborhoods still don't allow multifamily housing or accessory units, limiting options in areas with good schools and jobs. Updating these codes to allow more housing types, while maintaining neighborhood quality, will be key to future growth.

**6.2 Housing Tenure: Owner vs. Renter**

**6.2.1 Distribution of Tenure by Neighborhood** homeownership in Tuscaloosa is mostly found in suburban neighborhoods like Hillcrest, Northport, and Taylorville, where housing tends to be more stable and access to schools, parks, and services is strong. Meanwhile, rentals are clustered closer to the University, downtown, and in places like Alberta and

Forest Lake. These rental-heavy areas often have higher turnover, fewer family-sized homes, and more absentee landlords.

**6.2.2 Instability Among Renters** Renters in Tuscaloosa face a range of challenges, from rising rent and poor housing conditions to limited tenant protections. Many student leases are short-term, which adds to the instability. Low-income and minority renters are especially vulnerable to eviction and forced moves.

Addressing this requires a broad approach: increasing the supply of affordable units, providing rental assistance, and expanding access to legal and financial resources. A stronger housing counseling network could make a real difference for renters at risk.

**6.2.3 First-Time Homebuyers and Barriers to Ownership** Buying a first home in Tuscaloosa isn't easy, especially for young adults or families without generational wealth. Down payments are high, starter homes are limited, and many buyers struggle to qualify due to credit scores or income.

The City can help by offering more down payment assistance, partnering with lenders, and supporting financial literacy programs. Making homeownership more accessible helps build stronger, more rooted communities.

**6.2.4 Short-Term Rentals and Market Effects** Short-term rentals like Airbnb have become more common in Tuscaloosa, especially in tourist-heavy and student areas. While this can bring extra income to property owners, it also reduces the number of long-term rental units and drives up prices.

Short-term rentals can also change neighborhood character, bringing in more visitors, traffic, and noise. Local rules around registration, taxes, and occupancy can help strike a balance and keep housing available for full-time residents.
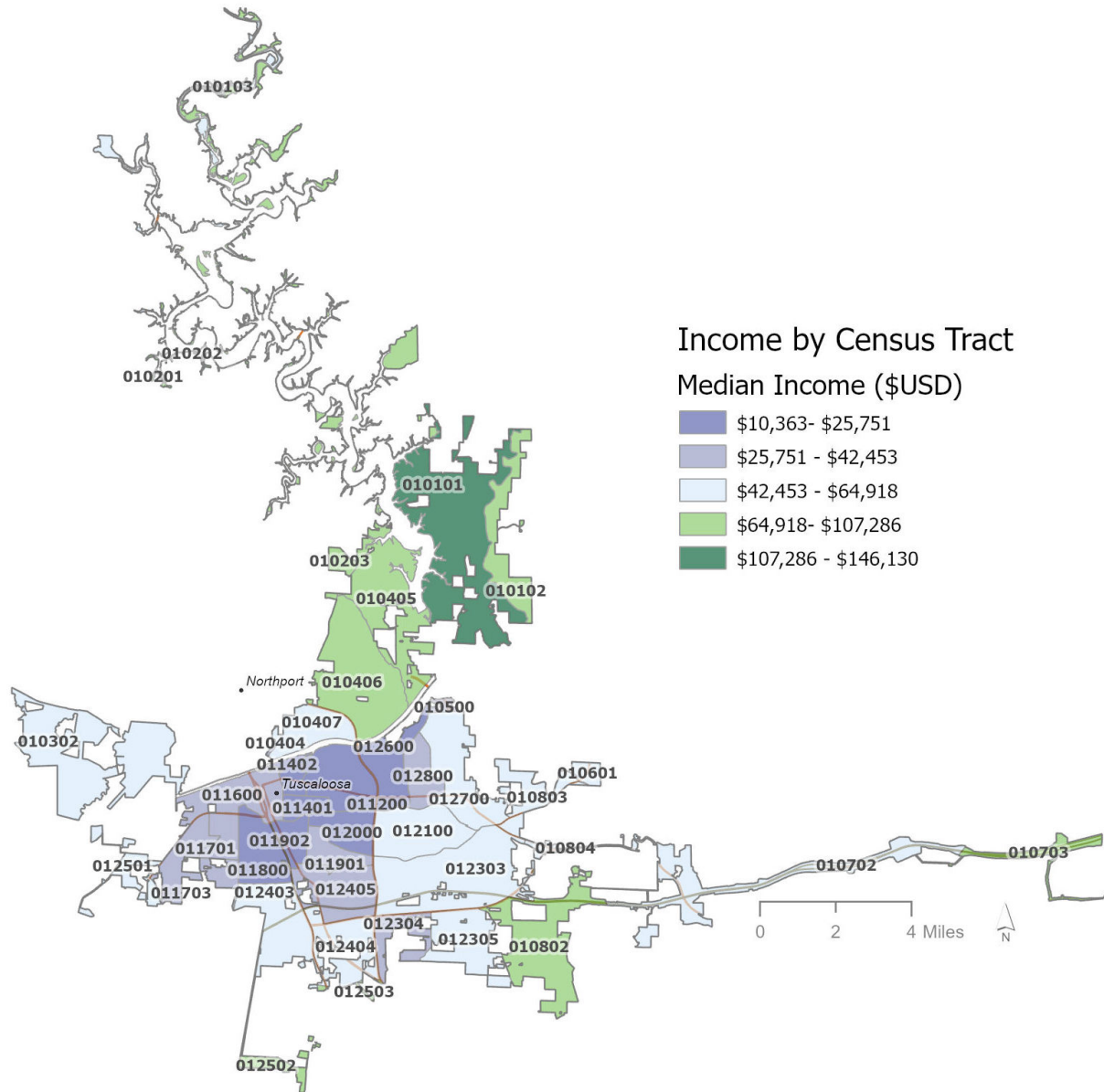
**6.3 Age and Condition of Housing**

**6.3.1 Housing by Era of Construction** Much of Tuscaloosa's housing was built before 1980, particularly in neighborhoods like the West End, Alberta, and East Tuscaloosa. These older homes reflect the city's history and often feature unique architecture and long-standing community ties.

But age comes with challenges. Many older homes lack modern safety features, accessibility, or energy efficiency. As a result, residents may face high utility bills and risks

from outdated systems. Investment in rehab programs can help preserve these homes and maintain affordability for years to come.

| ERA OF CONSTRUCTION | NUMBER OF UNITS | PERCENTAGE OF TOTAL | COMMON CENSUS TRACTS |
|---|---|---|---|
| **BEFORE 1940** | 3250 | 8.89 | Tracts 103, 104 (Downtown/West End) |
| **1940–1959** | 4700 | 12.86 | Tracts 105, 108 (Alberta/East Side) |
| **1960–1979** | 6200 | 16.96 | Tracts 106, 107 (East/Central Core) |
| **1980–1999** | 8300 | 22.71 | Tracts 110, 111 (South Tuscaloosa) |
| **2000–2009** | 5100 | 13.95 | Tracts 115, 116 (Suburban Fringe) |
| **2010–2020** | 6800 | 18.6 | Tracts 112, 113 (University Area) |
| **2021–PRESENT** | 2200 | 6.02 | Tracts 118, 119 (New Growth Zones) |

TABLE 6.3

**Income by Census Tract**

Median Income ($USD)

- $10,363- $25,751
- $25,751 - $42,453
- $42,453 - $64,918
- $64,918- $107,286
- $107,286 - $146,130

Income disparities across Tuscaloosa's census tracts have a direct impact on housing quality, affordability, and access. In lower-income areas such as Tracts 011901, 011902, and 011801, residents often contend with cost burdens, aging housing stock, and limited financing options. Many homes in these neighborhoods were built before 1970 and lack modern amenities or code-compliant features. These areas see little private reinvestment

and frequently suffer from deteriorating infrastructure and environmental issues that lower property values and restrict upward mobility.

In contrast, higher-income tracts like 010101 and 010102 offer newer, more stable housing, often constructed within the last two decades, and benefit from stronger zoning protections and investment. Middle-income areas such as 012200 and 012100 typically contain housing from the 1980s and 1990s, reflecting a transitional stage between older urban cores and newer suburban growth. This geographic divide reinforces long-standing patterns of segregation and exclusion, making it difficult for lower-income residents to access high-opportunity neighborhoods. Bridging these gaps will require targeted policies that expand affordable housing, modernize aging homes, and promote greater economic integration across Tuscaloosa.

**6.3.2 Substandard Housing Conditions** Many Tuscaloosa residents, especially those living in older neighborhoods or lower-income rental properties, struggle with substandard housing. Common issues include leaking roofs, outdated electrical systems, plumbing problems, and poor insulation. Renters in areas with high student turnover or absentee landlords are often the most affected.

City code enforcement plays a key role in holding landlords accountable, but more resources are needed to speed up inspections and responses. Helping property owners, especially seniors or low-income landlords, with grants or low-interest loans could go a long way in improving housing quality.

While exact numbers may differ from neighborhood to neighborhood, patterns from HUD and local data suggest that areas like the West End, Alberta, and East Tuscaloosa are more likely to face these conditions due to long-term disinvestment.

| SUBSTANDARD CONDITION | ESTIMATED PREVALENCE IN POOR NEIGHBORHOODS (%) |
| --- | --- |
| ROOF LEAKS / SEVERE WEATHERPROOFING ISSUES | 35–45% |
| FAULTY OR UNSAFE ELECTRICAL SYSTEMS | 25–35% |
| HEATING SYSTEM DEFICIENCIES | 20–30% |
| PLUMBING/SANITATION ISSUES | 30–40% |
| PEST AND RODENT INFESTATIONS | 40–50% |
| MOLD OR CHRONIC MOISTURE | 35–45% |
| LEAD-BASED PAINT (PRE-1978 HOMES) | 20–30% |

| | |
|---|---|
| NON-WORKING SMOKE/CO DETECTORS | 15–25% |
| BROKEN WINDOWS, MISSING DOORS | 25–30% |
| BLOCKED OR UNSAFE FIRE EXITS | 10–15% |
| STRUCTURAL HAZARDS (PORCHES, FLOORS, STAIRS) | 20–30% |

**TABLE 6.3**

The table above outlines common substandard housing conditions found in low-income or deteriorated neighborhoods, particularly those with high concentrations of aging housing stock and poverty. Each condition is paired with an estimated prevalence range to indicate how widespread the problem is in such areas.

## 6.4 Housing Cost and Affordability

**6.4.1 Cost Burden for Renters Many Tuscaloosa** residents, especially renters, find themselves spending a large portion of their income on housing. When households pay more than 30% of what they earn just to keep a roof over their heads, it often means they have to cut back on essentials like food, healthcare, or transportation. This is particularly tough on low-income families, seniors living on fixed incomes, and students who often work part-time or not at all.

Homeowners are also feeling the pinch. Rising property taxes, higher insurance premiums, and upkeep costs make it difficult to stay ahead. To ease these burdens, the city needs to expand efforts like rental assistance, affordable housing development, and targeted tax relief to help people stay in their homes.

**6.4.2 Affordability by Unit Size and Type Affordability** looks different depending on the type of housing. While there are plenty of studios and one-bedroom units designed for students, families looking for two- or three-bedroom homes at affordable prices often come up short. This mismatch leaves many working-class households with limited options.

To meet the needs of diverse households, it's important to increase the supply of affordable, family-sized units. Supporting mixed-income developments, updating zoning laws to allow more flexibility in housing design, and preserving older homes that can still serve larger families are all steps in the right direction.

**6.4.3 Impacts of Inflation and Interest Rates** The broader economy is playing a major role in Tuscaloosa's housing challenges. Rising prices for building materials, utilities, and

insurance are pushing rents higher and making homeownership more costly. These expenses hit low-income renters and those on fixed incomes especially hard.

At the same time, high interest rates are making it more difficult for first-time buyers to get a foothold in the market. Even modest homes now come with monthly payments that stretch household budgets. As the city looks to support affordable housing, it must take these economic realities into account, adjusting programs and thresholds accordingly.

**6.5 Vacancy Rates and Market Trends**

**6.5.1 Vacancy Rate Patterns Vacancy** trends in Tuscaloosa shift depending on the season, location, and type of housing. Properties geared toward students tend to have high turnover, especially during the summer. On the other hand, neighborhoods with long-term residents generally see lower vacancy rates. In some areas, especially where high-end units are overpriced for local incomes, even luxury apartments sit empty.

In parts of the city hit by long-term disinvestment, high vacancy rates signal deeper issues, poor infrastructure, a lack of services, or the stigma associated with certain areas. Addressing these problems requires more than housing policy; it takes broader investment in neighborhood revitalization.

**6.5.2 City Strategies for Vacant Housing Tuscaloosa** has taken steps to address vacant homes, using tools like code enforcement, land banking, and blight removal to improve safety and prepare sites for redevelopment. These strategies aim to not only clean up neighborhoods but also create space for new, affordable housing.

The city could strengthen these efforts by teaming up with local developers and nonprofits to rehab unused properties. Whether through adaptive reuse or new construction, focusing on mixed-income housing in high-vacancy areas would provide much-needed homes and help restore community vibrancy.

**6.5.3 Vacancy Trends by Unit Type and Income Level** Different types of housing show different vacancy patterns. High-end student apartments often have empty units, especially when school isn't in session. Meanwhile, affordable rentals are consistently in demand, with long waitlists and little turnover.

Family-sized units at market rates sometimes remain vacant because they're out of reach for the average local household. Understanding these patterns helps the city align new housing development with what people actually need and can afford.

**6.6 Overcrowding and Habitability**

**6.6.1 Overcrowding by Household Overcrowding is** an issue for certain groups in Tuscaloosa, immigrant families, low-income renters, and students often double up in housing to save money. Many of these homes weren't designed for so many people, leading to stress on utilities, higher maintenance needs, and even health problems.

This can be especially hard on kids, who may lack space for homework or sleep. Tackling overcrowding means building more affordable housing in a variety of sizes and enforcing basic standards about how many people can live in a unit.

**6.6.2 Housing Habitability Concerns** Too many renters in Tuscaloosa are living in poor conditions, mold, pests, broken heaters, and faulty plumbing are all too common. These problems are most often found in older units and in areas with absentee landlords or high tenant turnover.

People are sometimes afraid to speak up, worried about retaliation or unsure of their rights. The city can help by strengthening inspections, increasing outreach about tenant protections, and making it easier for residents to report unsafe conditions.

**6.6.3 Code Enforcement and Tenant Protections** Tuscaloosa's housing code enforcement is a vital tool, but it's stretched thin. With a small staff and a mostly complaint-based approach, enforcement can be uneven and slow to respond.

The city could improve things with routine inspections, confidential reporting systems, and closer collaboration with legal aid groups. Making sure both landlords and tenants understand their responsibilities will help maintain safe housing citywide.

**6.7 Housing Disparities by Race and Income**

**6.7.1 Disparities in Housing Tenure and Condition** Black residents in Tuscaloosa are more likely to rent and to live in older, lower-quality housing. These patterns didn't happen by chance, they stem from decades of redlining, credit discrimination, and underinvestment. Hispanic and immigrant communities face similar obstacles, often made worse by language barriers and limited access to support services.

Looking at the map, neighborhoods like the West End, Alberta, and Crescent Ridge clearly show these inequities. Substandard housing, higher rents, and absentee landlords are more common there, while areas in the south and east enjoy higher homeownership,

newer homes, and better access to services. Fixing this means focusing resources where they're needed most.

**6.7.2 Targeted Interventions and Equity Strategies** To close these gaps, the city needs to take intentional action. That could include helping first-generation buyers with down payments, funding repairs in neglected neighborhoods, and making fair housing outreach more visible and accessible.

Using data to steer investments toward areas of greatest need, and   making sure residents have a voice in the process, will be key. Long-term progress will depend on zoning reform, protections against displacement, and a commitment to tracking results and adjusting strategies over time.

**7.1 Overview of Public Housing**

**7.1.1 Public housing in Tuscaloosa** provides a critical lifeline for residents with very limited incomes, those who might otherwise struggle to find safe, affordable housing on the private market. The Tuscaloosa Housing Authority (THA) manages these units, which are primarily located in neighborhoods that have historically housed lower-income families. This program offers a stable home base for seniors, individuals with disabilities, and families facing financial hardship.

However, the public housing system faces some serious challenges. Many of the buildings are old and in need of major repairs, but funding for updates is limited. At the same time, the need for these units continues to grow, with waitlists getting longer. Addressing these pressures will take more than patchwork solutions, it calls for long-term federal support, strong local leadership, and thoughtful planning to protect and grow this essential housing resource.

| DEVELOPMENT NAME | PROGRAM TYPE | # OF UNITS | NEIGHBORHOOD/LOCATION | POPULATION SERVED | OWNERSHIP/MANAGEMENT |
|---|---|---|---|---|---|
| MCKENZIE COURT | Public Housing | 250+ | West Tuscaloosa | Families | Tuscaloosa Housing Authority (THA) |
| HAY COURT | Public Housing | 180+ | Central Tuscaloosa | Families | THA |
| BRANSCOMB APARTMENTS | Public Housing | 100+ | Alberta | Seniors & Persons w/ Disabilities | THA |
| ROSEDALE COURT | Public Housing | 200+ | Near Stillman College | Families | THA |
| CRESCENT EAST APARTMENTS | LIHTC | ~80 | Alberta City | Mixed-income | Private Developer |
| CREEKWOOD VILLAGE APARTMENTS | LIHTC | ~120 | Southeast Tuscaloosa | Low-income Families | Private Developer |

| | | | | | |
|---|---|---|---|---|---|
| **FOREST LAKE APARTMENTS** | LIHTC | ~100 | Near University Blvd East | Mixed-income | Private Developer |
| **HOUSING CHOICE VOUCHER PROGRAM** | Voucher (Section 8) | 1,200+ | Scattered citywide | Families, Elderly, Disabled | THA (administers vouchers) |
| **TABLE 7.1** | | | | | |

**McKenzie Court**: A large, aging public housing development in West Tuscaloosa with over 250 units serving low-income families. It faces infrastructure challenges and concentrated poverty concerns.

**Hay Court**: Centrally located with 180+ units for families. While accessible to services, it requires modernization and improved resident support.

**Branscomb Apartments**: A 100+ unit complex in Alberta serving seniors and persons with disabilities. It offers essential housing but lacks comprehensive accessibility and supportive services.

**Rosedale Court**: Located near Stillman College, this 200+ unit site serves families in a historically Black neighborhood. It struggles with aging infrastructure and environmental concerns.

**Crescent East Apartments**: An ~80-unit LIHTC development in Alberta City for mixed-income residents. Offers modern amenities but faces long-term affordability risks.

 **Creekwood Village Apartments**: A ~120-unit LIHTC property in Southeast Tuscaloosa serving low-income families. Accessibility to transit and services remains a concern.

**Forest Lake Apartments**: A ~100-unit mixed-income LIHTC development near University Blvd East. Student housing pressures may impact affordability.

**Housing Choice Voucher Program**: Administered by THA, this program supports 1,200+ households citywide. Effectiveness is limited by source-of-income discrimination and low landlord participation.

**7.1.2 Administration and Management** the Tuscaloosa Housing Authority handles everything from property upkeep to compliance with HUD regulations. It oversees the use of federal funds like the Operating and Capital Funds, makes sure residents receive needed services, and ensures that lease terms and community rules are followed. In recent years, THA has adopted new systems to make operations more efficient, like digital applications and maintenance tracking tools.

Ongoing success depends on more than just technology. It requires enough staff, strategic vision, and strong partnerships with service providers to help residents remain stable in their housing. Combining solid management with resident support will be key to the future of public housing in Tuscaloosa.

**7.1.3 Housing Choice Voucher Utilization Tuscaloosa's Housing Choice Voucher (HCV)** program offers low-income families a chance to live in private rental housing instead of traditional public housing. These vouchers are intended to give families more flexibility and access to neighborhoods with better schools and job opportunities. But real-world challenges, like landlords unwilling to accept vouchers or voucher values not keeping up with market rents, make it hard for residents to actually use them.

Voucher holders also struggle to find places to rent in high-opportunity neighborhoods, where rents are higher, or landlords may not be as open to the program. To improve this, the city could provide landlord incentives, offer counseling to help families move, and enforce fair housing laws more strongly.

**7.1.4 Challenges for Public Housing Residents Living** in public housing can mean facing more than just financial hardship. Many developments are located in neighborhoods with limited services, aging infrastructure, and fewer job or transportation options. Maintenance delays or environmental issues can lead to poor living conditions.

There's also a social toll. Residents may feel isolated or stigmatized by the broader community. Programs that provide job training, tutoring, youth services, or leadership opportunities can help residents build stronger futures. Encouraging tenant involvement in decision-making can also empower residents and improve community dynamics.

**7.1.5 Strategies to Improve Program Access Making it** easier to access public housing programs is critical. That means simplifying the application and renewal process, using digital communication tools, and making sure the system is transparent, especially with waitlists and eligibility rules. Equity audits and regular reviews can make sure no group is left out.

Language services, disability accommodations, and outreach to groups like immigrants and people with disabilities should be expanded. Partnering with community-based organizations can help residents better understand their rights and navigate the application process.

**7.2 Low-Income Housing Tax Credit (LIHTC) Overview**

**7.2.1 Overview of LIHTC Program the Low-Income Housing Tax Credit (LIHTC)** program is the largest federal tool for creating affordable rental housing. In Tuscaloosa, LIHTC has supported the construction of many units for households making less than 60% of the Area Median Income (AMI). Private developers build and manage these properties in exchange for tax benefits, with affordability guaranteed for a set period, usually 15 or 30 years.

This program has helped expand affordable housing across the city, but there's a catch: once the affordability term ends, owners can raise rents or convert to market-rate units. Without efforts to preserve affordability, tenants could face displacement down the line.

**7.2.2 Distribution and Location Trends LIHTC** developments in Tuscaloosa are often clustered in lower-cost areas, like West Tuscaloosa or near industrial zones, due to cheaper land and fewer zoning hurdles. While this helps create units quickly, it can reinforce segregation and limit access to better schools, transit, and jobs.

A better strategy is to spread LIHTC housing across the city, especially in neighborhoods with strong amenities and opportunities. Using opportunity mapping and engaging local residents can guide smarter site selection and reduce concentration of poverty.

**7.2.3 Compliance and Affordability Terms LIHTC** properties must remain affordable for at least 15 years, with many extended to 30 years. During this time, developers must rent to income-eligible tenants and meet upkeep standards. But once this period ends, units can be converted to market-rate if preservation efforts aren't in place.

In a hot housing market, this poses a risk. Local officials and housing partners need to track when affordability periods are ending and step in with funding or support to keep these homes affordable.

**7.2.4 Challenges in LIHTC Development Building LIHTC** units isn't easy. Developers face rising construction costs, limited financing options, and sometimes pushback from communities wary of new affordable housing projects. These hurdles can delay or block needed developments.

The value of tax credits can also fluctuate depending on investor interest, making project financing unpredictable. To overcome these barriers, the City can work more closely with developers, simplify approval processes, and engage residents to build public support.

**7.2.5 Policy Recommendations** for Equity To make sure LIHTC housing promotes fairness, Tuscaloosa should update its Qualified Allocation Plan (QAP) to favor developments in high-opportunity areas. Mixed-income developments and longer affordability periods should be encouraged. Tenant protections, like eviction safeguards and maintenance standards, must also be prioritized.

Creating a local housing trust fund could help preserve expiring LIHTC units. Public input and transparency throughout the development process will keep the program accountable and responsive to community needs.

**7.3 Location and Access**

**7.3.1 Mapping Publicly Supported Housing** Knowing where public housing, LIHTC units, and voucher households are located helps identify gaps and opportunities. In Tuscaloosa, many of these homes are concentrated in the western and southern parts of the city, often far from jobs, transit, or quality schools.

Mapping these patterns allows local leaders to make more informed decisions about where to build in the future. With the right data, the city can ensure new developments promote access to opportunity and avoid repeating past mistakes.

**7.3.2 Segregation Patterns in Subsidized Housing** Many subsidized housing developments are still located in racially segregated, lower-income neighborhoods. This reflects a long history of exclusionary policies, like redlining and restrictive zoning, and it limits residents' access to opportunity.

To change this, Tuscaloosa must take deliberate action, building affordable homes in more integrated neighborhoods, changing restrictive zoning laws, and enforcing anti-discrimination policies. Breaking down these patterns will create more equitable outcomes.

**7.3.3 Access to High-Opportunity Areas Neighborhoods** with good schools, low crime, and job access are often out of reach for low-income residents due to high costs and exclusionary policies. Affordable housing rarely gets built in these areas, and voucher holders may face discrimination when trying to rent there.

Solutions include purchasing land for development near transit and schools, offering mobility counseling for voucher families, and reforming zoning to allow more housing types. Regional coordination can also help make sure access is balanced across the area.

**7.3.4 Racial and Ethnic Trends in Tenant Demographics Public** housing in Tuscaloosa primarily serves Black households, while White families are more likely to live in unsubsidized or owner-occupied homes. Hispanic and Asian residents appear to be underrepresented, potentially due to language barriers or lack of outreach.

Tracking these patterns is key to making programs more inclusive. Translation services, outreach through cultural organizations, and disaggregated data collection can help reach communities that have historically been left out.

**7.3.5 Geographic Equity Strategies** To promote fairness across neighborhoods, Tuscaloosa should target high-opportunity areas for affordable housing investment. This means updating zoning, working with developers, and using financial tools like density bonuses or tax credits to guide new development.

Community voices should be central to these decisions, and maps like HUD's Opportunity Index can guide investment. In the long run, these strategies will lead to more inclusive communities across the city.

**7.4.1 Application and Waitlist Access Navigating** affordable housing waitlists in Tuscaloosa isn't always easy or fair. Many housing providers, including public housing and LIHTC properties, use different waitlists, often with long delays and little transparency. For people in underserved communities, it's even harder, some face issues like poor internet access, limited availability of help, or trouble getting the right documents together.

The city can help by creating a unified application system that's easier to use and regularly updated. Outreach efforts should focus on making sure all communities, regardless of language, income, or background, understand the process and have a fair shot.

**7.4.2 Language and Disability Access Gaps** Many housing applicants in Tuscaloosa face barriers simply because English isn't their first language or because they live with a disability. Application materials and housing info are often only in English, and accommodations for hearing, vision, or cognitive disabilities are inconsistent at best.

Housing providers should follow federal accessibility standards by translating materials, offering interpretation, providing Braille or large print options, and ensuring websites are usable for everyone. Working with community and advocacy groups can help ensure no one is left out.

**7.4.3 Voucher Discrimination and Landlord Resistance** Some landlords in Tuscaloosa refuse to rent to families using Housing Choice Vouchers, despite fair housing laws. They cite paperwork hassles or hold negative views of voucher recipients, making it harder for low-income families to find homes, especially in areas with good schools and jobs.

To fix this, the city could pass local rules against income-based discrimination and boost landlord participation with better outreach, quicker inspections, and on-time payments.

**7.4.4 Fair Housing Complaints Discrimination** in housing doesn't always get reported. In Tuscaloosa, complaints tend to center on race, disability, family status, and income source, but many incidents go unfiled due to fear, confusion, or lack of support. When people do file, the outcome often depends on whether they can access legal help.

The city should invest more in fair housing education, testing programs, and legal aid. Making the complaint process more transparent and safer could encourage more people to stand up for their rights.

**7.4.5 Making Housing Access More Equitable** Some groups, like those exiting prison, youth aging out of foster care, undocumented residents, or people without stable housing, face unique barriers in getting help. The current system doesn't always meet their needs.

To reach everyone, Tuscaloosa should offer targeted programs, flexible rules where possible, and strong oversight to make sure no one falls through the cracks. Equity in housing means adjusting the system to meet people where they are.

**7.5.1 A Look Back at Siting Practices** For years, public housing developments in Tuscaloosa were placed in mostly Black neighborhoods or areas with little political sway. These decisions were shaped by exclusionary zoning, redlining, and other discriminatory practices that still affect residents today.

Recognizing this history is a key step in building a fairer future. The city can use this understanding to guide where it places new affordable housing and how it invests in under-resourced areas.

**7.5.2 Using Opportunity Mapping** to Guide Housing Opportunity mapping helps identify which neighborhoods give residents access to things like good schools, reliable transit, and jobs. In Tuscaloosa, this can help shift affordable housing development into places where low-income families have historically been excluded.

By partnering with universities and community groups, the city can keep these maps updated and use them to inform where to build, where to invest, and how to make better decisions overall.

**7.5.3 Zoning and Community Pushback Community** resistance to affordable housing, what's often called NIMBYism, remains a big hurdle in Tuscaloosa. People may worry about property values, crime, or school quality, and these fears influence zoning rules that block affordable or multifamily housing in high-opportunity areas.

The city can fight this by updating outdated zoning rules, launching public awareness efforts, and offering incentives for inclusive housing. Winning public support is key.

**7.5.4 Planning** That Includes Everyone Inclusive planning means involving residents, especially those from marginalized communities, in decisions about housing. That means more than just public meetings; it means focus groups, multilingual outreach, and listening sessions where people feel heard.

When people are truly involved, housing policies are more likely to reflect what communities actually need. It also builds trust and ensures everyone shares in the city's growth.

**7.5.5 Next Steps for Equitable Housing Tuscaloosa** has a chance to make real progress by planning for the future. That means using tools like opportunity maps when siting housing, updating zoning codes to allow more housing types, and backing projects that promote integration.

It also means supporting developers who build in high-opportunity areas, creating a land bank to acquire new housing sites, and tracking progress with an equity scorecard. These actions will help create a more inclusive, balanced housing landscape across the city.

# SECTION: 8 LENDING PRACTICES

**8.1 Lending Practices and Access to Credit in Tuscaloosa**

**8.1.1 Lending Regulations and Challenges** Mortgage lending in Tuscaloosa is shaped by laws like the Community Reinvestment Act (CRA) and the Home Mortgage Disclosure Act (HMDA), which aim to ensure fair access to credit and prevent discrimination. But despite these safeguards, many banks still rely on rigid lending standards that exclude first-time buyers, immigrants, and those without traditional credit. Low-income neighborhoods also have few credit unions or CDFIs, limiting affordable lending options.

**8.1.2 Racial Disparities and CRA Gaps**

Between 2020 and 2022, Black applicants were approved for home loans just 55.3% of the time, compared to 79.1% for White applicants. Hispanic applicants faced a 20.9% denial rate, nearly double that of White borrowers. These gaps persist even when income is similar. CRA reviews show that some banks do little to serve underserved neighborhoods. Loan data shows activity is focused in wealthier, whiter areas, while minority communities face higher denial rates and less outreach. CRA compliance needs to factor in racial equity, not just income.

| INDICATOR | TUSCALOOSA VALUE (2020) | DATA SOURCE |
|---|---|---|
| MORTGAGE APPROVAL RATE - WHITE APPLICANTS | 79.1% | HMDA 2020 |
| MORTGAGE APPROVAL RATE - BLACK APPLICANTS | 55.3% | HMDA 2020 |
| MORTGAGE DENIAL RATE - HISPANIC APPLICANTS | 20.9% | HMDA 2020 |
| HIGH-COST LOAN RATE - BLACK MAJORITY TRACTS | 14.8% | HMDA 2020 |
| HIGH-COST LOAN RATE - WHITE MAJORITY TRACTS | 5.2% | HMDA 2020 |
| CRA COMPLIANCE RATING (SELECTED LOCAL BANKS) | Satisfactory or Needs to Improve (varies by institution) | Federal Reserve CRA Database |

| | | |
|---|---|---|
| LOAN ORIGINATION CONCENTRATION - MAJORITY-WHITE TRACTS | Above average | HMDA 2020 spatial analysis |
| LOAN ORIGINATION CONCENTRATION - LMI/MINORITY TRACTS | Below average | HMDA 2020 spatial analysis |
| TABLE 8.1 | | |

- White applicants had a mortgage approval rate of approximately 79%, indicating broad and consistent access to credit and favorable loan products in 2020.
- Black applicants experienced a substantially lower approval rate of about 55%, reflecting a 24-point racial gap in lending outcomes, gaps that remain even when income levels are comparable.
- Hispanic applicants faced a denial rate near 21%, nearly twice that of White applicants, indicating persistent barriers tied to underwriting practices, language access, or implicit bias.
- In majority-Black neighborhoods, around 15% of loans were high-cost, often featuring unfavorable terms such as variable interest rates, balloon payments, or excessive fees.
- By contrast, only about 5% of loans in majority-White census tracts were high-cost, demonstrating significant geographic and racial disparities in loan pricing.
- These disparities reflect inequities not only in credit access, but also in the affordability, stability, and risk structure of the loans offered to different communities.
- Community Reinvestment Act (CRA) compliance among Tuscaloosa-area banks was mixed; while several met minimum regulatory benchmarks, many failed to meaningfully expand credit access to low-income or minority neighborhoods.
- To address these disparities, local and federal agencies should prioritize enhanced CRA monitoring, greater transparency in loan underwriting, and expanded investment in fair lending education and outreach in underserved areas.

## Mortgage Lending and Loan Cost Disparities – Tuscaloosa (2020)

| Category | Percentage |
|---|---|
| High-Cost Loan Rate - White Majority Tracts | 5.2% |
| High-Cost Loan Rate - Black Majority Tracts | 14.8% |
| Mortgage Denial Rate - Hispanic Applicants | 20.9% |
| Mortgage Approval Rate - Black Applicants | 55.3% |
| Mortgage Approval Rate - White Applicants | 79.1% |
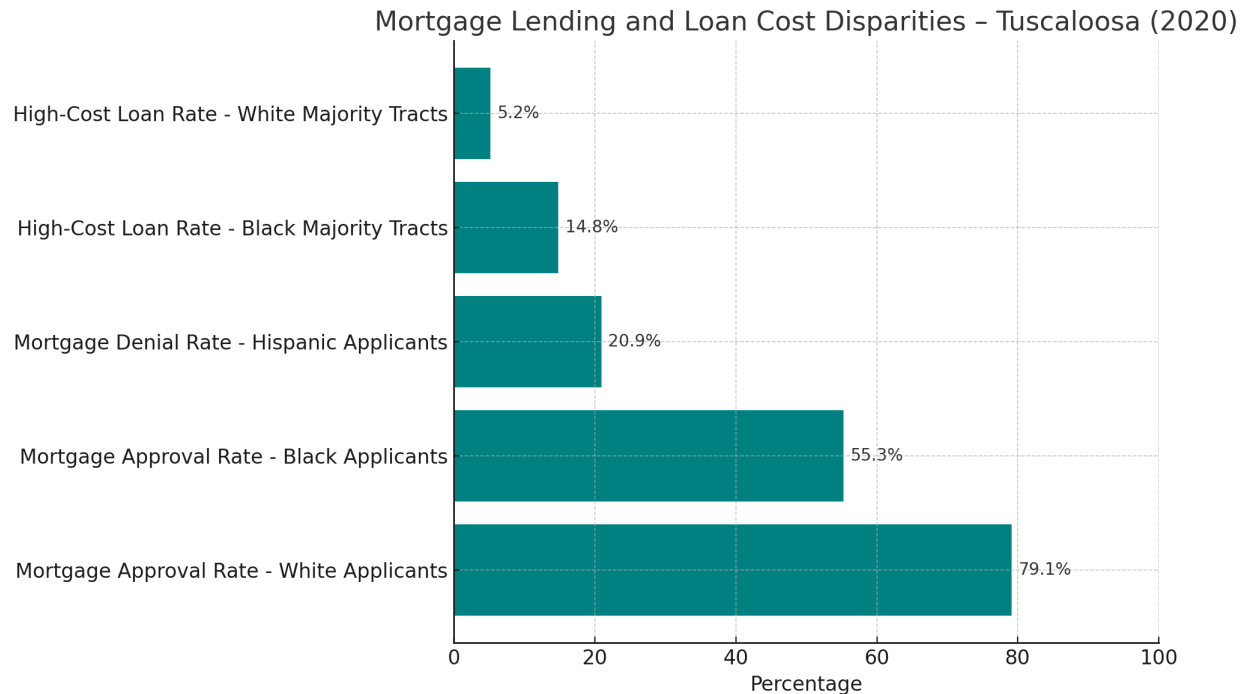
**8.1.3 Subprime Lending and Alternative Credit Risks** In addition to denial disparities, Black and Hispanic borrowers are more likely to be offered high-cost, subprime, or adjustable-rate mortgage products, even when they qualify for conventional loans. These loans come with higher fees, more volatile payment structures, and increased risk of foreclosure. In Tuscaloosa, majority-Black census tracts are 2.8× more likely to receive high-cost loans than majority-White neighborhoods.

Moreover, the absence of mainstream financial institutions in certain areas has led many residents to rely on payday lenders, pawnshops, or online installment credit. These unregulated lenders often charge exorbitant interest rates and trap consumers in cycles of debt. The City of Tuscaloosa should explore opportunities to support mission-driven financial institutions, such as CDFIs or minority-owned banks, that can provide responsible credit products tailored to community needs.

**8.1.4 Strategies to Promote Equitable Lending Expanding** equitable access to lending in Tuscaloosa will require coordinated efforts between public, private, and nonprofit actors. Strategies include subsidizing interest rates for qualified borrowers, incentivizing banks to expand into underserved neighborhoods, and supporting alternative credit assessments that consider rent, utility, and mobile phone payment histories. These tools help include applicants who lack formal credit but demonstrate strong repayment behavior.

The city can also pilot shared-equity models, lease-to-own programs, and down payment assistance for first-generation homebuyers. Data transparency and regular monitoring of lending disparities will be critical to ensuring accountability. By fostering partnerships with housing counselors, legal aid organizations, and financial institutions, Tuscaloosa can build a more inclusive and sustainable homeownership ecosystem.

**8.2.1 HMDA Data Findings in Tuscaloosa** the Home Mortgage Disclosure Act (HMDA) provides disaggregated data on mortgage applications and outcomes by race, ethnicity, gender, and income. In Tuscaloosa, 2020 HMDA data reveals striking racial disparities in mortgage lending outcomes. White applicants had a mortgage approval rate of approximately 79.1%, while Black applicants were approved at only 55.3%, a 24-point gap. Hispanic applicants also faced disproportionately high denial rates, around 20.9%, suggesting barriers that extend beyond financial qualifications. These disparities persist even after accounting for income and credit profile.

Such trends raise concerns about compliance with fair lending laws like the Equal Credit Opportunity Act (ECOA). The data indicates that Black and Hispanic borrowers are either disproportionately rejected or funneled into higher-cost or riskier products. The lack of meaningful improvement over time highlights a need for more aggressive oversight by HUD and local regulators. Transparent monitoring and active enforcement of anti-discrimination regulations will be critical to ensuring fair housing access in Tuscaloosa's home loan market.

**8.2.2 Racial and Income-Based Denial Rates Mortgage** denial rates in Tuscaloosa illustrate how race continues to influence lending decisions, even among higher-income applicants. For example, Black applicants earning above the Area Median Income (AMI) were still denied at higher rates than lower-income White applicants, pointing to the presence of implicit bias or less favorable risk assessment practices. Hispanic applicants, meanwhile, had a denial rate nearly twice that of White applicants, despite applying for similar loan types. These disparities restrict homeownership opportunities and deepen the racial wealth gap.

In communities with historically limited access to intergenerational wealth or traditional credit systems, such disparities compound existing disadvantages. While credit scores and income are essential factors in lending decisions, they do not fully explain the persistent racial gaps in approval outcomes. This reinforces the need for lenders to adopt more inclusive underwriting models and for regulators to evaluate approval/denial trends across protected classes, particularly within LMI and minority-majority neighborhoods.

**8.2.3 Geographic Patterns of** Disinvestment Modern lending disparities are not only shaped by race and income, but they also follow clear geographic patterns. In Tuscaloosa, loan originations are heavily concentrated in majority-White, higher-income census tracts, while loan denials and high-cost lending are more common in historically Black and LMI neighborhoods. According to 2020 data, 14.8% of loans in Black-majority census tracts were high-cost, compared to just 5.2% in White-majority areas. This suggests unequal lending standards based on neighborhood racial composition, rather than financial risk alone.

These patterns of disinvestment reflect the spatial legacy of redlining and have implications for neighborhood vitality. Reduced access to mortgage capital depresses property values and impedes reinvestment in Black communities. Without equitable lending, these neighborhoods face a self-reinforcing cycle of disinvestment. Geographic targeting of financial support, including CRA-backed loans and first-time homebuyer programs, can help reverse these exclusionary trends and stabilize historically underserved areas.

**8.2.4 Tools to Detect and Monitor Disparities** To ensure accountability and equity in lending, jurisdictions like Tuscaloosa can employ a variety of data tools and analytics. GIS mapping can reveal where denial rates and high-cost loans are concentrated. Regression models help isolate the effects of race or income on loan outcomes, while public dashboards built on HMDA data can track institutional performance. These tools are essential for identifying patterns of discrimination that may otherwise be obscured by aggregate figures or lender self-reporting.

Tuscaloosa should collaborate with local universities, advocacy organizations, and HUD partners to institutionalize these tools in planning and compliance functions. For example, redlining overlays can be cross-referenced with modern lending outcomes to trace continuity in exclusionary lending practices. Additionally, regular review of bank performance under the Community Reinvestment Act (CRA) using racial equity criteria, not just income-based metrics, can ensure lenders are held accountable for serving all communities fairly.

**8.3 Historical Redlining and Its Legacy in Tuscaloosa**

**8.3.1 Redlining Practices and Mapping** In the 1930s, the Homeowners' Loan Corporation (HOLC), a federal agency, developed Residential Security Maps to guide investment decisions by banks and insurance companies. These maps graded neighborhoods from "A" (green) to "D" (red) based on perceived mortgage lending risk. However, these risk

assessments were heavily influenced by race and ethnicity. Neighborhoods with a significant Black, immigrant, or working-class population were almost automatically assigned a "D" grade and outlined in red. These so-called "redlined" areas were effectively denied access to mortgage credit, loan insurance, and public investment, regardless of their actual housing quality or economic potential.

In Tuscaloosa, redlining practices institutionalized segregation and created racially defined patterns of disinvestment. Black families were denied access to mainstream mortgage products and were instead forced into informal and often exploitative financing arrangements, such as land contracts or lease-purchase agreements. Over time, these policies reinforced both racial and economic exclusion, shaping Tuscaloosa's residential geography for generations. While redlining was officially outlawed by the Fair Housing Act of 1968, its structural effects persist, particularly in the form of uneven neighborhood development, housing instability, and limited upward mobility.

### 8.3.2 Subprime Lending and Alternative Credit Risks

In Tuscaloosa, Black and Hispanic borrowers not only face higher denial rates but are also more likely to receive costly, subprime loans, even when they qualify for conventional ones. These risky loan terms increase foreclosure chances and are more common in majority-Black neighborhoods. With few traditional banks in lower-income areas, many residents rely on payday lenders or pawnshops, often at high interest rates. Supporting local, community-based financial institutions could offer more affordable and safer lending options.

### 8.3.3 Strategies to Promote Equitable Lending

To make lending fairer in Tuscaloosa, public and private sectors must collaborate. Ideas include offering down payment help, subsidizing interest rates, and encouraging banks to expand into underserved neighborhoods. Creditworthiness could be evaluated through rent and utility payment histories, and shared-equity or lease-to-own programs could lower barriers to ownership. Regular tracking of lending patterns by race and neighborhood, plus partnerships with legal aid and housing counselors, would strengthen accountability and support.

### 8.3.4 HMDA Data Findings in Tuscaloosa

Data from 2020 shows that White home loan applicants in Tuscaloosa had about a 79% approval rate, while Black applicants were approved only 55% of the time. Hispanic applicants also faced high denial rates. These gaps remain even when adjusting for income

and credit score, raising concerns about fairness and compliance with lending laws like the Equal Credit Opportunity Act.

### 8.4.1 Racial and Income-Based Denial Rates

Even high-earning Black applicants in Tuscaloosa are denied loans more often than lower-income White applicants, showing how race continues to affect outcomes. These disparities deepen wealth gaps and reflect long-standing structural barriers. Solutions should include inclusive lending models and strong oversight to ensure equal treatment across racial and income lines.

### 8.4.2 Geographic Patterns of Disinvestment

Loan approvals are clustered in wealthier, majority-White neighborhoods, while high-cost loans and denials are more common in Black or low-income areas. In 2020, 14.8% of loans in Black-majority areas were high-cost, compared to 5.2% in White-majority areas. This limits homeownership and weakens property values in communities that have long faced disinvestment. Targeted programs for first-time buyers and CRA-backed lending can help reverse these patterns.

### 8.4.3 Tools to Detect and Monitor Disparities

To ensure lending equity, Tuscaloosa should use tools like GIS mapping, public dashboards, and statistical models to track loan outcomes by race and geography. These tools can highlight ongoing inequities and guide better oversight. Collaborating with universities and HUD and including racial equity in CRA reviews will help address disparities more effectively.

### 8.4.4 Redlining Practices and Mapping

In the 1930s, redlining maps graded neighborhoods based largely on race, labeling Black and immigrant areas as too risky for loans. In Tuscaloosa, this led to long-term disinvestment in majority-Black neighborhoods. Without access to traditional mortgages, many families used risky contracts that offered little stability. Though now illegal, redlining's legacy persists in current housing disparities and must be acknowledged to guide equitable policy moving forward.

| COLOR | GRADE | DESCRIPTION | TYPICAL CRITERIA |
|---|---|---|---|
| 🟩 GREEN | A | "Best" | New, homogeneous, predominantly White, upper-income areas; strong demand and stability |
| 🟦 BLUE | B | "Still Desirable" | Middle-class, stable, mostly White neighborhoods; less new but still sound |
| 🟨 YELLOW | C | "Definitely Declining" | Older, working-class, often racially mixed or near Black areas; at risk of decline |
| 🟥 RED | D | "Hazardous" *(Redlined)* | Predominantly Black, immigrant, or low-income neighborhoods; denied credit access |

### 8.5.1 Long-Term Impacts on Housing and Wealth

Redlining's effects still echo in Tuscaloosa, where historically redlined neighborhoods see lower homeownership, depressed property values, and slower equity growth, all of which limit intergenerational wealth-building. These areas often overlap with Black and Hispanic communities who were systematically denied access to credit and development opportunities. As a result, residents face higher vacancy rates and reduced chances to accumulate assets through homeownership. This wealth gap feeds into disparities in education, health, and opportunity, underscoring how historic lending discrimination continues to shape outcomes today.

### 8.5.2 Geographic and Environmental Inequities

Redlined neighborhoods in Tuscaloosa not only suffer from financial disinvestment but also from environmental neglect and infrastructure deficits. These areas often lack storm drainage, sidewalks, lighting, and green space, and they're more likely to be near polluting facilities or flood zones. This contributes to increased health risks and reduced resilience. Because zoning decisions historically reinforced these patterns, many marginalized communities still lack access to the same public amenities and protections as others, highlighting the spatial nature of structural inequality.

### 8.5.3 Policy Responses and Reparative Strategies

To counteract redlining's legacy, Tuscaloosa should prioritize reinvestment in formerly redlined areas, directing funds for infrastructure, affordable housing, small business support, and community land trusts. Programs like HOME and CDBG should incorporate redlining maps to guide fair allocation. Reparative strategies might also include targeted

down payment assistance, renter-to-owner transitions, and equity-focused budgeting. Embedding these tools in planning and development processes ensures that historical injustices are addressed through intentional, data-driven policymaking.

### 8.4.1 First-Time Homebuyer Programs and Outreach

Tuscaloosa's first-time homebuyer programs, offering down payment help and homeownership education, can be powerful tools for equity, but they're often underused by minority and immigrant communities. Limited outreach, language barriers, and digital access issues keep many eligible households unaware or unable to apply. Expanding multilingual services, holding community-based sign-up events, and working with trusted local partners can bridge this gap and bring more residents into the housing market.

### 8.4.2 Financial Literacy and Counseling Access

Strong financial education helps prevent loan defaults and builds long-term homeownership success, but many Tuscaloosa residents, especially in lower-income or immigrant communities, lack access to culturally competent counseling. With HUD-certified housing advisors stretched thin, the city should increase funding and embed financial counselors in schools, libraries, churches, and community centers. This can increase trust, help families avoid predatory lenders, and boost housing stability.

### 8.4.3 Lending Institution Practices and CRA Compliance

Though banks in Tuscaloosa may technically meet CRA standards, many fall short in serving Black, Hispanic, and low-income communities. Branch access, loan approval rates, and culturally competent services vary widely. CRA evaluations should include disaggregated race data and community feedback to ensure real, not just formal, compliance. Lenders must go beyond minimums, offering tailored products and partnering with nonprofits, to truly invest in the neighborhoods they serve.

| BANK NAME | CRA RATING | MINORITY LENDING % | LMI TRACT LENDING % | BRANCH PRESENCE IN LMI AREAS |
|---|---|---|---|---|
| BANK A | Satisfactory | 18.5 | 21 | Yes |
| BANK B | Needs to Improve | 10.2 | 13.5 | No |
| BANK C | Outstanding | 25.4 | 28.3 | Yes |
| BANK D | Satisfactory | 15.7 | 17.8 | Yes |
| BANK E | Substantial Noncompliance | 9.1 | 11 | No |



Minority Lending Percentage by Bank in Tuscaloosa
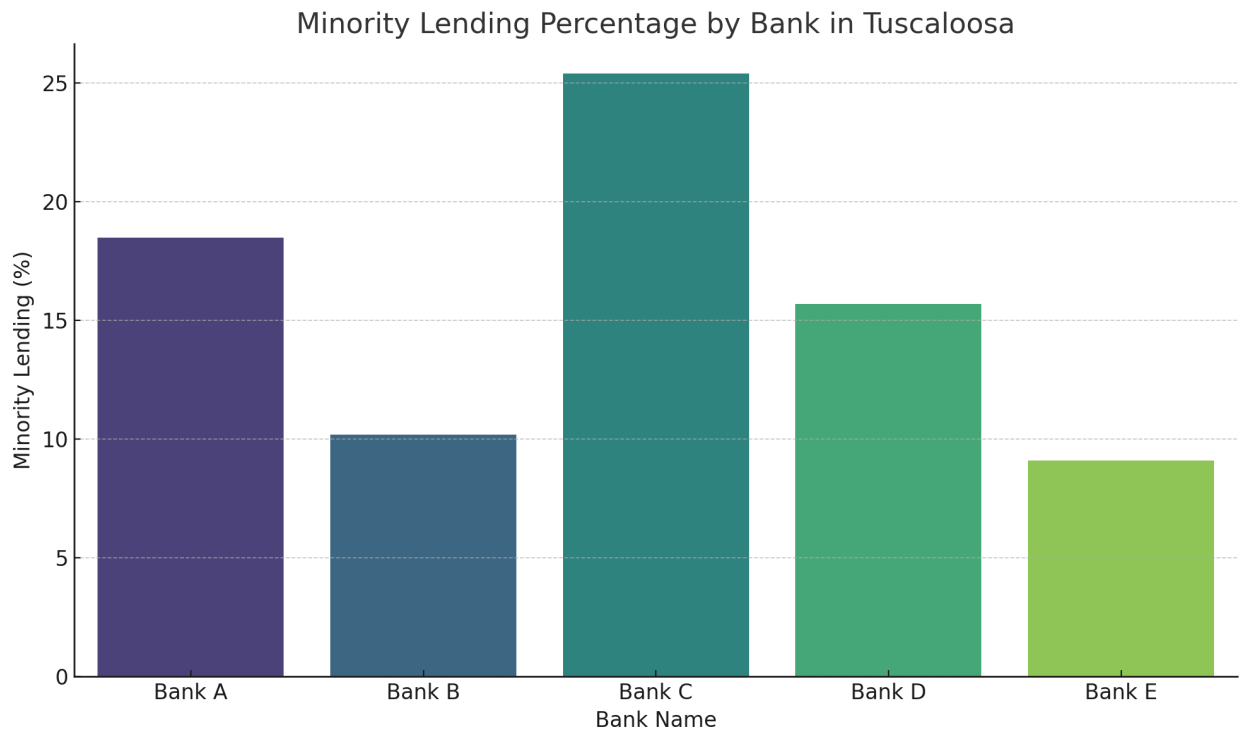
**9.1 Historical and Current Segregation**

**9.1. 1 Jim Crow and Housing Discrimination** Tuscaloosa's housing landscape was shaped by Jim Crow. Black residents were legally confined to certain neighborhoods, often with poor infrastructure and few public services. These restrictions weren't just social, they were written into property deeds and enforced through zoning codes that reserved "better" areas for single-family homes, excluding renters and people of color. Even after the 1948 Supreme Court ruling against racial covenants, these patterns stuck around, sometimes through intimidation, other times through quiet exclusion.

**Redlining and Federal Policy**
In the 1930s, the federal government drew literal lines around which neighborhoods deserved investment, and which didn't. Predominantly Black communities were outlined in red and deemed risky, cutting them off from home loans and insurance. The map didn't just stay on paper, it shaped decades of bank policy, infrastructure spending, and where people live today.

**Public Housing and Segregated Sites**
Public housing in Tuscaloosa followed the same blueprint. Black families were clustered into developments built near industrial corridors or flood-prone areas. White families got safer sites. Those placement choices continue to affect schools, transit access, and health outcomes today, even after desegregation.

**Racial Steering and Covenants**
Even after the laws changed, the habits didn't. Real estate agents steered buyers of color into "their own" neighborhoods. Meanwhile, racial covenants, while no longer enforceable, stayed on the books, and in some cases, in people's minds. These unwritten rules shaped who lived where and who got left out.

**9.2 Present-Day Disparities and Spatial Gaps**

**Segregation by the Numbers**
Tuscaloosa still shows signs of residential separation. A high dissimilarity index points to clear racial divides. Many Black residents live in areas once redlined or neglected, while newer suburbs are overwhelmingly White. Latino families are settling near industrial zones, close to work but far from schools, clinics, and grocery stores.

**Where Poverty and Race Overlap**
According to HUD, census tracts 103.02 and 104 qualify as R/ECAPs, Racially or Ethnically Concentrated Areas of Poverty. In plain terms: these are places where most people are

people of color, and nearly half live in poverty. Unsurprisingly, these overlap with formerly redlined areas.

**10.1 Who's Affected?**

About 12–15% of Tuscaloosa residents live with a disability. Most commonly, this means mobility issues, things like walking up stairs, getting into a tub, or navigating narrow doorways. As people age, these challenges increase. And since older adults make up a growing share of the population, the need for accessible housing is only rising.

But housing design hasn't kept up. Less than 5% of homes meet basic accessibility standards. For someone using a wheelchair or walker, that means most units simply don't work. Others, like people with memory issues or sensory disabilities, need homes that are simplified, quiet, and safe.

**10.2 What Does the Housing Look Like?**

People with disabilities in Tuscaloosa are much more likely to rent than own, and many live alone or in institutional settings. The lack of accessible, affordable housing forces tough choices, some end up in places that don't meet their needs, or in housing that's isolating.

Public housing has a limited number of accessible units, and the waitlists are long. In the private market, options are even scarcer. Many landlords don't proactively offer accessible units, and some resist modification requests, despite federal laws requiring reasonable accommodations.

**10.3 What Needs to Change?**

- **Enforcement and Awareness:** Landlords, developers, and even tenants often don't fully understand what rights and obligations exist under the Fair Housing Act and ADA.

- **Retrofitting and Incentives:** Older housing stock needs updates, and that takes money. Grants or low-interest loans for accessibility improvements can help.

- **Integrated Services:** Housing is just one piece. When paired with healthcare and support services, people with disabilities can live more independently.

**10.3.1 Overview of Legal Requirements**

The Fair Housing Amendments Act (FHAA) and the Americans with Disabilities Act (ADA) are the core laws protecting housing access for people with disabilities. These laws prohibit discrimination and require reasonable modifications so homes and public buildings are usable for everyone. FHAA covers most housing, while ADA applies mainly to public spaces and some private businesses. For these protections to work, everyone involved, from landlords to city planners, needs to know the rules and apply them.

### 10.3.2 Local Government Compliance Measures

Tuscaloosa's agencies are responsible for making sure these federal standards are followed. This means checking for accessibility in permits, training city staff, and working with developers. The City should designate an ADA coordinator and build partnerships with local disability groups. These steps help ensure access is built into housing from the start, not as an afterthought.

### 10.3.3 Gaps in Enforcement and Implementation

Even with laws on the books, enforcement is uneven. Some violations go unreported. Others are resolved informally, or not at all. The city lacks a clear process to track complaints and outcomes. Stronger oversight, shared data, and better coordination with state and federal agencies would help close the gap between what's promised and what people actually experience.

### 10.4 Barriers to Accessible Housing

### 10.4.1 Financial Constraints and Affordability

For many disabled residents, income is limited. SSI and other fixed benefits often don't stretch far enough to cover rent, especially in homes that offer needed accessibility features. Retrofitting units can be expensive, and landlords may hesitate to invest. Public programs should link affordability and accessibility, offering rent supports and incentives for property improvements.

### 10.4.2 Limited Supply of Accessible Units

Tuscaloosa doesn't have enough accessible housing, especially not for low-income residents. Older buildings often don't meet current codes, and new construction rarely goes beyond the bare minimum. To address this, the City can update development rules, offer zoning incentives, and work with developers to build more accessible homes that go above code.

### 10.4.3 Discrimination and Lack of Awareness

Some landlords still refuse accommodations, charge extra fees, or reject applicants based on disability, actions that are illegal but often go unchecked. Many tenants don't realize they can ask for changes. The City should expand outreach, offer training for property owners, and consider creating a hotline or ombudsperson role to resolve issues quickly and fairly.

### 10.5 Strategies for Inclusive Housing Development

### 10.5.1 Universal Design and New Construction

Universal design makes homes easier to live in for everyone, wide doorways, no-step entries, easy-to-use hardware. But unless required or incentivized, few private developers adopt these features. Tuscaloosa can lead by updating codes, educating builders, and prioritizing universal design in affordable housing projects.

### 10.5.2 Home Modification Programs

Older homes often need small upgrades to become accessible, grab bars, ramps, wider doorways. But these can be out of reach for low-income homeowners or renters. More funding and better coordination among agencies, nonprofits, and healthcare partners can expand access to these critical modifications.

### 10.5.3 Interagency Coordination and Funding

Inclusive housing isn't just about buildings, it's about connecting people with services. Right now, different departments and groups often work in silos. A dedicated task force could bring together housing, healthcare, transit, and social services to align efforts. Federal programs like HOME, CDBG, and Section 811 can support this kind of integrated approach.

**11.1 Fair housing Outreach**

**11.1.1 Fair Housing Enforcement Infrastructure** Fair housing enforcement in Tuscaloosa involves collaboration between local government agencies, regional nonprofits, and state-level entities such as the Alabama Department of Economic and Community Affairs (ADECA). While the City of Tuscaloosa does not have a dedicated fair housing office, it partners with legal aid organizations and civil rights groups to address complaints of housing discrimination. Residents can also file grievances with HUD's Office of Fair Housing and Equal Opportunity (FHEO).

In addition to these formal channels, informal support is often provided by neighborhood associations, tenant unions, and faith-based organizations. These community groups serve as intermediaries for residents unfamiliar with the fair housing complaint process, offering translation, advocacy, and referrals. Strengthening Tuscaloosa's enforcement infrastructure requires coordination between formal institutions and grassroots advocates, ensuring a comprehensive and responsive system.

**11.1.2 Complaint Trends and Resolution** Data from the past five years indicate that most housing discrimination complaints in Tuscaloosa involve allegations of disability-related violations, followed by race and familial status. Common issues include denial of reasonable accommodations, steering, and refusal to rent based on protected characteristics. However, the number of reported complaints likely underrepresents the true extent of discrimination due to limited outreach and lack of tenant confidence in the enforcement process.

To improve the resolution process, the city could implement a case management system to monitor the status and outcome of complaints. This system would include regular updates to complainants and clear timelines for action. Partnerships with local legal clinics and mediation services could also expand capacity and offer quicker, less adversarial resolutions. Publicly available complaint summaries and anonymized case studies would enhance transparency and build trust in the enforcement process.

**11.1.3 Role of Legal Aid and Nonprofit Partners** Legal aid services and nonprofit organizations in Tuscaloosa play a critical role in advancing fair housing enforcement. These groups often serve as the first point of contact for tenants experiencing discrimination, providing legal counsel, representation, and advocacy. Organizations like Legal Services Alabama and local community development corporations assist with filing

formal complaints, negotiating with landlords, and navigating administrative processes. Their expertise is particularly vital for low-income households that may lack the resources or knowledge to seek legal recourse on their own.

Additionally, nonprofit partners often engage in systemic advocacy by identifying patterns of discrimination, lobbying for policy changes, and coordinating with other regional stakeholders. These organizations help ensure that enforcement extends beyond individual complaints and addresses the structural issues that perpetuate housing inequities. Their continued involvement should be supported through funding, capacity building, and formal collaboration with the City of Tuscaloosa.

**11.1.4 Gaps and Opportunities in Enforcement** Despite the presence of enforcement channels, gaps remain in Tuscaloosa's fair housing infrastructure. Challenges include underreporting of violations, insufficient staffing for complaint investigations, and a lack of culturally responsive services. Many residents are unaware of their rights or do not trust the complaint resolution process, particularly among immigrant, minority, and disabled populations. These deficiencies weaken overall enforcement effectiveness and perpetuate cycles of discrimination.

To address these gaps, the city should conduct a needs assessment of its fair housing enforcement system, focusing on underserved populations and systemic barriers. Opportunities exist to create a centralized complaint intake system, expand training for enforcement personnel, and adopt a community ombudsperson model to resolve disputes. Proactive and well-resourced enforcement will ensure that fair housing protections are meaningful and accessible to all Tuscaloosa residents.

**11.2 Outreach and Education Activities**

**11.2.1 Public Awareness Campaigns** Public awareness of fair housing rights is a cornerstone of effective enforcement. In Tuscaloosa, outreach has been limited and inconsistently funded, leaving many residents, particularly those in low-income and minority neighborhoods, without essential knowledge of their protections under the Fair Housing Act. Language barriers and digital access gaps further hinder access to information.

To strengthen awareness, the City should collaborate with local media, faith-based institutions, community organizations, and schools to disseminate fair housing information. Efforts should include multi-lingual materials, digital media campaigns, and in-person community events timed around national observances such as Fair Housing Month. Increasing outreach capacity will expand the effectiveness of education initiatives.

**11.2.2 Training for Housing Providers** Training programs targeting landlords, property managers, real estate professionals, and lenders are crucial in preventing discriminatory practices. In Tuscaloosa, current training offerings are sporadic and lack consistent participation. Misunderstandings about reasonable accommodation requirements and familial status protections are among the most common issues encountered.

Regular, mandatory training, either in person or through accessible online platforms, should be established in collaboration with local realtor associations, housing authorities, and legal service providers. These sessions can reinforce legal obligations, offer case examples, and introduce best practices for inclusive property management. Training should be tied to licensing or registration to ensure accountability.

**11.2.3 Outreach to Protected Classes** Members of protected classes, including people of color, individuals with disabilities, LGBTQ+ residents, and non-English speakers, often experience the highest levels of housing discrimination but the lowest levels of engagement with enforcement systems. In Tuscaloosa, targeted outreach remains underdeveloped, especially in marginalized communities.

Developing tailored engagement strategies with input from community leaders can help bridge this gap. This includes creating safe spaces for dialogue, conducting outreach in trusted community centers, and co-hosting events with advocacy groups. Culturally competent outreach ensures that residents who most need protection are equipped with the tools to assert their rights.**11.3 Recommendations to Strengthen Enforcement and Education**

**11.3.1 Establish a Local Fair Housing Resource Center**

Creating a dedicated fair housing resource center or office within city government or through a nonprofit partner could centralize enforcement and outreach functions. Such a center would provide walk-in assistance, legal referrals, printed materials, and mediation services for landlords and tenants. It would also serve as a liaison between the City and HUD.

A resource center increases the visibility and accessibility of fair housing support and reinforces the City's commitment to equity. Staffing the center with bilingual and disability-trained professionals would further enhance its effectiveness. External grant funding and CDBG resources could support initial implementation and operations.

**11.3.2 Integrate Fair Housing in All Planning Processes** Fair housing principles should be embedded in the City's comprehensive planning, zoning decisions, and housing

development approvals. This includes incorporating fair housing goals into Neighborhood Plans, Consolidated Plans, and Capital Improvement Programs. Local policies must also be reviewed for disparate impacts on protected classes.

By embedding equity into the planning process, Tuscaloosa can proactively prevent discrimination and expand housing choice. Cross-departmental coordination, equity impact assessments, and public participation mechanisms will ensure that fair housing remains a guiding principle in municipal decision-making.

### 11.3.3 Monitor and Evaluate Outreach and Education Programs

To ensure fair housing efforts are working, Tuscaloosa needs to regularly track how well its outreach and education initiatives are performing. This includes setting clear goals, like how many residents were reached, what kind of complaints were reported, and whether people's awareness improved over time.

The city should gather feedback through surveys and focus groups, especially from those most impacted by housing discrimination. This helps make sure programs stay relevant and responsive. Sharing outcomes publicly, like in an annual fair housing report, builds trust and keeps residents informed.

### 11.3.4 Leverage Technology and Digital Tools for Outreach

Technology can expand the City's fair housing reach dramatically. Online portals, mobile-accessible materials, and virtual workshops make information easier to access, especially for residents with disabilities or those in rural areas. Social media and digital campaigns can also connect with younger or tech-savvy residents who may not engage with traditional outreach.

The city can also use tools like GIS mapping and data dashboards to better understand where housing challenges are concentrated. By tracking complaint patterns and outreach performance digitally, Tuscaloosa can better target its efforts, improve transparency, and respond faster to community needs.

## 12.1 Zoning

**12.1.1 Single-Family Zoning and Housing Access** Much of Tuscaloosa's zoning favors single-family homes, especially in high-opportunity areas. While meant to preserve neighborhood character, these rules often block the construction of duplexes, townhomes, or small multifamily units, types of housing that are more affordable and flexible. This has limited where lower-income households can live and reinforced segregation.

Allowing a broader mix of housing, like accessory dwelling units (ADUs) or using form-based zoning, could open up more affordable options and help break historic patterns of exclusion.

**12.1.2 Multifamily Development Restrictions** Multifamily housing in Tuscaloosa faces extra hurdles, like lengthy approvals, parking mandates, and resistance from neighbors. These barriers limit the creation of affordable rental homes and push them into less desirable parts of the city.

The City could streamline the process by allowing "by-right" development of affordable multifamily housing and modernizing its development code. This would help meet growing demand and support a more inclusive housing landscape.

**12.1.3 Code Enforcement Equity and Displacement** Code enforcement isn't always consistent. In some lower-income neighborhoods, it's too aggressive, pushing families out. In others, neglect allows poor housing conditions to persist. Both create distrust and instability.

A fairer approach would include repair assistance for homeowners and protections for tenants, backed by strong community input and transparent, data-driven oversight.

**12.1.4 Racial and Economic Impacts of Zoning** Zoning decisions have long-term effects. By limiting affordable housing in certain neighborhoods and concentrating it in others, Tuscaloosa's policies have reinforced racial and economic segregation. This isolation affects access to good schools, jobs, and transportation.

To change course, the city should conduct an equity audit of its zoning map, identify where barriers remain, and invest in historically underserved neighborhoods to support inclusive growth.

**12.2 NIMBYism and Community Resistance**

**12.2.1 Community Attitudes Toward Affordable Housing** Concerns about traffic, schools, or neighborhood aesthetics often mask deeper discomfort with race and class. In Tuscaloosa, this kind of opposition has delayed or stopped affordable housing projects.

The City should invest in campaigns that show the real benefits of affordable housing, like stability for workers, better school enrollment, and stronger neighborhoods, using real stories and visuals to shift perception.

**12.2.2 Strategies for Early Engagement** Early, inclusive engagement can reduce conflict and build trust. Tools like community forums, design workshops, and listening sessions let residents' express concerns before they escalate.

Working with trusted local leaders and facilitators can help bridge divides, especially in communities where tension runs high.

**12.2.3 Legal and Legislative Responses to NIMBYism** Tuscaloosa's zoning rules don't currently include protections against discriminatory opposition. As a result, projects can be blocked through appeals or delays without any fairness review.

The city could adopt tools like fair housing impact assessments and require justification when projects in high-need areas are denied. These steps would promote accountability and ensure housing equity remains a priority.

**12.2.4 Promoting Positive Messaging and Community Champions** changing public opinion takes time and the right voices. Messaging should focus on how inclusive housing strengthens neighborhoods, economically, socially, and civically.

Tuscaloosa can support this shift by training and uplifting local champions, like teachers, faith leaders, or healthcare providers, who can speak to the community benefits of housing diversity with credibility and compassion.

**12.3 Inclusionary Housing and Incentives**

**12.3.1 Lack of Formal Policy and Its Effects** without an inclusionary housing policy, affordable units rarely appear in new developments. This lack of integration deepens segregation and restricts access to opportunity-rich neighborhoods.

Tuscaloosa should explore options like mandatory inclusionary zoning or requiring affordability when approving rezoning. These tools ensure more balanced growth.

**12.3.2 Incentive-Based Approaches** when done right, incentives can get developers on board. Tools like density bonuses, reduced parking requirements, or expedited approvals can encourage affordable unit creation.

A well-structured incentive package in Tuscaloosa could attract developers from both the nonprofit and private sectors, especially if aligned with long-term affordability goals.

**12.3.3 Public-Private Partnerships for Inclusionary Housing** even without mandates, public-private partnerships (PPPs) can fill the gap. These partnerships bring together developers, nonprofits, and funders to deliver mixed-income housing that serves community needs.

Tuscaloosa could create a formal PPP framework, complete with affordability targets, streamlined approvals, and shared-risk financing models, backed by consistent community input.

**12.3.4 Monitoring and Compliance in Inclusionary Programs** affordable units only help if they remain affordable. Tuscaloosa needs a system to track inclusionary housing, enforce income eligibility rules, and ensure compliance over time.

This could include a staff position dedicated to oversight, supported by a public-facing database. Transparency and monitoring are key to protecting investments and maintaining public trust.

## Bachelor's Degree Attainment by Race

## Section 13: Summary of Fair Housing Violations

### 13.1 Summary of Key Impediments to Fair Housing

### 13.1.1 Structural Barriers to Access and Inclusion

Zoning restrictions in Tuscaloosa continue to limit the development of affordable housing in high-opportunity neighborhoods, places with quality schools, jobs, healthcare, and transit. At the same time, the city lacks incentives to encourage developers to build income-restricted units. Together, these factors create a housing landscape that excludes low- and moderate-income residents, renters, and communities of color from many parts

of the city. The result is a deepening of racial and economic segregation that limits mobility and reinforces inequality.

Discriminatory lending practices compound the issue. Black and Hispanic households face higher mortgage denial rates and are more likely to receive unfavorable loan terms, undermining their ability to build generational wealth. In lower-income areas, code enforcement can be either overly aggressive, driving displacement, or neglectful, allowing unsafe conditions to persist. These patterns erode trust and contribute to long-standing disinvestment.

Public knowledge of fair housing rights remains low. Many residents don't know how to recognize or report discrimination. Without strong outreach, violations go unreported, and communities remain vulnerable. Meanwhile, resistance to affordable housing, often driven by NIMBYism and stigma, slows or blocks inclusive development, reinforcing the status quo.

To address these challenges, Tuscaloosa needs coordinated action. That includes revising policies, strengthening enforcement, investing in public education, and expanding access to housing in every part of the city.

### 13.1.2 Disparities in Outcomes and Contributing Factors

Tuscaloosa's housing disparities are especially severe among Black, Hispanic, disabled, and low-income residents. These groups face higher housing cost burdens, lower homeownership rates, and less access to opportunity-rich neighborhoods. Some of these disparities are the legacy of past discrimination; others reflect current policies that disproportionately affect certain populations.

Key drivers include unequal access to credit, exclusionary zoning, a lack of outreach, and ongoing community resistance to affordable housing. Data from mapping exercises, HMDA lending reports, and local surveys show how race, income, and geography intersect to reinforce segregation.

By identifying and understanding these contributing factors, the City can more effectively target interventions and dismantle the barriers that limit fair housing.

### 13.1.3 Stakeholder Perspectives and Survey Results

Input from residents, housing advocates, and service providers reveals a consistent set of concerns: affordability, displacement, and discrimination. Survey respondents highlighted the shortage of accessible rentals, racial steering by landlords or agents, and weak protections for renters facing eviction or unsafe conditions.

Many residents also said they lacked awareness of their rights under the Fair Housing Act or didn't know how to file a complaint. These gaps highlight the need for targeted education, better access to legal resources, and more community-centered outreach.

Including these perspectives in policy decisions helps ensure that future fair housing actions are not just data-driven but rooted in lived experience and responsive to those most impacted.

## Fair Housing Barriers (findings) and Strategies

Fair housing challenges in Tuscaloosa are shaped by intersecting social, economic, and policy-based dynamics. The matrix below summarizes key issues, findings from the analysis, and recommended actions tailored to address the most persistent barriers. It represents a synthesis of data analysis, public input, and best practices in housing equity. This tool is designed to guide city agencies, nonprofit partners, and residents in aligning their efforts with equity-focused housing reform.

| ISSUE AREA | FAIR HOUSING FINDINGS | RECOMMENDED ACTIONS | RESPONSIBLE PARTIES | TIMEFRAME |
|---|---|---|---|---|
| **1. MORTGAGE LENDING DISPARITIES** | Black and Hispanic applicants have disproportionately higher mortgage denial rates. Non-bank lenders, less regulated than traditional banks, often charge higher fees and interest rates. This leads to wealth disparities and reduced homeownership rates among communities of color. | Expand HMDA oversight; extend CRA to non-bank lenders; increase fair lending enforcement. | City, HUD, CFPB, State AG | 1–3 years |

| # | Issue | Description | Strategy | Responsible Parties | Timeline |
|---|---|---|---|---|---|
| 2. | **HISTORIC REDLINING IMPACTS** | Historically redlined neighborhoods, especially in West Tuscaloosa, remain disinvested, with aging infrastructure, lower home values, and reduced access to credit. These patterns correlate with racial demographics and contribute to ongoing segregation. | Prioritize investment in redlined tracts; offer targeted down payment and rehab grants. | City Planning, Housing Dept, Local CDFIs | Ongoing |
| 3. | **LIMITED ACCESS TO HOMEBUYER RESOURCES** | First-time homebuyer programs are often underfunded and fail to reach communities of color due to language barriers, limited outreach, and restrictive eligibility requirements. | Increase funding for HUD-certified agencies; provide services in multiple languages; expand outreach via community partners. | City, Nonprofits, Housing Counseling Agencies | Immediate – 2 yrs |
| 4. | **INSUFFICIENT DOWN PAYMENT ASSISTANCE** | Many low- and moderate-income buyers cannot secure homes due to lack of savings for down payments. Existing assistance programs are often complex and poorly advertised. | Increase funding and maximum assistance; streamline application; expand to first-gen buyers. | City Housing Authority, State Finance Agencies | 1–2 years |

| # | Issue | Description | Action | Stakeholders | Timeline |
|---|---|---|---|---|---|
| 5. | **POST-PURCHASE SUPPORT DEFICITS** | New homeowners, especially from disadvantaged backgrounds, often lack support services for budgeting, maintenance, and foreclosure prevention. This results in housing instability and property loss. | Create homeowner resource centers; offer foreclosure prevention; provide repair and maintenance education. | City Housing Dept, Local Nonprofits | 2–4 years |
| 6. | **GEOGRAPHIC SITING OF PUBLIC HOUSING** | Public housing units are clustered in high-poverty areas, reinforcing segregation and limiting resident access to high-performing schools, employment centers, and healthcare. | Incentivize affordable housing in high-opportunity areas through zoning reform and LIHTC scoring. | City Council, State HFA, Developers | 3–5 years |
| 7. | **LACK OF DATA COORDINATION** | Fair housing progress is difficult to assess due to uncoordinated data collection across city agencies and partner organizations. | Develop centralized data system; integrate fair housing indicators; publish regular performance dashboards. | City IT/GIS, Housing Authority, Planning Dept | 1–3 years |

| # | Issue | Description | Action | Responsible Parties | Timeline |
|---|---|---|---|---|---|
| 8. | **DISCRIMINATORY LENDING PRACTICES** | Bias persists in appraisal and underwriting processes, particularly in minority neighborhoods. Non-bank lenders are often not subjected to the same fair lending oversight. | Expand fair lending testing; fund local legal aid and testing organizations; adopt equity reviews for lenders. | HUD, DOJ, Local Fair Housing Agencies | Ongoing |
| 9. | **LANGUAGE AND CULTURAL BARRIERS** | Immigrant and non-English speaking residents often lack access to translated housing materials or culturally responsive services. This limits participation in housing programs and increases vulnerability to exploitation. | Translate materials; hire multilingual staff; engage culturally competent community navigators. | City, Nonprofits, Public Information Offices | Immediate – 2 yrs |

## Summary of May 21st Public Meeting – Consolidated Plan and AI Development Process

On May 21st, the City of Tuscaloosa held a public meeting with members of the City Council to present the development process and early findings of the Analysis of Impediments to Fair Housing Choice (AI). This meeting was part of the City's effort to ensure elected officials are informed and engaged in advancing fair housing goals and complying with federal requirements.

The session began with an overview of the AI's purpose and structure. Staff and consultants explained that the AI is a planning tool required by the U.S. Department of Housing and Urban Development (HUD) to identify local barriers to fair housing and guide future actions. It also informs how the City allocates federal housing and development funds through the Consolidated Plan.

The project team shared the methodology used to develop the AI, including demographic and housing data analysis, geographic mapping, and feedback collected during the public engagement process. Council members were presented with key findings, including a growing need for affordable family-sized rental units, limited accessible housing, and persistent racial and economic segregation in several neighborhoods.

After the presentation, council members asked questions and offered comments. Several expressed concern about rising housing costs and limited rental options for working households. Questions were also raised about the City's role in enforcing fair housing rules and how violations are addressed.

One council member asked about housing barriers for people with criminal records. The project team noted that HUD discourages blanket bans and recommends individualized assessments to avoid discriminatory impacts while ensuring fair access to housing.

The meeting closed with a discussion of next steps. Council members were invited to review the upcoming AI draft and continue supporting efforts to promote housing equity. Staff emphasized that successful implementation would depend on strong leadership, regular monitoring, and alignment with broader planning initiatives.

# Glossary of Terms

1. **Affirmatively Furthering Fair Housing (AFFH)**
   A legal requirement under the Fair Housing Act that jurisdictions take proactive steps to eliminate housing discrimination, promote inclusive communities, and expand housing choice.

2. **Affordable Housing**
   Housing that costs no more than 30% of a household's gross income, including rent or mortgage payments plus utilities.

3. **Area Median Income (AMI)**
   The midpoint income for a region, used to determine eligibility for housing assistance. Households are often categorized as low-, very low-, or moderate-income based on percentages of AMI.

4. **Disparate Impact**
   A legal concept where a policy or practice, while neutral on its face, has a disproportionately negative effect on a protected class and is not necessary to achieve a legitimate objective.

5. **Disparate Treatment**
   A form of discrimination where individuals are treated differently specifically because of their membership in a protected class.

6. **Fair Housing Act**
   A federal law passed in 1968 (Title VIII of the Civil Rights Act) prohibiting housing discrimination based on race, color, religion, sex, national origin, familial status, or disability.

7. **Fair Market Rent (FMR)**
   An estimate of the cost to rent a moderately priced dwelling unit in a specific local housing market, as determined annually by HUD.

8. **Familial Status**
   A protected class under the Fair Housing Act that includes households with

children under 18, pregnant women, or individuals in the process of obtaining legal custody of a child.

9. **Home Mortgage Disclosure Act (HMDA)**
   A federal law requiring lenders to report public loan data, used to assess whether institutions are serving housing needs fairly across all communities.

10. **Housing Choice Voucher (Section 8)**
    A HUD program that provides rental assistance to low-income families, allowing them to rent housing in the private market.

11. **Inclusionary Zoning**
    Local policies that require or encourage the development of affordable housing units as part of new residential projects.

12. **Institutional Discrimination**
    Policies or practices within institutions (like banks or local governments) that systematically disadvantage certain groups, even without overt bias.

13. **Low-Income Housing Tax Credit (LIHTC)**
    A federal incentive program that provides tax credits to developers for the construction or rehabilitation of affordable rental housing.

14. **Multifamily Housing**
    Residential buildings that contain more than one housing unit, such as duplexes, apartment buildings, or condominiums.

15. **NIMBYism ("Not In My Backyard")**
    Local opposition to affordable housing or community development projects, often based on fears related to property values, safety, or changing neighborhood character.

16. **Protected Class**
    Groups of people legally protected from housing discrimination by the Fair Housing Act, including race, color, religion, sex, national origin, disability, and familial status.

17. **Public Housing**
    Federally funded housing managed by local housing authorities, intended to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.

18. Reasonable Accommodation
    A change or exception to rules, policies, or services that enables a person with a disability to have equal opportunity to use and enjoy a dwelling.

19. **Redlining**
    A discriminatory practice where lenders or insurers refuse or limit services in certain neighborhoods based on racial or ethnic composition, often identified in historical lending maps.

20. Racially/Ethnically Concentrated Area of Poverty (R/ECAP)
    A census tract where more than 50% of the population are people of color and more than 40% live in poverty, as defined by HUD.

21. **Source of Income Discrimination**
    A practice where landlords deny housing based on the source of a tenant's income, such as housing vouchers, child support, or disability payments. Not explicitly covered under federal law but protected in some states or localities.

22. **Zoning Ordinance**
    A municipal law that regulates land use, building size, housing density, and the types of structures allowed in different areas of a city.