

Comprehensive Regional Housing Strategy

Volume II: Regional Analysis of Impediments and Fair
Housing Equity Assessment



CONNECT
Our Future

Vibrant Communities – Robust Region



The 14-county bi-state region includes: Anson, Cabarrus, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly and Union Counties in North Carolina, and Chester, Lancaster, Union and York Counties in South Carolina.

Comprehensive Regional Housing Strategy

Our region is facing critical challenges in housing: how to supply adequate and appropriate housing for our future workforce, for people to age in place and for our growing population, ensuring housing is located near to where jobs and schools are and near transportation, and identifying and removing barriers to fair housing for under-represented groups. The Housing Work Group and the Comprehensive Regional Housing Strategy is just one part of the CONNECT Our Future project to develop a regional growth framework to address how we grow jobs and the economy, control cost of government and improve quality of life, now and in the future.

CONNECT Our Future” is a process in which communities, counties, businesses, educators, non-profits and other organizations work together to grow jobs and the economy, improve quality of life and control the cost of government. This project will create a regional growth framework developed through extensive community engagement and built on what communities identify as existing conditions, future plans and needs, and potential strategies.

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This document was prepared by Centralina Council of Governments and Catawba Regional Council of Governments in partnership with Western Economic Services, LLC.



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EXECUTIVE SUMMARY

A. SUMMARY OF BACKGROUND FINDINGS

For the development of the Regional Analysis of Impediments (AI) and Fair Housing Equity Assessment (FHEA), two specific focus groups were held: one pertaining to the homeless and homeless service communities and a second for the Hispanic community.

SOCIO-ECONOMIC CONTEXT

Analysis of demographic, economic, and housing data provides information about the frequency and results of past housing locational choices. As observed, the same areas in the region tend to contain several concerns. This includes over concentrations of racial and ethnic minorities, high rates of poverty, high loan denial rates for African Americans and Hispanics, and several racially and ethnically concentrated areas of poverty. Furthermore, the spatial distribution of areas lacking opportunity tended to correlate highly with the above-listed areas.

FAIR HOUSING INFRASTRUCTURE

A review of the fair housing profile in the CONNECT Our Future region revealed that fair housing resources in the area are limited to those provided by HUD, agencies in both State governments, and one Fair Housing Initiative Program (FHIP) participant in each state. In addition, the region has just one local Fair Housing Assistance Program (FHAP) grantee, the Charlotte/Mecklenburg County Community Relations Committee. The Fair Housing Infrastructure, outside of Charlotte and Mecklenburg County is lacking.

FAIR HOUSING IN THE PRIVATE SECTOR

Evaluation of the private housing sector included review of home mortgage loan application information, mortgage lending practices, fair housing complaint data, and results from the private sector section of the 2013 CONNECT Fair Housing Survey.

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in home mortgage

application denial rates in the CONNECT Our Future region by race, ethnicity, sex, income, and Census tract. Evaluation of home purchase loan applications from 2004 through 2011 showed that there were 311,000 loan originations and 60,453 denials, for an eight-year average loan denial rate of 16.3 percent. Denial rates were highest in 2011, at 19.1 percent. These HMDA data also showed that African American and Hispanic applicants experienced far higher rates of loan denials than did white or Asian applicants, even after correcting for income. Analysis of originated loans with high annual percentage rates showed that African American and Hispanic populations were also disproportionately issued these types of lower-quality loan products.

Analysis of data collected in accordance with the Community Reinvestment Act (CRA), which is intended to encourage investment in low- and moderate-income areas, showed that business loans did not tend to be directed toward the areas with highest poverty concentrations in the CONNECT Our Future region as commonly as they were toward moderate- and higher-income areas.

Fair housing complaint data were analyzed from HUD from 2004 through 2013. The number of complaints filed with this agency varied by year, from a low of 42 in 2012 to a high of 83 in 2007, excluding 2013 as a partial year. The protected classes most impacted by discrimination, based on the 504 total complaints filed, were disability, familial status, and race; and the most common complaint issues related to failure to make reasonable accommodation, discrimination in terms, conditions or privileges relating to rental, and discriminatory refusal to rent.

Results from the private sector portion of the 2013 CONNECT Fair Housing Survey showed that some respondents saw possible issues of housing discrimination in the region's private housing sector.

FAIR HOUSING IN THE PUBLIC SECTOR

The status of affirmatively furthering fair housing (AFFH) within the CONNECT Our Future region's public sector was evaluated through review of geographic maps of assisted housing and the concentrations of poverty, a series of interviews with local non-entitlement planners, and the results of the public sector section of the 2013 CONNECT Fair Housing Survey.

Evaluation of the distribution of housing vouchers, HUD-assisted rental properties, and other affordable housing in the region demonstrated that these assisted housing options were relatively widely distributed, and tended to be concentrated in areas other than those with the highest poverty rates.

The 2013 CONNECT Community Planner Interviews showed that many of these jurisdictions have in place some basic housing definitions such as “dwelling unit” and “family,” but several tend to be restrictive and may not be in the spirit of AFFH. Few communities define “disability” in their codes or have policies in place to offer options for persons in need of modifications to policies for reasonable accommodation. Housing for seniors and group housing are not consistently addressed in local codes. Most communities tend to lack fair housing ordinances or practices, outside of Mecklenburg County. A wide variety of policies and practices exist outside of Mecklenburg County, several of which are not in the spirit of AFFH and may unwittingly discriminate against several groups. A more complete, consistent, and uniform approach could greatly benefit these communities in the region.

Results from the public sector section of the 2013 CONNECT Fair Housing Survey revealed that some respondents in the region believe there are problematic practices or policies within the public sector. Of those that did, some noted land use policies and zoning laws that particularly impact protected class populations by limiting the location of group homes and other multi-family housing, and some respondents suggested that public transit services are lacking. In particular was the lack of policies or practices that are designed to address fair housing.

PUBLIC INVOLVEMENT

Public involvement opportunities were another part of the development of the CONNECT Our Future Regional AI and FHEA. Activities included the 2013 CONNECT Fair Housing Survey to evaluate current fair housing efforts and fair housing forums located within three entitlement cities in the region. These public meetings, held in January 2014, offered the chance to comment on initial findings of the Regional AI and offer feedback on prospective impediments. Note that although forums were scheduled to take place in five entitlement cities in

the region, two of these had to be canceled due to inclement weather. These have been rescheduled for late February of 2014.

Results of the 2013 CONNECT Fair Housing Survey showed that the majority of respondents felt that fair housing laws are useful, whereas some respondents were not familiar with fair housing law. Of the respondents who answered the question, many noted the need for increased fair housing education and outreach activities, and a moderate need was indicated for increased fair housing testing activities.

A series of Fair Housing Forums was held in five of the entitlement cities in January and February of 2014. The subjects discussed at these forums included the purpose of the AI process and preliminary findings from the AI. The forums presented opportunities for members of the public to offer commentary and various perspectives on the AI process and findings. In addition, public review meetings were held in four of the entitlement communities in April of the same year, and presented an opportunity to receive public feedback on the findings from the AI and to discuss the impediments identified in each of those jurisdictions.

B. IMPEDIMENTS, SUGGESTIONS AND MEASURABLE OBJECTIVES

IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE

Private Sector Impediments:

1. *Impediment:* Discriminatory terms, conditions, privileges, or facilities relating to rental.

The inclusion of discriminatory terms, conditions, privileges, or facilities relating to rental as an impediment to fair housing choice within the region was predominantly supported by fair housing complaint data and was shown to mostly affect the classes of familial status, race, and disability.

Suggestion: Additional training for landlords and property managers. Conduct additional complaint based testing related to unlawful discrimination.

2. *Impediment:* Failure to make reasonable accommodations or modifications.

Failure to make reasonable accommodations or modifications, which was found to most commonly affect persons with both physical and mental disabilities, was supported by findings from analysis of fair housing

complaint data as well as from input from the fair housing forum and Fair Housing Surveys.

Suggestion: Additional training for landlords and property managers. Conduct additional complaint based and audit testing related to reluctance to make reasonable accommodation or modification.

3. *Impediment:* Denial of home purchase loans.

Denial of home purchase loans was supported as an impediment to fair housing choice in the region through examination of HMDA data as well as results of the Fair Housing Survey. Denial was found to be predominantly based on race, national origin, and gender.

Suggestion: Utilize resources for first-time and lower-income homebuyers that belong to minority racial and ethnic groups, as well as female householders, so that they can improve their credit ratings, recognize questionable lending practices, and gain access to the fair housing system.

4. *Impediment:* Predatory lending in the home purchase market.

Many sources, including past fair housing studies and cases, HMDA Act data, and results of the Fair Housing Survey identified predatory lending in the lending market as an impediment to fair housing choice within the region. The classes of race and national origin were most frequently linked to this impediment.

Suggestion: Utilize resources for first-time and lower-income homebuyers that belong to minority racial and ethnic groups, as well as female householders, so that they can improve their credit rating, recognize questionable lending practices and the attributes of predatory style loans, and gain access to the fair housing system.

Public Sector Impediments:

1. *Impediment:* Lack of sufficient fair housing policies or practices by several units of local government.

Results of the Fair Housing Surveys indicate that a number of local communities lack sufficient policies or practices that adequately address the duty to affirmatively further fair housing.

Suggestion: Construct a guidebook that lists a series of best practices that are appropriate for the communities in the CONNECT Our Future region, as they relate to promoting consistent, current, and transparent policies and practices that affirmatively further fair housing.

2. *Impediment:* Lack of sufficient fair housing outreach and education efforts.

While Charlotte and Mecklenburg County tend to have a strong fair housing enforcement base, there still seems to be a lack of a sufficient fair housing outreach and education component to most jurisdictional advocacy efforts. This was supported by input received in the Fair Housing Survey and the community planner interviews, as well as the lack of any FHIP with a service area that covers any portion of the CONNECT Our Future region.

Suggestion: Conduct more outreach and educational activities in a uniform, methodical, and consistent fashion. This should be done in consort with local units of government as sponsors.

3. *Impediment:* Decisions regarding definitions of “family,” “dwelling unit,” and related terms.

Decisions made by a number of non-entitlement communities within the CONNECT Our Future region regarding definitions of “family,” “dwelling unit” and related terms within land use planning and zoning policies may restrict housing choice for the classes of race, national origin, familial status and disability. This impediment was identified through review of the interviews with community planners as well as selected findings from the 2013 CONNECT Fair Housing Survey.

Suggestion: Construct a guidebook that lists a series of best practices that are appropriate for the communities in the CONNECT Our Future region, as they relate to promoting consistent, current, and transparent policies and practices that affirmatively further fair housing.

C. FAIR HOUSING EQUITY ASSESSMENT FINDINGS

Equity and access to opportunity are key considerations for grantees of Sustainable Communities Regional Planning Grant (SCRPG) program. Grantees are required to make a more inclusive conversation on regional issues.¹ This has provided new information on the barriers to opportunity experienced by different groups across the CONNECT Our Future region. The following summarizes these concerns for the region.

INTEGRATION AND SEGREGATION

This FHEA evaluation quantified indices of segregation. These indices indicate that the CONNECT Our Future region had a moderate lack of racial and ethnic diversity in some areas and high concentrations of racial and ethnic minorities in other areas. While none of the 14 counties have dissimilarity indices that indicate the presence of high levels of segregation, moderate levels of segregation do exist. This remains a concern for our housing locational choices are made in the future.

RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY

There were a few Census tracts that were made up of at least 40 percent poverty and 50 percent non-white racial minorities—these tracts are referred to as “racially concentrated areas of poverty (RCAPs)”; there were no Census tracts that constituted ethnically concentrated areas of poverty (ECAPs) throughout the CONNECT Our Future region. Still, over the period from 1970 through 2000, the frequency of RCAPs declined; though the most recent American Community Survey (ACS) data indicates a rise. Whether this due to the ACS sampling methodology or whether this is an accurate representation of our unfolding areas of poverty remains to be fully determined. Nevertheless, the CONNECT Our Future region will remain diligent in the evaluation of such poverty areas.

AREAS OF OPPORTUNITY

Areas of opportunity were quantitatively defined using three sets of data relationships comprised of education, economics, and housing. Within these categories, variables that were chosen include:

- A school proficiency index
- A labor market index
- The share of housing that is occupied
- The lack of overcrowding

Data were available at the Census tract- or block group-level.

A CALL FOR PUBLIC AND PRIVATE INVESTMENT

While specifying what particular efforts should be implemented throughout the 14-county region is beyond the scope of this part of the CONNECT Our Future Regional AI, key actions will be considered. Substantial economic development, public infrastructure, and affordable housing investments will result in gains, gains that will reduce disparities in burdens and benefits enjoyed by living in the CONNECT areas of North and South Carolina.

Areas that have received private sector investment in the past have typically not been in areas of lower income residents, as demonstrated by the CRA data evaluation. Areas that contain RCAP or ECAP areas are in need of both public and private investment.

Such investment can be removal of “other vacant” dwellings not available to the marketplace, rehab of existing structures, redevelopment of existing vacant buildings, redevelopment of under-utilized housing, or replacement of old and dilapidated infrastructure. Greater access to areas of opportunity would be a key in the process of creating opportunity to those currently not able to access these areas of the CONNECT Our Future region. Additionally, future investments in public and assisted housing, particularly for the production of affordable housing, should consider the spatial distribution of existing residents and whether the proposed affordable housing project is over concentrating racial and ethnic minorities.

¹ (HUD 2012) Regional Fair Housing Equity Assessment
http://portal.hud.gov/hudportal/HUD?src=/program_offices/sustainable_housing_communities/regional_fairhsg_equityassesmt

I. INTRODUCTION

A. BACKGROUND

A HISTORICAL PERSPECTIVE

A Regional Environmental Initiative was begun by the City of Charlotte in 2001, with the Centralina Council of Governments (CCOG) serving as contractor for the project. In late 2002, a menu of 25 environmental actions had been selected by the chief elected officials of communities surrounding Charlotte. Centralina then entered into a cooperative agreement with the US Environmental Protection Agency and in partnership with Catawba Regional Council of Governments (CRCOG) to expand geographic coverage, implement those actions and develop additional measures that would ensure environmental quality in the face of rapid growth. That project was known as The Sustainable Environment for Quality of Life (SEQL) and was supported for three years by nearly \$860,000 in EPA funds, matched by approximately \$220,000 in local funds and in-kind contributions.

In SEQL's active years from 2003 through 2006, the project achieved many goals, such as the following:

- Over 800 cumulative actions impacting air quality, water quality, and sustainable growth were implemented by 85 jurisdictions;
- Over \$600,000 came into the region in the form of implementation funding or in-kind technical assistance, not including the funding that SEQL staff helped individual jurisdictions obtain for projects such as pedestrian planning;
- Specific programs were put in place that have been maintained by jurisdictions, such as Concord's idle-reduction programs, and ongoing school bus retrofits and diesel repowers, and new programs were begun even as SEQL began to wind down, such as the Regional Stormwater Partnership;
- 15 new Action Items were developed, bringing the total to 40; and,
- A new phase was launched as the basis for development of a regional vision that became the foundation for CONNECT.

THE CONNECT VISION

From the period from 2005 through 2008, the 14-county NC/SC bi-state region came together and developed a vision for the region's future. That CONNECT vision had been adopted by local governments representing more than 70 percent of the population within the region. Its six core values are:

A Strong, Diverse Economy...*that supports a wide variety of businesses and enterprises*

Sustainable, Well-Managed Growth...*that maintains quality of life, protects open space and environmental quality, retains the natural character of the region, and maximizes the efficiency of infrastructure investments*

A Safe and Healthy Environment...*with good air and water quality*

Increased Collaboration among Jurisdictions...*on issues that transcend boundaries, including growth management, transportation, and environmental concerns, in a manner that recognizes both regional and local needs*

Enhanced Social Equity...*through community leadership and cooperative volunteerism*

High Quality Educational Opportunities...*that are available to all residents*

THE CONNECT OUR FUTURE PROJECT

In June 2009, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Transportation, and the U.S. Environmental Protection Agency formed a Partnership for Sustainable Communities. The aim of the Partnership was to help communities nationwide improve access to affordable housing, increase transportation options, and lower transportation costs while protecting the environment. HUD was the administering agency for this collaborative effort, through its Sustainable Communities Regional Planning Grant (SCRPG) Program.

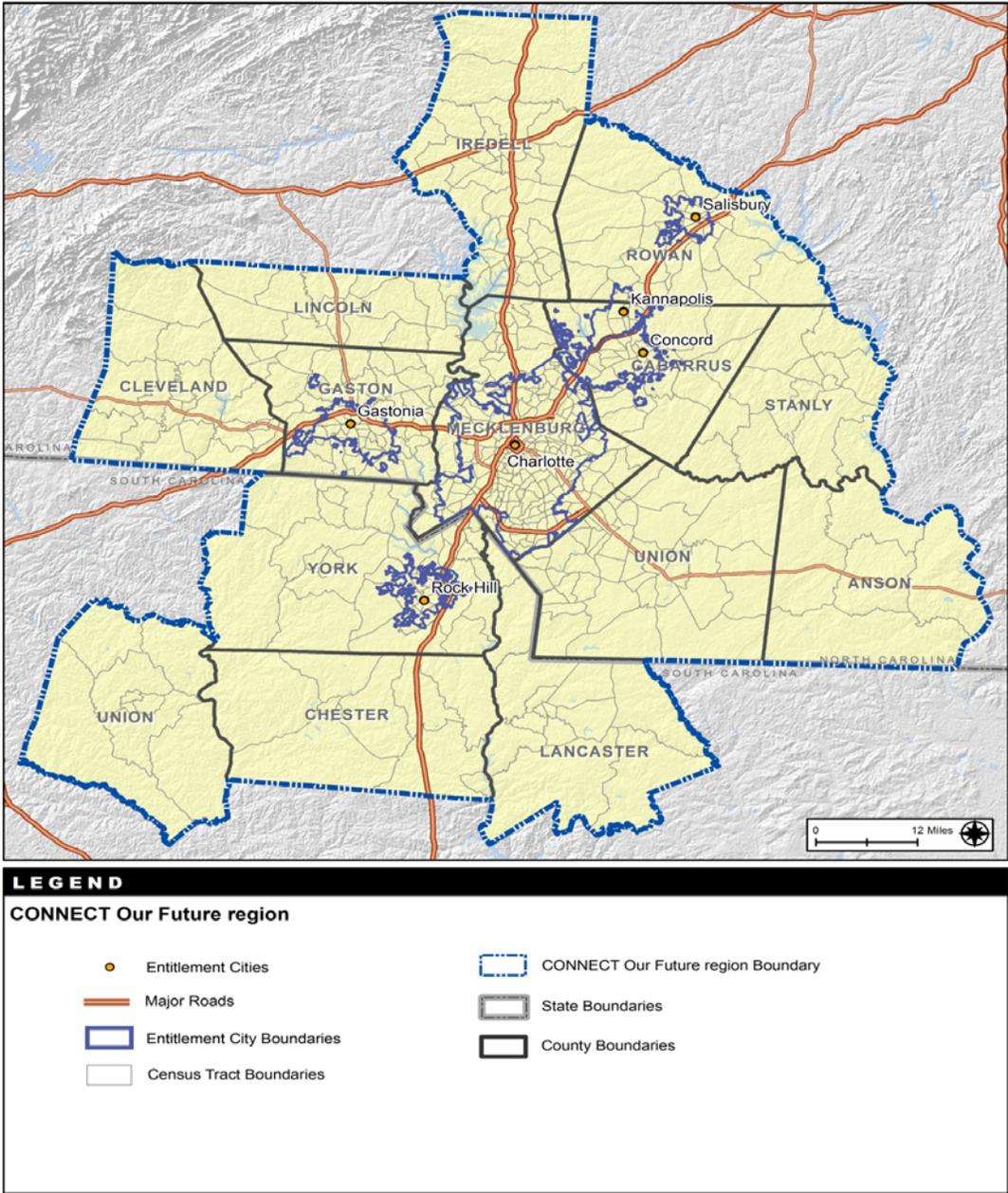
In the fall of 2011, Centralina applied for a SCRPG grant for the 14-county region spanning the bi-state area covered by both the Centralina Council of Governments and the Catawba Regional Council of Governments, as presented in Map I.1, on the following page. HUD made the award of

\$4.9 million, and when matched with local in-kind resources, the entire project amounts to nearly \$8.0 million.

CONNECT Our Future project is a process in which communities, counties, businesses, educators, non-profits and other organizations work together to grow jobs and the economy, improve the quality of life and control the cost of government. This project is creating a regional growth framework developed through extensive community engagement and built on what communities identify as existing conditions, future plans and needs, and potential strategies. The CONNECT Consortium, a broad-based group of more than 100 governments, businesses, non-profits, educational institutions and organizations, is responsible for guiding the work in the process. CCOG, which was the grant recipient on behalf of the Consortium, and CRCOG will coordinate, facilitate and staff the process. Extensive public engagement with more than 80 events region wide is being designed to ensure communities and organizations of all sizes throughout the region, including traditionally under-represented groups, participate in the building of a regional growth framework.

As part of that framework, the CONNECT Our Future project embarked upon the development of a Comprehensive Regional Housing Strategy, comprising a housing needs assessment and a fair housing component. The former is the subject of this research document, Volume I of the Comprehensive Regional Housing Strategy. Volume II addresses a Fair Housing Equity Assessment and Regional Analysis of Impediments and Volume III provides significant details about the 30 geographic areas addressed in the Comprehensive Regional Housing Strategy, which represents each HUD entitlement in the region, and the non-entitled remaining areas of all counties, with all counties summed by state and the entire 14-county region.

Map I.1
CONNECT Our Future region
2013 Data



THE CONNECT CONSORTIUM

The CONNECT Consortium is the body that provides oversight and guidance for the CONNECT Our Future Regional Growth Framework. The Consortium integrates the content produced by different work groups to create the Framework. This content includes both the Regional Preferred Development Scenario (identified through extensive public engagement) and supporting study findings and recommendations in the areas of place-based economic development strategies, housing, energy, food access, and other topics.

The CONNECT Consortium is made up of two Forums:

The Program Forum: Senior staff, department heads, content experts, and other Consortium representatives who review and provide feedback on draft components of the Framework, identify potential policy questions, resolve content or technical conflicts to the extent possible, and ensure that Framework elements work in sync. The Program Forum makes its recommendations to the Policy Forum.

The Policy Forum: Elected officials, private and non-profit sector CEOs and/or Board members who examine policy implications and messaging issues, identify needed policy or regulatory changes, provide feedback to the Program Forum, and resolve policy-related conflicts. The Policy Forum is the body that endorses all final work of CONNECT Our Future, including the Regional Growth Framework, following extensive public engagement.

As of June 2013, the CONNECT Consortium membership is comprised of 54 units of local governments and 31 organizations from both the non-profit and for-profit sectors, as presented in Exhibit I.1, on the following page.

THE COMPREHENSIVE REGIONAL HOUSING STRATEGY

In response to the concerns about current and future housing needs, the CONNECT Our Future project launched the Comprehensive Regional Housing Strategy as one component of the Regional Growth Framework.

This Comprehensive Regional Housing Strategy includes three key volumes:

Volume I – A Regional Housing Needs Assessment to determine current and future housing needs and develop strategies to address current, emerging, and future needs;

Volume II – A Fair Housing Study that addresses impediments to fair housing choice and reports on fair housing and provides an assessment of equity in the region;

Volume III – A Technical Appendix, which reports details on each county, each entitlement city, and the remainder of each county, the two council of government regions, and the entire CONNECT Our Future project region.

The Housing Work Group (HWG) has been tasked with guiding the development of the Comprehensive Regional Housing Strategy. The HWG membership includes the Charlotte Housing Authority, multiple additional PHAs throughout the region, Builders of Hope, the Mixed Income Housing Coalition, Charlotte -Mecklenburg Housing Partnership, the Council on Aging, City of Salisbury Choice Neighborhoods project, UNC Charlotte Metropolitan Studies Department, The Affordable Housing Group, CCOG Community Development Department, the CRCOG, Real Estate-Building Industry Coalition (REBIC), and the Homebuilders Association of Charlotte.

Exhibit I.1
CONNECT Our Future
June 2013 Consortium Members

North Carolina		
Anson County	Midland	Allen Tate Company
Albemarle	Mineral Springs	Builders of Hope
Belmont	Misenheimer	Calor Energy
Bessemer City	Monroe	Centralina Clean Fuels Coalition
Charlotte	Mooreville	Centralina Economic Development Commission
Cherryville	Morven	Charlotte Housing Authority
China Grove	Mount Holly	Central Piedmont Community College
Cramerton	Mount Pleasant	Charlotte-Mecklenburg Housing Partnership
Davidson	New London	Charlotte Regional Partnership
Dallas	Norwood	Clean Air Carolina
East Spencer	Pineville	Gaston Urban Area MPO
Gastonia	Ranlo	Housing Authority of Salisbury
Granite Quarry	Salisbury	Johnson C. Smith University
Iredell County	Stanly County	Kimley-Horn and Associates, Inc.
Huntersville	Stallings	Lake Norman RPO
Kannapolis	Statesville	Latin American Chamber of Commerce
Kings Mountain	Troutman	Mecklenburg-Union MPO
Lincoln County	Union County	Monroe Housing
Lincolnton	Unionville	Rocky River RPO
Locust	Wadesboro	Statesville Housing Authority
Lowell	Waxhaw	Sustain Charlotte
Marshville	Wingate	The Lee Institute
Marvin		Urban Land Institute
Matthews		US Green Building Council, NC Chapter
Mecklenburg County		
South Carolina		
Jurisdictions- Adopted the Consortium Agreements		SC-Organizations-Adopted the Consortium
City of Rock Hill		Catawba Indian Nation
Lancaster County		Catawba Regional COG
York County		Housing Authority for the City of Chester
		Housing Authority of Lancaster
		Rock Hill Fort Mill Area Transportation Study (RFATS)
		York Technical College
		Winthrop University

B. RESEARCH METHODOLOGY

The 2013 Comprehensive Regional Housing Strategy represents a thorough examination of a variety of sources related to housing within the 14-county region. This study involved primary research, which was the creation and analysis of new data, such as that drawn from the 2013 Fair Housing Survey, an exhaustive telephone survey of rental properties, a survey of 450 key employers in the region, and options expressed during a series of public open house meetings; it also includes the evaluation of secondary research, which entailed the collection and analysis of existing data, such as public transit routes, distributions of the racial and ethnic make-up of the population, and poverty.

METHODOLOGY AND RESEARCH ACTIVITIES

The methodology employed comprised five key activities:

- Primary research,
- Secondary research,
- Quantitative analysis,
- Qualitative analysis, and
- Public involvement.

Primary Research is defined as the creation of data that did not exist. In general, such activities involve using a survey instrument, whether implemented via the Internet, on-site visits, exit interviews, telephone, mail, or video recording. For the work performed in the development of the Comprehensive Regional Housing Strategy, primary research data have been collected by asking for a response to a statement in written or spoken form. Responses can be open (i.e., “Tell me what you think”) or closed (i.e., “Select one of the following choices”). For this portion of the study, primary data were collected through extensive community surveying and analysis, using the web-based 2013 CONNECT Our Future Fair Housing Survey and qualitative data collected during focus groups with representatives of underserved populations, chiefly representatives service the homeless community and those from the Hispanic community.

Secondary Research concerns the collection of information that already exists. Simple examples include 2000 and 2010 decennial Census data, Bureau of Labor Statistics information, HUD housing complaint information, HUD’s Office of

Policy Development and Research (PDR) Fair Housing Equity Assessment database, and related economic and demographic data from the Bureau of Labor Statistics and the Bureau of Economic Analysis.

Qualitative Analysis is the evaluation of subjective data related to non-numerical values such as opinions, feelings, beliefs, and experiences. Much of the data for this research activity came from the Fair Housing Survey and focus groups. Qualitative analysis is vital to the development of a comprehensive housing study because opinions and feelings are often addressed in terms of their relative importance to the community.

Quantitative Analysis results in numbers. Through econometric analysis and forecasting, optimization, linear programming, cost/benefit analysis, or other types of evaluations, specific values are identified. This type of analysis was used for the Comprehensive Regional Housing Strategy to describe the existing socio-economic context in the 14-county region, as extracted from a variety of trusted sources, but also in evaluating the housing market demand patterns across a broad sector of demand parameters, such demands by income and tenure.

Public Involvement, or participation from both citizens and stakeholders in the region, is essential for the housing strategy to be relevant and useful for the wide array of prospective users of the results. This activity occurred through interaction, cooperation, and coordination with stakeholders, partners, and the general public. This input occurred during the survey processes, where these groups were solicited to participate and contribute to the data and knowledge development activities.

THE ORGANIZATION OF THE COMPREHENSIVE REGIONAL HOUSING STRATEGY

The Comprehensive Regional Housing Strategy is comprised of three separate volumes of data, charts, diagram, geographic maps, and related narratives and discussions. Volume I, this document, presents a region wide view of housing in the 14-county area. It offers perspective and commentary about the current housing stock, the state of housing needs that exists today, as well as offers a historical perspective about past trends and influential factors that have contributed to the housing choices that have been made over the last few decades. Volume I also offers perspective on emerging housing needs, as they pertain to differing economic and geographic groups, recent trends and future directions of these trends. It concludes with a prediction of housing needs. It handles these matters through the

presentation of charts, geographic maps, summary tables and interpretation of those exhibits.

Volume II concerns a Regional Analysis of Impediments to Fair Housing Choice and includes a Fair Housing Equity Assessment. These topics help to certify the region’s commitment to affirmatively furthering fair housing as well as to consider the ability of persons protected under fair housing law to choose housing they wish without the influence of discrimination, or the appearance of discrimination. It also addresses whether communities throughout the region are open, or accessible, to persons willing and interested in taking advantage of economic, educational, and related opportunities that exist in the Centralina and Catawba Council of Government geographic areas.

Volume III is a rather large technical document. It reproduces all the regional data presented in Volumes I and II around each of the six larger cities in the region, the remainder of each county, and then the two state areas, concluding with the CONNECT Our Future region. This organizational structure is presented below.

Exhibit I.2			
CONNECT Our Future			
Volume III Organization			
1	CONNECT Our Future Region	16	Remainder of Mecklenburg County
2	Centralina COG	17	Rowan County
3	Anson County	18	City of Kannapolis (portion in Rowan County)
4	Cabarrus County	19	City of Salisbury
5	City of Concord	20	Remainder of Rowan County
6	City of Kannapolis (portion in Cabarrus County)	21	Stanly County
7	Remainder of Cabarrus County	22	Union County
8	Cleveland County	23	Catawba COG
9	Gaston County	24	Chester County
10	City of Gastonia	25	Lancaster County
11	Remainder of Gaston County	26	Union County
12	Iredell County	27	York County
13	Lincoln County	28	City of Rock Hill
14	Mecklenburg County	29	Remainder of York County
15	City of Charlotte	30	City of Kannapolis (Total of two Counties)

II. SOCIO-ECONOMIC CONTEXT

This section presents demographic and economic information collected from the Census Bureau, the Bureau of Economic Analysis (BEA), the Bureau of Labor Statistics (BLS), and other sources in regard to the CONNECT Our Future region. Data were used to analyze a broad range of socio-economic characteristics, including population growth, race and ethnic distribution and concentrations, disability, employment, income, and poverty. However, the emphasis in this document is on how these factors have influenced and shaped housing choice as well as the housing location decision.

To supplement 2000 and 2010 Census data, information for this analysis was also gathered from the Census Bureau’s American Community Survey (ACS), as well as intercensal estimates. The ACS data cover similar topics to the decennial counts but include data not appearing in the 2010 Census, such as household income and poverty. The key difference of these data sets is that ACS data

A. DEMOGRAPHICS

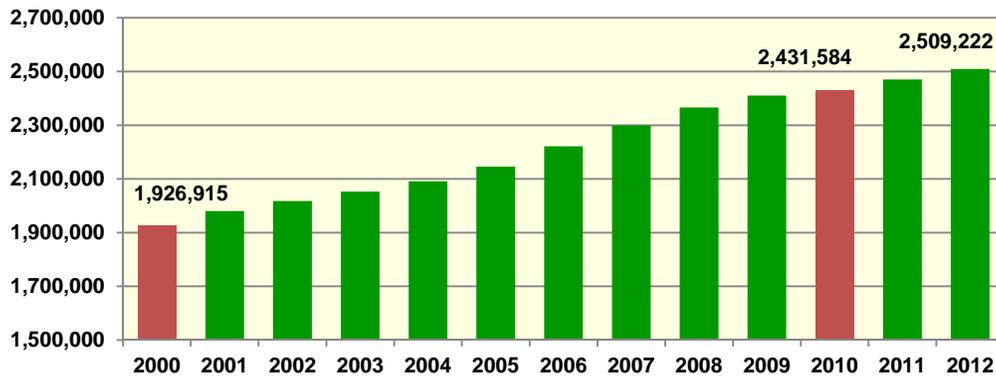
POPULATION DYNAMICS

The population in the region has expanded at a relatively fast rate over the last decade, rising from just over 1.9 million people in 2000 to slightly more than 2.5 million in 2012, an annual growth rate of 2.2 percent per year, as seen in Diagram II.1, below.

However, growth throughout the region is not uniform, with smaller and more rural areas often growing much differently than the more urbanized areas of the region. Table II.1, below, presents the twelve year growth for each of the 14 counties of the region, as well as the total percentage change. Mecklenburg County grew 39.3 percent over this period, but it has some 47 percent of the region’s population now, up from 36 percent in 2000, reaching 969,031 people.

Diagram II.1
Population Estimates

CONNECT Our Future
2000, 2010 Census and Intercensal Estimates



represent a five-year average of annual data estimates as opposed to a point in time 100 percent count; the ACS data reported herein span the years from 2007 through 2011. The ACS figures are not directly comparable to decennial Census counts because they do not account for certain population groups, such as the homeless. However, percentage distributions from the ACS data can be compared to distributions from the 2000 and 2010 Censuses.

While the entire region rose more than 30 percent, Union County, North Carolina jumped the greatest, rising some 68.6 percent, with York County rising 42.5 percent and Cabarrus County increasing 40.8 percent. On the other hand, two counties actually declined over this 12 year period, with Chester County declining 4.5 percent and Union County, South Carolina dropping 5.5 percent.

Table II.1
County Population Change

CONNECT Our Future
Population estimates from the US Census Bureau

County	2000	2012	10-12 %
	Census	Estimate	Change
Anson County	25,275	26,351	4.3
Cabarrus County	131,063	184,498	40.8
Cleveland County	96,287	97,474	1.2
Gaston County	190,365	208,049	9.3
Iredell County	122,660	162,708	32.6
Lincoln County	63,780	79,313	24.4
Mecklenburg County	695,454	969,031	39.3
Rowan County	130,340	138,180	6.0
Stanly County	58,100	60,576	4.3
Union County, NC	123,677	208,520	68.6
Chester County	34,068	32,546	-4.5
Lancaster County	61,351	79,089	28.9
Union County, SC	29,881	28,252	-5.5
York County	164,614	234,635	42.5
CONNECT Region	1,926,915	2,509,222	30.2

DISABILITY STATUS

The Census Bureau defines disability as a lasting physical, mental, or emotional condition that makes it difficult for a person to conduct daily activities of living or impedes him or her from being able to go outside the home alone or to work.²

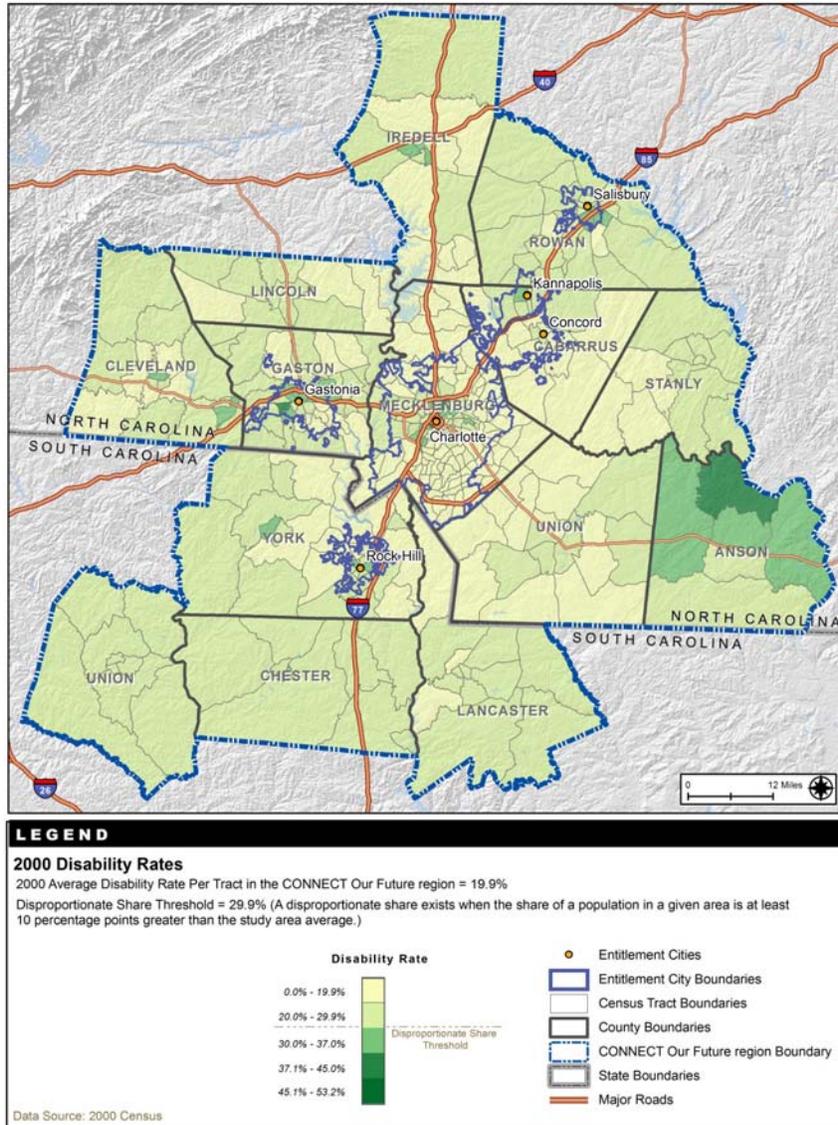
As reported in the 2000 Census, the CONNECT Our Future region had some 352,321 persons of the age of five or older that were disabled. However, the disability rate for the region's seniors aged of 65 or older was considerably higher, reaching just over 45 percent as seen in Table II.2 at right. The distribution of residents with disabilities in 2000, as reported in the 2000 Census, indicates that the more urbanized areas tend to have higher concentrations of these residents, likely due to the availability of services. However, as seen in Map II.1 on the following page, areas such as Anson County also tend to have higher concentrations of disabled residents. The demographic bubble that is approaching and the age cohort data presented above indicate that the elderly population will also require greater levels of housing with services.

Table II.2
Disability by Age
CONNECT Our Future
2000 Census SF3 Data

Age	Total	
	Disabled Population	Disability Rate
5 to 15	17,519	5.7%
16 to 64	245,369	19.4%
65 and older	89,433	45.2%
Total	352,321	19.9%

² United States Census Bureau,
http://www.census.gov/hhes/www/disability/disab_defn.html#ACS

Map II.1
Percent of Disabled Persons by Census Tract
 CONNECT Our Future region
 2000 Census Data



The 2000 Census reported that the 352,321 persons with disabilities, there were 628,461 disabilities, as noted in Table II.3. This means that the disabled community has an average of nearly two disabilities per disabled person. The type of disability seen with the greatest frequency was employment disability, followed by physical disabilities, then ambulatory disabilities. While our elderly are more likely to retire in their senior years, demands are more likely to come from those with both ambulatory and other physical disabilities.

The 2010 Decennial Census did not collect the long form or one-in-six sample data that the 2000 Census assembled; hence, some Census data counts are not available. However, each year the Census Bureau conducts the American Community Survey (ACS) to collect data similar to the long-form information collected in 2000. This a sampled set of the population of which the sample size may vary from year to year. While the sample data is similar to the Census 2000 data, it excludes some of the population such as the homeless and persons in group quarters, the distributions of the sampled data are similar.

Furthermore, the ACS is typically considered to be reliable for communities of at least 60,000 people. The one-year ACS does not apply well to the CONNECT Our Future region. Consequently, the ACS also prepares a three-year rolling estimate from that annual ACS for communities of at least 20,000 and the five-year ACS that has data down to the Census tract. For the purposes of this housing needs assessment, the three-year and five-year ACS have been selected.

Table II.3
Total Disabilities Tallied: Aged 5 and Older

CONNECT Our Future
2000 Census SF3 Data

Disability Type	Population
Sensory disability	61,612
Physical disability	142,783
Mental disability	82,040
Self-care disability	45,790
Employment disability	166,949
Go-outside-home disability	129,287
Total	628,461

The 2011 three-year ACS does report information on residents with disabilities. Based on these data, the region has a disability rate of 11.3 percent. This represents about 272,351 people, with most of these between the ages of 35 to 64. Still, the disability rate is the highest for our elderly citizens, some 50.5 percent for males and 55.0 percent for females of the age of 75 or older, as seen in Table II.4 below.

Table II.4
Disability by Age
CONNECT Our Future
2011 Three-Year ACS Data

Age	Male		Female		Total	
	Disabled Population	Disability Rate	Disabled Population	Disability Rate	Disabled Population	Disability Rate
Under 5	1,125	1.3%	865	1.0%	1,990	1.2%
5 to 17	12,799	5.6%	7,723	3.5%	20,522	4.6%
18 to 34	14,484	5.5%	12,569	4.6%	27,053	5.0%
35 to 64	60,225	12.5%	61,847	12.1%	122,072	12.3%
65 to 74	19,174	26.6%	23,371	27.2%	42,545	26.9%
75 or Older	21,021	50.5%	37,148	55.0%	58,169	53.3%
Total	128,828	11.0%	143,523	11.5%	272,351	11.3%

The three-year ACS population count for persons from the age of 18 to 64 in the region, representing those persons whose age makes them theoretically available to the labor market, is presented in Table II.5 at right. Of this three-year ACS tabulation, there were 324,642 people not in the labor force; they were not looking for work. This means that of the remainder, persons either working or seeking work—or 1.2 million people—this group had a labor force participation rate of a strong 78.8 percent. However, for the population with disabilities comprising some 149,125 persons, the labor force participation rate was a much more modest 57.4 percent; only 63,561 were working or seeking work. Those persons not in the labor force tended to have a high frequency of ambulatory, independent living, and cognitive difficulties. Furthermore, among those with disabilities in the labor force but without employment, the unemployment rate was a high rate of 23.9 percent. For these individuals, cognitive and ambulatory difficulties seem to be most frequently experienced. However, for those persons with a disability and working, ambulatory difficulties still are the most frequent disability, with hearing difficulties seen more often for this set of disabilities. There tends to be opportunities for the disabled in the labor markets, even with challenges and limitations.

RACE AND ETHNICITY

The Decennial Census also reports the demographic and ethnic complexion of the region. For example, the 2000 and 2010 Decennial Census reports that the population grew 26.2 percent, but the racial distribution of the region is rapidly changing, as seen in Table II.6, on the following page. Whites grew the slowest, increasing a very small 17.1 percent, at least compared with other groups. African Americans, the second largest racial group in the region, rose 32.5 percent and Asians rose some 95.0 percent; Hispanics jumped nearly 144 percent over the decade.

Table II.5
Employment Status by Disability and Type:
Age 18 to 64

CONNECT Our Future
2011 Three-Year ACS Data

Disability Status	Population
Employed:	1,058,484
With a disability:	48,364
With a hearing difficulty	14,422
With a vision difficulty	9,338
With a cognitive difficulty	13,038
With an ambulatory difficulty	18,845
With a self-care difficulty	4,025
With an independent living difficulty	6,472
No disability	1,010,120
Unemployed:	149,339
With a disability:	15,197
With a hearing difficulty	3,759
With a vision difficulty	2,823
With a cognitive difficulty	6,384
With an ambulatory difficulty	6,107
With a self-care difficulty	1,153
With an independent living difficulty	2,747
No disability	134,142
Not in labor force:	324,642
With a disability:	85,564
With a hearing difficulty	13,671
With a vision difficulty	14,487
With a cognitive difficulty	38,032
With an ambulatory difficulty	55,541
With a self-care difficulty	21,125
With an independent living difficulty	39,894
No disability	239,078
Total	1,532,465

Table II.6
Population by Race and Ethnicity

CONNECT Our Future
2000 & 2010 Census SF1 Data

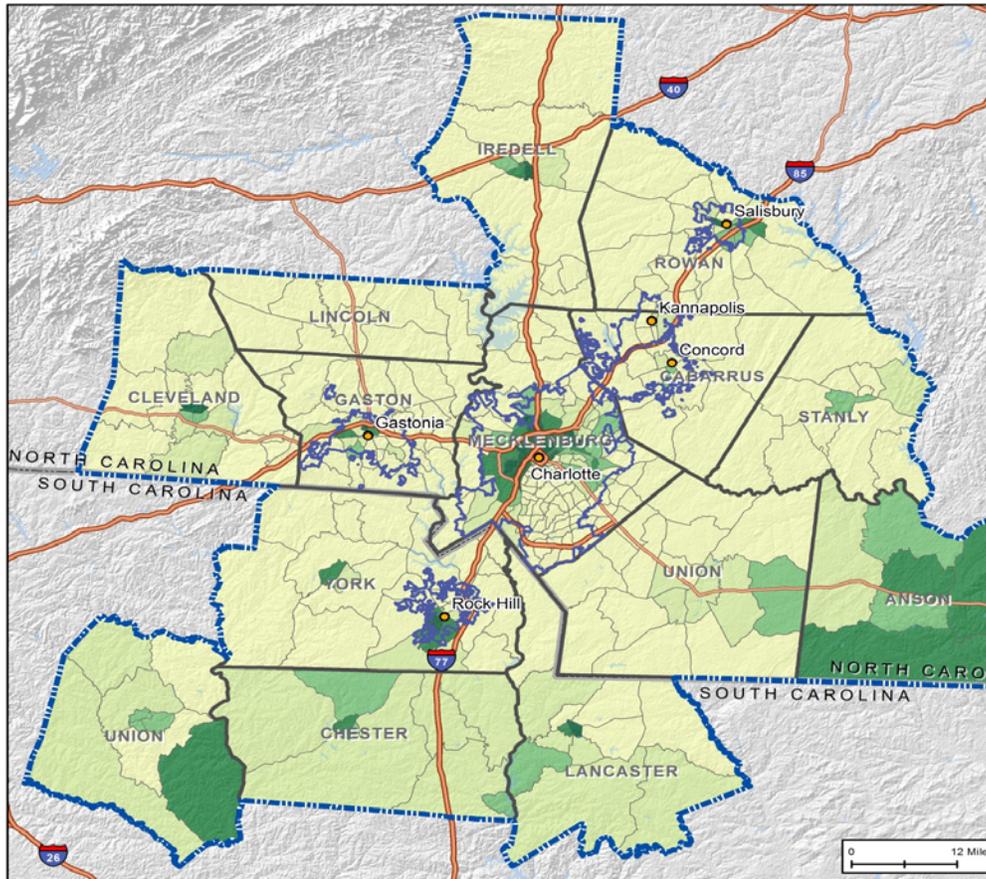
Race	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
White	1,424,506	73.9%	1,668,279	68.6%	17.1%
African American	402,680	20.9%	533,577	21.9%	32.5%
American Indian	6,909	.4%	10,816	.4%	56.5%
Asian	32,102	1.7%	62,600	2.6%	95.0%
Native Hawaiian/ Pacific Islander	610	.0%	1,197	.0%	96.2%
Other	38,497	2.0%	105,382	4.3%	173.7%
Two or More Races	21,611	1.1%	49,733	2.0%	130.1%
Total	1,926,915	100.0%	2,431,584	100.0%	26.2%
Non-Hispanic	1,841,328	95.6%	2,223,025	91.4%	20.7%
Hispanic	85,587	4.4%	208,559	8.6%	143.7%

It is interesting to measure the evolution of diversity and integration in communities over time. A common measure is one of “disproportionate share.” If part of an area has a share of a given population that is more than 10 percentage points above the average share for that population over the entire geographic area, then these areas are said to have a disproportionate share of that population. In 2000, this would represent areas of the region that may have more than 30.9 percent or greater concentrations of African Americans, or 31.9 percent in 2010. Maps II.2 and II.3 on the following two pages display these concentrations. In the 2000 map, it is seen that the areas with disproportionately high concentrations of African Americans tend to be located more in the urbanized areas of the region, such as Charlotte, Rock Hill or Salisbury. However, some of the more rural areas also tended to have such concentrations, such as in eastern Anson County or eastern Union County, South Carolina. In 2010, these relationships seemed to ease ever so

slightly, with the distribution of African Americans still somewhat segmented, but the number of geographic areas that have this demographic condition appear to be fewer, such as Stanly and Union County, North Carolina becoming slightly more integrated for African Americans.

For Hispanics, the population nearly doubled over the decade, rising from 4.4 percent of the total to 8.6 percent, or rising from 85,587 in 2000 to 208,559 people. However, the areas having Hispanics seemed to rise in general concentration. As seen in Map II.4, in the 2000 Decennial Census the City of Concord, parts in the southern portion of Charlotte, a Census tract or two in Lincoln and Union County, North Carolina showed some disproportionate shares of Hispanic residents. Map II.5 presents this same population in 2010. The new disproportionate share, some 18.6 percent, is now appearing more frequently throughout the region. As noted, the above areas tended to maintain or increase their concentrations, with other areas coming into the disproportionate share level, such as eastern Charlotte. This particular population tends to more frequently have a need for multi-generational housing.

Map II.2
African American Population by Census Tract
 CONNECT Our Future region
 2000 Census Data



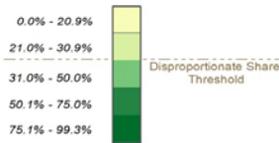
LEGEND

2000 African-American Population

2000 Average Percent African-American Population Per Tract in the CONNECT Our Future region = 20.9%

Disproportionate Share Threshold = 30.9% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

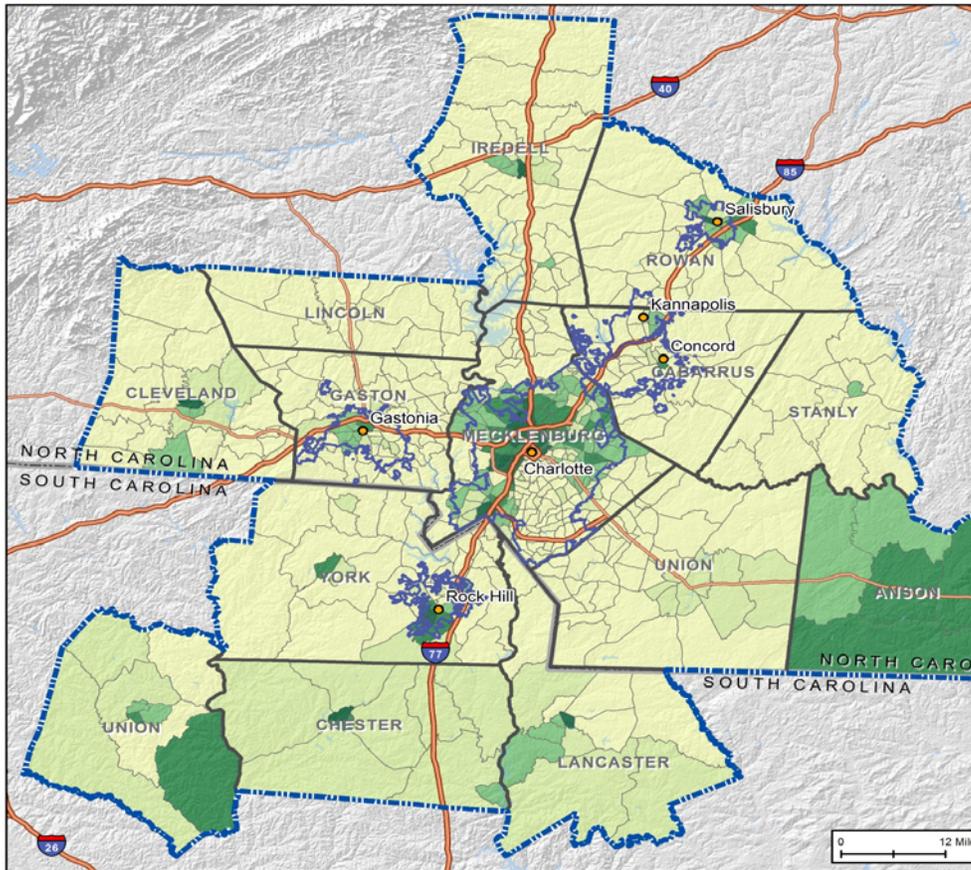
Percent African-American



- Entitlement Cities
- ▭ Entitlement City Boundaries
- ▭ Census Tract Boundaries
- ▭ County Boundaries
- ▭ CONNECT Our Future region Boundaries
- ▭ State Boundaries
- ▭ Major Roads

Data Source: 2000 Census

Map II.3
African American Population by Census Tract
 CONNECT Our Future region
 2010 Census Data

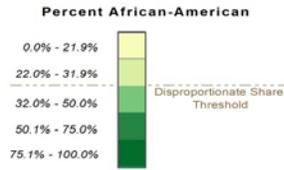


LEGEND

2010 African-American Population

2010 Average Percent African-American Population Per Tract in the CONNECT Our Future region = 21.9%

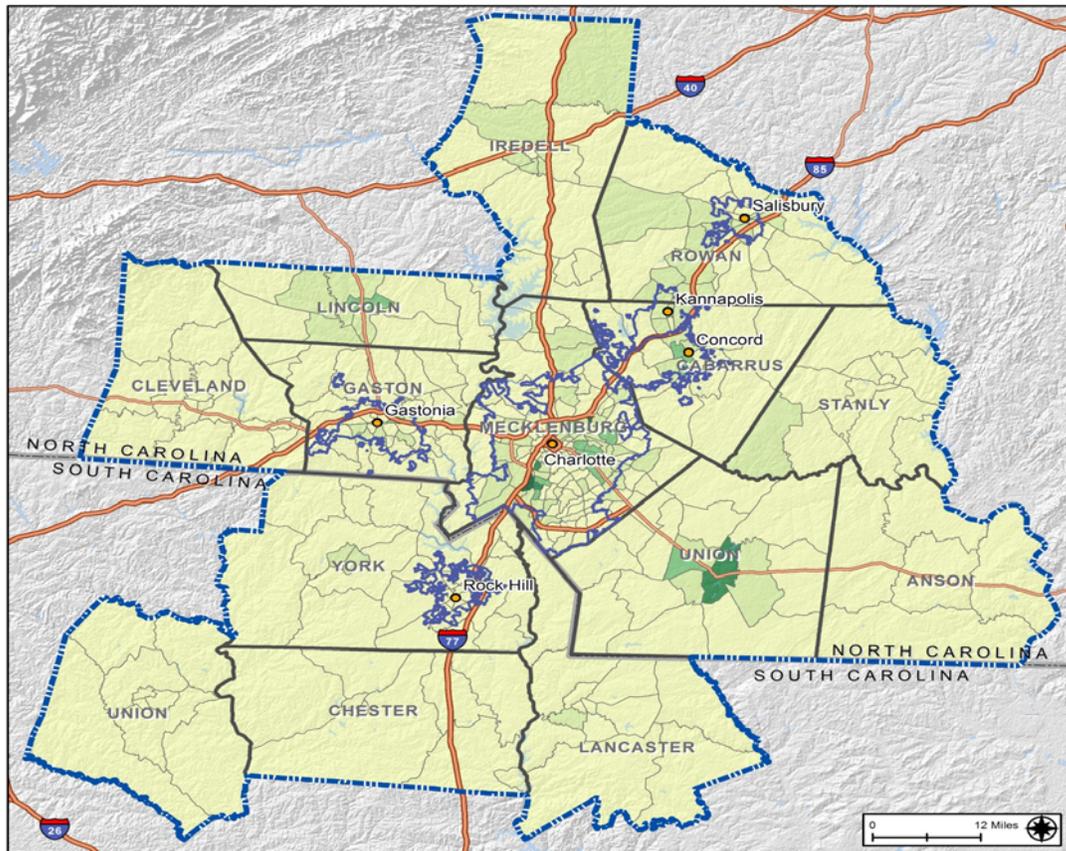
Disproportionate Share Threshold = 31.9% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)



- Entitlement Cities
- ▭ Entitlement City Boundaries
- ▭ Census Tract Boundaries
- ▭ County Boundaries
- ▭ CONNECT Our Future region Boundaries
- ▭ State Boundaries
- ▭ Major Roads

Data Source: 2010 Census

Map II.4
Hispanic Population by Census Tract
 CONNECT Our Future region
 2000 Census Data



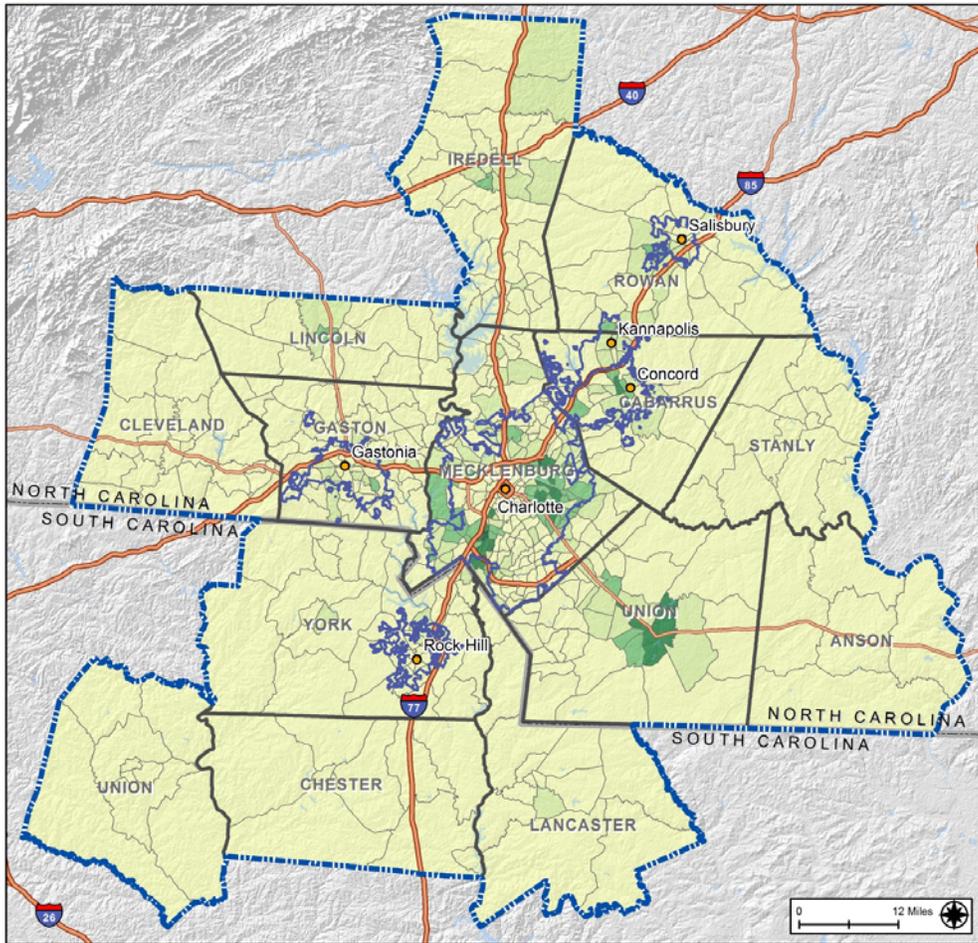
LEGEND

2000 Hispanic Population
 2000 Average Percent Hispanic Population Per Tract in the CONNECT Our Future region = 4.4%
 Disproportionate Share Threshold = 14.4% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

<p>Percent Hispanic</p> <ul style="list-style-type: none"> 0.0% - 4.4% 4.5% - 14.4% 14.5% - 25.0% 25.1% - 35.0% 35.1% - 44.3% 	<p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> ● Entitlement Cities ▭ Entitlement City Boundaries ▭ Census Tract Boundaries ▭ County Boundaries ▭ CONNECT Our Future region Boundary ▭ State Boundaries ▭ Major Roads
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Data Source: 2000 Census

Map II.5
Hispanic Population by Census Tract
 CONNECT Our Future region
 2010 Census Data



LEGEND

2010 Hispanic Population
 2010 Average Percent Hispanic Population Per Tract in the CONNECT Our Future region = 8.6%
 Disproportionate Share Threshold = 18.6% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

<p>Percent Hispanic</p> <ul style="list-style-type: none"> 0.0% - 8.6% 8.7% - 18.6% 18.7% - 30.0% 30.1% - 50.0% 50.1% - 66.0% 	<p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> ● Entitlement Cities ■ Entitlement City Boundaries ■ Census Tract Boundaries ■ County Boundaries ■ CONNECT Our Future region Boundary ■ State Boundaries ■ Major Roads
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Data Source: 2010 Census

DEMOGRAPHIC SUMMARY

The population in the region has expanded at a relatively fast rate over the last decade, rising from just over 1.9 million people in 2000 to slightly more than 2.5 million in 2012, an annual growth rate of 2.2 percent per year, and 1.87 percent per year from 1970 through 2010. The racial and ethnic diversity of the region is increasing. The African American population is the largest of all the racial or ethnic minority populations, and rose from 21 to roughly 22 percent of the population over the last decade, reaching 533,577 persons. A substantial rise in the Hispanic population occurred, which expanded by 143.7 percent and reached a total of 208,559 persons.

B. MEASURES OF SEGREGATION AND INTEGRATION

As part of the data evaluation contained within a Fair Housing Equity Assessment, a set of computations are designed to test for the presence and degree of segregation or integration. These are quantitative indices computed from the relative concentrations of selected classes or people within subsets of areas compared to the larger area. For example, to compute the segregation index for a county, one would evaluate all the Census tracts in the county. The result would give an indication of the relative segregation or integration that has occurred in that county.

While these indices can give a point-in-time view of the status of a particular area, more interesting are the changes that are going on in the CONNECT Our Future region and each of its counties. Three indices were computed: the diversity index, a measure of how even or uneven the population is distributed spatially within an area; the isolation index, a measure indicating whether a person of a particular group would meet a person of another group during their day; and the dissimilarity index, a measure of the uniformity, or lack thereof. In all cases, these indices range from 0 to 1 in value, with a value of 1 indicating total segregation and a value of 0 indicating total integration.

COUNTY INDICES

Table II.7 below presents the white-non-white measures of segregation by county as calculated from the 2000 and 2010 decennial Censuses. The diversity index is a quantitative measure that represents the likelihood that two persons chosen at random from the same area belong to different

Table II.7
FHEA Segregation Indices Based Upon Race

CONNECT Our Future
2000 and 2010 SF1 Census Data

County	Isolation Index		Diversity Index		Dissimilarity Index	
	2000	2010	2000	2010	2000	2010
North Carolina Counties						
Anson	.04	.03	.06	.05	.26	.21
Cabarrus	.08	.06	.12	.10	.38	.30
Cleveland	.10	.10	.11	.12	.27	.31
Gaston	.16	.12	.19	.16	.44	.42
Iredell	.13	.15	.17	.20	.39	.44
Lincoln	.04	.03	.09	.08	.35	.35
Mecklenburg	.24	.18	.34	.29	.55	.53
Rowan	.19	.19	.23	.25	.46	.48
Stanly	.12	.11	.19	.18	.45	.45
Union	.08	.06	.13	.12	.43	.36
South Carolina Counties						
Chester	.07	.09	.08	.11	.29	.32
Lancaster	.10	.11	.12	.13	.28	.33
Union	.05	.05	.06	.06	.21	.24
York	.23	.18	.24	.20	.45	.42

racial or ethnic groups. Here, a value of 1 indicates that all tracts have the same composition of race as the larger area, and a value of 0 indicates that all tracts have only one population subgroup. In general, the more rural areas tended to have fewer minorities and lower rates of diversity. Some counties experienced falling diversity index values over the last decade while others did not; for example, Mecklenburg declined while Iredell rose.

Another approach to measuring the level of segregation in a community is to compute the dissimilarity index. This index, computed at the Census tract level for each county in the CONNECT region, gives some idea as to the degree that segregation of African Americans and white persons is occurring within each county. Again, with a value of 1, an area is totally segregated and with a value of 0, an area is totally integrated. HUD PDR data documentation also provides some insight into what these particular statistics mean. HUD suggests that an index value of .40 or less indicates low segregation, a value of .41 to .54 indicates moderate segregation; and a value of .55 or more suggests high segregation.

As shown above, in 2010, there were no counties in the region that appeared to have a high degree of segregation, with six counties having a moderate level of segregation, and the eight remaining counties having a low level of segregation.

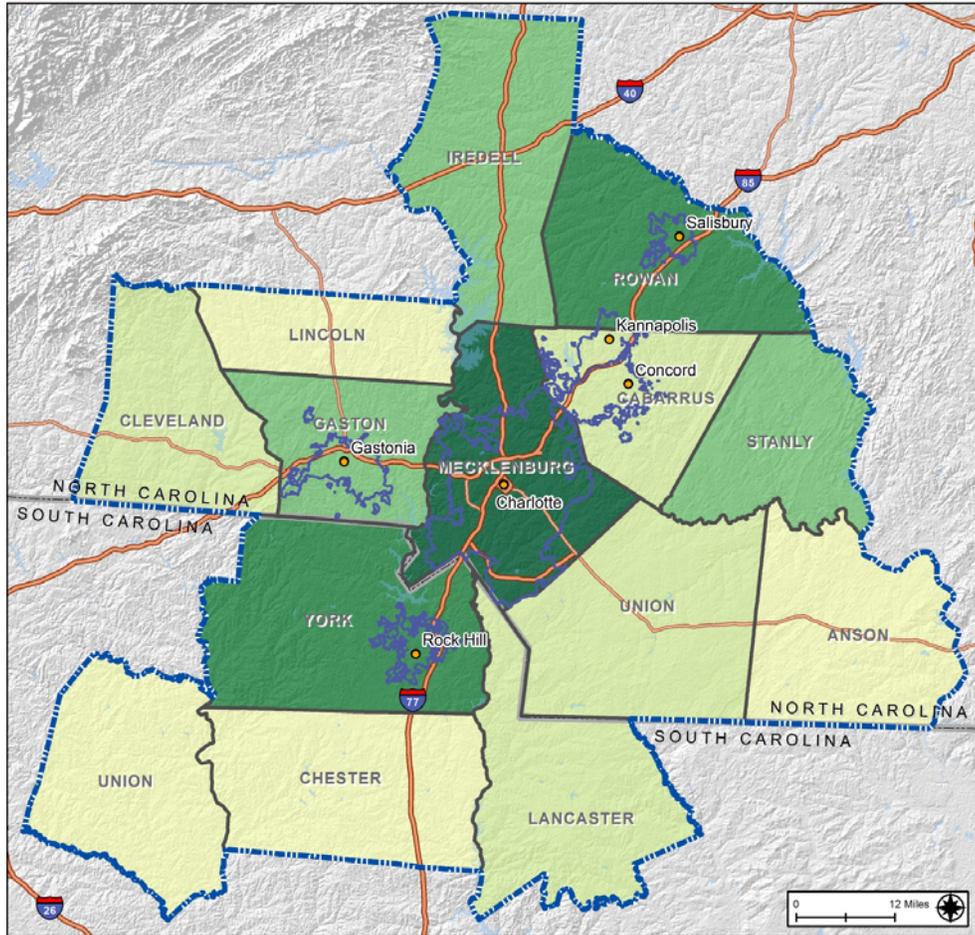
The last measure of segregation presented in this study is the isolation index. It represents the propensity for a minority resident to be exposed only to other minority resident when leaving the house, with higher values representing greater isolation, and hence more segregation. Table II.8 also presents the isolation index values for each county in the CONNECT region. The degree of isolation was rather low in all of the region's counties.

These relationships were also computed for the region's Hispanic population, as presented in Table II.8 at right. While these data indicate that the populations are not appreciably isolated, diversity is low, and dissimilarity is moderate.

Table II.8
FHEA Segregation Indices Based Upon Ethnicity
CONNECT Our Future
2000 and 2010 SF1 Census Data

County	Isolation Index		Diversity Index		Dissimilarity Index	
	2000	2010	2000	2010	2000	2010
North Carolina Counties						
Anson	.00	.01	.01	.04	.14	.29
Cabarrus	.05	.06	.11	.09	.40	.34
Cleveland	.00	.00	.01	.01	.12	.11
Gaston	.03	.03	.09	.07	.36	.32
Iredell	.02	.02	.06	.04	.30	.23
Lincoln	.04	.04	.10	.08	.41	.32
Mecklenburg	.08	.09	.13	.12	.40	.37
Rowan	.02	.03	.05	.06	.28	.25
Stanly	.01	.01	.05	.03	.30	.21
Union	.10	.09	.18	.13	.53	.39
South Carolina Counties						
Chester	.00	.00	.01	.01	.17	.16
Lancaster	.01	.02	.06	.06	.30	.33
Union	.00	.00	.02	.02	.20	.17
York	.01	.02	.05	.05	.27	.28

Map II.6
Diversity Index by County: African American and White
 CONNECT Our Future region
 2000 Census Bureau Data



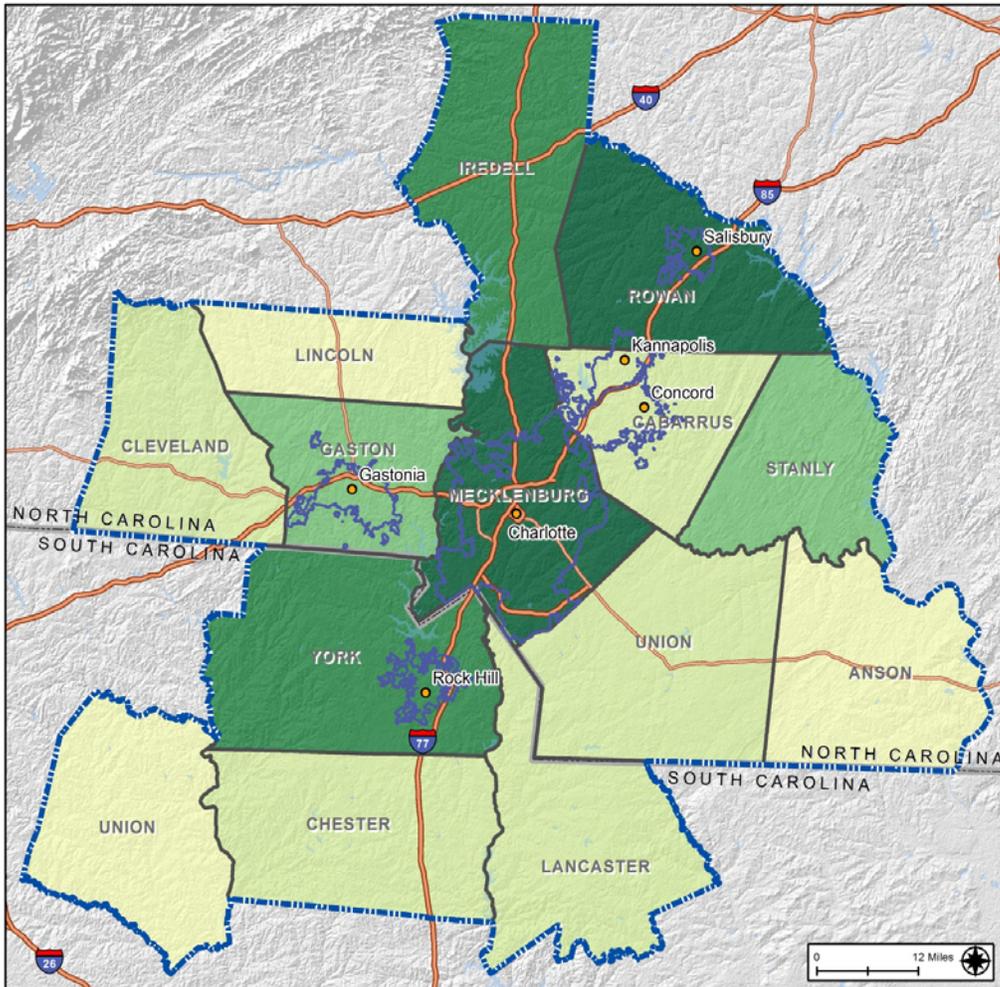
LEGEND

2000 Diversity Index by County: African-American and White
 CONNECT Our Future region
 A Diversity Index score of 0 represents perfectly even racial distribution; a score of 1 represents 100% composition of one race.

● Entitlement Cities	Diversity Index (African-American/White)
▭ Entitlement City Boundaries	5.5 - 11.1
▭ County Boundaries	11.2 - 16.8
▭ CONNECT Our Future region Boundary	16.9 - 22.4
▭ State Boundaries	22.5 - 28.0
▭ Major Roads	28.1 - 33.6

Data Source: 2000 Census

Map II.7
Diversity Index by County: African American and White
 CONNECT Our Future region
 2010 Census Bureau Data



LEGEND

2010 Diversity Index by County: African-American and White

CONNECT Our Future region

A Diversity Index score of 0 represents perfectly even racial distribution; a score of 1 represents 100% composition of one race.

- Entitlement Cities
- ▭ Entitlement City Boundaries
- ▭ County Boundaries
- ▭ CONNECT Our Future region Boundary
- ▭ State Boundaries
- ▬ Major Roads

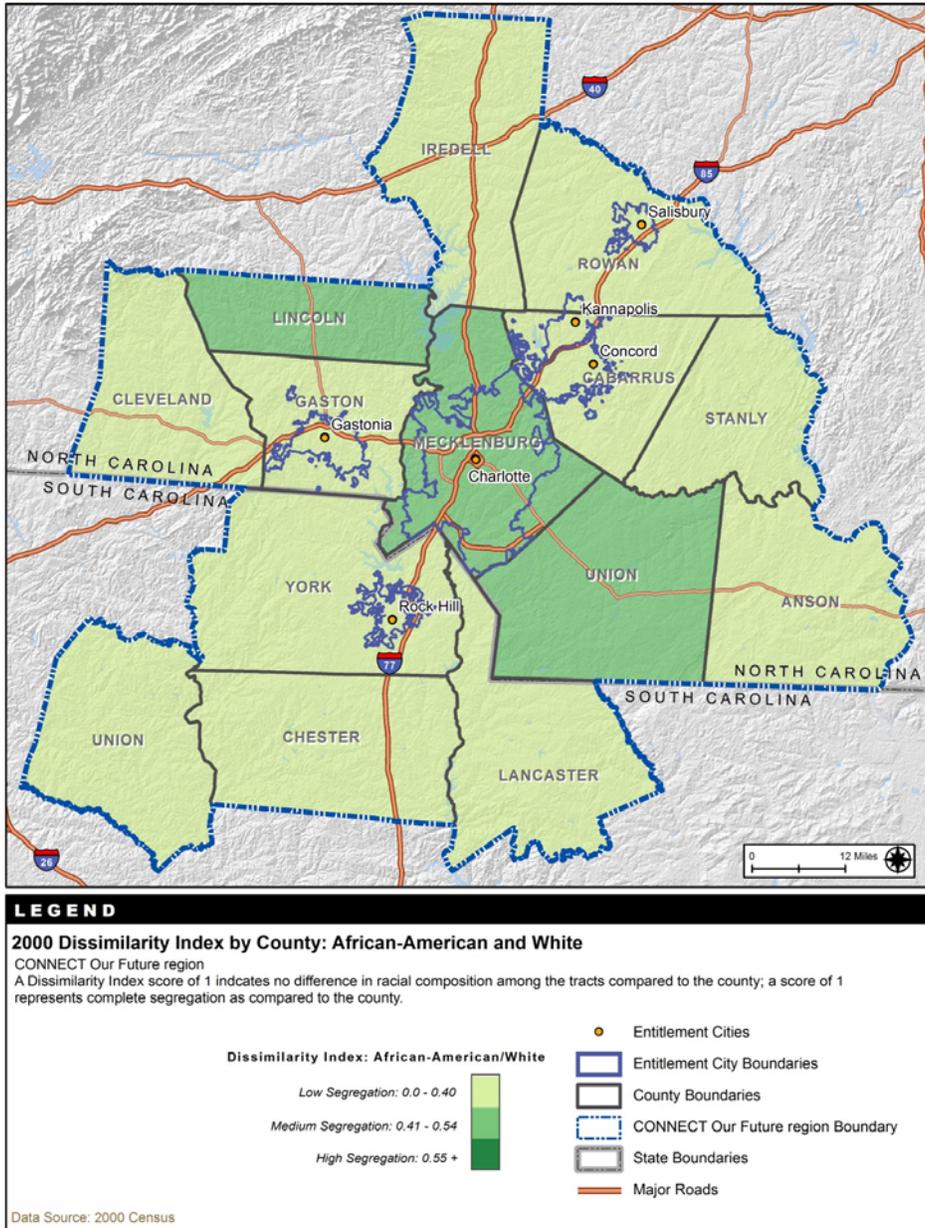
Diversity Index (African-American/White)

- 4.6 - 9.6
- 9.7 - 14.5
- 14.6 - 19.5
- 19.6 - 24.4
- 24.5 - 29.3

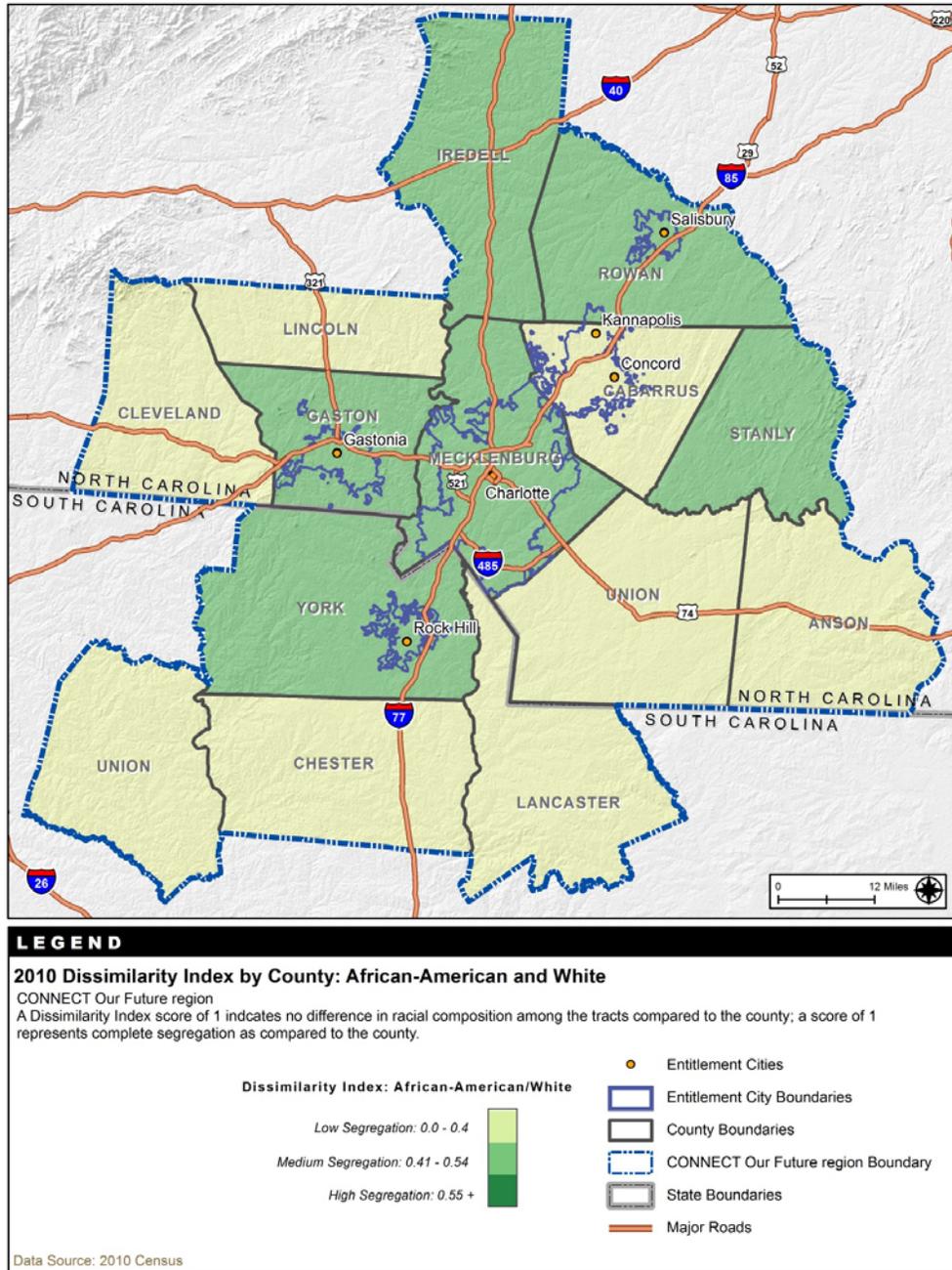


Data Source: 2010 Census

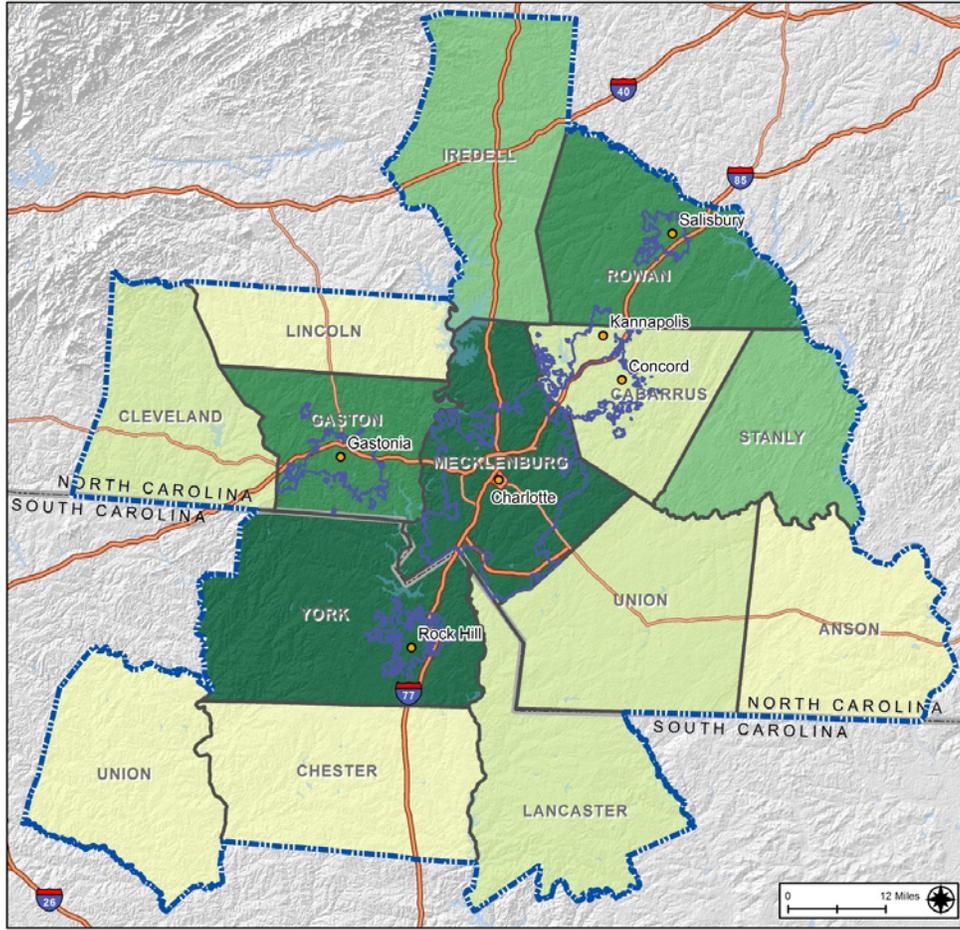
Map II.8
Dissimilarity Index by County: African American and White
 CONNECT Our Future region
 2000 Census Bureau Data



Map II.9
Dissimilarity Index by County: African American and White
 CONNECT Our Future region
 2010 Census Bureau Data



Map II.10
Isolation Index by County: African American
 CONNECT Our Future region
 2000 Census Bureau Data



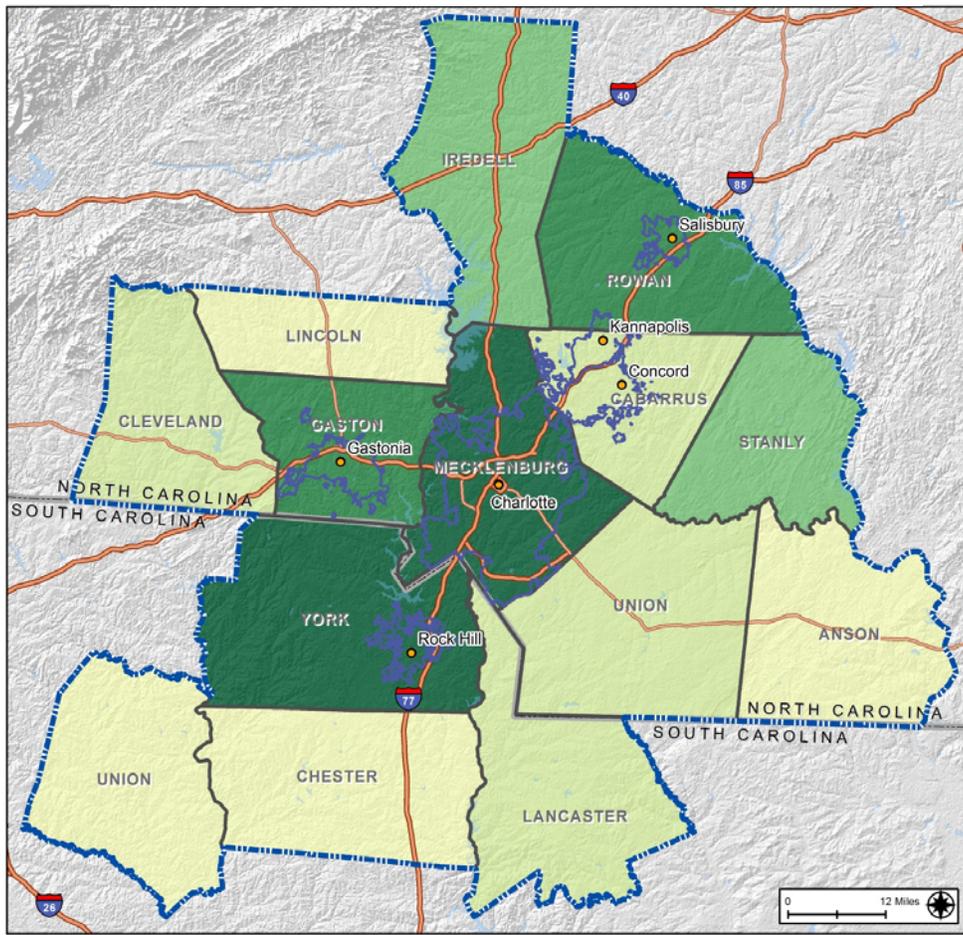
LEGEND

2000 African-American Isolation Index by County
 CONNECT Our Future region
 An Isolation Index score of 1 indicates that an African-American person has a 100% chance of encountering only African-American persons. A score of 0 indicates that an African-American person has a 0% chance of encountering an African-American person.

<p>Isolation Index (African-American)</p> <p>3.9 - 8.0</p> <p>8.1 - 12.0</p> <p>12.1 - 16.1</p> <p>16.2 - 20.1</p> <p>20.2 - 24.3</p>	<ul style="list-style-type: none"> ● Entitlement Cities ▭ Entitlement City Boundaries ▭ County Boundaries ▭ CONNECT Our Future region Boundary ▭ State Boundaries ▭ Major Roads
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Data Source: 2000 Census

Map II.11
Isolation Index by County: African American
 CONNECT Our Future region
 2010 Census Bureau Data



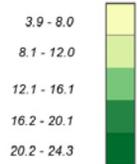
LEGEND

2000 African-American Isolation Index by County

CONNECT Our Future region

An Isolation Index score of 1 indicates that an African-American person has a 100% chance of encountering only African-American persons. A score of 0 indicates that an African-American person has a 0% chance of encountering an African-American person.

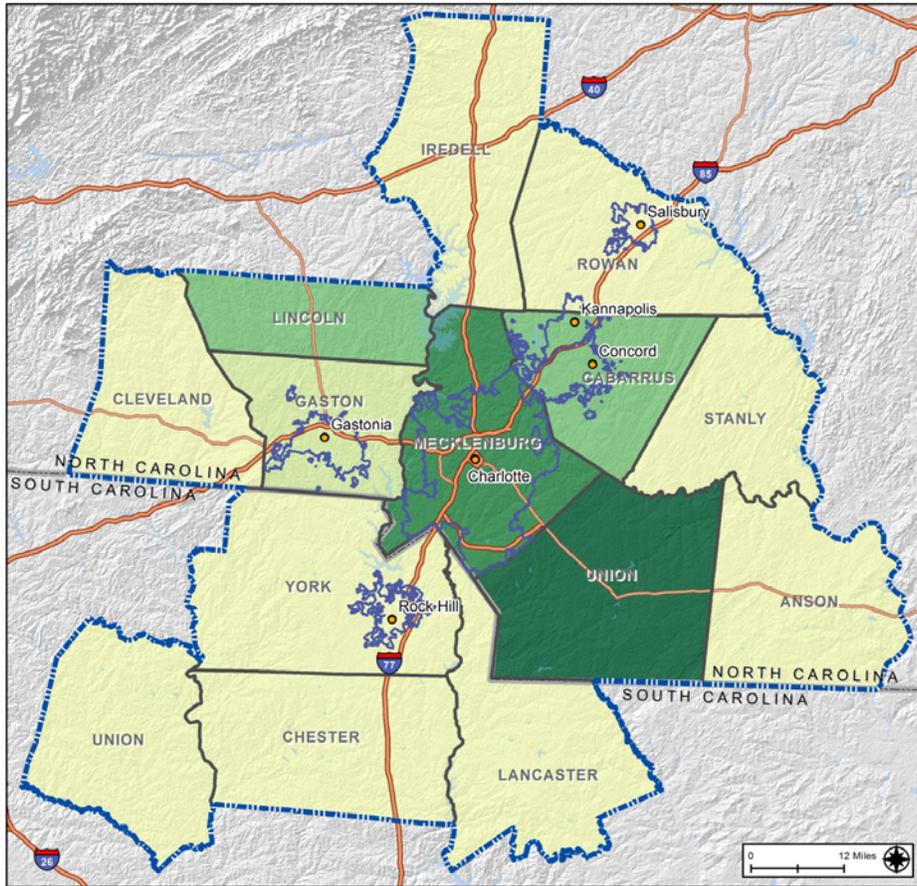
Isolation Index (African-American)



- Entitlement Cities
- Entitlement City Boundaries
- County Boundaries
- CONNECT Our Future region Boundary
- State Boundaries
- Major Roads

Data Source: 2000 Census

Map II.12
Isolation Index By County: Hispanic
 CONNECT Our Future region
 2000 Census Bureau Data



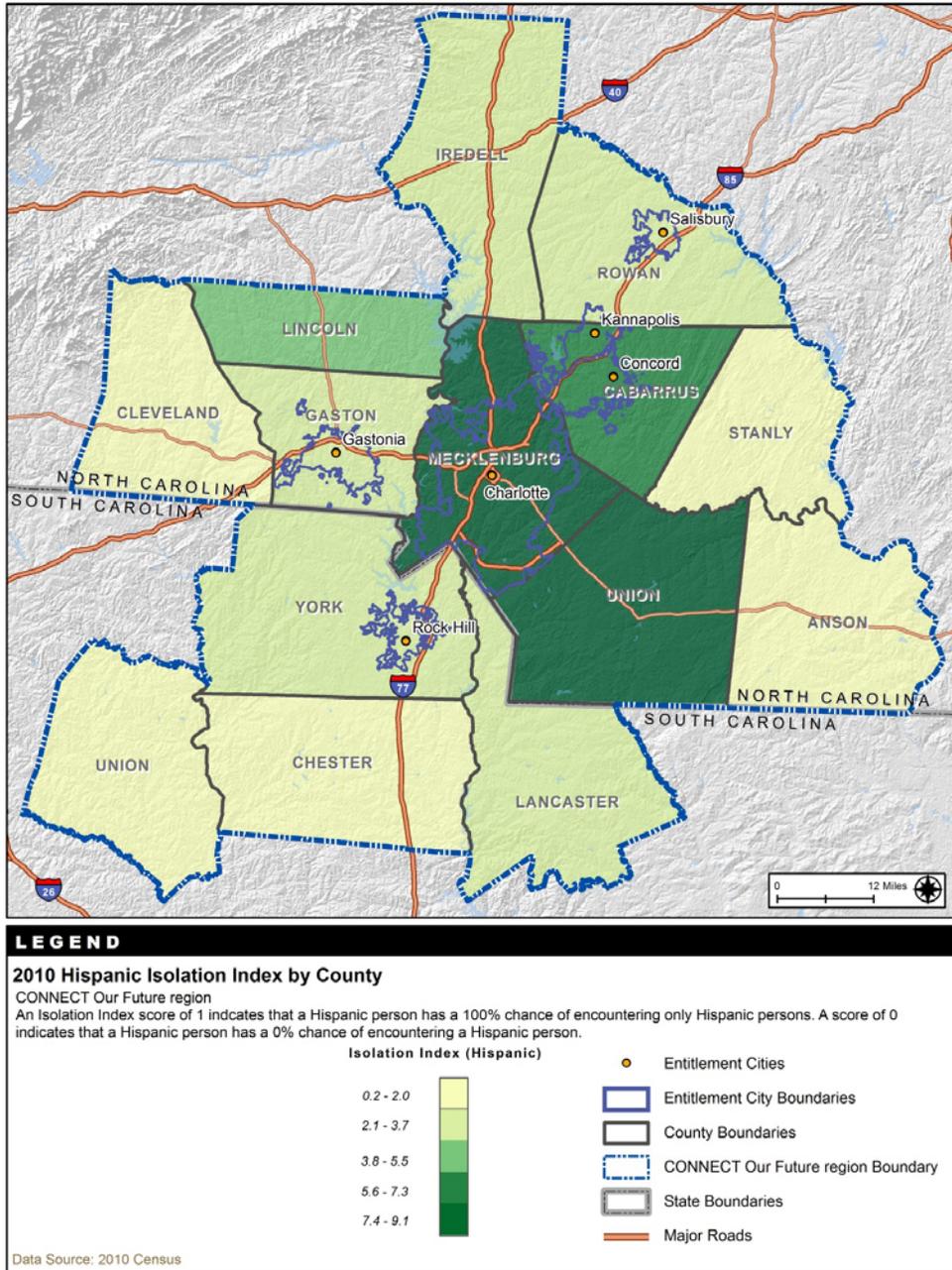
LEGEND

2000 Hispanic Isolation Index by County
 CONNECT Our Future region
 An Isolation Index score of 1 indicates that a Hispanic person has a 100% chance of encountering only Hispanic persons. A score of 0 indicates that a Hispanic person has a 0% chance of encountering a Hispanic person.

<p>Isolation Index (Hispanic)</p> <ul style="list-style-type: none"> 0.1 - 2.1 2.2 - 4.2 4.3 - 6.3 6.4 - 8.3 8.4 - 10.4 	<ul style="list-style-type: none"> ● Entitlement Cities ▭ Entitlement City Boundaries ▭ County Boundaries ▭ CONNECT Our Future region Boundary ▭ State Boundaries ▭ Major Roads
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Data Source: 2000 Census

Map II.13
Isolation Index By County: Hispanic
 CONNECT Our Future region
 2010 Census Bureau Data



C. ECONOMICS

LABOR FORCE AND EMPLOYMENT

Data gathered from the Bureau of Labor Statistics (BLS) regarding the labor force, defined as the total number of persons working or looking for work, are presented in Table II.9. These statistics are derived from sampling, employer reporting, and statistical estimation, and both the methodology and base reporting values are periodically revised.

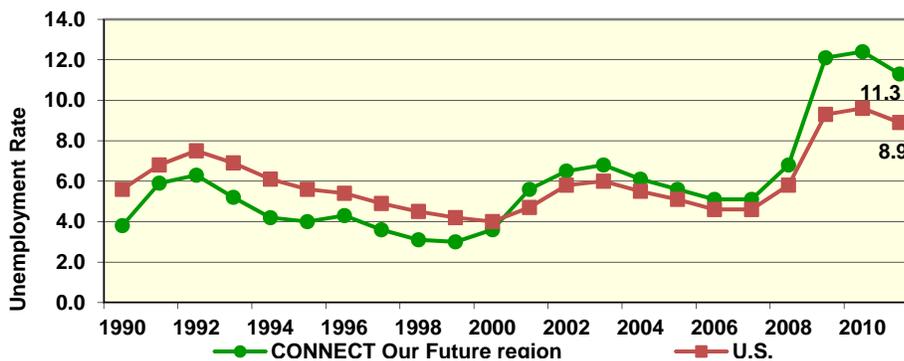
Labor force figures for the 14-county CONNECT Our Future region showed significant increases from 1990 through 2011, rising from just over 869,851 to nearly 1.25 million persons, an annual growth rate of 1.72 percent per year, and even increasing over the last few recession years. At this same time, the unemployment rate, which was at a historic low of 3.0 percent in 1999, rose to 5.6 and then 6.8 in 2008. Unfortunately, the region has appeared to be highly susceptible to the nation’s economic woes, and unemployment jumped to 12.1 one year later and rose further to 12.4 percent in 2010, as seen in Table II.9. While the unemployment rate has ebbed to 11.3 percent, this still means that some 140,000 people were out of work, but looking a job.

Still, these rates were significantly above the national average at the time of the most recent recession, which almost reached 10 percent. Furthermore, the labor force well-being of the region was substantially lower than the nation. As noted in Diagram II.3 below, the unemployment rate of the region has been higher over the last 12 years.

Table II.9
Labor Force Statistics
CONNECT Our Future
1990–2012 BLS Data

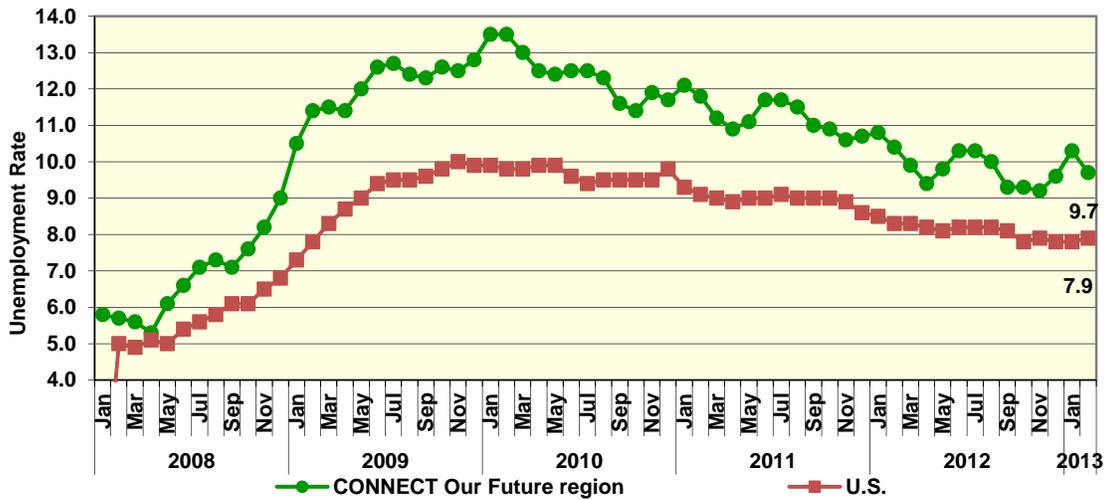
Year	Labor Force	Employment	Unemployment	Unemployment Rate
1990	869,851	836,937	32,914	3.8%
1991	877,452	825,690	51,762	5.9%
1992	889,156	832,927	56,229	6.3%
1993	902,717	855,412	47,305	5.2%
1994	919,157	880,868	38,289	4.2%
1995	938,553	900,943	37,610	4.0%
1996	971,912	930,438	41,474	4.3%
1997	991,599	955,821	35,778	3.6%
1998	999,153	967,909	31,244	3.1%
1999	1,030,310	999,681	30,629	3.0%
2000	1,059,743	1,021,440	38,303	3.6%
2001	1,076,095	1,015,823	60,272	5.6%
2002	1,090,772	1,019,449	71,323	6.5%
2003	1,102,008	1,026,720	75,288	6.8%
2004	1,105,476	1,037,903	67,573	6.1%
2005	1,126,963	1,064,391	62,572	5.6%
2006	1,171,340	1,111,854	59,486	5.1%
2007	1,187,631	1,126,506	61,125	5.1%
2008	1,211,653	1,129,381	82,272	6.8%
2009	1,212,425	1,066,327	146,098	12.1%
2010	1,231,318	1,078,765	152,553	12.4%
2011	1,245,821	1,105,608	140,213	11.3%

Diagram II.3
Unemployment Rate
CONNECT Our Future
1990–2011 BLS Data

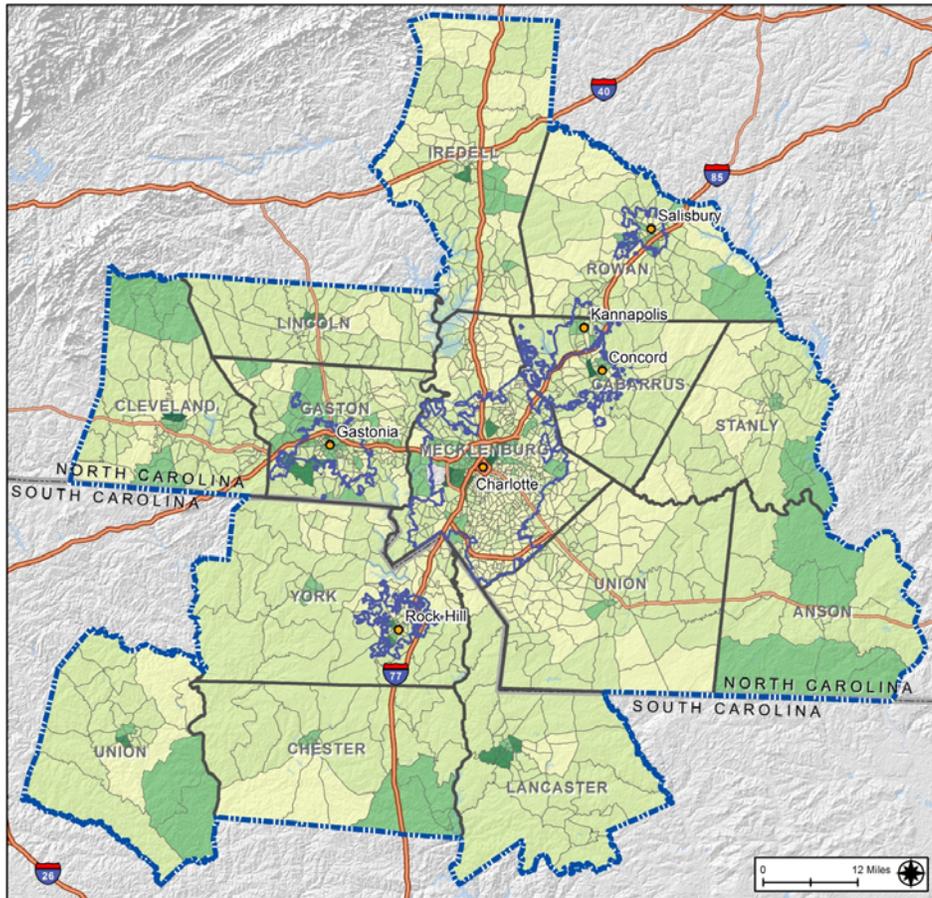


In fact, the last time the region was even close to the national average was in early 2008, as seen in Diagram II.4, below. The region, while experiencing a moderate unemployment rate, still has some substantial seasonal fluctuation and is nearly two percentage points higher than the national norm. Still, as noted in Map II.14, HUD views the region’s unemployment as more complicated, with areas of concentrations of unemployment.

Diagram II.4
Monthly Unemployment Rate
 CONNECT Our Future
 2008–July 2012 BLS Data



Map II.14
Unemployment Rate by Block Group
 CONNECT Our Future region
 2012 PDR Data



LEGEND

HUD Unemployment Rate
 CONNECT Our Future region
 The unemployment rate for every tract as a whole is assigned to each block group within that tract.

<p>Unemployment Rate</p> <ul style="list-style-type: none"> 0.0% - 7.0% 7.1% - 15.0% 15.1% - 23.0% 23.1% - 31.0% 31.1% - 38.3% 	<ul style="list-style-type: none"> Entitlement Cities Entitlement City Boundaries Block Group Boundaries County Boundaries CONNECT Our Future region Boundary State Boundaries Major Roads
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Data Source: 2012 HUD PDR

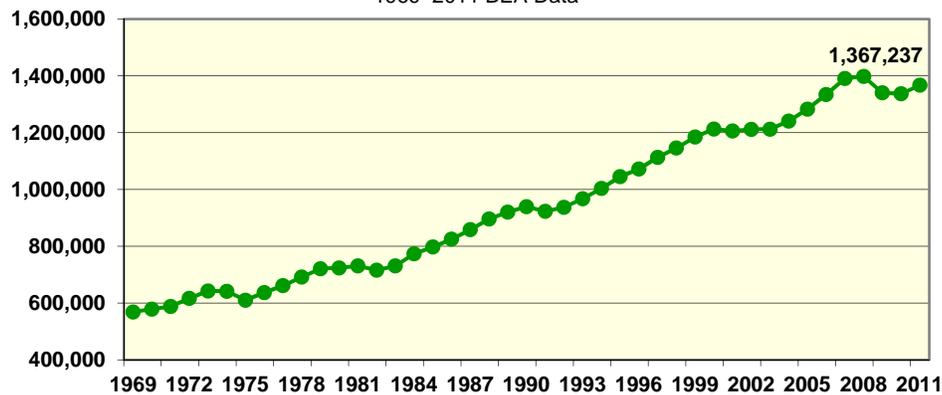
FULL- AND PART-TIME EMPLOYMENT

The Bureau of Economic Analysis (BEA) provides an alternate view of employment: a count of both full- and part-time jobs. Thus, a person working more than one job can be counted more than once in this database. Furthermore, BEA data includes both earned and unearned income sources, with examples of the latter including dividends, interest and rent. This income information is drawn from administrative records, and leads to a slight delay in the release of these data.

REAL EARNINGS PER JOB

Using the BEA earned income data, one can derive real average earnings per job, by simply dividing total earnings by the number of jobs and removing the effects of inflation, which makes the data comparable over time. Diagram II.6 on the following page shows that the region's earnings per job grew more quickly than those of the nation for most of the 1969 through 2011 history. Average earnings per job began at about \$30,000 in 1969, compared to the US average of about \$35,000, but exceeded the national average substantially by 2005.

Diagram II.5
Total Full- and Part-Time Employment
 CONNECT Our Future
 1969–2011 BEA Data



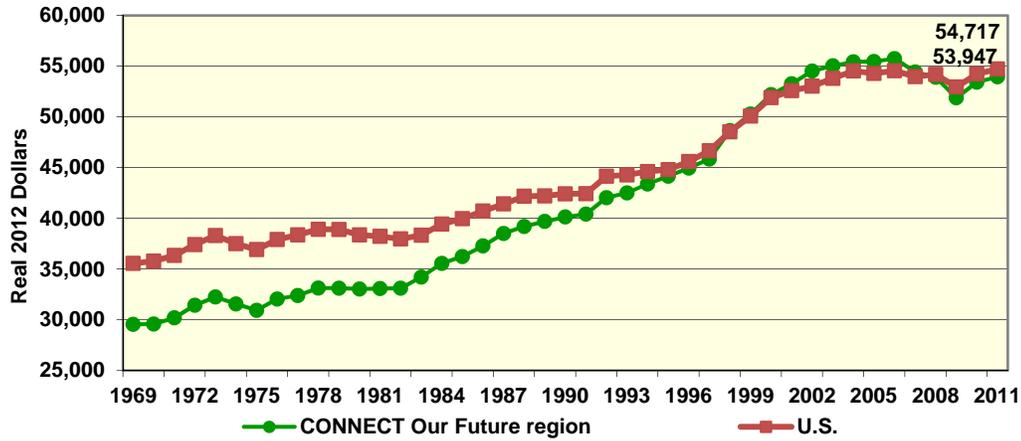
As shown in Diagram II.5 above, the total number of full- and part-time jobs in the region increased substantially from 1969 through 2011, from just about 568,500 jobs to 1,398,068 in 2008. However, the region seems to have had an established history for being susceptible to the national economy, with concurrent recessions occurring in 1974-75, 1980-81, 1990-91, 2000-2002, and again in 2008. While the total number of jobs slipped slightly between 2008 and 2010, it has once again begun to grow, reaching 1,367,237 in 2011.

While the region fell below the nation in 2009, today the region's average earnings per job was \$53,947 compared to the national average of \$54,717. Thus, that difference is being eliminated and earnings in the region are on track to exceed national earnings³. Still, to move this average higher, the region needs to build jobs that pay in excess of \$25.93 per hour.

³ <http://bea.gov/newsreleases/regional/spi/2013/pdf/spi1213.pdf>

Preliminary earnings data from 2013 indicate that the rate of job growth in North and South Carolina ran 18th and 10th in the country, respectively.

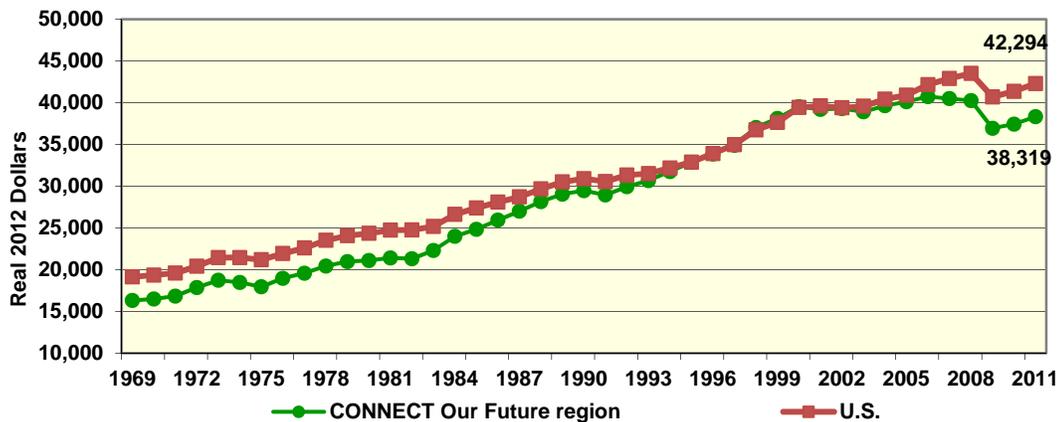
Diagram II.6
Real Average Earnings Per Job
 CONNECT Our Future
 1969–2011 BEA Data, 2011 Dollars



REAL PER CAPITA INCOME

Another gauge of economic health involves comparing the total of all forms of income: wages earned, transfer payments, and property income such as dividends, interest, and rents. When these data are added together and divided by population, per capita income is determined. Diagram II.7 compares real per capita income in the region to that of the US from 1969 through 2011. This diagram shows that per capita income in the region has been growing slightly more quickly than the nation. However, the region’s income took a substantial hit in 2009 and, while increasing again, has not yet exceeded the national average.

Diagram II.7
Real Per Capita Income
 CONNECT Our Future
 1969–2011 BEA Data, 2011 Dollars



HOUSEHOLD INCOME

Table II.10 below, presents 2000 Census and the 2011 ACS information as it relates to the distribution of household incomes in the CONNECT Our Future region. While this table does not account for the change in the cost of living or inflation, we see that the percentage of households

In the CONNECT Our Future region, the poverty rate in 2000 was a modest 9.9 percent, with 186,806 persons considered to be living in poverty. More than 22,278 children under the age of 6 were counted as living in poverty at that time, in addition to more than 21,673 persons aged 65 and older.

Table II.10
Households by Income

CONNECT Our Future
2000 Census SF3 & 2011 Five-Year ACS Data

Income	2000 Census		2011 Five-Year ACS	
	Households	% of Total	Households	% of Total
Less than \$15,000	101,327	13.7%	115,121	12.6%
\$15,000 to \$19,999	42,466	5.7%	49,192	5.4%
\$20,000 to \$24,999	46,634	6.3%	49,560	5.4%
\$25,000 to \$34,999	98,450	13.3%	98,463	10.8%
\$35,000 to \$49,999	130,862	17.7%	135,355	14.8%
\$50,000 to \$74,999	156,965	21.2%	173,772	19.0%
\$75,000 to \$99,999	77,048	10.4%	111,134	12.1%
\$100,000 or More	85,782	11.6%	183,302	20.0%
Total	739,534	100.0%	915,899	100.0%

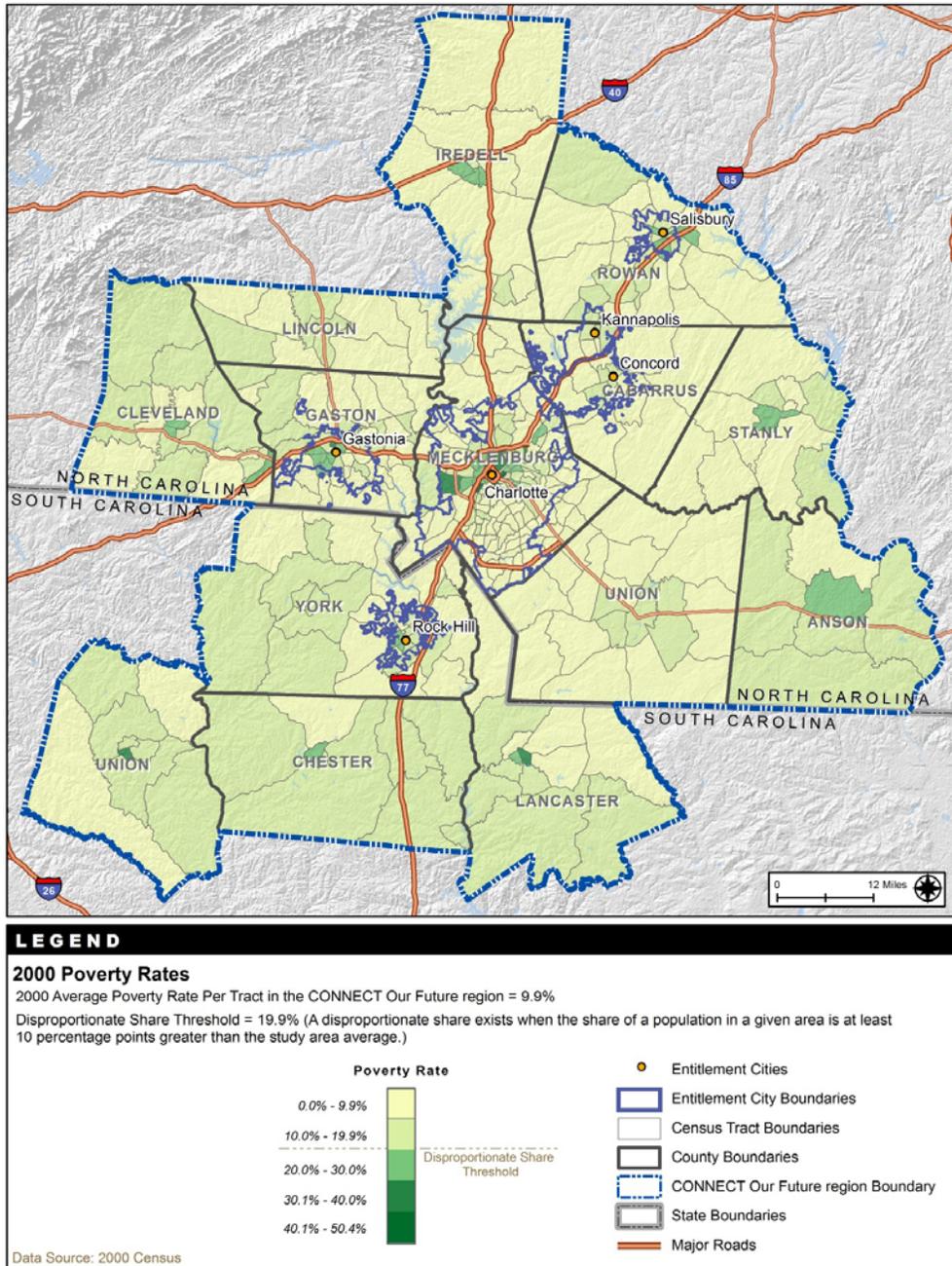
with incomes of less than \$15,000 grew nearly 12.6 percent over the decade, at the same time that the total number of households throughout the region expanded 23.8 percent. However, households with income from \$50,000 to \$74,999 rose 19.0 percent, and households with incomes above \$100,000 rose some 20.0 percent. This represents a positive move forward with household incomes in the region.

POVERTY

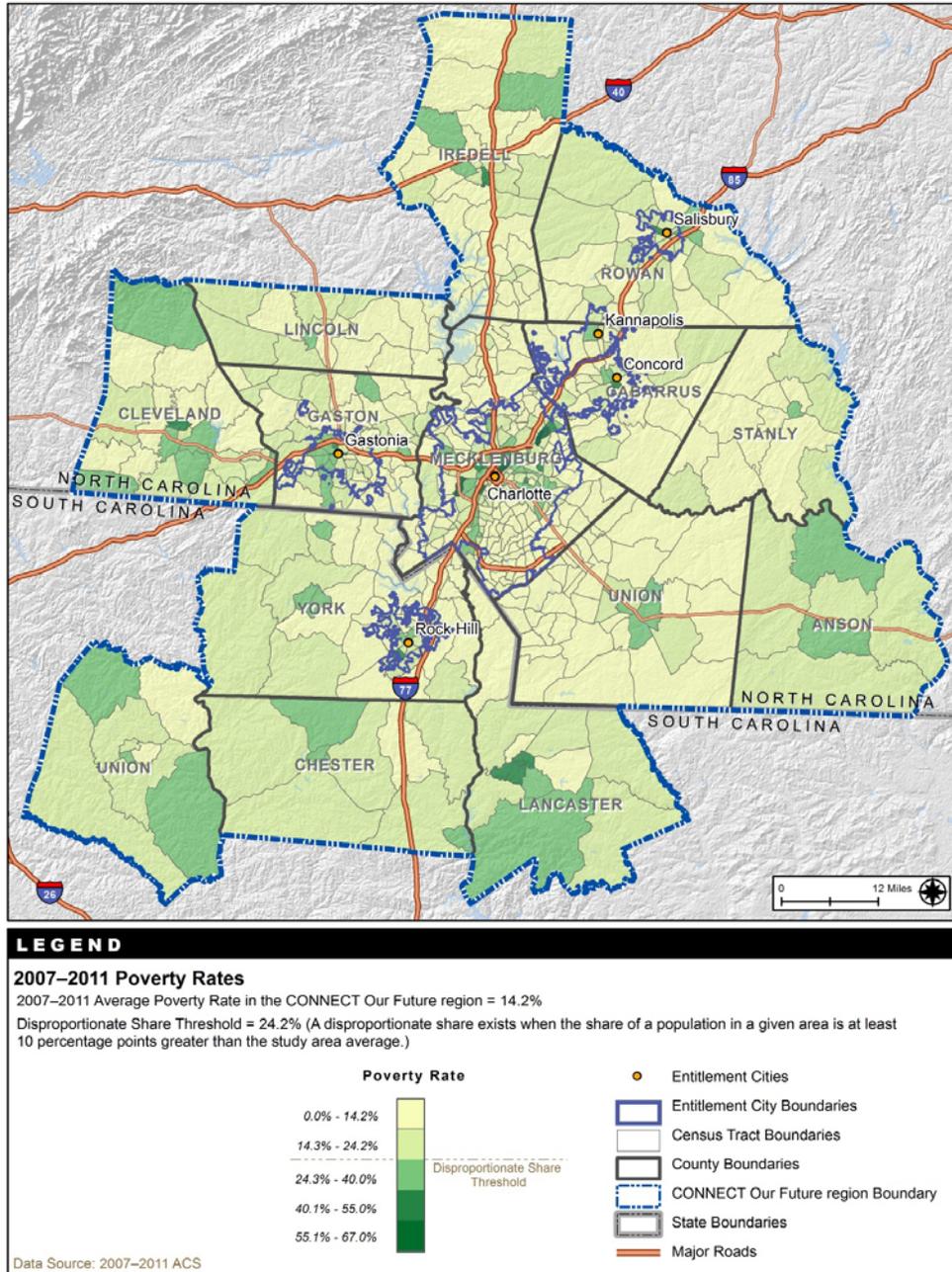
The Census Bureau uses a set of income thresholds that vary by family size and composition to determine poverty status. If a family's total income is less than the threshold for its size, then that family, and every individual in it, is considered poor. The poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index. The official poverty definition counts income before taxes and does not include capital gains and non-cash benefits such as public housing, Medicaid, and food stamps. Poverty is not defined for persons in military barracks, institutional group quarters, or for unrelated individuals under age 15, such as foster children.

The 2011 ACS data showed that poverty in the region increased to 14.2 percent, with the numbers of persons in poverty increasing for all groups, with the total number of persons in poverty slightly exceeding an estimated 333,000. It must be noted that a precise comparison of Census to ACS figures cannot be correctly done due to differences in data collection methods, even though the ACS is the best method available at the time for small geographic areas; but the distributions of poverty across groups and areas are comparable. Maps II.6 and II.7 present the distributions of the concentration of poverty throughout the region.

Map II.6
Poverty Rate by Census Tract
 CONNECT Our Future region
 2000 Census Data



Map II.7
Poverty Rate by Census Tract
 CONNECT Our Future region
 2011 ACS Data



While both urban and rural areas of the region have concentrations of poverty, it does appear that pockets of poverty are indeed appearing throughout the more rural areas of the region, in several counties, such as Lancaster, Iredell, Anson, Lincoln, and Union County, South Carolina.

Nevertheless, as shown in Table II.11, the most dramatic increase was seen among persons aged 18 to 64, which rose by more than 2 percentage points to comprise more than 57 percent of all persons in poverty in 2011.

Table II.11
Poverty by Age

CONNECT Our Future
2000 Census SF3 & 2011 Five-Year ACS Data

Age	2000 Census		2011 Five-Year ACS	
	Persons in Poverty	% of Total	Persons in Poverty	% of Total
Under 6	22,278	11.9%	45,576	13.7%
6 to 17	40,151	21.5%	73,360	22.0%
18 to 64	102,704	55.0%	190,087	57.1%
65 or Older	21,673	11.6%	24,030	7.2%
Total	186,806	100.0%	333,053	100.0%
Poverty Rate	9.9%	.	14.2%	.

ECONOMICS SUMMARY

Labor force figures for the 14-county CONNECT Our Future region showed significant increases from 1990 through 2011, rising from just over 869,851 to nearly 1.25 million persons, an annual growth rate of 1.72 percent per year, and even increasing over the last few recession years. While the unemployment rate has ebbed to 11.3 percent, this still means that some 140,000 people were out of work, but wishing to find a job. Still, the region seems to have had an established history for being susceptible to the national economy, with concurrent recessions occurring in 1974-75, 1980-81, 1990-91, 2000-2002, and again in 2008.

While the earnings per job in the region fell behind the nation in 2009 by \$1,065, in 2011 the regional average was \$53,947, compared to the national average of \$54,717—a difference of \$770. Thus, that difference is being eliminated and the region should again overtake the nation shortly. Still, to move this average higher, the region needs to build jobs that pay in excess of \$25.93 per hour.

In the region, the poverty rate in 2000 was a modest 9.9 percent, with 186,806 persons considered to be living in poverty. The 2011 ACS data showed that poverty in the region increased to 14.2 percent, with the number of persons in poverty slightly exceeding 333,000. Further, it does appear that pockets of poverty are appearing more frequently throughout the more rural areas of the region, in several counties such as Lancaster, Iredell, Anson, Lincoln, and Union County, South Carolina having higher incidences of poverty than 10 years ago.

While the regional economy has been suffering from higher rates of unemployment and job losses over the past few years, it is expected that this economic downturn will cease and that substantial job growth will return, with job growth occurring at an average annual rate of 1.2 percent through 2050.

D. RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY

The geographic maps presented previously demonstrate that there are several areas with high concentrations of poverty scattered throughout the region. Further, geographic maps previously presented in this document show that there are several areas with high concentrations of racial and ethnic minorities.

In a Fair Housing Equity Assessment, assessing the relationship between these two concentrations is useful. Using HUD's definition for a racially concentrated area of poverty (RCAP) or an ethnically concentrated area of poverty (ECAP), these concentrations were reviewed in greater detail. These areas are defined to exist when at least 50 percent of the population is non-white or Hispanic, respectively, and at least 40 percent of the population is in poverty. Hence, this classification system is binary--"yes" or "no."

HUD's FHEA database, released by the Office of Policy Development and Research (PDR) in 2012, presents data for racially and/or ethnically concentrated areas using the 2005–2009 five-year ACS data by Census tract. This represents a composite indicator of whether either or both conditions exist in a Census tract. These data are represented in Map II.17, on the following page.

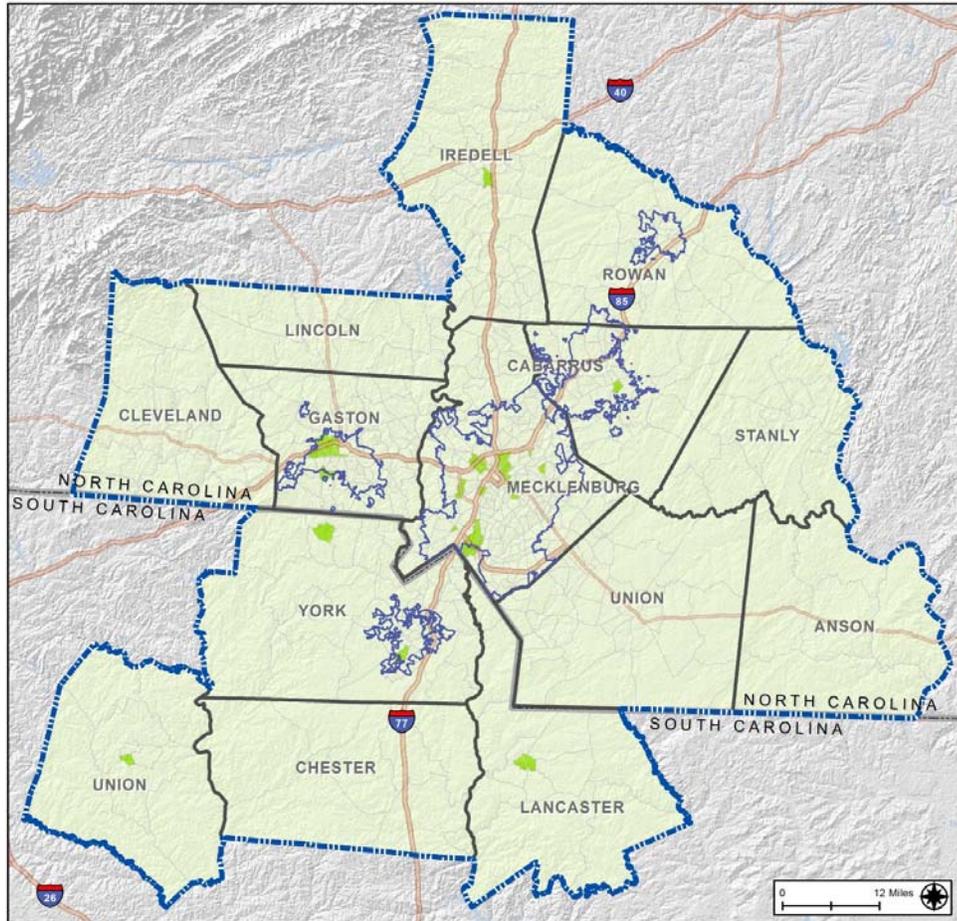
As shown below, the data are somewhat strewn about the region without any perceptible pattern. Some of the RCAP and ECAP areas are in urbanized areas and others are in quite rural settings. The RCAP and ECAP classification was updated using newer ACS data, as well as separating the racial and ethnic measures to better identify. The resulting calculations are shown in the following maps.

However, recall that the ACS data represent a five-year average of annual survey estimates and that the values presented in the PDR data are not the most recent. Furthermore, the ACS figures are not directly comparable to decennial Census counts because they do not account for certain population groups, such as the homeless. In addition, defining policy from a single observation may lead to hasty decisions.

In this spirit, RCAP and ECAP values were computed from a series of decennial Census observations from 1970 through 2000, with the RCAP areas being mapped, as well as computing an updated 2011 ACS geographic map. While the region does not have any ECAP areas, the results of the RCAP computations are presented in Maps II.17 through II.22, on the following pages.

What is especially interesting is the notion that the RCAP areas have been few, sometimes fewer than five Census tracts. These have tended to be concentrated in the City of Charlotte, as seen in Maps II.18 through II.21, with the fewest number of tracts appearing in the 2000 Census. These are unlike what is being seen in the ACS survey data; the frequency and geographic distribution are scattered using the ACS data. While the ACS is an authoritative source, and often used for policy making, given the differences between the historic trends and the ACS reported data, it is not certain that these data are valid and reliable, so care must be taken to not make too hasty a decision when interpreting these values.

Map II.17
Racially and/or Ethnically Concentrated Areas of Poverty by Census Tract
 CONNECT Our Future region
 2012 PDR Data



LEGEND

HUD 2005–2009 Racially and/or Ethnically Concentrated Areas of Poverty

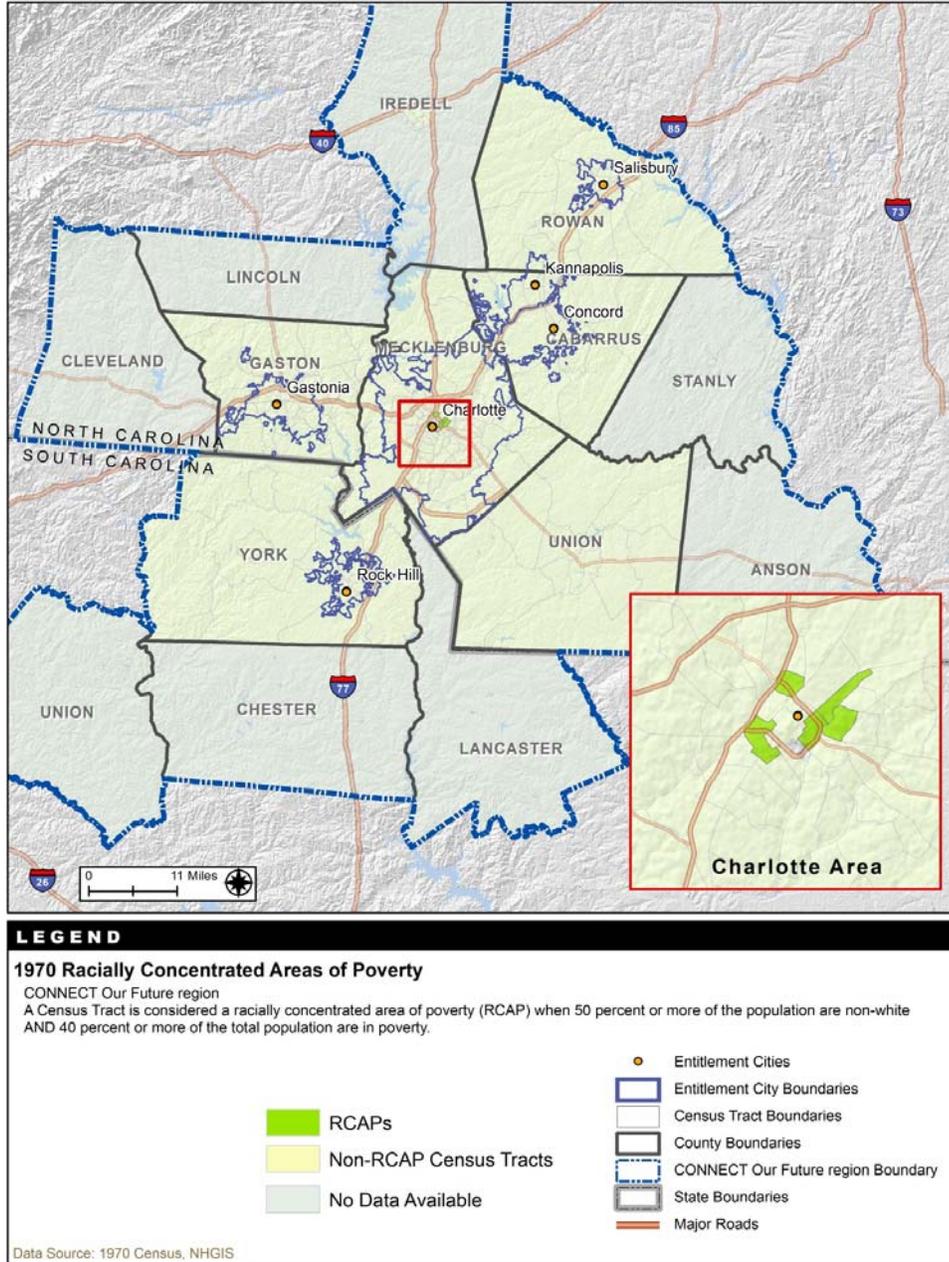
A Census tract is considered a racially or ethnically concentrated area of poverty (RCAP/ECAP) when 50 percent or more of the population are non-white and/or Hispanic AND 40 percent or more of the total population are in poverty.

- | | |
|---|--|
|  RCAPs/ECAPs |  Entitlement Cities |
|  Non RCAP/ECAP Census Tracts |  Entitlement City Boundaries |
| |  Block Group Boundaries |
| |  County Boundaries |
| |  CONNECT Our Future region Boundary |
| |  State Boundaries |
| |  Major Roads |

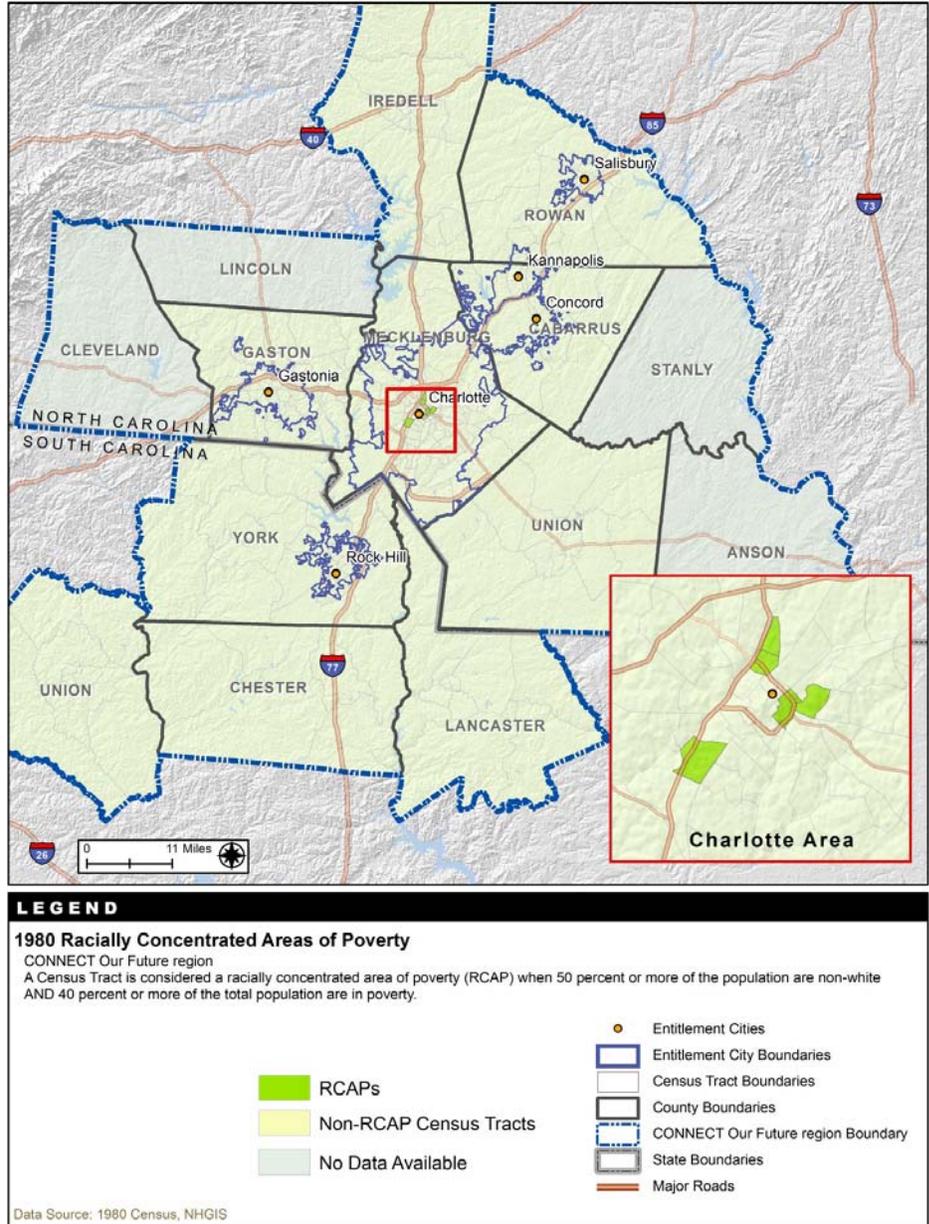
Data Source: 2012 HUD PDR

Map II.18
Racially Concentrated Areas of Poverty by Census Tract

CONNECT Our Future region
 NHGIS, 1970 Census Data

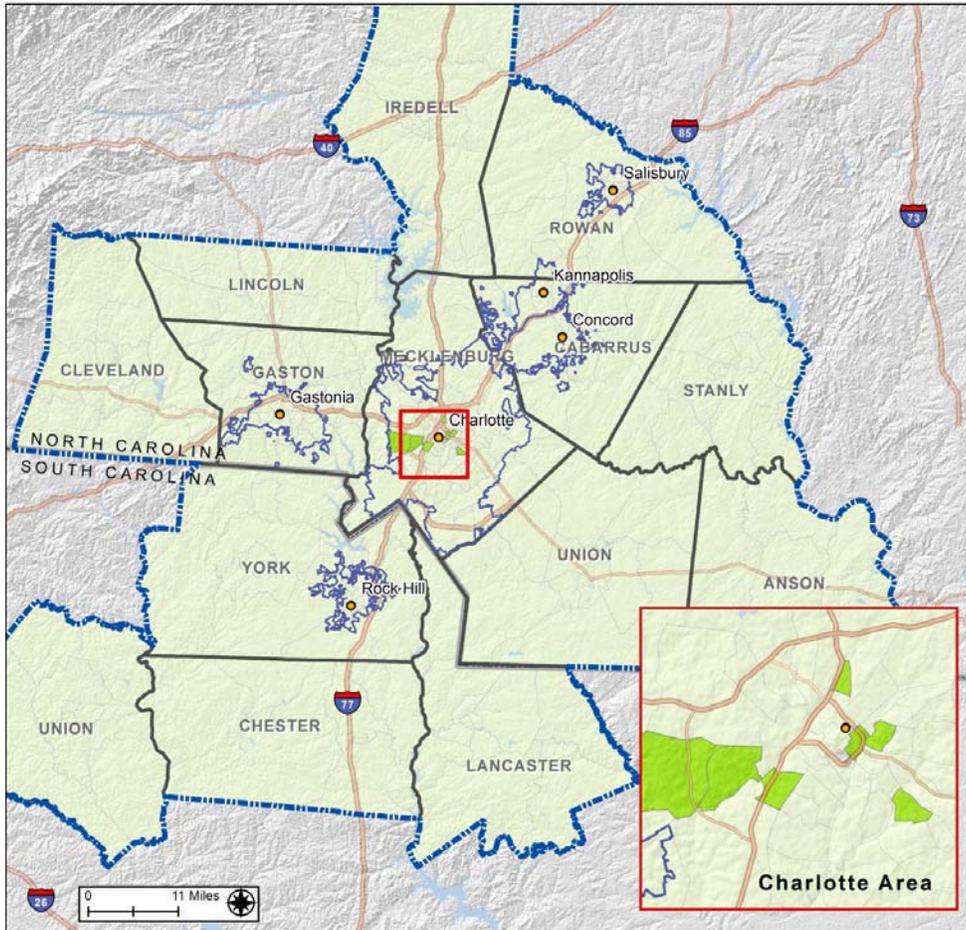


Map II.19
Racially Concentrated Areas of Poverty by Census Tract
 CONNECT Our Future region
 NHGIS, 1980 Census



Map II.20
Racially Concentrated Areas of Poverty by Census Tract

CONNECT Our Future region
 NHGIS, 1990 Census Data



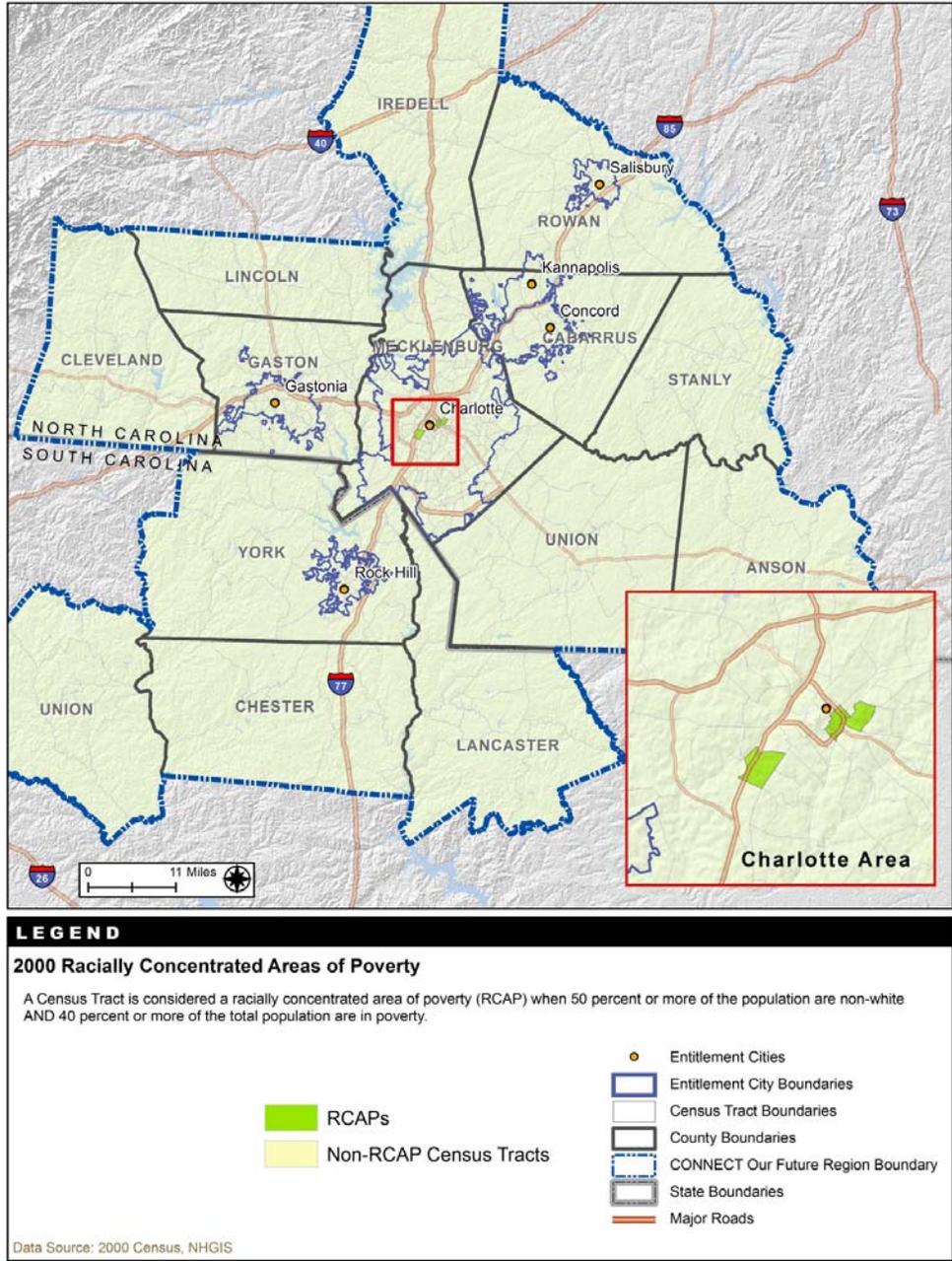
LEGEND

1990 Racially Concentrated Areas of Poverty
 CONNECT Our Future region
 A Census Tract is considered a racially concentrated area of poverty (RCAP) when 50 percent or more of the population are non-white AND 40 percent or more of the total population are in poverty.

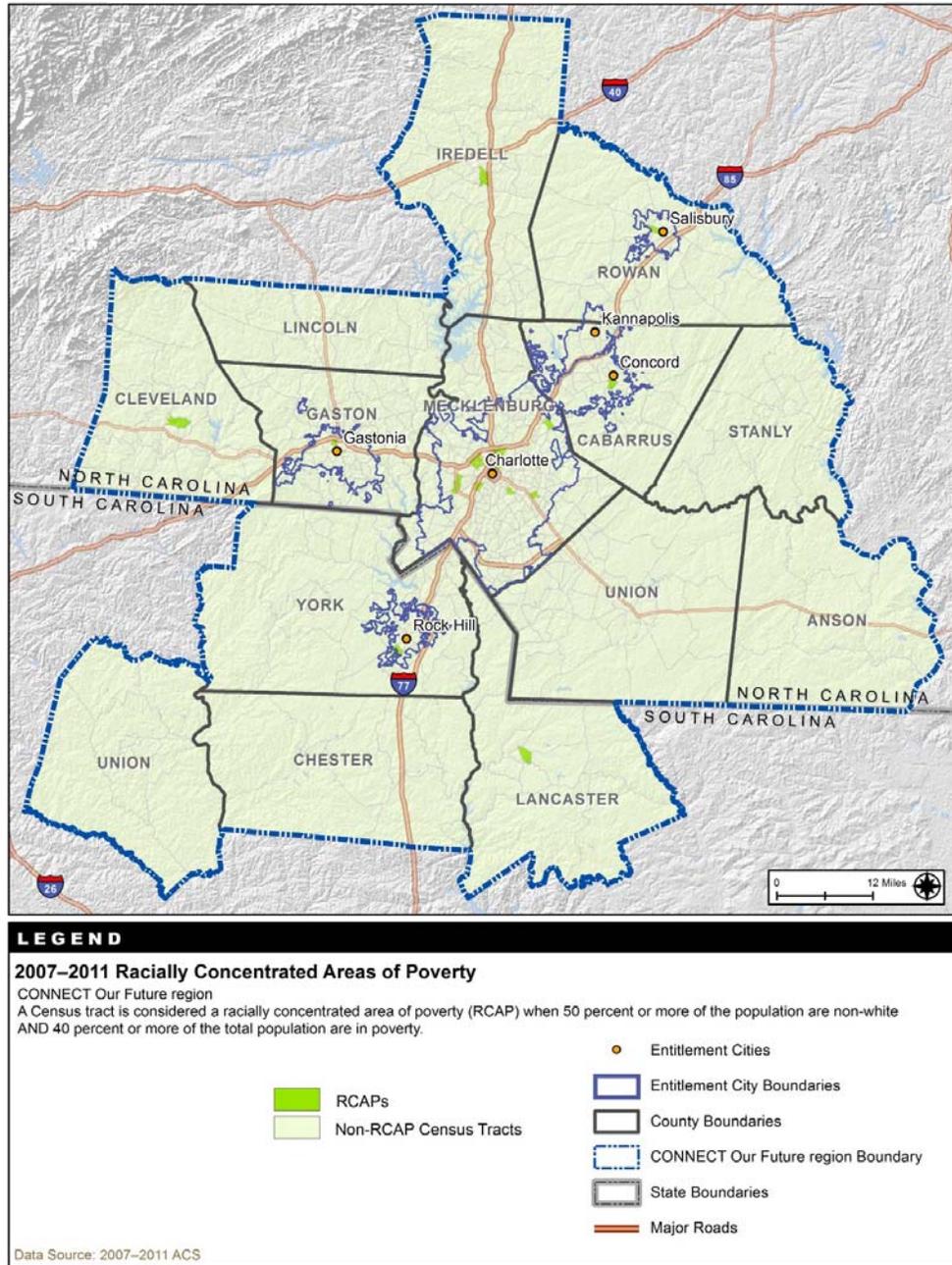
 RCAPs	 Entitlement Cities
 Non-RCAP Census Tracts	 Entitlement City Boundaries
	 Census Tract Boundaries
	 County Boundaries
	 CONNECT Our Future region Boundary
	 State Boundaries
	 Major Roads

Data Source: 1990 Census, NHGIS

Map II.21
Racially Concentrated Areas of Poverty by Census Tract
 CONNECT Our Future region
 NHGIS, 2000 Census Data



Map II.22
Racially Concentrated Areas of Poverty by Census Tract
 CONNECT Our Future region
 2011 ACS Data



E. AREAS OF OPPORTUNITY

One of the key provisions of preparing the CONNECT Fair Housing Equity Assessment (FHEA) is to develop a shared understanding of the dynamics that enhance, or limit, opportunity. One of the purposes of addressing this issue is to open a regional discussion about factors and investments that promote opportunity.

Existing areas of opportunity are physical places, areas within communities that provide everything one needs to thrive, including quality employment, good schools, affordable housing, efficient public transportation, safe streets, services, parks, and full-service grocery stores. Areas lacking opportunity have the opposite of these attributes. Sustained exposure to highly distressed neighborhoods is associated with higher drop-out rates and lower economic performance. Hence, it is the disparities in access to opportunity, or community assets, that negatively impacts the provision of quality education and economic advancement. Persons with greater exposure to asset-rich neighborhoods realize many gains, both educational and in terms of economic well-being. Equitable development requires thinking about equity impacts at the front end, prior to the investment occurring.⁴

HUD's guidance suggests using the PDR FHEA databases which, from the optional data and mapping resources provided by the Regional Planning Grant Program are created by assembling key data values to create an opportunity index with values ranging from zero (an area having no opportunity) to one (an area having perfect opportunity). In the technical documentation to these types of neighborhood qualifiers, HUD has made the following statement:

HUD has developed a two-stage process for analyzing disparities in access to neighborhood opportunity. The first stage involves quantifying the degree to which a neighborhood offers features commonly associated with opportunity. This stage uses metrics that rank each neighborhood along a set of key dimensions. In the second stage, HUD combines these dimension rankings with data on where people

in particular subgroups live to develop a measure of that group's general access or exposure to each opportunity dimension. These summary measures can then be compared across subgroups to characterize disparities in access to opportunity.

To identify disparities in opportunity, HUD PD&R calculates exposure indices for each opportunity dimension across a range of subgroups. The exposure index calculates a weighted average for a given characteristic. The raw values for the opportunity dimensions are placed into 100 percentile buckets, based on the within-metro (or non-metro balance of state) ranking. For each dimension, the higher the percentile, the more favorable the neighborhood condition along that given dimension.

HUD considers "opportunity a multi-dimensional notion. To focus the analysis, HUD developed methods to quantify a selected number of the important "stressors" and "assets" in every neighborhood. These dimensions were selected because existing research suggests they have a bearing on a range of individual outcomes.

The following describes how HUD defines four of the opportunity indexes that can be chosen from the PDR data sets to create a composite notion of opportunity.

NEIGHBORHOOD SCHOOL PROFICIENCY INDEX

The neighborhood school proficiency index uses school-level data on the performance of students on state exams to describe which neighborhoods have high-performing elementary schools and which have lower performing elementary schools. The proficiency index is a function of the percent of elementary school students proficient in reading and math on state test scores for the school associated with the neighborhood. Elementary schools are linked with block-groups based on a geographic mapping of attendance area zones from School Attendance Boundary Information System (SABINS), where available, or within-district proximity matches of up to the four-closest schools within a mile. In cases with multiple school matches, an enrollment-weighted score is calculated following the equation above.

POVERTY INDEX

HUD created a simple poverty index to capture the depth and intensity of poverty in a given neighborhood. The index uses family poverty rates and receipt of public assistance to operationalize both aspects. The index is a linear

⁴ Regional Equity and the Quest for Full Inclusion. PolicyLink, 2008.

combination of two vectors: the family poverty rate and the percentage of households receiving public assistance.

JOB ACCESS INDEX

The job access index summarizes the accessibility of a given residential neighborhood as a function of its distance to all job locations, with distance to larger employment centers weighted more heavily. Specifically, a gravity model is used where the accessibility of a given residential block-group is a summary description of the distance to all job locations, with the distance from any single job location positively weighted by the size of employment opportunities at that location and inversely weighted by the labor supply to that location.

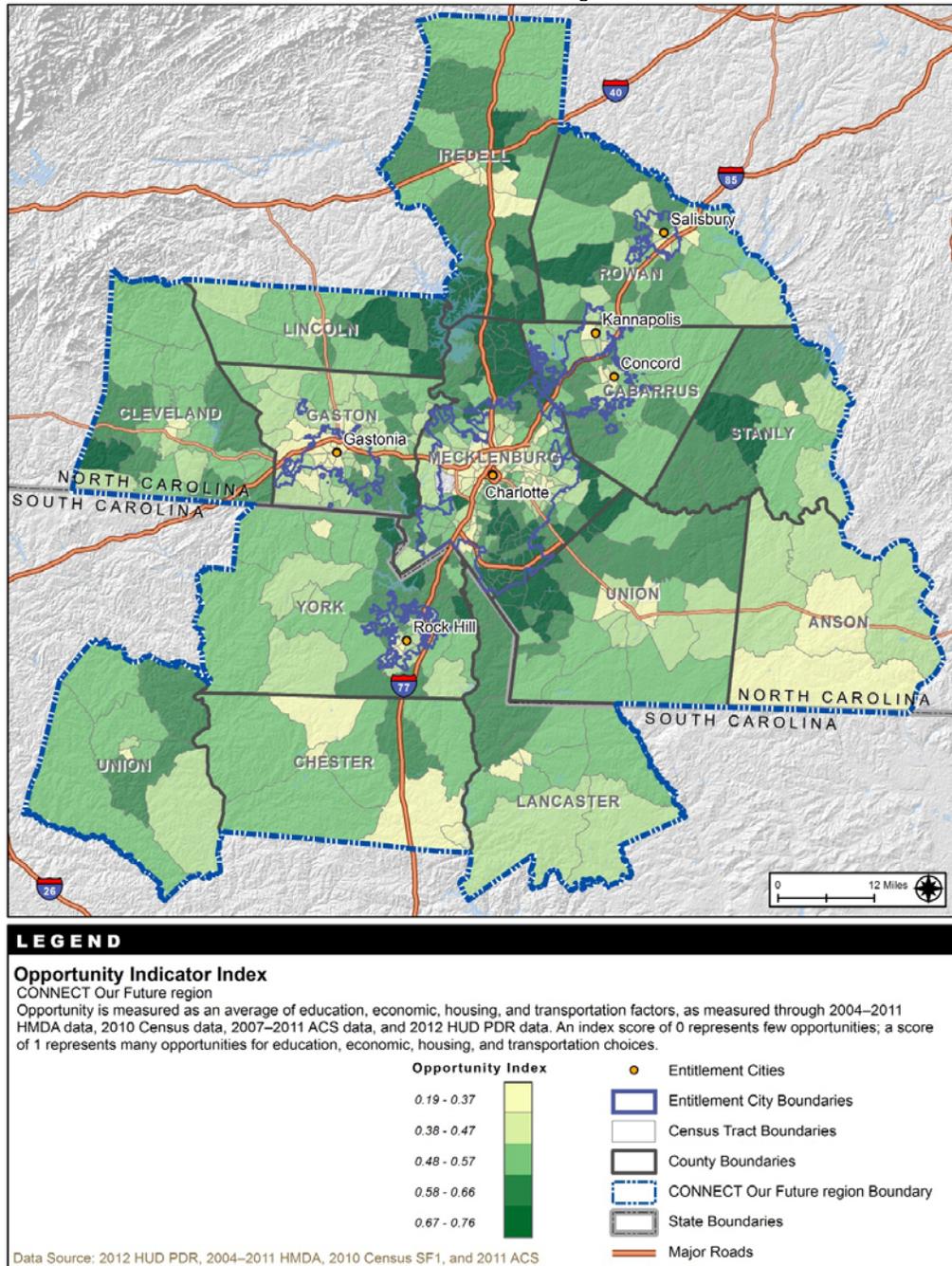
LABOR MARKET ENGAGEMENT INDEX

The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force participation and educational attainment in that neighborhood. Formally, the labor market engagement index is a linear combination of three standardized vectors: unemployment rate, labor-force participation rate, and percent with bachelor's degree or higher. HUD's technical documentation concludes with the following:

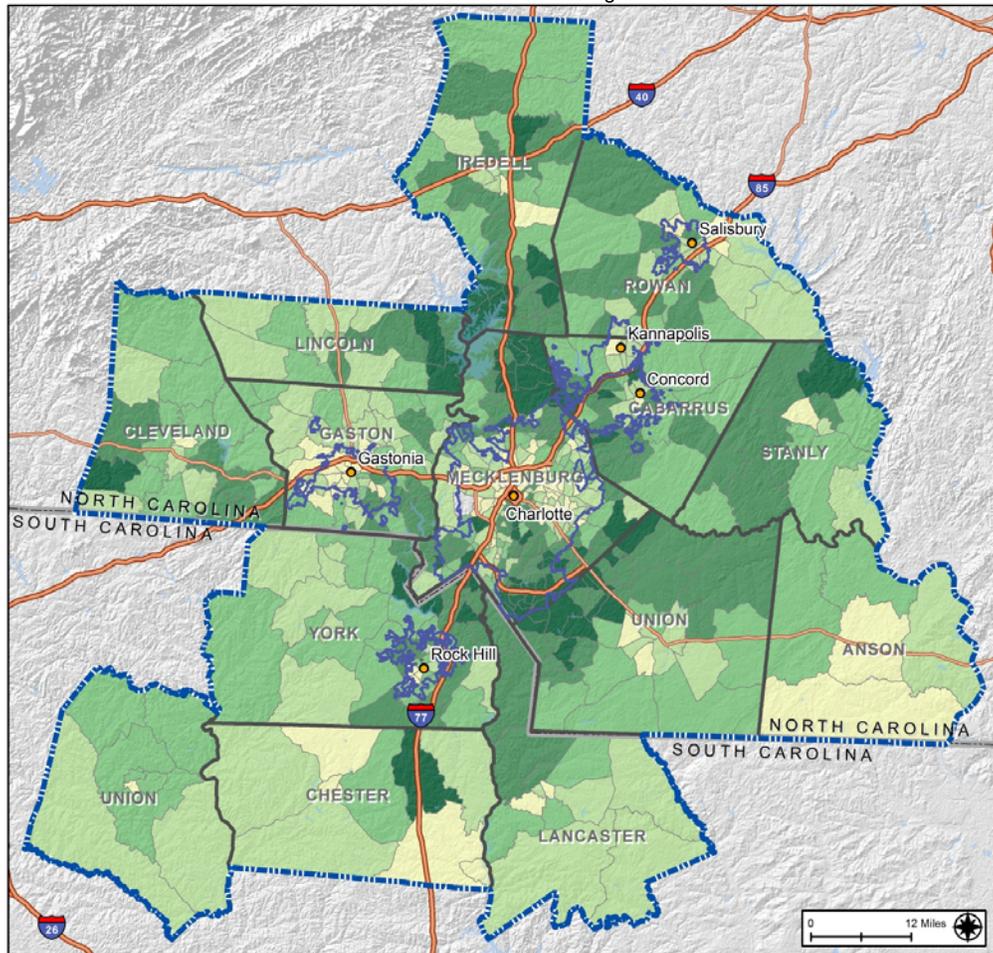
Invariably, these dimensions do not capture everything that is important to the well-being of individuals and families. In quantifying indicators of neighborhood opportunity, HUD is not making a definitive assessment of one's life chances based on geography. As a consequence, HUD encourages program participants to supplement the data it provides with robust locally-available data on these other assets and stressors, so that the analysis is as all-encompassing as possible.

In this spirit, several variables comprising more localized data have also been chosen to quantify opportunity areas. These represent the share of households experiencing housing cost burdens, the share of housing that is occupied, and the share of vacant housing classified as "other vacant." Using a simple mean of the combined variables, three geographic maps have been created that portray alternate sets of opportunity areas in the CONNECT Our Future region. These maps are presented on the following three pages as three optional suggestions for opportunity areas, with those areas having the highest scores, and darkest green colors the areas with the highest opportunity.

Map II.24
Opportunity Index 1 - Walkability, Labor Market, Occupied Housing, Cost Burden, School Proficiency, and Poverty
 CONNECT Our Future region



Map II.25
Opportunity Index 2 - Walkability, Job Access, Occupied Housing, Cost Burden, School Proficiency, and Poverty
 CONNECT Our Future region



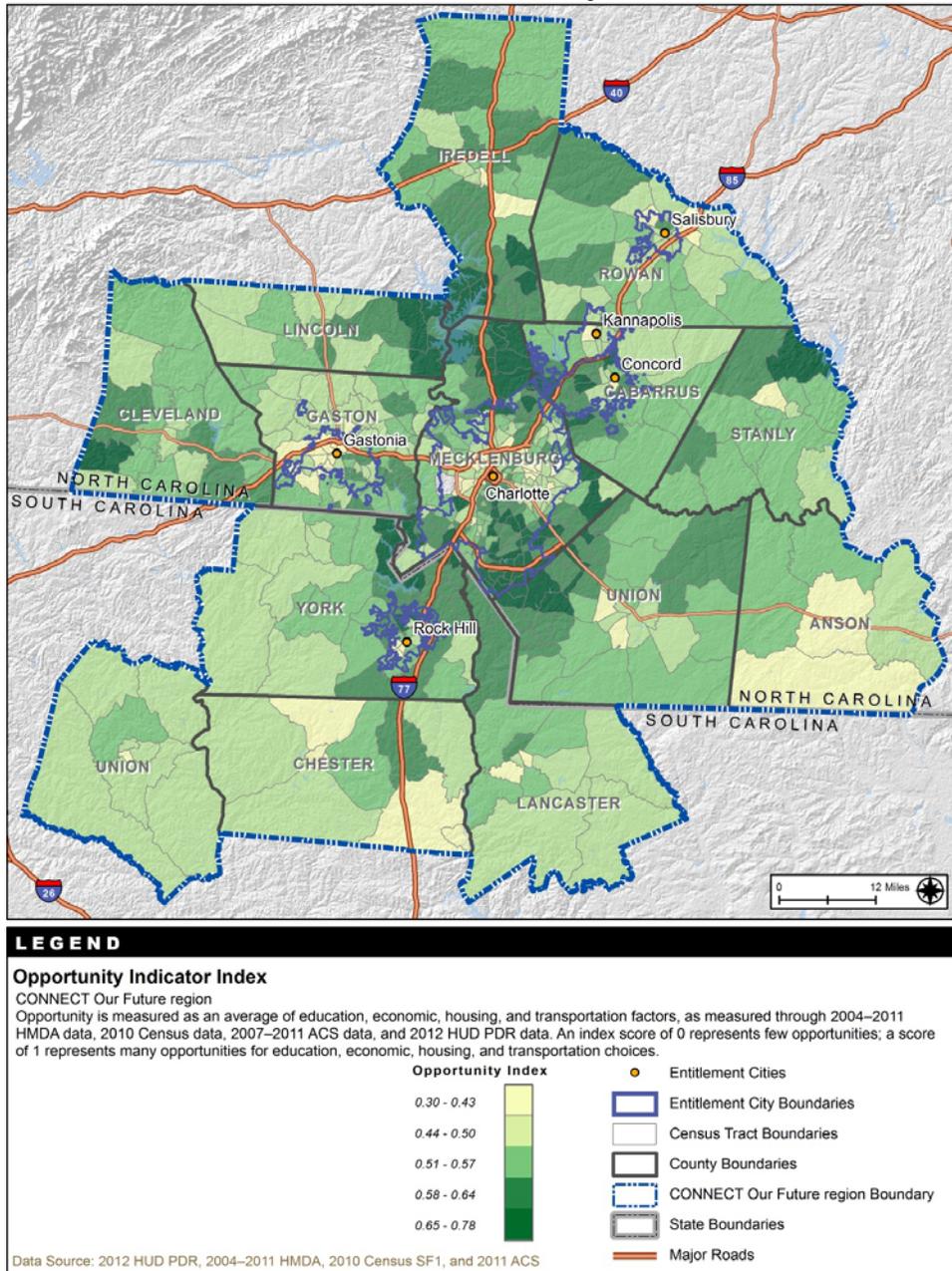
LEGEND

Opportunity Indicator Index
 CONNECT Our Future region
 Opportunity is measured as an average of education, economic, housing, and transportation factors, as measured through 2004–2011 HMDA data, 2010 Census data, 2007–2011 ACS data, and 2012 HUD PDR data. An index score of 0 represents few opportunities; a score of 1 represents many opportunities for education, economic, housing, and transportation choices.

<p>Opportunity Index</p> <ul style="list-style-type: none"> 0.24 - 0.40 0.41 - 0.48 0.49 - 0.55 0.56 - 0.63 0.64 - 0.76 	<ul style="list-style-type: none"> ● Entitlement Cities ▭ Entitlement City Boundaries ▭ Census Tract Boundaries ▭ County Boundaries ▭ CONNECT Our Future region Boundary ▭ State Boundaries ▭ Major Roads
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Data Source: 2012 HUD PDR, 2004–2011 HMDA, 2010 Census SF1, and 2011 ACS

Map II.26
Opportunity Index 3 - Walkability, Job Access, Occupied Housing, Cost Burden, School Proficiency, Poverty, and Other Vacant Housing
 CONNECT Our Future region



This process is quantitative, but subject to wide discretion. In Map II.24, Opportunity Index 1, the data chosen represented a walkability index, a labor market index, school proficiency index and poverty index all of which have been defined by HUD. Local data on occupied housing and cost burdens were also chosen. This selection of variables indicates that the opportunity areas are largely outside of Charlotte, with several tracts concentrated in southern Iredell County and eastern Lincoln County.

In Map II.25, Opportunity Index 2, a similar set of variables were chosen, but instead of labor market, job access was substituted. Using this one replacement, the number of opportunity areas visibly declined, those with the darkest green colors, and the highest index values. However, once again, the opportunity areas were largely outside of Charlotte and remained in many of the more rural areas of the region.

In Map II.26, a local variable was added to the opportunity calculation—“other vacant” housing.⁵ Opportunity Index 3 seems to draw more opportunity areas into the more urbanized areas of the region, thereby allowing easier access to a larger portion of the population. At this time, it is evident that a little more thought devoted to the definition of these variables may make for an enhancement to the identification of opportunity areas.

F. SUMMARY

The population in the region has expanded at a relatively fast rate over the last decade, rising from just over 1.9 million people in 2000 to slightly more than an estimated 2.5 million in 2012, an annual growth rate of 2.2 percent per year, and 1.87 percent per year from 1970 through 2010. The racial and ethnic blend of the region is increasing. African American residents represent the largest of all racial or ethnic minority populations, and rose from 21 to roughly 22 percent of the population over the last decade, reaching 533,577 persons. A substantial

rise in the Hispanic population occurred, which expanded by 143.7 percent and reaching a total of 208,559 persons.

In the region, the poverty rate in 2000 was a very modest 9.9 percent, with 186,806 persons considered to be living in poverty. The 2011 ACS data showed that poverty in the region increased to 14.2 percent, with the number of persons in poverty slightly exceeding 333,000. Further, it does appear that pockets of poverty are appearing more frequently throughout the more rural areas of the region, in several counties such as Lancaster, Iredell, Anson, Lincoln, and Union County, South Carolina having higher incidences of poverty than 10 years ago.

A review of measures of segregation and integration indicate that the region has low levels of segregation and rising integration over the last decade. Further, RCAP and ECAP areas seem to have declined over the last 40 years, with the 2011 ACS data indicating a questionable rise and wide distribution of RCAP areas in geographic locales of the CONNECT Our Future region not normally considered as disadvantaged.

A preliminary discussion of opportunity areas found that many opportunity areas exist outside of the more urbanized areas of the region, but that this definition of opportunity may need further thought and discussion.

⁵ The full discussion of vacant housing throughout the CONNECT Our Future Region, particularly as it relates to housing that is vacant and no longer available to the marketplace, also known as “other vacant” housing is found in Volume 1 of the CONNECT Comprehensive Regional Housing Strategy.

III. FAIR HOUSING INFRASTRUCTURE

The purpose of this section is to provide a profile of the fair housing infrastructure in the CONNECT Our Future region. This includes an enumeration of key agencies and organizations that contribute to affirmatively furthering fair housing, an evaluation of the presence and scope of services of existing fair housing organizations, and a review of the complaint process.

A. FAIR HOUSING INFRASTRUCTURE

FAIR HOUSING AGENCIES

U.S. Department of Housing and Urban Development

The U.S. Department of Housing and Urban Development (HUD) oversees, administers, and enforces the federal Fair Housing Act. HUD's regional office in Atlanta oversees housing, community development, and fair housing enforcement in Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina South Carolina, Tennessee, Puerto Rico, and the U.S. Virgin Islands. The Office of Fair Housing and Equal Opportunity (FHEO) within HUD's Atlanta's office enforces the Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending, and other related transactions in North and South Carolina. HUD also provides education and outreach, monitors agencies that receive HUD funding for compliance with civil rights laws, and works with state and local agencies under the Fair Housing Assistance Program (FHAP) and Fair Housing Initiative Program (FHIP), as described below.

Fair Housing Assistance Program (FHAP)

In the U.S., many state and local agencies have an ordinance or law that empowers a state or local governmental agency to enforce the state or local fair housing law. If HUD determines that the local entity can operate on a “substantially equivalent” level to federal agency enforcement activities, HUD contracts with that agency to process fair housing complaints and reimburses the jurisdiction on a per case basis. FHAP grants are awarded to public, not

private, entities and are given on a noncompetitive, annual basis to substantially equivalent state and local fair housing enforcement agencies.

When substantially equivalent status has been granted, complaints of housing discrimination are dually filed with the state or local agency and HUD, with the state or local agency investigating most complaints. When federally subsidized housing is involved, however, HUD will typically investigate the complaint. Regardless, the state or local agency is reimbursed for complaint intake and investigation and is awarded funds for fair housing training and education.

FHAP Recipients in the CONNECT Our Future region:

In the CONNECT Our Future region, the North Carolina Human Relations Commission, the City of Charlotte/Mecklenburg Human Relations Committee, and the South Carolina Human Affairs Commission receive FHAP funding.

Fair Housing Initiative Program (FHIP)

A FHIP participant may be a government agency, a private nonprofit, or a for-profit organization. FHIPs are funded through a competitive grant program that provides funds to organizations to carry out projects and activities designed to enforce and enhance compliance with fair housing law. Eligible activities include education and outreach to the public and the housing industry on fair housing rights and responsibilities as well as enforcement activities in response to fair housing complaints, such as testing and litigation.

The following FHIP initiatives, as defined on HUD's website, provide funds and competitive grants to eligible organizations:

The Fair Housing Organizations Initiative (FHOI) provides funding that builds the capacity and effectiveness of non-profit fair housing organizations by providing funds to handle fair housing enforcement and education initiatives more effectively. FHOI also strengthens the fair housing movement nationally by encouraging the creation and growth of organizations that focus on the rights and needs of underserved groups, particularly persons with disabilities.

[Eligible Grantees:] Applicants must be qualified fair housing enforcement organizations with at least two years of experience in complaint intake, complaint investigation, testing for fair housing violations, and meritorious claims in the three years prior to the filing of their application.

[Eligible Activities:] Grants may be used flexibly to support the basic operation and activities of new and existing non-profit fair housing organizations.

The Private Enforcement Initiative (PEI) offers a range of assistance to the nationwide network of fair housing groups. This initiative funds non-profit fair housing organizations to carry out testing and enforcement activities to prevent or eliminate discriminatory housing practices.

[Eligible Grantees:] Fair housing enforcement organizations that meet certain requirements related to the length and quality of previous fair housing enforcement experience may apply for FHIP-PEI funding.

[Eligible Activities:] Funds such activities as conducting complaint-based and targeted testing and other investigations of housing discrimination, linking fair-housing organizations in regional enforcement activities, and establishing effective means of meeting legal expenses in support of fair housing litigation.

The Education and Outreach Initiative (EOI) offers a comprehensive range of support for fair housing activities, providing funding to State and local government agencies and non-profit organizations for initiatives that explain to the general public and housing providers what equal opportunity in housing means and what housing providers need to do to comply with the Fair Housing Act.

[Eligible Grantees:] State or local governments, qualified fair housing enforcement organizations (those with at least 2 years of experience), other fair housing organizations, and other public or private nonprofit organizations representing groups of persons protected by the Fair Housing Act may apply for FHIP-EOI funding.

[Eligible Activities:] Funds a broad range of educational activities that can be national, regional, local, or community-based in scope. Activities may include developing education materials, analyzing local impediments to housing choice,

providing housing counseling and classes, convening meetings that bring together the housing industry with fair housing groups, developing technical materials on accessibility, and mounting public information campaigns. National projects that demonstrate cooperation with the real estate industry or focus on resolving the community tensions that arise as people expand their housing choices may be eligible to receive preference points.

The Administrative Enforcement Initiative (AEI) helps State and local governments who administer laws that include rights and remedies similar to those in the Fair Housing Act implement specialized projects that broaden an agency's range of enforcement and compliance activities. No funds are available currently for this program.

FHIP Grants in the CONNECT Region. In 2013, one agency in North Carolina received a FHIP Grant. This was Legal Aid of North Carolina, Inc., who received a Fair Housing Organization Initiative – Continued Development General Component in the amount of \$325,000. In FY 2014, which began in October 2013, South Carolina Fair Housing Center opened in Columbia. The Center is also a FHIP participant.

State Agencies

North Carolina Human Relations Commission

The NCHRC exists within the State as an FHAP, meaning that the agency is considered substantially equivalent to HUD. As an FHAP, the NCHRC is able to accept fair housing and process fair housing complaints. The central office of the Commission is located in Raleigh.

South Carolina Human Affairs Commission

The SCHAC exists within the State as an FHAP, meaning that the agency is considered substantially equivalent to HUD. As an FHAP, the SCHAC is able to accept fair housing and process fair housing complaints. The central office of the Commission is located in Columbia.

Local Agencies

As mentioned previously, within the CONNECT Our Future region, there is one local FHAP agency, the City of Charlotte/Mecklenburg County Community Relations Committee. Legal Aid of North Carolina offers fair housing services to North Carolina residents as a FHIP grantee. Finally, on September 30, 2013, the South Carolina Fair Housing Center, another FHIP grantee, opened in

Columbia⁶. The new center is funded by a \$1 million grant from the U.S. Department of Housing and Urban Development.

COMPLAINT PROCESS REVIEW

U.S. Department of Housing and Urban Development

According to HUD's website, any person who feels that his or her housing rights have been violated may submit a complaint to HUD via phone, mail, or the internet. A complaint can be submitted to the national HUD office at:

Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
451 Seventh Street SW, Room 5204
Washington, DC 20410-2000
Telephone: (202) 708-1112
Toll Free: (800) 669-9777
<http://www.HUD.gov/offices/fheo/online-complaint.cfm>

For the CONNECT Our Future region, the contact information for the regional HUD fair housing office in Atlanta is:

Atlanta Regional Office of FHEO
U.S. Department of Housing and Urban Development
Five Points Plaza
40 Marietta Street, 16th Floor
Atlanta, Georgia 30303-2806
(404) 331-5140
(800) 440-8091
TTY (404) 730-2654

When a complaint is submitted, intake specialists review the information and contact the complainant in order to gather additional details and determine if the case qualifies as possible housing discrimination. Complaints specific to a state or locality that is part of HUD's FHAP organizations are referred to the appropriate parties, who have 30 days to address the complaint. If HUD is handling the case, the formal complaint is sent to the

complainant for review and then sent to the alleged violator for review and response.

Next, the circumstances of the complaint are investigated through conducting interviews and examining relevant documents. During this time, the investigator attempts to rectify the situation through conciliation, if possible. The case is closed if conciliation of the two parties is achieved or if the investigator determines that there was no reasonable cause of discrimination. If reasonable cause is found, then either a federal judge or a HUD Administrative Law Judge hears the case and determines damages, if any.⁷ A respondent may be ordered to:

- Compensate for actual damages, including humiliation, pain, and suffering;
- Provide injunctive or other equitable relief to make the housing available;
- Pay the federal government a civil penalty to vindicate the public interest, with a maximum penalty of \$10,000 for a first violation and \$50,000 for an additional violation within seven years; and/or
- Pay reasonable attorneys' fees and costs.⁸

North Carolina Human Relations Commission

In North Carolina, the North Carolina Human Relations Commission (HRC) accepts fair housing complaints as they are related to fair housing violations in regard to the federal Fair Housing Act or the North Carolina Human Rights Act. This agency accepts complaints that are alleged to occur in areas that are not covered by existing FHAP agencies (see previous section).

Complaints can be submitted by filling out the form located at the HRC website at: <http://www.doa.state.nc.us/hrc/>. The complaint form requires information regarding who was involved in the alleged discriminatory act and where and when the alleged act occurred. Most complaints filed directly with HUD and concerning the geographic areas of North Carolina served by the HRC are forwarded to the HRC for processing. Contact information for the HRC is as follows:

North Carolina Human Rights Commission
1318 Mail Service Center
116 W. Jones Street, Suite 2109
Raleigh, North Carolina 27699-1318
(919) 807-4420
1-866-324-7474

⁶ <http://www.ncrc.org/media-center/press-releases/item/882-ncrc-to-open-south-carolina-fair-housing-center>

⁷ (HUD FHEO n.d.)

⁸ (HUD FHEO n.d.)

South Carolina Human Affairs Commission

According to Human Affairs Commission website, any person who feels that his or her housing rights have been violated may submit a complaint to the commission via phone, mail, the internet, or by visiting the Commission’s offices. Contact can be made at the following:

South Carolina Human Affairs Commission
 Post Office Box 4490 (29240-4490)
 1026 Sumter Street
 Columbia, South Carolina 29201
 8:30 a.m. to 5:00 p.m. -- Monday through Friday
 (803) 737-7800 - or Toll Free 1-800-521-0725
 (TDD) (803) 253-4125
information@schac.state.sc.us

Once the Intake and Referral Division receives the written complaint, it will be reviewed to determine if there is a basis for filing a discrimination complaint under the SC Human Affairs Law, as amended, Title VII of the U. S. Civil Rights Act of 1964, as amended, or the Americans With Disabilities Act of 1990, as amended.

If a basis exists, a formal Charge of Discrimination will be prepared for the complainant to sign, notarize, and return to the Commission. Upon receipt of the complaint, it will be assigned a charge number, dual-filed with HUD, and served on the party that is being filed against. The case will then be assigned either for mediation, and investigation or transferred to HUD. The average processing times ranges from 60 to 180 days.⁹

The Charlotte/Mecklenburg Community Relations Committee

The Charlotte/Mecklenburg Community Relations Committee exists to monitor and improve the quality of life for citizens of the City of Charlotte and Mecklenburg County. Part of this process includes addressing fair housing concerns within the area, including educational efforts and processing of fair housing complaints. The Committee’s office is located at:

Charlotte/Mecklenburg Human Relations
 Committee
 600 East Trade Street

⁹ http://www.state.sc.us/schac/how_to_file.htm

Charlotte, NC 28202-2928
 (704) 336-2195

Legal Aid of North Carolina

Legal Aid of North Carolina is a FHIP participant that provides a range of legal services to North Carolina residents, with an emphasis on making those services accessible to low-income residents. Among those legal services are services related to fair housing, including education, outreach, investigation, testing, and complaint intake and processing. Legal Aid of North Carolina’s Fair Housing Program is located at the following address”

Fair Housing Project
 Legal Aid of North Carolina
 224 South Dawson Street
 Raleigh, NC 27601
 1 (855) 797-FAIR (3247)

www.fairhousingnc.org

Fair Housing Project staff members may be contacted individually through email addresses available at <http://www.fairhousingnc.org/contact-us/>.

South Carolina Fair Housing Center

The South Carolina Fair Housing Center, which opened on September 30, 2013, is a FHIP grantee that provides fair housing services to South Carolina residents, including education, outreach, and testing. The Center is located in Columbia, South Carolina, and may be contacted at the following address¹⁰:

South Carolina Fair Housing Center
 1925 Bull Street
 Columbia, SC 29201
 (803) 403-8447

B. SUMMARY

Six main organizations play a role in fair housing in the CONNECT Our Future region: the U.S. Department of Housing and Urban Development, along with three FHAP grantees—the North Carolina Human Relations Commission, the South Carolina Human Affairs Commission, and the Charlotte/Mecklenburg Community Relations Committee—and two FHIP grantees—Legal Aid of North Carolina and the South Carolina Fair Housing Center.

¹⁰<http://www.ncrc.org/media-center/press-releases/item/882-ncrc-to-open-south-carolina-fair-housing-center>

IV. FAIR HOUSING LAW, STUDIES AND CASE REVIEWS

As part of the Regional Analysis of Impediments development process, existing fair housing laws, studies, cases, and other relevant materials were reviewed on a national and state-level scale. Results of this review are presented below.

A. FAIR HOUSING LAWS

FEDERAL FAIR HOUSING LAWS

Several federal laws provide the backbone for U.S. fair housing legal structure. While some laws have been previously discussed in this report, a brief list of laws related to fair housing, as defined on the U.S. Department of Housing and Urban Development's (HUD's) website, is presented below:

Fair Housing Act. Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and persons securing custody of children under the age of 18), and handicap (disability).¹¹

Title VIII was amended in 1988 (effective March 12, 1989) by the *Fair Housing Amendments Act*. . . . In connection with prohibitions on discrimination against individuals with disabilities, the Act contains design and construction accessibility provisions for certain new multi-family dwellings developed for first occupancy on or after March 13, 1991.¹²

Title VI of the Civil Rights Act of 1964. Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973. Section 504 prohibits discrimination based on

disability in any program or activity receiving federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974. Section 109 prohibits discrimination on the basis of race, color, national origin, sex, or religion in programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program.

Title II of the Americans with Disabilities Act of 1990. Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance, and housing referrals.

Architectural Barriers Act of 1968. The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975. The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972. Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.¹³

FAIR HOUSING-RELATED PRESIDENTIAL EXECUTIVE ORDERS

Executive Order 11063: Prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

Executive Order 12892: Requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort. The Order also establishes the President's Fair Housing Council, which will be chaired by the Secretary of HUD.

Executive Order 12898: Requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.

¹¹ (HUD FHEO n.d.) *Fair Housing Laws and Presidential Executive Orders*

¹² (HUD FHEO n.d.) *Title VIII: Fair Housing and Equal Opportunity*

¹³ (HUD FHEO n.d.) *Fair Housing Laws and Presidential Executive Orders*

Executive Order 13166: Eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally assisted and federally conducted programs and activities.

Executive Order 13217: Requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.¹⁴

STATE FAIR HOUSING LAWS

In addition to federal law, citizens of the CONNECT Our Future region are also protected by statewide fair housing laws. In North Carolina, the North Carolina Fair Housing Act makes it illegal to discriminate in housing because of race, color, religion, sex, national origin, physical or mental handicaps, or family status (families with children).¹⁵ South Carolina Fair Housing Law considers the protected classes to include race, color, religion, sex, familial status, national origin, or handicap.¹⁶

North Carolina Fair Housing Law also extends protections to residents of affordable housing through land-use provisions set down in §41A-4(g) of North Carolina General Statutes. Under these provisions, it is illegal to “discriminate in land-use decision or the permitting of development based on... the fact that a development or proposed development contains affordable housing units” for low-income families and individuals.

LOCAL FAIR HOUSING LAWS

The City of Charlotte and Mecklenburg County have fair housing ordinances that offer protections by race, color, religion, national origin, gender, family status, or disability.¹⁷

¹⁴ (HUD FHEO n.d.) *Fair Housing Laws and Presidential Executive Orders*

¹⁵ <http://www.doa.nc.gov/hrc/fairhousing.aspx>

¹⁶

http://www.state.sc.us/schac/summary_of_the_south_carolina_fa.htm

¹⁷

<http://charmeck.org/city/charlotte/CRC/Pages/Fair%20Housing%20and%20Public%20Accommodations%20Investigations.aspx>

B. FAIR HOUSING STUDIES

NATIONAL FAIR HOUSING STUDIES

HUD Studies

In 2000, HUD released a publication entitled *Discrimination in Metropolitan Housing Markets*, which measured the prevalence of housing discrimination based on race and ethnicity in the U.S. This was the third nationwide effort to measure discrimination against minority home seekers since 1977, conducted in three phases.

Phase 1 – African American and Hispanic Populations:

The study, based on 4,600 paired tests in 23 metropolitan cities in the U.S., found large decreases in the levels of discrimination against African Americans and Hispanic home seekers between 1989 and 2000. In the rental markets, a moderate decrease was seen in discrimination toward African American individuals, who experienced adverse treatment more often than white individuals, whereas the Hispanic population was more likely to face discrimination in the rental markets than its African American and white counterparts. Many African American and Hispanic home seekers were told that units were unavailable, although the same units were available to white home seekers, and the African American and Hispanic populations were also shown and told about fewer units. In addition, Hispanic individuals were more likely in 2000 than in 1989 to be quoted a higher rent than white individuals who sought to rent the same unit.

Phase 2 – Asian and Pacific Islander Populations:

This study, conducted in 2000 and 2001 and based on 889 paired tests in 11 metropolitan areas in the U.S., showed that Asian and Pacific Islander individuals who sought to rent a unit experienced adverse treatment compared to white individuals in 21.5 percent of tests, which was similar to the rate African American and Hispanic individuals saw. The study also showed that Asian and Pacific Islander prospective homebuyers experienced adverse treatment compared to white prospective homebuyers 20.4 percent of the time, with discrimination occurring in the availability of housing, inspections, assistance with financing, and encouragement by agents.

Phase 3 – American Indian Population:

The last phase of HUD’s nationwide effort to measure housing discrimination involved estimating the level of discrimination experienced by American Indian individuals in their search for housing in metropolitan areas across Minnesota, Montana, and New Mexico. The findings showed that the American Indian population experienced adverse treatments compared to white individuals in 28.5 percent of rental tests. White

individuals were consistently told about advertised units, similar units, and more units than American Indian individuals with similar qualifications. The high level of discrimination experienced by the American Indian population in these areas surpassed rates seen by Hispanic, African American, and Asian individuals in the metropolitan rental markets nationwide.¹⁸

In April 2002, HUD released a national study that assessed public awareness of and support for fair housing law titled *How Much Do We Know?: Public Awareness of the Nation's Fair Housing Laws*. The study found that only 50 percent of the population was able to identify most scenarios describing illegal conduct. In addition, 14 percent of the nationwide survey's adult participants believed that they had experienced some form of housing discrimination in their lifetime. However, only 17 percent of those who had experienced housing discrimination had taken action to resolve the issue, such as filing a fair housing complaint. Finally, two-thirds of all respondents said that they would vote for a fair housing law.¹⁹

As a follow-up, HUD later released a study in February 2006 called *Do We Know More Now?: Trends in Public Knowledge, Support and Use of Fair Housing Law*. One aim of the study was to determine whether a nationwide media campaign had proven effective in increasing the public's awareness of housing discrimination, and another goal was to determine the public's desire to report such discrimination. Unfortunately, the study found that overall public knowledge of fair housing law did not improve between 2000 and 2005. As before, just half of the public knew the law regarding six or more illegal housing activities. The report showed that 17 percent of the study's adult participants experienced discrimination when seeking housing; however, after reviewing descriptions of the perceived discrimination, it was determined that only about 8 percent of the situations might be covered by the Fair Housing Act. Four out of five individuals who felt they had been discriminated against did not file a fair housing complaint, indicating that they felt it "wasn't worth it" or that it "wouldn't have helped." Others did not know where

to complain, assumed it would cost too much, were too busy, or feared retaliation. One positive finding of the survey was that public support for fair housing law increased from 66 percent in 2000 to 73 percent in 2005.²⁰

U.S. GAO Studies

In 2004, the U.S. General Accounting Office's (GAO) released a report titled *Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process*. The GAO report found that between 1996 and 2003, the median number of days required to complete fair housing complaint investigations was 259 for HUD's Fair Housing and Equal Opportunity (FHEO) offices and 195 for Fair Housing Assistance Program (FHAP) agencies—far above the 100-day mandate. However, the report did find a higher percentage of investigations completed within that time limit. The GAO report also identified the following trends:

The number of fair housing complaints filed each year steadily increased since 1998. An increasing proportion of grievances alleged discrimination based on disability and a declining proportion alleged discrimination based on race, although race was still the most cited basis of housing discrimination;

FHAP agencies conducted more fair housing investigations than FHEO offices over the eight-year period. The total number of investigations completed each year increased slightly after declining in 1997 and 1998; and

An increasing percentage of investigations closed without finding reasonable cause to believe discrimination occurred. However, a declining percentage of investigations were resolved by the parties themselves or with help from FHEO offices or FHAP agencies.²¹

University Studies

In 2006, the University of Southern California and Oregon State University collaborated to study rental discrimination and race. The universities responded to 1,115 advertisements regarding apartment vacancies in Los Angeles County and signed the bottom of each email with Tyrell Jackson, a traditionally African American name; Patrick McDougall, a traditionally white name; or Said Al-Rahman, a traditionally Arab name. Analysis indicated that individuals who were perceived as African American were four times more likely

¹⁸ (HUD PD&R 2005) *Discrimination in Metropolitan Housing Markets: National Results from Phase 1, Phase 2, and Phase 3 of the Housing Discrimination Study (HDS)*

¹⁹ (HUD PD&R 2002) *How Much Do We Know? Public Awareness of the Nation's Fair Housing Laws*

²⁰ (HUD PD&R 2006) *Do We Know More Now? Trends In Public Knowledge, Support And Use Of Fair Housing Law*

²¹ (U.S. GAO 2004) *Opportunities to Improve HUD's Oversight and Management of the Enforcement Process*

to be discouraged from viewing an apartment than persons perceived as white, and individuals considered to be Arab were three times more likely to be discouraged from viewing an apartment than individuals who appeared white. The analysis also noted that applicants perceived as African American were more likely to receive negative responses, such as the apartment was no longer available for market rate or above market rate apartments. For example, only an email signed Tyrell Jackson received a reply that reiterated the apartment cost to ensure the apartment was within the applicant's price range. The study also analyzed the responses from private property owners versus corporate property owners, but found no statistical difference in the way the two groups responded to applicants of different races.²²

Nonprofit Studies

Released by the Poverty & Race Research Action Council in January 2008, *Residential Segregation and Housing Discrimination in the United States* asserts that many current governmental efforts to further fair housing actually result in furthering unfair housing practices across the U.S. This article suggests that fair housing efforts can cause residential segregation. For example, if the majority of public housing residents are non-white and most public housing accommodations are grouped in the same Census tracts, residential segregation results. Similarly, many Section 8 voucher holders are racial or ethnic minorities, and most housing that accepts Section 8 vouchers is grouped in selected areas, which again results in residential segregation. The report offers recommendations to curb such residential segregation, including dispersing public housing developments throughout cities and communities and providing greater incentives for landlords with several properties to accept the vouchers.²³

Published in 2009 by the National Fair Housing Alliance (NFHA), *For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination* presented research on the prevalence of discriminatory housing advertisements on popular websites such as Craigslist. According to the article, while newspapers are prohibited from publishing discriminatory housing advertisements, no such law exists for websites like Craigslist, as they are

considered interactive internet providers rather than publishers of content. As such, they are not held to the same legal standards as newspapers. While individual landlords who post discriminatory advertisements may be held responsible, there are no such standards for companies like Craigslist that post the discriminatory advertisements. Newspapers and other publishers of content are required to screen the advertisements they accept for publishing for content that could be seen as discriminatory. This may include phrases like “no children” or “Christian only,” which violate provisions of the Fair Housing Act that state families with children and religious individuals are federally protected groups.²⁴

In May 2010, the NFHA published a fair housing trends report, *A Step in the Right Direction*, which indicated that recent years have demonstrated forward movement in furthering fair housing. The report began with a commendation of HUD's federal enforcement of fair housing law and noted the agency's willingness to challenge local jurisdictions that failed to affirmatively further fair housing. In response to the recent foreclosure crisis, many credit institutions have implemented tactics to reduce risk. However, this report suggests that policies that tighten credit markets—such as requiring larger cash reserves, higher down payments, and better credit scores—may disproportionately affect lending options for communities of color and women. *A Step in the Right Direction* concludes with examples of ways in which the fair housing situation could be further improved, including addressing discriminatory internet advertisements and adding gender identity, sexual orientation, and source of income as federally protected classes.²⁵

In 2010, the NFHA report *The Big Picture: How Fair Housing Organizations Challenge Systemic and Institutionalized Discrimination* focuses on promoting integrated communities and steps taken to eliminate discrimination within those communities. The first section highlights cities such as New Orleans, Louisiana and Milwaukee, Wisconsin and the steps they have taken to eliminate discrimination within their housing markets. Also, the additional focus on discriminatory lending practices since the passing of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 lead to the creation of the Consumer Financial Protection Bureau (CFPB). The CFPB was established to protect consumers from predatory loans and discriminatory practices. The report concludes with need for promotion of diverse communities where all residents

²² (Carpusor and Loges 2006)

²³ (U.S. Housing Scholars and Research and Advocacy Organizations 2008)

²⁴ (National Fair Housing Alliance 2009)

²⁵ (National Fair Housing Alliance 2010)

have access to vital services such as decent schools, health services, and grocery stores.²⁶

Released in April 2012 by the NFHA, *Fair Housing in a Changing Nation* reported that fair housing complaints dropped slightly in 2010, but disability complaints overall remained high. Discrimination complaints reported by classes not protected by the federal Fair Housing Act but under state or local fair housing laws, such as gender identity, marital status, and sexual orientation, were also filed at a greater rate. NFHA states that it is crucial to amend the federal Fair Housing Act to include these additional protected classes and thus serve more victims of housing discrimination. Since the establishment of the CFPB, in 2010 there was more focus on discriminatory lenders and making the mortgage market safer for consumers. *Fair Housing in a Changing Nation* concludes with the continuing need to focus on the foreclosure crisis and for HUD to release its final regulations on disparate impact, affirmatively furthering fair housing, and sexual harassment.²⁷

State Studies

In 2007, the North Carolina Housing Coalition, in cooperation with the Duke University School of Law, Community Enterprise Clinic, released a report entitled *Overcoming Municipal Barriers - A Fair Housing Guide for North Carolina's Affordable Housing Developers*. The primary purpose of the guide was to alert North Carolina's affordable housing developers about their legal rights under state and federal fair housing law to overcome municipal zoning hurdles. According to the guide, affordable housing developers are frequently faced with "Not in My Backyard" or "NIMBY" opposition to their developments. Some local governments and members of the general population still hold considerable misunderstandings about modern affordable housing programs and the benefits of affordable housing in our communities. Further, the guide noted that this results in municipal zoning actions and decisions that not only thwart affordable housing programs, but also intensify the state's affordable housing crisis and deny low and moderate income persons a better quality of life. The guide offers suggested best practices for overcoming these types of local barriers.

In November 2008, the North Carolina Advisory Committee to the US Commission on Civil Rights released a report entitled *Fair Housing Enforcement in North Carolina*. This study found that in North Carolina, seven local agencies qualify to participate in the FHAP program; and the presence of a local FHAP agency significantly increases the total number of rental housing complaints. However, comparing investigations of rental housing discrimination by the local FHAP agencies with investigations conducted by HUD shows an investigation by HUD is three times more likely to result in a finding of probable cause. The findings of this study suggest that although the presence of local FHAP agencies may induce a higher number of complaints to be filed, local investigations may not be "equivalent" to investigations conducted by federal enforcement agencies. Nevertheless, having an FHAP is an effective manner in which to address violations of fair housing law.

C. FAIR HOUSING CASES

NATIONAL FAIR HOUSING CASES

As noted in the introduction to this report, provisions to affirmatively further fair housing are long-standing components of HUD's Housing and Community Development programs. In fact, in 1970, *Shannon v. HUD* challenged the development of a subsidized low-income housing project in an urban renewal area of Philadelphia that was racially and economically integrated. Under the Fair Housing Act, federal funding for housing must further integrate community development as part of furthering fair housing, but the plaintiffs in the Shannon case claimed that the development would create segregation and destroy the existing balance of the neighborhood. Following the case, HUD was required to develop a system to consider the racial and socio-economic impacts of their projects.²⁸ The specifics of the system were not decided upon by the court, but HUD was encouraged to consider the racial composition and income distribution of neighborhoods, racial effects of local regulations, and practices of local authorities.²⁹ The Shannon case suggested to entitlement jurisdictions the responsibility of considering the segregation effects of publicly funded housing projects on their communities as they affirmatively further fair housing.

More recently, and in a landmark fraud case, Westchester County, New York, was ordered to pay more than \$50 million to resolve allegations of misusing federal funds for public housing projects and falsely claiming their

²⁶ (National Fair Housing Alliance 2011)

²⁷ (HUD FHEO 2012)2012 FHIP Grants

²⁸ (HUD FHEO 2007)39 Steps Toward Fair Housing

²⁹ (Orfield 2005)

certification of furthering fair housing. The lawsuit, which was filed in 2007 by an anti-discrimination center, alleged that the County failed to reduce racial segregation of public housing projects in larger cities within the County and to provide affordable housing options in its suburbs. The County had accepted more than \$50 million from HUD between 2000 and 2006 with promises of addressing these problems. In a summary judgment in February 2009, a judge ruled that the County did not properly factor in race as an impediment to fair housing and that the County did not accurately represent its efforts of integration in its AI. In the settlement, Westchester County was forced to pay more than \$30 million to the federal government, with roughly \$20 million eligible to return to the County to aid in public housing projects. The County was also ordered set aside \$20 million to build public housing units in suburbs and areas with mostly white populations.³⁰ As of August 2012, the County was still working to comply with the requirements of the settlement. The ramifications of this case are expected to affect housing policies of both states and entitlement communities across the nation; activities taken to affirmatively further fair housing will likely be held to higher levels of scrutiny to ensure that federal funds are being spent to promote fair housing and affirmatively further fair housing.

In 2008, \$3 billion of federal disaster aid was allotted to the Texas state government to provide relief from damage caused by hurricanes Ike and Dolly. These storms ravaged homes in coastal communities, many of which were owned by low-income families that could not afford to rebuild. However, instead of directing the federal funds to the areas most affected by the storms, the State spread funds across Texas and let local planning agencies spend at will. In reaction to this, two fair housing agencies in the state filed a complaint with HUD stating that the plan violated fair housing laws as well as federal aid requirements that specify half of the funds be directed to lower-income persons. In light of the complaint, HUD withheld \$1.7 billion in CDBG funds until the case was resolved. A settlement was reached in June 2010; the State was required to redirect 55 percent of the amount of the original funds to aid poorer families that lost their homes. The State was also asked to rebuild public

housing units that were destroyed by the storms and to offer programs that aid minority and low-income residents in relocating to less storm-prone areas or areas with greater economic opportunities.³¹ As of July 2012, the Texas General Land Office has executed an agreement with the Deep East Texas Council of Governments (DETCOG) to fulfill the housing objectives set through Conciliation Agreement that modified DETCOG's original housing program.³²

On November 5, 2013, the U.S. Department of Housing and Urban Development (HUD) announced that it had reached a settlement with MortgageIT, Inc., Deutsche Bank subsidiary, regarding claims that the lender had discriminated in making mortgage loans. HUD had alleged that the lender discriminated against African American and Hispanic borrowers with practices that led to African Americans and Latinos being charged higher Annual Percentage Rates (APRs) and fees than similarly-situated white borrowers, and denied minority applicants loans more often than similarly-situated white applicants. Under the settlement, MortgageIT will pay \$12.1 million to compensate borrowers nationwide who were unfairly been denied a loan or whose loans may have contained terms and conditions that violate the Fair Housing Act. Any funds remaining after all victims have been compensated will be distributed to qualified organizations that provide credit and housing counseling, financial literacy, and other related programs that assist African American and Hispanic potential, current, and former homeowners.³³

RECENT STATE FAIR HOUSING CASES

In a landmark civil rights settlement announced in January 2010, the fifth-largest housing developer in the country agreed to retrofit thousands of apartment units across the country, including in the state of North Carolina, to make them more accessible for persons with disabilities. The lawsuit was filed by the National Fair Housing Alliance against A.G. Spanos Companies, based in California, and alleged that the company violated the Fair Housing Amendments Act. Specifically, the lawsuit noted the following violations:

- Lack of proper accessibility modifications for persons to enter the unit or the outside spaces, such as balconies or patios;

³¹ (HUD 2010) (Title VIII); 06-10-0410-9 (Section 109)

³² (Deep East Texas Council of Governments 2012)

³³ <http://www.fairhousingnc.org/2013/11/hud-deutsche-bank-subsiary-settle-lending-discrimination-case/>

³⁰ (United States ex rel Anti-Discrimination Center of Metro New York, Inc. v. Westchester County, New York 2009)

- Door widths for bathrooms, kitchens, bedrooms not made wide enough to accommodate people in wheelchairs or other mobility devices;
- Lack of maneuverable space in kitchens or bathrooms to allow in ease of usability for persons in mobility devices;
- Electrical and other controls such as thermostats, light switches and locks in apartments were out of reach of tenants in mobility devices.

The settlement outlined that the defendant had three years to retrofit more than 12,000 apartment units in more than 80 apartment buildings across the country. Among other fees and penalties, the company also agreed to create the NFHA Accessibility Fund to aid renters or homeowners with grants for modifications.³⁴

RECENT STATE FAIR HOUSING SUITS FILED BY THE U.S. DEPARTMENT OF JUSTICE

The U.S. Department of Justice (DOJ) enacts lawsuits on behalf of individuals based on referrals from HUD. Under the Fair Housing Act, the DOJ may file lawsuits in the following instances:

- Where there is reason to believe that a person or entity is engaged in what is termed a “pattern or practice” of discrimination or where a denial of rights to a group of people raises an issue of general public importance;
- Where force or threat of force is used to deny or interfere with fair housing rights;
- Where people who believe that they have been victims of an illegal housing practice file a complaint with HUD or file their own lawsuit in federal or state court.

A consent decree was issued in 2007 that resolved a DOJ complaint regarding disability discrimination. According to the suit, the Town of Chapel Hill was accused of refusing to accommodate a woman’s request to move to a handicap accessible unit in a public housing building to accommodate her daughter’s disability. The complaint was filed by submitted to and investigated by HUD and referred to the DOJ. As a result of the consent decree, the

Town was ordered to pay \$30,000 to the family and employees of the Town were required to undergo fair housing training and adopt non-discrimination policies.³⁵

In 2009 the DOJ filed a lawsuit against the Town of Garner on behalf of Oxford House, an organization that provides supportive housing for persons struggling with drug and alcohol addictions. In the suit, the Department of Justice accused the town of unlawful discrimination on the grounds that it had refused to allow eight recovering drug and alcohol addicts (instead of the usual six) to live together as a reasonable accommodation. In reaction to this continuing refusal, a complaint was filed with HUD, which was then investigated and then referred to the DOJ.³⁶ The Justice Department announced on January 10, 2011, that it had settled its suit against the town of Garner, N.C.³⁷

³⁴ <http://www.docstoc.com/docs/38377374/National-Fair-Housing-Alliance-Files-Housing-Discrimination-Case>

³⁵ <http://www.justice.gov/opa/pr/2007/April/07-crt-274.html>

³⁶ <http://www.justice.gov/opa/pr/2009/May/09-crt-488.html>

³⁷ <http://www.justice.gov/opa/pr/2011/January/11-crt-024.html>

V. BARRIERS TO HOUSING CHOICE IN THE PRIVATE SECTOR

As part of the development of a Regional AI, HUD suggests that the analysis focus on possible housing discrimination issues in both the private and public sectors. Examination of housing factors in the CONNECT Our Future region's public sector is presented in Section VI, while this section focuses on research regarding the region's private sector, including the mortgage lending market, the real estate market, the rental market, and other private sector housing industries.

A. LENDING ANALYSIS

Since the 1970s, the federal government has enacted several laws aimed at promoting fair lending practices in the banking and financial services industries. A brief description of selected federal laws aimed at promoting fair lending follows:

- The 1968 Fair Housing Act prohibits discrimination in housing based on race, color, religion, and national origin. Later amendments added sex, familial status, and disability. Under the Fair Housing Act, it is illegal to discriminate against any of the protected classes in the following types of residential real estate transactions: making loans to buy, build, or repair a dwelling; selling, brokering, or appraising residential real estate; and selling or renting a dwelling.
- The Equal Credit Opportunity Act was passed in 1974 and prohibits discrimination in lending based on race, color, religion, national origin, sex, marital status, age, receipt of public assistance, and the exercise of any right under the Consumer Credit Protection Act.
- The Community Reinvestment Act (CRA) was enacted in 1977 and requires each federal financial supervisory agency to encourage financial institutions in order to help meet the credit needs of the entire community, including low- and moderate-income neighborhoods.

- Under the Home Mortgage Disclosure Act (HMDA), enacted in 1975 and later amended, financial institutions are required to publicly disclose the race, sex, ethnicity, and household income of mortgage applicants by the Census tract in which the loan is proposed as well as outcome of the loan application.³⁸ The analysis presented herein is from the HMDA data system.

HOME MORTGAGE DISCLOSURE ACT

The HMDA requires both depository and non-depository lenders to collect and publicly disclose information about housing-related applications and loans.³⁹ Both types of lending institutions must meet the following set of reporting criteria:

- The institution must be a bank, credit union, or savings association;
- The total assets must exceed the coverage threshold;⁴⁰
- The institution must have had an office in a Metropolitan Statistical Area (MSA);
- The institution must have originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one- to four-family dwelling;
- The institution must be federally insured or regulated; and
- The mortgage loan must have been insured, guaranteed, or supplemented by a federal agency or intended for sale to the Federal National Mortgage Association (FNMA or Fannie Mae) or the Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac). These agencies purchase mortgages from lenders and repackage them as securities for investors, making more funds available for lenders to make new loans.

³⁸ (Federal Reserve Bank of Boston 1993)

³⁹ Data are considered "raw" because they contain entry errors and incomplete loan applications. Starting in 2004, the HMDA data made significant changes in reporting, particularly regarding ethnicity data, loan interest rates, and the multi-family loan applications.

⁴⁰ Each December, the Federal Reserve announces the threshold for the following year. The asset threshold may change from year to year based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

For other institutions, including non-depository institutions, additional reporting criteria are as follows:

- The institution must be a for-profit organization;
- The institution's home purchase loan originations must equal or exceed 10 percent of the institution's total loan originations, or more than \$25 million;
- The institution must have had a home or branch office in an MSA or have received applications for, originated, or purchased five or more home purchase loans, home improvement loans, or refinancing mortgages on property located in an MSA in the preceding calendar year; and
- The institution must have assets exceeding \$10 million or have originated 100 or more home purchases in the preceding calendar year.

HMDA data represent most mortgage lending activity and are thus the most comprehensive collection of information available regarding home

Home Purchase Loans

As presented in Table V.1, HMDA information was collected for all Census tracts in the CONNECT Our Future region from 2004 through 2011. During this time, 1,617,686 loan applications were reported by participating institutions for home purchases, home improvements, and refinancing mortgages. Of these, 701,594 were for home purchases.

Within the context of this study, housing choice, it is important to evaluate owner-occupied home purchase transactions. The home improvement and refinancing loan application categories typically apply to housing choices that have already been made. As shown in Table V.2, of the 701,594 home purchase loan applications submitted during the period in the CONNECT Our Future region, 609,145 were specifically for owner-occupied homes.

Table V.1
Purpose of Loan by Year
CONNECT Our Future
2004–2011 HMDA Data

Purpose	2004	2005	2006	2007	2008	2009	2010	2011	Total
Home Purchase	100,128	126,080	149,054	119,897	67,497	49,977	44,683	44,278	701,594
Home Improvement	10,174	12,115	11,227	13,112	9,888	4,375	3,421	3,947	68,259
Refinancing	118,474	122,692	114,347	109,076	92,346	121,020	90,782	79,096	847,833
Total	228,776	260,887	274,628	242,085	169,731	175,372	138,886	127,321	1,617,686

purchase originations, home remodel loan originations, and refinancing. The Federal Financial Institutions Examination Council (FFIEC) makes HMDA data available on its website. While HMDA data are available for more years than are presented below, modifications were made in 2004 for documenting loan applicants' race and ethnicity, so data are most easily compared after that point.

Table V. 2
Occupancy Status for Home Purchase Loan Applications
CONNECT Our Future
2004–2011 HMDA Data

Status	2004	2005	2006	2007	2008	2009	2010	2011	Total
Owner-Occupied	89,096	109,239	123,007	100,173	59,109	46,469	41,258	40,795	609,146
Not Owner-Occupied	10,534	16,100	25,356	19,107	8,061	3,432	3,387	3,434	89,411
Not Applicable	498	741	691	617	327	76	38	49	3,037
Total	100,128	126,080	149,054	119,897	67,497	49,977	44,683	44,278	701,594

Denial Rates

After the owner-occupied home purchase loan application is submitted, the applicant receives one of the following status designations from the financial institution:

- “Originated,” which indicates that the loan was made by the lending institution;
- “Approved but not accepted,” which notes loans approved but not accepted by the lender for other reasons;⁴¹
- “Application denied by financial institution,” which defines a situation wherein the loan application failed;
- “Application withdrawn by applicant,” which means that the applicant closed the application process;
- “File closed for incompleteness” which indicates the loan application process was closed by the institution due to incomplete information; or
- “Loan purchased by the institution,” which means that the previously originated loan was purchased on the secondary market.

Only loan originations and loan denials were inspected as an indicator of the underlying success or failure of home purchase loan applications. Altogether, there were 311,000 loan originations and 60,453 applications denied for an average eight-year denial rate of 16.3 percent, as shown in Table V.3 below.

Owner-occupied home purchase denial rates were highest in 2011, when the average denial rate reached 19.1 percent. However, these denial rates varied rather significantly throughout the CONNECT Our Future region, as seen in Map V.1 on a following page. Again using the notion of “disproportionate share,” with areas having a denial rate more than 10 percentage points above the region’s average denial rate of 16.3 percent, it is seen that large tracts on the outskirts of the region tend to have high denial rates, as do selected areas within the urbanized core of several of the region’s cities, such as southern Rock Hill and western Charlotte. These areas tend to have denial rates in excess of 40 percent of all owner-occupied home loan applicants, with southern Anson County having a denial rate in excess of 55 percent.

Table V.3
Loan Applications by Action Taken

CONNECT Our Future
2004–2011 HMDA Data

Action	2004	2005	2006	2007	2008	2009	2010	2011	Total
Loan Originated	48,014	58,333	63,160	51,012	29,595	22,065	19,936	18,885	311,000
Application Approved but not Accepted	4,335	5,563	7,539	5,858	2,672	1,224	1,314	1,648	30,153
Application Denied	9,279	10,254	11,916	9,791	5,931	4,373	4,454	4,455	60,453
Application Withdrawn by Applicant	5,665	6,911	7,653	6,256	4,503	3,279	3,097	3,020	40,384
File Closed for Incompleteness	1,335	1,521	1,524	1,342	797	647	486	742	8,394
Loan Purchased by the Institution	20,468	26,507	31,206	25,894	15,609	14,760	11,968	12,042	158,454
Preapproval Request Denied	0	134	8	19	2	121	3	3	290
Preapproval Approved but not Accepted	0	16	1	1	0	0	0	0	18
Total	89,096	109,239	123,007	100,173	59,109	46,469	41,258	40,795	609,146
Denial Rate	16.2%	15.0%	15.9%	16.1%	16.7%	16.5%	18.3%	19.1%	16.3%

⁴¹ An applicant’s failure to meet any of the customary loan commitment or closing conditions, such as clear-title requirements, acceptable property survey, acceptable title insurance binder, or clear termite inspection, causes the application to be coded “approved but not accepted.” (FFIEC 2013) Frequently Asked Questions, <http://www.ffiec.gov/hmda/faqreg.htm>

Table V.4
Denial Rates by Gender of Applicant

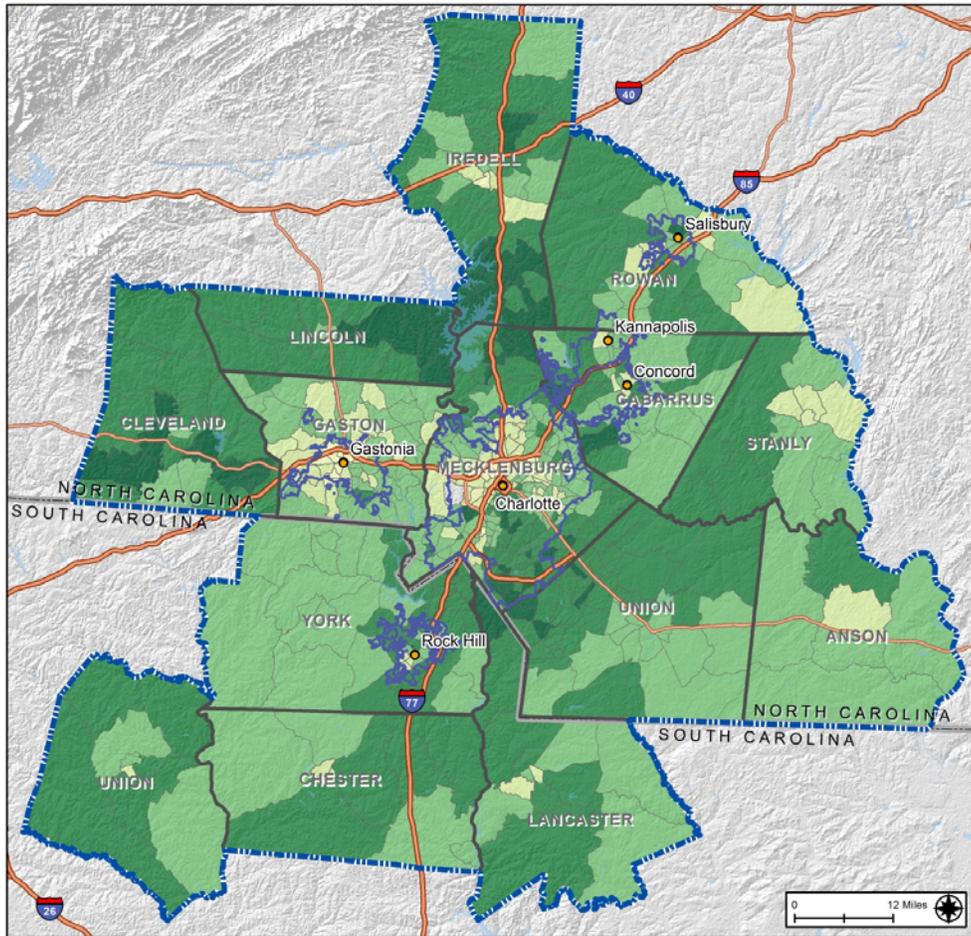
CONNECT Our Future
 2004–2011 HMDA Data

Year	Male	Female	Not Available	Not Applicable	Average
2004	14.7%	17.8%	25.7%	17.2%	16.2%
2005	13.7%	16.5%	21.1%	28.6%	15.0%
2006	14.5%	17.6%	20.7%	27.3%	15.9%
2007	15.2%	17.3%	18.7%	27.3%	16.1%
2008	15.3%	18.8%	19.9%	22.2%	16.7%
2009	15.6%	17.4%	22.5%	7.7%	16.5%
2010	16.7%	20.0%	26.0%	.0%	18.3%
2011	17.0%	21.6%	29.0%	40.0%	19.1%
Average	15.0%	17.9%	21.8%	21.4%	16.3%

HMDA data were also used to determine denial rates by gender. Table V.4 above shows that denial rates were not balanced, with females experiencing much higher denial rates than males for the most part. Between 2004 and 2011, on average, male applicants experienced a denial rate of 15.0 percent, while female applicants experienced a denial rate of 17.9 percent. The difference between denial rates for males and females hovered around 3 to 4 percent in several years, but there was a 4.6 percentage point difference in 2011.

Denial rates can also be defined for racial and ethnic minorities from the HMDA data. For example, the average denial rates for African Americans in the CONNECT Our Future region was 25.8 percent over the 2004 through 2011 time period, while the denial rate to white residents was only 13.4 percent, as seen in Table V.5 on page 75. This was even more extreme in 2011, when African Americans had a 32.1 percent denial rate compared with whites at 15.9 percent. Similarly, Hispanics had denial rates of 21.5 percent, but non-Hispanics had denial rates of 15.2 percent.

Map V.1
Denial Rates by Census Tract
 CONNECT Our Future region
 2004–2011 HMDA Data



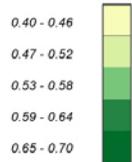
LEGEND

Opportunity Indicator Index

CONNECT Our Future region

Opportunity is measured as an average of education, economic, housing, and transportation factors, as measured through 2004–2011 HMDA data, 2010 Census data, 2007–2011 data, and 2012 HUD PDR data. An index score of 0 represents few opportunities; a score of 1 represents many opportunities for education, economic, housing, and transportation choices.

Opportunity Index



- Entitlement Cities
- ▭ Entitlement City Boundaries
- ▭ Census Tract Boundaries
- ▭ County Boundaries
- ▭ CONNECT Our Future region Boundary
- ▭ State Boundaries
- ▭ Major Roads

Data Source: 2012 HUD PDR, 2004–2011 HMDA, 2010 Census SF1, and 2011 ACS

Table V.5
Denial Rates by Race/Ethnicity of Applicant

CONNECT Our Future
2004–2011 HMDA Data

Race/Ethnicity	2004	2005	2006	2007	2008	2009	2010	2011	Average
American Indian	35.4%	24.1%	19.8%	20.2%	29.2%	28.4%	25.8%	27.7%	25.6%
Asian	13.7%	14.5%	13.1%	15.6%	17.7%	18.2%	16.3%	15.1%	15.1%
African American	25.7%	21.8%	25.8%	28.0%	26.4%	25.3%	27.6%	32.1%	25.8%
White	13.0%	12.3%	12.8%	12.8%	14.1%	14.3%	15.5%	15.9%	13.4%
Not Available	22.2%	20.8%	21.8%	20.7%	20.7%	20.4%	25.2%	27.7%	21.8%
Not Applicable	22.2%	42.9%	15.0%	7.1%	.0%	06.7%	0.0%	50.0%	20.4%
Average	16.2%	15.0%	15.9%	16.1%	16.7%	16.5%	18.3%	19.1%	16.3%
Non-Hispanic	15.5%	13.9%	14.9%	15.0%	15.8%	15.7%	16.6%	16.7%	15.2%
Hispanic	23.7%	19.9%	19.4%	22.3%	23.8%	23.6%	22.7%	21.6%	21.5%

One might imagine that as income declines, denial rates would rise; conversely, that as incomes rise denial rates would decline. But the rate of these changes also varies by race and ethnicity. As seen in Table V.6, African American households with

Please recall that some of the outlying areas in the CONNECT Our Future region also have tended to have disproportionate shares of racial and ethnic minorities. The concentration of denial rates for African American and Hispanic households were also computed and mapped for the entire CONNECT Our Future region.

Table V.6
Denial Rates of Loans by Race/Ethnicity and Income of Applicant

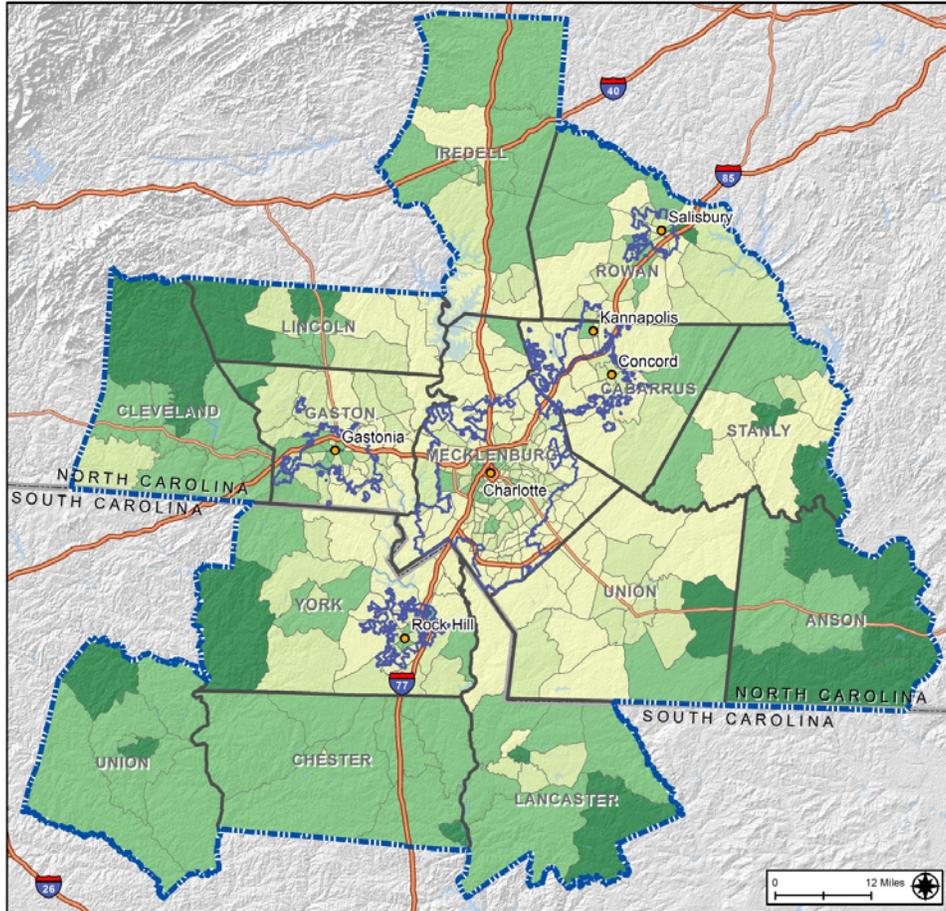
CONNECT Our Future
2004–2011 HMDA Data

Race	<= \$15K	\$15K–\$30K	\$30K–\$45K	\$45K–\$60K	\$60K–\$75K	Above \$75K	Data Missing	Average
American Indian	70.0%	46.4%	30.6%	20.6%	13.5%	15.8%	14.0%	25.6%
Asian	55.7%	28.3%	19.4%	16.2%	11.4%	10.5%	15.4%	15.1%
African American	74.6%	38.3%	24.1%	22.6%	21.6%	20.6%	25.1%	25.8%
White	55.9%	26.9%	16.2%	13.1%	10.7%	8.4%	12.8%	13.4%
Not Available	54.1%	42.1%	25.8%	23.3%	18.6%	14.0%	24.6%	21.8%
Not Applicable	.0%	32.6%	22.2%	18.9%	30.4%	16.9%	12.2%	20.4%
Average	59.4%	31.2%	19.0%	15.9%	13.0%	10.2%	16.2%	16.3%
Non-Hispanic	59.5%	29.9%	18.0%	14.9%	12.0%	9.5%	14.4%	15.2%
Hispanic	58.0%	29.6%	21.0%	19.2%	19.2%	16.3%	17.3%	21.5%

incomes above \$75,000 had denial rates of 20.6 percent, but whites only 8.4 percent for those in the same income group. The difference is diverging, as it has expanded from being 92.5 percent higher to 145 percent higher for African American householders with incomes above \$75,000.

As seen in Map V.2, several areas in the region tended to have disproportionately high denial rates for African Americans, or above 35.8 percent of African American applicants being denied (or more than 1-in-3). In fact, in what appears to be areas with high concentrations of African Americans, African American denial rates seem to relatively often exceed 55 percent, such as in Anson, Lancaster, or Union County, South Carolina. A similar situation seems to exist for Hispanic householders as well, with denial rates in selected Census tracts exceeding 45 percent in several tracts outside of the more urbanized areas of the region.

Map V.2
Denial Rates for African American Applicants by Census Tract
 CONNECT Our Future region
 2004–2011 HMDA Data



LEGEND

2004–2011 Distribution of Denial Rates for African-American Applicants
 2004–2011 Average Denial Rate for African-American Applicants in the CONNECT Our Future region = 25.8%
 Disproportionate Share Threshold = 35.8% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

Denial Rates for African-American Applicants	
0.0% - 25.8%	Disproportionate Share Threshold
25.9% - 35.8%	
35.9% - 55.0%	
55.1% - 75.0%	
75.1% - 100.0%	

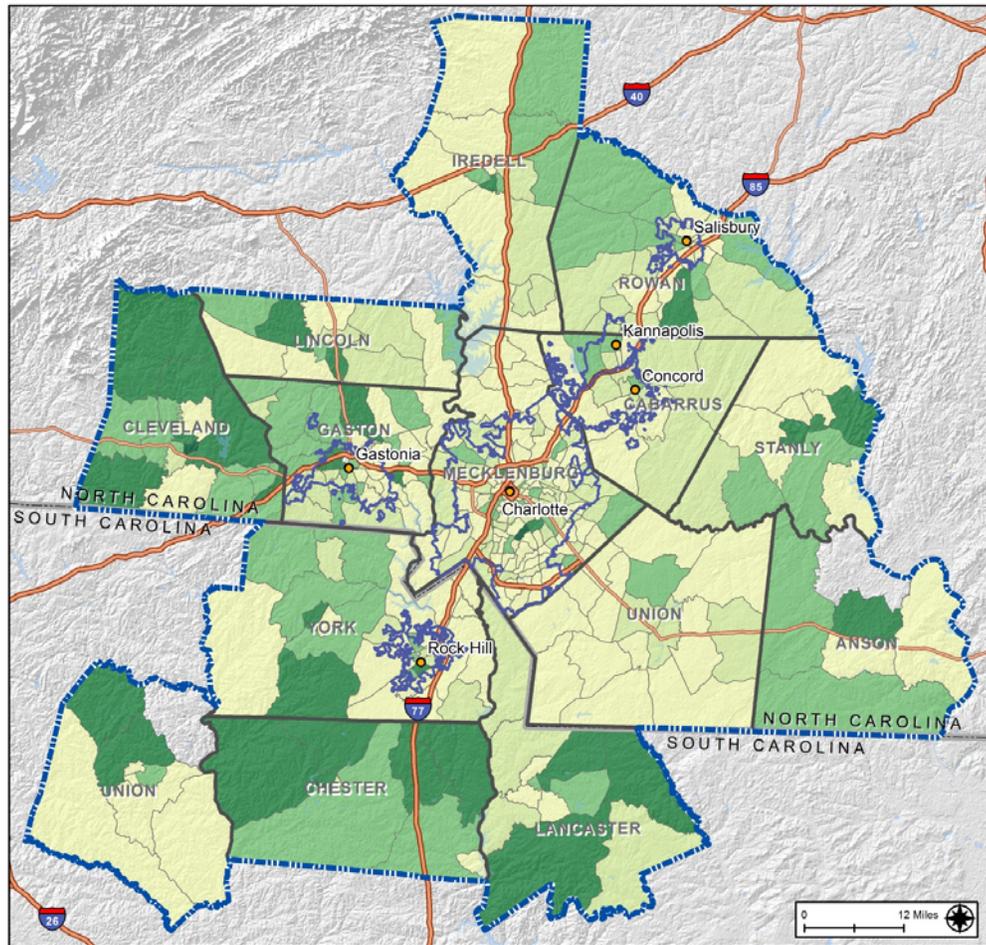
No Loan Applications

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- County Boundaries
- CONNECT Our Future region Boundary
- State Boundaries
- Major Roads

Data Source: FFIEC HMDA, 2004–2011

Map V.3 Denial Rates for Hispanic Applicants by Census Tract

CONNECT Our Future region
2004–2011 HMDA Data



LEGEND

2004–2011 Distribution of Denial Rates for Hispanic Applicants
 2004–2011 Average Denial Rate for Hispanic Applicants in the CONNECT Our Future region = 21.5%
 Disproportionate Share Threshold = 31.5% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

<p>Denial Rate for Hispanic Applicants</p> <ul style="list-style-type: none"> 0.0% - 21.5% 21.6% - 31.5% 31.6% - 45.0% 45.1% - 75.0% 75.1% - 100.0% <p>No Loan Applications</p>	<p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> ● Entitlement Cities ▭ Entitlement City Boundaries ▭ Census Tract Boundaries ▭ County Boundaries ▭ CONNECT Our Future region Boundary ▭ State Boundaries ▭ Major Roads
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Data Source: FFIEC HMDA, 2004–2011

The HMDA database includes information regarding the reason for a loan denial, although financial institutions are not uniformly required to fill out this field. Nevertheless, the most frequently cited categories of denials were credit history and

debt-to-income ratio, as shown in Table V.7. As seen below, these problems were most prevalent from 2004 through 2007, however, the share of loan denials attributable to credit history and debt-to-income actually rose from 15.9 to 18.3 percent and 23.2 to 23.6 percent, respectively, between 2007 and 2011.

Table V.7
Loan Applications by Reason for Denial

CONNECT Our Future
2004–2011 HMDA Data

Denial Reason	2004	2005	2006	2007	2008	2009	2010	2011	Total
Debt-to-Income Ratio	1,103	1,263	1,428	1,557	1,174	926	855	813	9,119
Employment History	172	221	275	256	143	132	132	107	1,438
Credit History	3,054	2,942	2,991	2,271	1,330	983	1,040	1,049	15,660
Collateral	512	729	997	823	588	493	527	491	5,160
Insufficient Cash	252	245	287	376	254	116	133	104	1,767
Unverifiable Information	346	433	565	563	315	179	187	130	2,718
Credit Application Incomplete	546	610	825	899	445	188	169	176	3,858
Mortgage Insurance Denied	14	5	6	14	26	20	14	9	108
Other	1,315	1,720	1,743	1,263	577	394	321	323	7,656
Missing	1,965	2,086	2,799	1,769	1,079	942	1,076	1,253	12,969
Total	9,279	10,254	11,916	9,791	5,931	4,373	4,454	4,455	60,453

Predatory Lending

In addition to modifications implemented in 2004 for documenting loan applicants' race and ethnicity, the HMDA reporting requirements were changed in response to the Predatory Lending Consumer Protection Act of 2002 as well as the Home Owner Equity Protection Act (HOEPA). Consequently, loan originations are now flagged in the data system for three additional attributes:

- If they are HOEPA loans;⁴²
- Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
- Presence of high annual percentage rate loans (HALs), defined as more than three percentage points higher than comparable treasury rates for home purchase loans, or five percentage points higher for refinance loans.⁴³

For the 2013 CONNECT Our Future Regional AI analysis, originated owner-occupied home purchase loans qualifying as HALs were examined for 2004 through 2011. These high annual percentage rate (APR) loans may be construed to be predatory in nature. Table V.8 presented on the following page shows that between 2004 and 2011, there were 45,027 HALs for owner-occupied homes originated in the CONNECT Our Future region, representing 14.5 percent of the total loans originated. The number of HALs was highest in 2005 and 2006 when 15,068 and 14,077 were originated, comprising 25.8 and 22.3 percent of all mortgage loans, but decreased significantly thereafter, and by 2011, only 258 HALs were made, or 1.4 percent of the mortgage portfolio.

⁴² Loans are subject to the HOEPA if they impose rates or fees above a certain threshold set by the Federal Reserve Board. (FFIEC n.d.)

⁴³ (Board of Governors of the Federal Reserve System 2002)

Table V.8
Originated Owner-Occupied Loans by High Annual Percentage Rate Loan (HAL) Status

CONNECT Our Future
 2004–2011 HMDA Data

Loan Type	2004	2005	2006	2007	2008	2009	2010	2011	Total
Other	41,285	43,265	49,083	45,026	27,688	21,280	19,719	18,627	265,973
HAL	6,729	15,068	14,077	5,986	1,907	785	217	258	45,027
Total	48,014	58,333	63,160	51,012	29,595	22,065	19,936	18,885	311,000
Percent HAL	14.0%	25.8%	22.3%	11.7%	6.4%	3.6%	1.1%	1.4%	14.5%

However, the geographic distribution of these lower quality loan instruments varied significantly throughout the region, with some areas having significantly higher rates of HALs. The distribution of these HALs is presented in Map V.4 on the following page. Again, these higher rates of HALs tend to appear in areas with higher concentrations of African American householders.

Geographic maps that present the distribution of these higher HALs rates, by Census tract, are presented below, starting with Map V.4 on the following page. In both of these cases, the distributions of such lower quality loan instruments seems to be more on the outskirts of the region and in the more rural areas of the region. In some cases, these exceed 50 percent of all originations made to either African American or Hispanic householders.

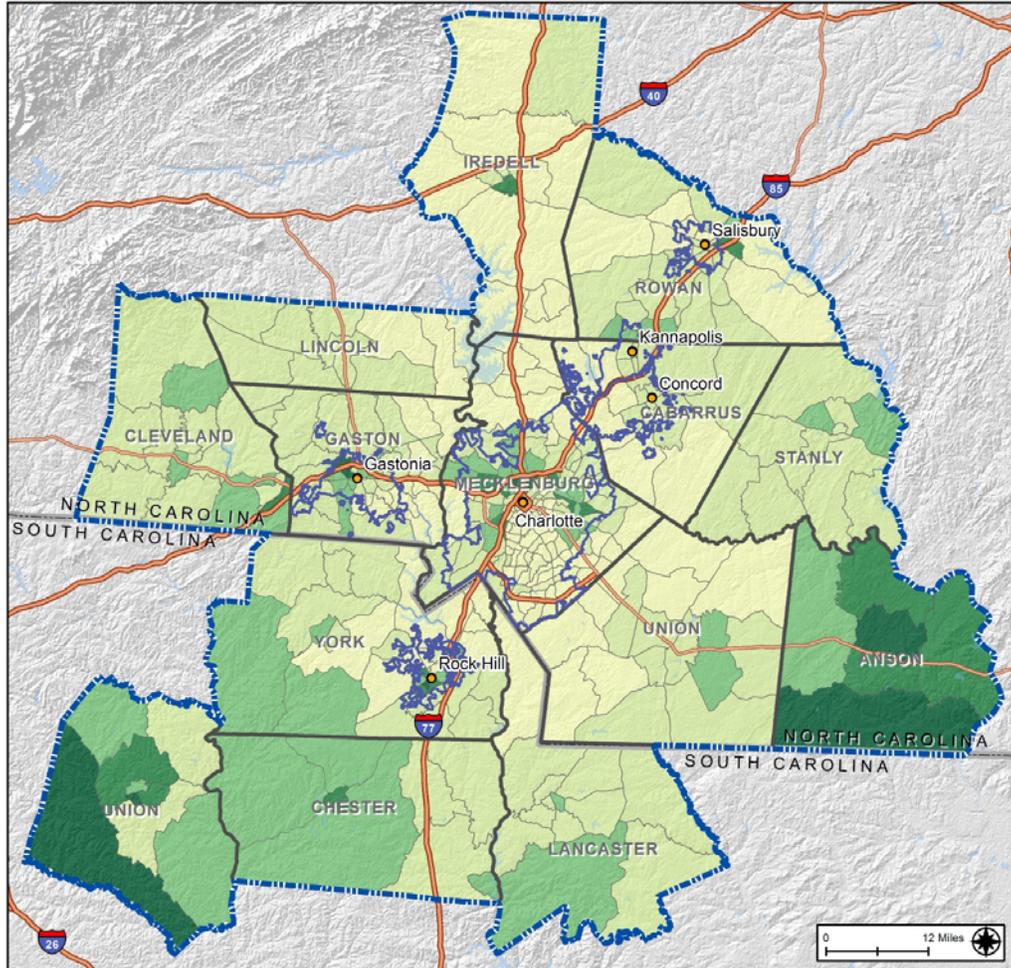
To further explore the relationship between race and HALs, the share of HALs originated by race and ethnicity have been computed and are presented in Table V.9 below. On average, almost 30 percent of all African American householders that were originated a loan were given a HAL, as compared with 11.5 percent for whites. Hispanics had these lower quality loan instruments 24.3 percent of the time, compared with 13.7 percent for non-Hispanic householders. Both of these conditions are concerning.

Table V.9
Rate of HALs Originated by Race/Ethnicity of Borrower

CONNECT Our Future
 2004–2011 HMDA Data

Race	2004	2005	2006	2007	2008	2009	2010	2011	Average
American Indian	14.8%	36.0%	27.5%	10.1%	5.0%	4.8%	6.9%	4.1%	18.7%
Asian	9.2%	17.8%	13.7%	6.4%	3.4%	2.8%	.5%	.1%	8.7%
African American	30.4%	49.0%	43.4%	22.1%	10.1%	5.7%	1.1%	2.1%	29.6%
White	10.8%	19.7%	17.9%	9.9%	6.0%	3.4%	1.1%	1.3%	11.5%
Not Available	15.9%	33.8%	27.1%	13.3%	6.1%	2.3%	.6%	1.0%	17.4%
Not Applicable	7.7%	.0%	11.8%	23.1%	20.0%	7.1%	.0%	.0%	9%
Average	14.0%	25.8%	22.3%	11.7%	6.4%	3.6%	01.1%	01.4%	14.5%
Non-Hispanic	14.5%	24.2%	20.9%	10.8%	6.2%	3.5%	.9%	.9%	13.7%
Hispanic	18.1%	37.6%	36.9%	21.7%	11.1%	6.8%	3.0%	3.7%	24.3%

Map V.4
Rate of HALs by Census Tract
 CONNECT Our Future region
 2004–2011 HMDA Data



LEGEND

2004–2011 HAL Rates
 2004–2011 Average HAL Rate in the CONNECT Our Future region = 14.5%
 Disproportionate Share Threshold = 24.5% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

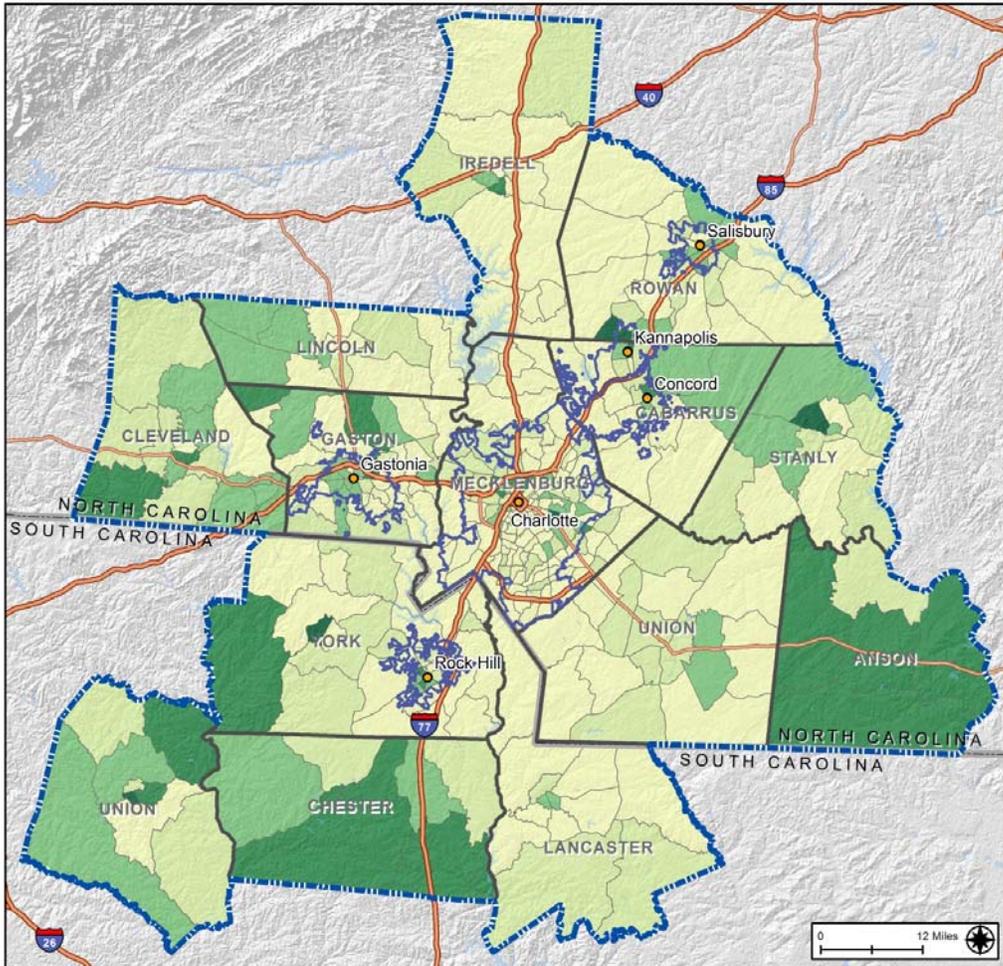
HAL Rate	Disproportionate Share Threshold
0.0% - 14.5%	
14.6% - 25.0%	
25.1% - 35.0%	Disproportionate Share Threshold
35.1% - 45.0%	
45.1% - 55.9%	

No Loan Applications

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- County Boundaries
- CONNECT Our Future region Boundary
- State Boundaries
- Major Roads

Data Source: FFIEC HMDA, 2004–2011

Map V.5
HALs to African American Borrowers by Census Tract
 CONNECT Our Future region
 2004–2011 HMDA Data



LEGEND

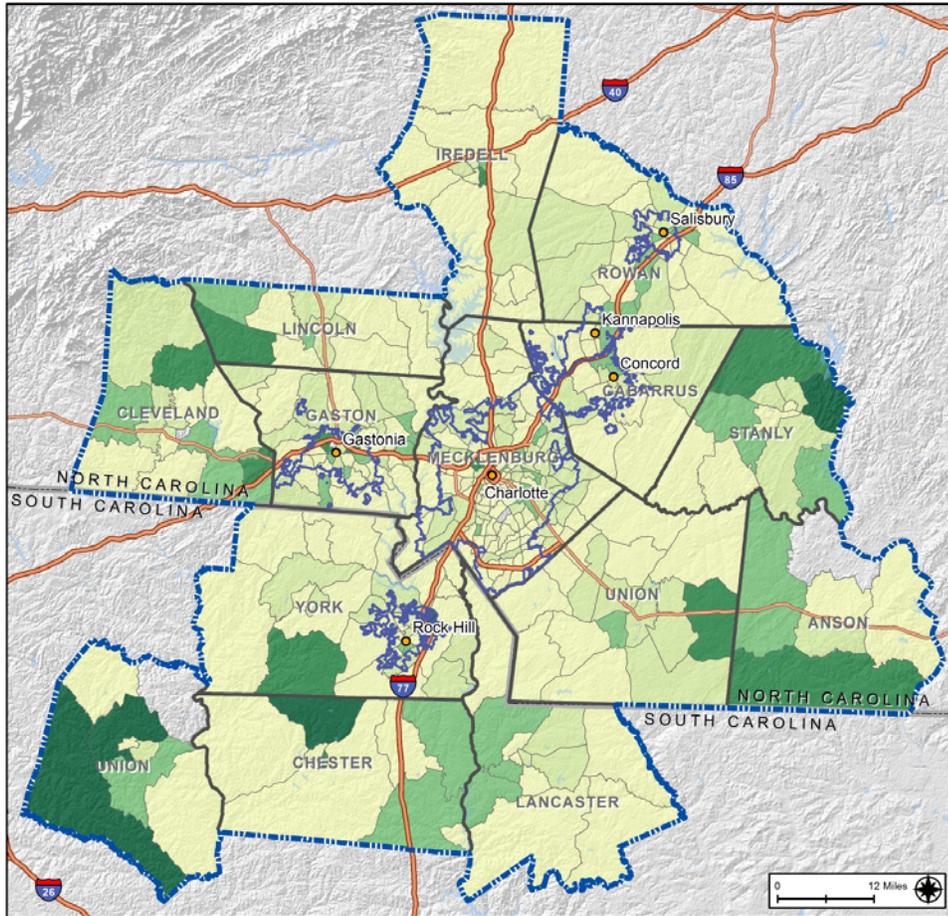
2004–2011 HAL Rates for African-American Borrowers
 2004–2011 Average HAL Rate for African-American Borrowers in the CONNECT Our Future region = 29.6%
 Disproportionate Share Threshold = 39.6% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

HAL Rate for African-American Borrowers		● Entitlement Cities
0.0% - 29.6%	Disproportionate Share Threshold	▭ Entitlement City Boundaries
29.7% - 39.6%		▭ Census Tract Boundaries
39.7% - 50.0%		▭ County Boundaries
50.1% - 70.0%		▭ CONNECT Our Future region Boundary
70.1% - 85.8%		▭ State Boundaries
▭ No Loan Applications		▬ Major Roads

Data Source: FFIEC HMDA, 2004–2011

Map V.6 HALs to Hispanic Borrowers by Census Tract

CONNECT Our Future region
2004–2011 HMDA Data



LEGEND

2004–2011 HAL Rates for Hispanic Borrowers
 2004–2011 Average HAL Rate for Hispanic Borrowers in the CONNECT Our Future region = 24.3%
 Disproportionate Share Threshold = 34.3% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

<p>HAL Rate for Hispanic Borrowers</p> <ul style="list-style-type: none"> 0.0% - 24.3% 24.4% - 34.3% 34.4% - 55.0% 55.1% - 75.0% 75.1% - 100.0% <p>No Loan Applications</p>		<p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> ● Entitlement Cities □ Entitlement City Boundaries □ Census Tract Boundaries □ County Boundaries □ CONNECT Our Future region Boundary □ State Boundaries — Major Roads
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Data Source: FFIEC HMDA, 2004–2011

COMMUNITY REINVESTMENT ACT DATA

Access to home mortgage and improvement loans is important for housing consumers. Still, investment patterns within an area also play a role for influencing housing choices, as viable economic activities contribute to an area’s desirability. Measure of such investment can be evaluated through use of Community Reinvestment Act (CRA) data. As noted previously, the CRA was enacted in 1977 and is intended to encourage lending institutions to meet the credit needs of the communities in which they operate, including low- and moderate-income areas. Along with the HMDA data presented previously, the FFIEC also releases data mandated by the CRA.

Examination of CRA data revealed that between 2000 and 2011, 624,961 small business loans were extended to businesses in tracts that make up the Of these, 238,859 loans went to businesses with annual revenues of less than \$1 million. The large majority of all loans, 570,250, were valued under \$100,000. Tables with complete CRA data are presented in the Volume III – Technical Appendix.

to aid low- and moderate-income areas. The highest value loans, those for more than \$250,000, were also mostly distributed in tracts with 80.1 to 120% of MFI and above, with another 35 to nearly 40 percent of all loans and all loan volumes being distributed to areas with incomes above 120 percent of MFI.

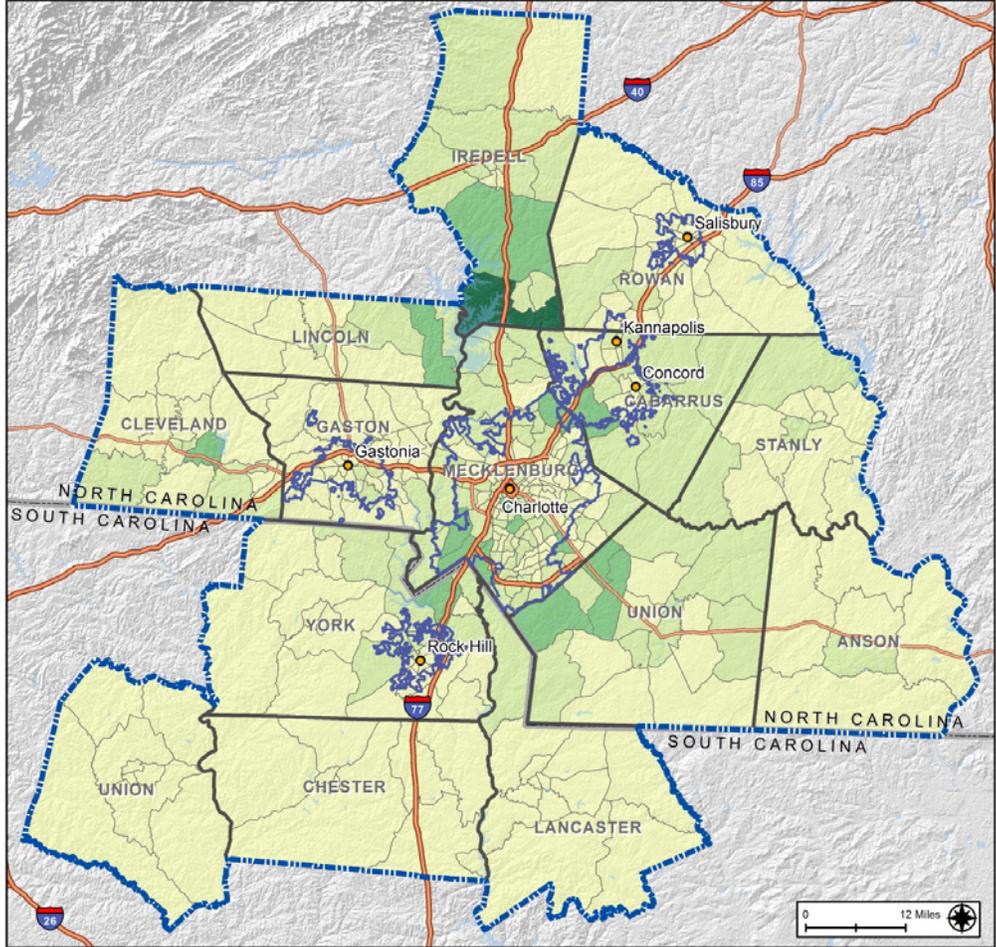
Two geographic maps were prepared to demonstrate the geographic dispersion of this lending behavior. As seen on the following two pages, most of the reasons seems to have not experienced any substantive investment, with neither loans nor loan dollars appearing much in either many rural areas nor in the urbanized core (see Maps V.7 and V.8).

Table V.10
Percent of Small Business Loan Originations by
Census Tract MFI
 CONNECT Our Future
 2004–2011 CRA Data

Census Tract MFI	Loan Amount		
	< 100,000	100,000 - 250,000	>250,000
Number of Loans			
<50% MFI	2.56%	3.85%	4.63%
50.1-80% MFI	13.24%	15.72%	14.88%
80.1-120% MFI	47.99%	45.16%	41.78%
>120% MFI	36.12%	35.12%	38.55%
Loan Volume of Loans			
<50% MFI	2.97%	3.87%	4.72%
50.1-80% MFI	14.08%	15.78%	14.77%
80.1-120% MFI	47.03%	44.76%	41.34%
>120% MFI	35.83%	35.44%	39.02%

Small business loans were also analyzed to determine the location of funding in relation to median family income (MFI) levels. As shown in Table V.10, relatively few loans went to areas with 50 percent or less of the MFI—less than three percent. Only about 13 to 15 percent of all loans when to areas with incomes of 50 to 80 percent of MFI, despite the fact that these loans were designed

Map V.7
Number of Small Business Loans
 CONNECT Our Future region
 2004–2011 HMDA Data



LEGEND

2000–2011 Number of Small Business Loans Invested
 2000–2011 Average Number of Small Business Loans Per Tract in the CONNECT Our Future region = 1,535

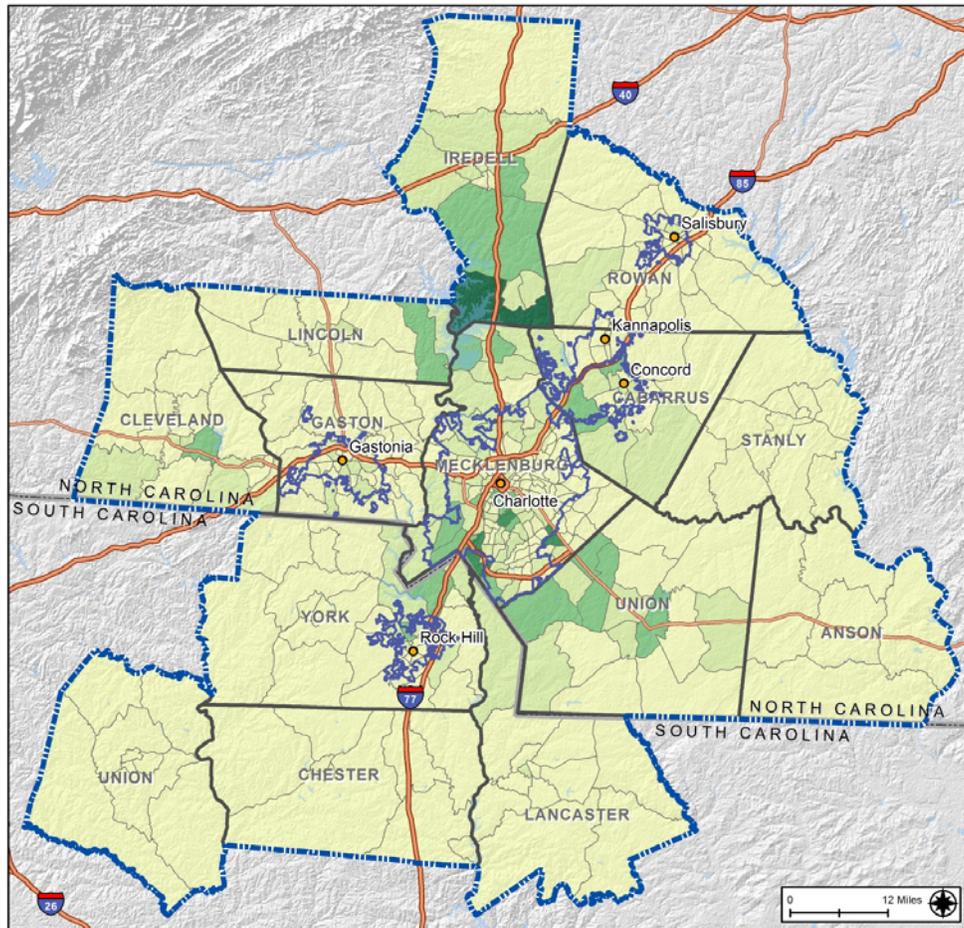
Number of Small Business Loans	
24 - 1,535	Average
1,536 - 4,000	
4,001 - 7,500	
7,501 - 10,000	
10,001 - 13,954	
No Loans Invested	

- Entitlement Cities
- ▭ Entitlement City Boundaries
- ▭ Census Tract Boundaries
- ▭ County Boundaries
- ▭ CONNECT Our Future region Boundary
- ▭ State Boundaries
- ▭ Major Roads

Data Source: FFIEC CRA, 2000–2011

Map V.8 Amount of Small Business Loan Dollars

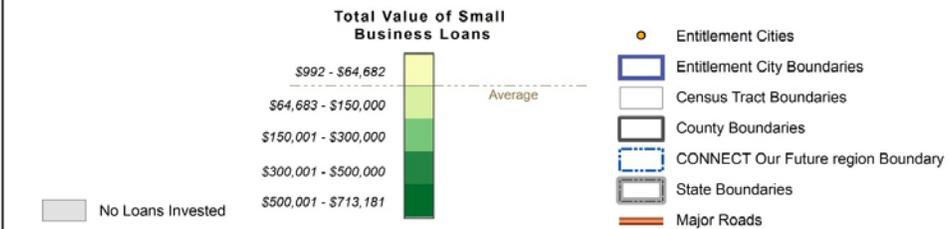
CONNECT Our Future region
2004–2011 HMDA Data



LEGEND

2000–2011 Value of Small Business Loans Invested

2000–2011 Average Combined Value of All Small Business Loans Per Tract in the CONNECT Our Future region = \$64,682



Data Source: FFIEC CRA, 2000–2011

B. FAIR HOUSING COMPLAINTS

Housing discrimination complaint data were requested from four agencies that process complaints in the CONNECT Our Future region: HUD, the North Carolina Human Rights Commission (NCHRC), the City of Charlotte/Mecklenburg County Community Relations Committee, and the South Carolina Human Affairs Commission. These requests were made via a formal process as required in the Freedom of Information Act (FOIA) on May 7, 2013. However, three agencies provided complaint data that could be tabulated: HUD, the South Carolina Human Affairs Commission, and the Charlotte/Mecklenburg County Community Relations Committee. The region's HUD data is presented here, with South Carolina Human Affairs Commission and the Mecklenburg County data presented in the Volume III – Technical Appendix.

of complaints. As shown, 690 bases were cited in relation to the 530 complaints filed. Race, national origin, and disability were the most commonly cited basis, with 248 complaints with this basis.

HUD records the issue or alleged discriminatory action related to each complaint. These are presented in Table V.12, on the following page. In the same way that bases are reported, more than one issue may be associated with each complaint, and 753 issues were cited. Discrimination in terms, conditions, or privileges relating to rental was cited most frequently, or 225 times; discriminatory terms, conditions, privileges, or services and facilities was cited 82 times. The most commonly cited issues in this complaint dataset related predominantly to rental transactions, suggesting that alleged discrimination was more common in the rental markets.

Table V.11
Fair Housing Complaints by Basis

CONNECT Our Future
2004–2013 HUD Data

Basis	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Race	21	26	28	47	28	28	34	18	14	4	248
National Origin	5	12	27	17	18	14	15	9	8	3	128
Disability	19	13	6	19	13	14	16	12	10	6	128
Family Status	6	10	6	7	5	5	12	10	8	14	83
Sex	4	4	5	14	7	4	12	4	3	2	59
Retaliation	4	2	2	5	2	1	1	1	7	1	26
Religion	1		1	5	2	1	1	1	1		13
Color		1				1	1	1	1		5
Total Bases	60	68	75	114	75	68	92	56	52	30	690
Total Complaints	44	48	59	83	60	54	70	43	42	27	530

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HUD maintains records of housing complaints that represent alleged violations of federal housing law, as described previously in Section III. From January 2004 through mid-2013, HUD reported 530 complaints filed in the region, as shown in Table V.11. The total number of complaints ranged from a low of 42 in 2012 to a high of 83 in 2007, excluding 2013 as a partial year. Table V.11 also presents complaint data by basis, or the protected class status of the person allegedly aggrieved in the complaint. Complainants may cite more than one basis, so the number of bases cited can exceed the total number

Table V.12
Fair Housing Complaints by Issue

CONNECT Our Future
2004–2013 HUD Data

Issue	Total
Discrimination in term, conditions or privileges relating to rental	225
Discriminatory terms, conditions, privileges, or services and facilities	82
Discriminatory acts under Section 818 (coercion, etc.)	65
Discriminatory refusal to rent	64
Failure to make reasonable accommodation	46
Discriminatory advertising, statements and notices	34
Otherwise deny or make housing available	33
Discrimination in terms, conditions, privileges relating to sale	29
Discriminatory financing (includes real estate transactions)	22
Discriminatory refusal to sell	15
Discrimination in services and facilities relating to rental	15
Discriminatory refusal to rent and negotiate for rental	13
Discrimination in the terms or conditions for making loans	13
False denial or representation of availability - rental	12
Other discriminatory acts	10
Non-compliance with design and construction requirements (handicap)	10
Discrimination in terms and conditions of membership	6
Failure to provide accessible and usable public and common user areas	6
Discrimination in making of loans	5
Steering	5
Failure to permit reasonable modification	5
False denial or representation of availability - sale	4
Discrimination in the selling of residential real property	4
Discriminatory refusal to negotiate for sale	3
Discriminatory refusal to negotiate for rental	3
False denial or representation of availability	3
Adverse action against an employee	3
Discriminatory refusal to sell and negotiate for sale	2
Discriminatory advertisement - rental	2
Discrimination in services and facilities relating to sale	2
Failure to provide an accessible route into and thru the covered unit	2
Discriminatory advertising - sale	1
Discrimination in the brokering of residential real property	1
Discrimination in the appraising of residential real property	2
Redlining - mortgage	1
Refusing to provide municipal services or property	1
Using ordinances to discriminate in zoning and land use	1
Failure to provide an accessible building entrance	1
Failure to provide usable kitchens and bathrooms	1
Other non-compliance with design and construction requirements	1
Total Issues	753
Total Complaints	530

Not all filed housing complaints are found to be with cause. Sometimes the complainant can no longer be found; other times the complaint may be settled or otherwise closed. The closures status of the 530 filed fair housing complaints is presented in Table V.13. Of these 219 were found to be without cause and another 127 were conciliated or settled without litigation. Another 48 were withdrawn after resolution; there were also another 38 that were still open.

C. FAIR HOUSING SURVEY – PRIVATE SECTOR RESULTS

Additional evaluation of fair housing within the CONNECT Our Future region was conducted via an online survey of stakeholders conducted from August 2013 through December of 2013. The purpose of the survey, a relatively qualitative component of the Regional AI, was to gather insight into the knowledge, experiences, opinions, and feelings of stakeholders and interested citizens regarding fair housing. Results and comments related to the questions in the private sector are presented in the following narrative, and additional survey results are discussed in Section V.

The CONNECT Our Future region 2013 Fair Housing Survey was completed by 356 minority organizations, disability resource groups, real estate and property management associations, banking entities, and other groups involved in the fair housing arena. Most questions in the survey required simple “yes,” “no,” or “don’t know” responses, although many questions allowed the respondent to offer written comments. For example, when many respondents reported that they were aware of questionable practices or barriers, or when multiple narrative responses indicated similar issues, findings suggested likely impediments to fair housing choice.

Numerical tallies of results and summaries of some comment-driven questions are presented in this section. A complete list of written responses is available in the Volume III – Technical Appendix.

Table V.13
Fair Housing Complaints by Closure Status

CONNECT Our Future
2004–2013 HUD Data

Closure Status	Total
No Cause	219
Conciliated / Settled	127
Withdrawal After Resolution	48
Complainant Failed to Cooperate	44
Open	38
Withdrawal Without Resolution	33
Lack of Jurisdiction	10
Unable to Locate Respondent	6
FHAP Judicial Dismissal	2
Untimely Filed	1
Election Made to Go to Court	1
Litigation Ended–Discrimination Found	1
Total Complaints	530

FAIR HOUSING IN THE PRIVATE SECTOR

In order to address perceptions of fair housing in the CONNECT Our Future region’s private housing sector, survey respondents were asked to identify their awareness of possible housing discrimination issues in a number of areas within the private housing sector, including the:

- Rental housing market,
- Real estate industry,
- Mortgage and home lending industry,
- Housing construction or accessible housing design fields,
- Home insurance industry,
- Home appraisal industry, and
- Any other housing services.

If respondents indicated that they were aware of possible discriminatory issues in any of these areas, they were asked to further describe issues in a narrative fashion. Tallies for each question are presented in Table V.14, below.

Table V.14
Barriers to Fair Housing in the Private Sector

CONNECT Our Future
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	44	147	59	128	378
The real estate industry?	27	139	84	128	378
The mortgage and home lending industry?	34	119	95	130	378
The housing construction or accessible housing design fields?	17	134	92	135	378
The home insurance industry?	16	120	110	132	378
The home appraisal industry?	27	117	102	132	378
Any other housing services?	16	123	106	133	378

Rental Housing

Regarding barriers to fair housing choice in the rental housing market, 44 respondents noted awareness of fair housing issues in this area; however, 147 indicated no problems and 59 said that had not idea of problems. Respondents were asked to discuss their concerns in narrative format if they replied “yes.” Comments on this question related to discrimination based on:

- Disability and need for reasonable accommodations including allowing pets,
- Race- or national origin-based refusal to rent, and
- Family and marital status, for families with children or unmarried parents.

Real Estate Industry

Only 27 respondents reported awareness of barriers to fair housing choice in the real estate industry; 139 indicated no problems and 84 did not know of any questionable practices. Narrative comments included mentions of steering to particular neighborhoods.

Mortgage and Home Lending Industry

Regarding barriers to fair housing choice in the lending or mortgage industries, 34 respondents noted awareness of fair housing issues and another 119 said they saw no difficulties. Another 95 respondents indicated that they did not have a good idea about this area. Comments offered by those who said “yes” in this question suggested that racial and ethnic minority applicants were more frequently

denied or received lower-quality loans than did white applicants.

Housing Construction or Accessible Housing Design Fields

Barriers to fair housing choice in the housing construction or accessible housing design fields were also addressed in the survey. When asked if they were aware of fair housing issues in these areas, 17 respondents said yes. Persons who were aware of issues in the housing construction or accessible housing design fields were also asked to provide specific examples of these issues. Respondents indicated that homes are sometimes not accessible, that builders lack knowledge of regulations, and that there is a lack of enforcement for accessibility.

Home Insurance Industry

Only 16 respondents noted barriers to fair housing choice in the home insurance industry, although many of those who took the survey did not respond or said that they did not know. Some comments suggested that it is difficult to insure homes in neighborhoods with older housing stock, abandoned properties, or low-income residents.

Home Appraisal Industry

The home appraisal industry was also investigated as part of the survey. When asked, 27 respondents noted that they were aware of barriers to fair housing choice in the home appraisal industry. Some respondents commented that appraisers make assumptions about properties based on neighborhood quality, and that they may consider minority racial areas as a detriment to property values.

Any Other Housing Services

Respondents were also asked to discuss their awareness of barriers to fair housing in any other area of the private housing sector. Only 16 respondents noted awareness of other issues, but many did not know or did not respond. Mentioned in the comments was uneven treatment in the rental and for-sale markets based on the poverty or racial minority makeup of neighborhoods.

D. SUMMARY

Evaluation of the private housing sector included review of home mortgage loan application information, mortgage lending practices, fair housing complaint data, and results from the private sector section of the 2013 CONNECT Our Future Fair Housing Survey.

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in home mortgage application denial rates in the CONNECT Our Future region by race, ethnicity, sex, income, and Census tract. Evaluation of home purchase loan applications from 2004 through 2011 showed that there were 311,000 loan originations and 60,453 denials, for an eight-year average loan denial rate of 16.3 percent. Denial rates were highest in 2011, at 19.1 percent. These HMDA data also showed that African American and Hispanic applicants experienced far higher rates of loan denials than did white or Asian applicants, even after correcting for income in most cases. Further, these more frequently denied racial and ethnic groups may have been disproportionately impacted in some specific areas of the region.

Analysis of originated loans with high annual percentage rates showed that African American and Hispanic populations were also disproportionately issued these types of lower-quality loan products. African American borrowers experienced a rate more than twice that of white applicants, for example. With high proportions of low quality, high-annual percentage rate loans being issued to these particular groups, the burden of foreclosure may have fallen more heavily upon them.

Analysis of data from the Community Reinvestment Act (CRA), which is intended to encourage investment in low- and moderate-income areas,

showed that business loans did not tend to be directed toward the areas with highest poverty concentrations in the CONNECT Our Future region as commonly as they were toward moderate- and higher-income areas.

Fair housing complaint data from HUD showed that 530 fair housing–related complaints were filed in the region from 2004 through mid-2013. The number of complaints filed with this agency varied by year, ranging from 83 to 42. The protected classes most impacted by discrimination were race, national origin, and disability. The most common complaint issues related discrimination in terms, conditions or privileges relating to rental, with many types of complaints related to the rental markets.

Results from the private sector portion of the 2013 CONNECT Our Future Fair Housing Survey, conducted from July through December 2013, as part of the Regional AI process, showed that some respondents saw possible issues of housing discrimination in the CONNECT region’s private housing sector.

VI. BARRIERS TO HOUSING CHOICE IN THE PUBLIC SECTOR

While the previous section presented a review of the status of fair housing in the private sector, this section will focus specifically on fair housing in the public sector. HUD recommends that the Regional AI investigate a number of housing factors within the public sector, such as zoning and land use policies, past public infrastructure development and the placement of public housing. These narratives are presented below.

A. PUBLIC INFRASTRUCTURE DEVELOPMENT

Community features, including public services and facilities, are essential parts of good neighborhoods, leading to a more desirable community and more demand for housing in these areas. The following narrative addresses the location of public transit as it relates to where people live and work, as well as evaluating the location of assisted and public housing and public policies and practices in connection to fair housing choice.

PUBLIC TRANSPORTATION

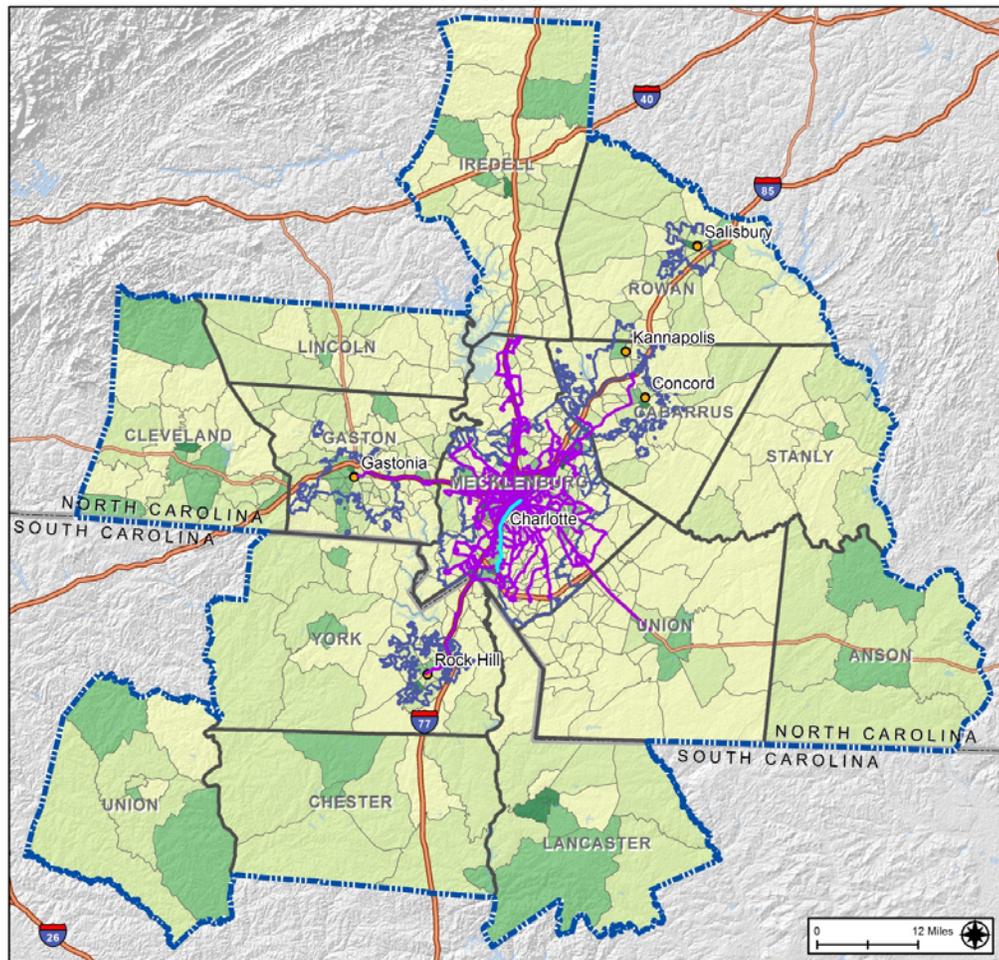
Many parts of the CONNECT Our Future region are well served with public transportation access but others are not. The geographic distribution of poverty or lower income areas in the region and transit access is presented Map VI.1 on the following page. As shown, the Charlotte area had the highest level of concentration of transit routes, covering nearly all of the areas with higher incidences of poverty. On the other hand, only a few transit spurs extend beyond Mecklenburg County, with one to Gastonia, Rock Hill, another out to Monroe in Union County, North Carolina, and one toward Concord in Cabarrus County. There are also several routes to the north end of Mecklenburg County, up to the Iredell County border. Nevertheless, some of the lower-income Census tracts that are scattered throughout the region do not appear to have public mass transit access at this time, as evidenced in Map VI.1.

PUBLIC AND ASSISTED HOUSING

Public and assisted housing can exist in several forms, including low-income housing projects, housing voucher programs, and supportive housing. However, the location of such housing units may be of concern, particularly if they are continually located in specific areas, thereby potentially concentrating low-income or minority residents in certain areas. To explore this particular concept, multi-family housing projects and Low Income Housing Tax Credit (LIHTC) data were downloaded from HUD.

As presented in Map VI.2 on page 93, there seems to be some higher incidence of multifamily housing in areas that have slightly more urbanized communities, including smaller communities in the more rural areas of the region. Certainly, there are some constraints on locating such facilities throughout the 14-county region, such as the limited extent of sewer systems, but it is interesting that these do not seem to be exclusively located in areas with higher incidences of poverty.

Map VI.1
Public Transit Routes and Poverty Rates
 CONNECT Our Future region
 2013 CCOG Data



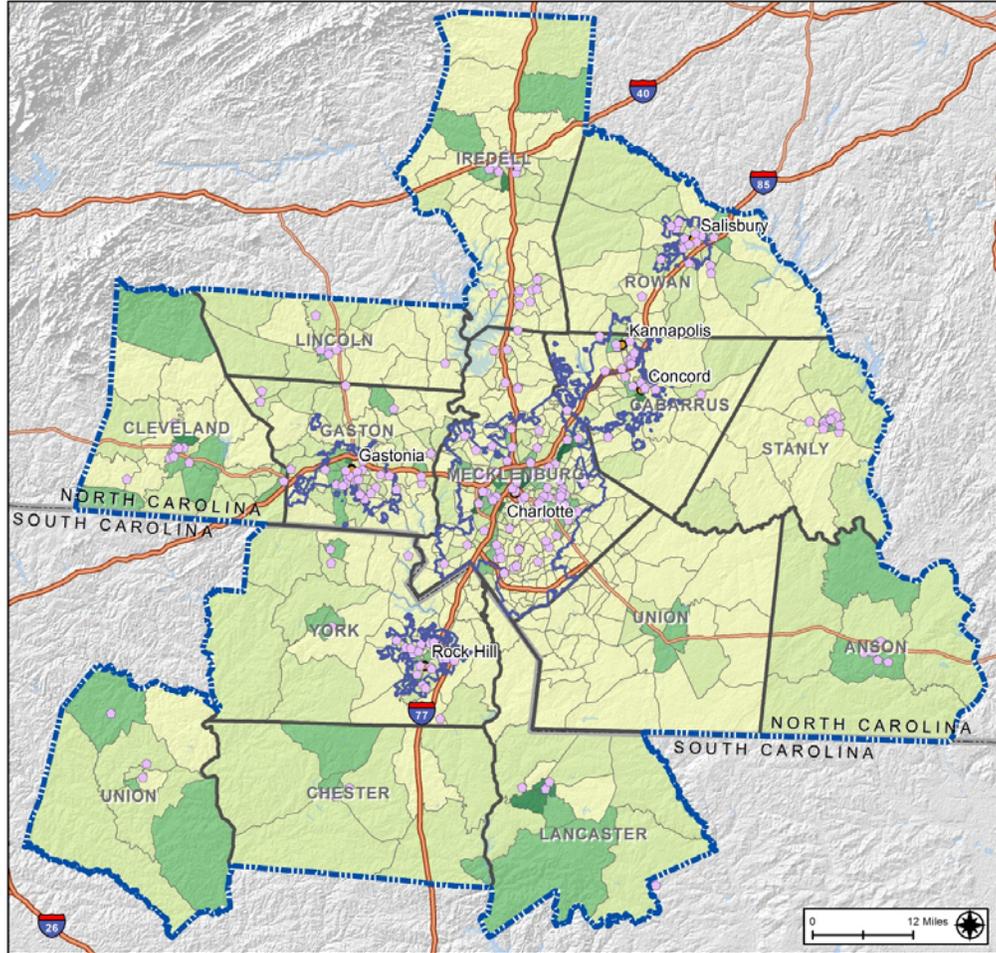
LEGEND

Regional Public Transit and 2007–2011 Poverty
 2007–2011 Average Poverty Rate in the CONNECT Our Future region = 14.2%
 Disproportionate Share Threshold = 24.2% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

<ul style="list-style-type: none"> — LYNX Blue Line Light Rail — CATS Regional Bus Routes 	<p>Poverty Rate</p> <table border="0"> <tr> <td style="width: 20px; height: 10px; background-color: #ffffcc;"></td> <td>0.0% - 14.2%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #d9ead3;"></td> <td>14.3% - 24.2%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #c4e3c4;"></td> <td>24.3% - 40.0%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #a1d99b;"></td> <td>40.1% - 55.0%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #74c476;"></td> <td>55.1% - 67.0%</td> </tr> </table> <p style="text-align: center;">----- Disproportionate Share Threshold</p>		0.0% - 14.2%		14.3% - 24.2%		24.3% - 40.0%		40.1% - 55.0%		55.1% - 67.0%	<ul style="list-style-type: none"> ● Entitlement Cities Entitlement City Boundaries Census Tract Boundaries County Boundaries CONNECT Our Future region Boundary State Boundaries Major Roads
	0.0% - 14.2%											
	14.3% - 24.2%											
	24.3% - 40.0%											
	40.1% - 55.0%											
	55.1% - 67.0%											

Data Source: February 2013 Centralina COG, 2007–2011 ACS

Map VI.2
Multi-Family HUD-Assisted Rental Units
 CONNECT Our Future region
 2013 HUD Data



LEGEND

2013 Multifamily Assisted Housing and 2007–2011 Poverty

2007–2011 Average Poverty Rate in the CONNECT Our Future region = 14.2%

Disproportionate Share Threshold = 24.2% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

● HUD Assisted Multifamily Property

Poverty Rate

0.0% - 14.2%

14.3% - 24.2%

24.3% - 40.0%

40.1% - 55.0%

55.1% - 67.0%

Disproportionate Share Threshold

● Entitlement Cities

■ Entitlement City Boundaries

■ Census Tract Boundaries

■ County Boundaries

■ CONNECT Our Future region Boundary

■ State Boundaries

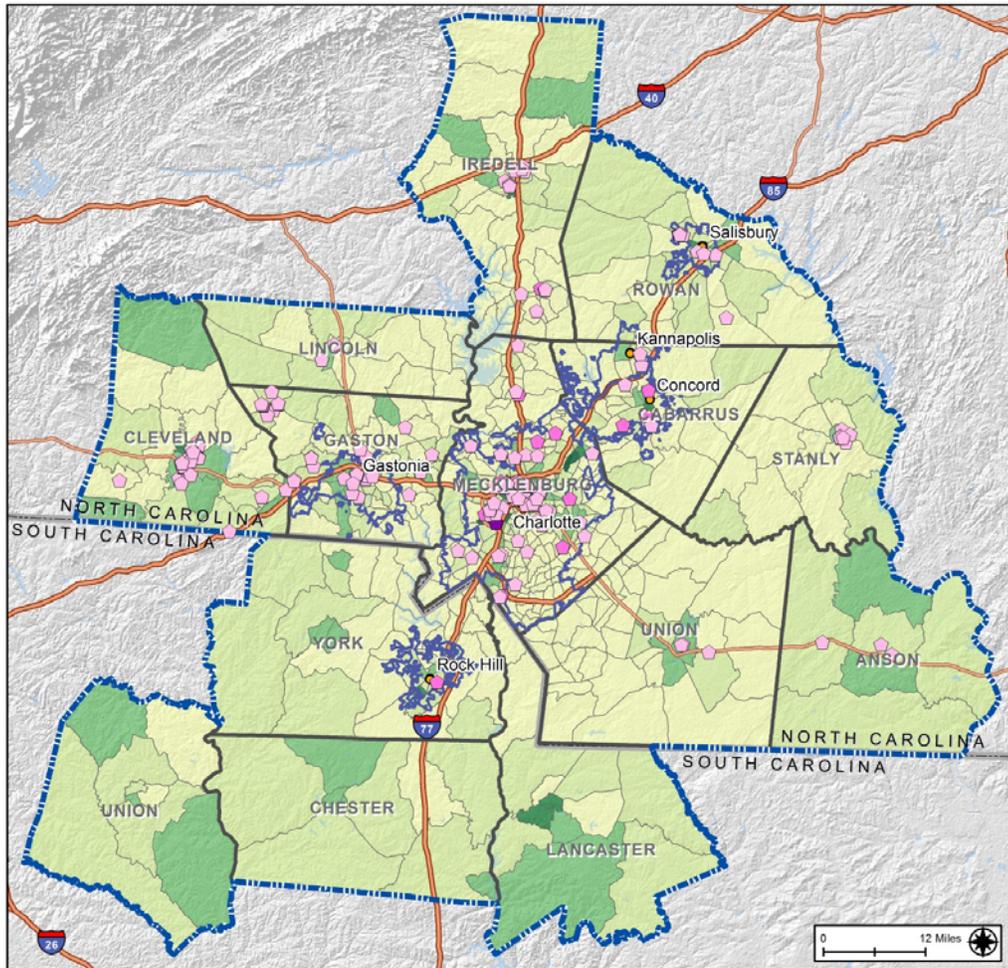
■ Major Roads

Data Source: March 2013 HUD FHA Office of Multifamily Housing Programs, 2007–2011 ACS

Further, when viewing Low Income Housing Tax Credit projects, as shown in Map VI.3 on the following page, the same issues can be identified. There does not seem to be a direct correlation between the housing and its location in lower income areas.

Map VI.4 on page 96, shows individual housing choice vouchers from the Section 8, rent supplement, Rental Assistance Payment, Below-Market Interest Rate, Project Rental Assistance Contracts, and Section 202/162 Project Assistance Contract programs. While many of those in use in 2013 tended to be at the same addresses, these locations appear to have been scattered fairly widely across the region, with many in the larger cities, though these assistance types were also represented in smaller communities.

Map VI.3
LIHTC Affordable Units
 CONNECT Our Future region
 2013 HUD Data



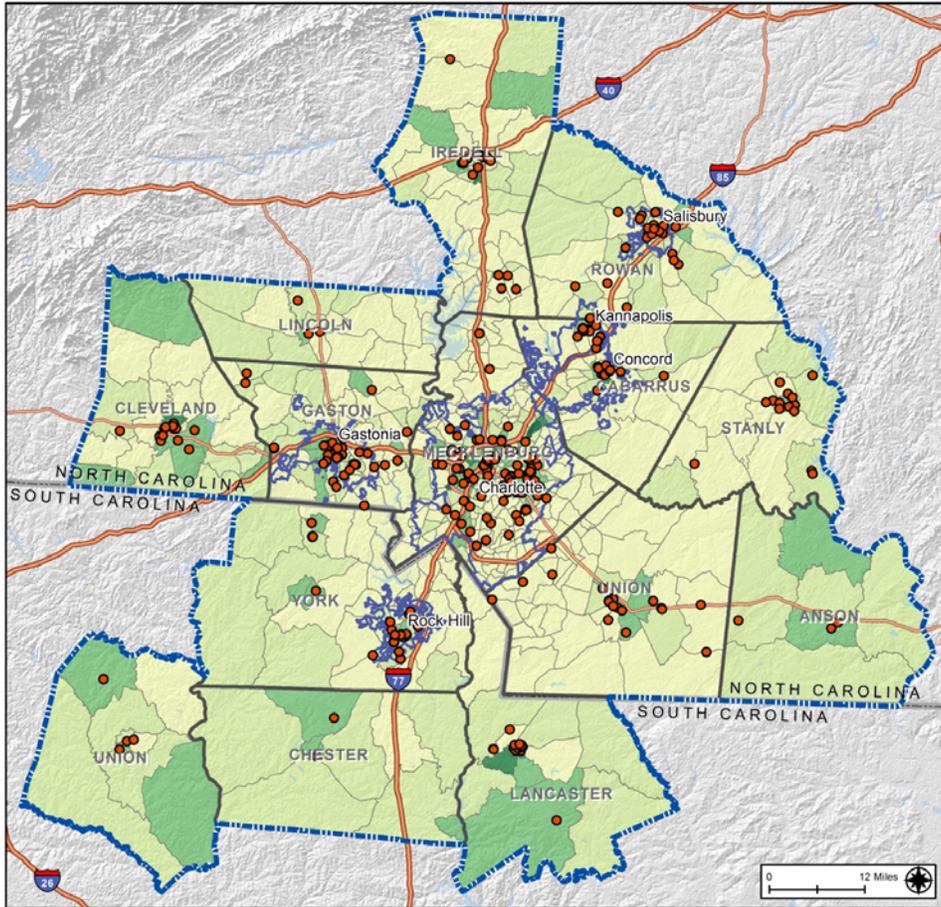
LEGEND

2013 Low Income Housing Tax Credit Project Locations and 2007–2011 Poverty
 2007–2011 Average Poverty Rate in the CONNECT Our Future region = 14.2%
 Disproportionate Share Threshold = 24.2% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

<p>LIHTC Affordable Units</p> <ul style="list-style-type: none"> ◆ 1 - 100 ◆ 101 - 250 ◆ 251 - 504 	<p>Poverty Rate</p> <table border="0"> <tr> <td style="width: 20px; height: 10px; background-color: #FFFFE0;"></td> <td>0.0% - 14.2%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #90EE90;"></td> <td>14.3% - 24.2%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #3CB371;"></td> <td>24.3% - 40.0%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #008000;"></td> <td>40.1% - 55.0%</td> </tr> <tr> <td style="width: 20px; height: 10px; background-color: #006400;"></td> <td>55.1% - 67.0%</td> </tr> </table> <p>Disproportionate Share Threshold</p>		0.0% - 14.2%		14.3% - 24.2%		24.3% - 40.0%		40.1% - 55.0%		55.1% - 67.0%	<ul style="list-style-type: none"> ● Entitlement Cities Entitlement City Boundaries Census Tract Boundaries County Boundaries CONNECT Our Future region Boundary State Boundaries Major Roads
	0.0% - 14.2%											
	14.3% - 24.2%											
	24.3% - 40.0%											
	40.1% - 55.0%											
	55.1% - 67.0%											

Data Source: March 2013 HUD PDR LIHTC Database, 2007–2011 ACS

Map VI.4
Voucher-Assisted Housing Units and 2011 Poverty
 CONNECT Our Future region
 2011 Five-Year ACS, HUD Data



LEGEND

2013 Voucher-Assisted Housing and 2007–2011 Poverty Rates
 2007–2011 Average Poverty Rate in the CONNECT Our Future region = 14.2%
 Disproportionate Share Threshold = 24.2% (A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.)

<p>Poverty Rate</p> <ul style="list-style-type: none"> 0.0% - 14.2% 14.3% - 24.2% 24.3% - 40.0% 40.1% - 55.0% 55.1% - 67.0% 	<p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> ● Section 8 Voucher-Assisted Units Entitlement City Boundaries Census Tract Boundaries County Boundaries CONNECT Our Future region Boundary State Boundaries Major Roads
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Data Source: 2007–2011 ACS, HUD Data

B. 2013 FAIR HOUSING SURVEY OF COMMUNITY PLANNERS

This section contains data gathered from a survey of non-entitlement communities across the region. Through these interviews with planning, community development, building, and other staff, this method allowed the collection of thorough answers to key questions about public sector policies and practices. The 50 largest non-entitlement communities were identified, and then contacts were drawn from state municipal directories or provided by the Centralina Council of Governments.

For these interviews, policies relating to housing development, special needs housing, and fair housing were addressed for each area in order to evaluate the public sector environment for a variety of housing types, including affordable housing, mixed-use housing, senior housing, and group homes. Local planning and community development staff provided details on many elements of their jurisdictions' policies. Survey questions related to zoning ordinances, planning policies, and land use practices such as:

- Definitions of “dwelling unit” and “family;”
- Occupancy standards;
- Definitions of “disability;”
- Development standards for housing for persons with disabilities;
- Programs or practices relating to the development of affordable, mixed-use, accessible, or senior housing; and
- Policies relating to group homes or other special needs housing.

The results of these planning and community interviews are presented on the following page in Table VI.1. About 80 percent of the target audience had surveys completed, and while the individual communities contacts will not be identified in this narrative, the main themes and lessons gathered from these public policy representatives are reviewed.

In regard to housing development, most of the communities seemed to have definitions for dwelling units or residential unit. However, these were not uniform. Furthermore, several lacked guidelines, or clear guidelines, that relate to the

development of affordable housing and mixed use housing. Additionally, very few communities seemed to have any form of guidelines that might be used to encourage affordable housing development, with four saying “yes” and 34 saying “no” to this particular questions. Further, there were 13 who did express that selected zoning or development codes may hinder affordable housing development.

In terms of occupancy standards, some 35 of the 40 responding to the survey indicated that they had a definition for family. However, 25 of the 40 respondents indicated the definition included statements such as “related by blood, marriage, or adoption.” Additionally, 22 of the respondents indicated that there were limits on the allowable family size, although few said that there were explicit occupancy standards.

When addressing special needs housing, a few defined “disability,” but no one indicated that there were development standards for making housing more accessible to persons with disabilities. Further, there were very few, if any, avenues for the disabled to request variances. Only 2 noted standards for senior housing development, but several indicated that they had some guidelines that distinguished senior housing from other residential uses. For group housing situations, it appears that most communities have allowed for this use, with 29 having a definition for a group home, 34 indicating that they were permitted in single-family areas; but there are limitations in 23 communities. Unfortunately, few communities have a fair housing ordinance, policy, or regulation, and slightly fewer have policies or practices for affirmatively furthering fair housing. It would appear that a more uniform set of policies and practices might greatly benefit the region.

Table VI.1
Barriers to Fair Housing in the Public Sector
 CONNECT Our Future
 2013 Fair Housing Survey of Community Planners

Question: Does your jurisdiction have...	Yes	No	Don't Know	Missing	Total
Housing Development					
Definitions for "dwelling unit" or "residential unit"?	38	3	0	9	50
Guidelines that encourage development affordable housing units?	29	12	0	9	50
Guidelines that allow the development of mixed use housing?	29	10	3	8	50
Guidelines that encourage affordable units, such as inclusionary zoning	4	34	4	10	50
Any complications in zoning or codes that hinder low to moderate income housing	13	28	0	9	50
Occupancy Standards					
A definition for the term "family"?	35	4	1	10	50
Does definition of family say "related by blood, marriage or adoption"	25	10	0	10	50
Does definition of family include specific limit on number of persons	22	19	0	9	50
Residential occupancy standards or limits?	2	38	1	9	50
Special Needs Housing					
A definition for the term "disability"?	13	28	1	8	50
Development standards for making housing accessible to persons with disabilities?	0	40	1	9	50
A process by which persons with disabilities can request modification to the jurisdiction's policies?	5	35	2	8	50
Standards for the development of senior housing?	2	39	0	9	50
Guidelines that distinguish senior citizen housing from other residential uses?	14	27	1	8	50
A definition for "group home, or similar, for special needs populations	29	7	1	13	50
Are groups homes permitted by right in single-family areas	34	5	4	7	50
In single-family areas, is there a density limit, such distance from another group home	23	11	4	12	50
Fair Housing Policies					
A fair housing ordinance, policy, or regulation?	10	24	8	8	50
Policies or practices for "affirmatively furthering fair housing"?	9	28	5	8	50

C. FAIR HOUSING SURVEY – PUBLIC SECTOR RESULTS

As mentioned previously, further evaluation of the status of fair housing within the CONNECT Our Future region was conducted via the 2013 Fair Housing Survey, which was completed online by 356 stakeholders and citizens. Those solicited for participation included a wide variety of individuals from the fair housing arena. Most questions in the survey required "yes," "no," or "don't know" responses, and many allowed the respondent to offer written comments. While the numerical tallies of results are presented in this section, along with summaries of some comment-heavy questions, a complete list of written responses is available in the Volume III – Technical Appendix. Other survey results from the private sector were also discussed previously in this document.

FAIR HOUSING IN THE PUBLIC SECTOR

Public sector effects on housing can be complex and varied. The questions in this section of the survey asked respondents to think about possible barriers to fair housing choice within very specific areas of the public sector, as follows:

- Land use policies,
- Zoning laws,
- Occupancy standards or health and safety codes,
- Property tax policies,
- Permitting processes,
- Housing construction standards,
- Neighborhood or community development policies,
- Access to government services, and
- Any other public administrative actions or regulations.

If respondents indicated affirmatively that they were aware of possible discriminatory issues in any of these areas, they were asked to further describe issues in a narrative fashion. Tallies for each question are presented in Table VI.2. Narrative responses and practices noted by high numbers of

zoning laws. Narrative comments received in relation to this question also pointed to restriction of multi-family housing, although some comments particular noted barriers to fair housing choice:

- Group homes are not allowed or are only allowed conditionally or after a longer process than for single-family homes,
- Restrictive definitions of “family,” and
- Only large single-family homes are allowed in zoning laws.

Table VI.2
Barriers to Fair Housing in the Public Sector

CONNECT Our Future
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	33	98	83	142	356
Zoning laws?	37	91	88	140	356
Occupancy standards or health and safety codes?	12	107	96	141	356
Property tax policies?	13	101	97	145	356
Permitting process?	9	104	97	146	356
Housing construction standards?	16	106	92	142	356
Neighborhood or community development policies?	19	104	90	143	356
Limited access to government services, such as employment services?	42	108	65	141	356
Public administrative actions or regulations?	17	93	102	144	356

respondents suggest that the issues raised may be construed to be potential impediments to fair housing choice in selected parts of the CONNECT Our Future region. However, the large number of respondents who indicated “don’t know” implies a lack of understanding about how the outcome of public sector policies and practices may influence housing choice.

Land Use Policies

When asked, 33 respondents noted that they were aware of barriers to fair housing choice related to land use policies. As indicated previously, respondents were also asked to discuss questionable practices or barriers specifically in narrative format. None of the narrative comments received in relation to this question explicitly pointed to barriers to fair housing choice based on protected class protections; however, existence of policies that have the effect of excluding affordable multi-family housing was commonly cited.

Zoning Laws

Zoning laws were also investigated as part of the survey. There were 37 respondents who noted awareness of barriers to fair housing choice due to

Occupancy Standards or Health and Safety Codes

Across the CONNECT Our Future region, 12 persons noted awareness of fair housing issues caused by occupancy standards or health and safety codes, and while no comments received were related to fair housing law violations, several respondents replied that code are not enforced, particularly in some suburbs and other low-income areas.

Property Tax Policies

When asked about barriers to fair housing choice in property tax policies, 13 respondents were aware of such issues. No comments were strictly related to fair housing access impediments, although some respondents did reply that tax incentives would be helpful in providing accessible housing for persons with disabilities and for home improvement programs.

Permitting Processes

The survey also addressed perceptions of the local permitting process. Only 9 respondents noted limited access to these services as a problem in the CONNECT Our Future region; a few comments received noted that forms and information about permitting are only offered in English.

Housing Construction Standards

Barriers to fair housing choice in housing construction standards were also addressed in the survey. Fair housing concerns in this area were reported by 16 respondents. No comments received cited impediments for particular protected groups, although some respondents reported lack of enforcement and lack of knowledge on the part of building departments and permit officials.

Neighborhood or Community Development Policies

Only 19 respondents noted awareness of barriers to fair housing choice in neighborhood or community development policies. Most of the comments received addressed policies limiting low-income housing, and several reported that their communities did not focus development efforts in areas that needed attention. A few comments said that the lowest-income areas were also those with high protected class populations, and these areas received very little in community development resources.

Limited Access to Government Services

The survey was also used to examine awareness of situations where groups faced limited access to government services, including public transportation and employment services. Several more respondents, 42, noted limited access to these services as a problem in the CONNECT Our Future region. Many of these comments noted insufficient public transit, particularly affecting those in need of government services, including disabled persons. Some comments said that the lack of service had a disparate impact on populations of minority race and ethnicity.

Any Other Public Administrative Actions or Regulations

Respondents were also asked to discuss their awareness of barriers to fair housing in any other public administrative actions or regulations. When asked, 17 respondents noted awareness of other issues, and comments included other limitations on rental housing, group homes, and smaller homes.

B. SUMMARY

The status of affirmatively furthering fair housing (AFFH) within the CONNECT Our Future region's public sector was evaluated through review of the geographic distribution of assisted housing and selected public services, interviews with non-entitlement planning officials, as well as the results of the public sector section of the 2013 Fair Housing Survey. Evaluation of the distribution of housing vouchers, HUD-assisted rental properties, and other affordable housing in the CONNECT Our Future region demonstrated that these assisted housing options were relatively widely distributed, and tended to be concentrated in larger towns and cities in the region and mostly in areas other than those with the highest poverty rates.

The 2013 Community Planner Survey showed that many of these jurisdictions have in place some basic housing definitions such as "dwelling unit" and "family," but several tend to be more restrictive, which may not be in the spirit of AFFH. Very few communities define "disability" in their codes or have policies in place to offer options for persons in need of modifications to policies for reasonable accommodation. Housing for seniors and group housing are not consistently addressed in local codes. Of those interviewed, many communities lack fair housing ordinances or practices. A more complete, consistent, and uniform approach could greatly benefit these communities in the CONNECT Our Future region.

Results from the public sector section of the 2013 Fair Housing Survey revealed that some respondents in the CONNECT Our Future region believe there are problematic practices or policies within the public sector. Of those that did, some noted land use policies and zoning laws that particularly impact protected class populations by limiting the location of group homes and other multi-family housing.

VII. PUBLIC INVOLVEMENT

This section discusses analysis of fair housing in the CONNECT Our Future region as gathered from various public involvement efforts conducted as part of the Regional AI and FHEA development process. Public involvement feedback is a valuable source of qualitative data about prospective barriers to fair housing choice, as well as impediments, but, as with any data source, citizen comments alone do not necessarily indicate the existence of region wide impediments to fair housing choice. However, survey and focus group comments that support findings from other parts of the analysis can contribute to more clearly identifying impediments to fair housing choice.

A. THE 2013 CONNECT FAIR HOUSING SURVEY

The status of affirmatively furthering fair housing (AFFH) within the CONNECT Our Future region's public sector was evaluated through review of the geographic distribution of assisted housing and selected public services, interviews with non-entitlement planning officials, as well as the results of the public sector section of the 2013 Fair Housing Survey.

As discussed in previous sections, the 2013 CONNECT Fair Housing Survey comprised a large portion of the public involvement efforts associated with the development of the CONNECT Regional AI and FHEA. While data from the survey regarding policies and practices within the private and public sectors have already been discussed, the remaining survey findings are presented in the following narrative.

The purpose of the 2013 CONNECT Fair Housing Survey, a relatively qualitative component of the CONNECT Regional AI, was to gather insight into knowledge, experiences, opinions, and feelings of stakeholders and interested citizens regarding fair housing as well as to gauge the ability of informed and interested parties to understand and affirmatively further fair housing. Many organizations throughout the entire region were solicited to participate.

Across the CONNECT Our Future region, 378 respondents completed the survey, which was conducted entirely online. Individuals solicited for participation included representatives of housing

groups, minority organizations, disability resource groups, real estate and property management associations, banking entities, fair housing advocates, and other groups involved in the fair housing arena. Other survey results are also discussed in Sections V and VI. Narrative responses and practices noted by high numbers of respondents suggest that the issues raised are impediments to fair housing choice.

Respondents of the 2013 CONNECT Fair Housing Survey were asked to identify their primary role within the housing industry. As shown in Table VII.1 on the following page, of the 378 responses to the survey, 107 considered themselves as homeowners, with 58 advocates, 53 representatives of local government, 34 who were rental tenants, and 35 of some other housing industry role.

Table VII.1
Role of Respondent
CONNECT Our Future
2013 Fair Housing Survey Data

Primary Role	Total
Advocate/Service Provider	58
Appraisal	1
Banking/Finance	9
Construction/Development	22
Homeowner	107
Insurance	1
Law/Legal Services	6
Local Government	53
Property Management	29
Real Estate	19
Renter/Tenant	34
Other Role	35
Missing	4
Total	378

The next question asked respondents about their familiarity with fair housing laws. Results of this question are presented in Table VII.2. As shown, nearly a third of all respondents indicated that they were somewhat familiar (135 respondents) or very familiar (85

respondents) with fair housing law, but 63 respondents said that they were unfamiliar with fair housing law, a level that indicates substantial lack of knowledge of such laws.

Table VII.2
How Familiar are you with Fair Housing Laws?
CONNECT Our Future
2013 Fair Housing Survey Data

Familiarity	Total
Not Familiar	63
Somewhat Familiar	135
Very Familiar	85
Missing	95
Total	378

Table VII.3 below shows the responses to a number of questions regarding federal, state, and local fair housing laws. First, respondents were asked to indicate their perceptions of the usefulness

of fair housing laws in their communities. When asked if fair housing laws are adequately enforced, 139 respondents replied that they are and 103 said that they are not, the latter indicating some level of displeasure with the current state of fair housing enforcement activities.

Table VII.3
Federal, State, and Local Fair Housing Laws
 CONNECT Our Future
 2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	217	24	41	96	378
Are fair housing laws difficult to understand or follow?	78	139	63	98	378
Do you think fair housing laws should be changed?	49	113	115	101	378
Do you think fair housing laws are adequately enforced?	139	103	27	109	378

of fair housing laws in their communities. As shown, 217 respondents indicated that fair housing laws are useful, and only 24 respondents believed that fair housing laws are not useful.

Respondents were also asked if fair housing laws are difficult to understand or follow. As shown, 78 respondents said that fair housing laws are difficult to understand or follow, which represents about 20 percent of respondents who answered this question; another 63 did not know. Together, this indicates that additional education and outreach about fair housing law may be useful.

The third question of this section inquired if fair housing laws should be changed; 49 respondents indicated affirmatively, and written responses suggested the following:

- Adding sexual orientation as a protected class; and
- Adding protections for other classes, such as source of income.

The next section in the survey related to fair housing activities, including outreach and education and testing and enforcement. As shown in Table VII.4, when asked if there was a training process available to learn about fair housing laws, 139 respondents indicated affirmatively, and 107 respondents noted that they had participated in fair housing training. Respondents were also asked about their awareness of fair housing testing; only 44 respondents were aware of such activity compared to 166 who were not and another 58 who did not know.

Questions in this section also invited respondents to gauge the current levels of fair housing testing and education in their communities. Nearly 25 percent of all respondents who answered the question, 89 persons, suggested that there is too little fair housing outreach and education activity in the CONNECT Our Future region and 63 respondents said that outreach and education activities are sufficient, with only 10 indicating that there is too much. However, some 106 respondents had no idea about outreach and education. In terms of fair housing testing, 38 of the respondents who answered indicated that there is too little testing; however, many respondents, 202, did not appear to understand fair housing testing activities because they said they did not know.

Table VII.4
Fair Housing Activities
 CONNECT Our Future
 2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	139	103	27	109	378	
Have you participated in fair housing training?	107	66	11	194	378	
Are you aware of any fair housing testing?	44	166	58	110	378f	
Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	89	63	10	106	110	378
Is there sufficient testing?	38	23	5	202	110	378

As part of the process of measuring understanding of fair housing law through the survey instrument, respondents were asked to list their awareness of classes of persons protected by fair housing laws on federal, state, and local levels. Race and disability were offered as examples of protected classes in the question narrative, encouraging respondents to list other protected classes. Results of this question are presented in Table VII.5 on the following page. Some respondents were able to correctly identify several of the protected classes, including gender, religion, familial status, and national origin—between 118 and 85 respondents, in descending order, identified these groups. However, age, which was selected by 58 respondents, is not a protected class in either North or South Carolina.

Furthermore, many respondents indicated some confusion as to protected classes when several listed sexual orientation and income for fair housing protection; these class distinctions have no such protection in federal, state, or local law. In addition, research presented in the literature review section of this document suggests that, nationally, many persons are not able to correctly list classes of persons protected by fair housing law in their community; this generalization may be accurate in the CONNECT Our Future region as well.

Table VII.6 presents tallied responses to survey questions related to the status of fair housing in the CONNECT Our Future region. First, respondents were asked if they were aware of a fair housing plan in their communities. 46 respondents indicated affirmatively, but another 105 said that they were not aware of such a plan. These findings suggest that many local jurisdictions in the region may not address fair housing choice in their policies.

Respondents were also asked to offer information regarding any specific geographic areas within the CONNECT Our Future region that might have increased fair housing issues. While a number of respondents elected not to answer the question or

Table VII.5
Protected Classes

CONNECT Our Future
2013 Fair Housing Survey Data

Protected Class	Total
Gender	118
Religion	116
Family Status	100
National Origin	85
Age	58
Color	49
Sexual Orientation	39
Disability	27
Income	19
Ethnicity	16
Race	10
Criminal	4
Other	54
Total	695

indicated that they did not know, 27 respondents reported that certain geographic areas of the region had fair housing issues. Fair housing-specific comments indicated that some inner-city areas and some suburbs have particular issues.

Any one of the responses presented in the previous pages on their own may not necessarily be considered an impediment to fair housing choice, but the high number of “don’t know” or missing responses may be due to a lack of fair housing knowledge among stakeholders. This is more likely an indicator that fair housing outreach and education efforts have been insufficient.

Table VII.6
Local Fair Housing
CONNECT Our Future
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	46	105	68	159	378
Are there any specific geographic areas that have fair housing problems?	27	67	124	160	378

B. FOCUS GROUPS

For the development of the Regional AI and FHEA, two specific focus groups were held: one that included a number of local community leaders and a second for the Hispanic community. Comments

FAIR HOUSING FORUMS

As part of the public input process, a fair housing forum was held in each jurisdiction in early 2014.

Table VII.7
Fair Housing Forums
 CONNECT Our Future
 Minutes from 2014 Fair Housing Forums

Entitlement Jurisdiction	Location	Date	Time	Topics
Concord	Concord First Assembly	January 30, 2014	9:00 AM	Education in credit and financial literacy/ Limitations of transit networks/Role of zoning laws
Gastonia	First United Methodist Church	January 30, 2014	1:00 PM	Fair Housing Structure/Lack of clarity in complaint process
Kannapolis	Kannapolis Train Station	January 28, 2014	9:00 AM	Predatory Lending/Impact of foreclosures/Education in credit and fair housing
Rock Hill	Housing and Neighborhood Development Building	February 21, 2014	1:30 PM	Fair Housing Center/Testing, Outreach, Education/Limited understanding of fair housing policy
Salisbury	City Hall of Salisbury	February 21, 2014	9:00 AM	Uneven investment through city/Concentrations of public housing

from the Local Community Leaders Focus Group and for the Hispanic community are presented in Appendix A, and the Latin American Chamber of Commerce of Charlotte Focus Group in Appendix B.

C. PUBLIC INPUT MEETINGS

Six Analyses of Impediments to Fair Housing Choice were prepared for each of the entitlement jurisdictions in the CONNECT Our Future region, and public input gathered in the course of those analyses informs the findings presented in this regional report.

Members of the public were given the opportunity to participate in a series of fair housing forums in January and February of 2014, as well as a series of public review meetings held in April of 2014.

The purpose of these discussions was to allow members of the public to have a chance to learn more about the AI process, to present preliminary findings from the AI, and to allow the participants to offer their perspective on the issues and information presented. A brief summary of all meetings are presented in Table VII.7 above, and presentation materials and minutes from the meetings are included in Appendices C and D, respectively.

PUBLIC REVIEW MEETINGS

Public review meetings were held in four of the entitlement jurisdictions in April 2014. The purpose of these review meetings was to outline key issues pertaining to the impediments identified in the AIs, actions the entitlement jurisdictions should consider in addressing those impediments, and measurement criteria by which the jurisdictions could assess the implementation of those actions. The locations, dates, and times of these meetings are included in Table VII.8 below, and presentation materials from these meetings are included in Appendix E.

A series of Fair Housing Forums was held in five of the entitlement cities in January and February of 2014. The subjects discussed at these forums included the purpose of the AI process and preliminary findings from the AI. The forums presented opportunities for members of the public to offer commentary and various perspectives on the AI process and findings. In addition, public review meetings were held in four of the entitlement communities in April of the same year, and presented an opportunity to receive public feedback on the findings from the AI and to discuss the impediments identified in each of those jurisdictions.

Table VII.8
Local Fair Housing
 CONNECT Our Future
 Minutes of 2014 Public Review Meetings

Entitlement Jurisdiction	Location	Date	Time
Gastonia	City Hall of Gastonia	April 17, 2014	9:00 AM
Kannapolis	Kannapolis Train Station	April 16, 2014	9:00 AM
Rock Hill	Manchester Meadows Complex	April 17, 2014	1:00 PM
Salisbury	City Hall of Salisbury	April 16, 2014	1:00 PM

D.SUMMARY

Public involvement opportunities were another part of the development of the CONNECT Our Future Regional AI and FHERA. Activities included the 2013 CONNECT Fair Housing Survey to evaluate current fair housing efforts and the five fair housing forums located within each entitlement in the region. These forums, held in January and February 2014, offered the chance to comment on initial findings of the Regional AI and offer feedback on prospective impediments.

Results of the 2013 CONNECT Fair Housing Survey showed that the majority of respondents felt that fair housing laws are useful, whereas some respondents were not familiar with fair housing law. Of the respondents who answered the question, many noted the need for increased fair housing education and outreach activities, and a moderate need was indicated for increased fair housing testing activities.

VIII. SUMMARY OF FINDINGS AND RECOMMENDATIONS

This section presents a succinct summary of each of the previous sections, identifies impediments to fair housing choice, and offers conclusions to the fair housing equity assessment. This document concludes with recommendations and suggestions for actions.

A. SUMMARY OF FINDINGS

For the development of the Regional AI and FHEA, two specific focus groups were held: one pertaining to the homeless and homeless service communities and a second for the Hispanic community. The comments from the homeless and homes service communities are located in Appendix A, Local Community Leaders Focus Group and for the Hispanic community in Appendix B, and the Latin American Chamber of Commerce of Charlotte Focus Group in Appendix C.

SOCIO-ECONOMIC CONTEXT

Analysis of demographic, economic, and housing data provides information about the frequency and results of past housing locational choices. As observed, the same areas in the region tend to contain several concerns. This includes some over concentrations of racial and ethnic minorities, high rates of poverty, high loan denial rates for African Americans and Hispanics, and several racially and ethnically concentrated areas of poverty. Furthermore, the spatial distribution of areas lacking opportunity tended to correlate highly with the above-listed areas.

FAIR HOUSING INFRASTRUCTURE

A review of the fair housing profile in the CONNECT Our Future region revealed that aside from HUD and a very low level of activities delivered from the either State, there are no FHIP organizations that provide fair housing services. As well, the region has just one FHAP, the Charlotte/Mecklenburg County Human Relations Committee that provide such services. The Fair Housing Infrastructure, outside of Charlotte and Mecklenburg County is lacking.

FAIR HOUSING IN THE PRIVATE SECTOR

Evaluation of the private housing sector included review of home mortgage loan application information, mortgage lending practices, fair housing complaint data, and results from the private sector section of the 2013 CONNECT Fair Housing Survey.

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in home mortgage application denial rates in the CONNECT Our Future region by race, ethnicity, sex, income, and Census tract. Evaluation of home purchase loan applications from 2004 through 2011 showed that there were 311,000 loan originations and 60,453 denials, for an eight-year average loan denial rate of 16.3 percent. Denial rates were highest in 2011, at 19.1 percent. These HMDA data also showed that African American and Hispanic applicants experienced far higher rates of loan denials than did white or Asian applicants, even after correcting for income. Analysis of originated loans with high annual percentage rates showed that African American and Hispanic populations were also disproportionately issued these types of lower-quality loan products.

Analysis of data from the CRA, which is intended to encourage investment in low- and moderate-income areas, showed that business loans did not tend to be directed toward the areas with highest poverty concentrations in the CONNECT Our Future region as commonly as they were toward moderate- and higher-income areas.

Fair housing complaint data were analyzed from HUD from 2004 through 2013. The number of complaints filed with this agency varied by year, from a low of 42 in 2012 to a high of 83 in 2007, excluding 2013 as a partial year. The protected classes most impacted by discrimination, based on the 504 total complaints filed, were disability, familial status, and race, as the most common complaint issues related to failure to make reasonable accommodation, discrimination in terms, conditions or privileges relating to rental, and discriminatory refusal to rent.

Results from the private sector portion of the 2013 CONNECT Fair Housing Survey showed that some respondents saw possible issues of housing discrimination in the region's private housing sector.

FAIR HOUSING IN THE PUBLIC SECTOR

The status of affirmatively furthering fair housing (AFFH) within the CONNECT Our Future region's public sector was evaluated through review of geographic maps of assisted

housing and the concentrations of poverty, a series of interviews with local non-entitlement planners, and the results of the public sector section of the 2013 CONNECT Fair Housing Survey.

Evaluation of the distribution of housing vouchers, HUD-assisted rental properties, and other affordable housing in the region demonstrated that these assisted housing options were relatively widely distributed, and tended to be concentrated in areas other than those with the highest poverty rates.

The 2013 CONNECT Community Planner Interviews showed that many of these jurisdictions have in place some basic housing definitions such as “dwelling unit” and “family,” but several tend to be restrictive and may not be in the spirit of AFFH. Few communities define “disability” in their codes or have policies in place to offer options for persons in need of modifications to policies for reasonable accommodation. Housing for seniors and group housing are not consistently addressed in local codes. Most communities tend lack fair housing ordinances or practices, outside of Mecklenburg County. A wide variety of policies and practices exist outside of Mecklenburg County, several of which are not in the spirit of AFFH and may unwittingly discriminate against several groups. A more complete, consistent, and uniform approach could greatly benefit these communities in the region.

Results from the public sector section of the 2013 CONNECT Fair Housing Survey revealed that some respondents in the region believe there are problematic practices or policies within the public sector. Of those that did, some noted land use policies and zoning laws that particularly impact protected class populations by limiting the location of group homes and other multi-family housing, and some respondents suggested that public transit services are lacking. In particular was the lack of policies or practices that are designed to address fair housing.

PUBLIC INVOLVEMENT

Public involvement opportunities were another part of the development of the CONNECT Our Future Regional AI and FHERA. Activities included the 2013 CONNECT Fair Housing Survey to evaluate current fair housing efforts and the five fair housing forums located within each entitlement in the

region. These forums, held in January and February 2014, offered the chance to comment on initial findings of the Regional AI and offer feedback on prospective impediments.

Results of the 2013 CONNECT Fair Housing Survey showed that the majority of respondents felt that fair housing laws are useful, whereas some respondents were not familiar with fair housing law. Of the respondents who answered the question, many noted the need for increased fair housing education and outreach activities, and a moderate need was indicated for increased fair housing testing activities.

A series of Fair Housing Forums was held in five of the entitlement cities in January and February of 2014. The subjects discussed at these forums included the purpose of the AI process and preliminary findings from the AI. The forums presented opportunities for members of the public to offer commentary and various perspectives on the AI process and findings. In addition, public review meetings were held in four of the entitlement communities in April of the same year, and presented an opportunity to receive public feedback on the findings from the AI and to discuss the impediments identified in each of those jurisdictions.

B. IMPEDIMENTS AND SUGGESTED ACTIONS

Provisions to affirmatively further fair housing (AFFH) are long-standing components of the U.S. Department of Housing and Urban Development’s housing and community development programs. In exchange for receiving federal funds from HUD, the CONNECT Our Future region certifies that they are affirmatively furthering fair housing. The requirements of such certification comprise the following elements:

- Conduct an Analysis of Impediments to Fair Housing Choice,
- Take actions to remedy impediments if impediments are identified, and
- Maintain records of the analysis and actions taken.

This report, which represents the first element in the certification process noted above, has resulted in the finding of several impediments to fair housing choice. HUD defines impediments to fair housing choice, reprinted here from the Fair Housing Planning Guide, page 2-8, as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices [and]

- Any actions, omissions, or decisions which have [this] effect.⁴⁴

While several issues within the housing market were uncovered in the process of conducting the CONNECT Our Future Regional AI, only issues that qualify as impediments to fair housing choice were included based on the definition printed above. The identified impediments in both the private and public sectors are listed, accompanied by specific actions that the CONNECT Our Future region may consider in an attempt to remedy these issues.

IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE

Private Sector Impediments:

1. *Impediment:* Discriminatory terms, conditions, privileges, or facilities relating to rental

The inclusion of discriminatory terms, conditions, privileges, or facilities relating to rental as an impediment to fair housing choice within the region was predominantly supported by fair housing complaint data and was shown to mostly affect the classes of familial status, race, and disability.

Suggestion: Additional training for landlords and property managers. Conduct additional complaint based testing related to unlawful discrimination.

2. *Impediment:* Failure to make reasonable accommodations or modifications

Failure to make reasonable accommodation or modification, which was found to most commonly affect persons with both physical and mental disabilities, was supported by findings from analysis of fair housing complaint data as well as from input from the fair housing forum and Fair Housing Surveys.

Suggestion: Additional training for landlords and property managers. Conduct additional complaint based and audit testing related to reluctance to make reasonable accommodation or modification.

3. *Impediment:* Denial of home purchase loans

Denial of home purchase loans was supported as an impediment to fair housing choice in the region through examination of Home Mortgage Disclosure Act data as well as results of the Fair Housing Survey. Denial was found to be predominantly based on race, national origin, and gender.

Suggestion: Utilize resources for first-time and lower-income homebuyers that belong to minority racial and ethnic groups, as well as female householders, so that they can improve their credit ratings, recognize questionable lending practices, and gain access to the fair housing system.

4. *Impediment:* Predatory lending in the home purchase market

Many sources, including past fair housing studies and cases, Home Mortgage Disclosure Act data, and results of the Fair Housing Survey identified predatory lending in the lending market as an impediment to fair housing choice within the Region. The classes of race and national origin were most frequently linked to this impediment.

Suggestion: Utilize resources for first-time and lower-income homebuyers that belong to minority racial and ethnic groups, as well as female householders, so that they can improve their credit rating, recognize questionable lending practices and the attributes of predatory style loans, and gain access to the fair housing system.

⁴⁴ (HUD FHEO 1996, 2-8)

Public Sector Impediments:

1. *Impediment:* Lack of sufficient fair housing policies or practices by several units of local government

Results of the Fair Housing Surveys indicate that a number of local communities lack or do not have sufficient policies or practices that adequately address the duty to affirmatively further fair housing.

Suggestion: Construct a guidebook that lists a series of best practices that are appropriate for the communities in the CONNECT Our Future region, as they relate to promoting consistent, current, and transparent policies and practices that affirmatively further fair housing.

2. *Impediment:* Lack of sufficient fair housing outreach and education efforts

While Charlotte and Mecklenburg County tend to have a strong fair housing enforcement base, there still seems to be a lack of a sufficient fair housing outreach and education component to most jurisdictional advocacy efforts. This was supported by input received in the Fair Housing Survey and the community planner interviews, as well as the lack of any FHIP with a service area that covers any portion of the CONNECT Our Future region.

Suggestion: Conduct more outreach and educational activities in a uniform, methodical, and consistent fashion. This should be done in consort with local units of government as sponsors.

3. *Impediment:* Decisions regarding definitions of “family,” “dwelling unit,” and related terms

Decisions made by a number of non-entitlement communities within the CONNECT Our Future region regarding definitions of “family,” “dwelling unit” and related terms

within land use planning and zoning policies may restrict housing choice for the classes of race, national origin, familial status and disability. This impediment was identified through review of the interviews with community planners as well as selected findings from the 2013 CONNECT Fair Housing Survey.

Suggestion: Construct a guidebook that lists a series of best practices that are appropriate for the communities in the CONNECT Our Future region, as they relate to promoting consistent, current, and transparent policies and practices that affirmatively further fair housing.

C. FAIR HOUSING EQUITY ASSESSMENT FINDINGS

Equity and access to opportunity are key considerations for grantees of the Sustainable Communities Regional Planning Grant (SCRPG) program. Grantees are required to make a more inclusive conversation on regional issues.⁴⁵ This has provided new information on the barriers to opportunity experienced by different groups across the CONNECT Our Future region. The following summarizes these concerns for the region.

INTEGRATION AND SEGREGATION

This FHEA evaluation quantified indices of segregation. These indices indicate that the CONNECT Our Future region had a moderate lack of racial and ethnic diversity in some areas and high concentrations of racial and ethnic minorities in other areas. While none of the 14 counties have dissimilarity indices that indicate the presence of high levels of segregation, moderate levels of segregation do exist. This remains a concern for our housing locational choices are made in the future.

RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY

There were a few Census tracts that were made up of at least 40 percent poverty and 50 percent non-white racial minorities (RCAPs); there were no Census tracts that had an ethnically concentrated area of poverty (ECAPs) throughout the CONNECT Our Future region. Still, over the period from 1970 through 2000, the frequency of RCAPs declined,

⁴⁵ (HUD 2012) Regional Fair Housing Equity Assessment http://portal.hud.gov/hudportal/HUD?src=/program_offices/sustainable_housing_communities/regional_fairhsg_equityassesmt

though the most recent ACS data has indicated a rise. Whether this due to the ACS sampling methodology or whether this is an accurate representation of our unfolding areas of poverty remains to be fully determined. Nevertheless, the CONNECT Our Future region will remain diligent in the evaluation of such poverty areas.

AREAS OF OPPORTUNITY

Areas of opportunity were quantitatively defined using three sets of data relationships comprised of education, economics, and housing. Within these categories, variables that were chosen include:

- A school proficiency index,
- A Labor market index,
- The share of housing that is occupied,
- The lack of overcrowding,

Data were available at the Census tract- or block group-level.

A CALL FOR PUBLIC AND PRIVATE INVESTMENT

While specifying what particular efforts should be implemented throughout the 14-county region is beyond the scope of this part of the CONNECT Our Future Regional AI, key actions will be considered as part of the CONNECT project. Substantial economic development, public infrastructure, and affordable housing investments will result in gains, gains that will reduce disparities in burdens and benefits enjoyed by living in the CONNECT areas of North and South Carolina.

Areas that have received private sector investment in the past have typically not been in areas of lower income residents, as demonstrated by the Community Reinvestment Act data evaluation. Areas that contain RCAP or ECAP areas are in need of both public and private investment.

Such investment can be removal of “other vacant” dwellings not available to the marketplace, rehab of existing structures, redevelopment of existing vacant buildings, redevelopment of underutilized housing, or replacement of old and dilapidated infrastructure. Greater access to areas of opportunity would be a key in the process of creating opportunity to those currently not able to access these areas of the CONNECT Our Future region. Additionally, future

investments in public and assisted housing, particular for the production of affordable housing, should consider the spatial distribution of existing residents and whether the proposed affordable housing project is over concentrating racial and ethnic minorities.

IX. APPENDICES

A. COMMUNITY LEADERS FOCUS GROUP

Comment 1: Urban Ministry Center got into the housing business as simply focusing on the chronic homeless and individuals who have experienced long term homelessness and have been living with at least one disabled condition, because the agency felt...Let me give some history. This agency started out as a soup kitchen and was located about two to three miles away. It was a partnership amongst churches that saw a growing rise of homelessness about 20 years ago. It started really as a center as a place for people who were homeless and living in poverty could get their basic needs met. Get a meal, take a shower, use the telephone, and get access to a nurse and really kind of a day center for the homeless. That is really how the center was operated for the majority of its existence. About five years ago, it's a longer story, but I will spare everyone that, we got into housing because I think that we felt that there was this segment of the population, folks who came to the soup kitchen every day who were there day in and day out. At the center we see two populations. People who have falling into homelessness and came for one specific thing: "I need help with transportation with getting to work or I need work boots, or I need one specific thing." Then they were able to get themselves out of homelessness. There is another segment of our population, who because of the barriers that they have mental health issues, substance abuse issues, chronic physical issues were able to use the system to pull themselves out of homelessness. Their barriers are so much greater they needed a very specific and targeted intervention in the form of support. So to answer your question the Urban Ministry Center got into this business and started doing housing for the special needs population, because we thought there was a real gap in our community and folks that have these high needs or multiple needs that there was no housing option for them. I am sure from the time you spent looking at housing in this area, the Section 8 waiting list has

been closed for many many years. For the chronically homeless folks, for those that do not have access to income and any kind of housing in Charlotte requires having income to get into housing that is targeted towards low-income or very low-income folks. So I think for us there was a real gap and it manifested itself daily at the Center day in and day out. That is how we got into this business and there is still a huge gap in terms of this segment of the population who needs are so much greater in terms of what are their housing options. They are few and far between in this community.

Rob Gaudin: How do you feel?

Comment 2: I volunteer at the Ministry Center. In addition to the people she talked about, there are people who are very very poor. The barriers raised and supposing that they have an income of a limited nature. The thing for employers today is to give employees a few hours so they don't have to give them any benefits and they make less than minimum wage. We have to raise minimum wage. So to get into the housing you have to have the first and last security deposits and utility down payments and if you hadn't had utilities before there is a fine. So there are a lot of people that wouldn't qualify because they don't have any dependents, but they are still out there on the streets because they can't afford to be anywhere. So it looks like from this morning when we were talking about looking at the gap whether people were overburdened with rent. They would not qualify as overburdened with rent because they don't pay rent. They can't afford to even deal with rent. When groups like various agencies or individuals come together and say let us plan to do something about this. Then you get policies that prevent you from using it or you find that the people the neighborhood say that we don't want those people in our neighborhood. The resistance to putting a place like this here. After the fact, many of the neighborhoods are saying (Inaudible) getting past that is critical. The changes that are being proposed some of the housing policies are making it worse and harder. Then of course there are individuals in the neighborhood who are either not well informed or prejudice or both.

Rob Gaudin: You are talking about Charlotte policies.

Comment 3: Yes.

Rob Gaudin: Would you specifically site those.

Comment 4: Well, for example there is something called the Housing Location Policy. The change that the city council is now looking at is there was an exemption in that policy that says that if you are providing housing for people that are elderly or disabled you don't have to worry about certain provisions in the policy. They want to remove those exemptions to make it harder for another place to be built. Our former mayor said that we need more places, but we don't have any place to put them. There is another policy about locating housing at transit stations, which would be ideal for low-income people so that they could get to and from work if they are near transit, but I think that particular one is also going to die. We want to have middle income people close to transit stations. We don't want lower income people housed there. So things like that. We go to all these meetings and we make phone calls and it gets passed. Then they vote again and that seems to be the pattern.

Rob Gaudin: I want to encourage you periodically to go to the Fair Housing Survey. It has questions that address those exact issues. We have been doing these housing studies for 27 years. These fair housing studies (inaudible). You are not alone. You might be able to use this vehicle to get support.

Comment 5: I have been with Legal Services since January of last year. As a recent law school graduate, the reason that I am attracted to this type of work in particular is because this population of people is the population of people that I grew up with. Low-income, which feeds into a poor school system, which feeds into poor jobs, which feeds into low-income, which repeats the cycle. So I was one of the fortunate ones. I consider myself to be able and to give back to the population of people where I came from. For me housing is very important because I understand that if you are not living in a stable housing situation, whether that be for domestic violence or whether it be because you can't afford to pay the rent that triggers so many other things that could be preventable by securing a safe place to lay your head at night and that your children are safe and comfortable. So that is why I

am really excited to be a part of this panel and I hope to learn from all of you.

(Presentation)

Comment 6: So really based on what Carolyn and Angie said I don't have that much to add. I work for the Urban Ministry Center and also with the County. When I first got interested in this field, I had an interest in working with individuals who has significant adversities like with low-income situations since I was a kid. Then I started volunteering with Urban and programs similar to Urban while I was in college. When I moved back to Charlotte I became pretty involved with the Urban Ministry Center and gradually overtime got the opportunity to work here and be a part of more places starting. Really like Caroline was saying is that there are very limited options. As Angie also mention, Moore Place has been a great contributor to our community by opening up housing options, but there is just really Moore Place. There are not really that many more permanent support housing options for individuals that have high needs or are highly vulnerable. There are just not that many options for them in the community. We get calls constantly for people in search of programs similar to Moore Place and there are just not options out there. So when people ask for referrals outside of directing them to go to socialserve.com or look at potential apartments that are income based. There are really just not that many other places to send people to. It is outside and the CHA waiting list voucher has been closed for such a long time. To me that is the biggest problem. There is a lack of options in our community and a lack of funding to provide those options. I am eager to hear everybody's perspective.

Comment 7: One thing that I was going to add that Robert said and you will probable hear from others for me you see where it creates inefficacy in our community and bottlenecks in our community. So Robert and I talked about Moore Place and McCreesh Place, the building that Pam runs that we get calls because our housing is none-time limited. People can stay as long as they choose to and they have a lease and as long as they are abiding by those rules. There are people who are probably ready to move on from places like McCreesh and Moore Place, but then it goes back to the affordability issue. So people come to Moore Place and Moore Place serves as a stepping stone and a place for them to stabilize their lives and after a year or two years they are ready to

move on. Their incomes are not changing dramatically and the environment that we are living in and based on their personal situation, because they don't have opportunities to move on from this housing because of the affordability factor. It is just an issue in our community. Then people may end up staying in our programs longer than they need to or longer than they want to. Which then means that people who need a place like McCreesh or Moore Place can't even get a foot in the door. Then they end up staying in the shelter system longer. So you see how one issue plays on another in terms of creating inefficiencies.

Rob Gaudin: In your opinion what would be the next logical step? It can't really be a market based solution.

Comment 8: It would have to be something with rental subsidy attached. So, if there were more Section 8 opportunities. If there were Children Plus Care, which is another rental subsidy program through HUD. There is a movement in our community to create a local rental subsidy program that I think is a positive thing. I think that there is even some questions about who should have access to those rental subsidy vouchers. Should it be people who are 50 percent or below the line? Should it be more higher income than that? I think the next logical step and I am speaking for our population is I think the rental subsidy is always going to be a necessity, but doesn't have to be a rental subsidy in a single facility in a single site building such as Moore Place.

Rob Gaudin: How would that particular subsidy come into being? Is that local?

Comment 9: I think it could be local. I think it could be a Federal subsidy. I think it could be subsidy that is filtered through the Housing Authority. I don't think there is necessarily one way to do it. I think it could be a local subsidy, but then it gets back to the question of what is going on in our community of who should be eligible for those subsidies.

Comment 10: There is a private coalition working on local rental subsidies now. My friends at the City Council are nervous about that. Not just about a part that they would be asked to contribute, but the other is where do you put these people? Even though they are all about sites and low-income people and some of this allegedly available low-income housing. It still causes people to say not in my district. It is a very complex problem.

Rob Gaudin: I would like to return to the policy being funded locally. How do they propose getting the resources?

Comment 11: The local rental subsidize. Right now a private philanthropic community has committed to putting in X amount of dollars to be matched by the city of Charlotte. It is intended to be a public/private.

Rob Gaudin: One to one style match?

Comment 12: Yes.

Comment 13: The rental subsidy is ten million from the foundation and ten million from the city of Charlotte. That is what their intent is, but at this point the intent for the use of the money is for temporary subsidy for working families. There is a lot of conversation in Charlotte about the worthy poor, which leaves you with the great crowd of the unworthy poor by definition. So a lot of the conversation is about the possibility of rental subsidy, which is great, but it is targeted toward a higher income with people who have jobs. Then there is this huge population of people who are the most vulnerable in the community. We know that it saves the community money to get them to housing. We know that congregating the chronically homeless people into a housing community does nothing but enhance the neighborhood. It does not detract from the neighborhood in any way. We know all of this, but the support at the government level and the leadership is lacking for a solution. So we are not able to for example, the subsidy are not able to get a preferring the government subsidy. The Section 8 we are not able to get the preference for the people that have been stabilized and could move into subsidized housing. We are not able to get those preferences because those preferences for those Section 8 subsidized are being targeted for people that have a little bit higher income people, who have jobs; people who do not have any bad rental history; and people who do not have any criminal history. So it sets up a lot of barriers for serving the

people who are most vulnerable in our community. Again, what we know is that the community is better off financially and every other way when we can get them into housing. This is the frustration that comes up when we try to solve the problem.

Comment 14: I would like to try to do is fill in. First of all there is a question in my mind whether you are going to assume the data already gathered in the previous housing studies, like the lesser company the City relies on in determining that there is a need for 15,000 units for people in the 30 percent of AMI or below. The UNCC Urban Institute Study commissioned by the Housing Authority that reflects that and also has more specific information about the niche groups, it shows the level of employability of people that need housing and the numbers of people in the elderly and disabled categories that need housing. I think the housing information about what the need is already fairly well established. What is missing is any coherent design for addressing those in any political will to do that. Since you are asking I will mention what is missing in terms of fair housing. Neither the federal statute nor the state statute prohibits discrimination against persons based on the source of their income. What that means on the ground is this. You have over 5,000 Section 8 choice vouchers available through the Housing Authority that are circulating the community, but landlords who have the option of accepting or not accepting the people with the vouchers can refuse to accept them simply because they are Section 8 voucher holders. What that does is it keeps the lowest income people who would like to go to the neighborhoods with the nicer property infrastructures and the successful schools from going into those apartment complexes in the non-poverty impacted areas of the community. If fair housing either the state statute or either our ordinance, Fair Housing Ordinance for the city were permitted to prohibit the discrimination based on the source of the income, landlords that refused to accept Section 8 voucher holders could be sued for denying people based on the fact that they are trying to pay their rent with part of Section 8. The second

biggest problem is the zoning. I am trying to address this from the perspective from a low income housing developer provider. My experience with this is both in watching what happens with the Housing Authority when they try to find suitable sites, but also the Housing Partnership which is a non-profit housing developer who relies primarily on federal low-income housing tax credits. Once you get a tax credit that is essentially like a huge financial capital voucher and it could be worth up to 8 to 10 million dollars to build a multi-family complex with 60 to 90 units in it. In order to be able to use it you have to have land that is properly zoned and you have to have support of the local community. You have to have it in compliance with the local municipal site selection rules or the Housing Financing Agency will not approve your use of the tax credit. Without going into great detail, it is important to understand that tax credits are limited. So North Carolina may only get enough tax credits so, in Mecklenburg County there will only be one granted per year. It is not guaranteed that one will be granted if a proponent doesn't have a proper site according to the local site selection. It has to be zoned properly. So what happens is that an agency like the Housing Partnership can find a suitable site, but if it flunks the site selection criteria they must seek a waiver of that from the city council. If it doesn't get the waiver then it doesn't get to use that site. Two years ago the Housing Partnership secured a site on Westinghouse Boulevard that was evaluated by the Housing Finance Agency which grades them on suitability on 40 or 50 characteristics on which makes the best multi-family site. Out of 134 proposed sites in the state of North Carolina, this site ranked number one in the state as the best site in the state. However, because it was 450 feet within a half mile radius of another low-income housing development that was 15 years old and was on the other side of South Tryon Street, it flunked the criteria of the site selection policy of the city of Charlotte. When the city council denied a waiver from that we did not have permission to build it. We had to forgo 8 million dollars' worth of tax credits that year and no other developer could use those 8 million dollars. We had the best site in the state and we could not use it, because of the NIMBY factor of neighbor people not wanting this multi-family site to be located on Westinghouse Boulevard, which is a location where there are about 10,000 manufacturing jobs within a two to three mile radius. It is absurd. Part of the problem with the rezoning is that there is a state enabling legislating that allows the city to have a zoning provision

that says when a rezoning is proposed if five percent of the contiguous owners object you will trigger a voting requirement to have three fourths of the city council vote to grant the rezoning. Now in the city of Charlotte if there is a rejection to a zoning proposal for a multi-family site, you have to have nine votes to get the rezoning. That is virtually impossible to get. The reason why that is important is because when you look at the map of what portions of the city are suitable and available for affordable housing to be developed all of the places are in South Charlotte, Northwest Charlotte, and there is virtually no land that is zoned multi-family in those areas that are eligible by the housing site selection policy. So in order for a housing developer like the Housing Partnership or the Housing Authority to build housing and to take the people that the folks around the table are talking about they can't either get rezoned or they can't find any that is suitable. So there is virtually no place now for new affordable housing to be built until that rezoning barrier is repealed, at least repealed for residential development of multi-family housing. It could be done that way. It doesn't have to be done with respect to all commercial or industrial rate zoning. It doesn't even have to be done for market-rate. It could be done for affordable residential only. If that were done then at least suitable land sites could be made available. The next problem has to do with the relationship between housing code enforcement and relocation of very poor people. The city of Charlotte has a very strong and good ordinance regarding housing code to insure the minimum standards of fitness for all dwellings, whether owner occupied or tenant occupied. As a practical matter virtually all enforcement is in respect to rental housing. Historically many years ago there was a very good relocation program offered by the city of Charlotte for tenants who being displaced as a result of the city enforcing the housing code and determining that the housing was so dilapidated that it could not be repaired. The ordinance distinguishes between dwellings that are deteriorated and dilapidated. If it is dilapidated, the city orders the owner to demolish it and then they make the owner displace the tenant. It is qualified as dilapidated if the cost of repair of

the unit is more the 65 percent of the tax value. There are still a lot of those dwellings that are occupied by the low-income tenants in the city. Now the problem has become this. Once the city has ordered the landlord to demolish the property, the tenants can be referred to the relocation program of the city of Charlotte which now constitutes one person. They contract with an agency called Community Link. Community Link is supposed to try to find another place for the person who is being displaced by code enforcement, but they will not help anyone unless they have employment. So the people that are the least capable of finding other housing and who are being displaced by the city's own code enforcement now have no practical agency assistance to find other housing. That is compounded by another possible change implemented by the Housing Authority of the city of Charlotte which historically prior to 2010 did accept relocatees from code enforcement as a preference for admission. So if somebody was being displaced because their house had no heat, no operable plumbing, there was a fire or something like that, they could get into public housing. The Housing Authority does remove relocation displacement from code enforcement as a preference and now those people can't even apply. Previously, they were able to apply and get expedited treatment so they could get into public housing because they were going to be put on the street for code enforcement. That is a huge gap and it makes no sense for the city to report to have a housing policy that is supposed to prevent homelessness by enforcing its own code it is going to create homelessness among the people that were living in the poorest housing and there is no avenue now for people to get into either Section 8 or conventional public housing as a result of code enforcement. The last part of this which is critical is the Housing Authority also has a policy of charging minimum rent to their families who have zero income. I know that doesn't sound possible, but it is actually happening. They have the authority from HUD to do that. They are not required to do that, but they have the discretion to do that and now they are charging a minimum rent of \$100 a month instead of \$75 per month and there are more than five hundred families that are subject to this policy. What that means is that the Housing Authority of the city of Charlotte, which is the largest landlord, has the greatest amount of federal funding, and has the discretion about who to serve is trying to make people who have no ability to pay rent pay rent and if they don't subject them to being evicted

which will guarantee that they will become homeless because there is no private landlord in the city of Charlotte that would consider taking an application from a family that has no income. It is that combination of policies along with the lack of sufficient funding for affordable housing that keeps a great number of people in the community homeless. Most of those are living in somebody else's house. They are not on the street. They are not visible. They are the invisible homeless and some of their hosts are taking the risk of having them there because their leases prohibit having unauthorized persons living there. Some of them are in public housing and the host families will be evicted if their homeless guests are found to be living in their units.

Rob Gaudin: In your third example you said approximately 500 units per year due to code enforcement.

Comment 15: No that's minimum rent. Those are people that are living in public housing now. That is different from the people that are being displaced by the city of Charlotte through code enforcement.

Rob Gaudin: I am asking how many?

Comment 16: You are asking how many of those?

Rob Gaudin: For each of your categories.

Comment 17: I don't know that anymore because the city doesn't see any reason to count.

Rob Gaudin: For you it showed in the rise of your homeless population.

Comment 18: For those that are displaced.

Comment 19: I can tell, anecdotally that we see families in this situation three to five per month that are being displaced by the city and have no relocation resource because they are considered too poor.

Comment 20: To answer your question I think some of them may filter into literally homeless population like places like the Urban Ministry Center might see. I think a fair number also fall into

the other category of invisible category that are probably doubled up. They are probably not going to the shelter or the street. They are homeless. They do not have a fixed residence, but they are sleeping on someone's sofa. They are sleeping in someone's shed in some cases, but they are finding some form of shelter, but it is not a fixed or established residence.

Rob Gaudin: When you were talking about tax credit projects, you also have working against you the national trend especially with many state's qualified allocation plans are no longer offering extra points to locate a facility in lower income neighborhoods because of a Westchester County suit. Which was successfully launched in 2007 and was successful in 2009, which said Westchester County is in New York, the pie shaped county that butts New York City. They lost a suit from the Anti-Discrimination Center in New York City, because the counties Housing Development Investments were concentrating people in certain areas and they did not take into consideration the concentration of racial and ethnic minorities. So those projects including tax projects that contributed to the people are moving away from the concentration serves into the same pool that you are referring to. So the pressure is not just local they are also national, but I really appreciate the depth of your comments.

Comment 21: I am really new to this process, but I have seen it from the other side of the fence, if you will. I was one of the people that everyone at this table was looking to serve. I lived in the shelter system and on the streets for about three years here in the city of Charlotte after the economic downturn happened in 2008 and 2009. I found myself without suitable employment and I had to give away things a little bit at a time, the car, this and that, and finally housing. I didn't have resources to become the invisible homeless person. So, I did end up on the street and in a shelter and those types of things. I found quickly that I needed to educate myself on how this system works and what services were available to try and find suitable housing or any type of housing. I ran into many barriers. Constant barriers over the period of time that I was homeless until Moore Place came along and the whole Housing First Model was used. That is what allowed me to get into housing because I had no income at the time. I do have a disability and finding employment given that you do not have a fixed residence and having a disability, those types of things made it very

difficult, but with the Housing First Model, which is something through the advocacy work that I am doing now is something that I promote. Meeting people where they are at and what you need first is a roof over your head rather than trying to get all of your affairs in order to get the income situation taken care of; get your health situations taken care of; have the money available so that you can pay deposits and rents; and all these different things. The Housing First Model is get the roof over their heads and let them take care of their issues once they have that first primary need meet. I think that we do need more housing along those lines for those that are the most vulnerable homeless in our community. Those are the people that I am still trying to reach out to and advocate for. Especially, I think it is important to do it on a policy level whether it be the city council or even zoning issues. Any of those things that can be resolved to create more housing to accommodate those people. Those that I think are considered the most vulnerable or chronically homeless, however you want to label it, are only a sector of the homeless population as a whole. They are the most difficult to get into a housing situation. I think that is probably a primary goal to meet the needs of those that are in that situation. That are really at the point that they don't feel like they have anywhere else to turn to find housing. They feel like they have exhausted all of their resources and they just don't know what else to do at that point.

Comment 22: So, I work with the Crisis Assistance Ministry on preventing homelessness. So we actually work with the populations that have income and we provide them with assistance for rent and utilities to keep them in their homes. We know of course preventing homelessness isn't as expensive as getting people out of homelessness. A lot of times the people that come to us just need assistance that one time to stay in their homes. They are living paycheck to paycheck because of their incomes and the affordability of their home. They might be paying a lot more than 30 percent of their income. So if something happened and they do not have any savings or any type of thing to fall back on so we were there to help. We were that last safety net

before they fall into homelessness. So, we see about 50,000 families every year and we work in partnership with organizations that do serve the homeless population with our furniture bank and with our free store for clothing and small household items. That is the work that we do and we do understand that there is this huge need in the homeless population and we try to prevent more people from going into that. We understand the challenges that are being faced by our partners in the community around just keeping up what is already there. So we work on trying to keep as many people from going into homelessness as possible.

Comment 23: I think that having communities like this with a group that is very isolated can come and find a human place and get connected to others is really important resource in the community. We certainly found that in McCreesh Place. Caroline addressed the issue of being able to graduate people out who are ready to be stable on their own and we have just really two of these precious resources in Charlotte right now, where people who are chronically homeless can come and be supported in the kinds of things that they wish to do with their lives. It is just incongruous in Charlotte because we have this tenure plan in homelessness that was approved by the leadership, but we don't have any leadership. We have very little in the way of leadership in Charlotte that will allow for increases in places where folks who have been chronically homeless can go and live. On the one hand we have this yes we want to end homelessness. On the other hand we have community meetings where leadership is largely talking about all the things that can be done to keep people out of housing and keep affordable housing out of neighborhoods. Instead of how are we going to get affordable housing into neighborhoods? So it does create some issues and every two years our council changes over and every two years our county commission changes over so the short time is difficult in terms of advocacy to help people to really understand the issues. We really just get them beginning to understand and then there is an election and it is a whole new group of people again to try to work with. It is a challenging time to have a commitment to helping people find a safe place to live and to having a commitment to the idea that having a safe place to sleep at night is a basic human right and then not having the support that allows us to pay for. We are just embarking on a new project here in Charlotte it is a system change for our homeless services. It is a wonderful thing and we have

money and we are starting in a two weeks. It was a grassroots by a group of service providers that made it happen. So that is what we are doing. We are all working together and we are doing and trying to find ways to make improvements in the way that people are served who need to get housing without an advocate, a strong advocate leader which we could sure use without a lot of people who have power in the community to assist us and to pave the way for things to happen. We are a pretty powerful group of grass roots people in Charlotte and we are working really hard at that and I think we do an amazing job on working together, but we sure could use some leadership, some powerful leadership.

Rob Gaudin: How might you get them elected?

Comment 24: Well, I am not sure. If I had the answer to that question I probably would be wealthy.

Comment 25: It is hard to get good people to want to run. They have watched some of the meetings on TV.

Rob Gaudin: You could say that about politics in general.

Comment 26: Maybe, I was just talking about if you watch a city council meeting. It goes on for about four hours and it looks like petty ego conflicts and you don't see any net actual public interest being served. People of high quality that respect their own time may not want to do that.

Comment 27: When was the last time in Charlotte that there was that kind of leader that really championed what we are talking about here?

Comment 28: I can tell you when they were. The first city council with the district representations had Betty Chafin Rash, Ron Leeper, Charlie Dannelly, and Laura Frech. These were people that would be statesmen by almost anybody's standards.

Comment 29: When was this?

Comment 30: 1977.

(Laughter)

Comment 31: It has been a while.

Comment 32: Then after that there were a few more good years and you had Harvey Gantt as the at large and then he became the mayor in the beginning of the 1980's. The city council was supporting scattered site housing. They were giving the Housing Authority money to build scattered site low-income 50 unit multi-family developments on the east side and even in Southeast Charlotte. There was one little problem when the Housing Authority wanted a site on Providence Road that was turned down because of the three fourths rule then and the District 7 representative that didn't want it. When that happened, my office sued the city for fair housing discrimination for denying it, because the neighbors were overtly racist in their opposition to that development. When that was settled and there was a housing development that was built a quarter of a mile from the original site and there was nothing wrong with it. It is still in perfectly good shape and the neighbors have not found that their property values have deteriorated one bit. I think that is our experience. People were upset about McCreesh Place until it got built and became a good neighbor. I think basically people don't overcome their fears about affordable housing until there is one near them that doesn't ruin their lives, but in the abstract they are very fearful of it.

Comment 33: The leadership was helpful when the city leadership was helpful when McCreesh Place was built and there was a lot of neighborhood opposition and there was...I have heard stories about swearing and throwing things. It was pretty crazy, but the government leadership in that didn't pull out. They stayed there with us and the people that were there at that time and helped them through the negotiation with the neighborhood and approved the funding. What was different even then ten years ago was somewhat better.

Comment 34: North Davis Street is not nearly as politically powerful as Providence Road, Randolph Road, Valentine, and the places that are the heart of the community sections where affordable housing is needed and is eligible by the housing policy standard.

Comment 35: And it is preferred actually according to the housing.

Comment 36: Yes it is. So what you have is inverse political leverage. The theory of the housing policy is to put it in places with higher wealth and low concentrations of affordable housing. Those are the communities that have the best political power to stop it. If you have and since there are virtually no multi-family zoned property in those areas that is undeveloped you have to get over the financial part, you have to get over the rezoning.

Comment 37: We actually have a map with this big green wedge on it and in the middle of the top of the wedge is essentially south of Upton/Charlotte. That green is supposed to represent where we want the affordable housing to go, but when things are proposed and as Tim mentioned that there is a lack of land. If somebody wants to put something in those areas and the neighbor squabbles then the support is withdrawn even though that is where we are supposed to build our stuff.

Comment 38: Where is the bottom?

Comment 39: Valentine.

Comment 40: Right above the border?

Comment 41: Then you have super imposed on that, these circle represent the half mile radius rule around the existing affordable housing developments which can be public housing, project based Section 8, tax credit development. If you have something like that then even if and here in the center of each circle is an existing development. If you find another piece of land that is perfectly fine, that is available, big enough, and you can get it zoned multi-family, but it's inside there by 20 feet, actually one foot, it is ineligible because it is within the half mile radius of an existing affordable housing development.

Comment 42: Like the Westinghouse.

Comment 43: Like Westinghouse was and to illustrate that. Let's say that this is South Tryon Street right here. You had one of these developments here and we were proposing something on Westinghouse Boulevard, 400 feet

inside that circle. It flunked. It is hard enough to find any undeveloped land and it's even harder to find undeveloped land in this area that is already zoned multi-family. People that are opposing these developments understand fair housing law. They are not going to come in and use racial epithets in the meeting now. They don't want to hand the developer a legal tool to swap the city. So, they don't use the N word anymore. They don't even say these people anymore. They just say that we don't want it. If you have 500 hundred people show up in the government saying we don't want it and you have people like the folks around this table who say, but we need it. The political winds favor the we don't want its more than the we need it. That is how things have evolved. There are not Harvey Gantts and Betty Chafin Rashes on this city council.

Rob Gaudin: I would very much encourage you to take these surveys there is also going to be a series of open houses that discuss some of our primarily finding later on this month. There will be some kind of closing surveys you can take.

Comment 44: What are you going to do with these surveys?

Rob Gaudin: I am going to tabulate them. I am the messenger. What messages come out of them are what people who participate. It is a qualitative piece of information. Very unfortunate and I am sure that you are all very aware of this. The Census Bureau does not count this population. It counts it as a group quarters population and so when you begin to dig into the data it does not exist. For however they have to count that population, a little more effort done for 2000 and little effort done for 2010. When we do our analysis, we count on point in time estimates and school district counts of homeless students, and all somewhat soft. If you have some quantitative data to share that would be great. Like how many were displaced, how many of that. It gives both credence and strength to the argument. If we have some data to quantitative information in addition to your qualitative statements to the extent that we are really talking about creating affordable housing for a population that is out there that really isn't in the population forecast because they are not counted very well.

Comment 45: I am a new comer to your community and a relatively new comer to North Carolina. I have been in North Carolina for just about four years or so, but have been

practicing in the public interest area for 20 years in both civil practice and criminal practice for the state and also some legal education. What I do now and what I have done before for the Consumer Protection Alliance is a lot of foreclosure work, consumer protection work whether it is people being prayed on by the finance companies with predatory lending. In other words, I don't personally do the employment work, but our program does. When I am talking about housing we just cut off 70,000 people from long-term unemployment insurance and we are sending them that much closer to the housing precipice. Whether they rent or own. Something that I think has served throughout my career is housing first concept in a variety of areas. That precariousness of housing, whether it is getting back into some level of secure housing or the danger of having your family be shoved out of it. It affects people and it affects so many parts of our community in a tremendous way. I think that it is interesting because I am just learning about Charlotte, but the NIMBYism factor that is throughout our country and at the same time they are supportive of them except when it comes to their backyard for affordable housing. It is so much less expensive. It makes more sense. It is helpful. We are about to push a family to lose their home because they don't have employment or something or whatever is happening with that sense of level perhaps through advocacy or political advocacy or an education the idea that when it seems to touch closer to home then their community becomes much smaller. I think there is room. I just heard this morning and this is from a discussion and a lot of it a rather lengthy about a mandate of people that are being held in our federal prisons. For people being held 20, 30, 40 years for nonviolent federal offenses that even now what would traditionally be the pro-crime prevention that we understand that it is extraordinary expensive and with the attorney general republican legislators are proposing major changes. Part of it is with education and how we are spending our money and whether it is cost-effective. I am interested to see and almost all of my clients now and a variety of areas here and other states, housing is typically the bedrock on what they need

to focus on to moving forward with family and continue to stabilize their home. It is critical what is happening now with the housing market. It is something to be cautious of. I am interested to help.

Rob Gaudin: Your problems sound very difficult and focused a lot on Charlotte. We are trying to conduct 90 interviews with planners and zoning personnel in the nonentitlement smaller cities throughout the 14 county region asking questions like this. How they might define a family and how they might treat applications to waivers in zoning. It will be interesting to see how that plays out in the smaller communities compared to here. Our intent is not to put the finger on anyone per say, but more to talk about ways the overall region can best handle the problems. Please take these surveys to others in your communities.

B. LATIN CHAMBER OF COMMERCE OF CHARLOTTE FOCUS GROUP

Comment 1: What sector of the Hispanic community? When you say Hispanic you talk about a very large sector of people from low-income to higher income. So when you say that generality, what sector is being denied? Could we narrow it down? That will narrow down a lot of the discussion.

Rob Gaudin: Well, I do have the data I get is from the Federal Reserve System. It is called the Home Mortgage Disclosure Act (HMDA). Depository and non-depository institutions have to release certain amounts of information about loan applicants. Their race, that doesn't matter here; their ethnicity, if they are Hispanic or non-Hispanic; their income; their gender, ladies generally get denied more often than guys, but it is just what the data says; the Census tract which the target home was about. So, we do have income, but Hispanics across all income categories are denied more often even when we normalize it by income, say Hispanics verses non-Hispanics, black persons verses white persons, you see certain minorities denied more often even if they are making \$75,000 or more. Even when you normalize that for income you see higher denial rates.

Comment 2: Is there anything else in your data that gives you any insight into what the causes may be?

Rob Gaudin: There are reasons that are reported. Credit...

Comment 3: Employment history.

Rob Gaudin: Yes. Those are just the reasons, but the same percentage shares of reasons are not really appreciably different by race or ethnicity. The question becomes why are the denial rates higher for your community then for the non-Hispanic community? Is this something that you experience? Is this true for you?

Comment 4: Not directly, indirectly.

Rob Gaudin: Indirectly means you hear from...

Comment 5: Clients. I believe I think the banks look at it as more of a risk when you have Hispanic that has a background and still has ties to their home

country. So they look at it as a future risk of having them foreclose on the property and then having them leave back. It is more of an immigration issue is what we see as the risk coming on. The banks are analyzing that as a risk for the future of the mortgage and that is where they get denied. If they have been here in the states for three or four years and they do not move or have any other history coming from another state. They actually moved from another country and there is a higher risk for them getting approved because they do not have enough residency status here in the states.

Rob Gaudin: So, there is immigration status.

Comment 6: They could be a resident, but they do not have enough time here in the states to declare a strong residency status.

Comment 7: They may feel that they do not have enough ties to the United States to make them stay here the 30 years of their loan.

Rob Gaudin: That is the lender?

Comment 8: Then lender feels that they may after three years of being in the states that they may want to go back to my country and choose not to pay the loan.

Rob Gaudin: Sir?

Comment 9: I was in real estate for 30 years and there was some of that. But in general when a bank loans money they don't expect you to own the home for 30 years. It is too anticipated. They know that most people don't live in the home for 30 years. They are going to move around. When I was in Virginia, in the military, the average stay in the home was three or four years. They knew that people want to move, but talking with some of the others, that they felt exactly what you are saying. What is keeping you here instead of being arrested and being deported and then all of a sudden there is a house. Even though you are deported the house still belongs to you, so they have to do something with the house. It is to like you no longer own the house, because you have been deported. Legally the house is still yours.

Rob Gaudin: In your example immigration status is a factor.

Comment 10: Absolutely. They do get the same answer all across the state. Everyone will tell you the same answer.

(Presentation)

Comment 11: I think because of the same risk that banks feel they may have for someone not being able to be here long term, it reflects on the interest rate.

Comment 12: Definitely they do base it on the status of the person and it varies. You are talking about three to four percent. A person with regular immigration status goes to apply for a loan they might be able to get the current rate which is 4.5 percent, but if they go and do a W-7 instead of a regular W-2 income it is 11 to 12 percent. So they do calculate that risk based on the immigration status as well.

Comment 13: Did you show any correlation between the funding sources and the data you just talked about? The data of higher rates, the predatory rates?

Rob Gaudin: I can tell the name of the financial institution and some institutions are exclusively predatory. Fortunately, in the last few years most of those went out of business in the eight years that we have analyzed for this dataset. Yes we can tell who was doing it. Typically, it was a lender who is not a hometown banker. In the last couple of years up until 2008 some hometown bankers saw that these were popular high profit instruments. I might dabble in them, but mostly the people who made all of these loans in 2005 and 2006. Here where approximately 25 percent of all of our loans that we predatory-style in nature and that is down to a few percentage today. The difficulty was the foreclosure burden that these people had by getting predatory-style loans. So who was carrying the foreclosure burden, the communities that got the higher share of such instruments? So any community have you seen an unusual number of foreclosures?

Comment 14: All across Charlotte. I can go the 14 counties and show you exactly the different communities where there have been foreclosures. They have apps now where you can see that.

Comment 15: It goes more to the areas. I believe the areas that are affected the most are the areas that are targeted by these predatory. It goes hand in hand with the lending. Once they get the loan, they direct them towards certain areas of the city. So the areas were where new housing became available for low-income people who were getting these predatory loans and that is where you see this higher foreclosure rate in the neighborhoods, where those homes were located. If you look at sections where Charlotte Housing is available. Charlotte Housing is the program that the city has to get down payment assistance. If you look at those areas, those are the

areas that you see the highest foreclosures rates throughout the city. Those are the areas where you will probably find most of the loans that were with predatory practice and they were given to lower income and minorities that are Hispanic and black persons as well. So it goes hand in hand. It is ties all together.

Rob Gaudin: A majority of the lending to Hispanics and black persons is not through the city.

Comment 16: No.

Rob Gaudin: The majority is through the conventional market place.

Comment 17: Yes, but they are directed to those areas because the city has a program that is an aid to get a down payment. So, in those areas where you have the aid and you have the lower income minorities is where you see the higher foreclosures. Housing Charlotte, yes.

Rob Gaudin: What you are suggesting is true, not just here. What I am here to find out about is how do you feel that this can be addressed in this kind of a study? Is there something that we can do about it?

Comment 18: As far as lender or as far as...

Rob Gaudin: Say for example you are the City of Charlotte and you get this money from HUD and you are supposed to take some action if you see impediments and this sounds like an impediment to me. What could the city do?

Comment 19: Expand the areas or direct it towards different areas where it is not categorized as a minority.

Comment 20: Have a development going up in Ballantyne that has a lower bracket of, you know range of homes being built there even if they are townhomes.

Comment 21: It really comes down to the consumer mentality. If you give a person aid to go to a neighborhood where it is populated by minorities and they start to see the downfall of the neighborhood from people leaving their houses and the foreclosures rates increasing, they're going to leave as well. So, it really goes with the consumer mentality. If you expand it to areas that are not directed to minorities and you have that aid available, maybe they, especially the Hispanic community, will thrive to succeed in whatever situation if they get the support of the neighborhood. If they get a house in a neighborhood that is not house Charlotte, they are going to be able to succeed and maintain that loan and not go through the foreclosure process.

Rob Gaudin: The backside of what you are suggesting is limiting assistance to minority areas.

Comment 22: Expanding the assistance to different areas. Not targeted towards the neighborhoods that are in distress.

Comment 23: You feel that it just repeats the cycle.

Comment 24: It just keeps repeating.

Rob Gaudin: If they have a set bucket and everybody is after resources today. We have where that we used to. How do you direct them to elsewhere? Wouldn't you want to put a limit on certain areas? Have a share allocated or something like that?

Comment 25: You can share allocate it, but expanding the areas I think would help. Just keeping that same bucket, just expanding the areas where you get the aid.

Comment 26: Or open it to anywhere. It is the same amount of money right? They money that they will get.

Comment 27: Just give the same opportunity that they will get for that environment.

Rob Gaudin: I don't think that these programs are, I am not sure about Charlottes precisely, but other geographic areas within the region, maybe they need to go to the state housing authority if they are not Charlotte. It is more about household's income and not about the geographic area in which the community might live. They may not live in any town. In some ways I am hearing you say that we need to have some allocation to insure the distribution for, let's say Hispanics or black persons is broader. Is that fair? Is that what I am capturing correctly?

Comment 28: Not only that, but I think he is saying that the communities, for me to go get a on and if I qualify for downpayment assistance, for the House Charlotte program for example, I can only use that at \$7,500 to go and live in this community, Oakmont Builders or lower income because that is where I qualify for. What if I qualify for more, but I still qualify for that downpayment assistance program and I want to use it in another area, but if I move to the Ballantyne area with my downpayment assistance. There is nothing there built for me that I

can use that down payment assistance with or afford.

Rob Gaudin: Because the units are more expensive.

Comment 29: Right. There is nothing built in the price range that I am looking for. If the precise range that I am looking for is like \$100,000 to \$150,000. I already know what side of town I am going to be able to afford to live in.

Rob Gaudin: I am hearing you say and I am just trying to paraphrase this. We need greater mixed income housing development.

Comment 30: Right. Whether it is multi-family or single family, but a greater mix. I grew up in Texas and it is not as segregated as it is here in Charlotte. I was shocked to see how you can clearly see the definition of the lines where certain groups or ethnicities of people live. It is like going back 50 years or more when I moved here to Charlotte. How it is not so diverse. I think if it was. If someone investors or someone or the builders could come in and diversify it a little bit more and the lines are blurred. Then people do not repeat those cycles, because I think it all has to do with everything. It is all a circle. If it is more diversified and you do not clearly see those lines. I think what he was trying to say was maybe you would push yourself to maybe be more on time with your mortgage or to stay in that area because it is a nice area. You are not staying near the projects and there is a foreclosed home. It is what they expect. So the mentality goes to where you live and how you feel. If it wasn't so segregated, I think it would be a better place for us, Hispanic people to be.

(Presentation)

Comment 31: That is right there at the manger property level. Depending on the mentality of the "Good Ol Boy," depending on how I want my property to look and to keep my property to have a uniform look. To have certain residences become part of my property I want it to look a certain way. I want cars outside in the parking lot to look a certain way. I don't want to give the wrong impression that we are a lower income property or not an A plus property. I don't want to look like a C property. That has to do a lot with who the qualify on those applications. It is at the manager level. Who is actually approving that? How are you going to prove that? Stricter laws?

Rob Gaudin: So they are not enforced?

Comment 32: I don't think they are enforcing as consistently. I have worked in that environment.

Rob Gaudin: What about the community relations folks?

Comment 33: Most of them are well trained, but the leasing agent can show you the same apartment as someone white or black, but when I put my application in they may want to dig a little bit deeper to see if I qualify or not. Just if they want to look a certain way in the community or want the community to look a certain way or have a certain group of residents. That is just at the managerial level. They can do everything else right. They want to tell you why you didn't get approved other than just that apartment is already taken and that you lost out.

Comment 34: In the multifamily I believe that you see that one in the multifamily that are owned by institutional investors that want to keep the look of the property a certain way. So that they can give it a certain rating, because they are doing structural financing with it. That could be a possibility. In our case we actually, we own residential properties around Charlotte that we rent to the lower income category. We have been driven by the program to reject the Section 8 program. The reason why is because the regulations for the Section 8 to rent is for us on the private sector owner level, but the responsibilities that they place when the tenants leave the property has actually diminished. I don't think that there is a fair relationship between the private and public sector for lower housing. In order to get fair housing into the lower income community, we actually just pretty much off the top not rent to Section 8 and it is not because of the tenants. It is because of the administration.

Comment 35: The rent taking?

Comment 36: No. We just do not take Section 8 in our residential housing.

Comment 37: They have increased and tightened up the regulations.

Comment 38: The requirements that they give us to rent to Section 8 are much higher. Meaning that the investment at the front end is higher for us which drives the rental rates higher. If we make a higher investment in the property in order to comply with the Section 8 regulations, it is going to be a higher investment which is going to drive that rental price higher, but then we receive that property back from Section 8. I believe before they used to do inspections on a more periodically basis, now they just do one inspection per year. When we receive

that property also there is now responsibility or any type of action that Section 8 administration takes towards that property. They just return that property in the condition that it is in and usually it is on very bad condition. We are forced again to reinvest in that property increasing the investment in the property and forcing us to increase the rental rates as well. In order for us to be able to provide worth and good fair pricing in the rental rates we just opted out of renting to Section 8. So we can keep the cost down on the investment and the repairs to the properties and minimize the rental rates so we can rent to these lower income communities.

Comment 39: That is a unintended consequence on complaints that were brought out early on in the 80's and the 90's that the HUD properties or the properties that were being rented out were in bad shape. So, they came back and said that in order for you to rent in this program you have to go in and fix it and paint it and make sure that everything works up to a certain standard. That standard got to be expensive. Anybody who has ever owned income property knows that whenever a renter moves out that there are always problems. You end up painting, you end up changing carpeting. That is not high and low and middle, they are all like that.

Comment 40: We created a model in order to your keep the costs down to rent to lower income properties. We do actually rent all of our properties according to the Section 8 requirement. The only thing that we ask from Section 8 is to collaborate as far as you know the administration of the Section 8 program collaborate with the follow up with the tenants. I believe that they used to do that before. Now they just leave it all up to you, the landlord.

Comment 41: Again, that was going back some years an unintended consequence of people complaining that Section 8 was always getting in their case about keeping the property up.

Comment 42: From the owner perspective that is a plus. If you have Section 8 coming in and maintaining the guideline with the tenant as well as the landlord. If they landlord has to maintain a guideline, the tenant should also have to maintain a guideline. If they are granting these people the opportunity to have a place, they need to maintain a guideline.

Rob Gaudin: There is a case in Baltimore where they have a program for Section 8 voucher holders and they go through a certification process. Where they learn how to take care of property. Sort of like a life skills approach and they learn this and they have the ability to get a Hamilton Voucher. The landlord would then get a tenant that has been taught these skills and is certified to be a better tenant; they also get a

higher amount of money. Is this something that you would entertain if it existed here?

Comment 43: That is something that would be. Just more involvement from the administration as far as education of the tenants or giving some guideline to the tenants so that they could up keep the property.

Rob Gaudin: So the short answer is yes.

Comment 44: Yes.

Comment 45: I would love to see that.

Comment 46: I think that as a consumer I would agree with that. It all falls on education regardless of where you look at with everything. If you learn what you need to do and these are the steps you need to take advantage of the state. I could refer a friend because I think that she qualifies, because I qualify and I think that she is going to qualify. Not knowing that trend of referring people. If we do than referring them to education then we build a better community.

Rob Gaudin: This is a public sector action that would be placed into the market if assisted housing.

Comment 47: I would agree with that working here with the simple fact that if they are involved that they know that they are accountable. If they do something wrong then they could lose their benefits and everybody loses. Then a program like that would just be a win win.

Rob Gaudin: To my satisfaction we haven't really come up with any ideas on what to do with the landlords who simply do not want certain tenants even though they can afford it.

Comment 48: I know what some or who drove this program, but we used to use shoppers a lot. It was HUD would hire shoppers, I actually thought about being a shopper one day, because I know what to ask and what to say that I had or didn't have, but I never became a shopper yet.

Comment 49: Being a mystery shopper?

Comment 50: Yes.

Rob Gaudin: They call them testers, right?

Comment 51: Testers now. We used to call them shoppers.

Comment 52: Shoppers sounds more appealing.

Comment 53: I think that worked in the industry of multi housing when I was in property management. Using a shopper because you never knew who was going to be a shopper. Sometimes we knew who the shopper was because they look and asked us fair housing questions. Something like I have three kids and no husband and my income is this much, you know saying certain things that could drive the management to think that this person could be a shopper because they always ask the same questions. I think that would be good. They are still doing it and maybe more of it with more diversity. Maybe more shoppers that are Hispanic to see if they are treating those Hispanic clients differently.

Rob Gaudin: What do we do with the results? This is a testing exercise then what do we do with the results?

Comment 54: Fine the property managers or the owners for having discriminated.

Rob Gaudin: There is testing and enforcement. You could also use it as an educational tool, but you think that enforcement would be more important?

Comment 55: The owners are scared of having to pay a fine.

Comment 56: It could be an either or. You could educate them with the threat that if they do it again that they get a fine. They do it again they get a harsher fine and if they do it again they are out of the program all together.

Comment 57: Is there such a thing that whenever you have property manager on a large scale, like a multifamily complex where they have to provide their demographics to a specific government agency to show that they have not discriminated who they lease to? Does anything like that exist?

Rob Gaudin: Yes, it does exist if you have some form of assisted housing that is federally funded.

Comment 58: If it is federally funded. Not in the private?

Rob Gaudin: No.

Comment 59: That is where the lines are so thick and so bold because of that.

Comment 60: And for the rental markets, in the sales market there are laws against red lining, but not in the rental markets. If it is a private company that does not get money from the government...

Comment 61: They can do pretty much whatever they want.

Rob Gaudin: When they can't. You just have to go find them.

Comment 62: They cannot discriminate, but they are not required to allocate so many units to...

Comment 63: They are not required to show that their leasing is not discriminatory.

Rob Gaudin: This is where the mystery shopper would come in.

Comment 64: This is where the mystery shopper a good tool to go deeper and find out. To weed out the good property managers that are always consistent and the "Good Ol Buys" who are always thinking back of the system.

Rob Gaudin: Within your community do you see the city doing anything with its zoning or current policies and practices that turn people a certain way?

Comment 65: Not that I know of. I see just down the street from one of my offices, it is A plus property when next door is a property that is really old and almost torn down. I was surprised that such nice community was going up right next door to old townhomes and I don't even know if half of them are vacant or not, but this is a private company. I don't know if the city is actually doing that. There is still a lot of land available that I can see, but not to the point where they could go in and do some kind of demographic and say that we need to put this type of multifamily housing here or there.

Comment 66: There is a project coming up that is a public and private development right in uptown Charlotte that is going to be a mixture of housing for all demographics and that is the point of it is to be to include the lower income into the uptown market. There is a \$700 million development coming up right down behind the basketball stadium. So there is something from the city to try. Around that are there is a lot of assisted housing.

Comment 67: Where?

Comment 68: It is in First Ward. It is uptown Charlotte 1st ward. Cantwell, North Davidson, 7th and up there are a lot of assisted housing communities up there and a new development that is coming up that is private and public.

Comment 69: Does it have a name?

Comment 70: The development? The new one? It is Living Properties...

Comment 71: Oh, it is by Living Properties.

(Presentation)

Comment 72: How are they getting their data?

Comment 73: We know that there are so, how is it that there is none?

Rob Gaudin: You know that there are areas, but does it comprise a Census tract?

(Presentation)

Comment 74: We need to wonder how much representation there is in these government entities that are handling all of this data that are in these communities. So, you are sitting here in a room full of people trying to get our input, but how many people in this room are involved in any of that process or as soon as they saw that data they would go something doesn't make sense here. We need to dig a little further. We were talking about homeownership. In the underwriting process if there are not. I would be curious about in the data what is included or missing about some of the underwriting on some of these loans. Where I am getting at with this is I used to be a financial advisor, so if somebody for example tried to get an insurance policy and I asked them some basic questions, but left everything else blank, they may not qualify for a discount. If I were to dig and ask more questions or knew what to ask and how to ask or what documentation to ask for, but we have a lot of people who complain that they can't find someone that speaks Spanish, for example to deal with for insurance. I used to be in that field so I can speak about it, but I have never been a banker or a mortgage guy, but if they are sitting there with a person that is collecting the paper work that is going to be used by the underwriter to decide what they qualify for and all I am doing is just filling in the middle boxes to get the paperwork in, that person would not qualify for a lower rate or some program simply because of the communication barrier. They are just hoping that the person helping them with that work appears to know what they are doing. They get what they ask, but nobody digs any further, so I am curious if there is any data on it and what's included in those loans that were either rejected or got higher rates had problems with underwriting that were missing information...

Rob Gaudin: Let me start from your first set of concerns. You don't believe that data. Where is your community in

your review of this data? Well, your community is right here and here we are asking for your input. If you are asking why I don't see sufficient levels of Hispanics in any 1970's or 1980's, I think we know how some members of your community that are undocumented don't want to be documented.

Comment 75: It's the fear.

Rob Gaudin: We already know that. I have personal problems with the way that immigration is being handled right now. It is a great country, let's just open the door, but that is just me. Anyway, as far as whether the data is questionable, as far as 2010, they didn't collect the income data. They used an annual survey. Each year they call people and get stuff from people of communities of 60,000 or more, but you can't tell anything about the geographical areas around Charlotte. You can't tell much about many of these other counties that only have about 20 or 30,000 people in them. So they do a three year rolling average, then a five-year rolling average. Then the data is so soft for members of your community we are trying to figure out by Census tract. So the RCAP have seen in this analysis and basically they have declined from 1970, 1980, 2000 and suddenly there is a smattering. They are no longer in a couple areas of Charlotte; they pop up all over the place. So there is a data quality and validity problem, reliability. So in HUD we are mostly supposed to take something that we have seemed for a long time, this smattering, and line these up with areas of opportunity which they are telling us the definition is opportunities based on areas. I am here to ask you what would be better ways to do that. The notion is that these new indices are going to help guide investment. In July, HUD issued new guidelines for this AI and it looks exactly like this FHEA. Now it is about RCAP and ECAP and areas of opportunity. So this is in a way we are going through steps that will help our communities understand things. To answer your other questions about the lending. There are guidelines. I think there are seven financial regulatory agencies that administer these. HUD is one and they don't always get it right. There are some delays and sometimes they don't report things. The reason for the denial is that there is a lot of missing. They had three fields to fill, so I don't know the answer to your question. I do know a number of loan applications that were closed because they were incomplete. The number of loan applications that were approved, but the applicant

decided that they didn't want to do it. We did this several years ago and inspected this extremely high denial rate on Native Americans and we found that it was related to mobile homes near Indian trust land, reservations and the financial institution. This was in Montana, seven tribal nations. Private lenders were afraid to lend on manufactured housing and the regulatory agency there was HUD. HUD would say that it looks good and the private lenders were saying that if they quit paying and took it up to their reservation which is sovereign nation and I can't go and get my property.

Comment 76: Are they talking about mobile homes or manufactured homes?

Rob Gaudin: At that time it was mobile homes. So it was not on a fixed foundation. You could still move a manufactured home onto a fixed foundation, but if it was still mobile they would say no. They tried a few years later, this was 20 years ago. They tried to get with the tribes to pass some legislation to allow these kinds of transactions with limited success, but in your case I do not know precisely if somebody was sold upstream. Denied at first, which is what was happening with these mobile homes they were denied several times and eventually they go to a predatory loan. That is what typically happens in the community that you are talking about. They get not very good questions then the lender pretty much steers them to an expensive route. We did an AI for the State of Mississippi in '98 and there was a woman in Hattiesburg, an older black woman, who came in and talked and said that I know I had a predatory loan, but they wouldn't give me a regular loan. The reason was because, take a look. I am hoping to refinance this as soon as I demonstrate my credit. Of course some of these instructions take the payment and leave it on the desk and it goes in a day late. So they can never fix their credit.

Comment 77: I think that the root of the problem with the Hispanic population is the denial rate outside from some of the underwriting and the regulations, it goes back to education. Educating the Hispanic community on how to go about getting a loan. It may be from fair housing requiring all the institutions to have certified Spanish speaking professionals to aid the Spanish speaking community into getting these loans. Surprised enough we see it in our house in the rental market that does to the fear that Hispanics have with the language barrier, documentation. The Hispanic community has that fear that they do not want to approach something because they are going to get denied because they can't provide documents or they can't speak to somebody that will allow them to understand what they need to provide. We see it in our rentals. Single family residences are rentals. Our rental application is very minimal in Spanish

and we have a full staff of Spanish speaking people and it could be in our multi-family is the other way around. We see a high rental rate of applications by Hispanics. They feel more comfortable going to a multifamily office, than going to directly applying for a single family residence, because they think that the landlord or owner is not going to speak Spanish. In the rental market we see that disconnect and maybe in the new homes they do go out and seek that help of a Spanish speaking agent for Realtors®, but maybe they do not get that support on the loan level. The agent can only do so much to help them and they do not get the same support when they do a mortgage application. It is very minimal, I believe here in Charlotte there are to that many offices that offer Spanish speaking loan officers.

Comment 78: That is in general, I think.

Comment 79: The problem that I have seen too and I have seen this in several different industries. I have had people call me, because I am on the board of the chamber and ask are there Hispanics that we could recruit for fill in the blank, insurance agents, whatever. Well, there are tons of them. What are you looking for? I always get the same answer. We want someone that is already trained, already licensed that can get hit the ground running. So, they are not willing to train people. People that maybe want to get into that field from different profession, but nobody wants to give them an opportunity where they can say here is a training program. They say I need you to sit in that chair and do the job tomorrow without any training, because we do not have the budget for training. I see this all the time and the same thing with some of these predatory practices. People say that we have this great new product, how do we get it out to the Hispanic market? It is all these predatory things worth high interest rate loans, payday loans, and all this stuff where they are trying on people that they think are not educated enough about what their options are. If they get turned down by Bank of American and I show up.

Rob Gaudin: Let me turn the table a little bit on a board member. Would the board entertain participating in an educational process for those who might...

Comment 80: Absolutely. We do that now.

Rob Gaudin: For those who might fill positions in these industries that you are referring to?

Comment 81: We would absolutely entertain it. I think it would take some commitment from those people in those industries to provide some training. I would be happy to volunteer to say that I will physically stand there and deliver them for training, but I am not a loan officer to help train them on how to be a loan officer or whatever the other areas are.

Rob Gaudin: So, I am just trying to find out if this could be a public/private coordinating process. Could you work with the private industry to get this training together?

Comment 82: Again, we do that now. We reach out to programs that the private businesses will support financially to put the programs on because they know that they need the people trained. They need the entrepreneurs and they need different training programs have different focuses. We do that now. We train them.

Rob Gaudin: So this is something that you all would entertain for this resolution of these problems.

Comment 83: Have a job fair...

Comment 84: I don't feel like we get as much cooperation as we would like more. Maybe cooperation is not the right word or maybe support from the private sector for certain types of professions. I will use insurance for example this Obamacare. I got a call from one of the major insurance carriers; I know them because I happen to be in the industry. They are looking for agents, but they do not want to train anyone. So they want someone that already has all of the connections and everything so that they can just plug their product into that pipeline or business. The flip side is that they don't have the interest or the budget to say that we will take someone who is willing to do work or sell our product or whatever the case, but they have to be already ready to go.

Comment 85: They want to sell more to Latinos, but they don't want to employ more Latinos.

Comment 86: The other situation that I see in that industry, the insurance industry that they will train them, but it is an unpaid training. So, if you have this demographic that is looking for employment they are not willing to take six months of training unpaid.

Comment 87: In that industry for example you have to get a license so you have to take a 40 hour course. You go get your licenses and call me back.

Comment 88: Aside from that there are three or four months of training that they have to go through to work for that particular company and they are unpaid and they have to bring their own book of business as well. I was reached by one of the companies here and I am actually a client of that company here, and they reached out to me to see if I had people I could recommend to them. I recommended a couple of people that are professionals that could do that work, but they are not willing to sacrifice what they are doing now to go six months unpaid. They need that stream of income.

Comment 89: It may be the reason why is because they still have the mindset that homeownership and getting a loan from their country. Which is you have to have a higher percentage of downpayment and the loan rates are much higher than anything you could get in the US. So maybe they don't think that it is within their means and at the same time there is also, I have heard some people say, they don't want to purchase a home because they are unsure of their situation of what could happen.

Comment 90: The status.

Comment 91: They do not want to be tied down and have to lose something.

Comment 92: The education and the support from the private entities that support these products. We don't educate our community on how to obtain these products so the private entities do not have the personal to support the Hispanic community as well.

Comment 93: You said you wanted us to input on how to distribute the budget, because they mentioned expanding to different areas and things like that. If you could just tell me how the budget is used right now, because I guess that would lead us to say that if it is used only to tailor Hispanics and we are giving those \$7,000. Okay here is \$7,000 and you can put it on a downpayment, but you have to choose that house. Is that really an education piece?

Rob Gaudin: I am not really in a position on how the "budget" is being used. I am from Portland, Oregon. Speaking of that let me say it this way. I would like us to all introduce each other.

(Introductions)

Comment 94: The connection between the people that may have the capacity to pay for a house. Some of them may not have papers to be able to do it. They know that they can't do it because there is not any program available to them. It is true that what you said about the fear to purchase a house. They are not allowed to purchase a house, because they do not have a social security. Second thing, education is the key. In our community we see a family just can afford a house and they go to some banks and because they are Latino they have that communication problem. The interest rate is always high. I am glad that we can have some information to help the community understand to do and be able to do their business with people who have the business and want to work with people in the Latino community.

Comment 95: The Latin Chamber and the Latin American Coalition saw the need growing as we came in the last 15 to 20 years. When I got here it was black and non-black and the non-black persons were very small. I know that people who look like me that don't look Latino. I know they were working the banks and what the African American community calls passing. You were just there and it wasn't until the Latino community started to identify themselves that we saw this growth in numbers in Charlotte. There were a lot of people coming in, but that the same time there were a lot of people that now felt comfortable saying they were Latino. That is the big difference. There is still a disconnect. CPCC came to me and wanted to teach a business class in Spanish years ago and the advertised it in the CPCC magazine. The problem was that nobody in the admissions office spoke Spanish. They wanted to reach out to the Latino community. There was like breadcrumb here, but there was no connection in the back office, so eventually we got a lot of people in, but it was not thought through well. I think that is what we need is education and getting to people to understand what the process is and what do you need. Last week I spent a week in Mexico and looking at the area. These houses here range from \$250,000 to \$2 million and I said that was great, but there are no mortgages. Which means if you come down there you have to have cash money to buy? What you mentioned a few minutes ago if somebody came from there that didn't understand and saw a \$200,000 home. I don't have \$200,000. There is that disconnect. The education. It is different down there than it is here. Beautiful homes, beautiful place, but you have to have cash money.

Comment 96: Is that not like that in other countries?

Comment 97: Homeownership in our country is like a utopia. It is something that you really have to work for so that you can get there. The community here brings that sentiment over, but they hold back because of the fear. There is also the social factor as well. They can't go through the

fact of going through the process and being denied. They assume that. The Hispanic population is very prideful of what they do. I think we all share that and social status plays a part. Here it is more common to be denied for a mortgage and move on, but in our country it is not like that. If you are denied for something it means that you did not meet that standard and it plays with the social mentality of the community. It expands on the fear.

(Introductions)

Comment 98: In every industry I have seen an example of discrimination. It is really sad that throughout all these years of moving from other states that there is still discrimination against Latinos, against age, against people that sound funny. If you have an accent you are discriminated against, even if you are a doctor if you have an accent you will feel some discrimination. How do you fix that?

Comment 99: Do you think it is better now than it was 20 years ago? The reason I ask is that I think one of the solutions is generational. You are not going to force somebody to feel differently. It has to be something that your mother tells you or your grandmother tells you and you move on. I think now it is a lot better, especially in the south, 40 years ago.

Comment 100: I have only been in the states seven years now and I think it has changed tremendously. As the minorities play bigger parts in other groups, it has changed a lot as minorities start to succeed in different fields.

Rob Gaudin: It has improved.

(Introductions)

(Presentation)

Rob Gaudin:

Comment 101: I mentioned the lack of personal to support the Hispanic community in the private sector, but I think that I forgot to mention the public as well. The public especially the housing administration needs more Spanish speaking personnel. I believe that if you go down to the Section 8 office that there is not a person that attends the applicants in Spanish. I have been there only a couple of times, but I believe that there is not

a person that will help you in Spanish. I believe that I have heard that from the property managers that comment. So the public sector also needs to play a part in administrating that support.

Rob Gaudin: I agree.

Comment 102: The big thing that happened again when the influx happened 20 years ago. It was black and all minority outreach was to the African American community. So if you look at the state and the federal government if you look at their minority programs they are run by African Americans, because that is what it was.

Comment 103: There wasn't any other minority.

Comment 104: The people that are there have been there for a long time and until they get fired or move on to other jobs they can't put anybody new in there. That is the story I was getting.

Rob Gaudin: I had to do this particular study for a community in Virginia. I often try to call the state and ask if they have someone they can send to help. They sent someone from Puerto Rico and who was also black.

Comment 105: It wasn't African American. It was Puerto Rico and he was very darker skinned, but he was never African American. However the brown came from being, my ancestor is black, but they are not considered African American because they are Latino. There is a real strange dimension to that.

Rob Gaudin: The Census considers Hispanic to be of any race.

Comment 106: From the input that we have given you, give us your thoughts on what you heard today. The course of action that you may take in your analysis.

Rob Gaudin: I don't want to jump to conclusions. There are some concerns and some recommendations. There are action items. Obviously there is some discrimination both in the private and public sector. There are some issues in how public policy is practiced as you suggested that the public sector has insufficient people that can speak Spanish. So that element of providing services is limited as well as management may need to be of or at least speak Spanish. There are elements on both sides.

Comment 107: Or just hire a translator.

Comment 108: One of the things that we need to watch out for is throwing the word discrimination around. When a

company hears discrimination right away they throw their defenses up as opposed to lack of education. Say that they do not know how to fill out a form. The person can't commutate and they fill out the form wrong and they send it in or not fill out totally and they get turned down, is that discrimination? Or is that a lack of education? Have a translator or somebody there to help them. That is why I am saying that discrimination has gone down and a lot of it has to do with education and how do we get the people to fill out the form. To start businesses and to understand how to run a business and start a business. When I was teaching these kids, these younger people, some of them I have been here five years and run business out of their house. Well, you can't do that. The health department will shut you down. Well, I didn't know that I couldn't do that. It's all education.

Comment 109: That was my opinion as well. The education is important from both the public and the private sector.

Comment 110: It is education and it is important that people that working the private and public sector if they speak Spanish and recognize the limits. Sometimes to speak Spanish is not enough to recognize and understand somebody that comes to you. Specifically a house, to purchase a house is a big thing and you need to understand everything. Sometimes it is comforting to have somebody that speaks Spanish, but they do not recognize that they are limits in understanding. They are not trained towards that industry specifically.

Comment 111: They speak Spanish, but they do not understand.

Comment 112: A translator is another thing and understanding is another thing.

Comment 113: Putting it into a cultural context.

Comment 114: Do you understand my point?

Rob Gaudin: I do.

C. FAIR HOUSING FORUM PRESENTATIONS

**Analysis of Impediments
To Fair Housing Choice**

**Sponsored by the Concord
Housing and Community Development Dept.**



**2014 Analysis of Impediments
to Fair Housing Choice**

**Sponsored by the City of Concord
Fair Housing Forum**



City of Concord Fair Housing Forums 1 January 29, 2014



**City of Concord
Analysis of Impediments (AI)**

**Entitlement jurisdictions must:
certify that they are Affirmatively
Furthering Fair Housing (AFFH)
as a condition of receiving
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City of Concord Fair Housing Forums 2 January 29, 2014

Analysis of Impediments
To Fair Housing Choice

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City of Concord AI 

Certification means three things:

- 1. Conduct an AI**
- 2. Take action on impediments, if impediments were found**
- 3. Maintain records of actions**

City of Concord Fair Housing Forums 3 January 29, 2014



City of Concord AI 

Entire purpose of the Study:

Conduct study to identify any impediments to fair housing choice, then recommend actions that address impediments

City of Concord Fair Housing Forums 4 January 29, 2014

Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



Content of an AI

- Private sector transactions: rental market (applications, interviews, etc.) and sales markets (lending, steering, blockbusting, foreclosure burden, etc.)
- Public sector influences: land use codes, zoning, public policy practices, neighborhood resistance, etc.
- Assessing barriers to housing choice



City of Concord Fair Housing Forums 5 January 29, 2014



City of Concord Fair Housing Forum

Present to you context, fair housing information, and preliminary results of analysis

Receive comment, input, and your experiences with fair housing



City of Concord Fair Housing Forums 6 January 29, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Concord
Housing and Community Development Dept.



Definition of Impediments to Fair Housing Choice:

Actions, omissions, or decisions which restrict housing choice because of protected class status



City of Concord Fair Housing Forums 7 January 29, 2014



Who is protected?

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Race, color, sex, religion, national origin, familial status, and disability



City of Concord Fair Housing Forums 8 January 29, 2014

Analysis of Impediments
To Fair Housing Choice

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Review AFFH Court Cases

National Significance:

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City of Concord Fair Housing Forums 9 January 29, 2014



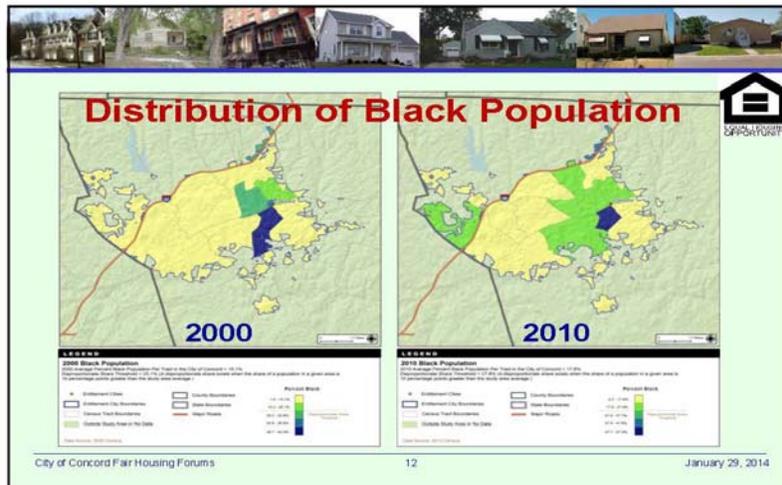
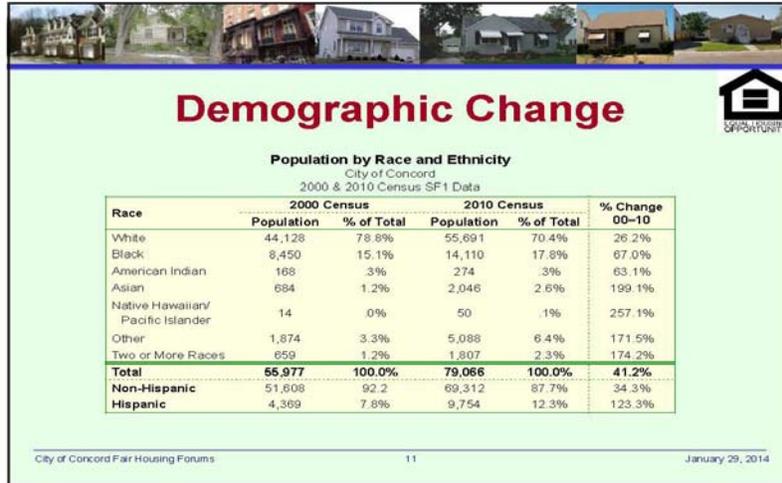
2014 City of Concord Study Area



City of Concord Fair Housing Forums 10 January 29, 2014

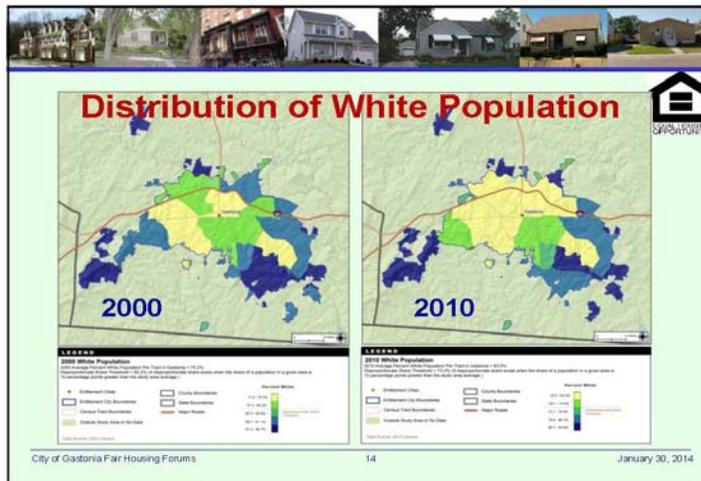
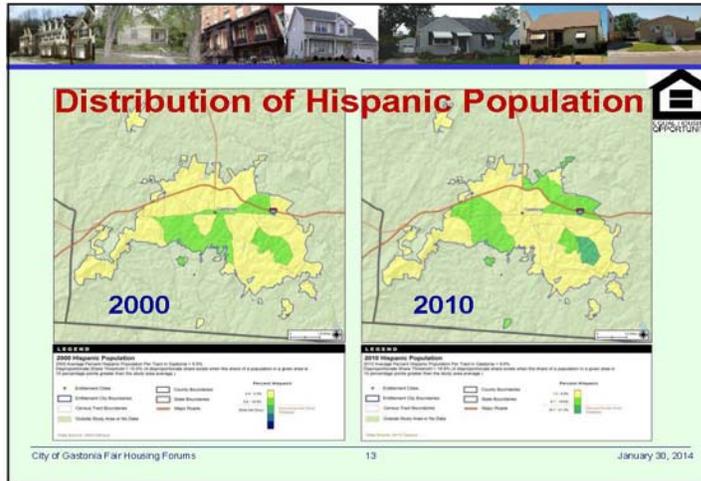
Analysis of Impediments
To Fair Housing Choice

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Analysis of Impediments
To Fair Housing Choice

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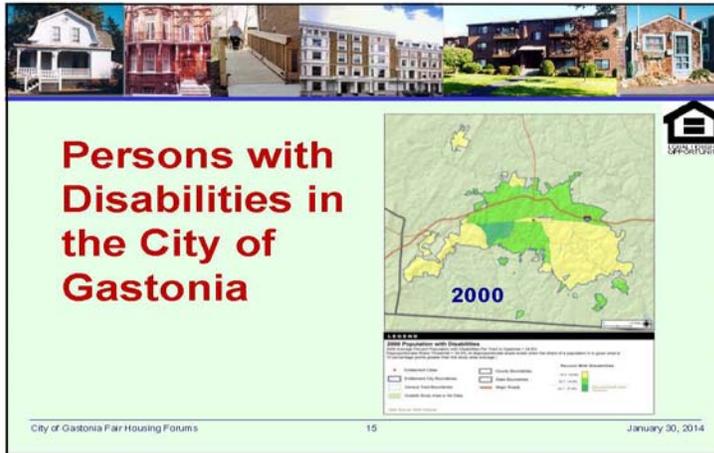


Fair Housing Forums

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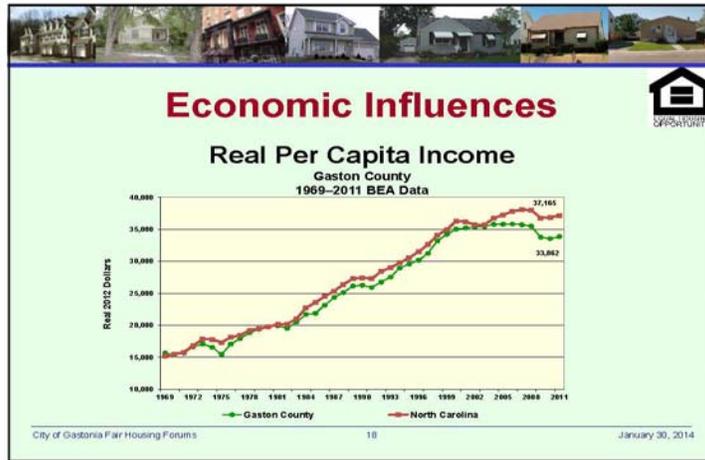
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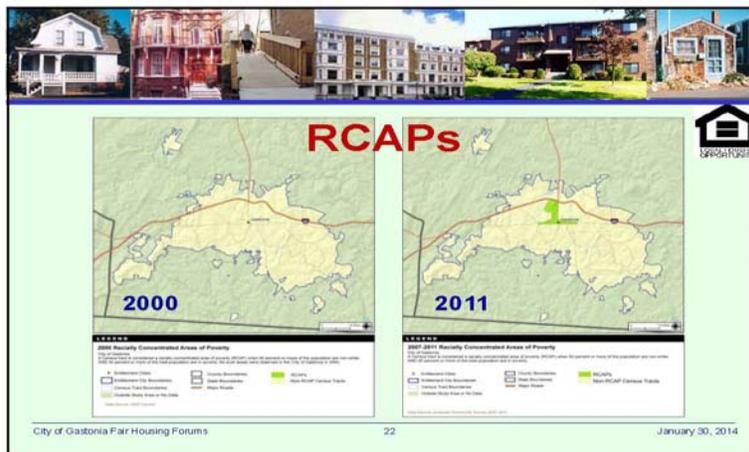
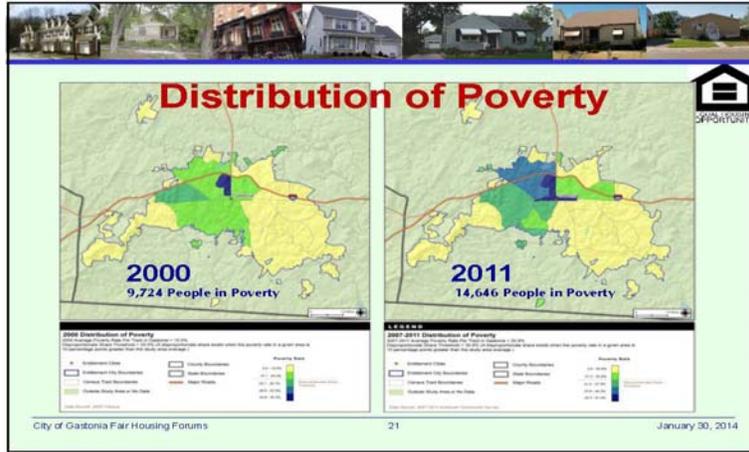
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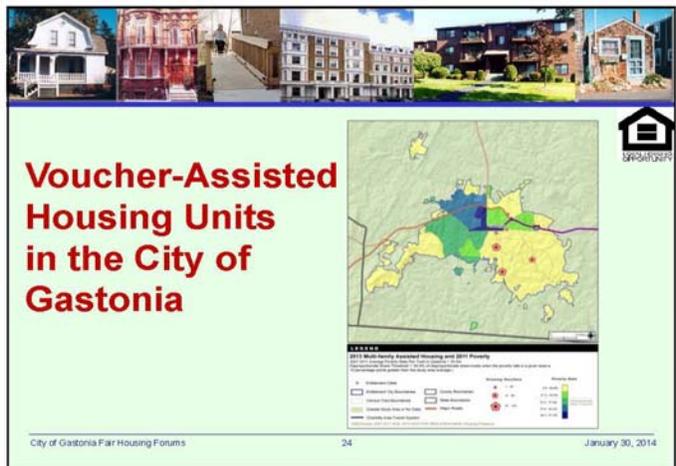
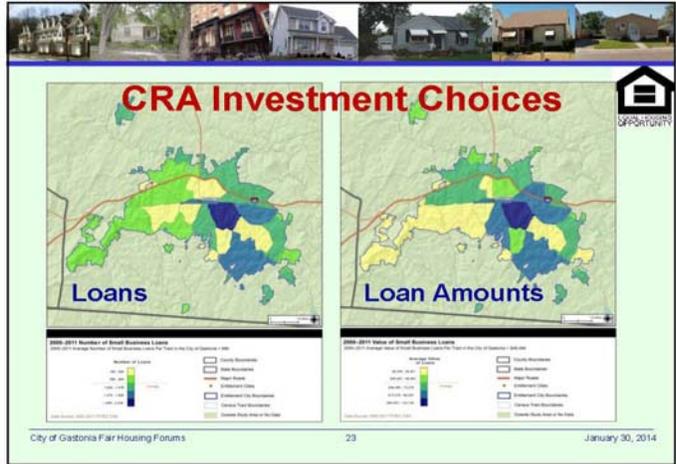
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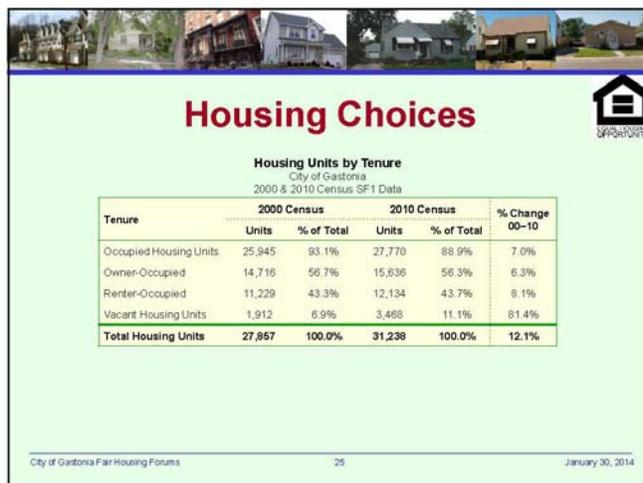
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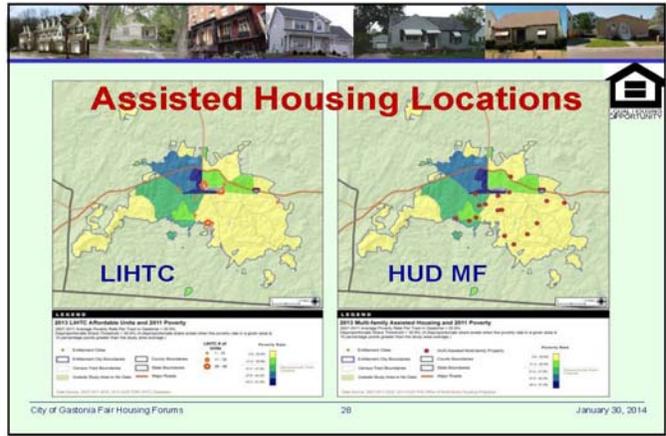
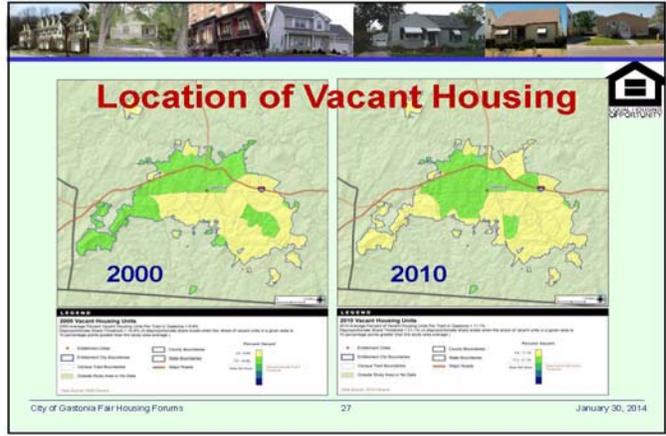
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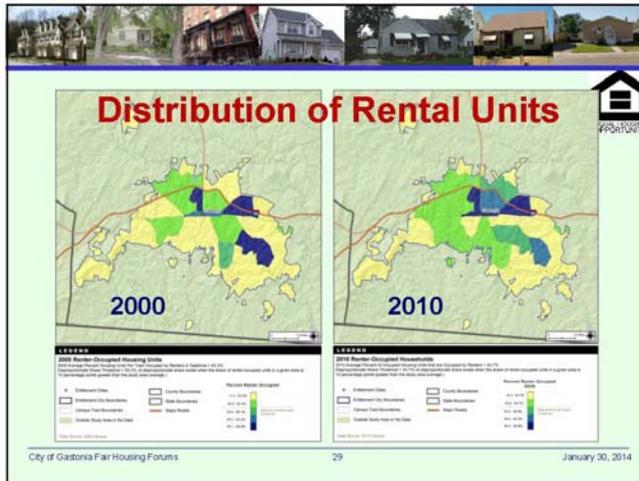
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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Gastonia
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Housing Complaints
Fair Housing Complaints

Fair Housing Complaints
City of Gastonia
2004–2013 HUD Data

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total Complaints		2	2	1	2	2	5	2			16

City of Gastonia Fair Housing Forums 30 January 30, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Gastonia
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Housing Complaints

Basis of Housing Complaints



For HUD:

- 9 complaints for race, 4 for family status, 4 for sex, 3 for disability
- 22 total bases, 16 total complaints

City of Gastonia Fair Housing Forums 31 January 30, 2014



Housing Complaints

Issues Cited in the Housing Complaints



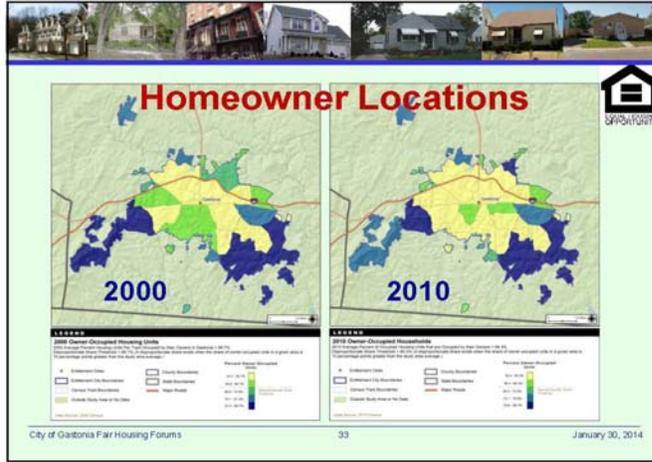
For HUD:

- Discrimination in terms and conditions
- Coercion
- Discriminatory advertising, statements, or notices

City of Gastonia Fair Housing Forums 32 January 30, 2014

Analysis of Impediments
To Fair Housing Choice

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Mortgage Lending

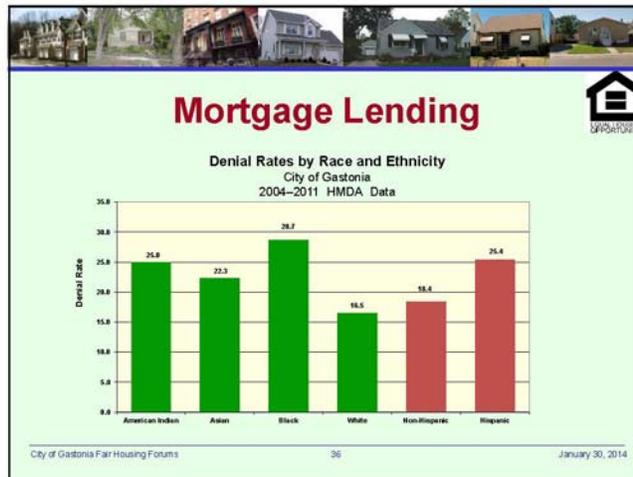
Purpose of Loan by Year
City of Gastonia
2004–2011 HMDA Data

Purpose	2004	2005	2006	2007	2008	2009	2010	2011	Total
Home Purchase	1,993	2,386	2,789	2,517	1,532	1,124	957	879	14,177
Home Improvement	427	369	368	393	297	144	118	117	2,233
Refinancing	3,582	3,495	3,363	2,931	2,151	2,301	1,739	1,616	21,178
Total	6,002	6,250	6,520	5,841	3,980	3,569	2,814	2,612	37,688

City of Gastonia Fair Housing Forums 34 January 30, 2014

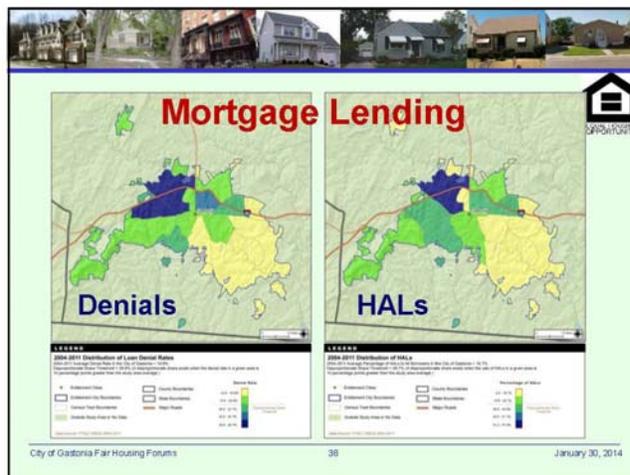
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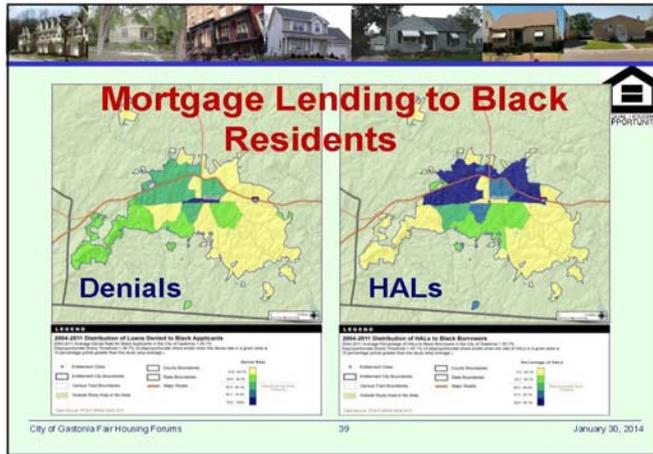
Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



Analysis of Impediments
To Fair Housing Choice

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**City of Gastonia AI
Fair Housing Survey Questions**

Role of Respondent
City of Gastonia
2013 Fair Housing Survey Data

Primary Role	Total
Advocate/Service Provider	9
Appraiser	1
Banking/Finance	2
Construction/Development	4
Homeowner	6
Local Government	14
Property Management	2
Real Estate	1
Other Role	2
Missing	0
Total	41

<https://www.research.net/s/CONNECT-2013FairHousingSurvey>

City of Gastonia Fair Housing Forums 40 January 30, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Gastonia
Housing and Community Development Dept.

City of Gastonia AI
Fair Housing Survey Questions

Federal, State, and Local Fair Housing Laws
City of Gastonia
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	18	6	5	12	41
Are fair housing laws difficult to understand or follow?	12	12	5	12	41
Do you think fair housing laws should be changed?	8	13	8	12	41
Do you think fair housing laws are adequately enforced?	16	10	2	13	41

City of Gastonia Fair Housing Forums 41 January 30, 2014

City of Gastonia AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Private Sector
City of Gastonia
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	7	15	2	17	41
The real estate industry?	5	13	6	17	41
The mortgage and home lending industry?	4	11	8	18	41
The housing construction or accessible housing design fields?	3	15	6	17	41
The home insurance industry?	3	12	9	17	41
The home appraisal industry?	4	12	7	18	41
Any other housing services?	3	15	6	17	41

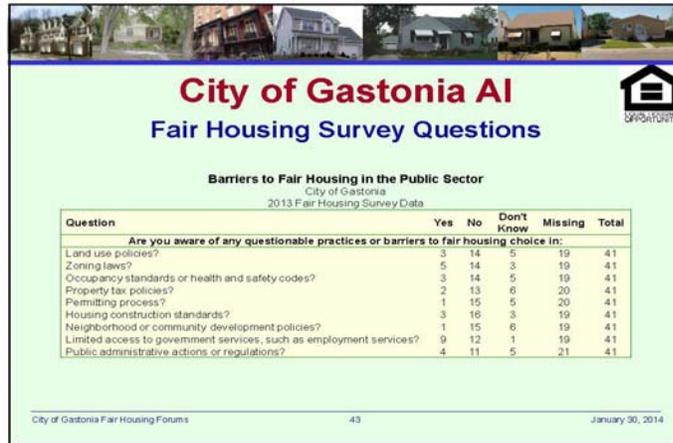
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Fair Housing Forums

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To Fair Housing Choice

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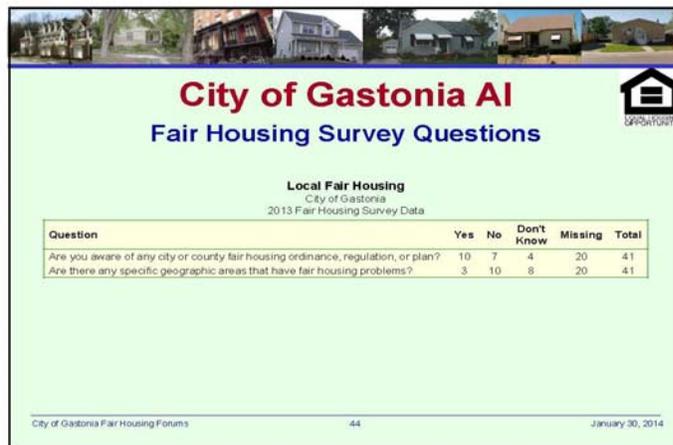


City of Gastonia AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Public Sector
City of Gastonia
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	3	14	5	19	41
Zoning laws?	5	14	3	19	41
Occupancy standards or health and safety codes?	3	14	5	19	41
Property tax policies?	2	13	6	20	41
Permitting process?	1	15	5	20	41
Housing construction standards?	3	16	3	19	41
Neighborhood or community development policies?	1	15	6	19	41
Limited access to government services, such as employment services?	9	12	1	19	41
Public administrative actions or regulations?	4	11	5	21	41

City of Gastonia Fair Housing Forums 43 January 30, 2014



City of Gastonia AI
Fair Housing Survey Questions

Local Fair Housing
City of Gastonia
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	10	7	4	20	41
Are there any specific geographic areas that have fair housing problems?	3	10	8	20	41

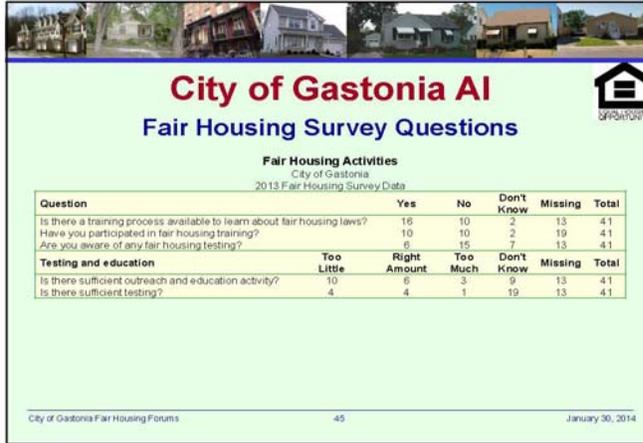
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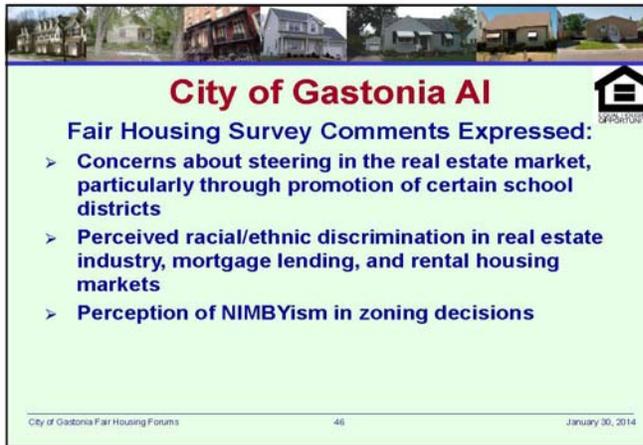


City of Gastonia AI
Fair Housing Survey Questions

Fair Housing Activities
City of Gastonia
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	16	10	2	13	41	
Have you participated in fair housing training?	10	10	2	19	41	
Are you aware of any fair housing testing?	6	15	7	13	41	
Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	10	6	3	9	13	41
Is there sufficient testing?	4	4	1	19	13	41

City of Gastonia Fair Housing Forums 45 January 30, 2014



City of Gastonia AI
Fair Housing Survey Comments Expressed:

- **Concerns about steering in the real estate market, particularly through promotion of certain school districts**
- **Perceived racial/ethnic discrimination in real estate industry, mortgage lending, and rental housing markets**
- **Perception of NIMBYism in zoning decisions**

City of Gastonia Fair Housing Forums 46 January 30, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Gastonia
Housing and Community Development Dept.



City of Gastonia AI

Preliminary Impediments – Private Sector:

- More frequent denial of home purchase loans to racial and ethnic minority residents
- Disparate impact of predatory lending
- Unequal distribution of Community Reinvestment Act loans
- Discriminatory terms, conditions, privileges, or facilities relating to rental
- Insufficient understanding of fair housing laws



City of Gastonia Fair Housing Forums 47 January 30, 2014



City of Gastonia AI

Preliminary Impediments – Public Sector:

- Zoning/public policy practices may discourage placement of group homes;
- Apparent NIMBYism
- Lack of clear and consistent interpretation of building codes for new construction
- Insufficient fair housing outreach and education
- Insufficient fair housing testing and enforcement activities



City of Gastonia Fair Housing Forums 48 January 30, 2014

Analysis of Impediments
To Fair Housing Choice

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2013 Analysis of Impediments 
City of Gastonia
Contact Information
City Hall
181 South Street
Gastonia, NC 28052
(P.O. Box 1748, Gastonia, NC 28053)
(704) 866-6720
www.cityofgastonia.com

City of Gastonia Fair Housing Forums 49 January 30, 2014

Analysis of Impediments
To Fair Housing Choice

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**2014 Analysis of Impediments
to Fair Housing Choice**

Sponsored by the City of Kannapolis
Fair Housing Forum



City of Kannapolis Fair Housing Forums 1 January 28, 2014



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City of Kannapolis Fair Housing Forums 2 January 28, 2014

**Analysis of Impediments
To Fair Housing Choice**

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City of Kannapolis Fair Housing Forums 3 January 28, 2014



City of Kannapolis AI 

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City of Kannapolis Fair Housing Forums 4 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.



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City of Kannapolis Fair Housing Forums 5 January 28, 2014



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City of Kannapolis Fair Housing Forums 8 January 28, 2014

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Review AFFH Court Cases

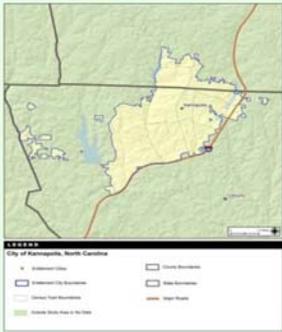
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2014 City of Kannapolis Study Area



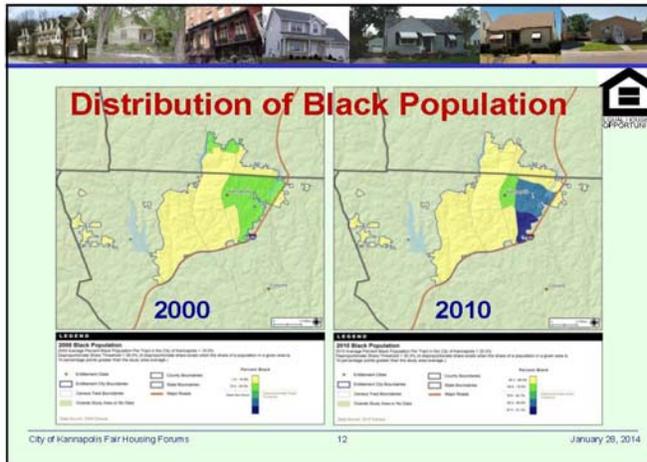
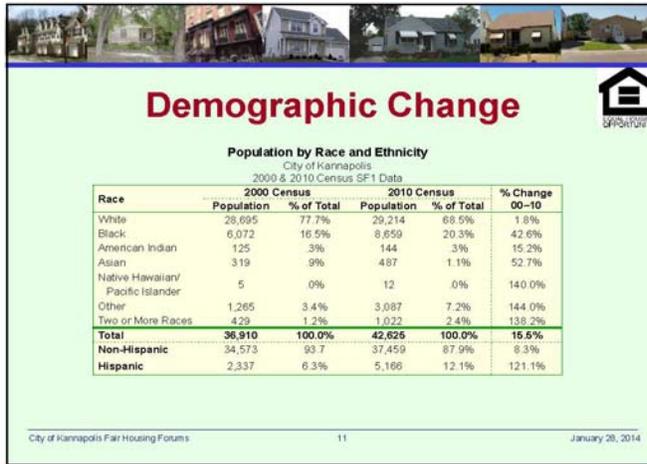
City of Kannapolis, North Carolina

- City Boundaries
- County Boundaries
- Other Boundaries
- Other Water

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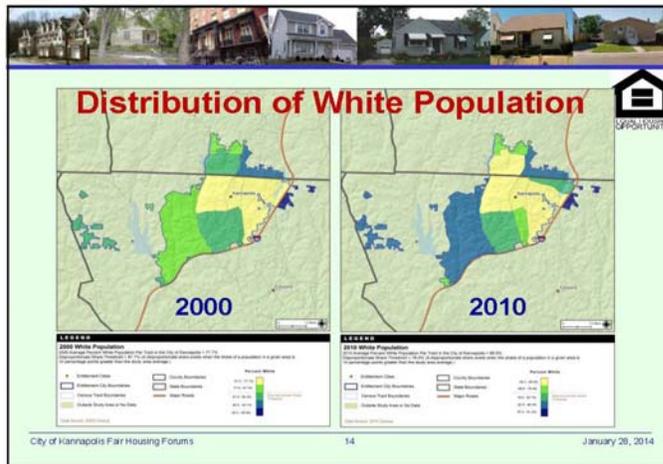
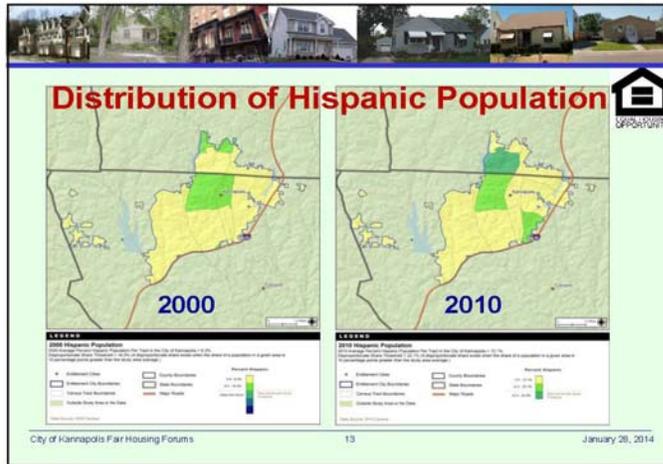
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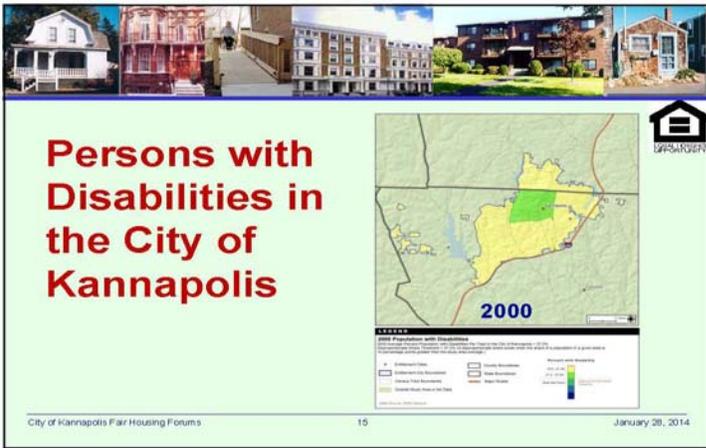
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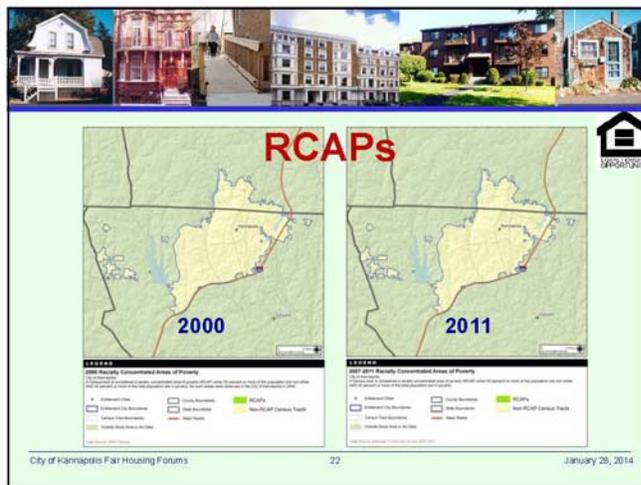
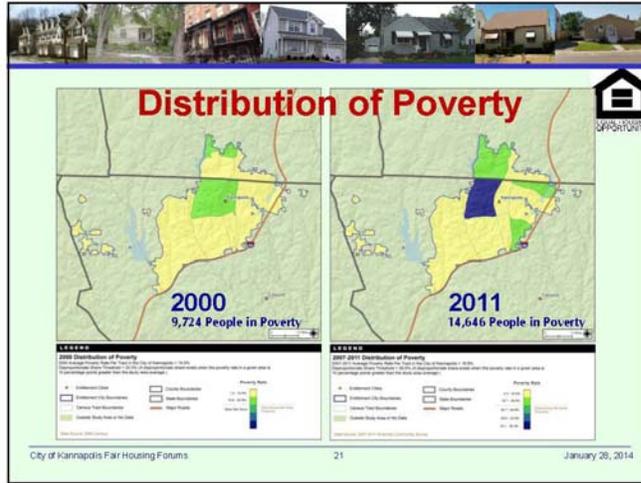
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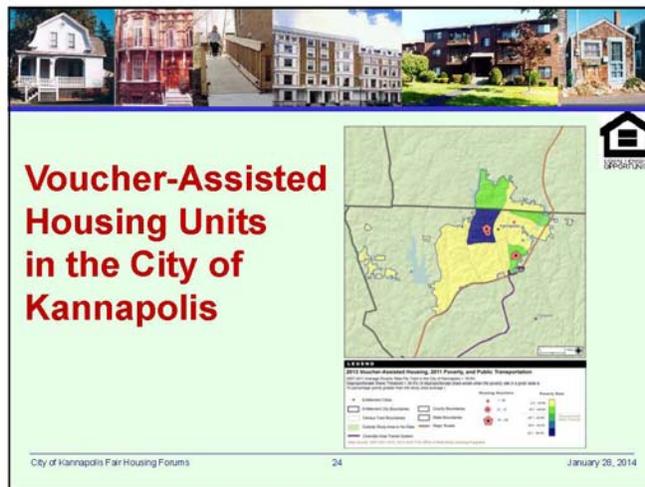
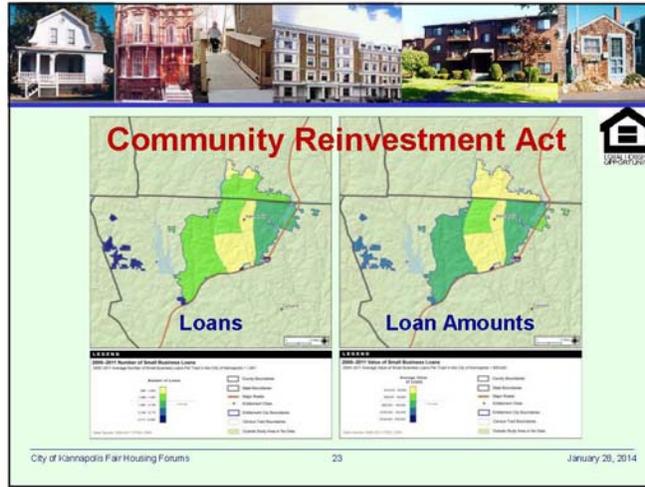
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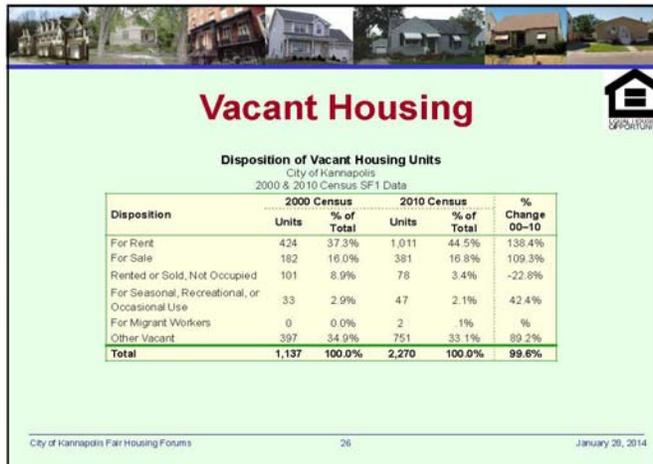
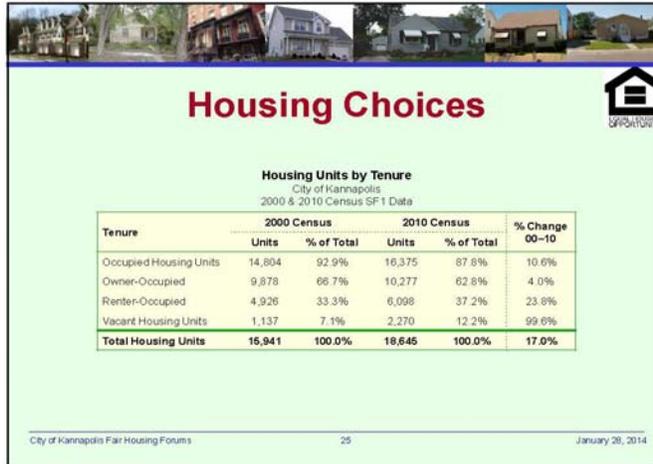
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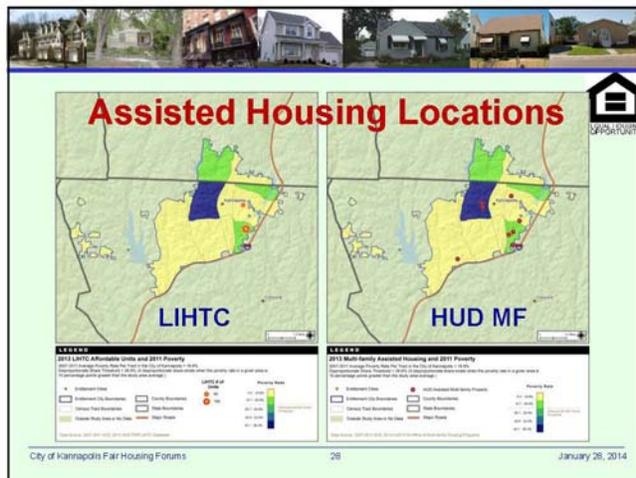
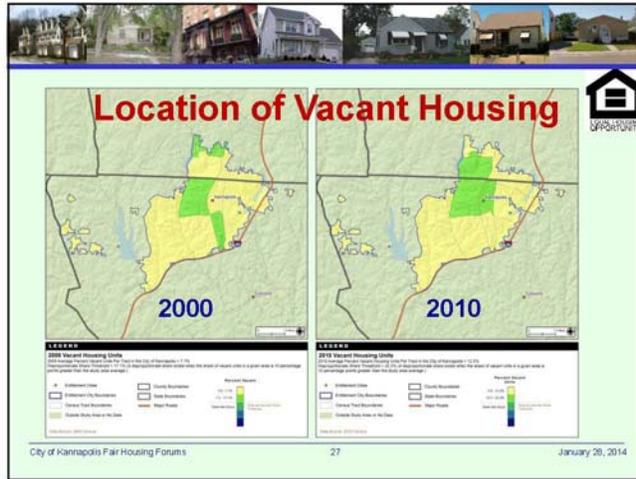
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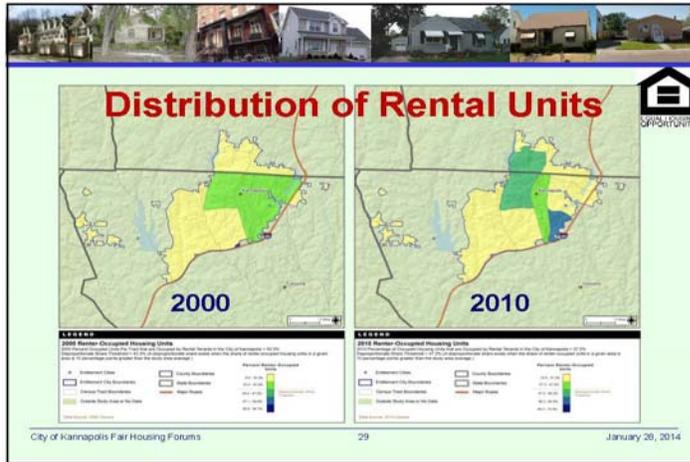
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Housing Complaints
Fair Housing Complaints

Fair Housing Complaints by Basis
City of Kannapolis
2004–2013 HUD Data

Basis	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total Complaints			1	3	2			3		2	11

City of Kannapolis Fair Housing Forums 30 January 20, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.



Housing Complaints

Basis of Housing Complaints



For HUD:

- 5 complaints for race, 2 for family status, 2 for sex, 2 for disability
- 13 total bases, 11 total complaints

City of Kannapolis Fair Housing Forums 31 January 28, 2014



Housing Complaints

Issues Cited in the Housing Complaints



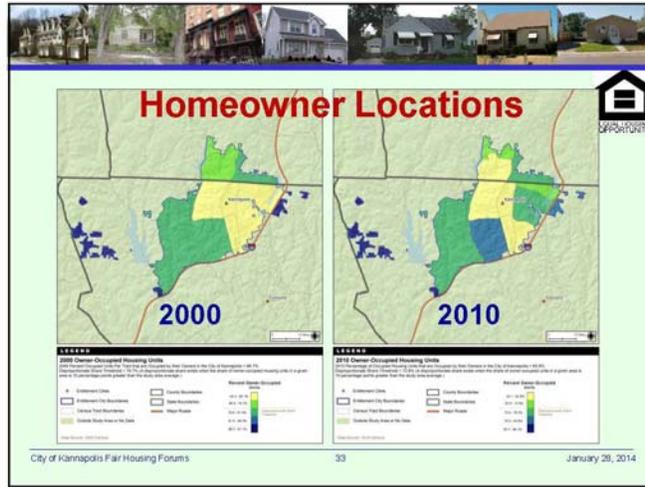
For HUD:

- Discrimination in terms and conditions
- Discriminatory refusal to rent
- Coercion
- Discriminatory advertising, statements, and notices

City of Kannapolis Fair Housing Forums 32 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.



Mortgage Lending

Purpose of Loan by Year
City of Kannapolis
2004-2011 HMDA Data

Purpose	2004	2005	2006	2007	2008	2009	2010	2011	Total
Home Purchase	1,610	2,139	2,517	1,867	1,196	647	607	588	11,171
Home Improvement	268	278	237	296	204	77	91	106	1,557
Refinancing	2,501	2,727	2,695	2,558	1,987	1,894	1,422	1,187	16,971
Total	4,379	5,144	5,449	4,721	3,387	2,618	2,120	1,881	29,699

City of Kannapolis Fair Housing Forums 34 January 28, 2014

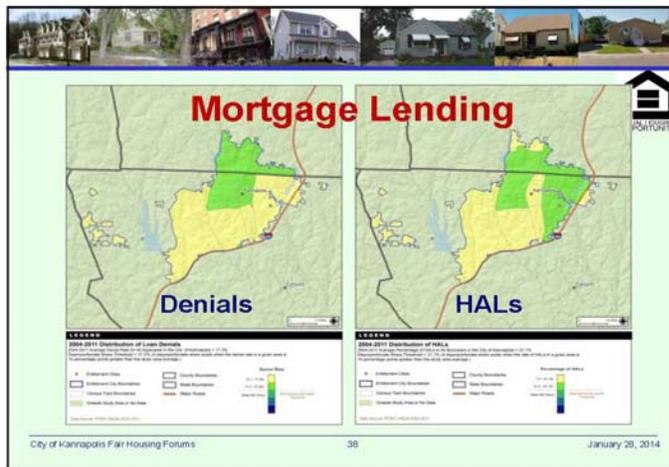
Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



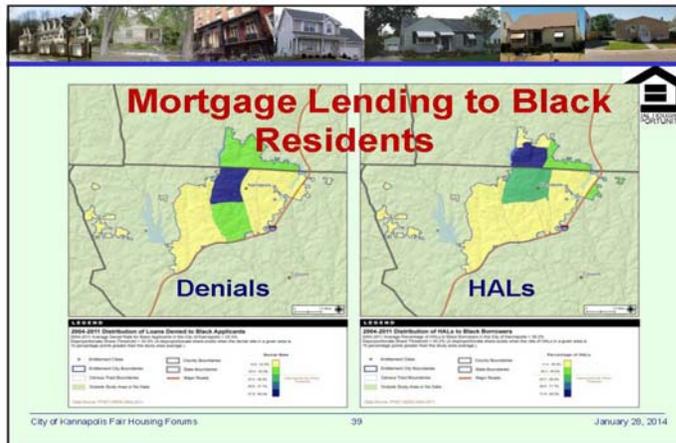
Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.



City of Kannapolis AI Fair Housing Survey Questions

Role of Respondent
City of Kannapolis
2013 Fair Housing Survey Data

Primary Role	Total
Advocate/Service Provider	6
Homeowner	26
Law/Legal Services	2
Local Government	7
Property Management	2
Renter/Tenant	2
Other Role	4
Missing	2
Total	61

<https://www.research.net/s/CONNECT-2013FairHousingSurvey>

City of Kannapolis Fair Housing Forums 40 January 20, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.

**City of Kannapolis AI
Fair Housing Survey Questions**

Federal, State, and Local Fair Housing Laws
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	25	7	5	14	51
Are fair housing laws difficult to understand or follow?	13	12	12	14	51
Do you think fair housing laws should be changed?	6	9	21	15	51
Do you think fair housing laws are adequately enforced?	14	17	3	17	51

City of Kannapolis Fair Housing Forums 41 January 28, 2014

**City of Kannapolis AI
Fair Housing Survey Questions**

Barriers to Fair Housing in the Private Sector
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	1	20	8	22	51
The real estate industry?	1	19	9	22	51
The mortgage and home lending industry?	1	17	10	23	51
The housing construction or accessible housing design fields?	1	18	9	23	51
The home insurance industry?	16	12	23	51	51
The home appraisal industry?	16	12	23	51	51
Any other housing services?	17	12	22	51	51

City of Kannapolis Fair Housing Forums 42 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.

**City of Kannapolis AI
Fair Housing Survey Questions**

Barriers to Fair Housing in the Public Sector
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	1	15	10	25	51
Zoning laws?	1	15	10	25	51
Occupancy standards or health and safety codes?	1	16	12	23	51
Property tax policies?	1	15	12	23	51
Permitting process?	1	16	11	23	51
Housing construction standards?	2	15	10	24	51
Neighborhood or community development policies?	1	15	11	24	51
Limited access to government services, such as employment services?	4	16	8	23	51
Public administrative actions or regulations?	2	12	12	25	51

City of Kannapolis Fair Housing Forums 43 January 26, 2014

**City of Kannapolis AI
Fair Housing Survey Questions**

Local Fair Housing
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	3	16	7	25	51
Are there any specific geographic areas that have fair housing problems?	2	10	14	25	51

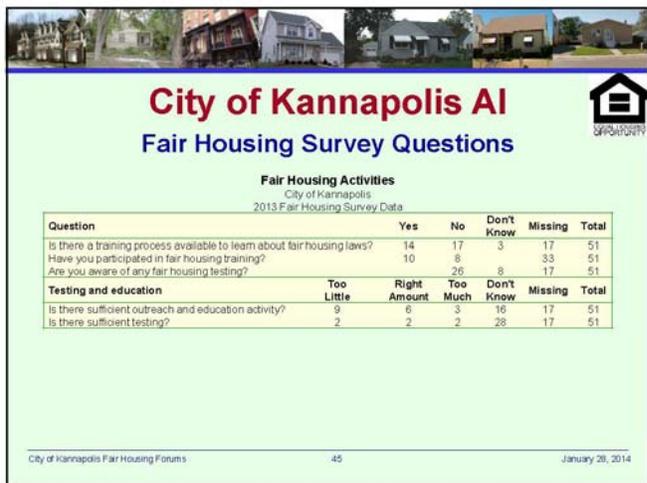
City of Kannapolis Fair Housing Forums 44 January 26, 2014

Fair Housing Forums

January 28, 2014: Page 22

Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



City of Kannapolis AI
Fair Housing Survey Questions

Fair Housing Activities
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	14	17	3	17	51	
Have you participated in fair housing training?	10	8		33	51	
Are you aware of any fair housing testing?		28	8	17	51	
Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	9	6	3	16	17	51
Is there sufficient testing?	2	2	2	28	17	51

City of Kannapolis Fair Housing Forums 45 January 28, 2014



City of Kannapolis AI
Preliminary Impediments – Private Sector:

- More frequent denial of home purchase loans to racial and ethnic minority residents
- Disparate impact of predatory lending
- Unequal distribution of Community Reinvestment Act loans
- Lack of knowledge of, or access to, the fair housing system
- Insufficient understanding of fair housing laws
- Discriminatory terms, conditions, privileges, or facilities relating to rental

City of Kannapolis Fair Housing Forums 46 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.



City of Kannapolis AI 

Preliminary Impediments – Public Sector:

- Insufficient understanding of Fair Housing Laws
- Insufficient fair housing testing and enforcement activities
- Lack of interest in fair housing and affirmatively furthering fair housing

City of Kannapolis Fair Housing Forums 47 January 28, 2014



2013 Analysis of Impediments 

**City of Kannapolis
Contact Information**

City of Kannapolis
P.O. Box 1199
Kannapolis, NC 28082
(704) 920-4300
www.cityofkannapolis.com

City of Kannapolis Fair Housing Forums 48 January 28, 2014

Fair Housing Forums

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



**2014 Analysis of Impediments
to Fair Housing Choice**

Sponsored by the City of Rock Hill
Fair Housing Forum



City of Rock Hill Fair Housing Forums 1 January 28, 2014



**City of Rock Hill
Analysis of Impediments (AI)**

**Entitlement jurisdictions must:
certify that they are Affirmatively
Furthering Fair Housing (AFFH)
as a condition of receiving
federal funds from HUD**



City of Rock Hill Fair Housing Forums 2 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



City of Rock Hill AI 

Certification means three things:

- 1. Conduct an AI**
- 2. Take action on impediments, if impediments were found**
- 3. Maintain records of actions**

City of Rock Hill Fair Housing Forums 3 January 28, 2014



City of Rock Hill AI 

Entire purpose of the Study:

Conduct study to identify any impediments to fair housing choice, then recommend actions that address impediments

City of Rock Hill Fair Housing Forums 4 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Content of an AI

- Private sector transactions: rental market (applications, interviews, etc.) and sales markets (lending, steering, blockbusting, foreclosure burden, etc.)
- Public sector influences: land use codes, zoning, public policy practices, neighborhood resistance, etc.
- Assessing barriers to housing choice

City of Rock Hill Fair Housing Forums 5 January 28, 2014



City of Rock Hill Fair Housing Forum

Present to you context, fair housing information, and preliminary results of analysis

Receive comment, input, and your experiences with fair housing

City of Rock Hill Fair Housing Forums 6 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Definition of Impediments to Fair Housing Choice:

Actions, omissions, or decisions which restrict housing choice because of protected class status



City of Rock Hill Fair Housing Forums 7 January 28, 2014



Who is protected?

Protected classes under local, state, and federal law:

Race, color, sex, religion, national origin, familial status, and disability



City of Rock Hill Fair Housing Forums 8 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Review AFFH Court Cases

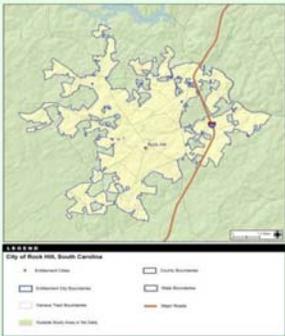
National Significance:

- Westchester County, NY, vs. Antidiscrimination Center of New York City
 - ✓ Falsely claiming certification
 - ✓ Forced to pay funding back to HUD
 - ✓ Forced to pay legal fees
 - ✓ That County now has very close oversight
 - ✓ AI scrutiny very high throughout the U.S.

City of Rock Hill Fair Housing Forums 9 January 28, 2014



2014 City of Rock Hill Study Area



City of Rock Hill, South Carolina

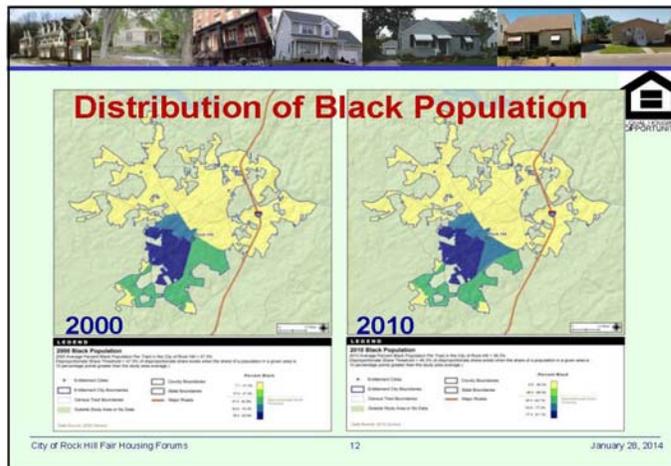
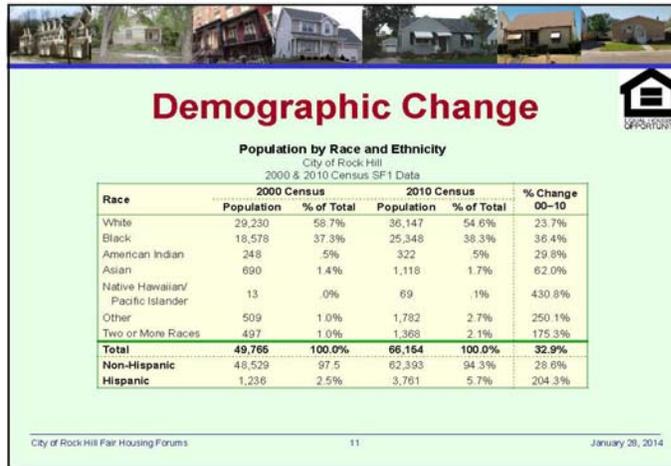
- Employment Sites
- Employment City Boundaries
- Service Area Boundaries
- Rock Hill Study Area in the State
- County Boundaries
- City Boundaries
- Major Roads

City of Rock Hill Fair Housing Forums 10 January 28, 2014



Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.

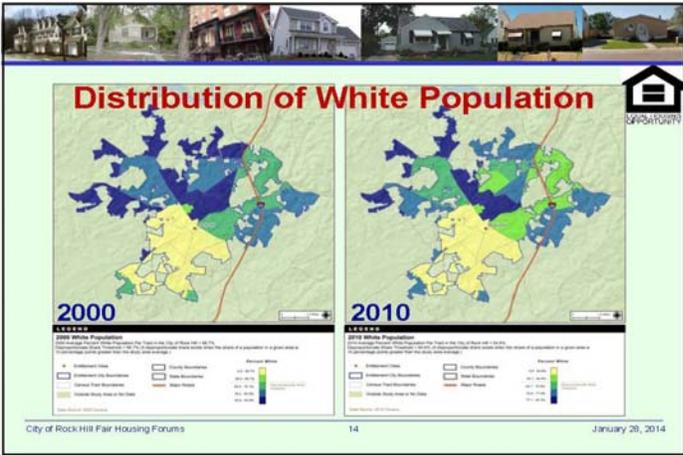
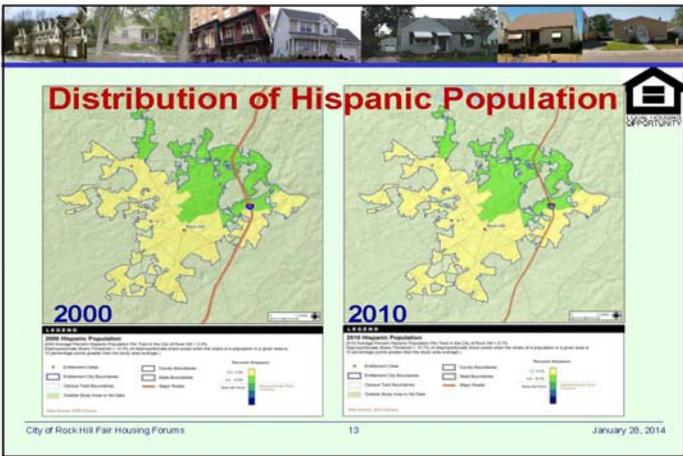


Fair Housing Forums

January 28, 2014: Page 6

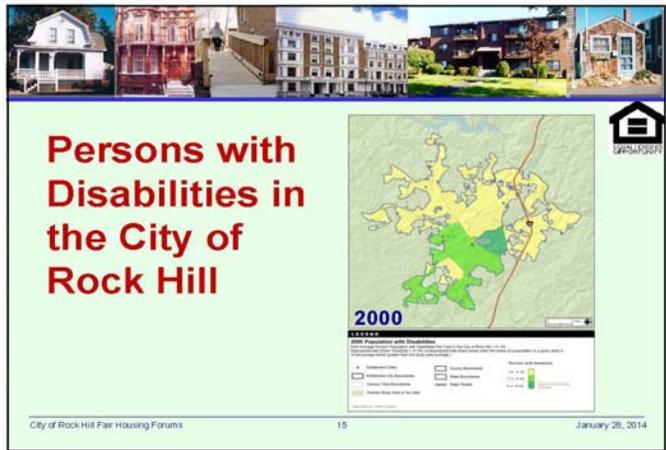
Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



**Analysis of Impediments
To Fair Housing Choice**

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Housing and Community Development Dept.**



Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



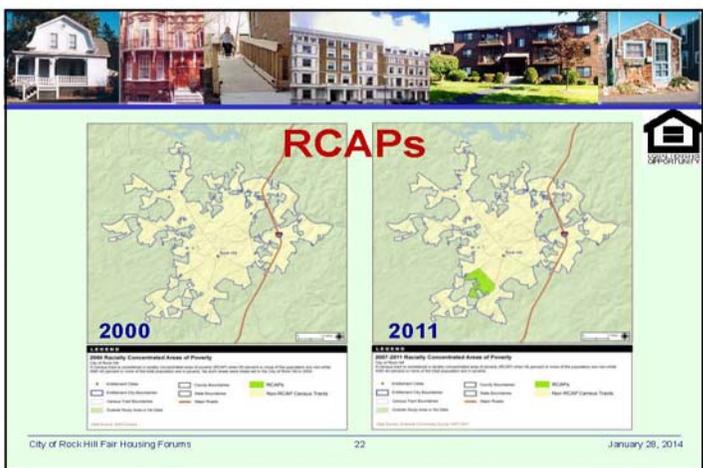
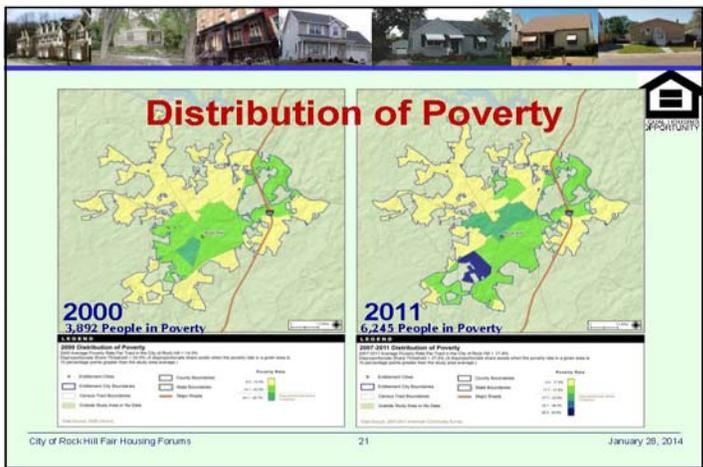
Analysis of Impediments
To Fair Housing Choice

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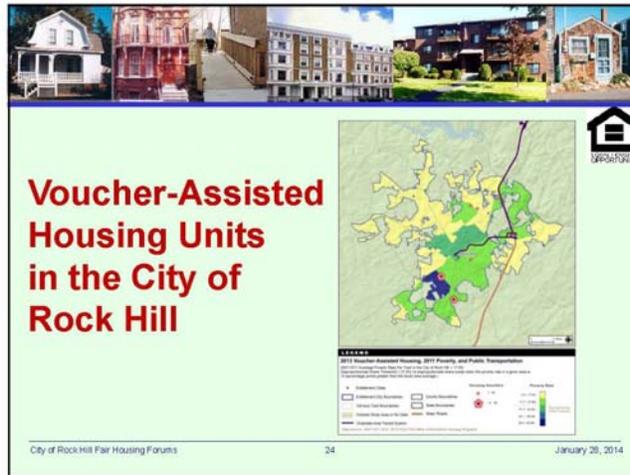
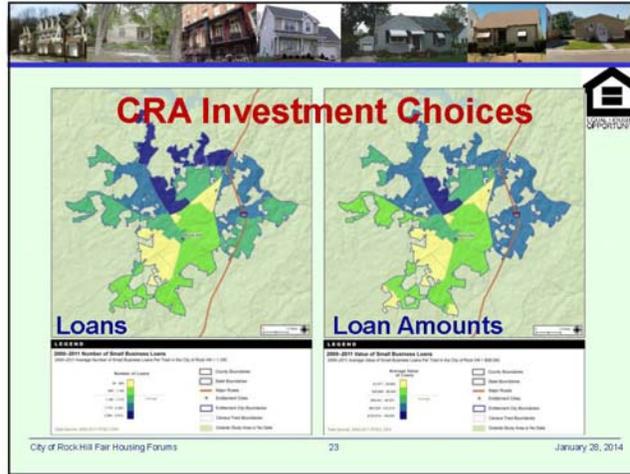
Analysis of Impediments
To Fair Housing Choice

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.

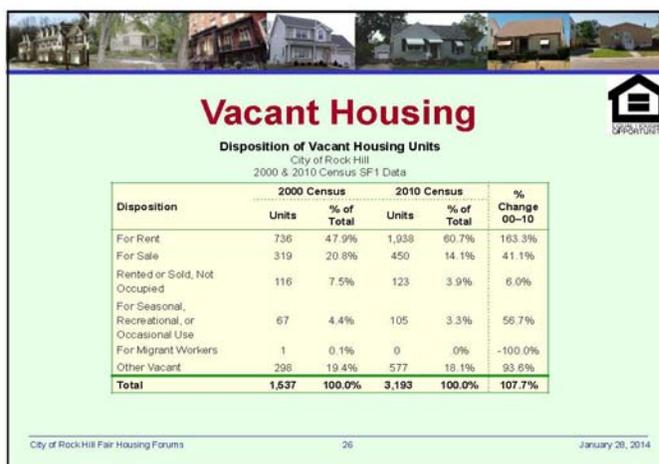


Fair Housing Forums

January 28, 2014: Page 12

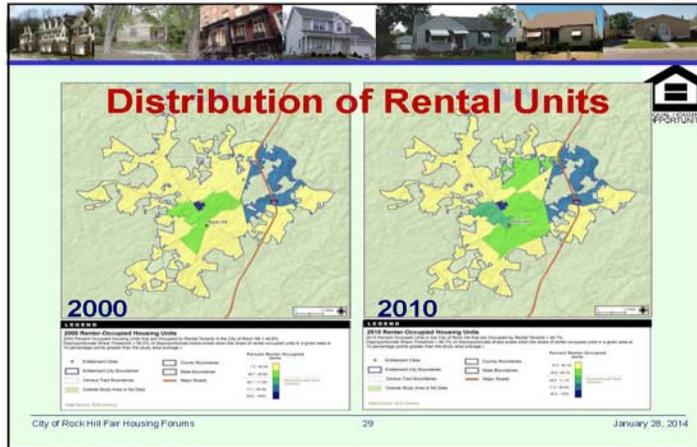
Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



**Analysis of Impediments
To Fair Housing Choice**

**Sponsored by the Rock Hill
Housing and Community Development Dept.**



**Housing Complaints
Fair Housing Complaints**

Fair Housing Complaints by Basis
City of Rock Hill
2004–2013 HUD Data

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total Complaints	2	2	4	5	1	6	2	2	2	2	24

City of Rock Hill Fair Housing Forums 30 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



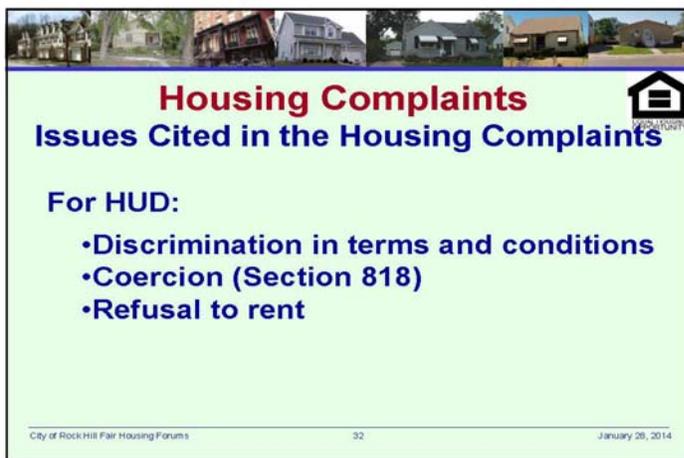
Housing Complaints
Basis of Housing Complaints

For HUD:

- 14 complaints for race, 3 each for national origin, disability, retaliation, religion, 2 for sex
- 29 total bases, 24 total complaints

City of Rock Hill Fair Housing Forums 31 January 28, 2014

This slide features a header with a row of house images and a logo on the right. The main content is centered on a light green background. At the bottom, there is a footer with text and a page number.



Housing Complaints
Issues Cited in the Housing Complaints

For HUD:

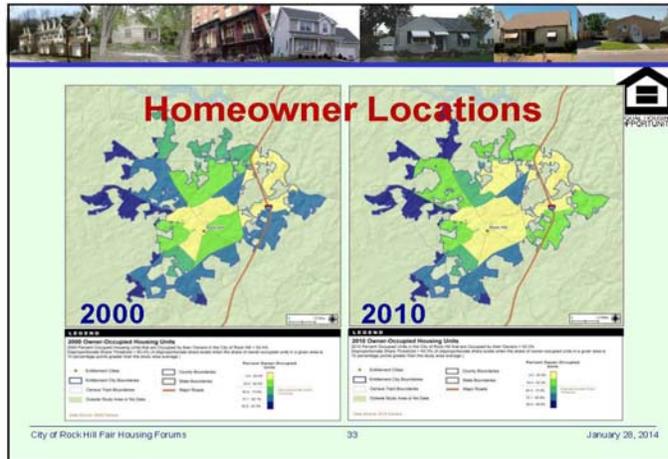
- Discrimination in terms and conditions
- Coercion (Section 818)
- Refusal to rent

City of Rock Hill Fair Housing Forums 32 January 28, 2014

This slide features a header with a row of house images and a logo on the right. The main content is centered on a light green background. At the bottom, there is a footer with text and a page number.

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Mortgage Lending

Purpose of Loan by Year
City of Rock Hill
2004–2011 HMDA Data

Purpose	2004	2005	2006	2007	2008	2009	2010	2011	Total
Home Purchase	1,923	2,291	2,677	2,200	1,485	1,140	879	742	13,337
Home Improvement	213	246	179	236	215	87	36	62	1,274
Refinancing	2,339	2,600	2,385	2,072	1,530	2,035	1,270	1,000	15,231
Total	4,475	5,137	5,241	4,508	3,230	3,262	2,185	1,804	29,842

City of Rock Hill Fair Housing Forums 34 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.

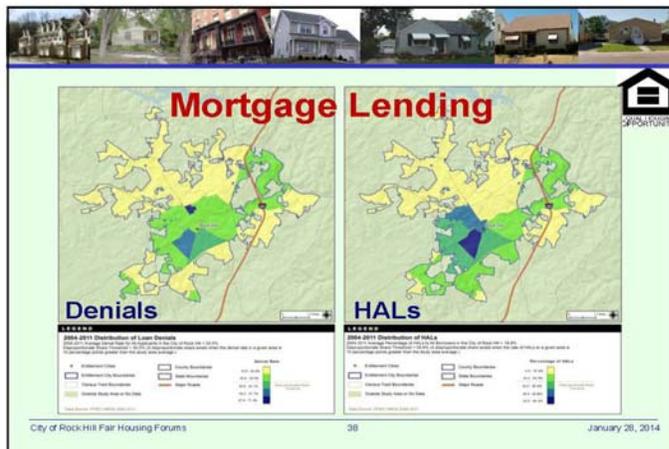


Fair Housing Forums

January 28, 2014: Page 18

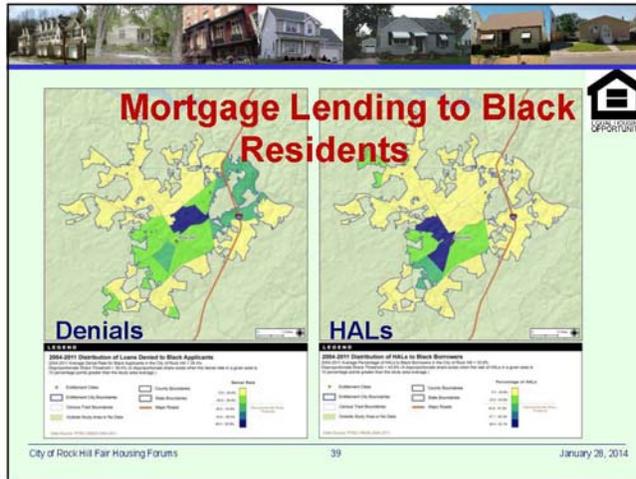
Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



City of Rock Hill All Fair Housing Survey Questions

Role of Respondent
City of Rock Hill
2013 Fair Housing Survey Data

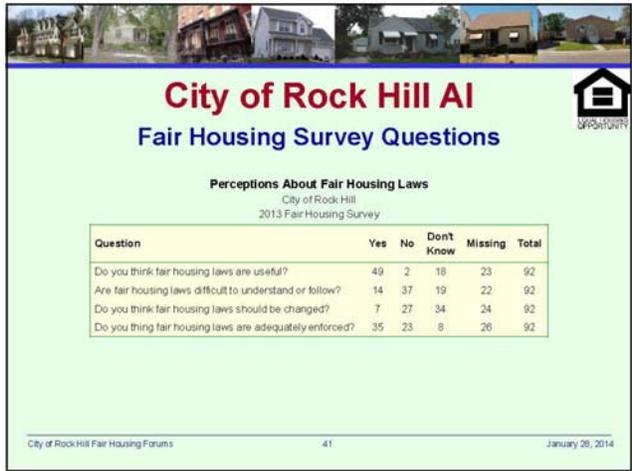
Primary Role	Total
Advocate/Service Provider	14
Banking/Finance	2
Construction/Development	7
Homeowner	34
Local Government	10
Property Management	8
Real Estate	5
Renter/Tenant	6
Other Role	6
Missing	0
Total	92

<https://www.research.net/s/CONNECT-2013FairHousingSurvey>

City of Rock Hill Fair Housing Forums 40 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

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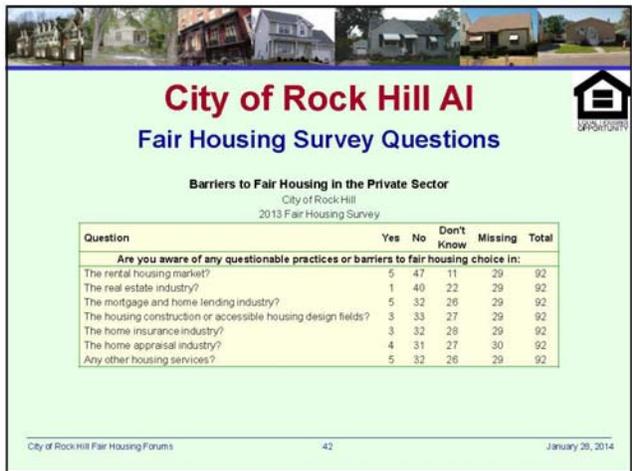


City of Rock Hill AI
Fair Housing Survey Questions

Perceptions About Fair Housing Laws
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	49	2	18	23	92
Are fair housing laws difficult to understand or follow?	14	37	19	22	92
Do you think fair housing laws should be changed?	7	27	34	24	92
Do you think fair housing laws are adequately enforced?	35	23	8	26	92

City of Rock Hill Fair Housing Forums 41 January 28, 2014



City of Rock Hill AI
Fair Housing Survey Questions

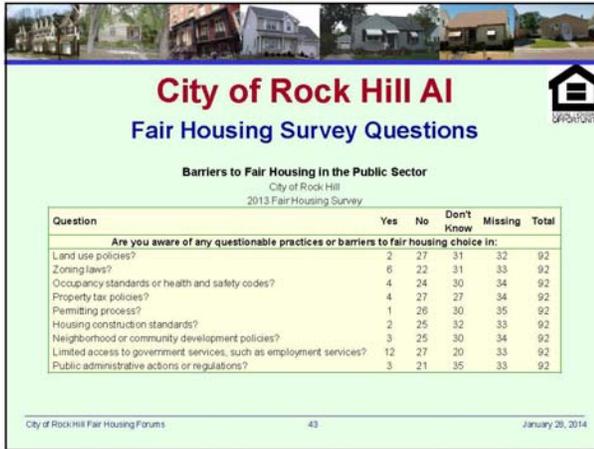
Barriers to Fair Housing in the Private Sector
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	5	47	11	29	92
The real estate industry?	1	40	22	29	92
The mortgage and home lending industry?	5	32	26	29	92
The housing construction or accessible housing design fields?	3	33	27	29	92
The home insurance industry?	3	32	28	29	92
The home appraisal industry?	4	31	27	30	92
Any other housing services?	5	32	26	29	92

City of Rock Hill Fair Housing Forums 42 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.

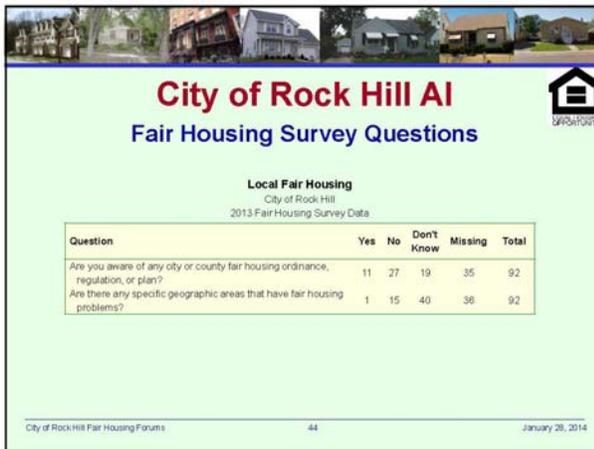


City of Rock Hill AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Public Sector
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	2	27	31	32	92
Zoning laws?	6	22	31	33	92
Occupancy standards or health and safety codes?	4	24	30	34	92
Property tax policies?	4	27	27	34	92
Permitting processes?	1	26	30	35	92
Housing construction standards?	2	25	32	33	92
Neighborhood or community development policies?	3	25	30	34	92
Limited access to government services, such as employment services?	12	27	20	33	92
Public administrative actions or regulations?	3	21	35	33	92

City of Rock Hill Fair Housing Forums 43 January 28, 2014



City of Rock Hill AI
Fair Housing Survey Questions

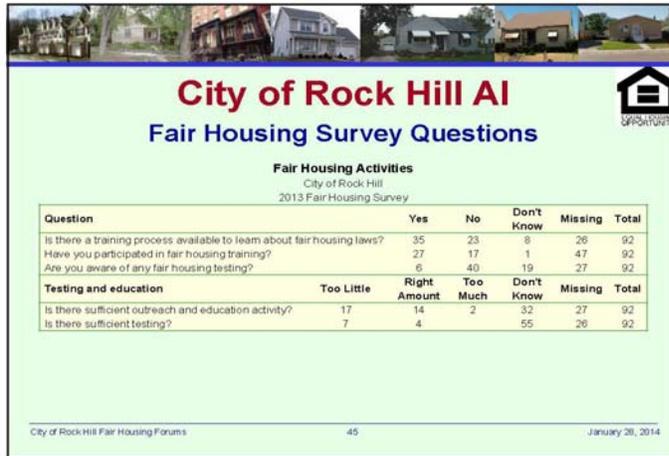
Local Fair Housing
City of Rock Hill
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	11	27	19	35	92
Are there any specific geographic areas that have fair housing problems?	1	15	40	36	92

City of Rock Hill Fair Housing Forums 44 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.

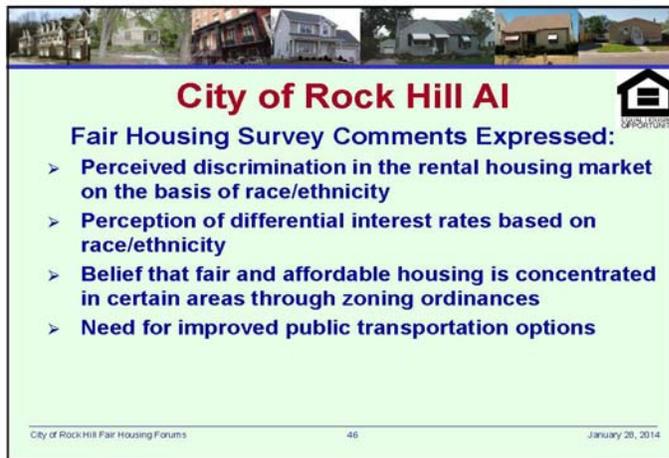


City of Rock Hill AI
Fair Housing Survey Questions

Fair Housing Activities
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	35	23	9	26	92	
Have you participated in fair housing training?	27	17	1	47	92	
Are you aware of any fair housing testing?	6	40	19	27	92	
Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	17	14	2	32	27	92
Is there sufficient testing?	7	4	55	26	92	

City of Rock Hill Fair Housing Forums 45 January 28, 2014

- 
- City of Rock Hill AI**
Fair Housing Survey Comments Expressed:
- **Perceived discrimination in the rental housing market on the basis of race/ethnicity**
 - **Perception of differential interest rates based on race/ethnicity**
 - **Belief that fair and affordable housing is concentrated in certain areas through zoning ordinances**
 - **Need for improved public transportation options**
- City of Rock Hill Fair Housing Forums 46 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



City of Rock Hill AI

Preliminary Impediments – Private Sector:

- More frequent denial of home purchase loans to racial/ethnic minority residents
- Disparate impact in predatory lending
- Unequal distribution of Community Reinvestment Act loans
- Discriminatory terms, conditions, privileges, or facilities relating to rental
- Insufficient understanding of Fair Housing Laws

City of Rock Hill Fair Housing Forums 47 January 28, 2014



City of Rock Hill AI

Preliminary Impediments – Public Sector:

- Insufficient understanding of Fair Housing Laws
- Insufficient fair housing testing and enforcement
- Zoning and public policy practices may discourage placement of group homes; NIMBYism
- Insufficient fair housing protections
- Lack of interconnected transit system serving residents of low-income areas
- Concentration of assisted housing, public housing, and vouchers in certain areas of the city

City of Rock Hill Fair Housing Forums 48 January 28, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Fair Housing in South Carolina

❖ South Carolina Fair Housing Center
❖ Opened October 2013

1925 Bull Street
Columbia, SC 29201
(803)403-8447

City of Rock Hill Fair Housing Forums 49 January 28, 2014

The slide features a header image with various housing types: a white house, a brick house, a modern apartment building, and a stone house. A logo with a house icon and the text 'OPPORTUNITY' is in the top right corner.



2013 Analysis of Impediments

City of Rock Hill

Contact Information

City of Rock Hill
155 Johnston Street
Rock Hill, SC 29730
(803) 325-2500
www.cityofrockhill.com

City of Rock Hill Fair Housing Forums 50 January 28, 2014

The slide features a header image with various housing types: a brick house, a white house, a modern apartment building, and a stone house. A logo with a house icon and the text 'OPPORTUNITY' is in the top right corner.

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



**2014 Analysis of Impediments
to Fair Housing Choice**

Sponsored by the City of Salisbury
Fair Housing Forum



City of Salisbury Fair Housing Forums 1 January 29, 2014



**City of Salisbury
Analysis of Impediments (AI)**

**Entitlement jurisdictions must:
certify that they are Affirmatively
Furthering Fair Housing (AFFH)
as a condition of receiving
federal funds from HUD**



City of Salisbury Fair Housing Forums 2 January 29, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



City of Salisbury AI



Certification means three things:

- 1. Conduct an AI**
- 2. Take action on impediments, if impediments were found**
- 3. Maintain records of actions**

City of Salisbury Fair Housing Forums 3 January 29, 2014



City of Salisbury AI



Entire purpose of the Study:

Conduct study to identify any impediments to fair housing choice, then recommend actions that address impediments

City of Salisbury Fair Housing Forums 4 January 29, 2014

Analysis of Impediments
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Content of an AI

- Private sector transactions: rental market (applications, interviews, etc.) and sales markets (lending, steering, blockbusting, foreclosure burden, etc.)
- Public sector influences: land use codes, zoning, public policy practices, neighborhood resistance, etc.
- Assessing barriers to housing choice

City of Salisbury Fair Housing Forums 5 January 29, 2014



City of Salisbury Fair Housing Forums

Present to you context, fair housing information, and preliminary results of analysis

Receive comment, input, and your experiences with fair housing

City of Salisbury Fair Housing Forums 6 January 29, 2014

Analysis of Impediments
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Definition of Impediments to Fair Housing Choice:

Actions, omissions, or decisions which restrict housing choice because of protected class status



City of Salisbury Fair Housing Forums 7 January 29, 2014



Who is protected?

Protected classes under local, state, and federal law:

Race, color, sex, religion, national origin, familial status, and disability



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Analysis of Impediments
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Review AFFH Court Cases

National Significance:

- Westchester County, NY, vs. Antidiscrimination Center of New York City
 - ✓ Falsely claiming certification
 - ✓ Forced to pay funding back to HUD
 - ✓ Forced to pay legal fees
 - ✓ That County now has very close oversight
 - ✓ AI scrutiny very high throughout the U.S.

City of Salisbury Fair Housing Forums 9 January 29, 2014



2014 City of Salisbury Study Area

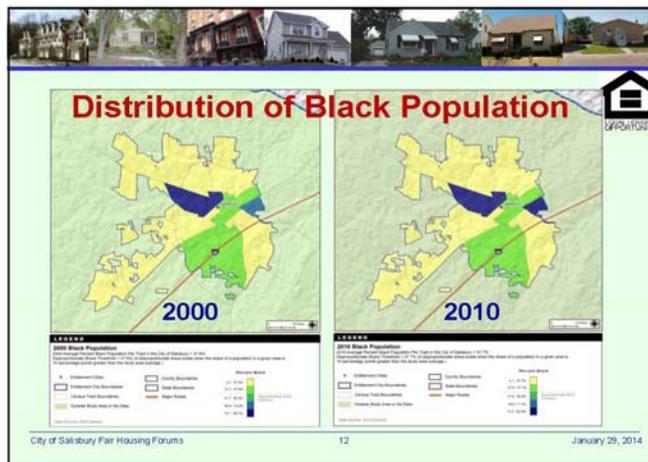
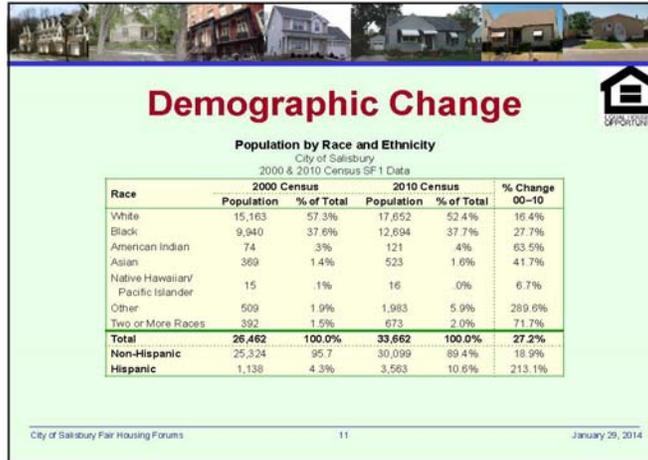


City of Salisbury, North Carolina

City of Salisbury Fair Housing Forums 10 January 29, 2014

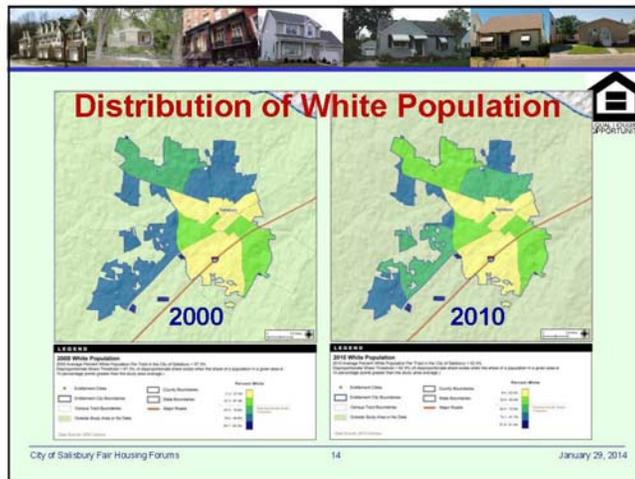
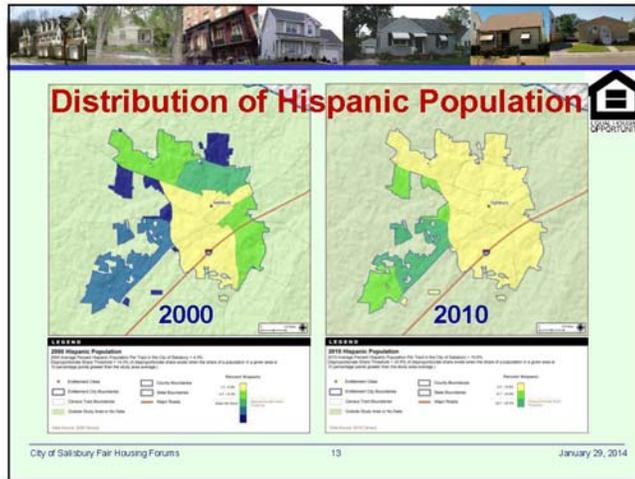
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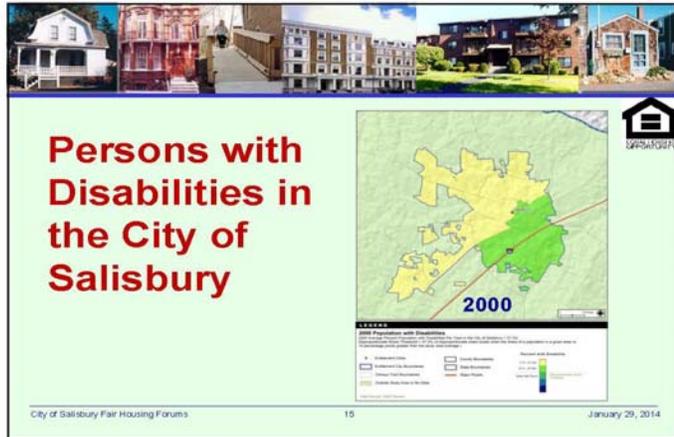
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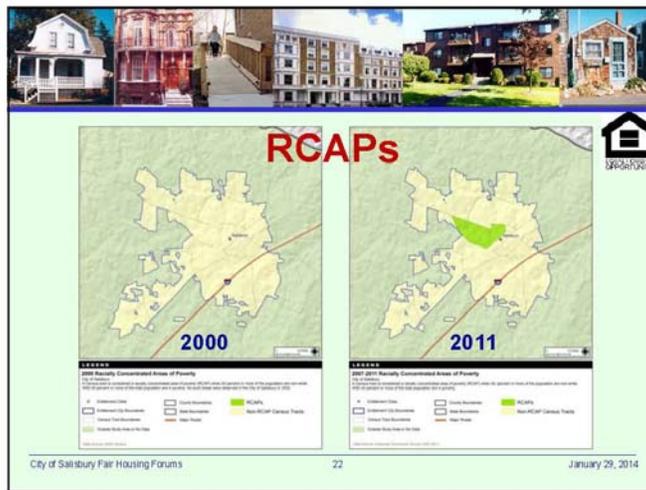
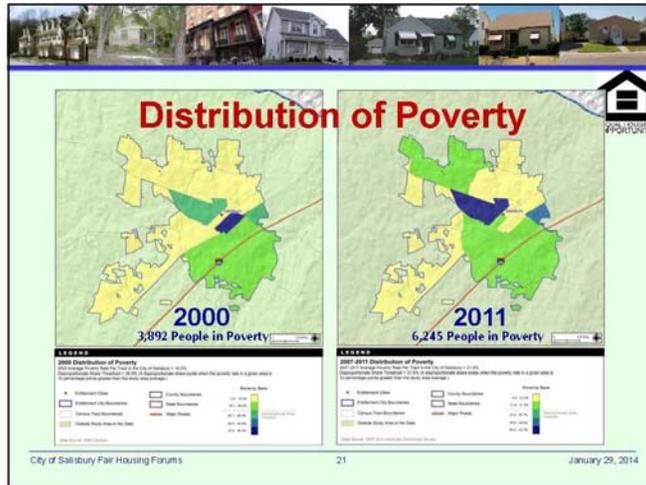
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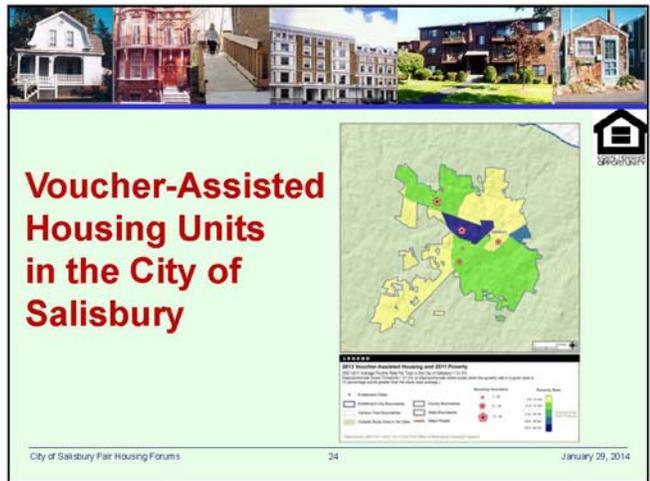
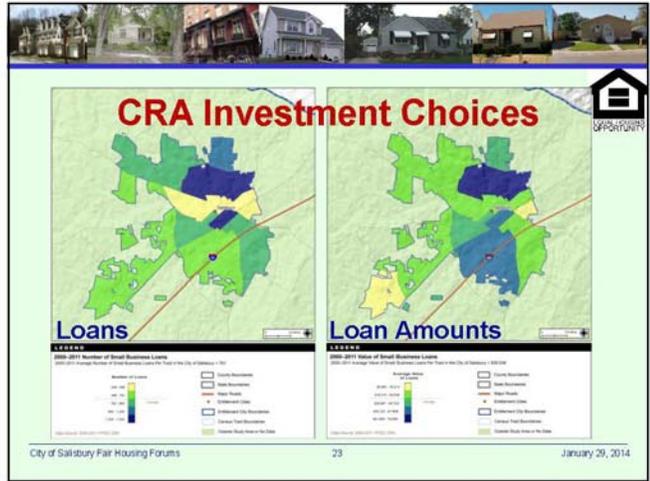
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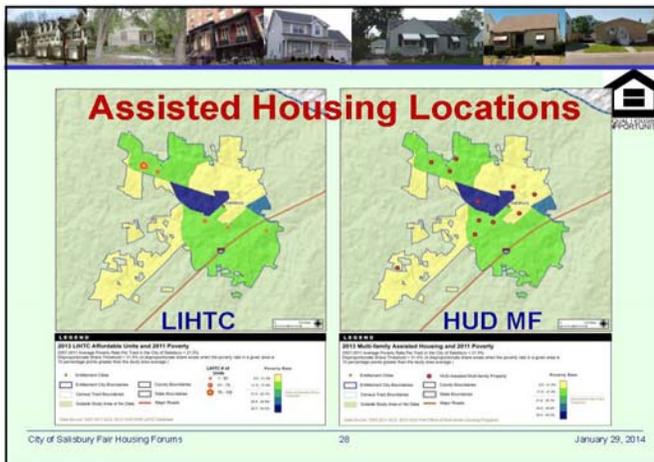
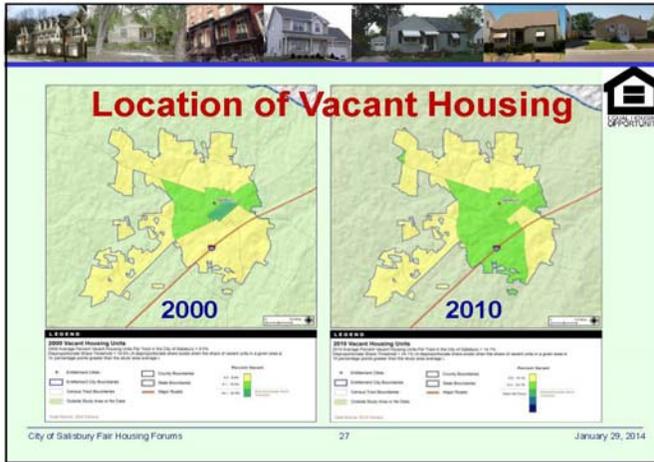
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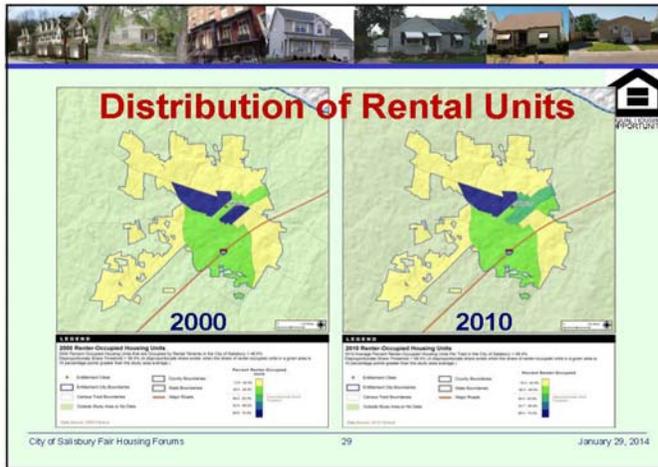
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Housing Complaints
Fair Housing Complaints

Fair Housing Complaints
City of Salisbury
2004–2013 HUD Data

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total Complaints	1	2	1	1	1	1	1	1	2		10

City of Salisbury Fair Housing Forums 30 January 29, 2014

Analysis of Impediments
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Housing Complaints

Basis of Housing Complaints

For HUD:

- 6 complaints for disability, 5 for race, 2 for sex, 2 for retaliation
- 16 total bases, 10 total complaints

City of Salisbury Fair Housing Forums 31 January 29, 2014



Housing Complaints

Issues Cited in the Housing Complaints

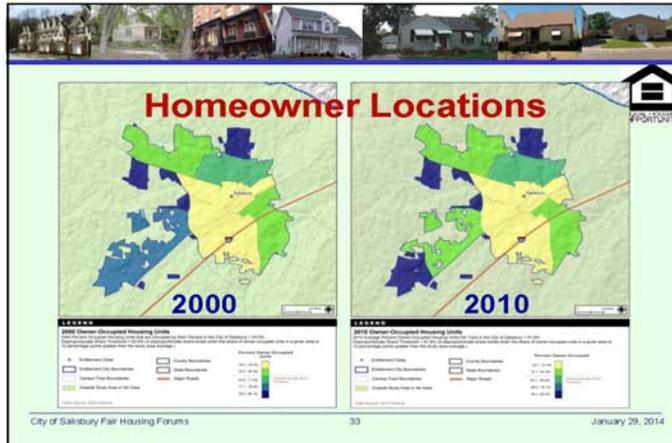
For HUD:

- Coercion (Section 818)
- Discrimination in terms and conditions
- Failure to make reasonable accommodation

City of Salisbury Fair Housing Forums 32 January 29, 2014

Analysis of Impediments
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The figure is a table titled "Mortgage Lending" with the subtitle "Purpose of Loan by Year" and "City of Salisbury 2004-2011 HMDA Data". The table shows the number of mortgage loans for different purposes from 2004 to 2011, along with a total for each year and a grand total. The purposes are Home Purchase, Home Improvement, and Refinancing. The data shows a steady increase in Home Purchase loans over the period, while Home Improvement and Refinancing loans remain relatively stable. The total number of loans increased from 1,871 in 2004 to 12,465 in 2011. The text "City of Salisbury Fair Housing Forums" is at the bottom left, "34" is at the bottom center, and "January 29, 2014" is at the bottom right.

Purpose	2004	2005	2006	2007	2008	2009	2010	2011	Total
Home Purchase	671	815	1,002	745	556	337	285	282	4,693
Home Improvement	108	142	132	113	98	43	19	51	708
Refinancing	1,092	1,101	1,064	1,017	773	827	633	559	7,066
Total	1,871	2,058	2,198	1,875	1,427	1,207	937	892	12,465

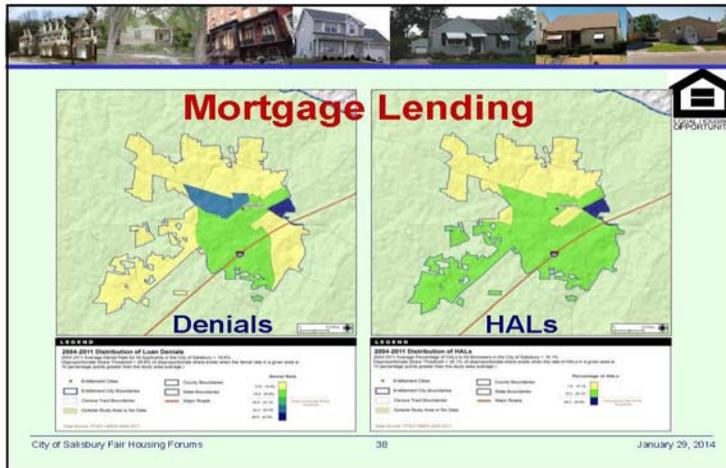
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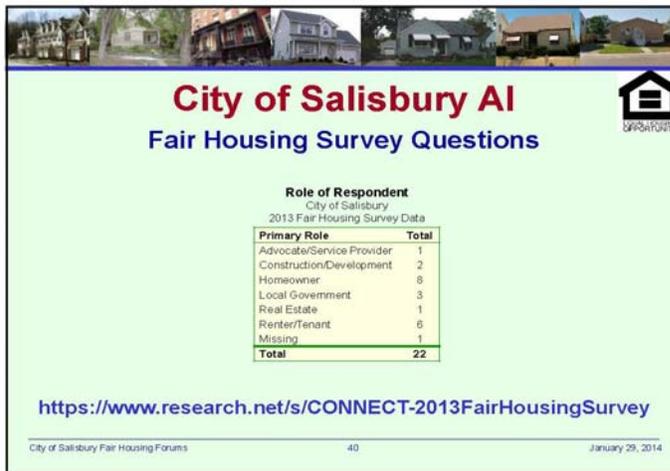
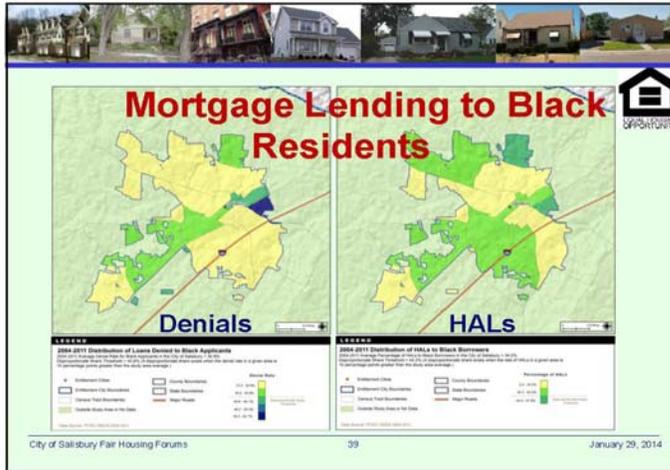
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City of Salisbury AI
Fair Housing Survey Questions

Federal, State, and Local Fair Housing Laws
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	8		3	11	22
Are fair housing laws difficult to understand or follow?	1	5	3	13	22
Do you think fair housing laws should be changed?	3	2	6	11	22
Do you think fair housing laws are adequately enforced?	4	3	2	13	22

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City of Salisbury AI
Fair Housing Survey Questions

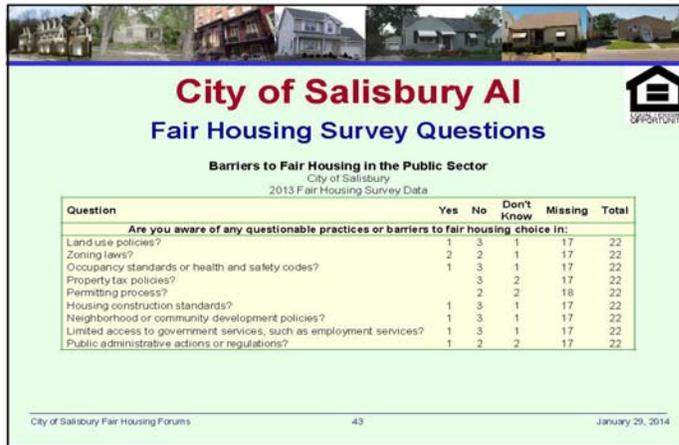
Barriers to Fair Housing in the Private Sector
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	1	3	2	16	22
The real estate industry?	1	3	1	17	22
The mortgage and home lending industry?	1	2	2	17	22
The housing construction or accessible housing design fields?	1	2	2	17	22
The home insurance industry?	1	2	2	17	22
The home appraisal industry?	2	2	1	17	22
Any other housing services?	2	1		19	22

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Analysis of Impediments
To Fair Housing Choice

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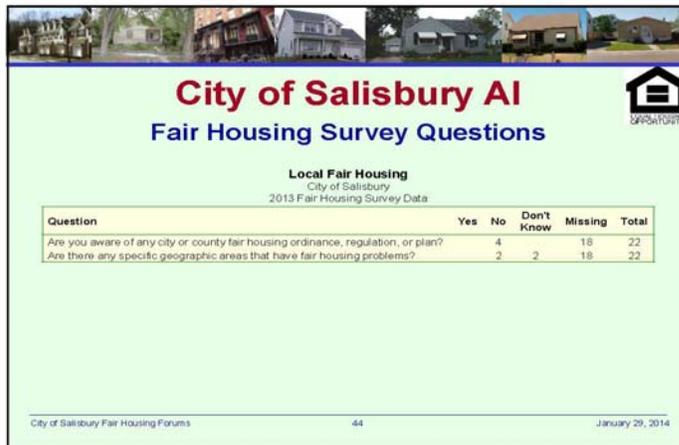


City of Salisbury AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Public Sector
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	1	3	1	17	22
Zoning laws?	2	2	1	17	22
Occupancy standards or health and safety codes?	1	3	1	17	22
Property tax policies?	3	2	2	17	22
Permitting process?	2	2	2	18	22
Housing construction standards?	1	3	1	17	22
Neighborhood or community development policies?	1	3	1	17	22
Limited access to government services, such as employment services?	1	3	1	17	22
Public administrative actions or regulations?	1	2	2	17	22

City of Salisbury Fair Housing Forums 43 January 29, 2014



City of Salisbury AI
Fair Housing Survey Questions

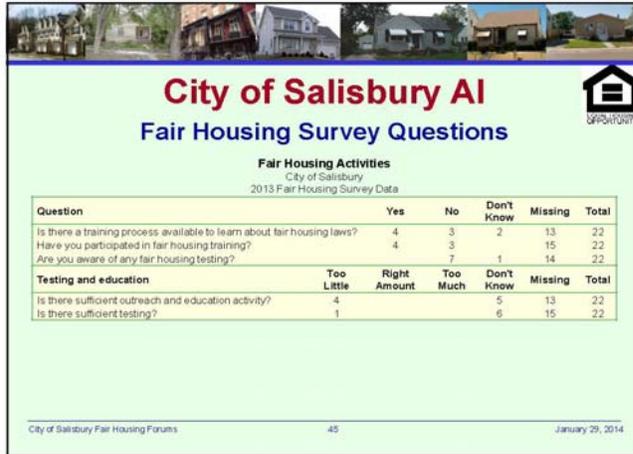
Local Fair Housing
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	4			18	22
Are there any specific geographic areas that have fair housing problems?	2	2		18	22

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Analysis of Impediments
To Fair Housing Choice

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City of Salisbury AI
Fair Housing Survey Questions

Fair Housing Activities
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Is there a training process available to learn about fair housing laws?	4	3	2	13	22
Have you participated in fair housing training?	4	3	2	15	22
Are you aware of any fair housing testing?		7	1	14	22

Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	4			5	13	22
Is there sufficient testing?	1			6	15	22

City of Salisbury Fair Housing Forums 45 January 29, 2014

- 
- City of Salisbury AI**
Preliminary Impediments – Private Sector:
- More frequent denial of home purchase loans to racial and ethnic minority residents
 - Disparate impact of predatory lending
 - Unequal distribution of Community Reinvestment Act loans
 - Lack of knowledge of, or access to, the fair housing system
 - Discriminatory terms, conditions, privileges, or facilities relating to rental
- City of Salisbury Fair Housing Forums 46 January 29, 2014

**Analysis of Impediments
To Fair Housing Choice**

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City of Salisbury AI

Preliminary Impediments – Public Sector:

- **Insufficient understanding of Fair Housing Laws**
- **Insufficient fair housing testing and enforcement activities**
- **Lack of interest in fair housing and affirmatively furthering fair housing**



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2013 Analysis of Impediments

City of Salisbury

Contact Information

**City of Salisbury
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D. FAIR HOUSING FORUM MINUTES

CONCORD FAIR HOUSING FORUM MINUTES

Presentation

Comment 1: Can I ask about the assumption that it is not outside the city?

Rob Gaudin: If we were to cover things outside the city, it would imply to HUD that you were going to take action on things outside the city and it puts...

Comment 2: So this plan is not going to cover the county?

Comment 3: The Regional AI does. It covers the county, right?

Rob Gaudin: So far I have only been doing the city. If you want us to cover the county we can do that. I have all of the data from the region.

Comment 4: The reason that we are under the Consortium is it includes the county. It includes the whole Consortium area, which includes Cabarrus County, Rowan County, and also Iredell County. I was under the assumption that it was also covering all of it.

Rob Gaudin: I am sure glad that I have this slide.

Comment 5: Yes, me too.

Rob Gaudin: So we have the three counties.

Comment 6: Yes. That is in our Consortium and I think we have been communicating that with Emily. We are required under the Consortium to actually do an AI. We had that in the past that included all of the areas in our Consortium. So, I assumed that when we said regional that it would include Cabarrus County. We are actually in Cabarrus County, Concord. So, if that is not being done then we need to. She is going to be affected if it is not.

Comment 7: I will have to do my own separate one if you all do not cover this.

Rob Gaudin: No, we are going to fix this. Fortunately for all of us, the 14-county region. Today's presentation is just about the City, but what

I am going to do is delete the AI for Concord and make an AI for the three counties? Correct?

Comment 8: Yes.

Rob Gaudin: So today's presentation is just about Concord. The table and this is part of the reason that we go around and do this. Do I have it right? The answer is No. (Laughter)

Rob Gaudin: Let's get the three counties.

Comment 9: Each area one of them has to do it. I know that we have to scale it down to each area. So I understand that with the Fair Housing Forum as it goes forward with the Regional AI we want to make sure to cover this as well.

Comment 10: We want to make sure that the input is counted.

Rob Gaudin: OK, so Kannapolis would be inside the three counties?

Comment 11: Yes, it is actually in two of the counties. It is in Rowan and Cabarrus.

Rob Gaudin: But inside the AI we have one AI for the three counties.

Comment 12: Yes and that would also include Statesville.

Comment 13: Which is in Iredell County.

Comment 14: Right.

Rob Gaudin: Statesville is not identified separately in our analysis thus far.

Comment 15: Because they are not an entitlement city.

Rob Gaudin: So it is just the three counties, correct?

Comment 16: Yes.

Rob Gaudin: Would there be something that you would want to take to the city council for the City of Concord?

Comment 17: I think they recognize that it is a regional thing, but obviously that would be helpful.

Rob Gaudin: So information like we have to see today.

Comment 18: I have forwarded some of this information to my team lead and he interns informs our department head

[Comprehensive Regional Housing Strategy](#)

and it eventually filters up. We have a little issue now; because we have to recertify our consortium and a lot of this information is glean to make the decision on how we are going to proceed for the next three years.

Rob Gaudin: You are on a three year cycle?

Comment 19: Yes.

Rob Gaudin: Not a five year? With a five year you can put off the pain two more years.

Comment 20: That would be something that might be a discussion item that we may want to do, but historically and I just assumed this position last year. Historically this is how they have been operating on a three year term.

Rob Gaudin: The three years term, that is an older CDBG cycle.

Comment 21: We are an old one. We have been around 20 years.

Rob Gaudin: It is something to think about, because then you have a five-year planning cycle and it puts the pain off two years.

Comment 22: If everybody is committed this is pretty much the tenuous situation if anybody wanted to pursue staying in it, because with the new HOME rules it makes our job a little bit harder to do. The amount of money we are getting, some feel that it is not even worth it to continue what we are doing. So they say let's cut our losses. It's not so much the organization, but some of our department heads and leadership that may or may not understand all of the ins and outs of it and they feel like that this may not be worth doing it. There are some political philosophies.

Comment 23: If you tell them that you can go five years and they don't have to be frequently going through the pains.

Comment 24: I think it is sort of like a free agent in Basketball. They like to be able to get in and out. They don't want to be locked in for long-term because the political winds may change and I can get out and just say that I am done. People don't realize that it is not so easy, because any money that you get allocated in those previous years, even though you are out, you are still responsible for that

money. So unless you spend all of it and some of us because of the economy and the market has not been able to spend all of that money. There is still three years on money on those books. So even if I drop out this year, I still have three years of accountability that I have to be responsible for. It is just a matter of and I think we have done an informal survey and we have a meeting next week to make that decision, but right now everybody has opted in. If they want to continue to be in it.

Rob Gaudin: That is the status. The three county consortiums and it is a HOME Consortium. Is it still separate as CDBG entitlements?

Comment 25: We still do the CDBG. It is a second function.

Rob Gaudin: But it is all as one Consolidated Plan, the HOME Consortium and the two individual cities participate in the same plan, right?

Comment 26: We do our own.

Comment 27: I think it is separate.

Comment 28: It is separate.

Rob Gaudin: You do a separate CDBG plan?

Comment 29: It is HOME, that is the consortium.

Rob Gaudin: So the consortium does the AI. That is how you have done it in the past?

Comment 30: Right. These are the pioneers. I just got into this last year in the beginning when the light was turned on these people where here before.

Comment 31: That doesn't matter does it.
(Laughter)

Rob Gaudin: Well, it might. We have institutional knowledge.

Comment 32: You do have that sitting here.
Presentation

Comment 33: How does this compare with Mecklenburg?

Rob Gaudin: Mecklenburg is the opposite. Typically rural counties are significantly lower than the state. The history here is that you are lower, but the turn after these firms began to close and I understand since being in Kannapolis

that some more firms are to be closing, so it is difficult. This is going to be difficult to turn the corner.

Comment 34: So for the CONNECT county region, 12 years of decline, other counties have the same amount of time?

Rob Gaudin: Not a decline like this. Typically rural counties are going to pay lower. Also, you are going to have to work more than one job. The way to interpret that, for example is this is earnings per job. If you work two or three jobs, you might also have retirement income and some people have rent income and add all of that up to total personal income and you divide it by the number of people per capita. Look how this is, per capita income. This tells me that people are working more than one job, more often than elsewhere. We have suffered a little bit as a state did starting in 2008, but it is coming back.

Presentation

Comment 35: Funny thing is that we have been directing resources to that area for quite some time. Public housing for Concord is in that area.

Presentation

Comment 36: That is not an accurate representation. A portion of that is Phillip Morris property. A good portion, like 2,200 acres or is it more than that.

Comment 37: Usually, I say about 2,000, but it is over that.

Comment 38: So that yellow spot there is basically Phillip Morris's property.

Rob Gaudin: Somebody else said that we should normalize it by the population.

Comment 39: You would find that there is hardly any population in it, unless you count cows. I think you would find that if you did that by population. It would normalize it.

Presentation

Comment 40: The industry turn around or what has happened in the past 15 years here is we have gone from manufacturing to service industry. So a huge portion of that is because there are so many service

jobs in this area that do not pay what those manufacturing jobs did.

Comment 41: Phillip Morris.

Comment 42: We went from that to Great Wolf Lodge where a lot of the jobs are to maintenance, cleaning, that kind of things waitressing. There are tons of restaurants and the typical retail that you find in the mall. That kind of thing.

Comment 43: There is a big difference from \$7 to \$8 dollars an hour to like \$20 an hour.

Comment 44: I think if you could take that out of the picture everything else would look fairly normal.

Comment 45: I guess the idea that poverty in that concentrated area of the city in those large rates is still an issue. Maybe it is for the economic.

Comment 46: It is an issue.

Comment 47: To determine a change in our industry from just service to more jobs that could accommodate a living wage so that people wouldn't have to live in poverty.

Comment 48: I think too there are multiple things going on. I think HUD looks at it from a backwards stand point, but those areas are also concentrated around public transportation and a historic attachment to a neighborhood and would you all agree with that that there is a historic attachment to Logan.

Comment 49: Not just Logan, but all those neighborhoods in that area.

Comment 50: Gibson.

Comment 51: There is probably a large number of the concentration that we are talking about. We are talking about Logan, Silver Hill, Gibson...

Comment 52: You would say that there are other areas within the city that have affordable housing choices? I guess that is the question now.

Comment 53: There are some, but what it gets back to and you could probably speak to this, but let's just use the example of Southern Chase. It was very affordable, but it wasn't near public transportation and there were other issues going on with the lending practices that went on there, but there were opportunities for other affordable housing, but how they occurred and what went into it was a whole different issue. There are some opportunities out there I

think, but they are not always necessarily the best choice for location for a transportation standpoint.

Comment 54: Isn't that affordable housing in Southern Chase is specifically homeownership? So, if you look at the concentration that is Logan, Silver Hill, and Underwood Park and Gibson Village, those are rental units that provide affordability for some that can't afford a home. I think that that is the area in the city where the affordable houses are.

Comment 55: I think what HUD and CRA is wanting to turn that around. They want more ownership verses the rental, because they are disproportionate in terms of the distribution of those types of housing. Granted rental is the big thing now, but HUD is...

Comment 56: What I am saying is that when they look at it backwards is what if you do have to buy those houses, is that good stock for them? Maintenance is a huge issue in those areas.

Comment 57: I think so of the other things that we look at is the rent may not be as affordable if they own. In Logan people are still paying a tremendous amount of money, but a lot of that is for their rent is because of their credit. If they change their credit, they could really change their situation. What I do see over the past when the housing market went down the tubes, I don't see a lot of people from the neighborhood trying to seek and do better. I think they are still scared that they can't afford housing because they saw so many people lose it. Whereas the people that did come out of Logan still have their houses because they properly prepared. I think back and I know that I am sounding like a dead horse from yesterday, it is the fact that education is the way to truly help people out of poverty. So we put money into Logan and into that area, but we are not putting money truly into the education of the people to show them how to get out. That is the change that we need to...

Comment 58: We were always taught that it told, it was their priority. There is a difference between physically development and human development. I think what she is talking about being a counselor and educator herself, she realizes that due to the lack of knowledge and a lot of people don't take advantage of opportunities because they do not have the knowhow or the ability to improve themselves. Meaning their credit, financial literacy,

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understanding that a house is a financial transaction. It is not just a roof over your head, but it is a financial transaction that develops wealth. It not only develops wealth, it has an economic impact in terms of the neighborhood and in terms of themselves. It is a big investment that a lot of people are going to be able to invest in. I think that the knowledge of understanding what that means and a lot of people got into it because of the glamour thing and they think that the sky is going to open and the heavens are going to smile, but houses are a responsibility. If you don't understand the unique responsibilities of homeownership then you will fail, because we do tend to glamorize what it does and what it is. I think what she is talking about in terms of education is that some people need to be educated to understand that homeownership is not for me. If they understand that then they won't make that bad decision that will ultimately have the repercussions of foreclosures, their credit.

Presentation

Comment 59: But again you have to look at our area and the drop in income. So they probably still are foreclosing.

Presentation

Comment 60: They are talking out of both sides of their mouth. They want access to transportation and what not, but the transportation is tied to a certain area which is the area that is being served now and the area where the concentrations are at. If you start spreading that out there is not going to be as good of access to transportation. Nobody is expanding that right now and they will not likely be expanding it for the next few years. So you can't do both.

Rob Gaudin: What you are saying is HUD is putting the cart before the horse. It is difficult to do a coordinated effort.

Comment 61: People are not going to move if they can't hop the bus. Thank god for the bus being here and people can now get to work because of the bus system, but the bus system is not going to go out to all of those areas.

Comment 62: I think it is a slow process. I guess the proposal that you are presenting is don't do it till the aces it expanded, well why would the access be expanded if there is no need.

Comment 63: I just don't think that people will be willing to take that step. It is one thing if you have a vehicle and you are wealthy enough at that point, but you are almost out of the system at that point. You are at the breaking point where you are moving towards independent wealth and you don't need that anymore.

Comment 64: One part of the things that HUD brought into the counseling program is that not only do we counsel people on housing, but we also have to counsel them on transportation. So one of the things that we have to talk to them about is OK you want to buy over here, but what is going to be your transportation cost to get you from job, this and that and the other. So if a person is like I want to live over there, but I can't catch the bus to get to work or this and that and the other then I am going to stay over here which is almost the same place that they were staying.

Comment 65: It is not a realistic move if you do not have that part of your life.

Comment 66: And you can't afford it.
Presentation

Comment 67: I will tell you that 99 percent of the calls I get are landlord/tenant relations. They are not related to; they have already been rented to so they have not been discriminated against. When they get in there it is the condition of the home with the landlord not fixing it and they don't pay their rent then suddenly there is this huge mess.

Rob Gaudin: The landlord won't fix it because you are a single parent household and the neighbor gets it fixed then that is discrimination.

Comment 68: I don't necessarily think that is the case all the time thinks that we have some slumlords around here and they do not care whose house it. They are not going to fix it. I think that landlords bait some people to not pay their rent because they don't realize that once they don't pay their rent that changes the whole game.

Rob Gaudin: It is true. These would not be here if it was only a landlord/tenant dispute.

Comment 69: I am just saying that for every 20 calls I get, 19 of them are.

Comment 70: What is not reflected in that is when probably when you were talking about Southern Chase that was a whole neighborhood of complaints. HUD took action and people didn't know that they were being discriminated against, but because of news media and all of that kind of stuff. It took care of those complaints that should have happened between 2000 and 2006.

Rob Gaudin: I do agree that understanding what to do if you are discriminated against and where to go when there is no place nearby to go to have that understanding of those it is mostly a race issue and probably coming from the one section in town.

Presentation

Comment 71: It still doesn't give. My understating is they are not required to say why they turned people down.

Rob Gaudin: In this data system they ask for a reason.

Comment 72: They are real abstract. We have looked at homes and they will give misleading information.

Comment 73: They will say stuff like credit, income. There is a list of reasons.

Comment 74: They are only like five or six categories.

Rob Gaudin: There are a few more, but there is also other and missing. Missing is an important one and sometimes as much as 40 percent. I look at missing and compare it across race and ethnicity to see if one group is missing more often than the other. There are also different agencies that look at the types of lenders. The one that has the most noise is generally the mobile home/manufactured home lenders report up through HUD.

Presentation

Comment 75: That's what education you can and because we have seen all of the foreclosure. People had good credit they had everything else and they trusted people, but those loans gave the loan officers more income and so people who did not argue with them they put them in the high income.

Comment 76: So it was even self-interest on top of it.

Comment 77: It was very much self-interest.

Comment 78: I think the other part of this is the person that is getting the loan and seeking out the information. It is not all on the lack of information. There is apathy. People don't go and seek out the information. I mean we all know and probably just like we publicize this meeting. People just don't go out and they will settle for what they can get verses going out and seeking out the information. I don't know how you combat that.

Comment 79: That is what makes it predatory. If you are in the position of giving loans and you understand that there are a certain class of people or a race of people that do not have this information you will seek them out to get them predatory loans, that is what is wrong.

Comment 80: I understand that. What I am saying is that burden lies...

Rob Gaudin: We need to share in that because it is our community. We don't want to have foreclosure problems.

Comment 81: The sad part about it is that the certain level of apathy is...

Comment 82: We have a homebuyer education class for people that say they want to buy houses. We provide them the opportunity to come to a class for free. The numbers just won't dictate for them to actually come.

Comment 83: They are working two to three jobs like you just showed. There might be a barrier for you to come to a 9 or 11.

Comment 84: That is true and what we have done is try it every way. We have tried it on Saturday and alternative work days. We do three different variations. People find time to do what they want to do if it is important to them. They say it is important to them. But they will not come. Let me do it on a Saturday and have breakfast, the whole nine yards and nobody shows up.

Comment 85: I don't agree with that. I see poverty and the situation that people are in and it is not just their choice. They are just making bad choices that are what you are saying.

Comment 86: I am not saying that. I am saying that there is a certain level of apathy. We have been doing this for how many years?

Rob Gaudin: What I am hearing is your frustration and I am also hearing that the ongoing need it there.

Comment 87: I am saying that the burden is shared.

Comment 88: It should be shared, but what I am seeing right now in my homebuyer education class. The people who are showing up to class. Have already signed a contract on a mortgage. They have already been to the bank and everything else. The only reason they are showing up is because of the downpayment assistant money. I have people coming from Charlotte and even here. They are not getting the before knowledge. They are only getting

it afterwards. Now what I am hearing is I sure wish I had come to this class before I signed on the dotted line. Well, now have to make a decision whether you are moving forth or not moving forth. So can there be a requirement without violating some rule, but then we have say that the City of Concord said that anyone buying houses in the City of Concord you need to do a home buyer education class or do something there before you sign.

Rob Gaudin: You could try something like reach out to the Realtors® and say you will list them as a certified educate realtor if you direct your people to this first.

Comment 89: Not if you are going to impede my money. (Laughter)

Comment 90: The same thing happens to the lenders because, if the clients get educated then you are going to lose money from some regards because they are going to be smarter.

Comment 91: They are going to make better decisions.

Comment 92: I am sitting at a closing table with an attorney that is actually telling my client, that she didn't know my client because we were selling a house. That you had to sit through one of those homebuyer education classes, didn't you? I wanted to slap the attorney.

Comment 93: With the new home rules they are requiring that is someone wants to get reimbursed for HOME funds, that the applicant have some sort of education or counseling before we approve funds for reimbursement. I think that is going to go a long way in terms of educating potential clients and preparing them for responsible homeownership, so they can avoid foreclosure. Some people could have avoided foreclosure if they had the education that they could seek lost mitigation. They just get up and stop paying or wish this would go away. If you are proactive, banks do not want to foreclose if they don't have to. If you take the necessary steps to work this thing out things happen. Problems arise and most lenders if you do it in advance and have a good paying history, they will do whatever they can to try to work with you. I just think the education component to say if I run into a situation I need to be proactive and check with my lender. Then the lender will be able to adjust or some kind of mitigation or some kind of workout plan. If you do not know that you just panic and you are wishing and nothing happens and you foreclose.

Comment 94: You are saying that it is part of the practitioners job is to get in these areas and make education readily available?

Rob Gaudin: I am not saying anything. The data does indicate that these predatory-style instruments are directed towards areas that have less financial literacy.

Comment 95: As we do that than the flip side is then that that person has to take ownership of the fact that I want to go get this information. We just can't go to your doorstep and train you individually.

Rob Gaudin: They do have to somehow be solicited.

Comment 96: I am sure that you could come up with something creative.

Comment 97: It is stuff that is happening already.

Comment 98: That is the thing. It is offered already. There is no way to make it exciting enough.

Comment 99: We even have the fair housing seminar, it is down in Logan.

Comment 100: I think one of the problems with that is people do not make the connection if they go to the class long before they are ready to buy a home that they will be setting up a process to get there quicker. I think when they are not anywhere near it they don't think in terms of I can do this and plan and get this in line better.

Comment 101: The last person who was a family self-sufficiency person coming out already had her loan and all of this, but when she came she got a loan. It wasn't the best loan, because she already had it when she came. If she had come beforehand she could have gotten a better loan and saved herself a \$100 a month and be in a much better position.
Presentation

Comment 102: There is truth to that. Just frame of reference and this is more about the county, but in Cabarrus County what we have done from a zoning standpoint, which I know that HUD would have a whole different view not this. The eastern part of the county is large lot zoning and the reason for that is agricultural protection. We are trying to increase agriculture in that part of the county. It has nothing to do with anything else. We don't want to extended services out there. Where are trying to keep it agriculture. If you extended services out there they will come. So we are pushing the densities back into

the city with full intent for them to go where the services already are. The only things that I can think of from a zoning standpoint in the city limits that would potentially be driving any cost are some sort of design standards. They have plenty of zoning that allows lots of density. That is available. Potential design standards that would be prohibitive that would create some costs.
Presentation

Comment 103: I would just to point out that we have an even today and you see who is sitting at the table.
Presentation

Comment 104: Perception of a limited sewer system.

Rob Gaudin: That is just what people sad.

Comment 105: There is only one area in Cabarrus County that has limited sewer capacity at this time and that is in Midland.
Presentation

Comment 106: What the zoning laws are doing is pushing it towards the infrastructure. They are pushing density towards the infrastructure that is available. So, it may have in essence have that effect of creating affordable housing around it, but there is a purpose that is not related to any discriminatory action. It is related to infrastructure cost and maintaining infrastructure.

Rob Gaudin: It is a very careful distinguishing characteristic because it may have the effect.

Comment 107: I agree, but I am just saying.

Rob Gaudin: That is HUDs position. I am just doing this analysis.

Comment 108: There is a million other reasons to look at to why something happens. They are focusing on one section of it, but not looking at the other good factors for reasons to do things.

Comment 109: They are not looking at the cause and effect.

Comment 110: Everybody does the same thing because it is cheaper to serve the infrastructure if it is more dense and tighter and lines are shorter to certain areas. Obviously that is a business decision that people are making to make that happen. It is cheaper to serve.

Comment 111: Some of the other things that I think are happening if you look at the low income tax credit. Some of that is having some other effects because you have to be

within a mile of a certain place. Well, that piece here you are not putting affordable housing really on the bus routes anymore because if the bus route could do that you could bring more people and have more accessibility.

Comment 112: You are trying to get maximum score.

Comment 113: You are trying to get maximum score so you are pushing those and you are going to diversify some of your affordable housing into different areas, but some of the families you are going to be on the upper end verses the lower end, because of the fact that there is not transportation to get them from that side.

Presentation

GASTONIA FAIR HOUSING FORUM MINUTES

Presentation

Comment 1: There is not a service provider up near that location. That is very interesting to me to see that they are there. I'm sitting here going hum.

Rob Gaudin: Remember that is 12 years ago, 14.

Comment 2: It's just real interesting because, we basically have providers in the same location.

Presentation

Comment 3: Could it be because there is aging housing stock in those areas. The old folks who own those have a tendency to rent to lower income individuals, which creates its own concentration.

Rob Gaudin: That I am sure is a factor.

Presentation

Comment 4: So, you are saying there is less of a density there because it's not...

Rob Gaudin: It was one owner. It was Phillip Morris and they left town and nobody is investing. Nobody can invest because it is owned by them. So, that was a big area, 2,000 acres with no investment. So, I thought that was a good suggestion to normalize it. I am going to make that change.

Comment 5: Do you also do overlay? Your first slides show the racial and ethnic mix. Do you

overlay with this CRA investment choices with the racial and ethnic mix?

Rob Gaudin: My GIS analyst is all over that one. He is trying to show me how to do it. By the time you do it you have the same colors overlaid. He had an idea to use a thick boundary of different colors. When you get down here, this is a group of Census tracts. It just gets so confusing with a red band around this one and a yellow one around this one. It becomes too hard to explain. You have too many concepts on one map. So I understand it would be great if you could do that.

Comment 6: Simple remembrance of 8 slides ago and this slide is that CRA investment is going into the whitest areas.

Rob Gaudin: That is usually the way that I propose it. Look at the map two pages ago.

Presentation

Comment 7: Back to the CRA investment slide and again your racial and ethnic breakdown slides and you are going to see that is lining up in that direction.

Rob Gaudin: Your observation is correct. We have those kinds of issues at hand.

Presentation

Comment 8: Can you go back one slide too. That is not. Comparing those two and going forward with the red dots on the next slide are the public housing units. That is Weldon, Mountain View, and Terrace. The little concentrations up to the north are the ones right by Highland.

Comment 9: What is the average on those units in those areas.

Comment 10: 80/90. We have 1,400 vouchered housing units in the City in Gastonia.

Rob Gaudin: These are intended to be housing choice vouchers.

Comment 11: Right, that is what I understand, but where those housing choice vouchers are concentrated are at the public housing units. That is part of that red.

Comment 12: Is that different than Section 8 housing where an individual gets to buy a house and then rent it out to a Section 8 applicant?

Comment 13: It could be, but that is not what it is showing me. Section 8 is not going to show up in concentrations like that. That is not section 8 vouchers.

Rob Gaudin: I wrote a letter to Washington DC and they actually gave me physical addresses for a different job, but this time this did not occur. We just got a list and we aggregated them by Census tract. So, I don't have the address or as good a feel that the data is actually correct.

Comment 14: The same with the stuff from that previous slide.

Rob Gaudin: The low-income housing tax credit we downloaded was from the State Housing Finance Agency and HUD was downloaded from HUD. I believe those represent multi-family assisted projects through HUD. That data I am more comfortable with.

Presentation

Comment 15: That is up to the Housing Authority as to who is on their list and when they are on the list.

Rob Gaudin: Most housing authorities do have some flexibility about giving small split to landlords, paying them slightly more. The consequence in doing that is that they wind up with fewer vouchers, so fewer people are assisted. So it is kind of a difficult thing. Do you want to have fewer people assisted and hopefully gain some dispersion and you also therefore receive fewer administration charges because you have fewer vouchers to administer, but you have a certain amount of money. That is some difficult choices.

Presentation

Comment 16: Is that for the City of Gastonia.

Rob Gaudin: It is complaints that occurred within the City that were filed with HUD.

Presentation

Comment 17: I looked at that site maybe a week or so ago and it wouldn't let me access that. So is that link still active? It will take you to the page, but it will not allow you access to the survey.

Rob Gaudin: I am sure you did something incorrectly there. If not, I will check again. It should still be open. If you have already done the survey or was that computer already used?

Comment 18: Someone else called and asked about that. It happened after the conference calls. It happened at the end of December. They were trying to take it. It was after that point in December the 20th or sometime around there. So I checked it myself. It will take you to the site, but it won't allow you to access the survey.

Rob Gaudin: Does it give you a message like sorry the survey is closed?

Comment 19: I can't remember exactly what it said.

Rob Gaudin: I do know that if you where to put this in your browser it will take you to this, but then you can't find it. You have to type this exact link in.

Presentation

Comment 20: Is there a copy of this available?

Rob Gaudin: It will be available on CONNECT's website, hopefully this week.

Comment 21: The Direct Mediation Center of Southern Piedmont, we serve Gaston County and we do get complaints regarding fair housing. Concerns that we get are usually handled very quietly because the complainant is afraid of losing housing if they go to a more formal setting. So we try very hard to work between the complainant and that rental facility. Sometimes it is a landlord and sometimes its management and so we are providing that service. So, it certainly doesn't show up in your figures in some instances, I'm sure. To get that communication going. That is the big issue.

Rob Gaudin: Would you be able to share some of that?

Comment 22: I steer people to Disability Rights of North Carolina and I steer people to North Carolina Finance Agency. So I think we have steered folks with complaints to a number of places that might not be captured up there.

Comment 23: And to Legal Aid and the Mediation Center. The reason why some of these organizations are getting them probably is because when the question comes up it is probably source to correct the issue before a HUD complaint is files. I know the City has a very active Fair Housing office and they respond and give the format on how to file a complaint and things like that. I know organizationally we refer.

Comment 24: I think an act can be and otherwise we are trying not to cause too big a wave and lose their housing.

Comment 25: A lot of times it is not a fair housing issue, but a landlord/tenant issue. Nine times out of ten it is my water is not working or my heat is not working.

Comment 26: Not for us.

Comment 27: It is a perception of the complainant and the issue as to exactly and communication is so important in this situation. Sometimes they do not know who to go to and need some someone to guide them.

Comment 28: Are we talking about from coming from the angle of public housing or private housing?

Comment 29: We handle it all.

Comment 30: The public housing it is very clear where they can go with their complaints. Private housing does have a tendency to be nebulous at times as you have the landlord...

Comment 31: Public housing is very frank and they will call up the places.

Comment 32: My question is what we come back to us is that we are all in the same ballgame here. Everyone that is present and how do we, you are just reporting the data, and what if any and are there suggestions as to what audience we need to be getting in front of? The survey was sent out multiple times to different groups because I was involved in that particular dissemination process. I participated in it and I clearly saw where my answers went. I am just trying to figure out should we do this survey again to get a bigger sample? What do we know? The Census data doesn't change anything but the perceptions, but the number of people who actually take they survey, wouldn't they?

Rob Gaudin: I would tend to think today there are probably more than 41, but probably 46. I don't think we need to do the survey again. I think that the information points to certain things and it's more important from my perspective in finalizing recommendations is to have a feel for how much responsibility you are willing to accept, you the City. Through these vehicles meaning other stake holders, how much can you work together to obtain

certain goals and how we should discuss those things in this document. In the very beginning before a few of you came in we were talking about how HUD looks at the AI today. It is with much more scrutiny and much more depth than say five or ten years ago and many communities are now responsible for taking some action and they must state something in their Annual Action Plan. What are you going to do and then you have to report it back in the CAPER. If you are not very lucky, a community with an FHEO representative who doesn't get things done. Wait for the day when that person moves on. The new person will not take that approach and that too will happen. It can be fine for four, five, or six years and suddenly it have been nine years since you have done an AI. Than you do one and everything is wrong. We are trying to do this diligently and carefully so that you can benefit from it without any unforeseen future circumstances coming your way. We have some pointing certain in ways and your outreach that you are talking about has fundamental one of the basic tenants. How do we get more people advice of our responsibility as leaders in the community to future affirmatively further fair housing? That means also raising consciousness in a general sense about what fair housing laws are and what that means and what your responsibility as a landlord and what is my role. All of us share in that and it is a difficult thing to articulate.

KANNAPOLIS FAIR HOUSING FORUM MINUTES

Comment 1: I guess what I am saying is that if your yellow shows up to 10.0 percent, that there is a big difference between 0.0 percent and 10.0 percent to 1.0 percent.

Rob Gaudin: In this particular case the yellow is on the right-hand side is 42.0 percent. The green is 52.0 percent. Excuse me that is 42.0 percent growth. The first yellow is 20.3 percent, so it is 30 and 40, 50, 60, 75 percent so the dark blue ones indicate concentrations.

Presentation

Comment 2: We are just thinking about where that is in the city. Is that the right side of 29 or eastside of 29?

Comment 3: Close to 85.

Rob Gaudin: That is correct.

Comment 4: That is probably all of the major developments.

Presentation

Comment 5: For when you say that for every 1.0 percent increase in the white population equals to 10.0 percent in the African American population, is that actual people.

Rob Gaudin: Let me see if I can calculate that.

Comment 6: The proportion is...

Rob Gaudin: That wouldn't be quite correct, because it is not a 10 to 1 relationship. In 2010 there is roughly 30,000 white persons. It is roughly 1 to 3.

Comment 7: One to 3?

Rob Gaudin: Yes.

Comment 8: So if I understand this correctly, the dark blue on the 2010 side of your chart implies the distribution of white persons has increased over the ten year period.

Rob Gaudin: That is correct. It has not only increased, but it is heavily white.

Comment 9: Since only the white population grew by 1.0 percent over that same time period, it is probably more due to other populations moving out of that area?

Rob Gaudin: That could also be taking a role. In this particular case those dark blues are like 90 percent. We take the jurisdiction average, in this case it is 68 percent, then it is 70, 80, or 90 and above.

Comment 10: Is it possible that after this meeting we could get those maps and see what we can locate.

Rob Gaudin: Absolutely. Part of this is the production of a document which will all have this and it will have the backup of all the numbers. The point of doing this and going through this exercise understands what the data is suggesting to us.

Presentation

Comment 11: That is just Kannapolis?

Comment 12: Cabarrus County.

Comment 13: So two manufactures closed.

Comment 14: In 2000 and 2003 and Phillip Morris closed in 2009.

Rob Gaudin: So, it is going to continue to occur.

Presentation

Comment 15: Those are business loans or all loans?

Rob Gaudin: These Community Reinvestment Act loans relate to small business loans and in the report you will see how many were made in areas of income less than 50 percent the median, how many were made in areas of 50 to 80, 80 to 100, 100 to 120, and above. What we tend to see is almost no loans made in areas of very low-income. Of course with no loans there is no loan amount.

Comment 16: Is that based on where the borrower lives or where the borrower is doing business?

Rob Gaudin: Where the business is located.

Comment 17: I am wondering, because not all parts of Kannapolis is commercial. I guess I am wondering how it affects the residential areas.

Comment 18: Well, he said like food deserts. So if there are no groceries.

Rob Gaudin: There would be a lack of services for residences if there are no. It is not directly, because sometimes they can get loans through the public sector. The notion is here, how has our lending community helped or contributed to some sort of segregation where resources are following.

Comment 19: The one thing that I think this has to do with what you were saying earlier, this doesn't reflect groups or population per square mile. So you are looking at some areas that are not as populated.

Rob Gaudin: That is correct.

Comment 20: So the business decision on loans has to do with population density whether they will have customers to satisfy the business.

Presentation

Comment 21: What is that?

Rob Gaudin: Other vacant are units that are not available to the market place. They are not for sale, they are not for rent. There is probably some concern for who owns the units. Who is taking care of them because they are not available to the market place? They have a tendency to incur blight if they are located in close proximity to one another. They also can represent a resource which you can absorb back into the market place if you can figure out who owns it or what you might want to do with it, but you definitely want to do something about that.

Comment 22: Would that include some of the shadow inventory from the banks?

Rob Gaudin: Yes it would.

Comment 23: Define that term.

Comment 24: Shadow inventory is the fact that banks have taken possession of the houses, but they haven't put them back on the market. They also are times when the banks may not have fully foreclosed on the properties, but the tenants or the owners have left the properties. So they just... like zombies.

Presentation

Comment 25: Very little complaint activity or very little data given to you. I am sure the numbers have to be higher than that.

Rob Gaudin: They are not. Not from HUD. HUD has the same system nationally. It is called TEAPOTS. It is the same data, same format, and the same codes. If it got to HUD for any reason, this is both complaints with cause and without cause. This is how many there are. This is not many.

Comment 26: How does that compare with other cities of this size?

Rob Gaudin: Cities of this size, who have some access to the fair housing complaints system. It is really a lot different.

Comment 27: A lot different.

Rob Gaudin: That is correct. There is more activity. In other words there is an intake process and people talk. Then they decide if it is landlord/tenant. Then it goes that way and it does not appear here. If it is a causing compliant then it would appear here. If you don't have any opportunity to talk to anyone about your situation. Also, I have seen in communities where there is a lot for rent property. These are almost all rental. There are a lot that are going to say what a headache. I have to call HUD. I will just to the next house and see. So they just give up because there is a lot of trouble and a lot of rental property available.

Comment 28: When you compare cities outside of this region. Outside of this region. What region would be higher, the northeast?

Rob Gaudin: It depends. You do need communities that have some kind of a fair housing entity. There are several in Ohio that have smaller towns, like here

Comment 29: But with higher counts.

Rob Gaudin: Yes.

Comment 30: Here as I understand it, if you have a fair housing complaint you can call the City of Kannapolis. We can help them to fill out a complaint form. Then I send it to the Human Relations Commission and they intern send it to HUD.

Rob Gaudin: That is the responsibility, but when we sent them a request for data, they ignored us. My firm prepared the State of North Carolina AI in 2010. The State office behaved the same way. Sometimes they are busy.

Comment 31: Based on what the calls that she gets, we don't see that many complaints at all. Not that necessarily people would think to call Kannapolis. We don't get a whole lot. Not to say there isn't anything going on. We just don't hear a whole lot.

Rob Gaudin: I think this is more indicative of people don't know where to go.

Presentation

Comment 32: Do you do any type of fair housing testing as part of this study?

Rob Gaudin: I do not do the testing.

Comment 33: Was testing done for part of the study?

Rob Gaudin: No. This is just what is being reported. The testing should be done.

Comment 34: A lot of that between 2004 and 2007 was these crappy loans. The liar loans. You had all of these subdivisions being built and they all kind of used that same kind of marketing tactics that put them into these really bad loans.

Rob Gaudin: That is correct. Most of these predatory-style loans peaked around 2007 and while they still occur it is 2.0 to 6.0 percent, not at 25.0 percent today.

Comment 35: Some of that be those vacant houses we see there.

Comment 36: Yes.

Rob Gaudin: I would think that, because this is the underwriting foreclosure burden more heavily here than on other populations.

Presentation

Comment 37: I think that I am one of that 51. Most folks if it doesn't affect them directly they are unaware of what is happening over here and here and here. So you would get that response.

Rob Gaudin: You are absolutely correct.

Presentation

Comment 38: Do you have any suggestions on how to do that? Do you have any examples or suggestion on increasing interest in fair housing?

Rob Gaudin: I am sure that I will. This is not a report at the end. This is a report of the statue of the data collection. I am actually hoping that you might have some ideas to share with me. Each community is different.

Comment 39: From where we stand today and where we plan to go in the future is all the things that is coming out of the CFPB is that going to decrease with the qualifying mortgages and the ability to pay. Is more about minorities going to really get denied and we are not quite sure if whether their finances are really the reason.

Rob Gaudin: So you are suggesting that we should also have some financial literacy so, that people understand the value of credit and how to establish good credit.

Comment 40: Because they walk in the door and they do not have a real basic understanding on how to prepare to get there, they are more likely to get denied.

Rob Gaudin: That is true.

Comment 41: And with the changes that is coming through with the mortgage lending. I think it is going to be more denied than less.

Rob Gaudin: That is a tough one. What I am hearing you say is that there is a greater need in the future than now for credit education.

Comment 42: And jobs.

Rob Gaudin: And jobs. Your comment is an excellent one and I will add that to this.

Comment 43: I might have an income, but because of my race I might get denied.

Comment 44: Some I think is race. Some I think is just that fact that we, people do not come to get the education they need to properly prepare themselves to present themselves right. Even with the fact that we do have some job shortages here, but it is because of the fact that we have residents that have gone through layoff applications. So other credit issues are still kind of hanging out there from their lay off. We have the families now that may have gone thorough forecloses early, but they haven't fixed their financial position to be back in the market to go back into housing. So there are a lot of things out there for them. HUD has come out with this new mortgage letter that says, yes you lost your house, but if you have reestablished your finances you can go get a loan. If you haven't solved the credit problem then you can't get a loan. So, I just think that there is a lot that you can do from education to properly prepare people that could wind up bringing down that denial because of their race if they had some education.

Rob Gaudin: Could that start in high school?

Comment 45: High school is one place, college is, but also may be put into place some type of procedure, rules, or policy that you need to get this before you goes there.

Comment 46: Are other areas putting it in high schools and financial literacy as part of their curriculum.

Rob Gaudin: In fact there is one state's agency that I am aware of that has hired someone, a retired financial advisor, to go around and have a short class in various high schools to teach these seniors about basic financial literacy. What is a check book, how do you operate that, pay your bills, what is the danger for opening every one of those credit cards you get. I don't know about you, but I get mountains of them. There are so many temptations and trying to teach our youngsters about how to approach those temptations and how to distinguish between what should I do first and what should I not do at all. It is a successful program or campaign if you will. It has worked in other places. I am not necessarily saying that you should wait till the state comes by with that program.

Comment 47: That is a good thing to have, especially for high schools verses college kids. They get those letters all of the time and they come out of school with mountains of debt. What do you do with the people that are in those situations? You have to educate these youngsters; you have to look at

the people that are in it right now? How do you help them right now?

Rob Gaudin: Those people it is home buying training. There are ways to have homebuyers qualify for additional financial spiffs, if you will. If they pass these homebuyer classes.

Comment 48: I know that they have things like that. My issue is what about the people that come to her and say that I was in a foreclosure or two. We do have this debt. I am making \$45,000, but I still have this debt. I do not make enough to pay this debt. How can I get myself another property? How do you educate them?

Comment 49: One mistake is people also be willing to be educated. So, sometimes the willingness to be educated becomes and I know I am going to sound and say a nasty word, but sometimes they have to be entices to get that education and what that enticement could be I do not know. One I definitely say is not financial, but just something that you do prior to being able to go someplace. We see 1,000 to 2,000 families a year and we offer them assistance with foreclosure. Then the other piece we offer them is OK since we fixed this, not that we may have stopped this. Now lets' come in and help you to recover, but at this point it is like my problem is solved, but they don't quite understand that they really have a larger problem than just fixing the foreclosure. Everything else they try to buy or do is going to get effected. They can't refinance and if they go back in to try to refinance even though the foreclosure was stopped, they can't refinance because of all of their credit is still crappy. So that is why I think the statement we made that we are going to see more of this than less and whether it is actually racial verses finances may be a little difficult.

Comment 50: Do you think too it's lack of motivation, like folks that have gone through loss of job. They have lost their homes and all of this has come about. Do you think they are in a black hole and it is an emotional thing, like how do I get out? Because every time I turn I am hitting another wall. It is more of an emotional thing that I just give up. How do we get them out of that and get them back engaged again. Yes there is hope if you go through this process.

Comment 51: A lot of things I think that people have hit and pride has been one of the issues. When I was talking to my group yesterday, because there has been so much media and so much stuff about foreclosure that people don't come. Then when they do come it is like, OK like you say, I have hit rock-bottom and dealt with every bottom feeder that you could get, but trying to sit there and create something and some type of program that is just trying to try to lift people up. That motivational thing that says you can be here and not in a place of blame, but I think that right now because we lost Pillowtex and we lost Phillip Morris, we just had all the construction jobs and all of this stuff and people are still feeling that pressure of themselves.

Comment 52: They do not want to be labeled. Like you say, it is pride and people take pride in their homes. When you lose your home that is a major setback. I think it is more mental and getting them back in. That takes a lot.

Comment 53: It takes a lot and it takes creativity and all of that to sit there and try to figure out how to bring all of these pieces back to the table again. If we plan to fill some of these vacant houses, we do have to say that we have to prepare the market. We do have the market, but it will take a couple of years to prepare, but if they don't prepare we are still going to have to continue. What we are going to do is see rental houses growing more and more because you do not have any buyers out there because their credit is keeping them from moving forth to be homebuyers.

Comment 54: I know as the city we work with the homeowners. The people that actually own the homes of the rental properties and try to identify who they are and where they are is a problem. A lot of them are absentee owners and they live out of state. It is hard for the city to contact those folks to try to get them to put the material back into those homes and bring them back up to where they are available. There is that point also.

Comment 55: You do have some situation going on with some of the lender. Where the fact that when they do put these houses up for bids and you have a homeowner that needs a loan or you have an investor that will bring cash. The person who wants to get a loan for it will get denied because there is not cash. So, you are seeing some of that happen at different cases. I hear people come through and they are trying to buy a house through HUD, Fanny Mae, or whatever and they are telling me I had this bid in and everything was looking fine, but an investor came in with cash and basically that was not a house that went to a homeowner

Comment 56: Which one of you can answer. This is a population of about 50,000 people in Kannapolis and we are looking at 11,000 vacant homes in a 50,000 population. So that is almost 1/5 of the property that is vacant. Is that a correct number?

Comment 57: It is probably more than that.

Comment 58: If you have a 50,000 population, how many of those are families? You don't have 50,000 homes for sure.

Comment 59: So what that property, if it is in the city limits at some point in time become some kind of code infraction for being dormant.

Comment 60: The longer those homes sit vacant.

Comment 61: The longer it runs into code infraction.

Comment 62: The house gets into a downward spiral and that makes it harder to find the owners to put the money back into the home. So, what you are doing is just foreclose yourself. I have seen the city try to float it, but until we get that turned around that is going to be a major; Kannapolis is one of our major concerns. How are we going to get people to move into Kannapolis even if we had jobs, people are not going to live here. They are going to come and work and go back out.

Comment 63: My concern would be would the cities be more intent to go back and rewrite some of the code enforcement infraction laws to make them tougher or lacked? Which way would you go?

Comment 64: We are doing that. We are going to look at that in February.

Comment 65: Honestly we can't even keep up if that law would pass. We just can't, the code enforcement team, they just process as much as they can. I heard somewhere that if we were to demolish all of the dilapidated housing we had that it would take millions of dollars.

Comment 66: And you do not have it.

Comment 67: And no way to recoup it.

Comment 68: More of those homes come on board every year.

Comment 69: That is what I mean. You write laws to lack what code infraction does?

Comment 70: Than that just leaves them sitting there.

Comment 71: Then you denigrate your city.

Rob Gaudin: Just to set the record straight, the 2010 Census had 18,645 housing units of which 2,270 were vacant. Many of those were for rent or for sale. The other vacant, the ones that are not available to the market place are 751 units at that time.

Comment 72: That is twice what it was 10 years ago. Is that correct?

Rob Gaudin: Yes, roughly. It was 397 in 200 and 751 a decade later. I would expect if the ACS for other communities is the same for what we see here it has grown a little more. So am I hearing you say that part of the solution is to tighten up code enforcement?

Comment 73: I don't know, tighten it or lax it.

Comment 74: I think working with the homeowner, whoever that is whether it is the bank or the absentee owner to work with them a little more closely to put the equity back in the home to make it rentable so that people can afford this home and attract people and make them safe. That is one of the main concerns it making the home safe. Some of those house are not safe, the wiring, and the plumbing. We need to put money back in the houses to make them affordable and make them attractive.

Comment 75: If there was a requirement for people before they go to the bank to get some type of education prior to. HUD will not put that into place even though they have housing counselors. We are housing counsels. Before you can get a FHA loan, that you out some counseling things in place. So you have this and here are the things that you want the housing counsel to do, but then you don't put in place that they are required to go through some sort of education and training and a counseling program to be able to put them in the right position to get a loan.

Comment 76: The bank should require it.

Comment 77: Well the banks do not care. I shouldn't say that they don't care. They are going to take the good and deny the bad, but if there was a way. We have been doing this and in this business for a long time. We are probably at 99 percent of the people better that really went through the program actually got a loan. We have very very few people

that actually went through the program that got denied a loan.

Comment 78: And maintain.

Comment 79: And they maintain their home, but you can't get the people to come. The only time that people are really coming into the program is when they run up against downpayment money. So if they are not getting downpayment assistance money, they are not coming to the programs anymore as much as they used to. So downpayment money has been the enticement to get people to come. When we first started doing this people would come just to get the education. I think that shift has happened a lot especially and I think when we started falling off was when those crazy mortgages started happening. People just walked in and got whatever. So you still don't have that generation of people that come, because they are trying to get themselves rightfully prepared to get themselves into it.

Comment 80: What vehicle did they find to get to you?

Comment 81: In the past?

Comment 82: A lot of word of mouth.

Comment 83: Yes, we do not advertise.

Comment 84: They just found out through somebody?

Comment 85: Word of mouth is usually our number one referral.

Comment 86: I know in our cases when we used to be building, people used to come. Now that we don't build any more people just forget that you are there. I think also because most of us are so busy doing foreclosure that the pre-purchase people they do not want to come into our offices because they do not want to be associated with that. It is the craziness.

Rob Gaudin: I have a couple of ideas that I have written down from these discussion. I thank you for that.

ROCK HILL FAIR HOUSING FORUM MINUTES

Presentation

Comment 1: A comment on that. The last three or four years with fair market rents are, they have gone done. So, if you have a Section 8 voucher and you are limited to that range of fair market rents, someone with that voucher is got a maximum payment of \$600 or \$700 is not going to rent a \$250,000 house. It just doesn't work. So, HUD comes out and says you need to deconcentration that, but then they put a limit on the amount you can pay to assist a voucher. They don't get together. There are two points of view. So HUD puts...

Rob Gaudin: It is sometimes their expectations are unrealistic.

Comment 2: Yes, they put an expectation on us, but they do not follow through and give us the tools to do anything about it.

Rob Gaudin: They do hammer on the CDBG grantee. To be quite honest with you they will go here we see this, what are you going to do about it in your Annual Action Plan? What you can do it take the housing that you might do through HOME or CDBG and say ok this is the way that it was and this is the way that we are doing it now. Then you show them that you can do some home rehab and something outside of these areas. I mean conversely HUD is criticized for not helping other areas most in need. So it is a little of a mess. So this proposed rule for the certification to affirmatively further fair housing comes about. There are going to be some real discussion on how you allocate resources. So we do have some issues.

Presentation

Comment 3: South Carolina has the Human Affairs Commission which is the State equivalent to enforce the South Carolina Fair Housing Law. The South Carolina Fair Housing Center is a private enforcement agency.

Comment 4: That was my point. The HUD complaints, typically when someone has a fair housing issue in the State of South Carolina they would call me for example. I would refer them to the Human Affairs and HUD would likely kick it back to the state anyways.

Rob Gaudin: If the state were to do anything, it has to be dually filed with HUD. So, anything that the state would do that is in violation of Federal Fair Housing Law would appear. Usually that is not the same number even though it is supposed to be. I am just showing this to illustrate how few complaints there are. My belief is that the access in the past hasn't been available here, which is typically why we have low complaints.

Presentation

Comment 5: Do you have any documentation on the people receiving HALs, if that had been their first application or have they been denied previously?

Rob Gaudin: Your point is really well taken. They could have been denied seven times and all seven would be in the data and that would appear over here. We did a study with the State of Montana and we found that certain groups had 100 percent denial rates. When we looked at the geographic locations, they were all right outside the tribal reservation and they were all for mobile homes. So, the bankers were going if they connect to that mobile home and pull it on the reservation then I cannot go get it. So they just said no lending. The state and the tribes there have developed some commercial rules at which to play the game buy so, it is drastically reduced. This doesn't get us away from our problems. We understand where some more of the foreclosure issues are likely to occur and the concentration of those as well as who might be carrying that burden.

Comment 6: So, on the denial side that area is saying there is a higher concentration of white people that live in that area and that segment there is a higher concentration of black folks that have been denied in that white dominate area.

Rob Gaudin: That is correct. Remember it is still the same thing. The jurisdiction average denial rates for black persons and then the lowest colors (on the map) are over concentrations of those denial rates. So we have this group is facing a much higher denial rate here.

Presentation

Comment 7: Also, on those denials, are those the addresses they applied for or it that their present address?

Rob Gaudin: That is the address for where the home was to be located.

Presentation by Tina Brown, Fair Housing Initiatives Program

Comment 8: You assist with a training issue if we want to get together a group of property owners or landlords, that sort of thing? If we had enough of a

group we could come down and you would go through a speech and some educational efforts?

Tina Brown: Absolutely.

Presentation by Tina Brown, Fair Housing Initiatives Program

SALISBURY FAIR HOUSING FORUM MINUTES

Comment 1: That is not even a clear future because you talk about jobs. You are not talking about jobs that we lost or are unemployed. The people that have been out of the system for so long there is not much. That data there, it carries in from '69 and it included everything. It included jobs and those people in the workforce. Those people in the workforce is smaller than it was when all of this data was calculated.

Rob Gaudin: Now these are jobs, not people. This also includes people who are employed in jobs and are not considered part of the labor force such as domestics and sole proprietors and stuff like that. This is a full count of jobs and it is not about people. I have some labor force statics and we will look at that in just a minute.

Presentation

Comment 2: The trend seems to be within the region, what counties mirror that?

Rob Gaudin: Each of the rural counties and of course urbanized ones are not. They are the antithesis.

Comment 3: Back in '69 the minimum wage was nothing like \$3.50 or \$3.75.

Rob Gaudin: This is per capita income. It includes retirement and it also includes anything you received if you are an owner of rental property. If we back up a couple of slides here. This is 25,000 and divide that by 2,000 hours. That is in real terms. So, it has been adjusted for inflation. It would be a lot higher than you remember, because it is in real dollar terms. The dollar then bought a lot more than the dollar does today. So, the inflation is taken out.

Presentation

Comment 4: In your experience is there a multiple or a factor that takes into account those folks that are not in the labor force or actively looking that reflects what the actual unemployment number would be. For instance would you add in general like 10 percentage points to that?

Rob Gaudin: I don't think there is a rule of thumb you can apply, but you can see the effect of so many people giving up by per capita income. Look how much it is suffering. This is a substantial move. For all of those years you were right on line with the state average, but starting in '84 you just fell off of that trend line. Right now you are going down compared to the statewide average. This has significant influence on people's ability to choose what they want to purchase. Here is just a monthly unemployment rate so, we have some data through the end of last year.

Comment 5: I was listening to a national report on this. If you say that Rowan Counties unemployed is 10 percent. Break it down even further than that to different racial populations it is higher than that.

Rob Gaudin: That is correct. Certain groups are significantly higher.

Comment 6: So, when you actually give this, you are not actually telling the truth about the unemployment, because you said Rowan County is 10 percent as a whole, but then when you break it down to demographics of the racial makeup, then you will find that the black unemployed, if you tell it like it is somewhat between 15 and 18 percent.

Rob Gaudin: I would not be surprised if that were correct. In these latest statics here 11.5 percent, that is just the blend of all people in the market place. Some groups are going to have higher unemployment rates. You are absolutely right.

Presentation

Comment 7: Is that a map of Salisbury?

Rob Gaudin: Yes it is.

Comment 8: Up over there by that green part, what section is that?

Comment 9: (Inaudible) Plus some because it is a Census Block group.

Comment 10: How do you incorporate the (inaudible) if it is in Salisbury, basically?

Comment 11: I don't...

Comment 12: Do you know where it is?

Comment 13: Yes ma'am, but I don't understand what you mean by incorporate. It is in the city.

Comment 14: Do you just leave it out or do you include it. That is what I mean.

Comment 15: Include it in what?

Comment 16: In your...

Comment 17: She is saying that is the west end around Salisbury High School, Statesville Boulevard, in that area. How is Green hills, which is on the fringes of the city limits, but it's in Salisbury, how does it concentrate now?

Comment 18: I see what you are saying. What is happening here is that it is not left out. What is happening is you are looking at different geographic areas. Our neighborhoods that we have our boundaries for the City of Salisbury are different than the block group. For instance, what you see in green that is much larger than...So what it does is those are Census Block groups. Although areas may have larger concentration of poverty than other areas it sort of blends in, if you will, when it is accounted for in a larger area. In other words, if we just looked at neighborhoods, you would probably see a much different.

Comment 19: My reason for asking is that almost everything I see in Salisbury is Rowan County. It is never almost included. It is constantly left out. If it is included, there is nothing that tells you it is included. It is a small area, but it is an impoverished area and they always just roll over that area. Those people are paying taxes too.

Comment 20: There is a map right up here.

Comment 21: Down at the bottom?

Comment 22: Right there at the top right in light blue, 2001, that is where it is.

Comment 23: It depends on what is being reported.

Comment 24: You don't have it up there, so I can't read it.

Comment 25: That is what it is. It is right over there.

Comment 26: When you say we do not include it, I don't think I follow you.

Comment 27: That is what you don't do, you don't include it. It is that simple. It is not there.

Comment 28: In other words...

Comment 29: Included in what? I guess I am asking...

Comment 30: You don't include it in anything. I listened the other day where you were doing ...Park Avenue, some other area. Green Hills is worse than all.

Comment 31: I see what you are saying.

Comment 32: She is saying that it is not considered in the common areas that are looked at as needed assistance for block grant or anything.

Comment 33: So, you were at the city council meeting?

Comment 34: Yes, I was there.

Comment 35: If you recall we are going to reevaluate our areas to report.

Comment 36: We have been doing that for years. I have been on this committee for a long time. We have been there, made pictures, did everything. I know what you are talking about. Let me finish. You just keep rolling over it and that is not right. It is not fair. I don't care about that either. Salisbury needs to concentrate. Rowan County has a little pocket of poverty down there. It needs to come together.

Comment 37: Sure, I am with you and we will look at that. When we reevaluate we will see...

Comment 38: It has to be more than lip service.

Comment 39: OK.

Presentation

Comment 40: Ninety-five percent of these houses in Salisbury that are vacant. Vacant housing in Salisbury has been like that for 20 years. I know that, but the landlord if the house is vacant, they should put a sign or do something let us know it is vacant. I have noticed on the west side of town all of these vacant houses with the Salisbury Post, all these papers in these people's yards. It causes mess up. People don't live in that house; the landlord needs to put something out there to say it is vacant.

Rob Gaudin: If these vacant houses are located in close proximity to one another, like what you are suggesting than that is a blighting influence. It does

call out our leaders to take action. To take a step to help mitigate those difficulties. Where these places are located, again where they were located in 2010...

Comment 41: I know where they are located.

Rob Gaudin: The point here is that there is a larger number and that they are actually spreading to other areas of the city.

Comment 42: Let me just speak to, the decision makers are aware of it and in fact have the planning director Janet Aiken and Chris here are doing a plan of action for house stabilization. We recognize that it is blight and a problem.

Comment 43: (Inaudible) for the last 50 years and it is very complicated.

Comment 44: Especially when you have folks living out of state.

Comment 45: That is a problem is that they are out of state and they do not care. When you send them letters and stuff like that they put them on...

Comment 46: Here is a new initiative that I do not know if it has taken effect, but when you stop and look at some of the bigger cities and how they dealt with houses during the market crash. They did build brand new houses and nobody rented them. One of the things where they sell them and give them the houses, the properties that foreclosed on them...

Rob Gaudin: In your case this other, to be really honest with you, your other vacant is probably the increase has been smaller than anybody. Some have 200 percent or 300 percent or more. Where there is a lot of building going on a lot of those foreclosed homes were ripped out and they were put together on a program to solve some of that. That is slowly going through and they are getting sold off to developers and renting. This is slower growth, but consistent growth with the size of the population growth is an interesting phenomenon.

Presentation

Comment 47: On the slide before this where it talks about the vacant housing locations, this is Census data?

Rob Gaudin: This is Census data, correct.

Comment 48: This is data actually filled out by the property owner?

Rob Gaudin: If it is vacant it is not occupied. So, it was visited.

Comment 49: Visited by whom?

Rob Gaudin: The Census takers.

Comment 50: So in effect a vacant housing count force?

Comment 51: Yes, at that point in time.

Comment 52: Is this information available online?

Comment 53: Yes.

Comment 54: So then the next question is. You went from this slide to the next slide and so what is the correlation that is being made between those two things. In other words, why are they or are you trying to correlate or do you just have one slide next to the other? I am just trying to figure out what is the reason for correlating those two areas, the vacant housing areas?

Rob Gaudin: We are progressing in a slightly different subject. Here is our housing growth and here is how much vacant housing is growing. This is what vacant housing looks like. Where are the empty units? The ones that are not in the market place and where are they located.

Presentation

Comment 55: That is good. I made a comment here a while back. You know we were talking about all of the apartments that were being built, apartment complexes. I am pointing out something. All these years on Greeley Avenue, there was supposing building two units to be built for public and private means. Then you talk about Zion Hill, City Park revitalization. Then in a one mile area you would have 500 public housing units concentrated in the west end. Not accounting for the fact of those mixed use apartments right there on Jake Alexander Avenue, you know behind the Mystic Grill. When you start that in and as a kid growing up on the west side of time, there were more single family houses there, then there was apartments. So what this is referring to and if I am not mistaken, is you start to put apartments in already black areas, which means to a certain degree everybody then would be living in an apartment except for the original homeowners, because you are not building as many single family homes and we all know that apartment dwellers are transient people. So when you look at the situation with the west end and the boarded up and rundown

houses and in other words when you start putting in a lot of apartments around there, then you add not only to the crime sometimes, but you also add to the blight because the first thing if that was done. Good example, College Apartments, they wanted to build a dormitory style over here, the people were raising Cain. They said that that was going to bring property values down. Then they turned right around and built it over in City Park right from some public housing. So, what I am saying is if you look at what you actually do to think about, you are saying we are going to build new single mixed use housing. Then when you look at what you already have as far as subsidized housing and public apartments. They just add to it, because see when you got people in public housing here and you even got mixed use housing here. It still adds to the problem that is a blighted area to a certain degree, because of the transient people.

Comment 56: So, is your comment multi-family housing should not be considered or should be a secondary consideration as opposed to single family?

Comment 57: No, what is saying is there should be mixed use period. It should be a combination of both because when you start putting multi-family housing and that is all you put in there. That is driving the market value of the single family houses down. Then it is creating not a neighborhood or what we used to call the village concept, because you do not know the people **that is** there and you have people that are moving in. How do they understand the culture of the neighborhood and personal responsibility like rolling your trashcan out and not having the furniture on the porch? You have people that understand that. If you start bringing in a lot of apartment dweller to a certain degree, they don't get it like that. See a homeowner takes full responsibility where they live is sometime the multi.

Comment 58: So you are saying that is we put an apartment complex in a single family neighborhood that they are more likely to keep it clean.

Comment 59: They are putting in too many. When you look at what I was talking about. Then you look at all of the public housing that is there now. Then add 72 to all of these. Then add the College Dormitory in on Wilkesboro Road, then you at Partee Apartments there on Partee Street and you look at all the existing boarded up rundown houses.

Rob Gaudin: The gentleman has a good point. The Westchester County case where they lost \$100 million dollars and they gave the money back to HUD and they lost control of their program, this is the exact same problem, but maybe on a different scale. The issue is concentration

assisted housing for low-income citizens really winds up concentrating poverty and contributing to its persistence.

Comment 60: But in fairness to the city, I think they are accommodating to the developer's request. I could be wrong and I am probably speaking out of turn here, because I am from the county. My perception is that the developer has come and said this is what we want to do and they work with them to try to obtain local approval so that they qualify for the tax credits. What this gentleman is saying, I think it is about the point, the mixed use component. The developers are looking for density. If you can look at a way and this is the outcome.

Rob Gaudin: This is kind of hopefully the outcome.

Comment 61: So you look at modifying what you have got to accommodate those different houses.

Rob Gaudin: Most states low-income housing tax-credit qualified application plan add a little spiff for years if you would locate it in the lowest income areas. That is going away, slowly but surely.

Comment 62: The map on the right, the HUD Multi-family Assisted housing. Does that mean the areas you have up there in different colors like green and blue...

Rob Gaudin: Those are all the same concentrations of poverty that we looked at.

Comment 63: Those are the areas receiving that though?

Rob Gaudin: No, the orange dots are the facilities and the size of the dot tells you how many units.

Presentation

Comment 64: And also for the west end community, that is sort of an apple to oranges comparison to all the apartments and so to all the ones on Jake...

Comment 65: Place in existence...

Comment 66: They are and there is more realistic plan to where it is complete redevelopment of the neighborhood that will add amenities to. It is not just putting in apartments and...

Comment 67: I have been working on this since its conception.

Comment 68: I remember you being there.

Comment 69: But this is what I was trying to get you to see the bigger picture. You went to county, right. You take one of these higher end developments in the county and you take a developer that buys some property near those high end neighborhoods and he puts 100 units there. It would never float, because the first things those homeowners are going to say is this, you build those apartment here and not only are you going to bring the property value down, you will bring in more crime and more traffic and that is what they don't want. That same thing happened on the south side near Ballantine. There was some vacant property there and they wanted to put mixed use market housing, where you could have people that made market value pay market value. They protested and went to the council and said no. The council, they were pressure and that is where the money is and tax base is in Ballantine and it didn't happen.

Rob Gaudin: That not in my back yard is a common problem with promoting other forms of housing

Presentation

Comment 70: The reality of it is this. This is what happened with the housing in Salisbury. Salisbury Housing Commission, the Human Relations Council was chartered by the city to do this. They never gave the HRC the seat of power to enforce it. Still how can you take it? We are a group and I hate to say it, but I will say it, it was a feel good group that was brought together to make you think they really were doing something with no powers. That is why the housing advocacy agent was expendable, but the citizens realized that there was no way to address a housing complaint. Now one of the housing forums we had brought in HUD and some of the training that was brought in by the HRC was about people you could contact that could actually do something. That was great, but the charter with the HRC and Salisbury/Rowan County when you look at it has no teeth in it for enforcing anything. It has no way that you could actually take a complaint on race at all. You had other agencies that took complaints and they checked with some of those other agencies like the NAACP and places like, they can tell you that they had these complaints. One thing that the public has not been educated to say that you can call HUD or they say who can I go to in the city? Who can I go to in the county? What can either one of them do?

Rob Gaudin: That is a problem of people not knowing what to do or where to go.

Comment 71: Hopefully overtime with the Housing Advocacy Commission that was put together and chartered by the city...

Comment 72: That addresses the city, but it still doesn't address the east end of the county.

Rob Gaudin: You are absolutely right.

Presentation

Comment 73: So what happens in that regard. I mean you got data that said it is abnormally high. Who comes and knocks on the door of these banks and says what is going on here guys?

Rob Gaudin: Nobody goes and says what is going on.

Comment 74: Why?

Rob Gaudin: That is a very good question.

Comment 75: Some of these banks got a bail out from the tax payers. The government controls everything else even down to snooping in on your telephone.

Rob Gaudin: I will say that the Federal Reserve flat out says you cannot say with certainty that banks are discriminating or that they are only picking certain people. There is a denial reason and the reasons are always really high for those who get denied as it relates to credit history.

Comment 76: The one thing people don't understand, just like this here. There is probable cause and there are statistics that show that banks have been practicing that for years and it has been going on. So, what is the point of taking on the banks if you are not going to do something to enforce it? Why have laws that you just have on the books to feel good?

Rob Gaudin: I had a customer ask for the list of lenders and I can provide that.

Comment 77: Give me that list. Maybe we will boycott.

Rob Gaudin: I can give you the lenders that did this. Many of these lenders today are out of business. There are several of the lenders that are out of business now. They took on too much. These are high risk, high interest rate loans.

Comment 78: There was some reform after the housing crash.

Rob Gaudin: The level of activity of these predatory-style loans is down, but it still occurs. It should be zero, but it is not zero. That is the unfortunate part.

Presentation

Comment 79: You probably don't have that many people in the area that want home loans who can afford it.

Comment 80: You see he goes even further than that. It goes all the way down, look over here at the denial and look over here at the high interest rate.

Rob Gaudin: The blue in neither of these is 100 percent. So I know that there are enough loans to be substantive. It's not 100 percent like one loan was made and one loan was denied.

Comment 81: What is the threshold for high interest rate loan. What is considered high for interest rate?

Rob Gaudin: I used the same for all the maps, 10 percentage points above the city average. So here it is 18 percent roughly as a city average. So here it is 28 percent or more. This is up to about 20 to 40 and the same over here. This I think reads 42 to 57 percent.

Comment 82: I understand the denial rate; my question is how you define high interest.

Rob Gaudin: Three percentage points above the comparable treasury security.

Presentation

Comment 83: I have a pet peeve. Anybody and when we talk about poverty, just in Salisbury, think about the country. You know most people have a telephone, why is it that we are to assume that everybody has internet access and a computer. See that is what my pet peeve is. We look at these numbers and we **here** about unemployment and we hear about jobs declining and all of this. We still think that if we have a computer that everybody else has one. We think it is a whole lot easier to send some email than to pick up a phone, but then if they can't afford to pay market-rate rent. How do you expect them to have a computer? Much less pay a FIOS bill or internet bill? I want to know if sometimes do you really want people to make comments, but if you do you have to stop and think that everybody is not equipped to answer the email on email and all of that.

Comment 84: All the same people that do not have internet access have a very lively Facebook account.

Comment 85: You are right.

Comment 86: That requires internet.

Comment 87: I will tell you my pet peeve. You didn't hear the other side of it either.

Comment 88: The free phones nowadays give you internet. Which they track people down to give those phones away and that is my pet peeve. Anyways, so...

Comment 89: I have an issue with that because I figure that you go get on Facebook about something that is important.

Comment 90: I'm not saying what's on Facebook. I am just saying they make it online somewhere to get on Facebook, but the compliant is that I do not have internet access. If you are facebooking like a champ then you can certainly go on the internet somewhere because you got there somehow.

Comment 91: They can pick and choose what they want to do.

Comment 92: That is the problem.

Comment 93: It is all about what you are motivated to do and doing what is important.

Rob Gaudin: I have been doing this for 20 years. We used to go to the state department of motor vehicles and persuade them to let us draw a random sample and send out mail surveys. That was very difficult to get done and very expensive. We have tried telephones. You can't get a telephone directory like you used to because they are not on a landline. A lot of people are leaving landlines entirely for cell phones for exactly the reason that you suggested. They are a lot more powerful. It is a handheld computer. I am suggesting that the paper instrument is very expensive to process.

Comment 94: As a notice perspective is they have a TV channel. We sent it to the Post.

Rob Gaudin: The survey that we have made here is a stakeholder survey. It is not a randomly selected citizen's survey. It is to give us an idea about what stakeholders understand. We are measuring the understanding of fair housing on the part of the

stakeholders. If the stakeholders don't understand, than how can possibly John Q. Public understand.

Comment 95: Why did everybody say yes to those two questions?

Rob Gaudin: That would be interesting. There were 18 people, 22. Now roughly we have region wide 500 replies, but this your community Salisbury was the lowest of the entitlements.

Presentation

Comment 96: One of the things that I think the city is finding out is also that some of the meetings that they are having that concern these issues are not very conducive to the public when they can actually get there. They had a meeting not too long ago at about 5 to 7. They had this issue and they brought it to people and they thought that they were not expecting this much input and feedback. I said when you start this thing and the group was working on it, most people were at work. Not they are going to have a follow up meeting to talk and show people what they are trying to accomplish. A lot of people talk about hours and if they have a job with the market the way that it is is not going to miss it to come to a meeting. Just to take the day off to come? So, it has to be that you have to repeat the message at a time when it is convenient for people to get out and come. Then you find that after 5 o'clock. There were a lot of people after 5. So, when they and there are two at my church and one of them is about the Lone Street Court. The first time they came there were about 60 people there and they said wow that was a big turnout.

Presentation

Comment 97: After all of this is said and done what is the next step or is it just for information purposes for the county and city to deal with?

Rob Gaudin: Your city is in a slightly different situation, but I will make the long answer. The next step here is at the end of next week I give to CONNECT and each of the entitlements six separate AI reports. Those are draft for internal review, I get comments back and produce a draft for public review and roughly a month or six weeks from now we do this again. We have a public review period where you will have a report in your hands. Then following comment on that the final document is prepared. The comments and the findings get summed together for the CONNECT regional document. In your case, you get to choose if you keep your own. This particular one for yourself or whether you subscribe to the HOME Consortium regional one. Now, since Westchester County and 2010 the county office also

criticized HUD. HUD has gotten the microscope out and is looking at everybody's. If you have stuff that is in a region, but it doesn't apply to you, HUD is going to go why are you not doing this? Is says that right there. You get to choose which way to go. This is a choice that your community needs to come to terms with. Whether you are going to go with the HOME Consortium or you are also a CDBG entitlement you can go with one that is specifically tailored to your community. I can't make a recommendation, but it would be really safe to say that this is just for us. You could get city council and neighborhood leaders to buy into this is just our deal. So that is a choice for you to make.

Comment 98: As part of our final consolidated housing plan that we use to get CDBG funds for those neighborhoods, \$400,000 roughly as part of that you have to do an AI. We paid a consultant three years ago to do one. Since we are partnering with the region and they are already doing it through the CCOG, then we will adopt the outcome of this study here as an update instead of paying another consultant in a year.

Comment 99: Ok. See this is the only thing and to get back to what she said. When that was talked about in council this past Tuesday about the block grant money and all of this stuff. It is over \$400,000. Some of that money, I know is in the house, but some of that other money goes to...

Comment 100: Public infrastructure.

Comment 101: The infrastructure, but then some of these other public agents. Now my understanding would be that that money is best placed not in public organization that wants money as much as trying to deal with infrastructure. You see you go back to what she said. When we take the block grant money, we have done Park Avenue. We have done the west end and sidewalks, but to this day yet you still have not spent any sizeable amount of money down in where she is talking about. A matter of fact...

Comment 102: The houses themselves or...

Comment 103: In the area period. Like I said when you compare how those areas that you have targeted revitalization. Now go back 20 years and do your research you ain't spent, a half or a third of that money to making improvements. You see what I am saying? The money is being given to the people who

make the most noise in the neighborhoods. Like I said...

Comment 104: With all due respect and fairness to the city and to reporting to Housing and Urban Development, those neighborhoods there is a threshold to where over 50 percent of those people in those neighborhoods have to be below 80 percent of the median income. Now back then 20 years ago, 10 years ago, I am not making excuses, but may be that areas were not at that criteria. Maybe that last four years it is.

Comment 105: It has been that way.

Comment 106: That are has been there. You see the name of that area before you came about...

Comment 107: I have been here about 10 years.

Comment 108: It was called no man's land. That is what it was. It was on the border of East Spencer and Salisbury. Nobody wanted to do nothing there until the newspaper brought it to light and all of this other stuff. If you go down there and it looks like it is lost in time, because you can't see nothing new that the city has done. There is no sidewalks. There is no curb. There is no gutter. At one point in time there were sewage problems. You drive on the road down there, the infrastructure of the road; this is one of my pet peeves with the city council. Get out of your car and come out here and let me show you this neighborhood. He has been down there.

Rob Gaudin: This forum isn't really designed to discuss the allocations of resources, but I do want you to be aware of people's choices and the difficulties of making fair housing choices. Remember too as part of the HOME Consortium there is an additional funding source available to you if you sign an agreement to participate in the Consortium. The City of Concord is the financial agent for that. So, it is not just CDBG, but there is HOME funding available for certain types. It is not for sidewalks, but other types of home improvement, rental assistant.

Comment 109: I can appreciate what you are saying that this is not for discussions for like what we just did, but at the same time...

Rob Gaudin: I am not trying to diminish your discussion.

Comment 110: I understand that, but for the City of Salisbury, they need to take a strong approach.

Comment 111: I am listening.

Comment 112: Let's not throw it under the rug and stomp on it.

Comment 113: The planning director publically said the other night that we are going to reevaluate the city and its neighborhoods and there is a possibility of adding an amendment to where those revitalizations areas would grow or change.

Comment 114: Let me just tell you this and it may not be as revelation to you as it is to me. Two years ago that area had a couple of people that knew that I worked on a community here. They wanted a dumpster. Just a dumpster to help them to clean up some stuff, because we said that you needed to clean up and it is your responsibility. You put it there, you clean it up. I went to a councilman, because they asked me to see if I could get the city to give them a dumpster. The city doesn't give dumpsters. I asked the councilman if he would put a dumpster and he refused. I can't do that. I went to someone else and she got the dumpster.

Comment 115: You know I work in planning and I have a workload and I do not know all of the ins and outs of conversations of everyone in the political arena that is going on. From where I am concerned, my goal is to meet that deadline to (inaudible) and we heard the other evening about the possibility of taking a look at other areas of the city. These revitalization areas we have had on the map for years and years and we need to take another look at them. I can assure you that after this forum and back up in my office and the period that we are reapplying, that I will make sure that those ideas are heard. That is not promising that will happen, because rather are all sorts of things that you have to meet and reporting to HUD and justifying is very cumbersome and when you have houses and money for folks to fix up their homes, it is still a private decision to come to us and actually the CDC and ask may I secure some of these HOME funds. I know that the city got \$100,000 of these HOME funds to do rehabilitation and so forth. Unfortunately you still have to meet certain criteria to get that. There are still hoops. It is not like it is doles out.

Comment 116: I know what you are talking about and I understand.

Comment 117: Sometimes just putting sidewalks in a neighborhood that doesn't really. I mean even if there is a revitalization area and the houses are just falling on themselves. Does it really make sense and this is a philosophical question, to put nice new sidewalks in there.

Comment 118: I am not talking about sidewalks.

Comment 119: I am not diminishing what you are saying, but there is a philosophy to it and a larger picture as to these valuable, limited resources as to what will make the most sense and to help the city the most. Certainly changing those boundaries and looking at other neighborhoods, it is time to do that. I agree.

Comment 120: There is a lady in that area for years cried out in that neighborhood. She has begged even for police protection for someone to come in there and help us out. She has not been heard. Even all this talk about HUD and all of those things.

Comment 121: Now HUD funds are not here to help the police funds.

Comment 122: I said whom that it doesn't matter, but for the City of Salisbury to just castoff and that is a fact.

Comment 123: Unfortunately, I can't speak to those situations and I think it is unfortunate. I can't speak for police chief and anyone else and what was said.

Rob Gaudin: I would want to encourage you if there is something about this particular presentation or this information that you find enlightening or you find problematic. Let us know so that we can incorporate those ideas.

E. AIPUBLICREVIEWMEETINGPRESENTATIONS

Analysis of Impediments
To Fair Housing Choice

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City of Gastonia AI 

Suggested Actions to Address Private Sector Impediments:

- > Facilitate building stronger Fair Housing Infrastructure:
 - ✓ Solicit training services to:
 - Educate buyers through credit counseling and home purchase training
 - Educate landlords, property managers, consumers about fair housing law/reasonable accommodation
 - Conduct other outreach and education
 - ✓ Enhance testing and enforcement activities
- > Contact local lenders - barriers to lending in low-income areas and discuss promoting lending in those areas

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City of Gastonia AI 

Measurement Criteria for Suggestion Private Sector Actions:

- > Number of times training services solicited for:
 - ✓ Outreach and education activities conducted
 - ✓ Training sessions on reasonable accommodation
- > Number of times fair housing services solicited for:
 - ✓ Complaint based testing and enforcement activities
 - ✓ Audit tests
- > Number of local lenders contacted to discuss local lending challenges

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Analysis of Impediments
To Fair Housing Choice

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City of Gastonia AI



Measurement Criteria for Suggested Public Sector Actions:

- Promote AI and Fair Housing Plan on city homepage and solicit stakeholder participation through local and social media
- Participate in Fair Housing Month activities each April
- Number of entities solicited for providing outreach, education, and training services
- Number of discussions with Legal aid of North Carolina regarding outreach, education, testing and enforcement.

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2014 Analysis of Impediments

City of Gastonia

Contact Information



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Gastonia, NC 28052
(P.O. Box 1748, Gastonia, NC 28053)
(704) 866-6720
www.cityofgastonia.com

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Analysis of Impediments
To Fair Housing Choice

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**2014 Analysis of Impediments
to Fair Housing Choice**

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Fair Housing Final Presentation

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**City of Kannapolis
Analysis of Impediments (AI)**

**Entitlement jurisdictions must:
certify that they are Affirmatively
Furthering Fair Housing (AFFH)
as a condition of receiving
federal funds from HUD**

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Analysis of Impediments
To Fair Housing Choice

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City of Kannapolis AI 

Certification means three things:

- 1. Conduct an AI**
- 2. Take action on impediments, if impediments were found**
- 3. Maintain records of actions**

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City of Kannapolis AI 

Entire purpose of the Study:

Conduct study to identify any impediments to fair housing choice, then recommend actions that address impediments and ways to measure these actions

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**Analysis of Impediments
To Fair Housing Choice**

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Content of an AI

- **Private sector transactions: rental market (applications, interviews, etc.) and sales markets (lending, steering, blockbusting, foreclosure burden, etc.)**
- **Public sector influences: land use codes, zoning, public policy practices, neighborhood resistance, etc.**
- **Assessing barriers to housing choice**

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Definition of Impediments to Fair Housing Choice:

**Actions, omissions, or decisions
which restrict housing choice
because of protected class
status**

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Analysis of Impediments
To Fair Housing Choice

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Who is protected?

**Protected classes
under state and federal law:**
**Race, color, sex, religion,
national origin, familial status,
and disability**



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Review AFFH Court Cases

National Significance:

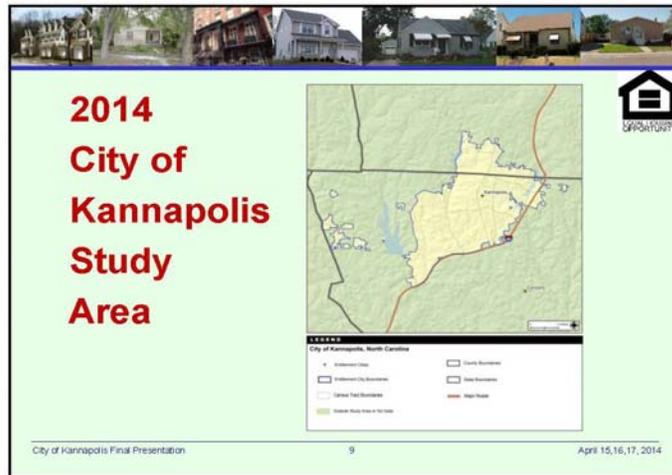
- **Westchester County, NY, vs. Antidiscrimination Center of New York City**
 - ✓ **Falsely claiming certification**
 - ✓ **Forced to pay funding back to HUD**
 - ✓ **Forced to pay legal fees**
 - ✓ **That County now has very close oversight**
 - ✓ **AI scrutiny very high throughout the U.S.**



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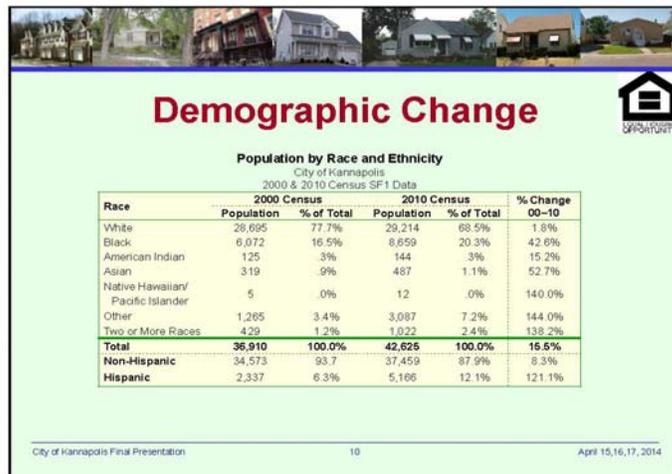
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**2014
City of
Kannapolis
Study
Area**

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Demographic Change

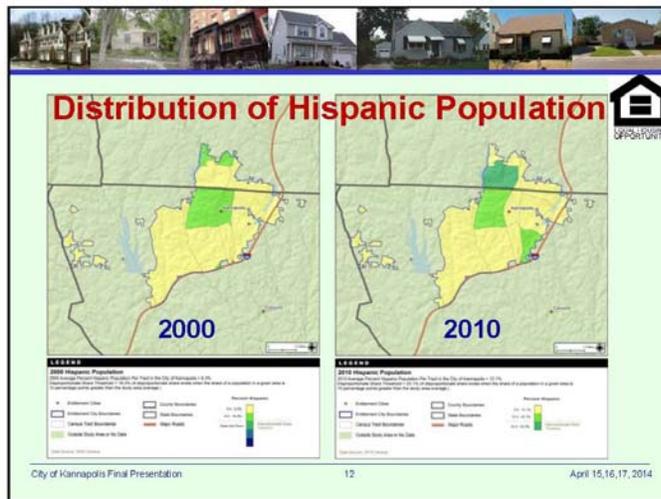
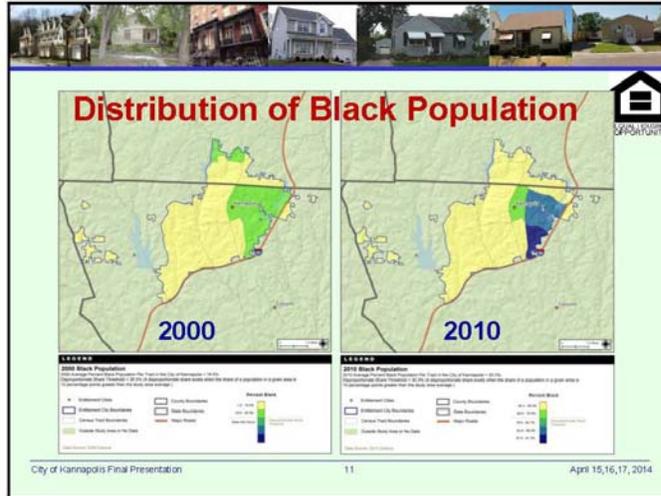
Population by Race and Ethnicity
City of Kannapolis
2000 & 2010 Census SF1 Data

Race	2000 Census		2010 Census		% Change 00-10
	Population	% of Total	Population	% of Total	
White	28,895	77.7%	29,214	68.5%	1.8%
Black	6,072	16.5%	8,859	20.3%	42.8%
American Indian	125	.3%	144	.3%	15.2%
Asian	319	.9%	487	1.1%	52.7%
Native Hawaiian/ Pacific Islander	5	.0%	12	.0%	140.0%
Other	1,265	3.4%	3,087	7.2%	144.0%
Two or More Races	429	1.2%	1,022	2.4%	138.2%
Total	36,910	100.0%	42,625	100.0%	15.5%
Non-Hispanic	34,573	93.7	37,459	87.9%	8.3%
Hispanic	2,337	6.3%	5,166	12.1%	121.1%

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To Fair Housing Choice

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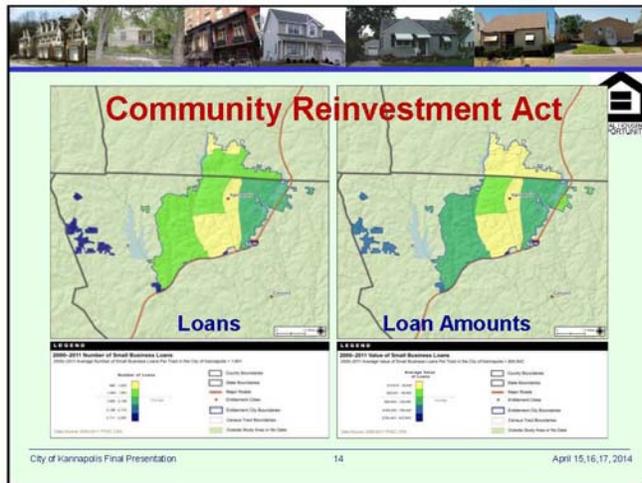
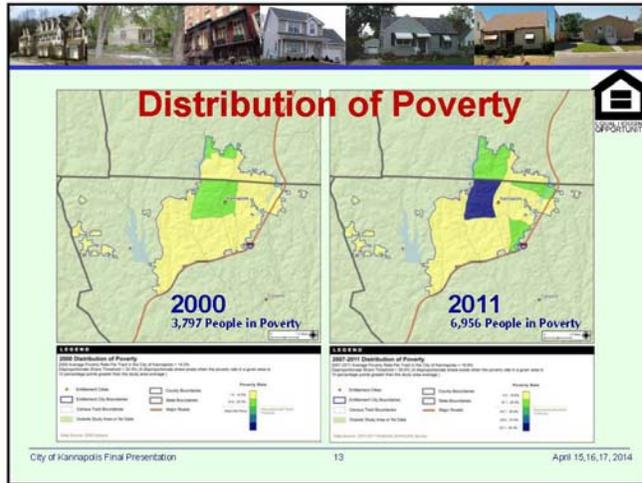


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To Fair Housing Choice

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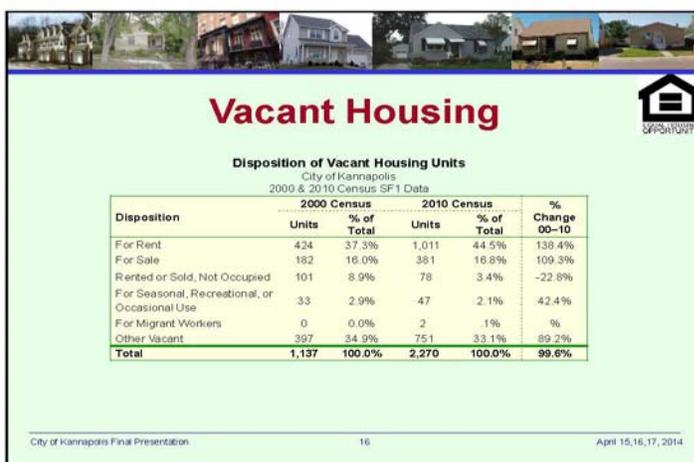
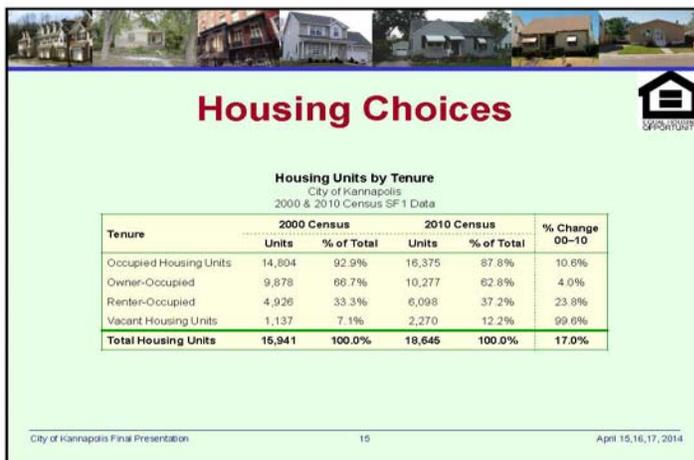


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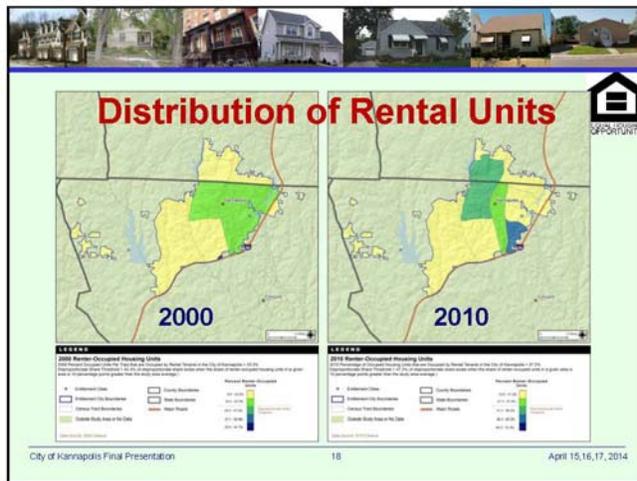
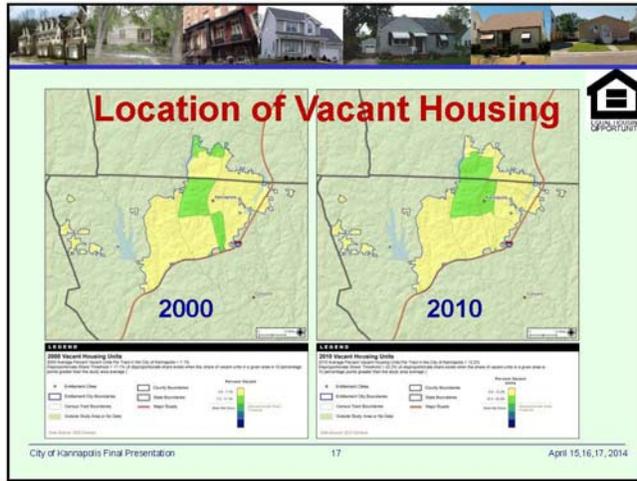
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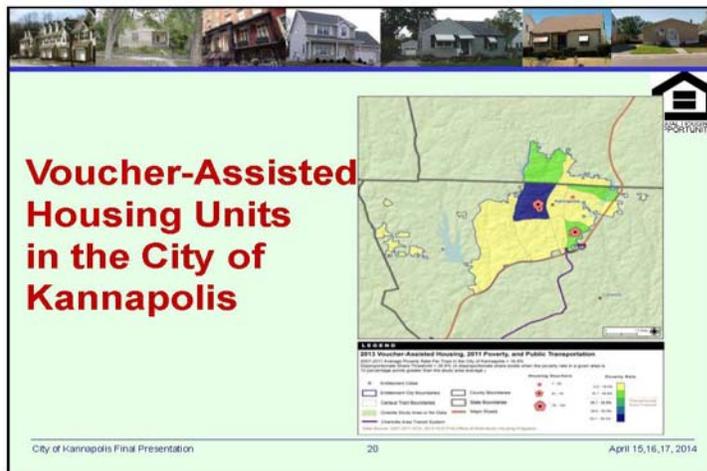
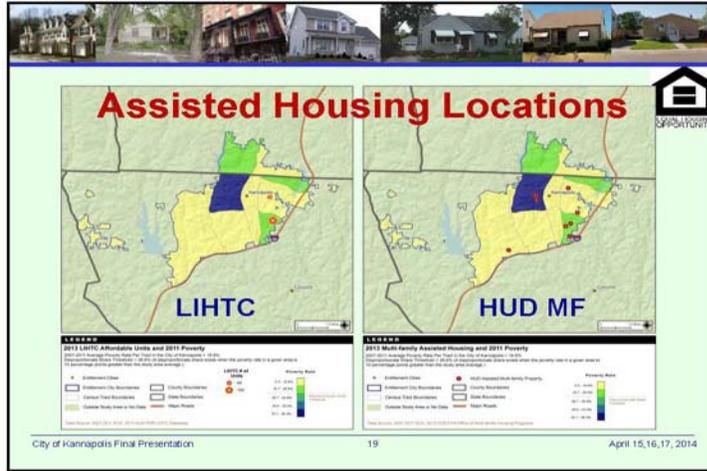
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Housing Complaints

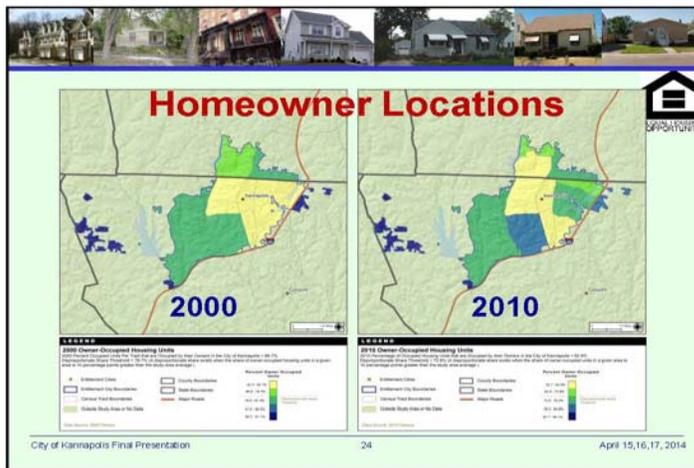
Issues Cited in the Housing Complaints



For HUD:

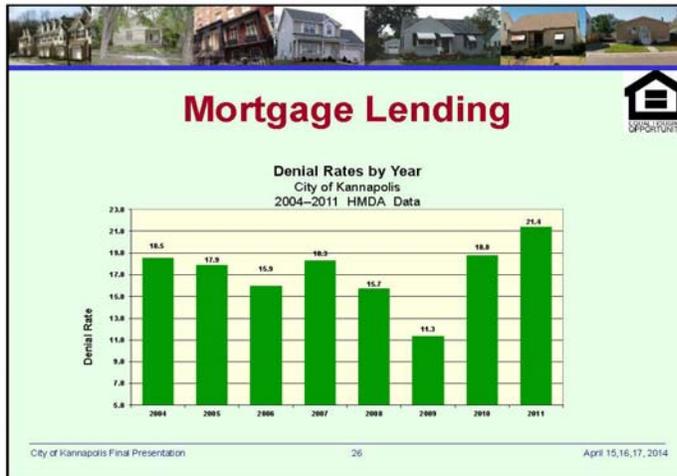
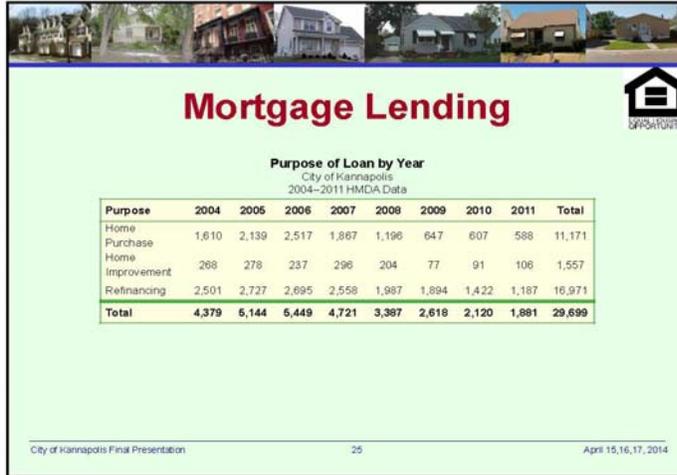
- Discrimination in terms and conditions
- Discriminatory refusal to rent
- Coercion
- Discriminatory advertising, statements, and notices

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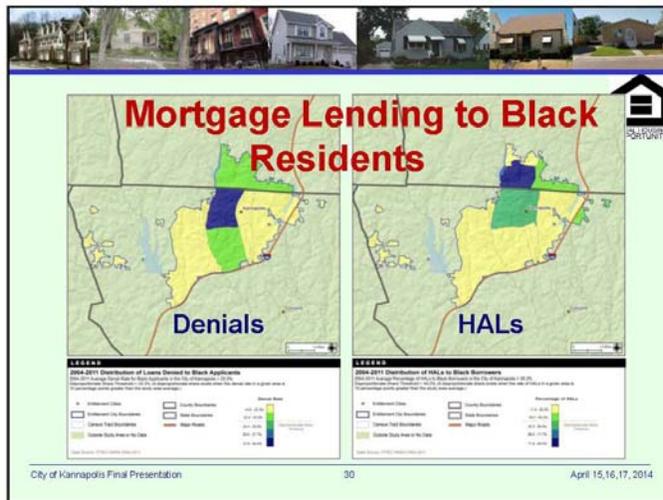
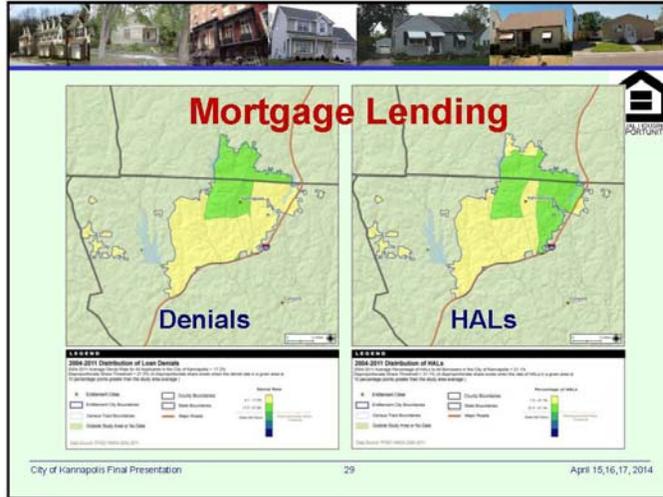
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Analysis of Impediments
To Fair Housing Choice

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**City of Kannapolis AI
Fair Housing Survey Questions**

Role of Respondent
City of Kannapolis
2013 Fair Housing Survey Data

Primary Role	Total
Advocate/Service Provider	6
Homeowner	26
Law/Legal Services	2
Local Government	7
Property Management	2
Renter/Tenant	2
Other Role	5
Missing	2
Total	52

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**City of Kannapolis AI
Fair Housing Survey Questions**

Federal, State, and Local Fair Housing Laws
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	26	7	5	14	52
Are fair housing laws difficult to understand or follow?	13	13	12	14	52
Do you think fair housing laws should be changed?	6	9	21	16	52
Do you think fair housing laws are adequately enforced?	14	17	3	18	52

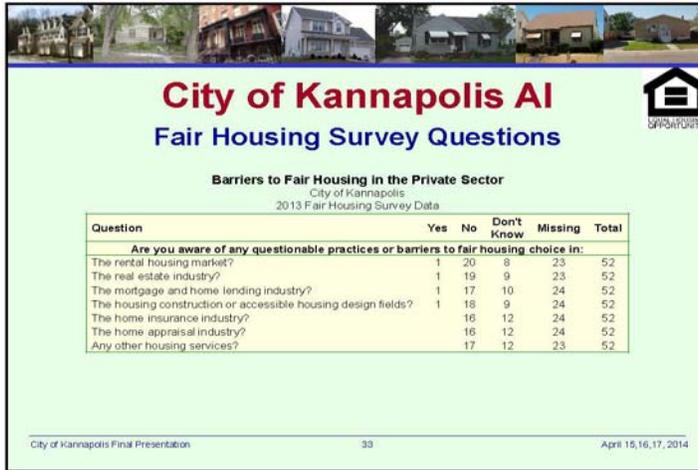
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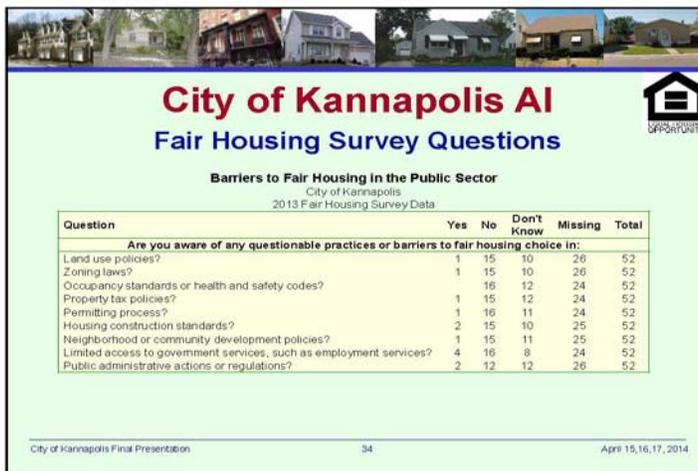


City of Kannapolis AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Private Sector
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	1	20	8	23	52
The real estate industry?	1	19	9	23	52
The mortgage and home lending industry?	1	17	10	24	52
The housing construction or accessible housing design fields?	1	18	9	24	52
The home insurance industry?	16	12	24	24	52
The home appraisal industry?	16	12	24	24	52
Any other housing services?	17	12	23	23	52

City of Kannapolis Final Presentation 33 April 15,16,17,2014



City of Kannapolis AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Public Sector
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	1	15	10	26	52
Zoning laws?	1	15	10	26	52
Occupancy standards or health and safety codes?		16	12	24	52
Property tax policies?	1	15	12	24	52
Permitting process?	1	16	11	24	52
Housing construction standards?	2	15	10	25	52
Neighborhood or community development policies?	1	15	11	25	52
Limited access to government services, such as employment services?	4	16	8	24	52
Public administrative actions or regulations?	2	12	12	26	52

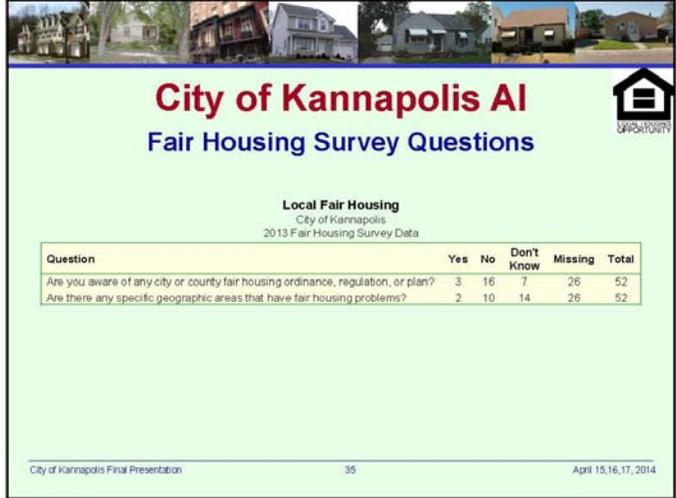
City of Kannapolis Final Presentation 34 April 15,16,17,2014

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Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.

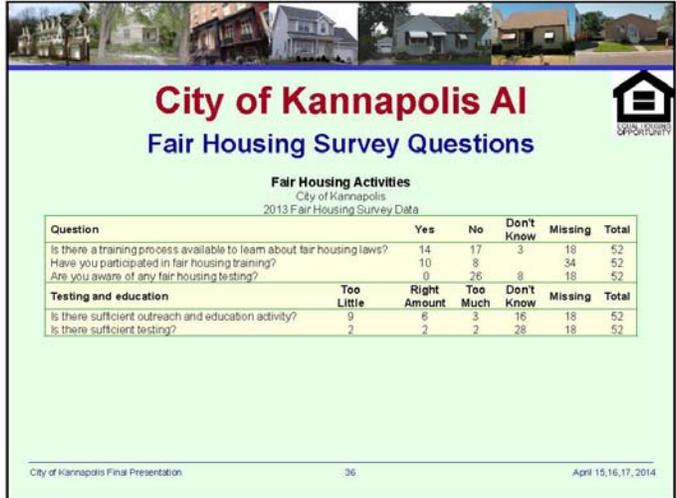


City of Kannapolis AI
Fair Housing Survey Questions

Local Fair Housing
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	3	16	7	26	52
Are there any specific geographic areas that have fair housing problems?	2	10	14	26	52

City of Kannapolis Final Presentation 35 April 15,16,17, 2014



City of Kannapolis AI
Fair Housing Survey Questions

Fair Housing Activities
City of Kannapolis
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	14	17	3	18	52	
Have you participated in fair housing training?	10	8		34	52	
Are you aware of any fair housing testing?	0	26	8	18	52	
Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	9	6	3	16	18	52
Is there sufficient testing?	2	2	2	28	18	52

City of Kannapolis Final Presentation 36 April 15,16,17, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.



City of Kannapolis AI

Identified Impediments – Private Sector:

- More frequent denial of home purchase loans to racial and ethnic minority residents
- Disparate impact of predatory lending
- Unequal distribution of Community Reinvestment Act loans
- Lack of knowledge of, or access to, the fair housing system
- Insufficient understanding of fair housing laws
- Discriminatory terms, conditions, privileges, or facilities relating to rental

City of Kannapolis Final Presentation 37 April 15,16,17, 2014



City of Kannapolis AI

Suggested Actions to Address Private Sector Impediments:

- Educate homebuyers through credit counseling and home purchase training
- Contact local lenders to discuss barriers to investment in low income areas, solicit recommendations on how to promote such investment
- Contact Legal Aid of NC, discuss partnership on FH education
- Promote public input into this AI during public input stage
- Outreach to private sector personnel on advantages of available training opportunities
- Enhance testing and enforcement activities

City of Kannapolis Final Presentation 38 April 15,16,17, 2014

Final Presentation

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.

City of Kannapolis AI 

Measurement Criteria for Suggested Private Sector Actions:

- Number of outreach and education activities conducted
- Number of lenders contacted and recommendations received
- Legal Aid of North Carolina contacted
- Hyperlinks to AI document included on city webpage, public input solicited through social and local media
- Number of persons/entities contacted regarding fair housing training opportunities
- Increase number of testing and enforcement activities conducted
- Number of accessibility audit tests completed
- Number of changes to building code

City of Kannapolis Final Presentation 39 April 15,16,17, 2014

City of Kannapolis AI 

Identified Impediments – Public Sector:

- Insufficient understanding of Fair Housing Laws
- Insufficient fair housing testing and enforcement activities
- Lack of interest in fair housing and affirmatively furthering fair housing

City of Kannapolis Final Presentation 40 April 15,16,17, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Kannapolis
Housing and Community Development Dept.



City of Kannapolis AI

Actions to address public sector impediments:

- Hold quarterly meetings to promote public understanding of fair housing, affirmatively furthering fair housing, and key issues in lending
- Initiate inventory of FHIP grantees in neighboring communities in North Carolina
- Contact those entities to discuss feasibility of contracting with them for FH testing
- Publicize this AI during public input process/ Fair Housing month on an annual basis

City of Kannapolis Final Presentation 41 April 15,16,17, 2014



City of Kannapolis AI

Measurement Criteria for Suggested Public Sector Actions:

- Number of meetings attended to promote public understanding of fair housing
- Compile an inventory of FHIP grantees
- Number of contacts made with those grantees
- Hyperlink to AI document on city web pages during the public review period, and solicit stakeholder input through local and social media
- Publicize fair housing month on city website and advertise public input meetings on website

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Final Presentation

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**Analysis of Impediments
To Fair Housing Choice**

**Sponsored by the Kannapolis
Housing and Community Development Dept.**

2014 Analysis of Impediments
City of Kannapolis
Contact Information

City of Kannapolis
P.O. Box 1199
Kannapolis, NC 28082
(704) 920-4300
www.cityofkannapolis.com

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Final Presentation

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



**2014 Analysis of Impediments
to Fair Housing Choice**

Sponsored by the City of Rock Hill
Department of Housing and Neighborhood
Services

Fair Housing Final Presentation



City of Rock Hill Final Presentation 1 April 15,16,17, 2014



**City of Rock Hill
Analysis of Impediments (AI)**

**Entitlement jurisdictions must:
certify that they are Affirmatively
Furthering Fair Housing (AFFH)
as a condition of receiving
federal funds from HUD**



City of Rock Hill Final Presentation 2 April 15,16,17, 2014

Final Presentation

April 15,16,17, 2014: Page 1

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



City of Rock Hill AI 

Certification means three things:

- 1. Conduct an AI**
- 2. Take action on impediments, if impediments were found**
- 3. Maintain records of actions**

City of Rock Hill Final Presentation 3 April 15,16,17, 2014



City of Rock Hill AI 

Entire purpose of the Study:

Conduct study to identify any impediments to fair housing choice, then recommend actions that address impediments and ways to measure these actions

City of Rock Hill Final Presentation 4 April 15,16,17, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Content of an AI

- Private sector transactions: rental market (applications, interviews, etc.) and sales markets (lending, steering, blockbusting, foreclosure burden, etc.)
- Public sector influences: land use codes, zoning, public policy practices, neighborhood resistance, etc.
- Assessing barriers to housing choice



City of Rock Hill Final Presentation 5 April 15,16,17, 2014



Definition of Impediments to Fair Housing Choice:

Actions, omissions, or decisions which restrict housing choice because of protected class status



City of Rock Hill Final Presentation 6 April 15,16,17, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Who is protected?

**Protected classes
under state and federal law:**
**Race, color, sex, religion,
national origin, familial status,
and disability**



City of Rock Hill Final Presentation 7 April 15,16,17,2014



Review AFFH Court Cases

National Significance:

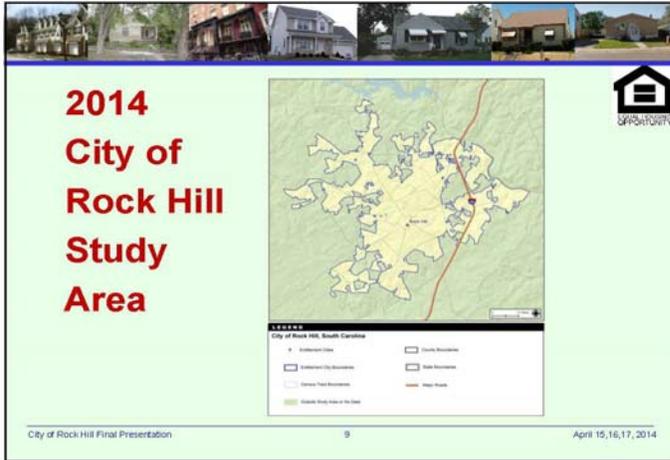
- **Westchester County, NY, vs. Antidiscrimination Center of New York City**
 - ✓ **Falsely claiming certification**
 - ✓ **Forced to pay funding back to HUD**
 - ✓ **Forced to pay legal fees**
 - ✓ **That County now has very close oversight**
 - ✓ **All scrutiny very high throughout the U.S.**



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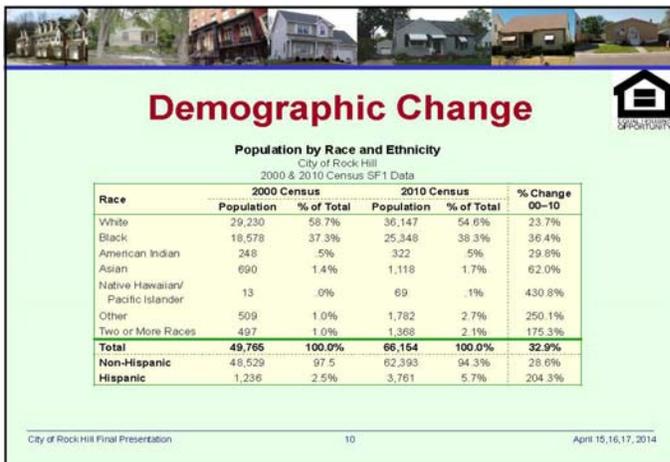
Analysis of Impediments
To Fair Housing Choice

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Housing and Community Development Dept.



**2014
City of
Rock Hill
Study
Area**

City of Rock Hill Final Presentation 9 April 15,16,17, 2014



Demographic Change

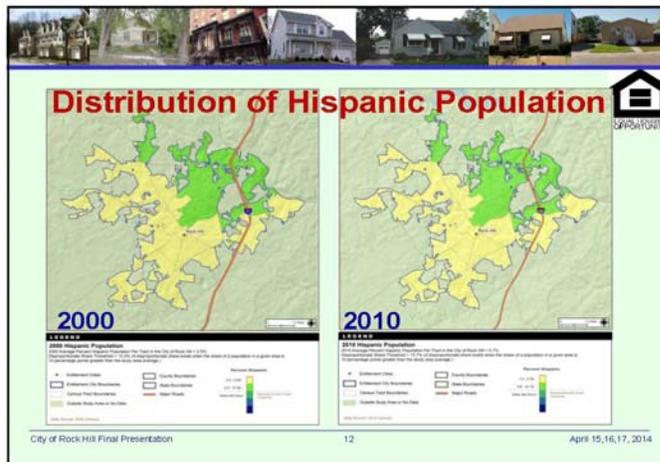
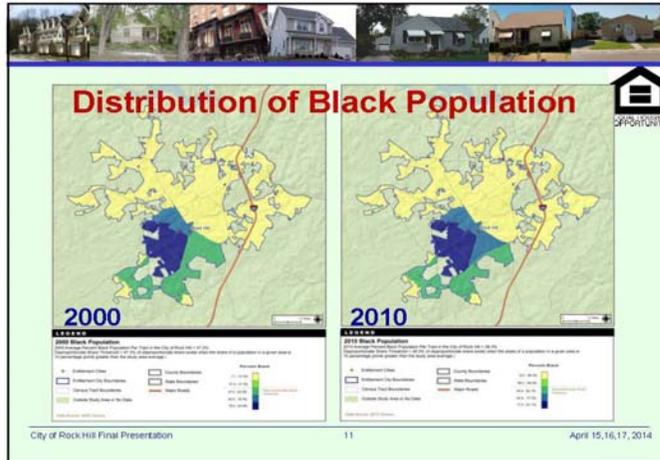
Population by Race and Ethnicity
City of Rock Hill
2000 & 2010 Census SF1 Data

Race	2000 Census		2010 Census		% Change 00-10
	Population	% of Total	Population	% of Total	
White	29,230	58.7%	36,147	54.6%	23.7%
Black	18,578	37.3%	25,348	38.3%	36.4%
American Indian	248	.5%	322	.5%	29.8%
Asian	690	1.4%	1,118	1.7%	62.0%
Native Hawaiian/ Pacific Islander	13	.0%	69	.1%	430.8%
Other	509	1.0%	1,782	2.7%	250.1%
Two or More Races	497	1.0%	1,368	2.1%	175.3%
Total	49,765	100.0%	66,164	100.0%	32.9%
Non-Hispanic	48,529	97.5	62,393	94.3%	28.6%
Hispanic	1,236	2.5%	3,761	5.7%	204.3%

City of Rock Hill Final Presentation 10 April 15,16,17, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.

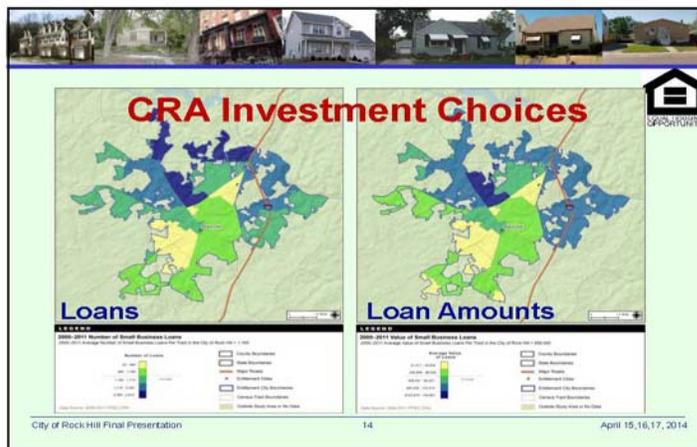
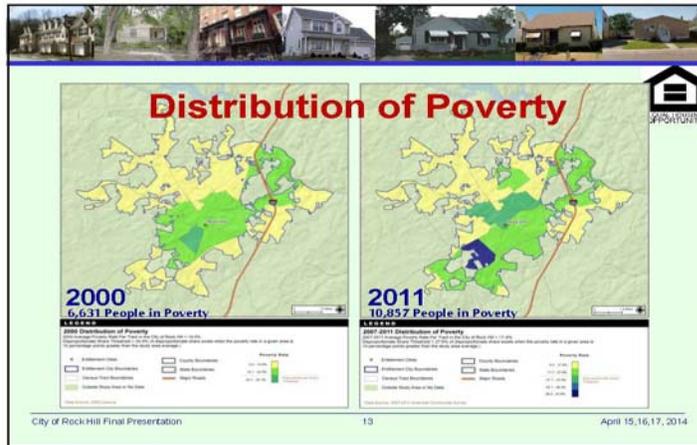


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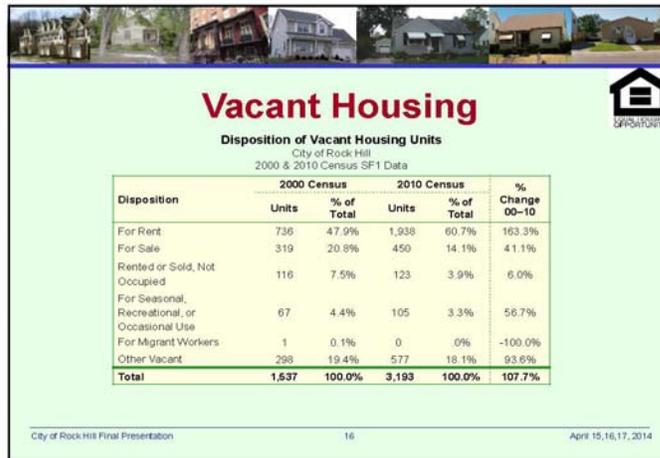
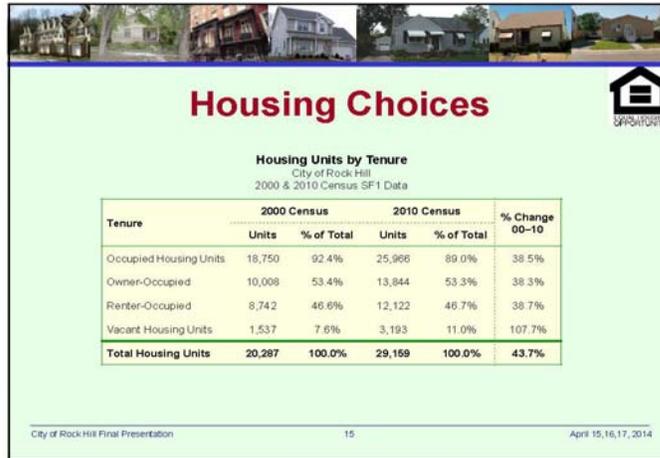
Analysis of Impediments
To Fair Housing Choice

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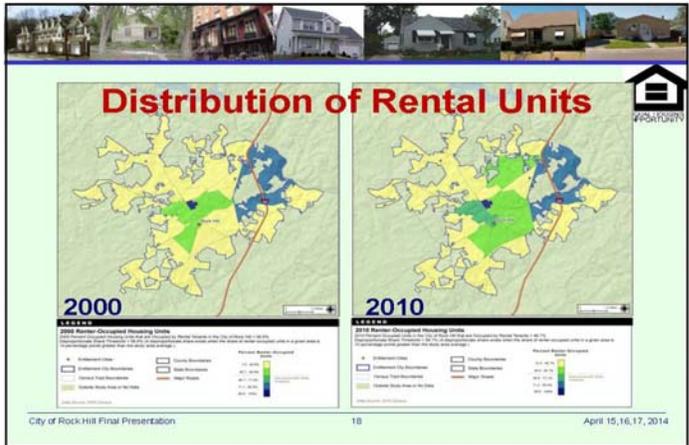
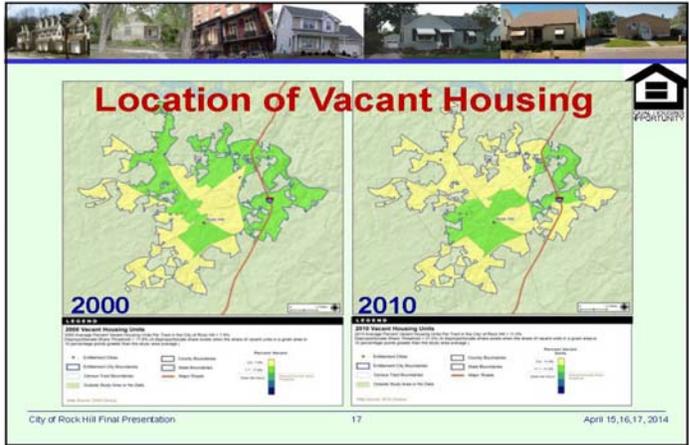
Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
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Analysis of Impediments
To Fair Housing Choice

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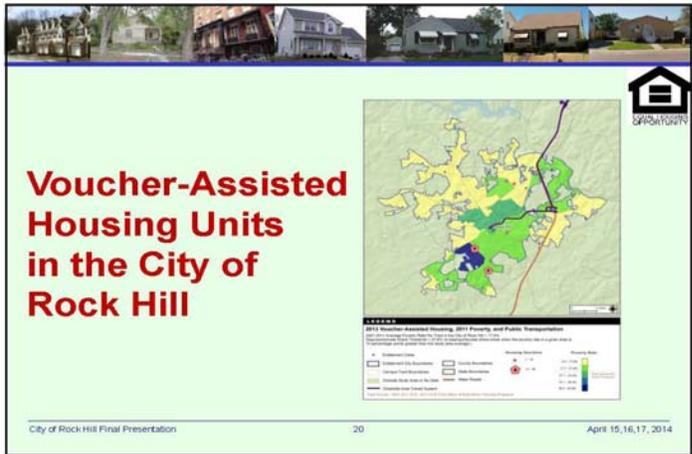
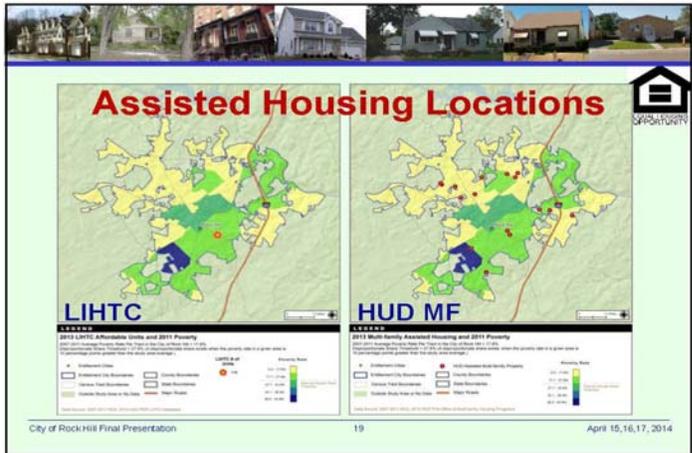


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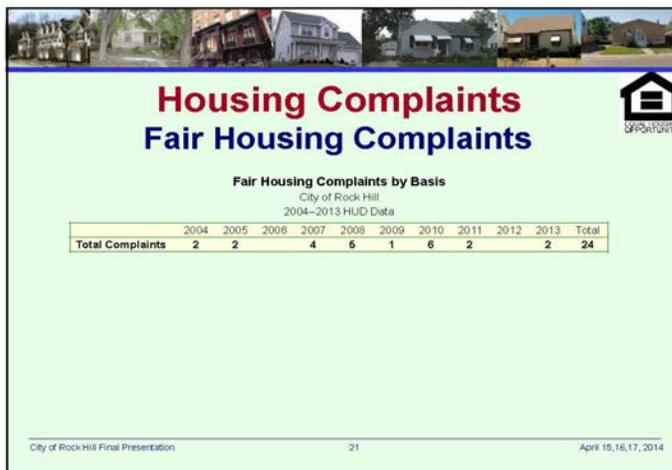
Analysis of Impediments
To Fair Housing Choice

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Analysis of Impediments
To Fair Housing Choice

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Analysis of Impediments
To Fair Housing Choice

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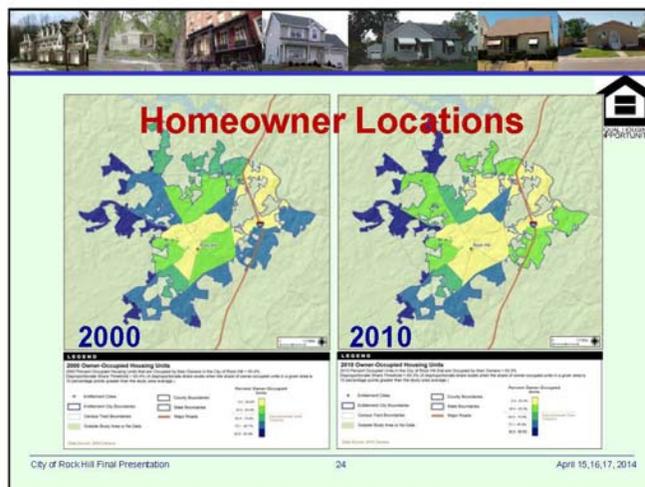


Housing Complaints
Issues Cited in the Housing Complaints

For HUD:

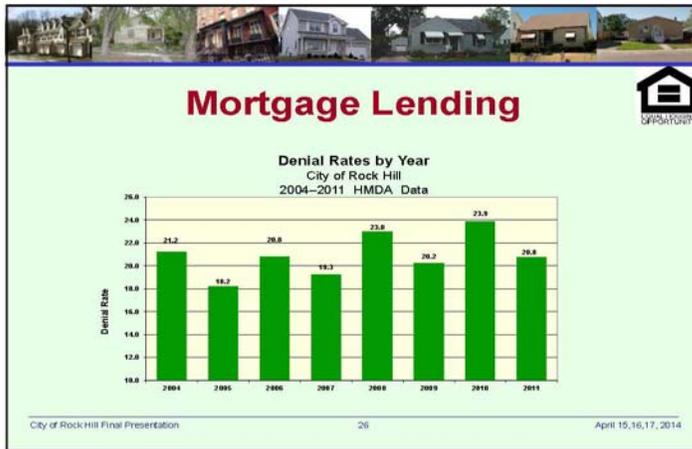
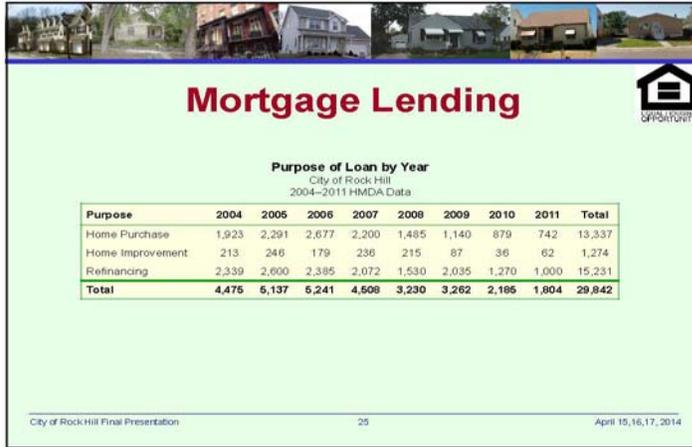
- Discrimination in terms and conditions
- Coercion (Section 818)
- Refusal to rent

City of Rock Hill Final Presentation 23 April 15,16,17, 2014



Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



Analysis of Impediments
To Fair Housing Choice

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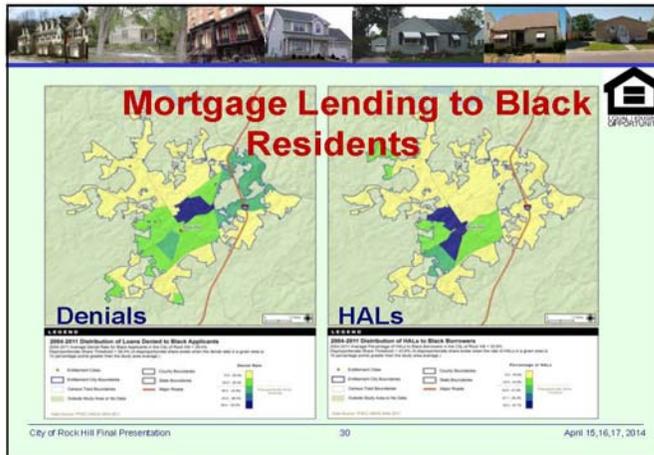
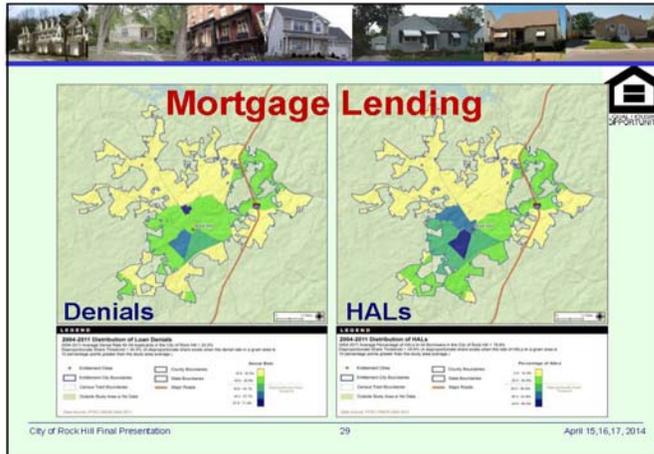


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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.

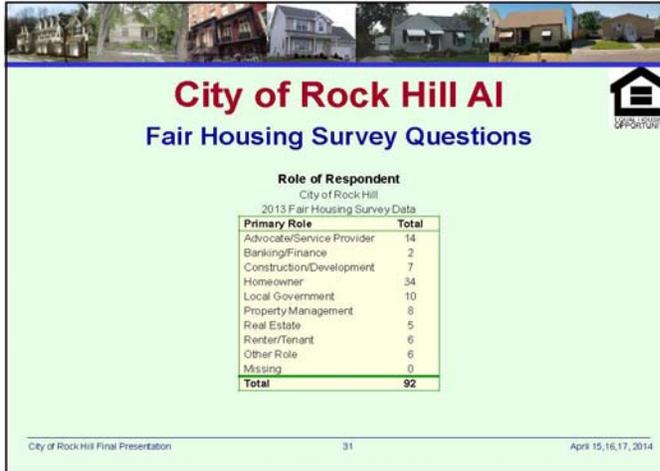


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Analysis of Impediments
To Fair Housing Choice

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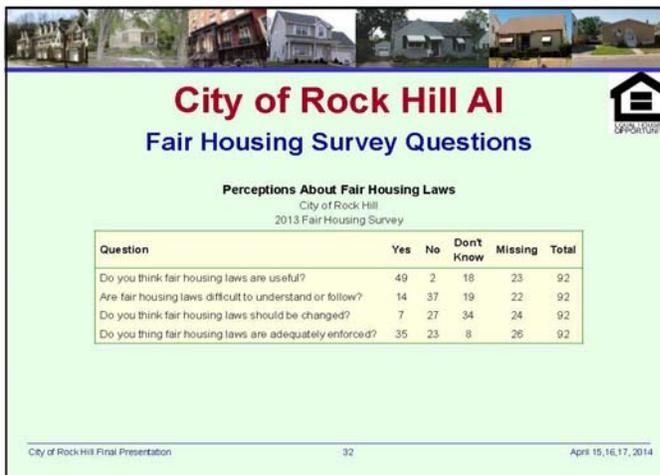


**City of Rock Hill AI
Fair Housing Survey Questions**

Role of Respondent
City of Rock Hill
2013 Fair Housing Survey Data

Primary Role	Total
Advocate/Service Provider	14
Banking/Finance	2
Construction/Development	7
Homeowner	34
Local Government	10
Property Management	8
Real Estate	5
Renter/Tenant	6
Other Role	6
Missing	0
Total	92

City of Rock Hill Final Presentation 31 April 15,16,17, 2014



**City of Rock Hill AI
Fair Housing Survey Questions**

Perceptions About Fair Housing Laws
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	49	2	18	23	92
Are fair housing laws difficult to understand or follow?	14	37	19	22	92
Do you think fair housing laws should be changed?	7	27	34	24	92
Do you think fair housing laws are adequately enforced?	35	23	8	26	92

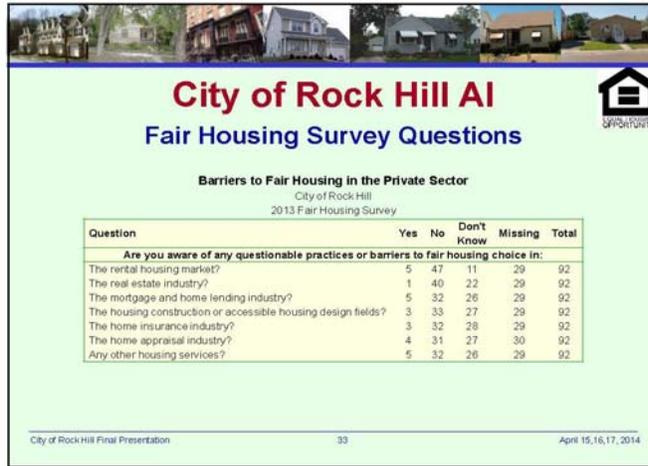
City of Rock Hill Final Presentation 32 April 15,16,17, 2014

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.

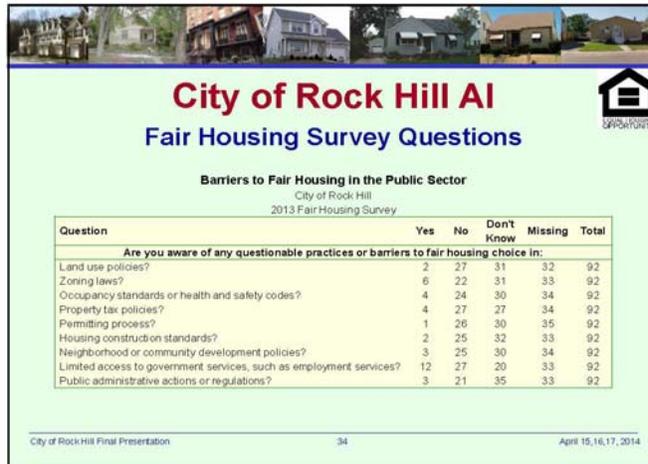


City of Rock Hill AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Private Sector
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	5	47	11	29	92
The real estate industry?	1	40	22	29	92
The mortgage and home lending industry?	5	32	26	29	92
The housing construction or accessible housing design fields?	3	33	27	29	92
The home insurance industry?	3	32	28	29	92
The home appraisal industry?	4	31	27	30	92
Any other housing services?	5	32	26	29	92

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City of Rock Hill AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Public Sector
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	2	27	31	32	92
Zoning laws?	6	22	31	33	92
Occupancy standards or health and safety codes?	4	24	30	34	92
Property tax policies?	4	27	27	34	92
Permitting process?	1	26	30	35	92
Housing construction standards?	2	25	32	33	92
Neighborhood or community development policies?	3	25	30	34	92
Limited access to government services, such as employment services?	12	27	20	33	92
Public administrative actions or regulations?	3	21	35	33	92

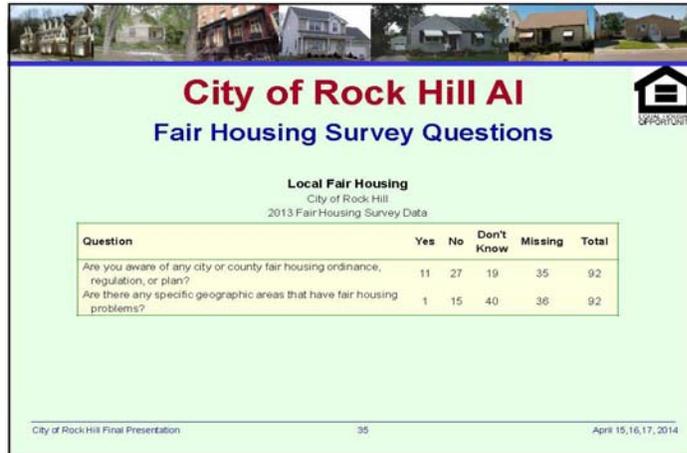
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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.

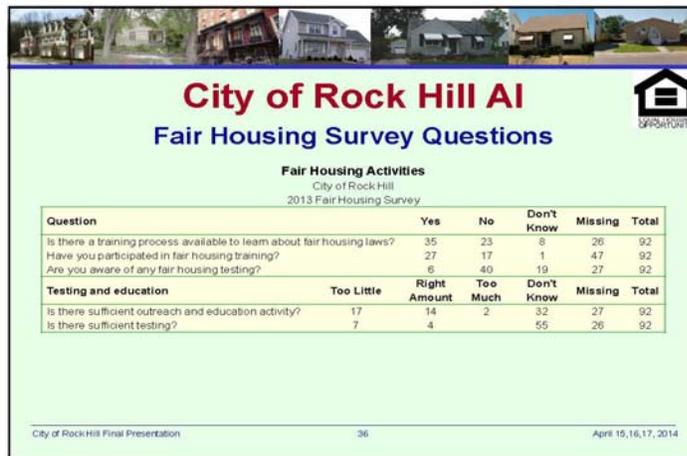


City of Rock Hill AI
Fair Housing Survey Questions

Local Fair Housing
City of Rock Hill
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	11	27	19	35	92
Are there any specific geographic areas that have fair housing problems?	1	15	40	36	92

City of Rock Hill Final Presentation 35 April 15, 16, 17, 2014



City of Rock Hill AI
Fair Housing Survey Questions

Fair Housing Activities
City of Rock Hill
2013 Fair Housing Survey

Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	35	23	8	26	92	
Have you participated in fair housing training?	27	17	1	47	92	
Are you aware of any fair housing testing?	6	40	19	27	92	
Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	17	14	2	32	27	92
Is there sufficient testing?	7	4		55	26	92

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Final Presentation

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



City of Rock Hill AI 

Fair Housing Survey Comments Expressed:

- Perceived discrimination in the rental housing market on the basis of race/ethnicity
- Perception of differential interest rates based on race/ethnicity
- Belief that fair and affordable housing is concentrated in certain areas through zoning ordinances
- Need for improved public transportation options

City of Rock Hill Final Presentation 37 April 15,16,17, 2014



City of Rock Hill AI 

Identified Impediments – Private Sector:

- More frequent denial of home purchase loans to racial/ethnic minority residents
- Disparate impact in predatory lending
- Unequal distribution of Community Reinvestment Act loans
- Discriminatory terms, conditions, privileges, or facilities relating to rental
- Insufficient understanding of Fair Housing Laws

City of Rock Hill Final Presentation 38 April 15,16,17, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



City of Rock Hill AI



Suggested Actions to address private sector impediments:

- Enhance understanding of credit and homebuyer by prospective homebuyers
- Contact local lenders to discuss barriers to investment in low-income areas and discuss ways to promote investment
- Enhance testing and enforcement activities
- Increase outreach and education to owners, landlords, and consumers about fair housing

City of Rock Hill Final Presentation 39 April 15,16,17, 2014



City of Rock Hill AI



Measurement Criteria for Suggested Private Sector Actions:

- Number of outreach and education activities conducted, including homebuyer education
- Number of lending institutions contacted
- Number of testing and enforcement activities undertaken

City of Rock Hill Final Presentation 40 April 15,16,17, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Rock Hill
Housing and Community Development Dept.



City of Rock Hill AI

Measurement Criteria for Suggested Public Sector Actions:

- South Carolina Fair Housing Center contacted and solicited for:
 - ✓ Testing and enforcement activities
 - ✓ Outreach and education activities
- Formation of NIMBYism discussion group and minutes from meeting or meetings and proceedings
- Preparation of request for transit agency and city council discussion on low income areas and lack of sufficient transportations linkages for the lower-income populations

City of Rock Hill Final Presentation 43 April 15,16,17, 2014



Fair Housing in South Carolina

South Carolina Fair Housing Center
Opened October 2013

1925 Bull Street
Columbia, SC 29201
(803)403-8447

City of Rock Hill Final Presentation 44 April 15,16,17, 2014

**Analysis of Impediments
To Fair Housing Choice**

**Sponsored by the Rock Hill
Housing and Community Development Dept.**



2014 Analysis of Impediments
City of Rock Hill
Contact Information

City of Rock Hill
155 Johnston Street
Rock Hill, SC 29730
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www.cityofrockhill.com

City of Rock Hill Final Presentation 45 April 15,16,17, 2014

Final Presentation

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



**2014 Analysis of Impediments
to Fair Housing Choice**

Sponsored by the City of Salisbury
Fair Housing Final Presentation



City of Salisbury Final Presentation 1 April 16, 2014



**City of Salisbury
Analysis of Impediments (AI)**

**Entitlement jurisdictions must:
certify that they are Affirmatively
Furthering Fair Housing (AFFH)
as a condition of receiving
federal funds from HUD**



City of Salisbury Final Presentation 2 April 16, 2014

Final Presentation

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



City of Salisbury AI 

Certification means three things:

- 1. Conduct an AI**
- 2. Take action on impediments, if impediments were found**
- 3. Maintain records of actions**

City of Salisbury Final Presentation 3 April 16, 2014



City of Salisbury AI 

Entire purpose of the Study:

Conduct study to identify any impediments to fair housing choice, then recommend actions that address impediments and ways to measure these actions

City of Salisbury Final Presentation 4 April 16, 2014

Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



Content of an AI

- **Private sector transactions:** rental market (applications, interviews, etc.) and sales markets (lending, steering, blockbusting, foreclosure burden, etc.)
- **Public sector influences:** land use codes, zoning, public policy practices, neighborhood resistance, etc.
- **Assessing barriers to housing choice**

City of Salisbury Final Presentation 5 April 16, 2014



Definition of Impediments to Fair Housing Choice:

Actions, omissions, or decisions which restrict housing choice because of protected class status

City of Salisbury Final Presentation 6 April 16, 2014



Analysis of Impediments
To Fair Housing Choice

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Who is protected?

**Protected classes
under state and federal law:**
**Race, color, sex, religion,
national origin, familial status,
and disability**



City of Salisbury Final Presentation 7 April 16, 2014



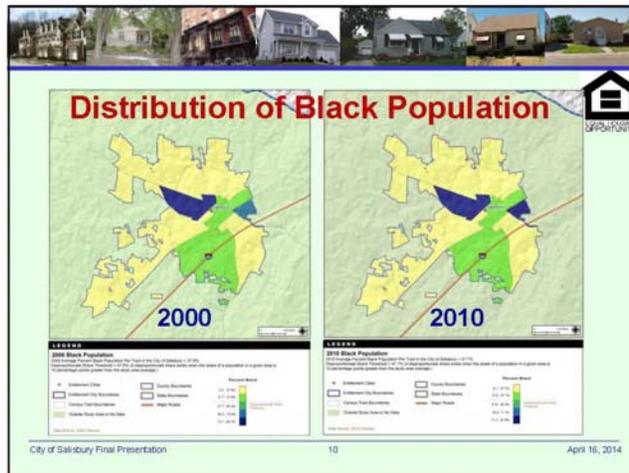
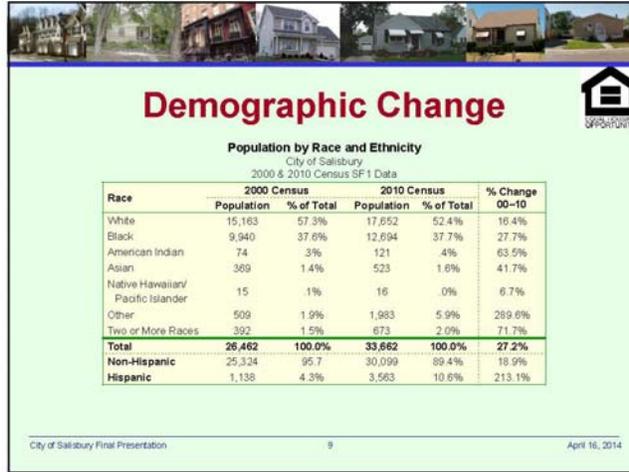
**2014
City of
Salisbury
Study
Area**



City of Salisbury Final Presentation 8 April 16, 2014

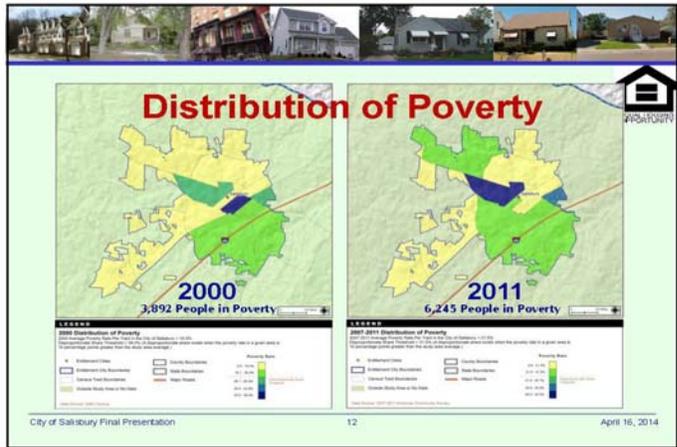
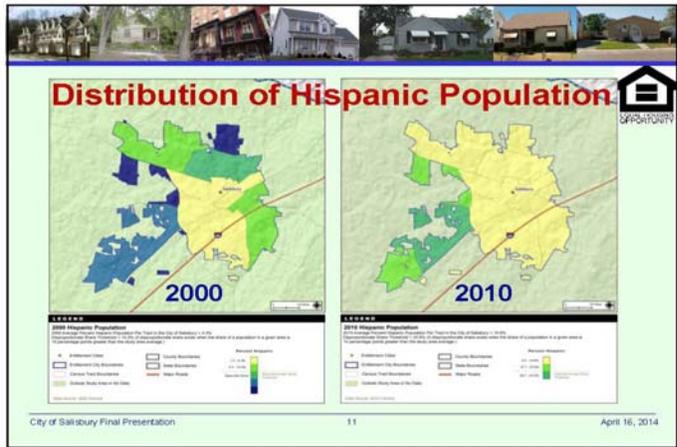
Analysis of Impediments
To Fair Housing Choice

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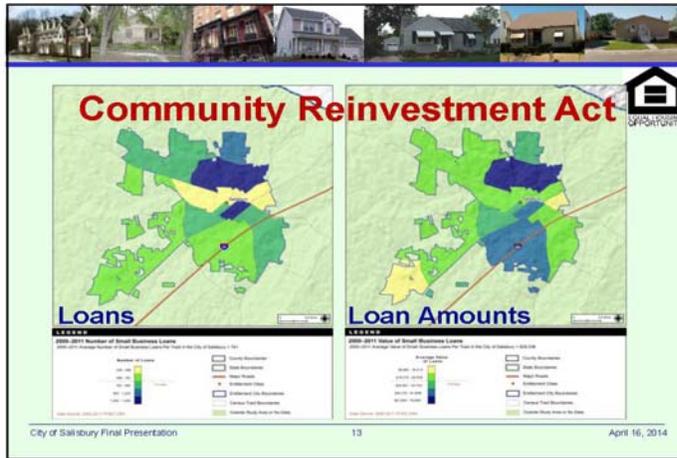
Analysis of Impediments
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Analysis of Impediments
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Housing Choices

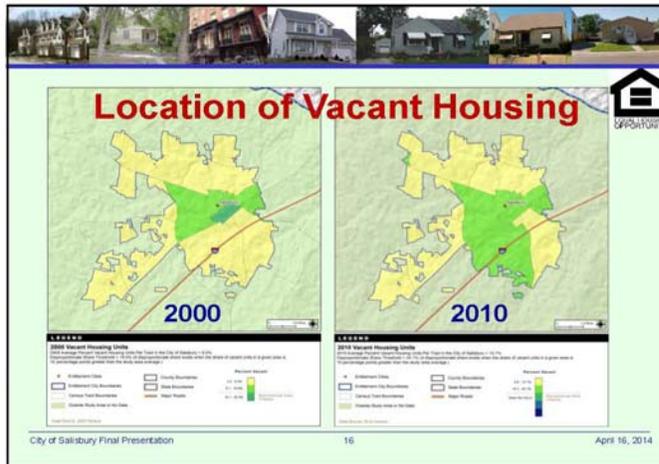
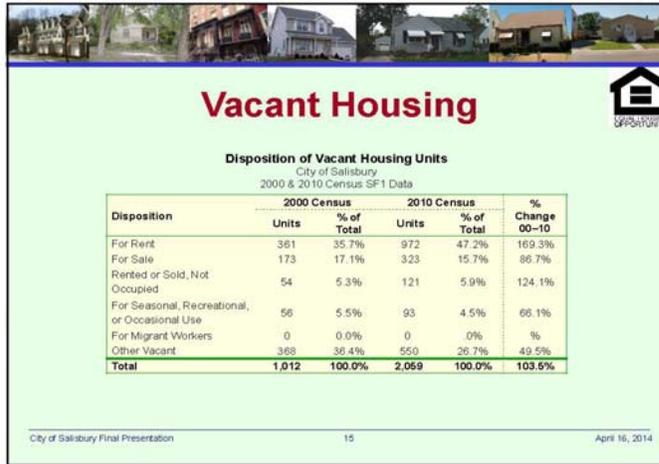
Housing Units by Tenure
City of Salisbury
2000 & 2010 Census SF1 Data

Tenure	2000 Census		2010 Census		% Change 00-10
	Units	% of Total	Units	% of Total	
Occupied Housing Units	10,276	91.0%	12,567	85.9%	22.3%
Owner-Occupied	5,493	53.5%	6,489	51.6%	18.1%
Renter-Occupied	4,783	46.5%	6,078	48.4%	27.1%
Vacant Housing Units	1,012	9.0%	2,059	14.1%	103.5%
Total Housing Units	11,288	100.0%	14,626	100.0%	29.6%

City of Salisbury Final Presentation 14 April 16, 2014

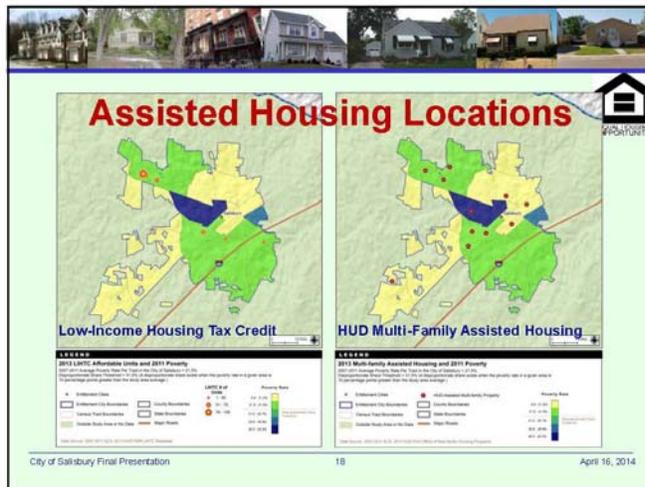
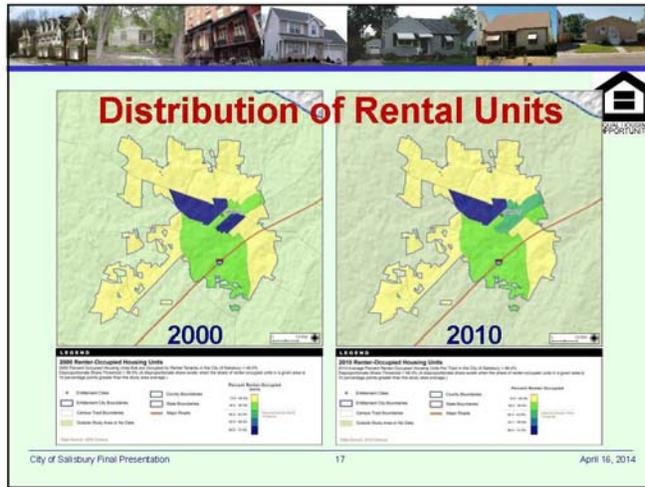
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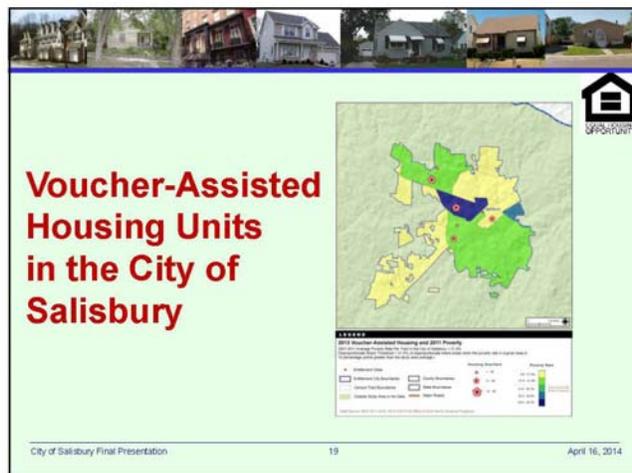
Analysis of Impediments
To Fair Housing Choice

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**Housing Complaints
Fair Housing Complaints**

Fair Housing Complaints
City of Salisbury
2004–2013 HUD Data

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total Complaints	1	2	1	1		1	1	1	2		10

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Analysis of Impediments
To Fair Housing Choice

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Housing Complaints

Basis of Housing Complaints



For HUD:

- 6 complaints for disability, 5 for race, 2 for sex, 2 for retaliation
- 16 total bases, 10 total complaints

City of Salisbury Final Presentation 21 April 16, 2014



Housing Complaints

Issues Cited in the Housing Complaints



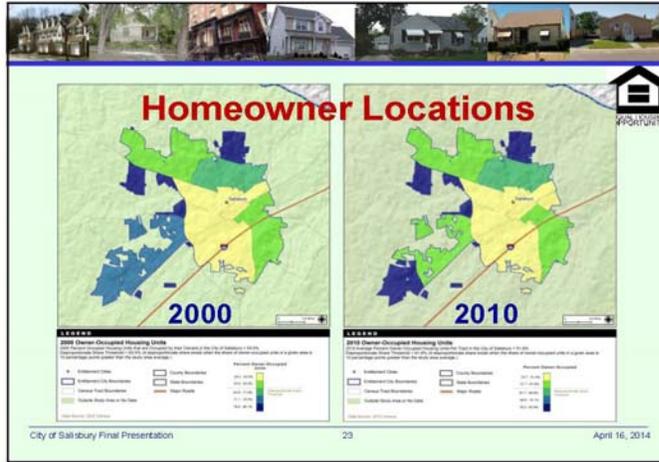
For HUD:

- Coercion (Section 818)
- Discrimination in terms and conditions
- Failure to make reasonable accommodation

City of Salisbury Final Presentation 22 April 16, 2014

Analysis of Impediments
To Fair Housing Choice

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Mortgage Lending

Purpose of Loan by Year
City of Salisbury
2004–2011 HMDA Data

Purpose	2004	2005	2006	2007	2008	2009	2010	2011	Total
Home Purchase	671	815	1,002	745	556	337	285	282	4,693
Home Improvement	108	142	132	113	98	43	19	51	706
Refinancing	1,092	1,101	1,064	1,017	773	827	633	559	7,066
Total	1,871	2,058	2,198	1,875	1,427	1,207	937	892	12,466

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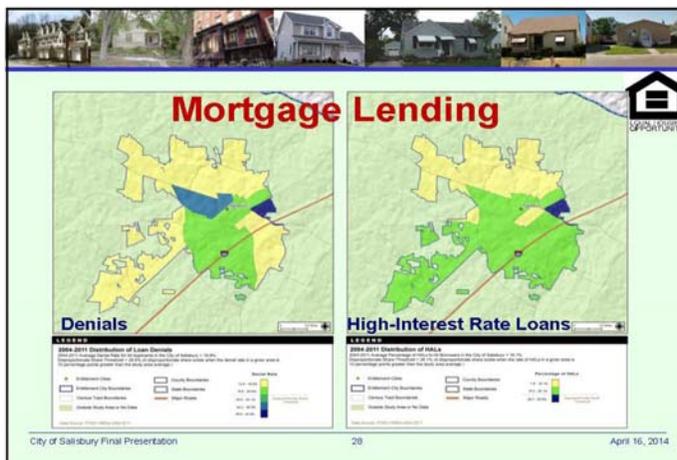
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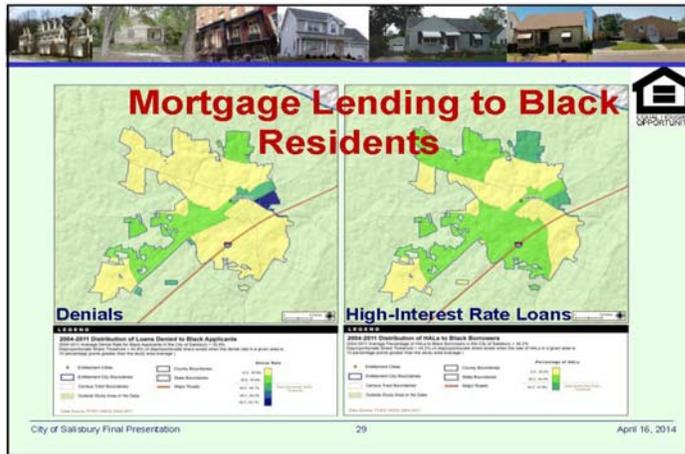
Analysis of Impediments
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**City of Salisbury AI
Fair Housing Survey Questions**

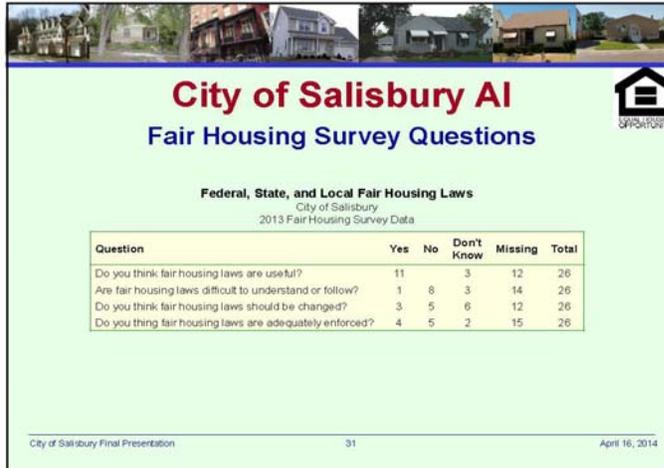
Role of Respondent
City of Salisbury
2013 Fair Housing Survey Data

Primary Role	Total
Advocate/Service Provider	1
Construction/Development	2
Homeowner	9
Local Government	4
Real Estate	1
Renter/Tenant	8
Missing	1
Total	26

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Analysis of Impediments
To Fair Housing Choice

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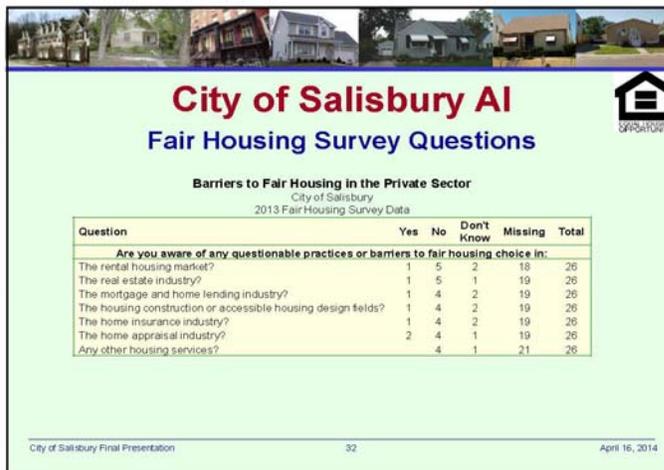


City of Salisbury AI
Fair Housing Survey Questions

Federal, State, and Local Fair Housing Laws
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	11		3	12	26
Are fair housing laws difficult to understand or follow?	1	8	3	14	26
Do you think fair housing laws should be changed?	3	5	6	12	26
Do you think fair housing laws are adequately enforced?	4	5	2	15	26

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City of Salisbury AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Private Sector
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	1	5	2	18	26
The real estate industry?	1	5	1	19	26
The mortgage and home lending industry?	1	4	2	19	26
The housing construction or accessible housing design fields?	1	4	2	19	26
The home insurance industry?	1	4	2	19	26
The home appraisal industry?	2	4	1	19	26
Any other housing services?	4	1		21	26

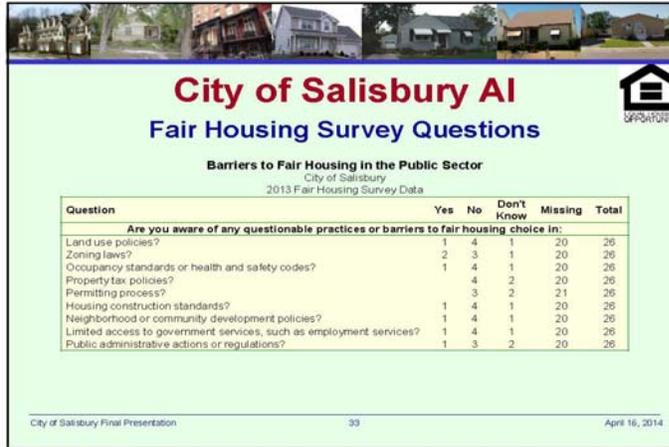
City of Salisbury Final Presentation 32 April 16, 2014

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Analysis of Impediments
To Fair Housing Choice

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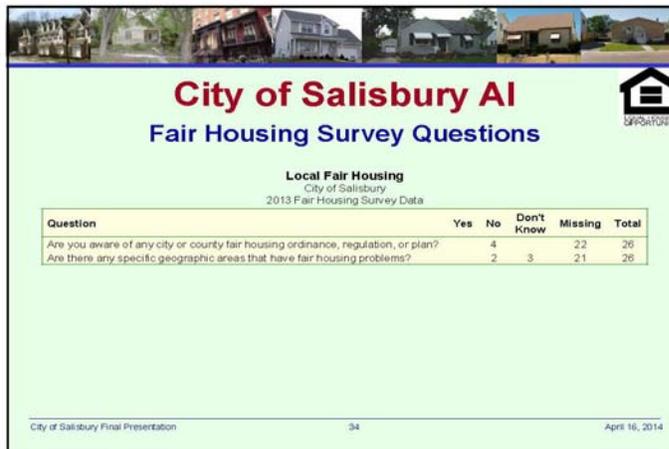


City of Salisbury AI
Fair Housing Survey Questions

Barriers to Fair Housing in the Public Sector
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	1	4	1	20	26
Zoning laws?	2	3	1	20	26
Occupancy standards or health and safety codes?	1	4	1	20	26
Property tax policies?		4	2	20	26
Permitting process?		3	2	21	26
Housing construction standards?	1	4	1	20	26
Neighborhood or community development policies?	1	4	1	20	26
Limited access to government services, such as employment services?	1	4	1	20	26
Public administrative actions or regulations?	1	3	2	20	26

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City of Salisbury AI
Fair Housing Survey Questions

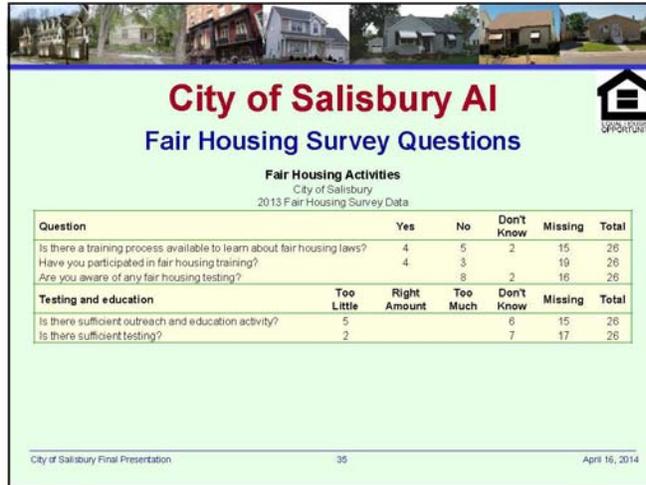
Local Fair Housing
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?		4		22	26
Are there any specific geographic areas that have fair housing problems?	2	3		21	26

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



City of Salisbury AI
Fair Housing Survey Questions

Fair Housing Activities
City of Salisbury
2013 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	4	5	2	15	26	
Have you participated in fair housing training?	4	3		19	26	
Are you aware of any fair housing testing?		8	2	16	26	
Testing and education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient outreach and education activity?	5			6	15	26
Is there sufficient testing?	2		7	17	26	

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City of Salisbury AI

Identified Impediments – Private Sector:

- More frequent denial of home purchase loans to racial and ethnic minority residents
- Disparate impact of predatory lending
- Slightly unequal distribution of Community Reinvestment Act loans
- Lack of knowledge of, or access to, the fair housing system
- Discriminatory terms, conditions, privileges, or facilities relating to rental

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



City of Salisbury AI



Suggested Actions to Address Private Sector Impediments:

- Educate buyers through credit counseling or home purchase training
- Contact local lenders to discuss impediments to investment in low-income areas/ways to promote investment in those areas
- Promote public input during public input period
- Contact Legal Aid of NC to discuss outreach and education
- Publicize fair housing month, hold annual public meetings during that month on the subject of fair housing
- Increased outreach and education for landlords, property managers, and consumers

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City of Salisbury AI



Measurement Criteria for Suggested Private Sector Actions:

- Number of outreach and education activities conducted
- Number of lending institutions contacted and number of recommendations obtained from those institutions
- Hyperlinks to AI and advertisements in local media concerning public review of AI
- Legal Aid of North Carolina contacted
- Publicize Fair Housing Month (April) and hold annual public input meetings during that month
- Advertisements in local and social media concerning Fair Housing Month and public input meetings
- Number of outreach and education activities conducted

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Analysis of Impediments
To Fair Housing Choice

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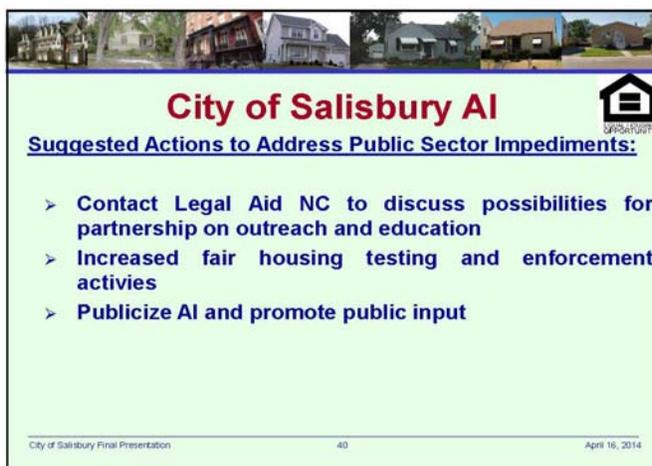


City of Salisbury AI

Identified Impediments – Public Sector:

- Insufficient understanding of Fair Housing Laws
- Insufficient fair housing testing and enforcement activities
- Lack of interest in fair housing and affirmatively furthering fair housing

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City of Salisbury AI

Suggested Actions to Address Public Sector Impediments:

- Contact Legal Aid NC to discuss possibilities for partnership on outreach and education
- Increased fair housing testing and enforcement activities
- Publicize AI and promote public input

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Analysis of Impediments
To Fair Housing Choice

Sponsored by the Salisbury
Housing and Community Development Dept.



City of Salisbury AI

Measurement Criteria for Suggested Public Sector Actions:

- > Legal Aid of North Carolina contacted
- > Request for additional testing and enforcement activities made to the Legal Aid of North Carolina
- > Hyperlink to AI on city website, public input solicited through local and social media
- > Public announcement for AI and Fair Housing Plan

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2014 Analysis of Impediments

City of Salisbury

Contact Information

City of Salisbury
City Hall
217 South Main Street
Salisbury, NC 28144
(704) 638-5270
www.salisburync.gov

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F. IMPEDIMENTS IDENTIFIED IN ENTITLEMENT JURISDICTIONS

CHARLOTTE-MECKLENBURG COUNTY

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Discriminatory terms, conditions, privileges, or facilities relating to rental. This impediment was identified through review of the literature, complaint data from HUD, and results of the fair housing survey. Studies cited in the literature review demonstrate that fair housing testers have been more frequently discouraged in their apartment searches when they use traditionally Black or Arab names. Discrimination in the rental housing market also figured strongly among complaints to HUD. Several survey respondents claimed to have known of or heard of discrimination in rental housing on the basis of race and ethnicity, and a tendency among landlords not to accept participants in subsidized housing programs was cited on several occasions.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: The number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: The number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: The number of outreach and education activities conducted

Impediment 2: Failure to make reasonable accommodation for individuals with disabilities. This impediment was identified in the review of fair

housing cases in the areas, complaint data, and the housing survey. Perceived discrimination against individuals on the basis of disability was cited at several points in the survey, and the two fair housing cases against North Carolina respondents, including Charlotte-based Bank of America concerned discrimination on the basis of the disability. In addition, the third most common complaint lodged with HUD from county residents alleged discrimination on the basis of disability, and failure to make reasonable accommodation was among the most common discriminatory acts alleged in those complaints.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 2.1: The number of testing and enforcement activities conducted

Action 2.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 2.2: The number of training sessions conducted

Action 2.3: Conduct audit testing on newly constructed residential units

Measurable Objective 2.3: The number of audit tests completed

Action 2.4: Consider appropriate incremental changes in building codes to allow enhanced designed features for accessibility and visitability

Measurable Objective 2.4: The number of changes made

Impediment 3: More frequent denial of home purchase loans to racial and ethnic minority residents. This impediment was identified through analysis of loans collected under the HMDA. Black and Hispanic loan applicants were denied loans at rates that were considerably higher than the average denial rate and denial rates for White and non-Hispanic applicants that were similarly situated with respect to income. Loan denials tended to be geographically concentrated in areas with high concentrations of Black residents.

Action 3.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 3.1: The number of outreach and education activities conducted

Impediment 4: Differential impact of predatory style lending on members of racial and ethnic minority groups. This impediment was also identified through review of HMDA data. Black borrowers were about three times as likely to receive high-interest rate loans as White applicants, and Hispanic applicants were nearly twice as likely as non-Hispanic residents to receive such loans. These loans were geographically concentrated in areas with high shares of Black residents.

Action 4.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 4.1: The number of outreach and education activities conducted

Impediment 5: Insufficient understanding of fair housing laws. This impediment was identified through review of the literature, and results of the fair housing survey. “Don’t know” was provided as an answer in a substantial proportion of responses to most survey questions, and when asked to assess their familiarity with fair housing laws, many respondents claimed they were “not familiar” or only “somewhat familiar” with them.

Action 5.1: Conduct outreach and education to the public for several perspectives related to fair housing.

Measurable Objective 5.1: The number of outreach and education actions taken in regard to the value of having housing available to all income groups in Charlotte-Mecklenburg County, thereby encouraging neighborhoods to be more willing to accept assisted housing facilities.

Impediment 6: Insufficient review of ADA in new apartment construction: This impediment was identified in the review of the housing survey. Lack of elevators and narrow doorways were two of the issues commonly perceived by survey participants.

Action 6.1: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 6.1: The number of training sessions conducted

Impediment 7: Redlining. This impediment was identified in the review of responses to the housing

survey. Home appraisal and insurance rates were perceived to vary within the account according to the location and racial and ethnic composition of those areas.

Action 7.1: Continue outreach and education to the real estate industry about fair housing law and how some people have been negatively affected by past housing transaction practices.

Measurable Objective 7.1: The number of outreach and education activities conducted with the real estate industry.

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Changes to Housing Location Policy limit affordable housing, senior and disabled housing. This impediment was identified in the survey and the distribution of these units in the County. These units tend to be concentrated in central areas with relatively high rates of poverty.

Action 1.1: Promote development of affordable housing units in higher-income areas classified as “stable” under the Housing Location Policy, such as in the area to the south of the city center.

Measurable Objective 1.1: The number of recommendations for promoting affordable housing in these areas

Impediment 2: Lack of clear/consistent interpretation of ADA in new construction. This impediment was identified in the review of the housing survey. As discussed previously, lack of elevators and narrow doorways were two of the issues commonly perceived by survey participants.

Action 2.1: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 2.1: The number of training sessions conducted

Impediment 3: Insufficient fair housing outreach and education. This impediment was identified in review of survey results and the literature. When asked to weigh in on the current level of fair housing outreach and education in the city, a substantial majority of those who responded to that question felt there was too little; fewer respondents thought current levels were sufficient, and fewer still thought they were excessive.

Action 3.1: Conduct outreach and education to the public for several perspectives related to fair housing.

Measurable Objective 3.1: The number of outreach and education actions taken in regard to the value of having housing available to all income groups in Charlotte-Mecklenburg County, thereby encouraging neighborhoods to be more willing to accept assisted housing facilities.

Impediment 4: Insufficient fair housing protections offered. This impediment was identified in the review of survey responses. Much of the discrimination that survey respondents identified in the Charlotte-Mecklenburg housing market was perceived to be related to income. Income does figure in North Carolina fair housing law regarding land use decisions, but neither source of income nor income more generally constitute protected classes in their own right. In addition, there was some support among survey applicants for the inclusion of sexual orientation as a protected class under fair housing laws applicable to Charlotte-Mecklenburg County.

Action 4.1: Discussion of avenues for extending protections based on income, potentially in land-use planning decisions relating to affordable housing, age, and sexual orientation

Measurable Objective 4.1: Inclusion of discussion in meeting agenda

Impediment 5: Lack of interconnected transit system connecting residents of low-income areas to areas of opportunity. This impediment was identified through input from survey respondents, many of whom cited limited or inconvenient transportation as a factor limiting housing choice.

Action 5.1: Contact the transit agency and request enhanced service to these lower income areas

Measurable Objective 5.1: The number of times that the transit agency was contacted and the type of response gained.

Impediment 6: Concentration of assisted housing, public housing, and vouchers. This impediment was identified through the fair housing survey and analysis of affordable housing distributions throughout the city. Survey responses concerning barriers to fair housing choice in the public sector returned at various points to the perceived impact of neighborhood opposition to affordable housing units on the placement of these units. This was perceived

to be accomplished by the leveraging of public pressure in the public policy process. Analysis of the placement of subsidized and affordable units revealed that they tended to be concentrated in areas with above-average rates of poverty in the center of town, though this may be in part a result of efforts to locate such units in close proximity to public transit options.

Action 6.1: Add additional criteria to assisted housing location and other investment decisions

Measurable Objective 6.1: Identification of additional criteria, such as concentration of poverty or concentration of racial or ethnic minority, and incorporation of these criteria in the decision process

Measurable Objective 6.1.2: Evaluation of the implications of redevelopment and other investments in areas with high rates of poverty and/or higher concentrations of racial and ethnic minorities

Action 6.2: Create certification classes for a small set of voucher holders so that they may qualify for enhanced value vouchers, a voucher that pays slightly higher than other vouchers

Measurable Objective 6.2: Facilitate education of prospective landlords about the qualities of certified holders of Housing Choice Voucher tenants

Action 6.3: Increase voucher use in moderate income neighborhoods

Measurable Objective 6.3: Facilitate education of prospective landlords about the qualities of Housing Choice Voucher.

Action 6.4: Request Council to convene a discussion regarding the lack of substantive connections between low income areas, employment areas, and public transit.

Measurable Objective 6.4: Preparation of request, and if granted, the discussion materials to be presented to the Council.

CITY OF CONCORD

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: More frequent denial of home purchase loans to racial and ethnic minority residents. This impediment was identified through analysis of loans collected under the HMDA. Black and Hispanic loan applicants were denied loans at rates that were considerably higher than the average denial rate and denial rates for White and non-Hispanic applicants that were similarly situated with respect to income. Loans were denied to members of these groups more frequently outside of areas with disproportionate concentrations of Black or Hispanic residents.

Action 1.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 1.1: The number of outreach and education activities conducted

Impediment 2: Differential impact of predatory style lending on members of racial and ethnic minority groups. This impediment was also identified through review of HMDA data. Black borrowers were more than twice as likely to receive high-interest rate loans as White applicants, and Hispanic applicants were more than twice as likely to receive these loans as non-Hispanic applicants. These loans were geographically concentrated in areas with high shares of Black residents.

Action 2.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 2.1: The number of outreach and education activities conducted

Impediment 3: Unequal distribution of Community Reinvestment Act loans. This impediment was identified through review of small business loan data collected under the CRA. Small business lending was non-existent in tracts with median incomes below 50 percent of the area median family income, and relatively few loans went to moderate-income tracts. Areas with large

shares of Black and Hispanic residents were largely passed over in small business lending.

Action 3.1: Contact local lenders to discuss barriers to lending in low-income areas and gather recommendations on how to promote lending in those areas

Measurable Objective 3.1: The number of local lenders contacted

Impediment 4: Lack of knowledge of or access to fair housing system. This impediment was identified through review of the literature, forum minutes, and results of the fair housing survey. “Don’t know” was provided as an answer in a substantial proportion of responses to each survey questions, and forum attendees discussed the possibility that those who have experienced discrimination may not realize it, or may not know how to proceed in addressing that discrimination. And while it is not probative of a lack of access to the fair housing system, the low level of complaints received from Concord residents indicate that very few residents have taken advantage of available fair housing services.

Action 4.1: Initiate an inventory of Fair Housing Initiative Program (FHIP) grantees in neighboring communities in North Carolina, or organizations that may be qualified to provide fair housing education

Measurable Objective 4.1: Compiled inventory

Action 4.2: Explore the possibility of opening a local walk-in office in Concord, or at least of maintaining a presence in the Concord housing market. Open a dialogue with non-profit entities that are from the above inventory, but also willing to come to Concord for outreach and education, or to operate a part-time fair housing intake office.

Measurable Objective 4.2: Record of outreach actions undertaken, correspondence with non-profits, outcome of outreach efforts

Impediment 5: Insufficient understanding of fair housing laws. This impediment follows from the impediment listed above, and was identified in the same sources. When asked about their understanding of fair housing laws in the survey, many respondents professed to know very little about them. Studies cited in the literature review highlight difficulties that members of the public often have in identifying where to address fair housing complaints.

Action 5.1: Initiate an inventory of Fair Housing Initiative Program (FHIP) grantees in neighboring communities in

North Carolina, or organizations that may be qualified to provide fair housing education

Measurable Objective 5.1: Compiled inventory

Action 5.2: Explore the possibility of opening a local walk-in office in Concord, or at least of maintaining a presence in the Concord housing market. Open a dialogue with non-profit entities that are from the above inventory, but also willing to come to Concord for outreach and education, or to operate a part-time fair housing intake office.

Measurable Objective 5.2: Record of outreach actions undertaken, correspondence with non-profits, outcome of outreach efforts

Impediment 6: Discriminatory terms, conditions, privileges, or facilities relating to rental. This impediment was identified through review of the literature, complaint data from HUD, and results of the fair housing survey. Studies cited in the literature review demonstrate that fair housing testers have been more frequently discouraged in their apartment searches when they use traditionally Black or Arab names. Though HUD received few complaints from Concord residents, discrimination in the rental housing market figured strongly among these. Several survey respondents claimed to have known of or heard of discrimination in rental housing on the basis of race and ethnicity.

Action 6.1: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 6.1: The number of outreach and education activities conducted

Action 6.2: Continue to educate housing consumers in fair housing rights

Measurable Objective 6.2: The number of outreach and education activities conducted

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Public policy practices seem to encourage high concentrations of assisted/affordable housing. This impediment was identified through the review of forum meetings and

the analysis of affordable housing distributions throughout the city. Forum attendees identified limitations in the transit network and as a factor that leads to the concentration of such units, as well as zoning decisions taken with a view toward maintaining the agricultural character of western Concord. Analysis of the placement of these units revealed that they tended to be concentration in the east, and especially the northeast, of the city.

Action 1.1: Add additional criteria to assisted housing location and other investment decisions

Measurable Objective 1.1: Determination of additional criteria, such as concentration of poverty or concentration of racial or ethnic minority, and incorporate this in the decision process

Measurable Objective 1.2: Evaluation of the implications of redevelopment and other investments in areas with high rates of poverty and/or higher concentrations of racial and ethnic minorities

Action 1.2: Create certification classes for a small set of voucher holders so that they may qualify for enhanced value vouchers, a voucher that pays slightly higher than other vouchers

Measurable Objective 1.2: Education of prospective landlords about the qualities of certified holders of Housing Choice Voucher tenants

Action 2.3: Increase voucher use in moderate income neighborhoods

Measurable Objective 1.3: Education of prospective landlords about the qualities of Housing Choice Voucher.

Action 1.4: Request Council to convene a discussion regarding the lack of substantive connections between low income areas, employment areas, and public transit.

Measurable Objective 1.4: Preparation of request, and if granted, the discussion materials to be presented to the Council.

Impediment 2: Presence of NIMBYism. This impediment was identified through review of the fair housing survey results. NIMBYism may have the effect of limiting the placement of affordable units or group homes where it has a substantial impact on the policy process.

Action 2.1: Hold annual meetings during fair housing month (April) to raise public awareness of fair housing policy and issues and to receive input from members of the

public on their perception of the state of fair housing in the community.

Measurable Objective 2.1: Record of meetings and meeting materials

Impediment 3: Insufficient fair housing outreach and education. This impediment was identified in review of survey results, the literature, and the forum discussion (See Private Sector Impediments 4 and 5 above). When asked to weigh in on the current level of fair housing outreach and education in the city, a substantial majority of those who responded to that question felt there was too little.

Action 3.1: Initiate an inventory of Fair Housing Initiative Program (FHIP) grantees in neighboring communities in North Carolina, or organizations that may be qualified to provide fair housing education

Measurable Objective 3.1: Compiled inventory

Action 3.2: Explore the possibility of opening a local walk-in office in Concord, or at least of maintaining a presence in the Concord housing market. Open a dialogue with non-profit entities that are from the above inventory, but also willing to come to Concord for outreach and education, or to operate a part-time fair housing intake office.

Measurable Objective 3.2: Record of outreach actions undertaken, correspondence with non-profits, outcome of outreach efforts

Impediment 4: Insufficient fair housing testing and enforcement activities. This impediment was identified through review of survey responses. There were no survey respondents who felt that current levels of testing were excessive, or even sufficient, while four maintained that there was too little in the way of fair housing testing.

Action 4.1: Initiate an inventory of Fair Housing Initiative Program (FHIP) grantees in neighboring communities in North Carolina, or organizations that may be qualified to provide fair housing education

Measurable Objective 4.1: Compile the inventory

Action 4.2: Explore the possibility of opening a local walk-in office in Concord, or at least of maintaining a presence in the Concord housing market. Open a dialogue with non-profit entities that are from the above inventory, but also willing to come to Concord for outreach and education, or to operate a part-time fair housing intake office.

Measurable Objective 4.2: Record of outreach actions undertaken, correspondence with non-profits, outcome of outreach efforts.

CITY OF GASTONIA

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: More frequent denial of home purchase loans to racial and ethnic minority residents. This impediment was identified through analysis of loans collected under the HMDA. Black and Hispanic loan applicants were denied loans at rates that were considerably higher than the average denial rate and denial rates for White and non-Hispanic applicants that were similarly situated with respect to income. Loan denials tended to be geographically concentrated in areas with high concentrations of Black residents.

Action 1.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 1.1: The number of outreach and education activities conducted

Impediment 2: Differential impact of predatory style lending on members of racial and ethnic minority groups. This impediment was also identified through review of HMDA data. Black borrowers were more than twice as likely to receive high-interest rate loans as White applicants, and the rate at which high-interest rate loans were issued to Hispanic borrowers exceeded that of non-Hispanic borrowers by around ten percentage points. These loans were geographically concentrated in areas with high shares of Black residents.

Action 2.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 2.1: The number of outreach and education activities conducted

Impediment 3: Unequal distribution of Community Reinvestment Act loans. This impediment was identified through review of small business loan data collected under the CRA. Small business lending was minimal in tracts with median incomes below 50 percent of the area median family

income. Areas with large shares of Black and Hispanic residents were largely passed over in small business lending, most of which was directed to Census tracts in the southeast of the city, areas with relatively low concentrations of racial and ethnic minority residents.

Action 3.1: Contact local lenders to discuss barriers to lending in low-income areas and solicit recommendations on how to promote lending in those areas.

Measurable Objective 3.1: The number of local lenders contacted.

Impediment 4: Discriminatory terms, conditions, privileges, or facilities relating to rental. This impediment was identified through review of the literature, complaint data from HUD, and results of the fair housing survey. Studies cited in the literature review demonstrate that fair housing testers have been more frequently discouraged in their apartment searches when they use traditionally Black or Arab names. Though HUD received few complaints from Gastonia residents, discrimination in the rental housing market figured strongly among these. Several survey respondents claimed to have known of or heard of discrimination in rental housing on the basis of race and ethnicity, and one on the basis of disability.

Action 4.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 4.1: The number of testing and enforcement activities conducted

Action 4.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 4.2: The number of outreach and education activities conducted

Action 4.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 4.3: The number of outreach and education activities conducted

Impediment 5: Failure to make reasonable accommodation for individuals with disabilities. This impediment was identified in the review of fair housing cases in the areas as well as the fair housing survey. Perceived discrimination against individuals on the basis of disability was cited at several points in the survey, and the two fair housing cases against North Carolina respondents concerned discrimination on the basis of the disability.

Action 5.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 5.1: The number of testing and enforcement activities conducted

Action 5.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 5.2: The number of training sessions conducted

Action 5.3: Conduct audit testing on newly constructed residential units

Measurable Objective 5.3: The number of audit tests completed

Action 5.4: Consider appropriate incremental changes in building codes to allow enhanced designed features for accessibility and visitability

Impediment 6: Insufficient understanding of fair housing laws. This impediment was identified through review of the literature, and results of the fair housing survey. “Don’t know” was provided as an answer in a substantial proportion of responses to each survey questions, and when asked to assess their familiarity with fair housing laws, one-fifth of respondents maintained that they were not familiar with them, and most were only somewhat familiar. And while it is not probative of a lack of access to the fair housing system, the low level of complaints received from Gastonia residents indicate that very few residents have taken advantage of available fair housing services.

Action 4.1: Conduct outreach and education to the public for several perspective related to fair housing.

Measurable Objective 4.1: The number of outreach and education actions taken in regard to the value of having housing available to all income groups in Gastonia, thereby encouraging neighborhoods to be more willing to accept assisted housing facilities.

Public Sector Impediments, Suggested Actions, and Measurable Objectives.

Impediment 1: Insufficient fair housing outreach and education. This impediment was identified in the results of the fair housing survey and review of the fair housing infrastructure. While there are several organizations in the area, including the Mediation Center of the Southern Piedmont and the Fair Housing Office, that provide fair housing services to Gastonia residents, their emphasis appears to be on investigation, referral, conciliation, and complaint processing rather than outreach and education.

Action 1.1: Conduct outreach to private sector personnel on the advantages of enrolling in training opportunities that are available

Measurable Objective 1.1: The number of entities who were contacted throughout the year.

Action 1.2: Participate with other fair housing entities operating in the county to hold a fair housing seminar during Fair Housing Month (April).

Measurable Objectives 1.2: Secure facilities and speakers, and hold seminar in April

Impediment 2: Insufficient fair housing testing and enforcement activities. This impediment was identified in the results of the fair housing survey and review of the fair housing infrastructure. Several survey respondents felt that current levels of fair housing testing were insufficient, while few thought they were excessive. As observed above, local organizations that provide fair housing services to Gastonia residents appear to focus their efforts on investigation⁴⁶, referral, conciliation, and complaint processing.

Action 2.1: Contact Legal Aid of North Carolina to discuss possibilities for partnership on fair housing testing and enforcement

Measurable Objective 2.1: Legal Aid of North Carolina contacted

Impediment 3: Some local policies and practices foster NIMBYism. This impediment was identified in responses to the fair housing survey. Neighborhood opposition to fair housing units was perceived to impact the zoning process and the placement of affordable housing units.

Action 3.1: Hold a public meeting every year during Fair Housing Month (April) to provide outreach and education as well as to receive

⁴⁶ Though the investigation process can involve the use of fair housing testers, testing is generally not the central focus of this process.

public input on the state of fair housing in the city.

Measurable Objective 3.1: Record of meeting, meeting minutes, and materials prepared for meeting.

CITY OF KANNAPOLIS

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: More frequent denial of home purchase loans to racial and ethnic minority residents. This impediment was identified through analysis of loans collected under the HMDA. Black and Hispanic loan applicants were denied loans at rates that were considerably higher than the average denial rate and denial rates for White and non-Hispanic applicants that were similarly situated with respect to income. Loans were denied to members of these groups more frequently outside of areas with disproportionate concentrations of Black or Hispanic residents.

Action 1.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 1.1: The number of outreach and education activities conducted

Impediment 2: Differential impact of predatory style lending on members of racial and ethnic minority groups. This impediment was also identified through review of HMDA data. Black borrowers were more than twice as likely to receive high-interest rate loans as White applicants, and Hispanic applicants were more than twice as likely to receive these loans as non-Hispanic applicants. These loans were geographically concentrated in areas with above-average shares of Hispanic and Black residents.

Action 2.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 2.1: The number of outreach and education activities conducted

Impediment 3: Unequal distribution of Community Reinvestment Act loans. This impediment was identified through review of small business loan data collected under the CRA. Small business lending was non-existent in tracts with

median incomes below 50 percent of the area median family income. Areas with large shares of Black and Hispanic residents were largely passed over in small business lending.

Action 3.1: Contact local lenders to discuss barriers to investment in low income areas and solicit recommendations on how to promote small business lending in those areas

Measurable Objective 3.1: The number of lenders contacted/recommendations received

Impediment 4: Lack of knowledge of or access to fair housing system. This impediment was identified through review of the literature, forum minutes, and results of the fair housing survey. “Don’t know” was provided as an answer in a substantial proportion of responses to each survey questions, and forum attendees discussed the possibility that those who have experienced discrimination may not realize it, or may not know how to proceed in addressing that discrimination. And while it is not probative of a lack of access to the fair housing system, the low level of complaints received from Kannapolis residents indicate that very few residents have taken advantage of available fair housing services.

Action 4.1: Contact Legal Aid of North Carolina to discuss partnership with the organization on fair housing education

Measurable Objective 4.1: Legal Aid contacted

Action 4.2: Publicize Fair Housing Month on an annual basis and hold public input meetings on the subject of fair housing during the month of April.

Measurable Objective 4.2: Prepare publicity and presentation materials for meeting, secure facilities and speakers, and hold meeting.

Impediment 5: Insufficient understanding of fair housing laws. This impediment follows from the impediment listed above, and was identified in the same sources. When asked about their understanding of fair housing laws in the survey, several respondents professed to know very little about them; a few more were “somewhat familiar”. In addition, many respondents found fair housing laws to be difficult to follow or understand. Studies cited in the literature review highlight difficulties that members of the public often have in identifying where to address fair housing complaints.

Action 5.1: Conduct outreach to housing providers

Measurable Objective 5.1: The number of entities who were contacted throughout the year.

Impediment 6: Discriminatory terms, conditions, privileges, or facilities relating to rental. This impediment was identified through review of the literature and complaint data from HUD. Studies cited in the literature review demonstrate that fair housing testers have been more frequently discouraged in their apartment searches when they use traditionally Black or Arab names. Though HUD received few complaints from Kannapolis residents, discrimination in the rental housing market figured strongly among these.

Action 6.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 6.1: The number of testing and enforcement activities conducted

Action 6.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 6.2: The number of outreach and education activities conducted

Action 6.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 6.3: The number of outreach and education activities conducted

Impediment 7: Failure to make reasonable accommodation for individuals with disabilities. This impediment was identified in the review of fair housing cases in the area: the two fair housing cases brought against North Carolina by the U.S. Department of Justice respondents concerned discrimination on the basis of the disability.

Action 7.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 7.1: The number of testing and enforcement activities conducted

Action 7.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 7.2: The number of training sessions conducted

Action 7.3: Conduct audit testing on newly constructed residential units

Measurable Objective 7.3: Number of audit tests completed

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Insufficient understanding of fair housing laws. This impediment was previously discussed as a private sector impediment. Its inclusion in this section is intended to highlight the potential role public actors may play in addressing this issue.

Action 1.2: Hold quarterly meetings to promote public understanding of fair housing, affirmatively furthering fair housing, and key issues in lending.

Measurable Objective 1.1: Number of meetings attended to held.

Impediment 2: Insufficient fair housing testing and enforcement activities. This impediment was identified in the results of the fair housing survey. None of the survey respondents claimed to be aware of any fair housing testing in the area.

Action 2.1: Initiate an inventory of Fair Housing Initiative Program (FHIP) grantees in neighboring communities in North Carolina.

Measurable Objective 2.1: Compile the inventory

Action 2.2: Conduct outreach and exploratory discussions with FHIP entities who might be able to provide fair housing testing in the city

Measurable Objective 2.2: Number of contacts made with FHIP entities.

Impediment 3: Lack of interest in fair housing and affirmatively furthering fair housing. This impediment was inferred from the low level of fair housing complaints and fair housing survey participation.

Action 3.1: Publicize Fair Housing Month on an annual basis and hold public input meetings on the subject of fair housing during the month of April.

Measurable Objective 3.1: Prepare publicity and presentation materials for meeting, secure facilities and speakers, and hold meeting.

CITY OF ROCK HILL

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: More frequent denial of home purchase loans to racial and ethnic minority residents. This impediment was identified through analysis of loans collected under the HMDA. Black and Hispanic loan applicants were denied loans at rates that were higher than the average denial rate and the denial rates for White and non-Hispanic applicants that were similarly situated with respect to income. Loans were denied to members of these groups more frequently outside of areas with disproportionate concentrations of Black or Hispanic residents.

Action 1.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 1.1: The number of outreach and education activities conducted

Impediment 2: Differential impact of predatory style lending on members of racial and ethnic minority groups. This impediment was also identified through review of HMDA data. Black borrowers were more than twice as likely to receive high-interest rate loans as White applicants, and Hispanic applicants were also more likely to receive these loans than non-Hispanic applicants. These loans were geographically concentrated in areas with high shares of Black residents.

Action 2.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 2.1: The number of outreach and education activities conducted

Impediment 3: Unequal distribution of Community Reinvestment Act loans. This impediment was identified through review of small business loan data collected under the CRA. Small business lending was non-existent in tracts with

median incomes below 50 percent of the area median family income, and relatively few loans went to moderate-income tracts. Areas with large shares of Black and Hispanic residents were largely passed over in small business lending.

Action 3.1: Contact local lending institutions to discuss impediments to investment in low-income areas and possible ways to promote investment in those areas

Measurable Objective 3.1: The number of institutions contacted, recommendations obtained

Impediment 4: Discriminatory terms, conditions, privileges, or facilities relating to rental. This impediment was identified through review of the literature, complaint data from HUD, and results of the fair housing survey. Studies cited in the literature review demonstrate that fair housing testers have been more frequently discouraged in their apartment searches when they use traditionally Black or Arab names. Though HUD received few complaints from Rock Hill residents, discrimination in the rental housing market figured strongly among these. Several survey respondents claimed to have known of or heard of discrimination in rental housing on the basis of race and ethnicity.

Action 4.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 4.1: The number of testing and enforcement activities conducted

Action 4.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 4.2: The number of outreach and education activities conducted

Action 4.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 4.3: The number of outreach and education activities conducted

Impediment 5: Insufficient understanding of fair housing laws. This impediment was identified through review of the literature, fair housing forum minutes, and results of the fair housing survey. “Don’t know” was provided as an answer in a substantial proportion of responses to each survey questions, and fair housing forum attendees discussed the possibility that those who have experienced discrimination may not realize it, or may not know how to proceed in addressing that discrimination. And while it is not probative of a lack of access to the fair housing system, the low level of complaints received from Rock Hill residents indicate that

very few residents have taken advantage of available fair housing services.

Action 5.1: Conduct outreach and education to the public for several perspectives related to fair housing.

Measurable Objective 5.1: The number of outreach and education actions taken in regard to the value of having housing available to all income groups in Rock Hill, thereby encouraging neighborhoods to be more willing to accept assisted housing facilities.

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Insufficient understanding of fair housing laws. This impediment was listed as Impediment 5 in the section on Impediments in the Private Sector above, and is included here in order to highlight the role that the city may play in addressing this issue.

Action 1.1: Contact the South Carolina Fair Housing Center to discuss possibilities for partnership and collaboration in outreach and education

Measurable Objective 1.1: Fair Housing Center contacted

Impediment 2: Insufficient fair housing testing and enforcement activities. This impediment was identified through review of survey responses and fair housing forum minutes. There were few survey respondents who felt that current levels of testing were excessive, and few who thought they were sufficient; more respondents maintained that there was too little in the way of fair housing testing. The fair housing forum discussions highlighted the importance of fair housing testing in Rock Hill.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions, potentially through partnership with South Carolina Fair Housing Center

Measurable Objective 2.1: The number of testing and enforcement activities conducted.

Measurable Objective 2.2: Contact South Carolina Fair Housing Center

Impediment 3: Public policy practices may limit placement of group homes (NIMBYism). This impediment was identified through review of the 2013 fair housing survey. NIMBYism has the potential to impact the public policy process and thereby prevent the placement of group homes in areas in which residents are opposed to the presence of such units.

Action 3.1: Contact the South Carolina Fair Housing Center to discuss possibilities for partnership and collaboration in outreach and education

Measurable Objective 3.1: Fair Housing Center contacted

Impediment 4: Insufficient fair housing protections. This impediment was identified through review of survey results. Survey respondents perceived a lack of protection for Rock Hill residents on the basis of income to contribute to discrimination against protected class individuals who are more likely to have lower incomes.

Action 4.1: Promote the inclusion of income as a protected class at the state level

Measurable Objective 4.1: Contact the South Carolina Human Affairs Commission and endorse the extension of fair housing provisions based on income.

CITY OF SALISBURY

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: More frequent denial of home purchase loans to racial and ethnic minority residents. This impediment was identified through analysis of loans collected under the HMDA. Black and Hispanic loan applicants were denied loans at rates that were considerably higher than the average denial rate and denial rates for white and non-Hispanic applicants that were similarly situated with respect to income. Loans were denied to members of these groups more frequently outside of areas with disproportionate concentrations of black or Hispanic residents.

Action 1.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 1.1: Number of outreach and education activities conducted

Impediment 2: Differential impact of predatory style lending on members of racial and ethnic minority groups. This impediment was also identified through review of HMDA data. Black borrowers were about three times as likely to receive high-interest rate loans as white applicants, and Hispanic applicants were also substantially more likely to receive these loans as non-Hispanic applicants. These loans were geographically concentrated in areas with high shares of black residents.

Action 2.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 2.1: Increase number of outreach and education activities conducted

Impediment 3: Unequal distribution of Community Reinvestment Act loans. This impediment was identified through review of small business loan data collected under the CRA. Small business lending was virtually non-existent in tracts

with median incomes below 50 percent of the area median family income, and relatively few loans went to moderate-income tracts. Areas with large shares of black and Hispanic residents received fewer loans and loan dollars than average.

Action 3.1: Contact local lending institutions to discuss impediments to investment in low-income areas and possible ways to promote investment in those areas

Measurable Objective 3.1: Number of institutions contacted, recommendations obtained

Impediment 4: Lack of knowledge of or access to fair housing system. This impediment was identified through review of the literature and results of the fair housing survey. “Don’t know” was provided as an answer in a substantial proportion of responses to each survey questions. In addition, the low level of complaints received from Salisbury residents indicate that very few residents have taken advantage of available fair housing services.

Action 4.1: Contact Legal Aid of North Carolina to discuss possibilities for partnership on education and outreach

Measurable Objective 4.1: Legal Aid NC contacted

Action 4.2: Publicize Fair Housing Month (April) and hold annual public input meetings during that month on the subject of fair housing

Measurable Objective 4.2: Advertisements in local and social media concerning Fair Housing Month and public input meetings

Impediment 5: Discriminatory terms, conditions, privileges, or facilities relating to rental. This impediment was identified through review of the literature and complaint data from HUD. Studies cited in the literature review demonstrate that fair housing testers have been more frequently discouraged in their apartment searches when they use traditionally black or Arab names. Though HUD received few complaints from Salisbury residents, discrimination in the rental housing market figured strongly among these.

Action 5.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 5.1: Increase number of testing and enforcement activities conducted

Action 5.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 5.2: Increase number of outreach and education activities conducted

Action 5.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 5.3: Increase number of outreach and education activities conducted

Impediment 6: Failure to make reasonable accommodation for individuals with disabilities.

This impediment was identified in the review of fair housing cases in the area and complaints lodged with HUD. Perceived discrimination against individuals on the basis of disability was cited at several points in the survey, and the two fair housing cases against North Carolina respondents concerned discrimination on the basis of the disability.

Action 6.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 6.1: Increase number of testing and enforcement activities conducted

Action 6.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 6.2: Increase number of training sessions conducted

Action 6.3: Conduct audit testing on newly constructed residential units

Measurable Objective 6.3: Number of audit tests completed

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Insufficient understanding of Fair Housing Laws. As was evidenced by the lack of fair housing complaint activity, the low level of involvement in the fair housing survey, and responses from the survey, citizens of Salisbury tend to lack sufficient understanding of fair housing law.

Action 1.1: Contact Legal Aid of North Carolina to discuss possibility of partnership on fair housing outreach and education

Measurable Objective 1.1: Legal Aid of North Carolina contacted

Action 1.2: Publicize this AI report.

Measurable Objective 1.2: Hyperlink to AI included on city website, public input solicited through local and social media

Impediment 2: Insufficient fair housing testing and enforcement activities. This impediment was identified in the results of the fair housing survey and review of the fair housing infrastructure. Several survey respondents felt that current levels of fair housing testing were insufficient, and none thought that they were sufficient or excessive. In addition, none of the survey respondents reported that they were aware of any activities taking place within the city. In addition, no local fair housing organization was identified during the research for this report that focuses its services in Salisbury.

Action 2.1: Contact Legal Aid of North Carolina to discuss possibilities for partnership on fair housing testing

Measurable Objective 2.1: Legal Aid NC contacted

Impediment 3: Lack of interest in fair housing and affirmatively furthering fair housing. This impediment was inferred from the low level of complaints from city residents and the low level of participation in the 2013 fair housing survey.

Action 3.1: Host or participate in cohosting a public meeting related to fair housing each April, which is fair housing month

Measurable Objective 3.1: Facilities and speakers secured for meeting, as well as publicity and presentations materials related to the meeting

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