2014 City of Salisbury Analysis of Impediments to Fair Housing Choice

Final Report
May 14, 2014

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CONNECT Consortium

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EQUAL HOUSING
OPPORTUNITY

HAS YOUR RIGHT TO FAIR HOUSING BEEN VIOLATED?

If you feel you have experienced discrimination in the housing industry, please contact:

North Carolina Human Relations Commission

Mailing Address:
N.C. Human Relations Commission
1318 Mail Service Center
Raleigh, NC 27699-1318

Physical Address:
116 W. Jones Street
Suite 2109
Raleigh, NC 27601

Telephone: (919) 807-4420
Fax: (919) 807-4435
Toll free: 1 (866) FAIR HSG (324-7474)
Email: Members of the NCHRC may be contacted individually though email addresses listed on http://www.doa.nc.gov/hrc/contactus.aspx.

TABLE OF CONTENTS

EXECUTIVE SUMMARY **3**

SECTION I. INTRODUCTION **11**

SECTION II. SOCIO-ECONOMIC CONTEXT **19**
- Demographics 19
- Economics 28
- Housing 36

SECTION III. FAIR HOUSING LAW, STUDY, AND CASE REVIEW **49**
- Fair Housing Laws 49
- Fair Housing Studies 50
- Fair Housing Cases 55

SECTION IV. REVIEW OF THE EXISTING FAIR HOUSING STRUCTURE **59**
- Fair Housing Agencies 59
- Complaint Process Review 63

SECTION V. FAIR HOUSING IN THE PRIVATE SECTOR **67**
- Lending Analysis 67
- Fair Housing Complaints 83
- Fair Housing Survey – Private Sector Results 88

SECTION VI. FAIR HOUSING IN THE PUBLIC SECTOR **91**
- Public Services 91
- Fair Housing Survey – Public Sector Results 93

SECTION VII. PUBLIC INVOLVEMENT **97**
- Fair Housing Survey 97
- Fair Housing Forum and Presentation 99

SECTION VIII. SUMMARY OF FINDINGS **101**

SECTION IX. IMPEDIMENTS AND SUGGESTED ACTIONS **105**

SECTION X. GLOSSARY **109**

APPENDICES **113**

EXECUTIVE SUMMARY

AI PURPOSE AND PROCESS

As a requirement of receiving funds under the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME), and the Emergency Solutions Grant (ESG), entitlement jurisdictions must submit certification of affirmatively furthering fair housing to the U.S. Department of Housing and Urban Development (HUD). This certification has three elements:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified, and
3. Maintain records reflecting the actions taken in response to the analysis.

In the *Fair Housing Planning Guide*, page 2-8, HUD provides a definition of impediments to fair housing choice 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.[1]

The list of protected classes included in the above definition is drawn from the federal Fair Housing Act, which was first enacted in 1968. However, state and local governments may enact fair housing laws that extend protection to other groups, and the AI is expected to address housing choice for these additional protected classes as well.

The AI process involves a thorough examination of a variety of sources related to housing, the fair housing delivery system, and housing transactions, particularly for persons who are protected under fair housing law.

The development of an AI also includes public input and review via direct contact with stakeholders, public meetings to collect input from citizens and interested parties, distribution of draft reports for citizen review, and formal presentations of findings and impediments, along with actions to overcome the identified impediments.

METHODOLOGY

As part of the consolidated planning process, and as a requirement for receiving HUD formula grant funding, the City of Salisbury is undertaking this AI to evaluate impediments to fair housing choice within the City.

Residents of Salisbury are protected from discrimination in housing choice by the federal Fair Housing Act, which includes protections based on race, color, religion, national origin, sex,

[1] U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity. *Fair Housing Planning Guide*. Vol. 1, p. 2-8. http://www.hud.gov/offices/cpd/about/conplan/fairhousingexs/Module5_TopSevenAFFH.pdf

disability, and familial status, as well as state fair housing ordinances[2], which extend fair housing protections to the same groups that are enumerated in the federal Fair Housing Act.

The purpose of this report is to determine current impediments to fair housing choice at work in the City of Salisbury and to suggest actions that the local community can consider in order to overcome the identified impediments. Thus, this report represents only the first step in the three-part certification process presented on the previous page.

This AI was conducted through the assessment of a number of quantitative and qualitative sources. Quantitative sources used in analyzing fair housing choice in the Salisbury included:

- Socio-economic and housing data from the U.S. Census Bureau,
- Employment data from the U.S. Bureau of Labor Statistics,
- Economic data from the U.S. Bureau of Economic Analysis,
- Investment data gathered in accordance with the Community Reinvestment Act,
- Home loan application data from the Home Mortgage Disclosure Act, and
- Housing complaint data from HUD.

Qualitative research included evaluation of relevant existing fair housing research and national and state fair housing legal cases. Additionally, this research included the evaluation of information gathered from several public input opportunities conducted in relation to this AI. This included a 2013 Fair Housing Survey of stakeholders in the city to investigate fair housing issues in the private and public sectors.

Ultimately, a list of potential impediments was drawn from these sources and further evaluated based on HUD's definition of impediments to fair housing choice, as presented on the previous page. Potential impediments to fair housing choice present within the City were identified; along with actions the City may consider in attempting to address possible impediments.

OVERVIEW OF FINDINGS

This AI includes a review of both public and private sector housing market contexts in Salisbury to identify practices or conditions that may operate to limit fair housing choice in the City. Analysis of demographic, economic, and housing data included in that review establish the context in which housing choices are made. Demographic data indicate the sizes of racial and ethnic populations and other protected classes; economic and employment data show additional factors in influencing housing choice; and counts of housing by type, tenure, quality, and cost indicate the ability of the housing stock to meet the needs of the City's residents.

The contextual analysis described above provides a foundation for detailed review of fair housing laws, cases, studies, complaints, and public involvement data. The structure provided by local, state, and federal fair housing laws shapes the complaint and advocacy processes available in the City, as do the services provided by local, state, and federal agencies. Private sector factors in the homeownership and rental markets, such as home mortgage lending practices, have substantive influence on fair housing choice. In the public sector, policies and practices can significantly affect the housing choice decision.

[2] Fair housing protections in North Carolina are provided for in N.C. Gen. Stat. §41A-1.

Complaint data and AI public involvement feedback further help define problems and possible impediments to housing choice for persons of protected classes, and confirm suspected findings from the contextual and supporting data.

Socio-Economic Context

The population of Salisbury changed considerably between the two Censuses, both in terms of size and in terms of composition. In 2000 the city had a population of 26,462 people, but due to a 27.2 percent growth rate over the following decade the number of Salisbury residents stood at 33,662 in 2010. However, the share of white residents in 2010 was nearly 5 percentage points lower than it had been in 2000. In terms of ethnicity, the Hispanic population more than tripled in size between Censuses. In 2000 this population had accounted for 4.3 percent of the total population; by 2010, 10.6 percent of Salisbury residents were Hispanic. The geographic distribution of these groups appeared to change very little over the decade, as white and black residents tended to be disproportionately concentrated in different areas of the city.

The impact of the recent recession on the Salisbury labor market was severe, with 4,200 jobs lost after 2008. The unemployment rate rose to 11.6 percent in 2009. However, the labor market of Salisbury overall has been subject to considerable fluctuation since the late 1990s, as has the unemployment rate. In 2003, unemployment stood at 11.4 percent, before dropping to around 6 percent in 2005. Growth in the total number of jobs in Rowan County was also unsteady throughout most of the 2000s. By contrast, real average earnings per job and real per capita income were both relatively stable during that time, though both dropped considerably after 2008. By 2011, the poverty rate in the City had increased from 16.0 percent in 2000 to 21.5 percent.

Single-family homes dominated the housing market of Salisbury in 2000 and 2010, though apartments gained some ground over the decade, increasing their share of all housing units from 16.7 to 18.7, or 2 percentage points. This shift toward apartment units coincided with a shift toward rental occupancy, as growth in the number of renter-occupied units outpaced growth in the number of owner-occupied units. This shift does not appear to have exhausted the supply of available rental housing, however: the number of vacant units available for rent increased by 169.3 percent over the decade. Owner-occupied and rental units tended to be concentrated in different areas of the city, with rental units concentrated in the center and south of town, and owner-occupied units in the north of the city and in outlying Census tracts.

The most dramatic shift in housing stock was the substantial increase in the number of vacant units; these units, which had accounted for 9 percent of the housing stock in 2000, doubled in number over the decade and came to represent 14.1 percent of all housing units in 2010. As suggested above, much of this growth was driven by a proliferation in vacant units available for rent. Fortunately, though the number of vacant units classified as "Other Vacant" grew between the Censuses, this growth did not contribute substantially to the increase in vacant units[3]. Such

[3] "Other vacant" units tend to be more problematic than other types of vacant housing units because they are not on the market, may have indeterminate ownership, and are often uncared for. Blight is a concern where such units are grouped in large concentrations.

units accounted for a smaller percentage of vacant units in 2010 than they had at the beginning of the decade.

The average household in Salisbury grew in size between the two Censuses, due to high rates of growth in households with five or more members. Growth in the number of one- and two-person households, by contrast, was below average. In spite of this shift toward larger households, overcrowding was not substantially more prevalent by 2011 than it had been in 2000. There were also fewer housing units with incomplete plumbing and kitchen facilities by 2011. However, the share of households with severe cost burdens jumped from 11.7 to 18.3 percent during this time, as the proportion of severely cost burdened mortgagors and renters increased by 7.3 and 7.5 percentage points, respectively.

Review of Fair Housing Laws, Studies, and Cases

Residents of the City of Salisbury are protected by fair housing statutes at the state and federal level. Fair housing protections on the basis of race, color, religion, sex, national origin, disability, and family status are enshrined in laws at all of these levels. Additionally, North Carolina state law prohibits discrimination in land-use decisions on the basis that the housing projects potentially at issue in those decisions consist of affordable housing units.

Recent fair housing studies have focused on potential unforeseen sources of segregation and disparate treatment. They have also highlighted some successes in fair housing policy in combating discrimination, while acknowledging that discrimination has become increasingly more subtle.

The Department of Justice has brought two fair housing complaints against entities near Salisbury: the Town of Maiden and Bank of America. In both cases, disability was the basis of discrimination alleged. At the national level, recent cases brought against Westchester County in New York and the State of Texas have concerned the alleged failure of these jurisdictions to honor the fair housing components of HUD funding; these cases promise to impact fair housing compliance and policy in the future.

Fair Housing Structure

The City of Salisbury is served by the North Carolina Human Relations Commission, a participant in the HUD Fair Housing Assistant Program (FHAP). As such, the fair housing policies and procedures administered by this Commission have been deemed "substantially equivalent" to those of HUD, and any fair housing complaints HUD receives from Salisbury residents will eventually be referred to the Human Relations Commission. In addition to HUD and the Human Relations Commission, Salisbury residents are served by a non-profit and Fair Housing Initiative Program (FHIP) participant, Legal Aid of North Carolina. This non-profit provides a range of legal resources, including fair housing education, outreach, complaint intake, and testing, to residents across North Carolina.

Fair Housing in the Private Sector

Data collected through the Home Mortgage Disclosure Act (HMDA) revealed that loan applications were denied at different rates depending on the sex, race, and ethnicity of the applicants, as well as the location of the housing unit the loan was intended to finance. The

overall denial rate for home purchase loans was 19.8 percent, as 504 applications were denied and 2,047 loans originated between 2004 and 2011. Female loan applicants experienced a higher denial rate than male applicants in each of those eight years, with the exception of 2009. Over, 20.9 percent of loan applications from female applicants were denied; for male applicants, this figure was 18.0 percent. However, the discrepancy between denial rates for different racial and ethnic groups was wider still. Between 2004 and 2011, 30.8 percent of home purchase loan applications submitted by black applicants were denied; by comparison, 16.1 percent of white applicants were turned down for a home purchase loan. In terms of ethnicity, 25.4 percent of Hispanic applicants were turned down when they applied for a home purchase loan, compared to 18.1 percent of non-Hispanic applicants. Moreover, housing units that these denied loans were intended to finance were disproportionately located in Census tracts to the immediate east and west of the center of town. Both of these areas were observed to hold disproportionate shares of black residents in 2000 and 2010.

Of those applicants who were approved for home purchase loans, 16.1 percent were issued loans with high annual percentage rates (HALs). As was the case with loan denials, black and Hispanic residents received HALs at a higher rate than white or non-Hispanic borrowers. A full 34.2 percent of loans issued to black borrowers from 2004 to 2011 were HALs; nearly three times the rate at which these lower quality loan products were issued to white residents. Likewise, 22.6 percent of loans issued to Hispanic borrowers were HALs, compared to a HAL rate of 14.9 percent for non-Hispanic borrowers. These loans were especially prevalent in the large tract to the immediate east of the city center.

That same geographic area was largely passed over for small business loans, which tended to go to tracts in which the Median Family Income (MFI) was over 50 percent of the MFI for the entire study area. A substantial portion of such loans went to tracts in which the MFI was over 120 percent of the study area MFI, even though these loans are intended to target low- to moderate-income communities.

Only ten fair housing complaints were lodged with HUD between 2004 and the first part of 2013, and the most common complaints alleged discrimination on the basis of disability and race. The most common discriminatory acts alleged in these complaints were coercion under Section 818; discrimination in terms, conditions, or privileges relating to rental; and discrimination in terms, conditions, privileges, or services and facilities. Six of these complaints were determined to have cause during the HUD investigation, and disability figured in five of these complaints.

Results from the private sector portion of the 2013 Fair Housing Survey reveal that awareness of issues relating to fair housing in the private sector was limited. Unfortunately, the number of responses to the survey was quite low, making it difficult to reach definitive conclusions based on those responses.

Fair Housing in the Public Sector

Subsidized housing units, including HUD assisted multifamily properties and projects financed through Low Income Housing Tax Credits, were widely distributed throughout the city, though they did tend to be located in areas with above-average rates of poverty. Though there were exceptions to this trend in the distribution of multi-family assisted units, all of the LIHTC

projects were located in areas with above-average poverty rates. Moreover, there were four LIHTC properties clustered in an area of northwest Salisbury.

As was the case in the private sector portion of the 2013 Fair Housing Survey, questions on barriers to fair housing choice in the public sector received very few responses. Commentary in this section was correspondingly limited, though two of the commenters maintained that land use and zoning policies provide an avenue for neighborhood opposition to affordable housing units, limiting such units to certain areas of town.

Public Involvement

Results of the 2013 Fair Housing Survey suggest that Salisbury residents are generally familiar with, and supportive of, laws and policies designed to promote fair housing. However, as with the rest of the survey, questions from the public involvement portion of the survey received a very low number of responses.

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 countacted
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

SECTION I. INTRODUCTION

Title VIII of the 1968 Civil Rights Act, also known as the Federal Fair Housing Act, made it illegal to discriminate in the buying, selling, or renting of housing based on a person's race, color, religion, or national origin. Sex was added as a protected class in the 1970s. In 1988, the Fair Housing Amendments Act added familial status and disability to the list, making a total of seven federally protected classes. Federal fair housing statutes are largely covered by the following three pieces of U.S. legislation:

1. The Fair Housing Act,
2. The Housing Amendments Act, and
3. The Americans with Disabilities Act.

The purpose of fair housing law is to protect a person's right to own, sell, purchase, or rent housing of his or her choice without fear of unlawful discrimination. The goal of fair housing law is to allow everyone equal access to housing.

WHY ASSESS FAIR HOUSING?

Provisions to affirmatively further fair housing are long-standing components of the U.S. Department of Housing and Urban Development's (HUD's) housing and community development programs. These provisions come from Section 808(e) (5) of the federal Fair Housing Act, which requires that the Secretary of HUD administer federal housing and urban development programs in a manner that affirmatively furthers fair housing.

In 1994, HUD published a rule consolidating plans for housing and community development programs into a single planning process. This action grouped the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG),[4] and Housing Opportunities for Persons with AIDS (HOPWA) programs into the Consolidated Plan for Housing and Community Development, which then created a single application cycle.

As a part of the consolidated planning process, states and entitlement communities that receive such funds as a formula allocation directly from HUD are required to submit to HUD certification that they are affirmatively furthering fair housing. This certification has three parts:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified through the analysis, and
3. Maintain records reflecting the analysis and actions taken.

In the *Fair Housing Planning Guide*, page 2-8, HUD notes that impediments to fair housing choice are:

[4] The Emergency Shelter Grants program was renamed the Emergency Solutions Grants program in 2011.

- "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."[5]

State governments have the right to enact fair housing laws that extend protected class status to groups that are not included in the federal FHA. Generally speaking, local governments have the same right, and may extend fair housing protections beyond what is provided for in State fair housing laws. In the case of North Carolina, Chapter 41A of the State's General Statutes extends protected class designations to only those groups who are identified in the federal FHA. However, North Carolina General Statutes do include a provision that explicitly prohibits discrimination against affordable housing in land-use decisions[6].

PURPOSE OF THIS RESEARCH

HUD interprets the broad objectives of affirmatively furthering fair housing certification to include:

- "Analyzing and working to eliminate housing discrimination in the jurisdiction;
- Promoting fair housing choice for all persons;
- Providing opportunities for racially and ethnically inclusive patterns of housing occupancy;
- Promoting housing that is physically accessible to, and usable by, all persons, particularly individuals with disabilities; and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act."[7]

The objective of the 2014 AI process was to research, analyze, and identify prospective impediments to fair housing choice throughout the City of Salisbury. The goal of the completed AI is to suggest actions that the sponsoring jurisdiction can consider when working toward eliminating or mitigating the identified impediments.

LEAD AGENCY

Western Economic Services, LLC, a Portland, Oregon consulting firm specializing in analysis and research in support of housing and community development planning, prepared this AI. The agency that led this effort on behalf of the City of Salisbury was the Centralina Council of Governments of Charlotte, North Carolina.

Commitment to Fair Housing

In accordance with the applicable statutes and regulations governing the Consolidated Plan, the City certifies that it will *affirmatively further fair housing*. This statement means that they have conducted an AI, will take appropriate actions to overcome the effects of any

[5] *Fair Housing Planning Guide*.
[6] North Carolina General Statutes §41A-4(g)
[7] *Fair Housing Planning Guide*, p.1-3.

impediments identified through that analysis, and will maintain records that reflect the analysis and actions taken in this regard.

GEOGRAPHIC SCOPE OF THE ANALYSIS

This AI addresses the status of fair housing in the City of Salisbury. Map I.1 on the following displays the Salisbury study area, as well as surrounding county boundaries, selected major highways, and census tract boundaries.

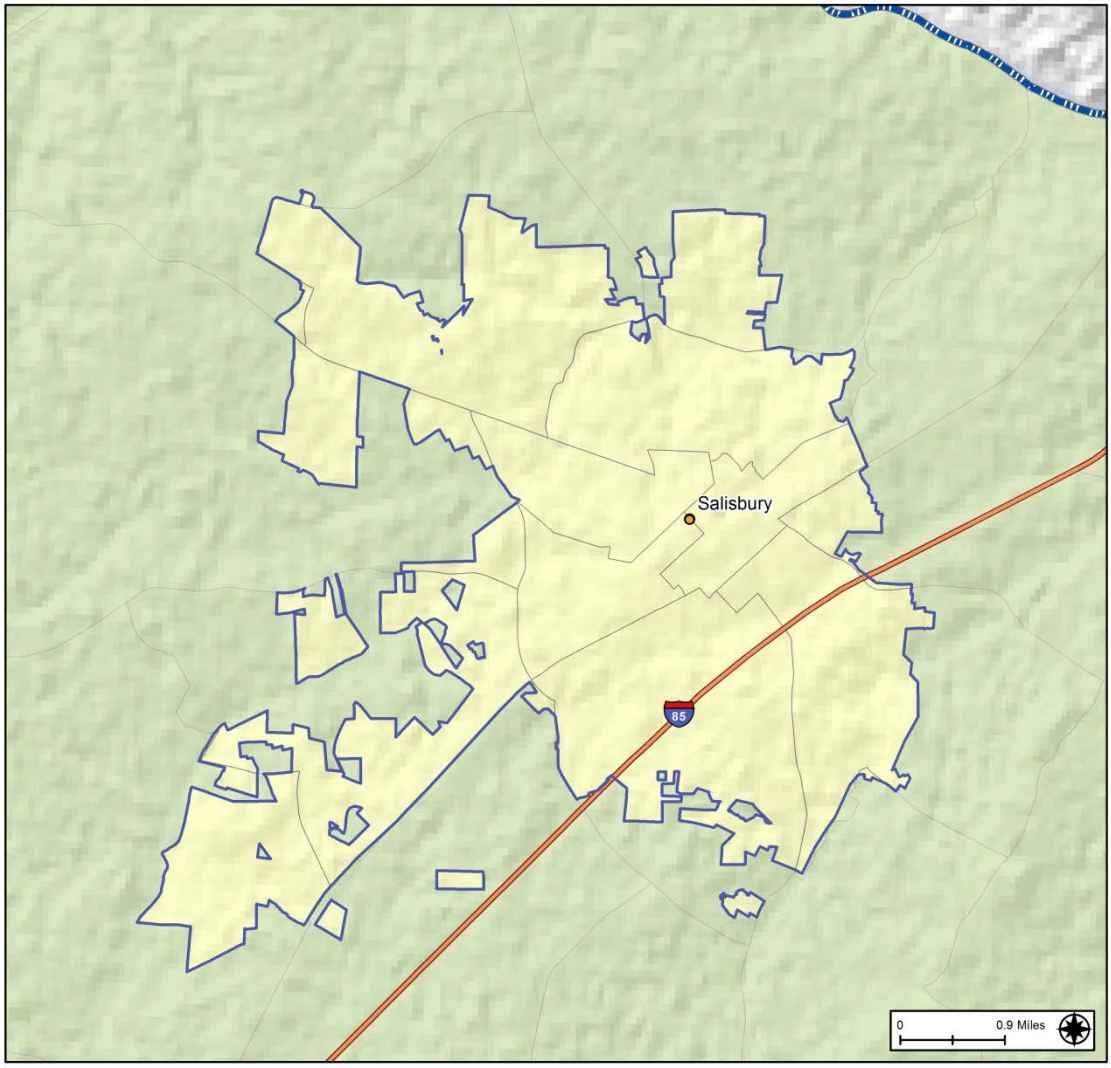
RESEARCH METHODOLOGY

The AI process involves a thorough examination of a variety of data sources related to housing and housing decisions, particularly for persons who are protected under fair housing laws. Some baseline secondary and quantitative data were drawn from the Census Bureau, including 2000 and 2010 Census counts, as well as American Community Survey data averages from 2007 through 2011. Data from these sources included population, personal income, poverty, housing units by tenure, cost burdens, and housing conditions. Other data were drawn from records provided by the Bureau of Labor Statistics, the Bureau of Economic Analysis, and a variety of other sources. The following narrative offers a brief description of other key data sources employed for the 2014 AI for the City of Salisbury.

Home Mortgage Disclosure Act Data

To examine possible fair housing issues in the home mortgage market, Home Mortgage Disclosure Act (HMDA) data were analyzed. The HMDA was enacted by Congress in 1975 and has since been amended several times. It is intended to provide the public with loan data that can be used to determine whether financial institutions are serving the housing credit needs of their communities and to assist in identifying possible discriminatory lending patterns. HMDA requires lenders to publicly disclose the race, ethnicity, and genders of mortgage applicants, along with loan application amounts, household income, the Census tract in which the home is located, and information concerning prospective lender actions related to the loan application. For this analysis, HMDA data from 2004 through 2011 were analyzed, with the measurement of denial rates by Census tract and by race and ethnicity of applicants the key research objectives. These data were also examined to identify the groups and geographic areas most likely to encounter higher denial rates and receive loans with unusually high interest rates.

Map I.1
Salisbury Study Area
City of Salisbury
2010 Census Bureau Data



LEGEND

City of Salisbury, North Carolina

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Fair Housing Complaint Data

Housing complaint data were used to analyze discrimination in the renting and selling of housing. HUD provided fair housing complaint data for the City from 2004 through 2013. This information included the basis, or protected class pursuant to the complaint; the issue, or prospective discriminatory action pursuant to the grievance; and the closure status of the alleged fair housing infraction, which relates to the result of the fair housing investigation. The review of fair housing complaints from within the city allowed for inspection of the tone, the relative degree and frequency of certain types of unfair housing practices, and the degree to which complaints were found to be with cause. Analysis of complaint data focused on determining which protected classes may have been disproportionately impacted by housing discrimination based on the number of complaints, while acknowledging that many individuals may be reluctant to step forward with a fair housing complaint for fear of retaliation or similar repercussion.

Fair Housing Survey

HUD recommends that jurisdictions conduct a survey during the AI process to gather public input about perceived impediments to fair housing choice. The City elected to utilize a survey instrument as a means to encourage public input in the AI process.

The survey targeted individuals involved in the housing arena, although anyone was allowed to complete the survey. In addition to gathering data, this survey was utilized to help promote public involvement throughout the AI process.

The survey was designed to address a wide variety of issues related to fair housing and affirmatively furthering fair housing in the City of Salisbury. If limited input on a particular topic was received, it was assumed that the entirety of stakeholders did not view the issue as one of high pervasiveness or impact. This does not mean that the issue was nonexistent in the City, but rather that there was no widespread perception of its prevalence as gauged by survey participants. The following narrative summarizes key survey themes and data that were addressed in the survey instrument.

Federal, State, and Local Fair Housing Laws

The first section of the survey asked respondents to address a number of questions related to fair housing laws, including assessment of their familiarity with and understanding of these laws, knowledge of classes of persons protected by these laws, the process for filing fair housing complaints, and an inquiry into whether or not fair housing laws should be changed.

Fair Housing Activities

The second section of the survey evaluated stakeholders' awareness of and participation in fair housing activities in the City, including outreach activities such as trainings and seminars, as well as monitoring and enforcement activities such as fair housing testing exercises.

Barriers to Fair Housing Choice in the Private Sector

This section addressed fair housing in the private housing sector of Salisbury and offered a series of two-part questions. The first part asked respondents to indicate awareness of questionable practices or barriers to fair housing choice in a variety of private sector industries, and the second part requested a narrative description of these questionable practices or concerns if an affirmative response was received. The specific areas of the private sector that respondents were asked to examine included the:

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

The use of open-ended questions allowed respondents to address any number of concerns such as redlining, neighborhood issues, lease provisions, steering, substandard rental housing, occupancy rules, and other fair housing issues in the private housing sector of the City.

Fair Housing in the Public Sector

In a manner similar to the previous section, respondents were asked to offer insight into their awareness of questionable practices or barriers to fair housing in the public sector. A list of areas within the public sector was provided, and respondents were asked first to specify their awareness of fair housing issues within each area. If they were aware of any fair housing issues, they were asked to further describe these issues in a narrative fashion. Respondents were asked to identify fair housing issues within the following public sector areas related to housing:

- 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, and
- Any other public administrative actions or regulations.

The questions in this section were used to identify fair housing issues in the City regarding zoning, building codes, accessibility compliance, subdivision regulations, displacement issues, development practices, residency requirements, property tax policies, land use policies, and NIMBYism.[8]

[8] "Not In My Backyard" mentality

Additional Questions

Finally, respondents were asked about their awareness of any local fair housing plans or specific geographic areas of the City with fair housing problems. Respondents were also asked to leave additional comments.

Research Conclusions

The final list of impediments to fair housing choice for the City of Salisbury was drawn from all quantitative, qualitative, and public input sources, and was based on HUD's definition of an impediment to fair housing choice as any action, omission, or decision that affects housing choice because of protected class status. The determination of qualification as an impediment was derived from the frequency and severity of occurrences drawn from quantitative and qualitative data evaluation and findings.

PUBLIC INVOLVEMENT

This section discusses analysis of fair housing in the City of Salisbury as gathered from various public involvement efforts conducted as part of the AI process. Public involvement feedback is a valuable source of qualitative data about impediments, but, as with any data source, citizen comments alone do not necessarily indicate the existence of citywide impediments to fair housing choice. However, survey and forum comments that support findings from other parts of the analysis reinforce findings from other data sources concerning impediments to fair housing choice.

SECTION II. SOCIO-ECONOMIC CONTEXT

This section presents demographic, economic, and housing information collected from the Census Bureau, the Bureau of Economic Analysis, the Bureau of Labor Statistics, and other sources. Data were used to analyze a broad range of socio-economic characteristics, including population growth, race, ethnicity, disability, employment, poverty, and housing trends; these data are also available by Census tract, and are shown in geographic maps. Ultimately, the information presented in this section helps illustrate the underlying conditions that shape housing market behavior and housing choice in the City of Salisbury by presenting the demographic, economic, and housing stock context.

To supplement 2000 and 2010 Census data, information for this analysis was also gathered from the Census Bureau's American Community Survey (ACS). 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 datasets is that ACS data 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 and because they are based on estimates rather than counts of the population. However, percentage distributions from the ACS data can be compared to distributions from the 2000 and 2010 Censuses.

DEMOGRAPHICS

Review of demographic and economic data establishes the context for the analysis of the environment in which housing choices are made. These data summarize not only the protected class populations, but characteristics of the total population for the City of Salisbury, as well as the outcome of housing location choices. These data help to address whether over-concentrations of protected-class individuals exist, and if so, which areas of the City are most affected. Note that high concentrations of protected class populations do not necessarily imply impediments to fair housing choice, but may represent the results of impediments identified in other data.

POPULATION DYNAMICS

Table II.1 at right presents population counts in the City of Salisbury, as drawn from the 2000 and 2010 Censuses and intercensal estimates for 2001 through 2009 and 2011. According to these counts and estimates, population in the City grew from 26,462 persons in 2000 to 33,622 in 2012, or by 27.2 percent. However, recent estimates suggest that population growth has abated somewhat since 2010.

Table II.1
Census and Intercensal Population Estimates
City of Salisbury
2000, 2010 Census and Intercensal Estimates

Year	Estimate
Census 2000	**26,462**
July 2001 Est.	31,280
July 2002 Est.	31,601
July 2003 Est.	31,605
July 2004 Est.	31,560
July 2005 Est.	31,650
July 2006 Est.	32,116
July 2007 Est.	32,562
July 2008 Est.	33,182
July 2009 Est.	33,623
Census 2010	**33,662**
July 2011 Est.	33,586
July 2012 Est.	33,622
Change 00 - 12	**27.2%**

POPULATION BY AGE

When the population is considered by age group, residents aged 35 to 54 years of each were observed to account for the largest percentage of Salisbury residents in both 2000 and 2010 as shown in Table II.2 below. However, this group is growing more slowly than the overall rate, 25.7 versus 27.2 percent. The same was true of residents aged 5 to 19 years, 20 to 24 years, and over 65 years. By contrast, growth was relatively substantial in the cohorts of residents aged less than 5 years, between 25 and 34 years, and between 55 and 64 years; and all of these groups increased their share of the total population between 2000 and 2010, with the number of persons aged 55 to 64 years growing quickly, or by 74.1 percent over the decade.

Table II.2
Population by Age
City of Salisbury
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
Under 5	1,697	6.4%	2,352	7.0%	38.6%
5 to 19	5,128	19.4%	6,444	19.1%	25.7%
20 to 24	2,412	9.1%	2,903	8.6%	20.4%
25 to 34	3,276	12.4%	4,687	13.9%	43.1%
35 to 54	6,514	24.6%	8,140	24.2%	25.0%
55 to 64	2,174	8.2%	3,784	11.2%	74.1%
65 or Older	5,261	19.9%	5,352	15.9%	1.7%
Total	**26,462**	**100.0%**	**33,662**	**100.0%**	**27.2%**

The elderly cohort grew by only 1.7 percent over the decade. When this elderly cohort is further broken down into smaller age groups, it becomes evident that this low overall rate of growth was driven in part by reductions in the number of residents aged 70 to 84 years, as shown below in Table II.3. These groups represented relatively large shares of the elderly population in both Censuses; thus, reductions in the populations of these groups had a substantial effect on the rate of growth for the elderly cohort overall.

Table II.3
Elderly Population by Age
City of Salisbury
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
65 to 66	383	7.3%	586	10.9%	53.0%
67 to 69	647	12.3%	799	14.9%	23.5%
70 to 74	1,170	22.2%	1,066	19.9%	-8.9%
75 to 79	1,191	22.6%	1,005	18.8%	-15.6%
80 to 84	927	17.6%	884	16.5%	-4.6%
85 or Older	943	17.9%	1,012	18.9%	7.3%
Total	**5,261**	**100.0%**	**5,352**	**100.0%**	**1.7%**

POPULATION BY RACE AND ETHNICITY

The City of Salisbury experienced a shift in its racial and ethnic composition between 2000 and 2010, as shown in Table II.4 on the following page. In both years, the white population represented the largest racial group in Salisbury; however, due to a slow rate of growth in the intervening years, white residents accounted for a smaller share of the population at the end of the decade, falling from 57.3 percent in 2000 to 52.4 percent in 2010. The black population

increased by 27.7 percent over the decade. By contrast, relatively high rates of growth were observed in the American Indian and Asian populations, though these groups have relatively few people. The Hispanic population also experienced dramatic growth as the number of Hispanic residents in Salisbury more than tripled over the decade, rising by 213 percent. Consequently, this group now accounts for 10.6 percent of the population.

Table II.4
Population by Race and Ethnicity
City of Salisbury
2000 & 2010 Census SF1 Data

Race	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
White	15,163	57.3%	17,652	52.4%	16.4%
Black	9,940	37.6%	12,694	37.7%	27.7%
American Indian	74	.3%	121	.4%	63.5%
Asian	369	1.4%	523	1.6%	41.7%
Native Hawaiian/ Pacific Islander	15	.1%	16	.0%	6.7%
Other	509	1.9%	1,983	5.9%	289.6%
Two or More Races	392	1.5%	673	2.0%	71.7%
Total	**26,462**	**100.0%**	**33,662**	**100.0%**	**27.2%**
Non-Hispanic	25,324	95.7	30,099	89.4%	18.9%
Hispanic	1,138	4.3%	3,563	10.6%	213.1%

The geographic distribution of racial and ethnic minorities can vary significantly throughout a community. The U.S. Department of Housing and Urban Development (HUD) has determined that an area demonstrates a disproportionate share of a population when the percentage of that population is 10 percentage points or more above the study area average. For example, the Hispanic population represented 10.6 percent of the total population of Salisbury in 2010. Therefore, any area in the City in which Hispanic residents accounted for more than 20.6 percent of the population was considered to hold a disproportionate share of that population.

An analysis of the racial and ethnic spatial distribution was conducted by calculating race or ethnicity as the percentage of total population per Census tract and then plotting the data on a geographic map by Census tracts in Salisbury. While disproportionate and high shares of minority racial or ethnic populations may cause some concern, they do not on their own imply impediments to fair housing choice, though they may be the result of an impediment, such as real estate or rental steering or land use policies that lead to segregation in some parts of the City. For the purposes of this AI, maps were produced for several racial and ethnic groups based on both 2000 and 2010 Census data in order to examine how the concentrations of these populations changed over time.

Map II.1 on page 23 shows that in 2000 the black population in Salisbury was disproportionately concentrated in the large Census tract to the west-northwest of the city center that encompasses Livingstone College. In that area, 85.7 percent of residents were black. By 2010 the percentage of black residents in this area had dropped slightly to 82.8 percent, but the area still held the highest concentration of these residents in the City, as shown in Map II.2 on page 24. Additionally, black residents were observed to be disproportionately concentrated in the large Census tract to the east of the center of town in both the 2000 and 2010 Censuses. Over the decade, the percentage of residents of that tract that were black grew from 67.7 percent to 71.3 percent.

The distribution of the Hispanic population, at the time of the 2000 Census, is presented in Map II.3 on page 25. In that year, 4.3 percent of Salisbury residents were Hispanic, and areas with above-average concentrations of Hispanic residents were fairly widespread, though they tended to be concentrated in the south and west of the City. However, there were no areas in which the Hispanic population was observed to be disproportionately concentrated in that year. By 2010 above-average and disproportionate concentrations of Hispanic residents were confined to large Census tracts in the west of the county, while central Census tracts were no longer observed to hold above-average shares of Hispanic residents, shown in Map II.4 on page 26.

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. Among all persons aged 5 years or older, 27.2 percent were disabled in Salisbury in 2000, exceeding the 19.4 percent national disability rate at that time. This share represented 6,407 persons living with a disability in the City, including 237 persons between the ages of 5 and 15 and 2,110 persons aged 65 or older, as shown in Table II.5 below. Subsequent ACS estimates have shown that the disability rate in Salisbury had fallen to 15.4 percent by 2011, as shown below in Table II.6.

Table II.5
Disability by Age
City of Salisbury
2000 Census SF3 Data

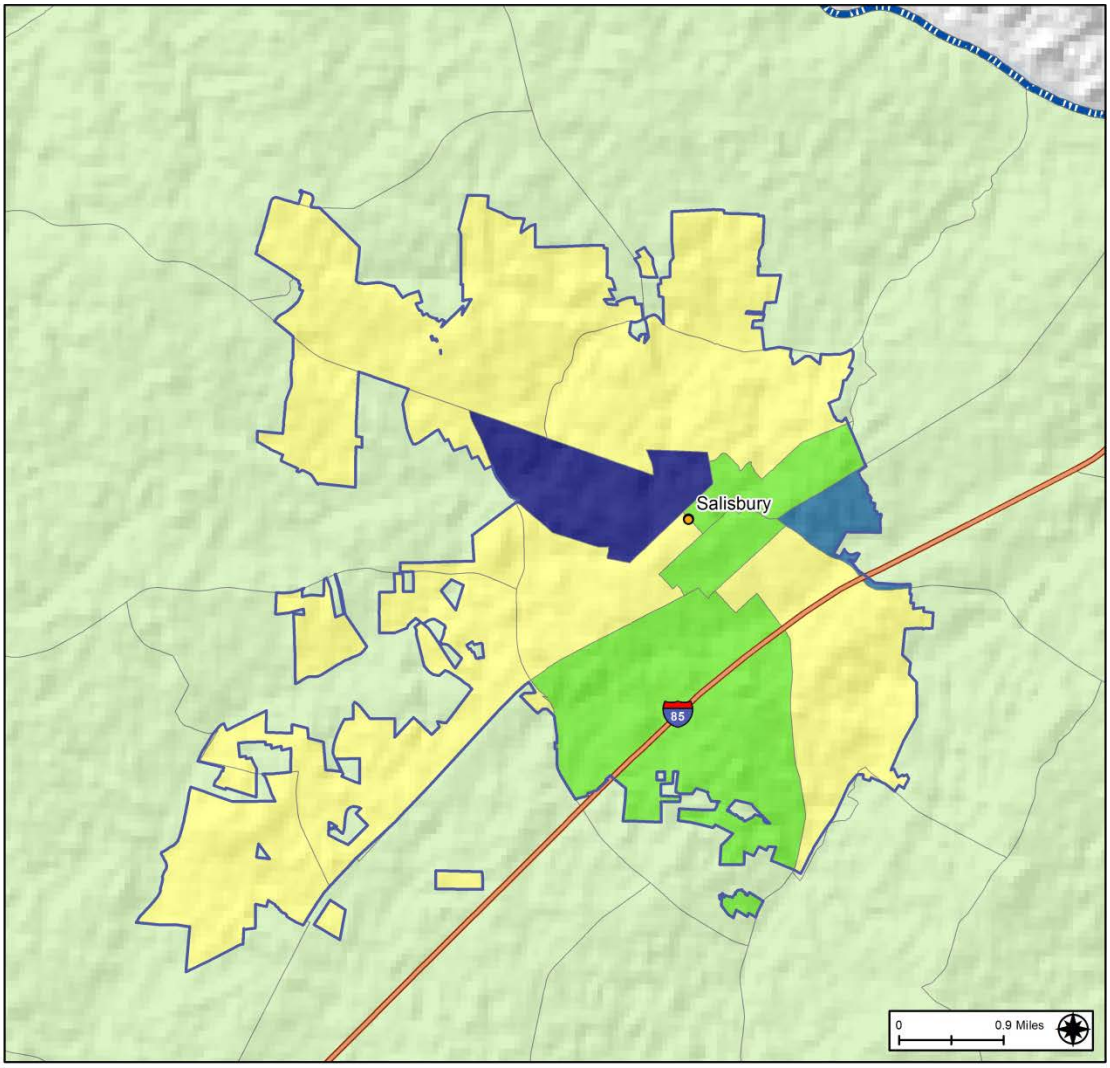
Age	Total	
	Disabled Population	Disability Rate
5 to 15	237	6.4%
16 to 64	4,060	26.1%
65 and older	2,110	49.2%
Total	**6,407**	**27.2%**

Table II.6
Disability by Age
City of Salisbury
2011 Three-Year ACS Data

Age	Male		Female		Total	
	Disabled Population	Disability Rate	Disabled Population	Disability Rate	Disabled Population	Disability Rate
Under 5	0	.0%	0	.0%	0	.0%
5 to 17	254	9.3%	75	2.9%	329	6.1%
18 to 34	293	7.2%	504	11.8%	797	9.5%
35 to 64	789	17.0%	1,193	21.7%	1,982	19.5%
65 to 74	172	19.0%	405	31.3%	577	26.2%
75 or Older	369	47.3%	659	50.7%	1,028	49.4%
Total	**1,877**	**12.9%**	**2,836**	**17.6%**	**4,713**	**15.4%**

Disability data from the 2007 to 2011 ACS are not available by Census tract; the geographic distribution of the population with disabilities in Salisbury as of the 2000 Census is presented in Map II.5 on page 27. In that year, the population with disabilities was concentrated in Census tracts in the southeast of the City; between 27.3 and 37.2 percent of residents of these areas had a disability. However, there were no areas in which the population with disabilities was disproportionately concentrated.

Map II.1
Percent Black Population by Census Tract
City of Salisbury
2000 Census Data



LEGEND

2000 Black Population
2000 Average Percent Black Population Per Tract in the City of Salisbury = 37.6%
Disproportionate Share Threshold = 47.6% (A disproportionate share exists when the share of a population in a given area is 10 percentage points greater than the study area average.)

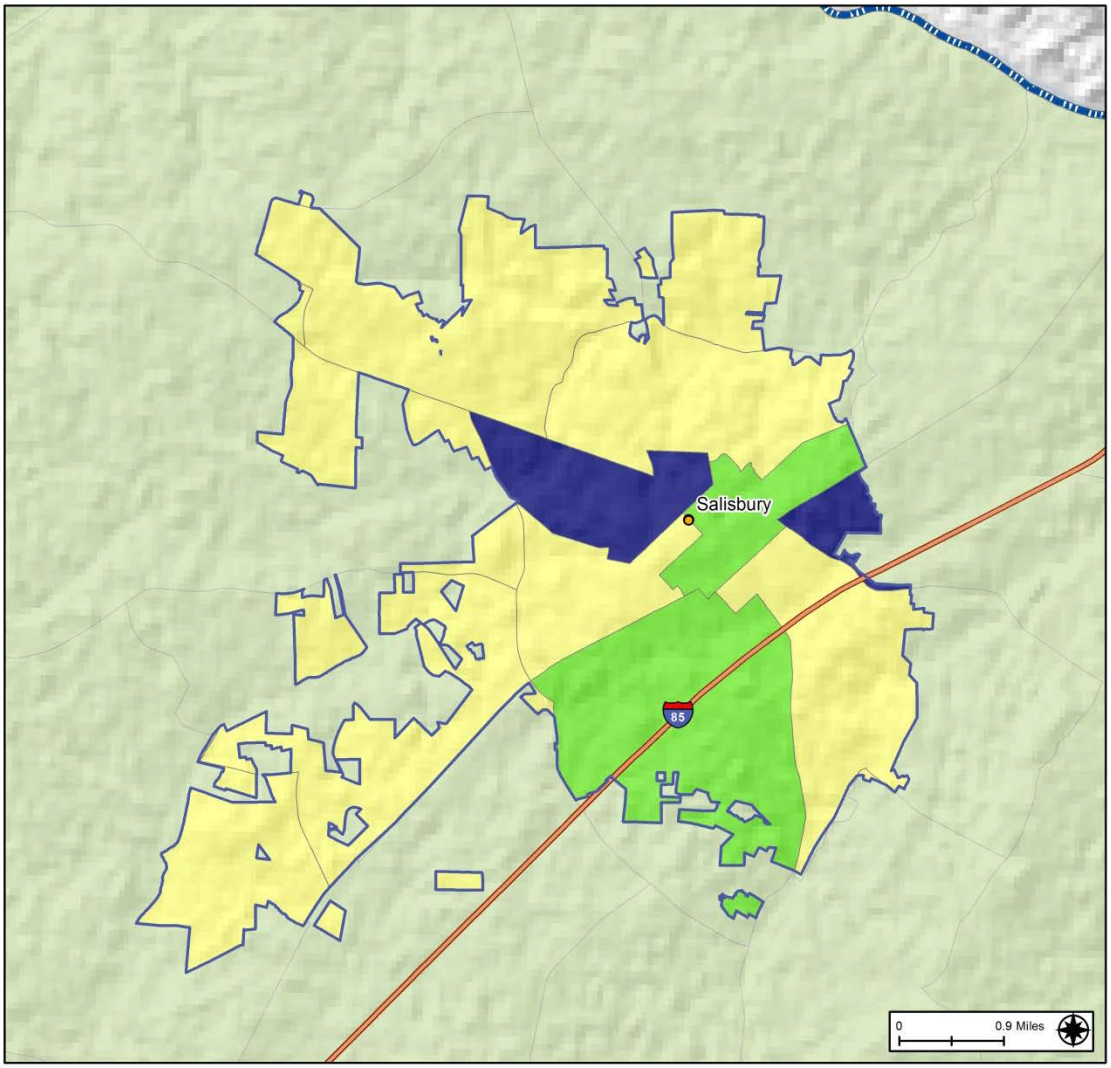
- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percent Black
- 3.3 - 37.6%
- 37.7 - 47.6%
- 47.7 - 60.3%
- 60.4 - 73.0%
- 73.1 - 85.7%

Disproportionate Share Threshold

Data Source: 2000 Census

Map II.2
Percent Black Population by Census Tract
City of Salisbury
2010 Census Data



LEGEND

2010 Black Population

2010 Average Percent Black Population Per Tract in the City of Salisbury = 37.7%
Disproportionate Share Threshold = 47.7% (A disproportionate share exists when the share of a population in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

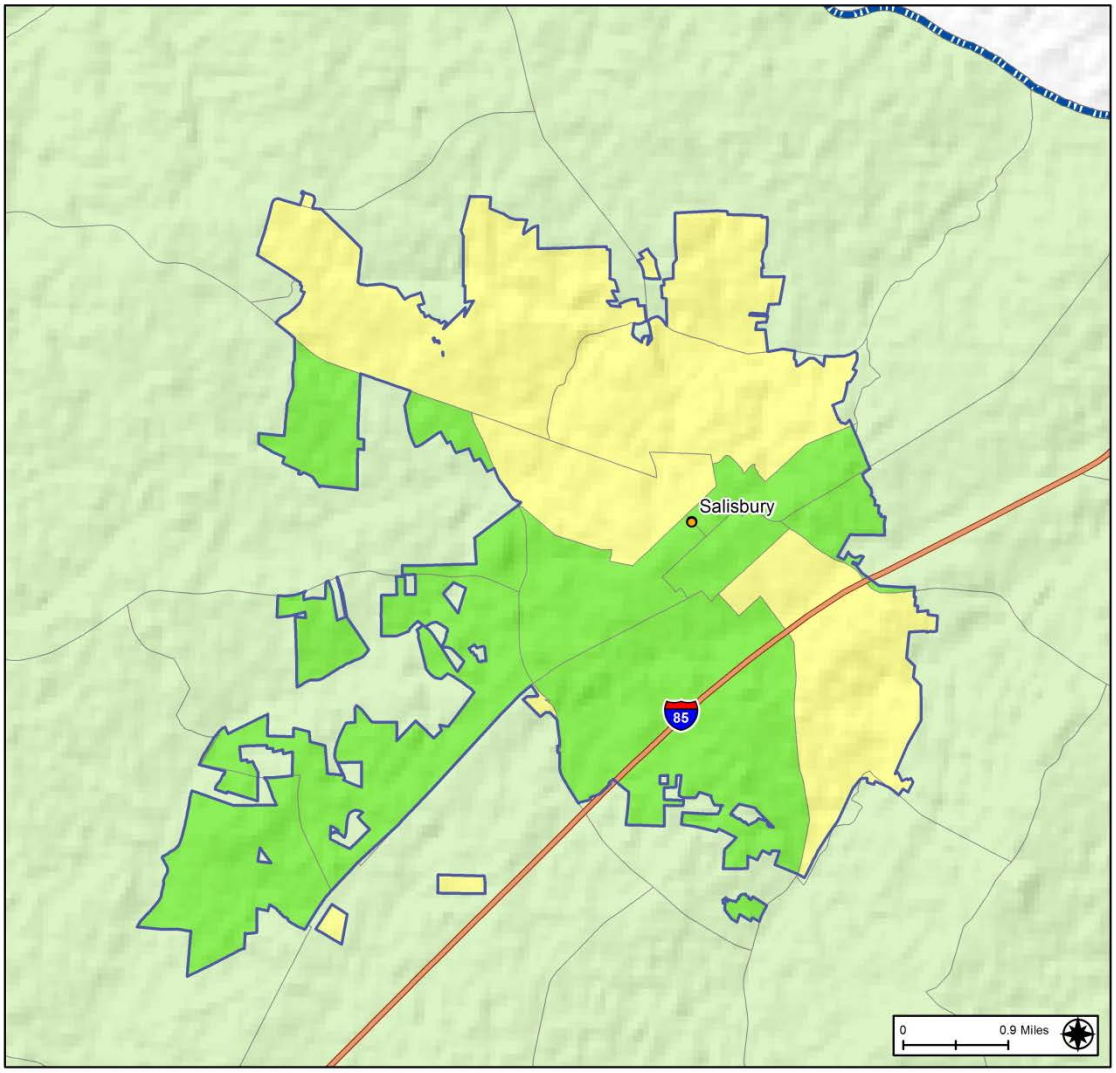
Percent Black

- 4.1 - 37.7%
- 37.8 - 47.7%
- 47.8 - 59.4%
- 59.5- 71.1%
- 71.2 - 82.8%

Disproportionate Share Threshold

Data Source: 2010 Census

Map II.3
Percent Hispanic Population by Census Tract
City of Salisbury
2000 Census Data



LEGEND

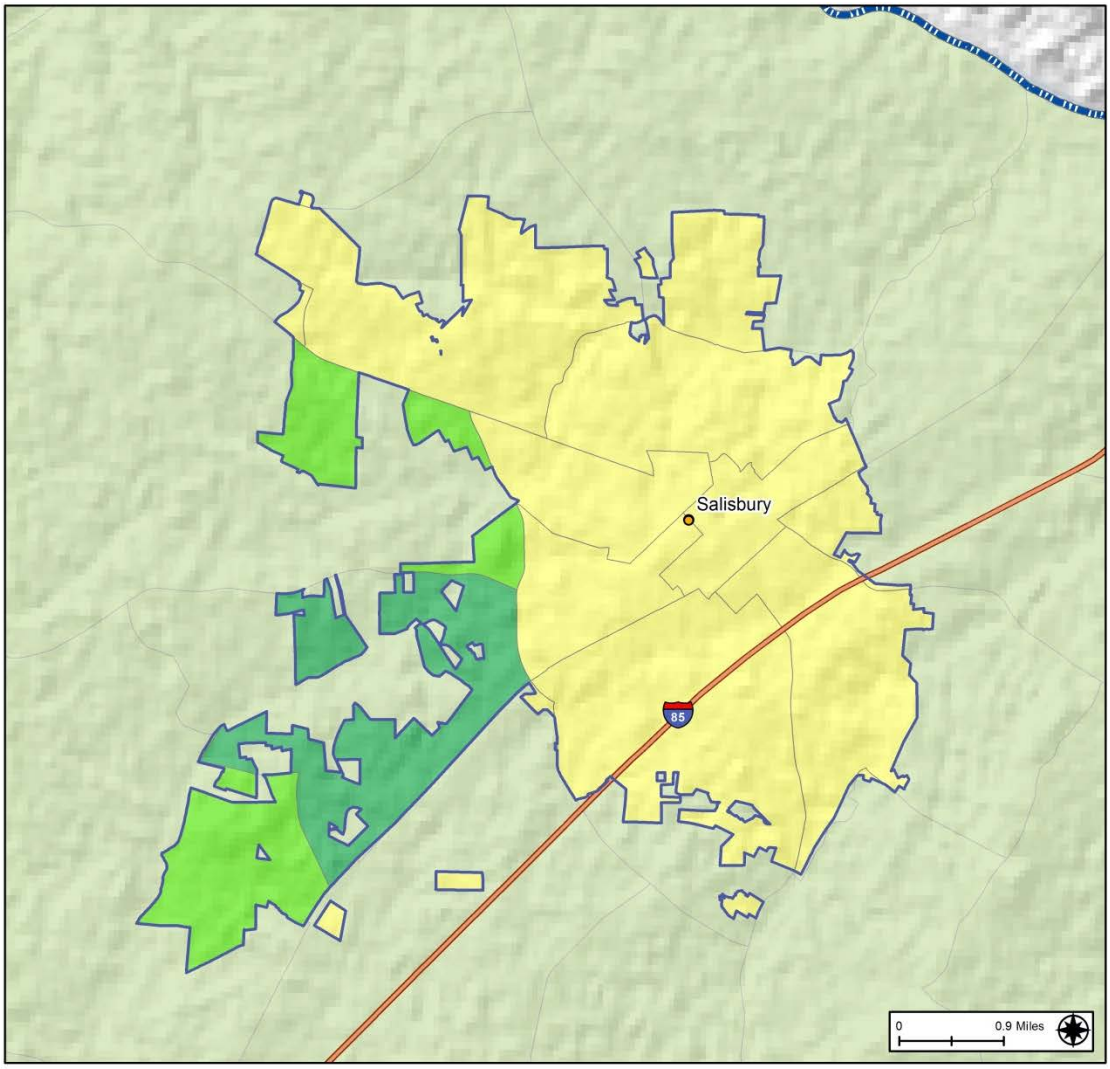
2000 Hispanic Population
2000 Average Percent Hispanic Population Per Tract in the City of Salisbury = 4.3%
Disproportionate Share Threshold = 14.3% (A disproportionate share exists when the share of a population in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percent Hispanic
1.2 - 4.3%
4.4 - 14.3%
Does Not Occur
Disproportionate Share Threshold

Data Source: 2000 Census

Map II.4
Percent Hispanic Population by Census Tract
City of Salisbury
2010 Census Data



LEGEND

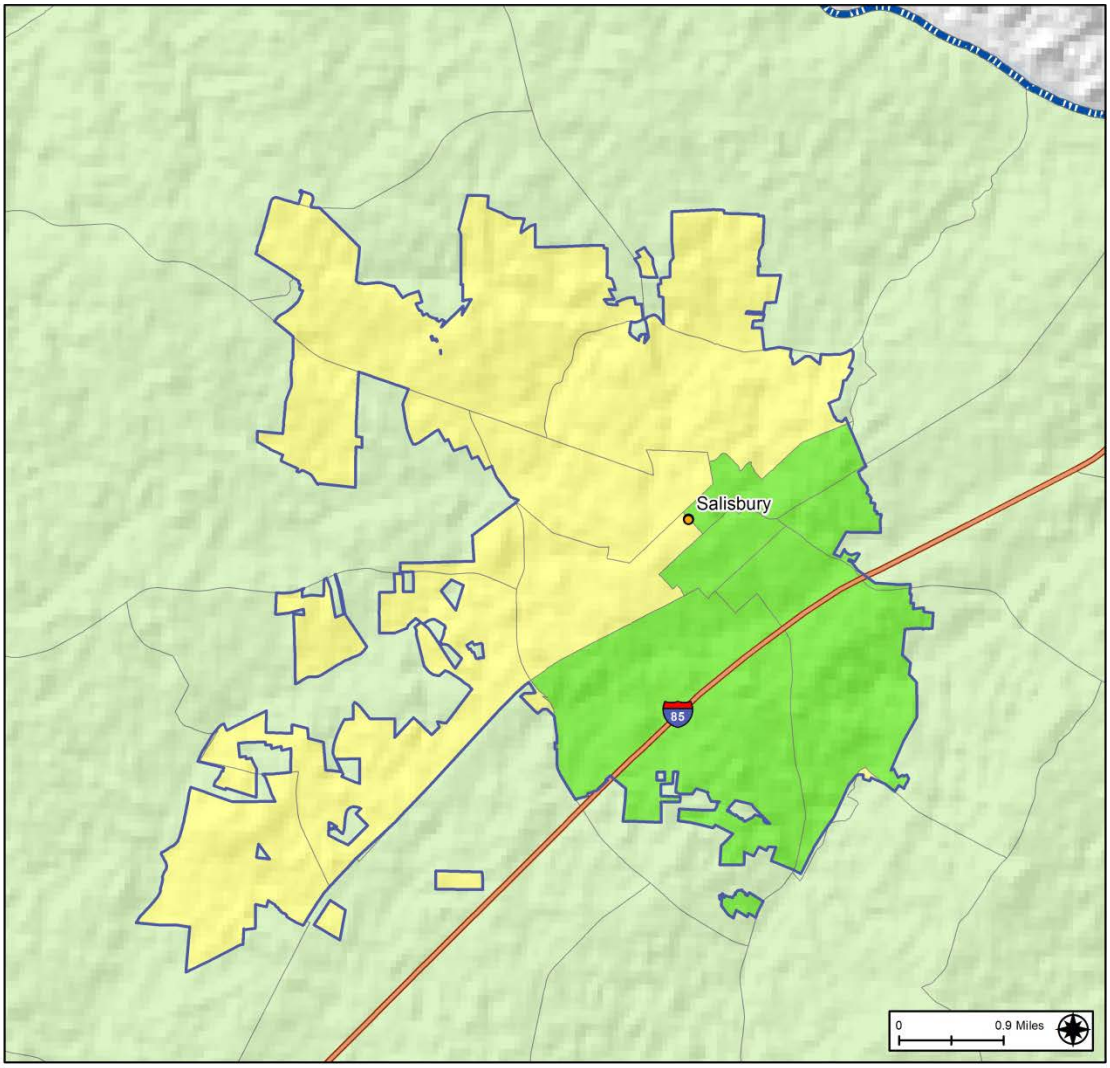
2010 Hispanic Population
2010 Average Percent Hispanic Population Per Tract in the City of Salisbury = 10.6%
Disproportionate Share Threshold = 20.6% (A disproportionate share exists when the share of a population in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percent Hispanic
- 3.0 - 10.6%
- 10.7 - 20.6%
- 20.7 - 23.4%
- Disproportionate Share Threshold

Data Source: 2010 Census

Map II.5
Disabled Population by Census Tract
City of Salisbury
2000 Census Data



LEGEND

2000 Disabled Population
2000 Average Percent Disabled Population Per Tract in the City of Salisbury = 27.2%
Disproportionate Share Threshold = 37.2% (A disproportionate share exists when the share of a population in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percent Disabled
- 17.5 - 27.2%
- 27.3 - 37.2%
- Does Not Occur
- Disproportionate Share Threshold

Data Source: 2000 Census

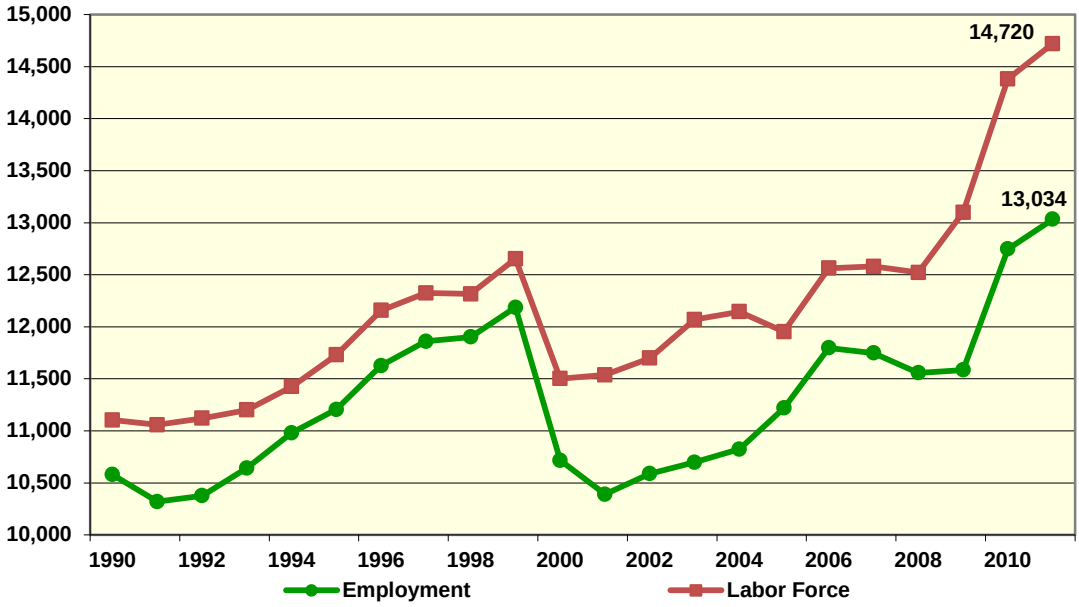
ECONOMICS

Data indicating the size and dynamics of Salisbury's job markets, workforce, incomes, and persons in poverty provide essential contextual background and indicate the potential buying power or other limitations of city residents when making a housing choice. A review of the city's residents in such a context is presented below.

LABOR FORCE AND EMPLOYMENT

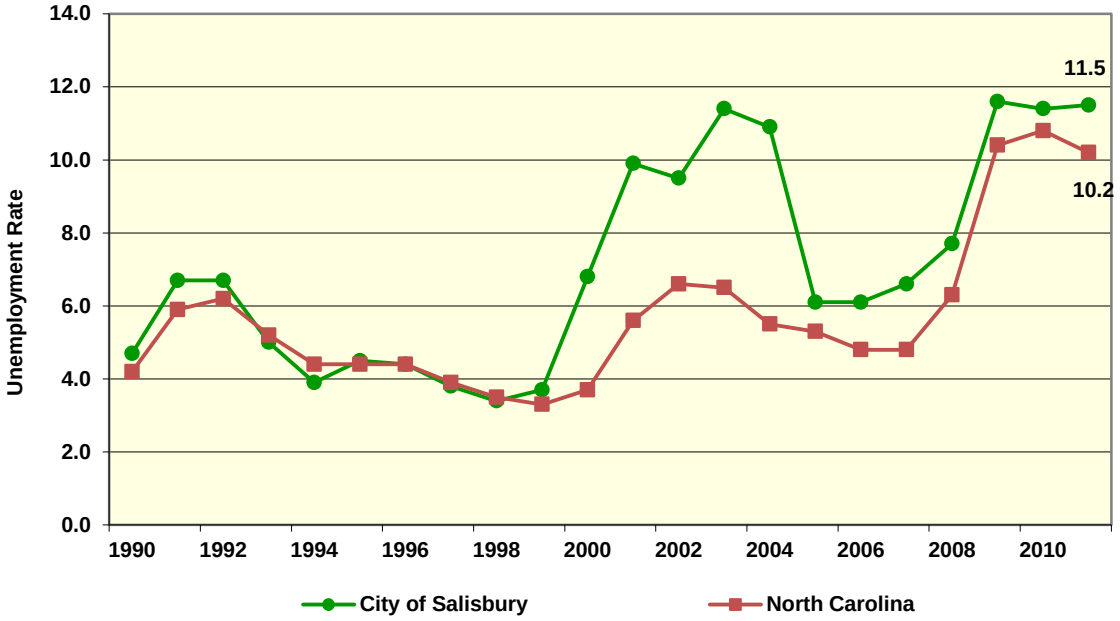
Data regarding the labor force, defined as the total number of persons working or looking for work and gathered from the Bureau of Labor Statistics (BLS), can be segmented by city for cities of 25,000 or more but are not available for smaller communities and CDPs. Employment figures for the City of Salisbury from 1990 to 2011, presented below in Diagram II.1, show that employment and the size of the labor force fluctuated considerably throughout this period.

Diagram II.1
Employment and Labor Force
City of Salisbury
1969–2011 BEA Data



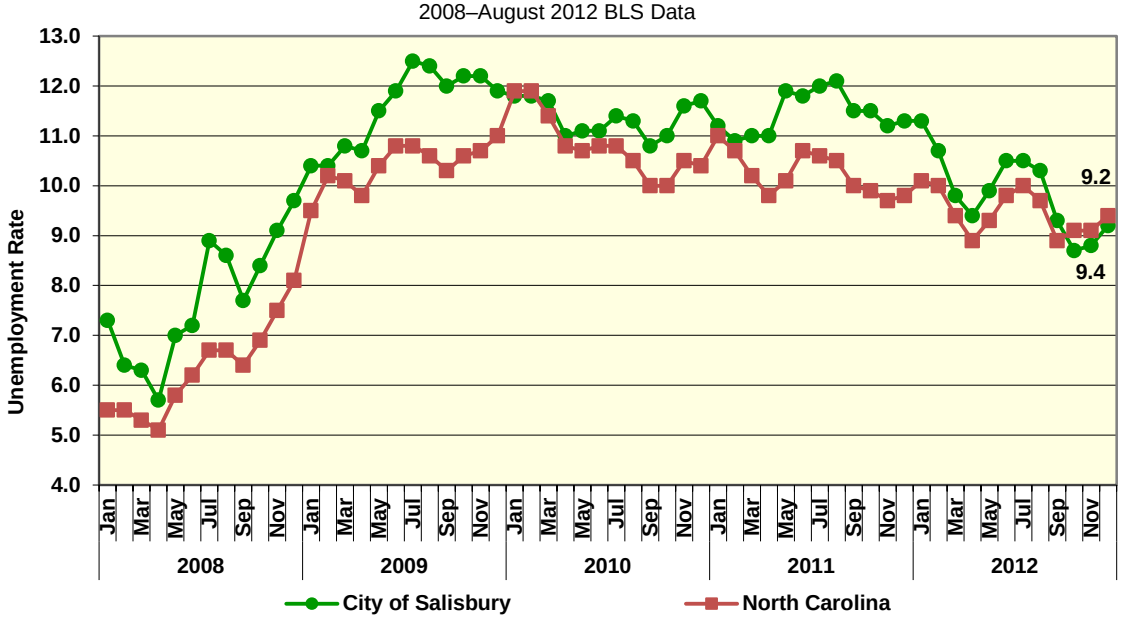
The unemployment rate is based on the difference between the number of people in the labor force and the number of people employed. There have been two major peaks in unemployment between 1990 and the present as shown in Diagram II.2 on the following page. The first began in 1999 when both labor force and employment figures dropped dramatically. However, because employment dropped more substantially than the number of residents in the labor force, the unemployment rate rose sharply. By 2005, the unemployment rate had declined to a five-year low of 6.1 percent. However, by 2011 the unemployment rate had risen to 11.5 percent, but have held quite near to the statewide average since 2004.

Diagram II.2
Unemployment Rate
City of Salisbury
1990–2011 BLS Data



More recent monthly unemployment rate data are presented below in Diagram II.3. As shown, the unemployment rate in Salisbury increased after 2008 but fluctuated between 2009 and 2012, ranging from 8.7 to 12.5 percent. Some seasonal employment changes were seen in the winter and early summer months of most years. By November of 2012, the City's unemployment rate stood at 9.2 percent, quite close to the statewide rate of 9.4 percent.

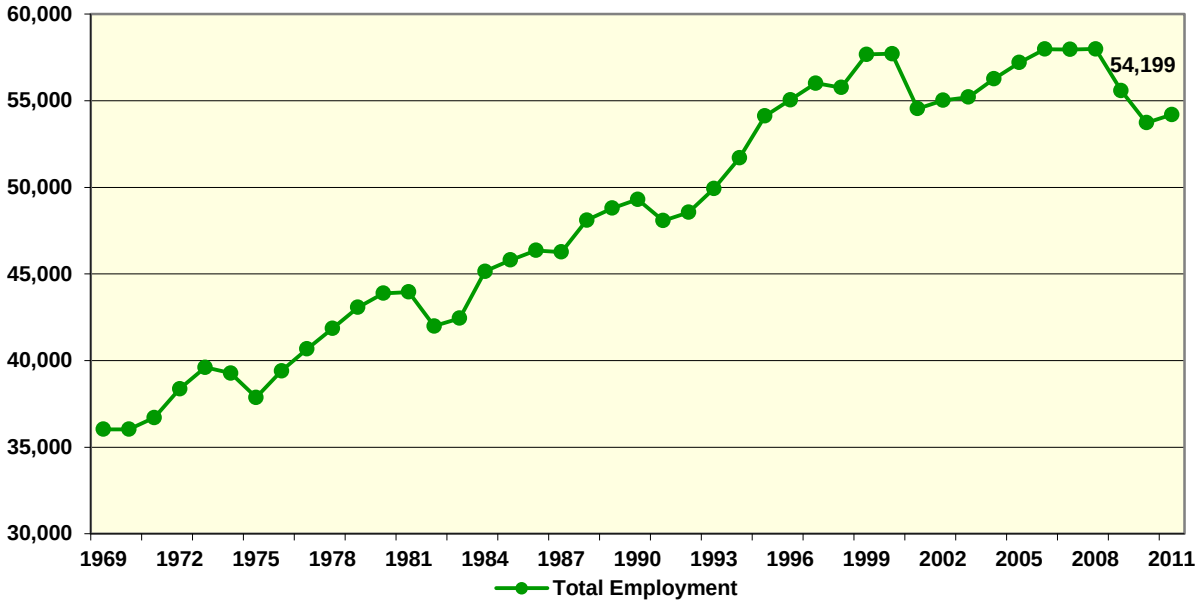
Diagram II.3
Monthly Unemployment Rate
City of Salisbury
2008–August 2012 BLS Data



FULL- AND PART-TIME EMPLOYMENT AND EARNINGS

The Bureau of Economic Analysis (BEA) provides an alternate view of employment: a count of both full- and part-time jobs.[9] As shown in Diagram II.4 below, the total number of full- and part-time jobs in Rowan County increased by around 22,000 jobs between 1969 and 2008. During that time, the overall trend in the number of jobs was positive. However, this upward track was not a smooth one, as job growth was punctuated by periods of recession in the early 1970s, in the beginning and end of the 1980s, the beginning and end of the 1990s, and the early and late 2000s. The most recent period of job losses in the County, which corresponded with the nationwide recession of 2008 and 2009, was particularly severe: over 4,200 jobs were lost during that period.

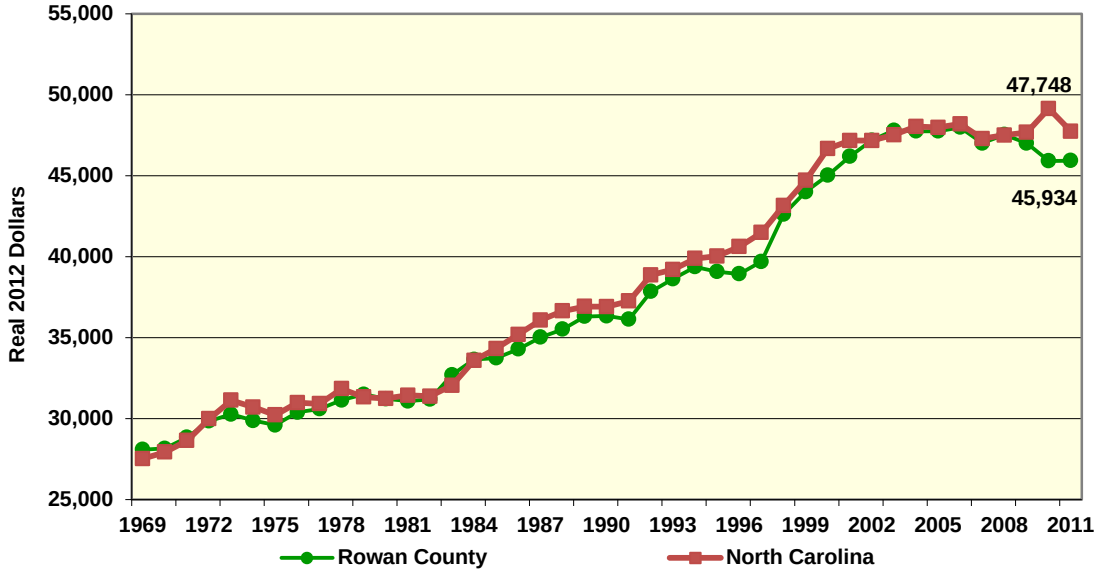
Diagram II.4
Full- and Part-Time Employment
Rowan County
1969–2011 BEA Data



As the total number of jobs in Rowan County declined in the last few years, the amount that the average County resident earned at his or her job also fell, as shown in Diagram II.5 on the next page. However, the change in real average earnings per job, defined as the total earnings from employment divided by the number of jobs, largely kept pace with statewide figures from 1969 through 2009. However, county-level earnings then dropped, and by 2011 statewide earnings per job stood at $47,748 per year, compared to $45,934 at the county level.

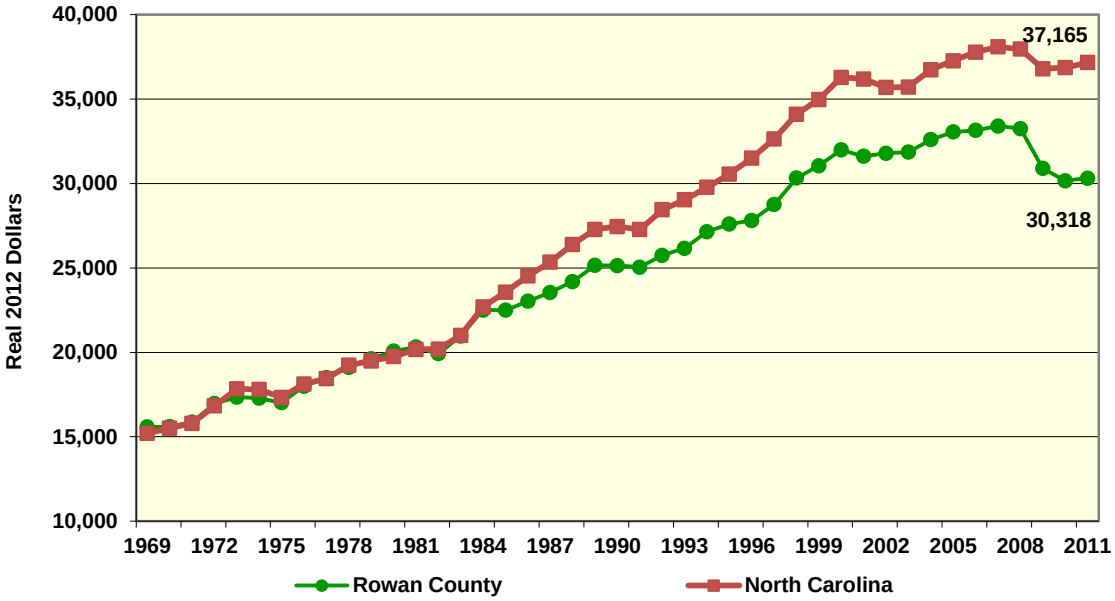
[9] Data are, in part, from administrative records. Thus, a person working more than one job can be counted more than once. BEA data are only available by county.

Diagram II.5
Real Average Earnings Per Job
Rowan County
1969–2011 BEA Data, 2012 Dollars



Unlike real average earnings per job, real average per capita income (PCI) has been growing more slowly in the city than in the state since the mid-1980s, as seen below in Diagram II.6. Real per capita income includes income from wages earned, transfer payments, and property income such as dividends, interest, and rents, and represents a more complete measure of income performance. Still, the gap between state-level PCI and county-level PCI gradually widened from 1985 through 2008, and the gap between the two dramatically widened after 2008.

Diagram II.6
Real Average Per Capita Income
Rowan County
1969–2011 BEA Data, 2012 Dollars



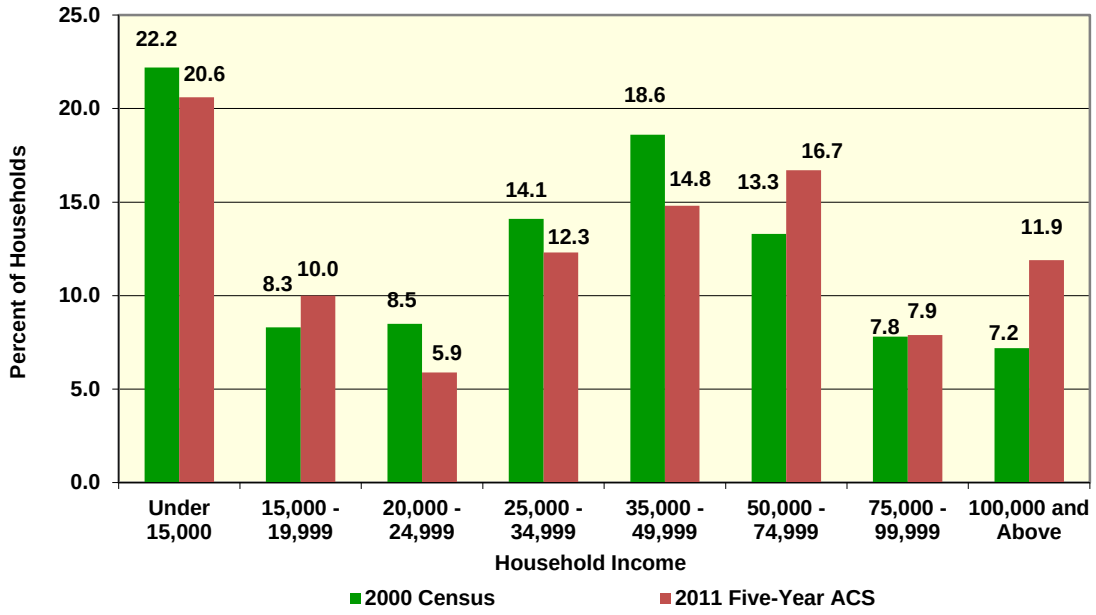
HOUSEHOLD INCOME

Table II.7 below presents the number of households in the City of Salisbury by income range, as derived from the 2000 Census count and the 2011 five-year ACS estimates. In 2000, 22.2 percent of households had incomes under $15,000, and an additional 16.8 percent had incomes between $15,000 and $24,999. More recent ACS data showed that the percentage of households with incomes of $100,000 or above increased—from 7.2 percent in 2000 to 11.9 percent by 2011. The percentage of households making between $75,000 and $99,999 per year and those making between $50,000 and $74,999 per year rose to 16.7 and 7.9 percent, respectively. The shares of all other income categories decreased over the decade, with the exception of households making between $15,000 and $19,999, which grew by 1.7 percentage points over the decade. Thus, the County experienced a shift over the decade toward higher income households as shown below in Diagram II.7.

Table II.7
Households by Income
City of Salisbury
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	2,304	22.2%	2,552	20.6%
$15,000 to $19,999	860	8.3%	1,240	10.0%
$20,000 to $24,999	884	8.5%	724	5.9%
$25,000 to $34,999	1,464	14.1%	1,515	12.3%
$35,000 to $49,999	1,926	18.6%	1,825	14.8%
$50,000 to $74,999	1,381	13.3%	2,062	16.7%
$75,000 to $99,999	810	7.8%	974	7.9%
$100,000 or More	747	7.2%	1,470	11.9%
Total	**10,376**	**100.0%**	**12,362**	**100.0%**

Diagram II.7
Households by Income
City of Salisbury
2000 Census SF3 & 2011 Five-Year ACS Data



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.

The poverty rate in Salisbury stood at 16 percent in 2000, with 3,892 persons considered to be living in poverty, as shown in Table II.8 below. Nearly 500 children aged 6 and below were counted as living in poverty at that time, in addition to over 472 persons aged 65 and older. The 2007 to 2011 ACS data showed that poverty in the City had climbed to 21.5 percent by 2011, which is consistent with recent declines in real earnings per job and real per capita income in Rowan County.

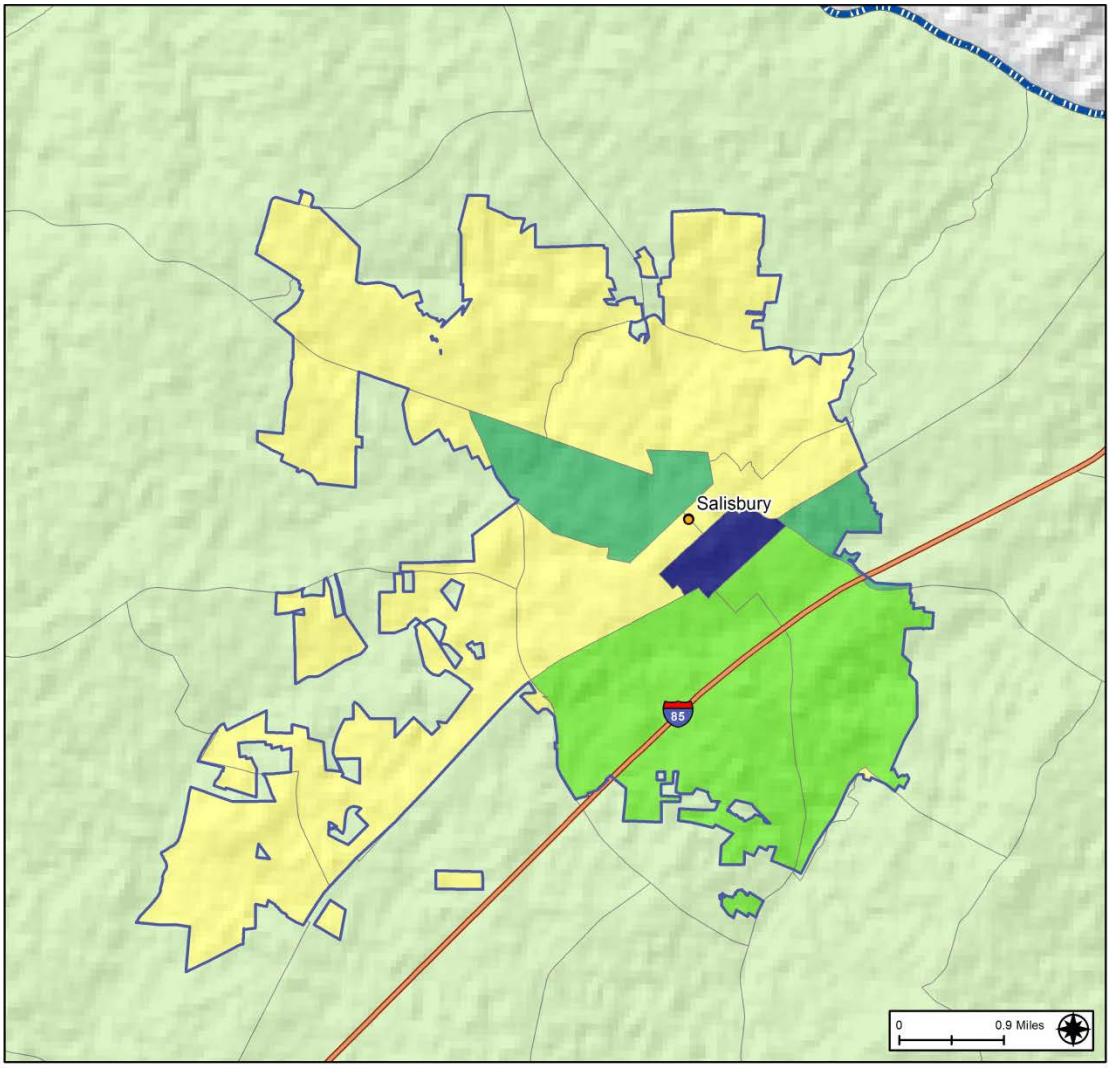
Table II.8
Poverty by Age
City of Salisbury
2000 Census SF3 & 2011 Five-Year ACS Data

Age	2000 Census		2011 Five-Year ACS	
	Persons in Poverty	% of Total	Persons in Poverty	% of Total
Under 6	491	12.6%	1,140	18.3%
6 to 17	802	20.6%	1,189	19.0%
18 to 64	2,127	54.7%	3,631	58.1%
65 or Older	472	12.1%	285	4.6%
Total	**3,892**	**100.0%**	**6,245**	**100.0%**
Poverty Rate	**16.0%**	**.**	**21.5%**	**.**

Poverty was not spread evenly throughout the County, as some Census tracts had much higher rates of poverty than others. Map II.6 on the following page presents the poverty rates in 2000 geographically. Census tracts that had a disproportionate share of persons living in poverty were those areas where the poverty rate was greater than 26.0 percent. Three areas were observed to hold such disproportionate shares in 2000, all of which were in or around the center of Salisbury. In that year, 36.2 percent of the population was living in poverty in the small central Census tract itself. In addition, between 26.1 and 29.4 percent of the populations of two large Census tracts to the immediate west and east of the center of town were living in poverty.

By 2011, poverty was observed to be particularly concentrated in the two large Census tracts to the east and west of the center of town, as seen in Map II.7 on page 35. The small central tract itself, which had held the highest poverty rate in 2000, was merged with another tract when the tract boundaries were redrawn for the 2010 Census, making it difficult to comment on changes to the poverty rate in that geographic area. The most dramatic change in the distribution of poverty in the City was seen in the large tract to the immediate west of the center of town, which came to hold the highest share of impoverished households, some 44.2 percent, by 2011. In addition, the poverty rate increased in the large tract to the immediate east of the city center. Note that in both the 2000 and the 2007-2011 ACS estimates, areas with high rates of poverty tended to be the same as those in which black residents were disproportionately concentrated.

Map II.6
Poverty Rate by Census Tract
City of Salisbury
2000 Census Data



LEGEND

2000 Distribution of Poverty
2000 Average Poverty Rate Per Tract in the City of Salisbury = 16.0%
Disproportionate Share Threshold = 26.0% (A disproportionate share exists when the poverty rate in a given area is 10 percentage points greater than the study area average.)

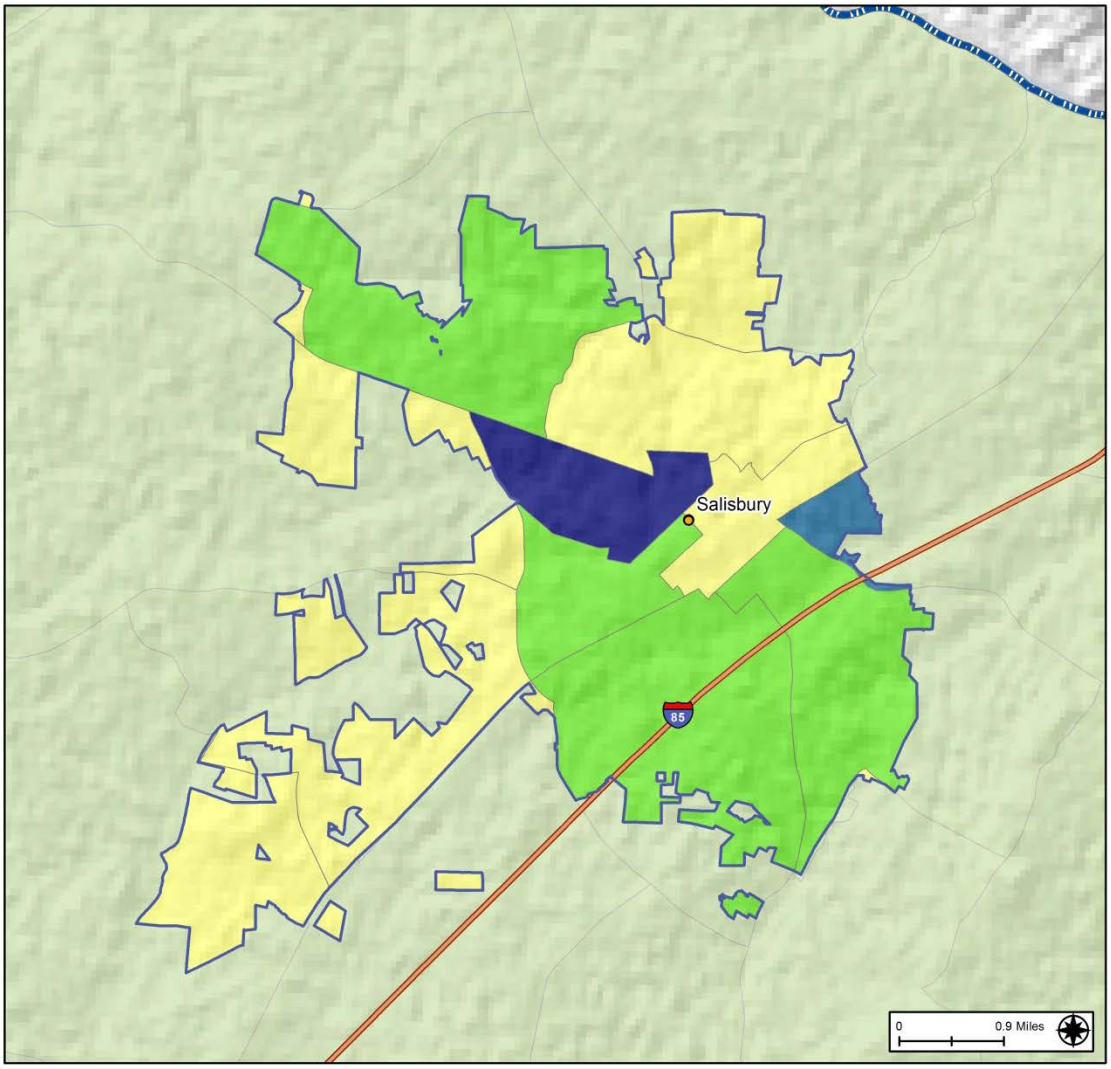
- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Poverty Rate
- 3.8 - 16.0%
- 16.1 - 26.0%
- 26.1 - 29.4%
- 29.5 - 32.8%
- 32.9 - 36.2%

Disproportionate Share Threshold

Data Source: 2000 Census

Map II.7
Poverty Rate by Census Tract
City of Salisbury
2011 Five-Year ACS Data



LEGEND

2007-2011 Distribution of Poverty
2007-2011 Average Poverty Rate Per Tract in the City of Salisbury = 21.5%
Disproportionate Share Threshold = 31.5% (A disproportionate share exists when the poverty rate in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Poverty Rate
- 8.8 - 21.5%
- 21.6 - 31.5%
- 31.6 - 35.7%
- 35.8 - 39.9%
- 40.0 - 44.2%

Disproportionate Share Threshold

Data Source: 2007-2011 American Community Survey

HOUSING

Simple counts of housing by age, type, tenure, and other characteristics form the basis for the housing stock background, suggesting the available housing from which residents of Salisbury have to choose. Examination of households, on the other hand, shows how residents use the available housing, and shows household size and housing problems such as incomplete plumbing and/or kitchen facilities. Review of housing costs reveals the markets in which housing consumers in the County can shop, and may suggest needs for certain populations.

CHARACTERISTICS OF THE HOUSING STOCK

According to the Decennial Census count, SF1 data, the number of housing units in the City of Salisbury increased by 29.6 percent between 2000 and 2010, from 11,288 to 14,626 units. During this time, the population of Salisbury increased by 27.2 percent, which suggests that housing production slightly outpaced population growth.

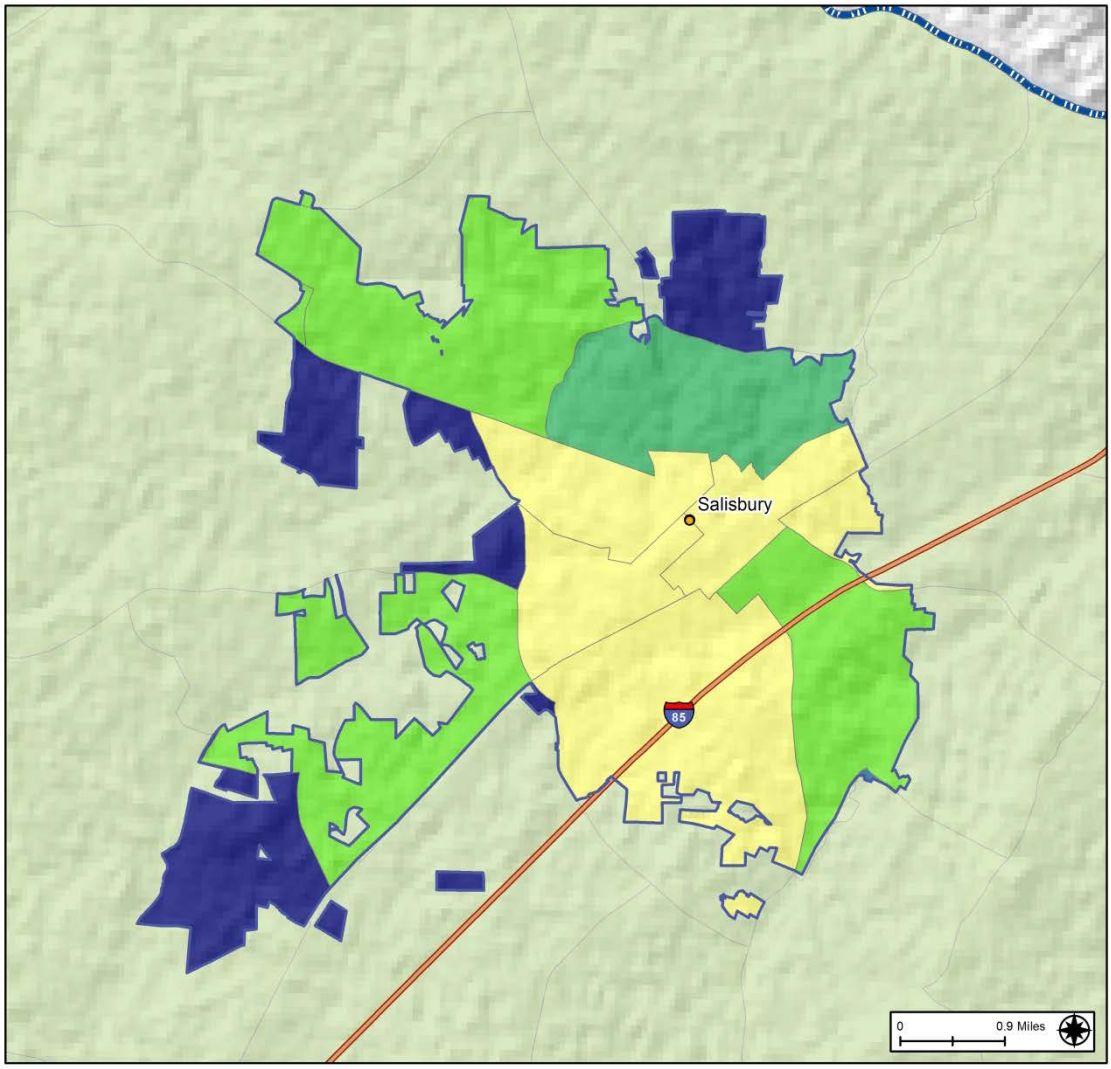
Between 2000 and 2010, the number of occupied housing units increased by 22.0 percent as shown in Table II.9 below. This was less than the rate of growth for housing stock overall, and as a result the share of occupied housing units fell from 91.0 to 85.9 percent of all housing stock over the decade. Growth was particularly modest among owner-occupied units, declining from 53.5 to 51.6 percent, with renter-occupied growing by 27.1 percent. However, the number of vacant housing units grew at a much higher rate than either, more than doubling over the decade. Accordingly, the share of housing units in the City that were vacant grew from 9.0 to 14.1 percent over the decade.

Table II.9
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%**

Geographic areas with the highest percentages of owner-occupied units were confined to the periphery of the City in 2010, as shown in Map II.8 on the following page. Concentrations of owner-occupied housing between 76.2 and 83.4 percent were observed in Census tracts that lay mostly on the periphery of the city of Salisbury. A disproportionately high rate of owner-occupancy was also observed in the large Census tract to the north of the center of town encompassing the Salisbury Country Club, where more than 61.7 percent of units were occupied by their owners. By contrast, areas with disproportionately high rates of rental tenancy were confined to Census tracts in the city center as shown in Map II.9 on page 38. In the large tract to the immediate west of the center of town, 74.2 percent of occupied housing units were rental units. In the tract encompassing the city center itself, 59.7 percent of occupied units were occupied by rental tenants.

Map II.8
Owner-Occupied Housing Units
City of Salisbury
2010 Census Data



LEGEND

2010 Owner-Occupied Housing Units

2010 Average Percent Owner-Occupied Housing Units Per Tract in the City of Salisbury = 51.6%
Disproportionate Share Threshold = 61.6% (A disproportionate share exists when the share of owner-occupied units in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

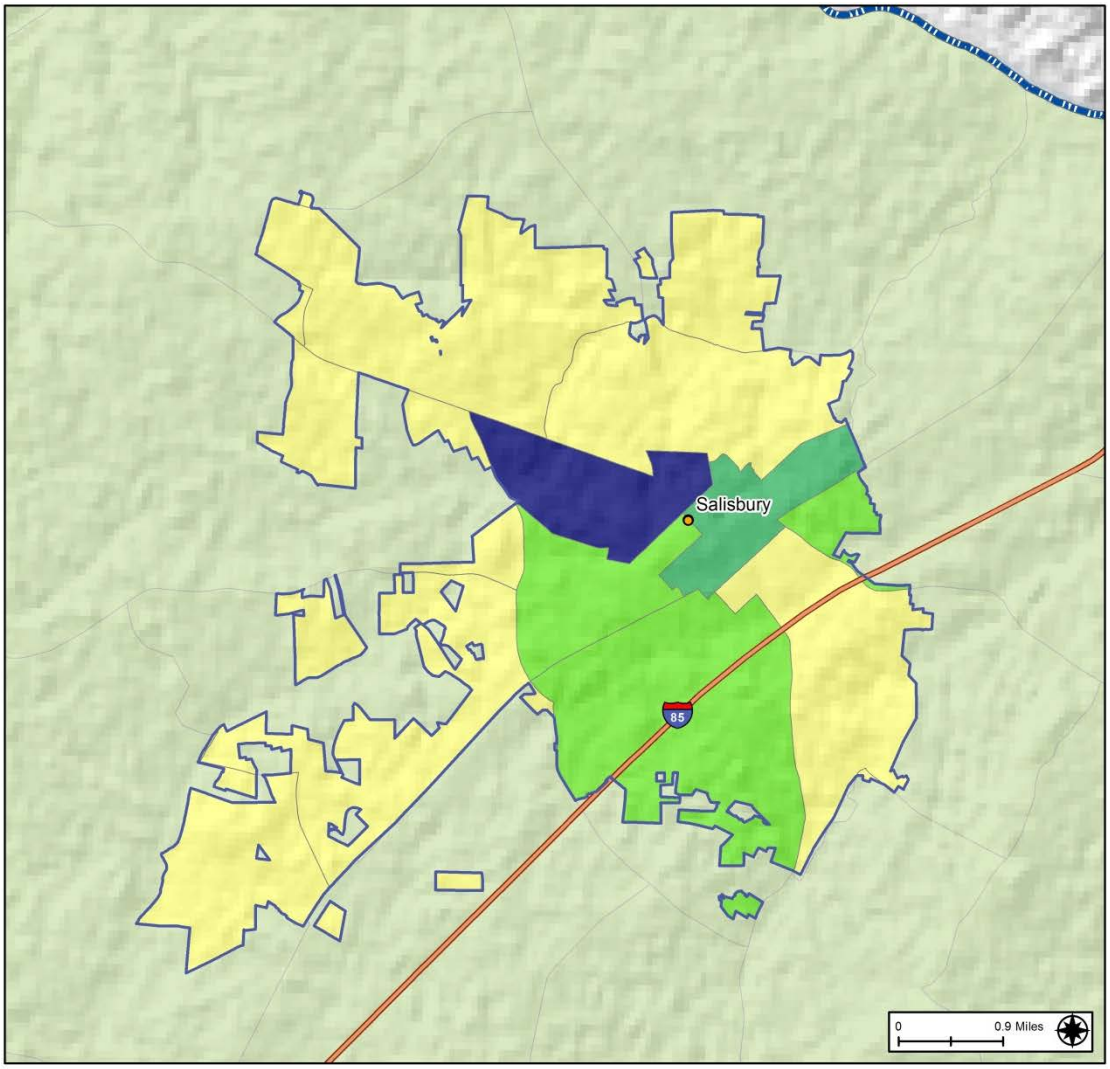
Percent Owner-Occupied

- 25.7 - 51.6%
- 51.7 - 61.6%
- 61.7 - 68.8%
- 68.9 - 76.1%
- 76.2 - 83.4%

Disproportionate Share Threshold

Data Source: 2010 Census

Map II.9
Renter-Occupied Housing Units
City of Salisbury
2010 Census Data



LEGEND

2010 Renter-Occupied Housing Units

2010 Average Percent Renter-Occupied Housing Units Per Tract in the City of Salisbury = 48.4%
Disproportionate Share Threshold = 58.4% (A disproportionate share exists when the share of renter-occupied units in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percent Renter-Occupied

- *16.5 - 48.4%*
- *48.5 - 58.4%*
- Disproportionate Share Threshold
- *58.5 - 63.6%*
- *63.7 - 68.9%*
- *69.0 - 74.2%*

Data Source: 2010 Census

VACANT HOUSING

The number of vacant housing units grew from 1,012 in 2000 to 2,059 in 2010 as shown below in Table II.10. During this time, the number of vacant units available for rent increased by 169.3 percent. These units had accounted for 35.7 percent of overall vacant housing stock in 2000, and then represented 47.2 percent of vacant housing stock in 2010. The number of vacant units for sale also increased considerably over the decade; however, the growth in the number of these units was below the growth rate of the overall vacant housing stock. The "other vacant" housing units did not represent one of the faster-growing types of vacant housing units. These units tend to be more problematic than other types of vacant housing units because they are not available to the marketplace. Where such units are grouped in close proximity to one another, a blighting influence may be created.

Table II.10
Disposition of Vacant Housing Units
City of Salisbury
2000 & 2010 Census SF1 Data

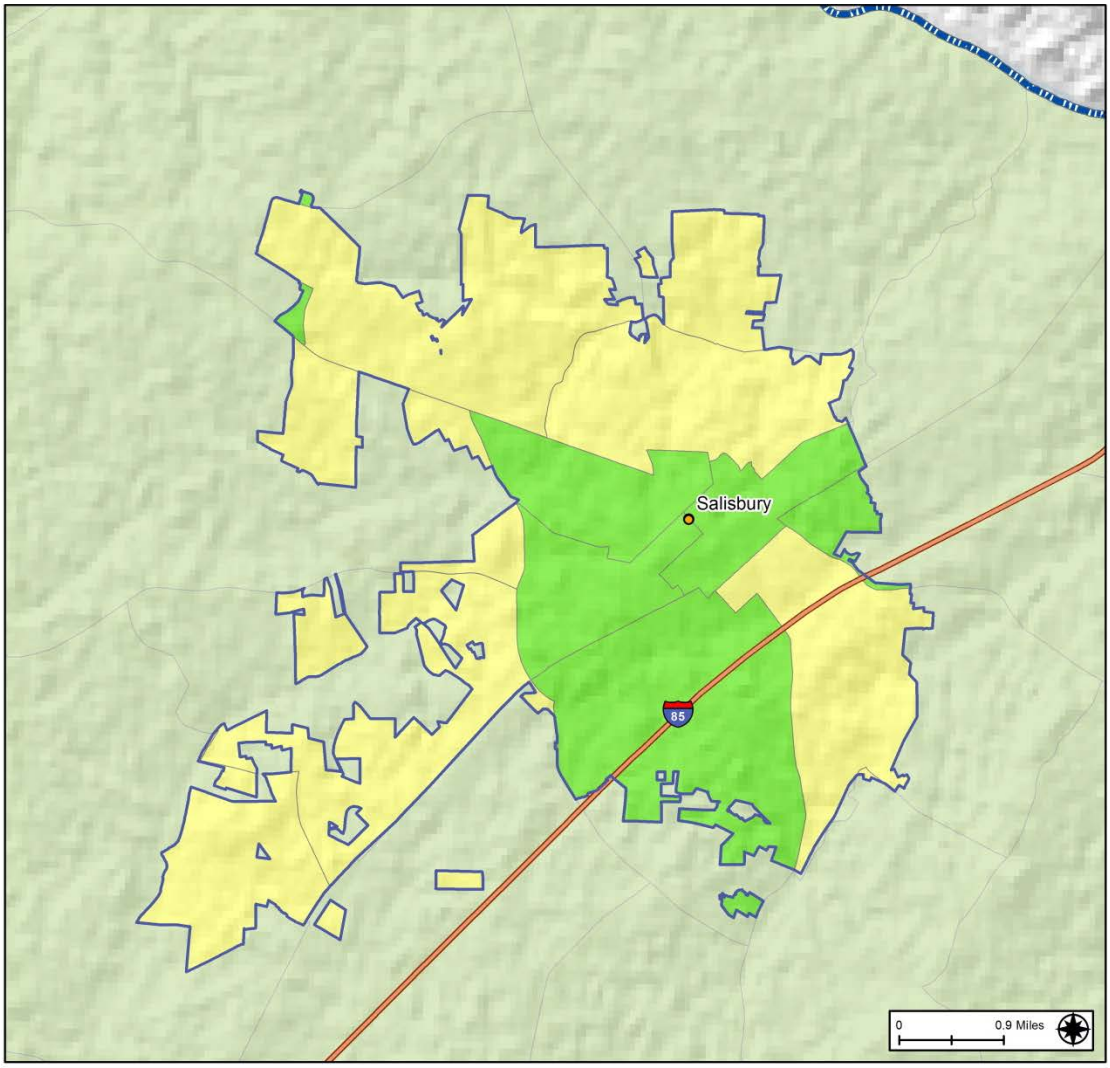
Disposition	2000 Census		2010 Census		% Change 00–10
	Units	% of Total	Units	% of Total	
For Rent	361	35.7%	972	47.2%	169.3%
For Sale	173	17.1%	323	15.7%	86.7%
Rented or Sold, Not Occupied	54	5.3%	121	5.9%	124.1%
For Seasonal, Recreational, or Occasional Use	56	5.5%	93	4.5%	66.1%
For Migrant Workers	0	0.0%	0	0.0%	%
Other Vacant	368	36.4%	550	26.7%	49.5%
Total	**1,012**	**100.0%**	**2,059**	**100.0%**	**103.5%**

In spite of the rapid growth in the number of vacant units, there were no areas in which these units were observed to be disproportionately concentrated in 2010 as shown in Map II.10 on the following page. There were, however, areas with above-average concentrations of such units; these tended to be located in central tracts in areas with high rates of rental tenancy.

HOUSEHOLD SIZE

The City of Salisbury experienced a modest but noticeable shift toward larger households over the decade between the 2000 and 2010 Censuses as shown in Table II.11 on page 41. The overall growth rate for all households was 22.3 percent. Growth in the number of one and two person households was below that overall growth rate; accordingly, these households accounted for a smaller share of all households in 2010 than in 2000. The share of one-person households fell from 34.3 to 32.6 percent, a drop of nearly 2 percentage points. Two-person households experienced a drop of about 0.7 percentage points. The number of all other households increased at a faster rate than the overall rate, with the number of housing units having seven persons or more growing by nearly 74 percent.

Map II.10
Vacant Housing Units
City of Salisbury
2010 Census Data



LEGEND

2010 Vacant Housing Units
2010 Average Percent Vacant Housing Units Per Tract in the City of Salisbury = 14.1%
Disproportionate Share Threshold = 24.1% (A disproportionate share exists when the share of vacant units in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percent Vacant
5.6 - 14.1%
14.2 - 24.1%
Does Not Occur
Disproportionate Share Threshold

Data Source: 2010 Census

Table II.11
Households by Household Size
City of Salisbury
2000 & 2010 Census SF1 Data

Size	2000 Census		2010 Census		% Change 00–10
	Households	% of Total	Households	% of Total	
One Person	3,520	34.3%	4,097	32.6%	16.4%
Two Persons	3,436	33.4%	4,112	32.7%	19.7%
Three Persons	1,491	14.5%	1,879	15.0%	26.0%
Four Persons	1,054	10.3%	1,317	10.5%	25.0%
Five Persons	478	4.7%	667	5.3%	39.5%
Six Persons	179	1.7%	290	2.3%	62.0%
Seven Persons or More	118	1.1%	205	1.6%	73.7%
Total	**10,276**	**100.0%**	**12,567**	**100.0%**	**22.3%**

Of the 11,382 housing units reported in Salisbury in the 2000 Census, 67.8 percent were single-family homes, as shown in Table II.12 below. An additional 16.7 percent of units were counted as apartments, 6.7 percent were duplex units, 6.7 percent were tri- or four-plex units, and 2.1 percent were mobile home units. By 2011, the percentages of single-family units, duplexes, tri- and four-plexes had all fallen. Meanwhile, the share of apartments grew by 2 percentage points over this time, while the share of mobiles more than tripled after 2000. [10]

Table II.12
Housing Units by Type
City of Salisbury
2000 Census SF3 & 2011 Five-Year ACS Data

Unit Type	2000 Census		2011 Five-Year ACS	
	Units	% of Total	Units	% of Total
Single-Family	7,716	67.8%	9,064	63.0%
Duplex	762	6.7%	882	6.1%
Tri- or Four-Plex	765	6.7%	836	5.8%
Apartment	1,898	16.7%	2,697	18.7%
Mobile Home	235	2.1%	917	6.4%
Boat, RV, Van, Etc.	6	0.1%	0	0.0%
Total	**11,382**	**100.0%**	**14,396**	**100.0%**

HOUSING PROBLEMS

While the 2000 Census did not report significant details regarding the physical condition of housing units, some information can be derived from the SF3 data. These data relate to overcrowding, incomplete plumbing or kitchen facilities, and cost burdens. While these data were not collected during the 2010 Census, data were available for comparison from the 2007 to 2011 ACS averages.

Overcrowding occurs when a housing unit has 1 to 1.5 persons per room, with severe overcrowding occurring in homes with 1.5 persons per room or more. At the time of the 2000 Census 2.0 percent of housing units were overcrowded and another 1.3 percent of households were severely overcrowded, as shown in Table II.13 on the following page. Overcrowding was considerably more prevalent in renter-occupied households than owner-occupied households.

[10] Summary File 3 (SF3), as defined by the U.S. Census Bureau, "consists of 813 detailed tables of [the 2000 Census'] social, economic, and housing characteristics compiled from a sample of approximately 19 million housing units (about one in six households) that received the 2000 Census long-form questionnaire http://www.census.gov/census2000/sumfile3.html. These sample data include sampling error and may not sum precisely to the 100 percent sample typically presented in the 2000 Census.

Overcrowding had increased slightly by 2011, driven by an increase in the number of overcrowded owner-occupied units. While 0.6 percent of these units had been overcrowded in 2000, 1.8 percent were overcrowded by 2011. By contrast, the share of overcrowded rental units dropped during this period, from 3.7 to 2.6 percent. The prevalence of severe overcrowding did not change appreciably for either group between the two Census counts.

Table II.13
Overcrowding and Severe Overcrowding
City of Salisbury
2000 Census SF3 & 2011 Five-Year ACS Data

Data Source	No Overcrowding		Overcrowding		Severe Overcrowding		Total
	Households	% of Total	Households	% of Total	Households	% of Total	
Owner							
2000 Census	5,519	98.8%	35	.6%	30	.5%	5,584
2011 Five-Year ACS	6,432	97.7%	118	1.8%	33	.5%	6,583
Renter							
2000 Census	4,495	94.2%	176	3.7%	103	2.2%	4,774
2011 Five-Year ACS	5,497	95.1%	149	2.6%	133	2.3%	5,779
Total							
2000 Census	10,014	96.7%	211	2.0%	133	1.3%	10,358
2011 Five-Year ACS	11,929	96.5%	267	2.2%	166	1.3%	12,362

Incomplete plumbing or kitchen facilities are other indicators of potential housing problems. According to the Census Bureau, a housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower. Likewise, a unit is categorized as deficient when any of the following are missing from the kitchen: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

At the time of the 2000 Census, a total of 65 housing units, or 0.6 percent of all units in the City, lacked complete plumbing facilities as shown below in Table II.14. By 2011, the percentage of units with incomplete plumbing facilities dropped to 0.2 percent.

Table II.14
Housing Units with Incomplete Plumbing Facilities
City of Salisbury
2000 Census SF3 & 2011 Five-Year ACS Data

Housing Units	2000 Census	2011 Five-Year ACS
With Complete Plumbing Facilities	10,293	12,334
Lacking Complete Plumbing Facilities	65	28
Total Housing Units	**10,358**	**12,362**
Percent Lacking	**.6%**	**.2%**

The shares of housing units with incomplete kitchen facilities also fell after 2000 as shown in Table II.15 on the following page. These units, which accounted for 0.7 percent of housing units in 2000, represented 0.3 percent of housing units in the 2011 Five-Year ACS.

Table II.15
Housing Units with Incomplete Kitchen Facilities
City of Salisbury
2000 Census SF3 & 2011 Five-Year ACS Data

Housing Units	2000 Census	2011 Five-Year ACS
With Complete Kitchen Facilities	10,288	12,326
Lacking Complete Kitchen Facilities	70	36
Total Housing Units	**10,358**	**12,362**
Percent Lacking	**.7%**	**.3%**

The third type of housing problem reported in the 2000 Census was cost burden, which occurs when a household has gross housing costs that range from 30 to 49.9 percent of gross household income; severe cost burden occurs when gross housing costs represent 50 percent or more of gross household income. For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent plus utility charges.

Cost burdening impacted considerably more households in Salisbury than overcrowding or incomplete facilities as shown in Table II.16 below. In 2000, 17.0 percent of all households were cost burdened and 11.7 percent were severely cost burdened. In that year, cost burdens fell more heavily on mortgagors than renters, though the reverse was true for severe cost burdens. By 2011, the share of cost burdened mortgagors had fallen from 21.1 to 19.3 percent, while the share of cost burdened renters had grown from 19.1 to 20.9 percent. The prevalence of severe cost burdening increased considerably for both mortgagors and renters, from 8.6 to 15.9 in the case of mortgagors and from 17.3 to 24.8 percent in the case of renters. Accordingly, the share of cost burdened households grew by 0.7 percentage points, to 17.7 percent by 2011. Growth in the share of severely cost burdened households was considerably more pronounced; the share such units increased by 6.6 percentage points, from 11.7 to 18.3 percent by 2011.

Table II.16
Cost Burden and Severe Cost Burden by Tenure
City of Salisbury
2000 Census & 2011 Five-Year ACS Data

Data Source	31%-50%		Above 50%		Total
	Households	% of Total	Households	% of Total	
Owner With a Mortgage					
2000 Census	632	21.1%	258	8.6%	3,002
2011 Five-Year ACS	821	19.3%	678	15.9%	4,256
Owner Without a Mortgage					
2000 Census	139	6.5%	78	3.7%	2,136
2011 Five-Year ACS	154	6.6%	146	6.3%	2,327
Renter					
2000 Census	911	19.1%	822	17.3%	4,760
2011 Five-Year ACS	1,209	20.9%	1,435	24.8%	5,779
Total					
2000 Census	1,682	17.0%	1,158	11.7%	9,898
2011 Five-Year ACS	2,184	17.7%	2,259	18.3%	12,362

Renters with a severe cost burden are at risk of homelessness. Cost-burdened renters who experience one financial setback often must choose between rent and food or health care for their families. Similarly, homeowners with a mortgage who have just one unforeseen financial

constraint, such as temporary illness, divorce, or the loss of employment, may face foreclosure or bankruptcy. Furthermore, households that no longer have a mortgage yet still experience a severe cost burden may be unable to conduct periodic maintenance and repair of their homes, and in turn, may contribute to a dilapidation and blight problem. All three of these situations should be of concern to policymakers and program managers.

HOUSING COSTS

The median home value of owner-occupied homes in Salisbury was $93,800 in 2000 and had increased to $126,100 by 2011 as shown in Table II.17 at right. Median contract rent increased from $506 in 2000 to $527 by 2011.

Table II.17
Median Housing Costs
City of Salisbury
2000 Census SF3 & 2011 Five-Year ACS Data

Housing Cost	2000	2010
Median Contract Rent	$506	$527
Median Home Value	$93,800	$126,100

Map II.11 on page 46 illustrates data on median contract rent prices in Salisbury from 2007 to 2011. During that time, housing units with relatively high rental prices were observed to be concentrated in outlying Census tracts of the City. Median rents ranged from $592 to $655 in large tracts in the northeast and southwest of the city limit. Such prices were considerably higher than the citywide median of $527. By contrast, tracts with relatively low median rental costs were clustered in and near the city center. In the large tracts to the immediate west and east of the city center, median rental costs ranged from $390 to $436. Contract rental costs were somewhat higher, though still at or below the citywide median, in the city center itself and large tracts to the southeast and southwest of that area.

Map II.12 on page 47 displays the distribution of median home values in the City of Salisbury. This map looks very similar to the previous map, as areas with relatively high home values tended to be the same as those with relatively high median rental costs. Likewise, areas with low median home values tended to be the same as those with low contract rental costs. Median home values were above the citywide median of $126,100 in outlying areas in the north and west of the city, ranging as high as $182,800. By contrast, the median home value for homes in the tract to the immediate west of the city center was only $71,000. There were no tracts in the south and center of the city in which median home values exceeded the citywide median.

SUMMARY

The population of Salisbury changed considerably between the 2000 and 2010 Censuses, both in size and composition. In 2000 the city had a population of 26,462 people, but due to a 27.2 percent growth rate over the following decade the number of Salisbury residents stood at 33,662 in 2010. Though a majority of Salisbury residents were white or black, neither of these groups grew substantially over the decade as a share of the total population. In fact, the share of white residents in 2010 was nearly 5 percentage points lower than it had been in 2000. In terms of ethnicity, the Hispanic population more than trebled in size between Censuses. In 2000 this population had accounted for 4.3 percent of the total population; by 2010, 10.6 percent of Salisbury residents were Hispanic. The geographic distribution of these groups

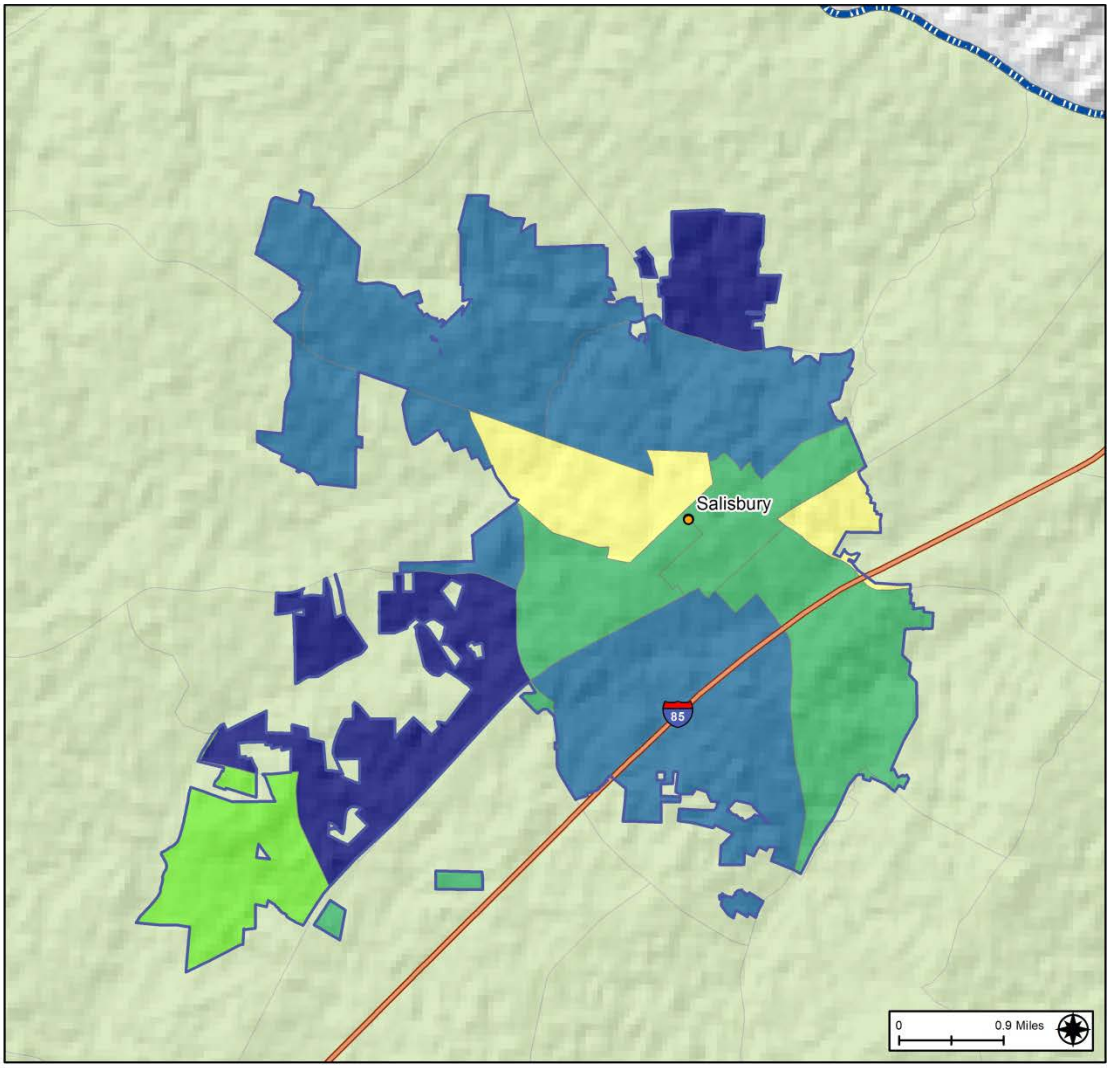
appeared to change very little over the decade, as white and black residents tended to remain disproportionately concentrated in different areas of the city.

The impact of the recent recession on the Salisbury labor market was pronounced. The unemployment rate rose from 6.1 percent in 2005 to 11.6 percent in 2009. However, the labor market of Salisbury overall has been subject to considerable fluctuation since the late 1990s, as has the unemployment rate. In 2003, unemployment stood at 11.4 percent, before dropping to around 6 percent in 2005. The total number of jobs in Rowan County fell by more than 4,200 jobs, with average earnings and per capita income declining. The poverty rate in the City had increased from 16.0 percent in 2000 to 21.5 percent.

Single-family homes dominated the housing market of Salisbury in 2000 and 2010, though apartments gained some ground over the decade, increasing their share of all housing units from 16.7 to 18.7, or 2 percentage points. This shift toward apartment units coincided with a shift toward rental occupancy, as growth in the number of renter-occupied units outpaced growth in the number of owner-occupied units. Owner-occupied and rental units tended to be concentrated in different areas of the city—rental units were concentrated in the center and south of town, and owner-occupied units in the north of the city, and in outlying Census tracts. The most dramatic shift in housing stock was the substantial increase in the number of vacant units. These units, which had accounted for 9 percent of the housing stock in 2000, doubled in number over the decade and came to represent 14.1 percent of all housing units in 2010. The number of vacant units classified as "Other Vacant" grew more moderately between the 2000 and 2010 Censuses.

The average household in Salisbury grew in size between the two Censuses, due to high rates of growth in households with five or more members. Growth in the number of one- and two-person households, by contrast, was below average. In spite of this shift toward larger households, overcrowding was not substantially more prevalent by 2011 than it had been in 2000. There were also fewer households with incomplete plumbing and kitchen facilities by 2011. However, the share of households with severe cost burdens jumped from 11.7 to 18.3 percent during this time.

Map II.11
Median Contract Rent
City of Salisbury
2011 Five-Year ACS Data



LEGEND

2007-2011 Median Contract Rent

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

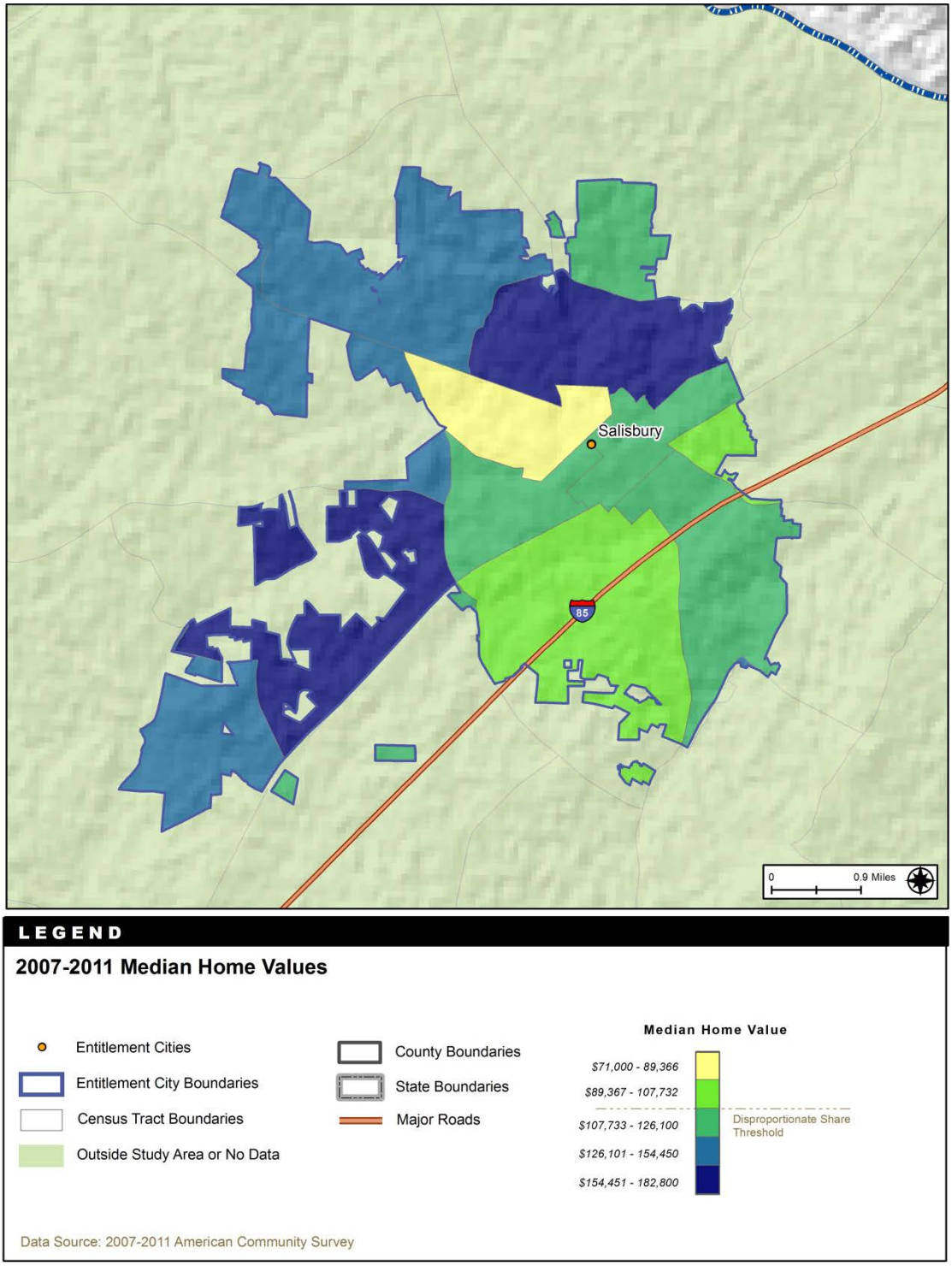
Median Contract Rent

- $390 - 436
- $437 - 481
- $482 - 527
- $528 - 591
- $592 - 655

Disproportionate Share Threshold

Data Source: 2007-2011 American Community Survey

Map II.12
Median Home Value
City of Salisbury
2011 Five-Year ACS Data



SECTION III. FAIR HOUSING LAW, STUDY, AND CASE REVIEW

As part of the AI process, existing fair housing laws, studies, cases, and other relevant materials were reviewed on a national and local scale. Results of this review are presented below.

FAIR HOUSING LAWS

FEDERAL FAIR HOUSING LAWS

Federal laws provide the backbone for U.S. fair housing regulations. 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 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

[11] "HUD Fair Housing Laws and Presidential Executive Orders." http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws

[12] "Title VIII: Fair Housing and Equal Opportunity." http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/progdesc/title8

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]

STATE AND LOCAL FAIR HOUSING LAWS

In addition to federal law, citizens of Salisbury are also protected by state and local laws, presented below:

North Carolina General Statute, Chapter 41A: North Carolina Fair Housing Law extends protections to the same groups protected under federal fair housing law. In addition, §41A-4(g) prohibits discrimination "in land-use decisions or in the permitting of development based on… the fact that a development or proposed development contains affordable housing units for families or individuals with incomes below eighty percent (80%) of area median income." However, measures taken to limit concentrations of affordable housing units are not considered discriminatory under this provision.

FAIR HOUSING STUDIES

NATIONAL FAIR HOUSING 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. It was conducted in three phases.

1. *Phase 1 – Black 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 black and Hispanic home seekers between 1989 and 2000. In the rental markets, a moderate decrease was seen in discrimination toward black 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 black and white counterparts. Many black and Hispanic home seekers were told that units were unavailable, although the same units were available to white home seekers, and the black and Hispanic populations were also shown and told about fewer units. In addition, Hispanic individuals were

[13] "HUD Fair Housing Laws and Presidential Executive Orders."

more likely in 2000 than in 1989 to be quoted a higher rent than white individuals who sought to rent the same unit.

2. *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 more often than white individuals in 21.5 percent of tests, which was similar to the rate black and Hispanic individuals saw. The study also showed that Asian and Pacific Islander prospective homebuyers experienced adverse treatment more often than 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.

3. *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 more often than 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, black, and Asian individuals in the metropolitan rental markets nationwide. [14]

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. [15]

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

[14] "Discrimination in Metropolitan Housing Markets: National Results from Phase 1, Phase 2, and Phase 3 of the Housing Discrimination Study (HDS)." http://www.huduser.org/portal/publications/hsgfin/hds.html

[15] U.S. Department of Housing and Urban Development, Office of Policy Development and Research. *How Much Do We Know?: Public Awareness of the Nation's Fair Housing Laws*. April 2002. http://www.huduser.org/portal/publications/fairhsg/hmwk.html

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.[16]

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 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 between 1996 and 2003:

- 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 Fair Housing and Equal Opportunity (FHEO) agencies over the eight-year period. The total number of investigations completed each year increased slightly after declining in 1997 and 1998; and
- Over this time period, 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 or FHAP agencies.[17]

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 black name; Patrick McDougall, a traditionally white name; or Said Al-Rahman, a traditionally Arab name. Analysis indicated that individuals who were perceived as black were four times more likely 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 black 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

[16] U.S. Department of Housing and Urban Development, Office of Policy Development and Research. *Do We Know More Now?: Trends in Public Knowledge, Support and Use of Fair Housing Law*. February 2006. http://www.huduser.org/portal/publications/hsgfin/FairHsngSurvey.html

[17] U.S. General Accounting Office. "Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process." April 2004. http://gao.gov/products/GAO-04-463

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. [18]

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 is resultant. 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. [19]

Published in 2009 by the National Fair Housing Alliance, *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 study, 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. [20]

In May 2010, the National Fair Housing Alliance 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 disproportionally 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

[18] Carpusor, Adrian and William Loges. "Rental Discrimination and Ethnicity in Names." *Journal of Applied Social Psychology* 36(4).
[19] U.S. Housing Scholars and Research and Advocacy Organizations. *Residential Segregation and Housing Discrimination in the United States.* January 2008. http://prrac.org/pdf/FinalCERDHousingDiscriminationReport.pdf
[20] National Fair Housing Alliance. *For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination.* August 2009.
http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=zgbukJP2rMM%3D&tabid=2510&mid=8347

addressing discriminatory internet advertisements and adding gender identity, sexual orientation, and source of income as federally protected classes.[21]

The positive note that the NFHA struck in its 2010 report carried over into the following year's *The Big Picture: How Fair Housing Organizations Challenge Systemic and Institutionalized Discrimination*, published by the Alliance in April of 2011. This report began by noting an encouraging downward trend in the proportion of individuals in large metropolitan areas living in segregation, which had dropped from 69 to 65 percent between 2000 and 2010, according to census data from 2010. The report also highlighted the work of fair housing organizations to combat systemic and institutionalized discrimination produced by exclusionary zoning, NIMBYism, the dual credit market, and other fair housing challenges, often on limited budgets and with limited personnel. The NFHA closed its 2011 report by praising the work of private fair housing organizations while underscoring the need for continued work[22].

The 2012 report from the NFHA focused on issues of fair housing in the context of the shifting demographic composition of the United States, where the white population is projected to no longer represent a majority of residents within thirty years. The report discussed encouraging signals from HUD and the Justice Department, who have "increased their efforts and announced landmark cases of mortgage lending, zoning, and other issues that get to the heart of the [Fair Housing] Act: promoting diverse and inclusive communities[23]." The report also highlights a new arena for discrimination in housing, which has emerged as a result of the massive level of foreclosures in the country in recent years: uneven maintenance of Real Estate Owned (REO) properties in white and minority areas. In concluding, the report hails the creation of the Consumer Financial Protection Bureau as a new ally for fair housing and equal opportunity.[24]

Another more recent report from the NFHA outlines an ambitious policy goal: expansion of the Fair Housing Act to prohibit discrimination based on source of income, sexual orientation, gender identity, and marital status. The report relates that cases of housing discrimination in general increased between 2011 and 2012, and that complaints based on non-protected statuses (source of income, etc.) were included in that upward trend. In spite of this, the report says that only 12 states include protections based on source of income, 21 states prohibit discrimination based on sexual orientation, sixteen states protect against discrimination based on gender identity, and 22 states offer protections based on marital status (the District of Columbia also extends protections on all of these bases). In concluding the report, the NFHA advocates the modernization and expansion of the FHA to bring the protection of individuals based on source of income, sexual orientation, gender identity, and marital status within its compass.

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[21] National Fair Housing Alliance. *A Step in the Right Direction: 2010 Fair Housing Trends Report*. May 2010. http://www.nationalfairhousing.org/Portals/33/Fair%20Housing%20Trends%20Report%202010.pdf

[22] *The Big Picture: How Fair Housing Organizations Challenge Systemic and Institutionalized Discrimination*. National Fair Housing Alliance 2011 Fair Housing Trends Report. 29 April 2011. *http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=SbZH3pTEZhs%3d&tabid=3917&mid=5321*

[23] http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=GBv0ZVJp6Gg%3d&tabid=3917&mid=5321

[24] *Ibid.*

STATE FAIR HOUSING STUDY

In 2013, the University of North Carolina Center for Civil Rights released a report titled *The State of Exclusion: An Empirical Analysis of the Legacy of Segregated Communities in North Carolina*. The focus of the report was on excluded communities, or areas in or near municipalities in which residents do not have access to municipal services and are often not represented in local political processes that impact them. Of particular interest to the authors of the report was the role of municipal *underbounding* in the creation of excluded communities, and the proximity of geographic clusters of racial and ethnic minorities to failing schools, environmental hazards, and other factors like these that constitute systemic disadvantages for these populations.[25] In examining the extent of these disparate impacts on racial and ethnic clusters and underbounded communities, the authors found that racial/ethnic clusters did tend to be located closer to high-poverty schools and solid waste facilities, and that manufactured housing was more prevalent in these clusters—particularly among "Latino cluster residents." Underbounded communities were not observed to be strongly related to housing disparities (higher rents, etc.) or proximity to high-poverty schools and solid waste facilities. However, the authors did note that the best model for studying underbounded communities was prone to both over-inclusion and under-inclusion, depending on local population distributions, and that data did not exist in sufficient detail to explore the effects of underbounding fully. As it relates to fair housing policy, perhaps the most important finding of the study was that the wealthiest ("Tier 3") counties tended to have the most marked disparities between racial/ethnic clusters and the population in general with respect to the systemic disadvantages discussed above. As a result, the authors suggest, CDBG application criteria that favor poorer Tier 1 and Tier 2 counties may work against fair housing efforts in North Carolina[26].

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. As a result of the case, HUD was required to develop a system to consider the racial and socio-economic impacts of their projects.[27] 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.[28] The Shannon case gave entitlement jurisdictions the responsibility of considering

[25] State of Exclusion: An Empirical Analysis of the Legacy of Segregated Communities in North Carolina. UNC Center for Civil Rights. Chapel Hill, NC; 2013. According to the report, "underbounding occurs where a municipality's limits do not include a neighborhood [or community] that would otherwise be within the municipal limits based upon its location, density, and history (Page 3)."
[26] Ibid.
[27] U.S. HUD. *39 Steps Toward Fair Housing*. http://www.hud.gov/offices/fheo/39steps.pdf
[28] Orfield, Myron. "Racial Integration and Community Revitalization: Applying the Fair Housing Act to the Low Income Housing Tax Credit." *Vanderbilt Law Review*, November 2005.

the segregation effects of publicly-funded housing projects on their communities as they affirmatively further fair housing.

More recently, 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 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, and to promote legislation "currently before the Board of Legislators to ban 'source-of-income' discrimination in housing (§33(g)".[29] In complying with the latter requirement, the County Executive's actions were limited to sending five letters to various fair housing advocates, encouraging them to continue their advocacy, and one letter to the Board of Legislators expressing support for the legislation. This bill failed to pass during the 2009 legislative session, and a similar bill was taken up during the 2010 session. In the meantime, Westchester voters elected Rob Astorino to the position of County Executive. Astorino declined to promote the source-of-income legislation before the Board, and when a weakened version of the bill passed in early 2010, he vetoed it. Finding that Westchester had failed to affirmatively further fair housing in the manner agreed upon in the earlier settlement, HUD rejected the County's AFFH certification and discontinued federal funding. As of April 2013, HUD's decision had been upheld through several rounds of appeals by the county[30]. 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

[29] http://www.hud.gov/content/releases/settlement-westchester.pdf
[30] *United States v Westchester County* 712 F.3d 761 2013 U.S. App.

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]

LOCAL FAIR HOUSING CASES

U.S. Department of Justice Cases

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; and
- Where persons 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. [32]

There were no fair housing complaints brought by the Department of Justice against housing providers in the City of Salisbury or Rowan County as of January 2014. However, the Department of Justice website lists two fair housing complaints brought against businesses in nearby jurisdictions: namely, the Town of Maiden and the City of Charlotte.

United States v. Town of Maiden, N.C., et al.

In 1995, an organization called The Hand filed a complaint with HUD against the Town of Maiden, North Carolina and Maiden Town Manager Doris C. Bumgarner, alleging that they had made efforts to prevent the organization from purchasing a home in the town. In purchasing the house, the Hand, an organization that provides residential housing and services to children and adolescents with emotional and mental disabilities, had been planning to establish a group home for up to six children. According to the complaint, the town and town manager responded by (1) telling officials from The Hand that local zoning ordinances prohibited the use of the home for that purpose, (2) "attempting to induce the State of North Carolina Department of Human Services to deny a license to the proposed home", and (3) trying to have the organization's home purchase loan withdrawn. The Hand, whose officers and shareholders are all black, alleged that these actions were motivated by a desire to discriminate on the bases of race and disability. Ultimately, the two parties settled the complaint; the terms of the settlement included requirements that the officials of Town of Maiden undergo fair housing training, adopt several non-discrimination policies, apprise the DOJ of pending requests for zoning variances for residential care facilities, and pay $45,000 in damages to The Hand.

[31] http://www.relmanlaw.com/docs/FinalConciliationAgreementTexas.pdf
[32] "The Fair Housing Act." The United States Department of Justice. http://www.justice.gov/crt/about/hce/housing_coverage.php

United States v. Bank of America N.A.

Three prospective homebuyers filed fair housing complaints against Charlotte-based Bank of America in late 2012. At issue in their complaints were several of the bank's written policies regarding home mortgage loans to persons with disabilities. Among these policies was a requirement that applicants who were receiving Social Security Disability Insurance payments prove that they would continue to receive those payments for three years (though there was no similar requirement regarding income for non-disabled applicants). In addition, some home mortgage applicants had been asked to provide information about the nature and severity of their disability. The case was settled in late 2012; the conditions of the settlement included requirements that the bank change several of its policies pertaining to disabilities; that it attempt to destroy any customer medical records that it may have in its possession; that it inform customers, processors, and underwriters of the terms of the settlement; and that the bank compensate aggrieved persons for damages resulting from their former policy. Such aggrieved persons included, in principal, any person with disability who had filled out a loan application at the bank between May 1, 2009 and April 30, 2012.

SUMMARY

Residents of the City of Salisbury are protected by fair housing statutes at the state and federal level. Fair housing protections on the basis of race, color, religion, sex, national origin, disability, and family status are enshrined in laws at all of these levels. Additionally, North Carolina state law prohibits discrimination in land-use decisions on the basis that the housing projects potentially at issue in those decisions consist of affordable housing units.

Recent fair housing studies have focused on potential unforeseen sources of segregation and disparate treatment. They have also highlighted some successes in fair housing policy in combating discrimination, while acknowledging that while discrimination has lessened, it has also become increasingly more subtle.

The Department of Justice has brought two fair housing complaints against entities near Salisbury: the Town of Maiden and Bank of America. In both cases, disability was the basis of discrimination alleged. At the national level, recent cases brought against Westchester County in New York and the State of Texas have concerned the alleged failure of these jurisdictions to honor the fair housing components of HUD funding; these cases promise to impact fair housing compliance and policy in the future.

SECTION IV. REVIEW OF THE EXISTING FAIR HOUSING STRUCTURE

The purpose of this section is to provide a profile of fair housing in the City of Salisbury based on a number of factors, including an enumeration of key agencies and organizations that contribute to affirmatively furthering fair housing, evaluation of the presence and scope of services of existing fair housing organizations, and a review of the complaint process.

FAIR HOUSING AGENCIES

FEDERAL 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 North Carolina, as well as Alabama, the Caribbean, Georgia, Florida, Kentucky, Mississippi, South Carolina, and Tennessee.[33] Contact information for HUD is listed below:

Address:
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
Website: http://www.HUD.gov/offices/fheo/online-complaint.cfm

For North Carolina, the contact information for the regional HUD office in Atlanta is:

Address:
Atlanta Regional Office
U.S. Department of Housing and Urban Development Southeast Office
40 Marietta Street
Atlanta, GA 30303
Telephone: (404) 331-5001
Website: http://www.HUD.gov

The Office of Fair Housing and Equal Opportunity (FHEO) within HUD's Atlanta office enforces the Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending, and other related transactions in North Carolina. HUD also provides education and outreach, monitors agencies that receive HUD funding for compliance

[33] "Fair Housing Regional Offices." http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/aboutfheo/fhhubs#hdwest2

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

The Fair Housing Assistance Program (FHAP) was designed to support local and state agencies that enforce local fair housing laws, provided that these laws are substantially equivalent to the Federal Fair Housing Act. Substantial equivalency certification is a two-phase process: in the first phase, the Assistant Secretary for Fair Housing and Equal Opportunity makes a *prima facie* determination on the substantial equivalency of a state or local law to the federal Fair Housing Act. Once this determination has been made, and the law has been judged to be substantially equivalent, the agency enforcing the law is certified on an interim basis for a period of three years. During those three years, the local enforcement organization "builds its capacity to operate as a fully certified substantially equivalent agency." FHAP grants during this time period are issued to support the process of building capacity. When the interim certification period ends after three years, the Assistant Secretary issues a determination on whether or not the state or local law is substantially equivalent to the Fair Housing Act "in operation". This is the second phase of the certification process. If the law is judged to be substantially equivalent in operation, the agency enforcing the law is fully certified as a substantially equivalent agency for five years.

HUD will typically refer most complaints of housing discrimination to a substantially equivalent state or local agency for investigation. If a substantially equivalent agency exists and has jurisdiction in the area in which the housing discrimination was alleged to have occurred, such complaints are dual-filed at HUD and the State or local agency. When federally subsidized housing is involved, however, HUD will typically investigate the complaint.

The benefits of substantially equivalent certification include the availability of funding for local fair housing activities, shifted enforcement power from federal to local authorities, and the potential to make the fair housing complaint process more efficient by vesting enforcement authority in those who are more familiar with the local housing market. In addition, additional funding may be available to support partnerships between local FHAP grantees and private fair housing organizations. In the State of North Carolina, the North Carolina Community Relations Commission serves as a substantially equivalent agency under the FHAP.

Fair Housing Initiative Program

The Fair Housing Initiative Program (FHIP) is designed to support fair housing organizations and other non-profits that provide fair housing services to people who believe they have faced discrimination in the housing market. These organizations provide a range of services including initial intake and complaint processing, referral of complainants to government agencies that enforce fair housing law, preliminary investigations of fair housing complaints, and education and outreach on fair housing law and policy.

FHIP funding is available through three initiatives[34]: the Fair Housing Organizations Initiative (FHOI), the Private Enforcement Initiative (PEI), and the Education and Outreach Initiative (EOI). These initiatives are discussed in more detail below:

- **The Fair Housing Organizations Initiative (FHOI)**: FHOI funds are designed to help non-profit fair housing organizations build capacity to effectively handle fair housing enforcement and outreach activities. A broader goal of FHOI funding is to strengthen the national fair housing movement by encouraging the creation of fair housing organizations.
- **The Private Enforcement Initiative (PEI)**: PEI funds are intended to support the fair housing activities of established non-profit organizations—including testing and enforcement—and more generally to offer a "range of assistance to the nationwide network of fair housing groups".
- **The Education and Outreach Initiative (EOI)**: EOI funding is available to qualified fair housing non-profit organizations as well as State and local government agencies. The purpose of the EOI is to promote initiatives that explain fair housing to the general public and housing providers, and provide the latter with information on how to comply with the requirements of the FHA.

Non-profit organizations are eligible to apply for funding under each or all of these initiatives. To receive FHOI funding, such organizations must have at least two years' experience in complaint intake and investigation, fair housing testing, and meritorious claims in the three years prior to applying for funding. Eligibility for PEI funding is subject to "certain requirements related to the length and quality of previous fair housing enforcement experience." Organizations applying for the EOI must also have two years' experience in the relevant fair housing activities; EOI funds are also potentially available to State and local government agencies.

Legal Aid of North Carolina, a Raleigh-based NPO, is a FHIP grantee providing fair housing services to residents of North Carolina. HUD granted the organization $325,000 in both 2012 and 2013. In both years these funds were granted to support the organization's enforcement activities. However, in 2013 the range of activities for which these funds were earmarked had been expanded to include education, outreach, and training[35].

STATE AGENCIES AND NON-PROFIT ORGANIZATIONS

North Carolina Human Relations Commission

The purpose of the North Carolina Human Relations Commission (NCHRC) is to advocate, enforce, and promote "equality of opportunity in the areas of housing, fair employment practices, public accommodations, education, justice and governmental services." As

[34] Though there are four initiatives included in the FHIP, no funds are currently available through the Administrative Enforcement Initiative.
[35] Information on FY 2012 FHIP grantees available from portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2013/HUDNo.13-144; information on 2013 grantees available from http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2013/HUDNo.13-144

previously noted, the NCHRC is certified as a substantially equivalent agency under the FHAP, and as such is responsible for investigation of fair housing complaints that the HUD receives from North Carolina residents. Residents of North Carolina who believe that they have faced housing discrimination are encouraged to contact the NCHRC by telephone: Complete contact information for the Commission is as follows:

Mailing Address:
N.C. Human Relations Commission
1318 Mail Service Center
Raleigh, NC 27699-1318

Physical Address:
116 W. Jones Street
Suite 2109
Raleigh, NC 27601

Telephone: (919) 807-4420
Fax: (919) 807-4435
Toll free: 1 (866) FAIR HSG (324-7474)
Email: Members of the NCHRC may be contacted individually though email addresses listed on http://www.doa.nc.gov/hrc/contactus.aspx .

City of Salisbury Housing Advocacy Commission

The City of Salisbury Housing Advocacy Commission was created in 2012[36], and is charged with "developing programs and receiving reports on activities related to housing and neighborhood conditions[37]". The Commission was established in part to provide a forum for "issues related to fair housing and tenant/landlord responsibilities[38]". The Commission holds public meetings on the first Thursday of every month, in the City Council Chambers, except for the month of July. Contact information for the Commission and the location of monthly meetings are as follows:

Commission Contact:
Chris Branham
Staff Liaison
Telephone: (704) 216-7564
Email address: cbran@salisburync.gov

Address (Monthly Meetings):
Salisbury City Hall
City Council Chambers
217 South Main Street
Salisbury, NC 28144

[36] Salisbury Code of Ordinances, Appendix D, Part 6
[37] http://www.salisburync.gov/Government/BoardsCommissions/HousingAdvocacyCommission/Pages/default.aspx
[38] Salisbury Code of Ordinances, Appendix D, Part 6 §§2.01(c)

Legal Aid of North Carolina

Legal Aid of North Carolina (LANC) is a non-profit organization offering legal services in civil matters to low-income people across the State of North Carolina. As a FHIP grantee in 2012 and 2013, the organization works to affirmatively further fair housing "through education, outreach, public policy initiatives, advocacy, and enforcement[39]". Residents of North Carolina who believe that they have been subjected to discrimination in the housing market are encouraged to contact LANC by telephone. Complete contact information for LANC is listed below:

Address:
Fair Housing Project
Legal Aid of North Carolina
224 South Dawson Street
Raleigh, NC 27601

Telephone: 1 (855) 797-FAIR (3247)
Web Address: www.fairhousingnc.org
Email: Fair Housing Project staff members may be contacted individually through email addresses available at http://www.fairhousingnc.org/contact-us/.

Complaint Process Review

Complaint Processes for Fair Housing Agencies

U.S. Department of Housing and Urban Development

The intake stage is the first step in the complaint process. When a complaint is submitted, intake specialists review the information and contact the complainant, the party alleging that housing discrimination has occurred, in order to gather additional details and determine if the case qualifies as possible housing discrimination. If the discriminatory act alleged in the complaint occurred within the jurisdiction of a substantially equivalent state or local agency under the FHAP, the complaint is referred to that agency, which then has 30 days to address the complaint. If that agency fails to address the complaint within that time period, HUD can take the complaint back.

If HUD determines that it has jurisdiction and accepts the complaint for investigation, it will draft a formal complaint and send it to the complainant to be signed. Once HUD receives the signed complaint, it will notify the respondent, the party alleged to have discriminated against the complainant, within ten days that a complaint has been filed against him or her. HUD also sends a copy of the formal complaint to the respondent at this stage. Within ten days of receiving the formal complaint, the respondent must respond to the complaint.

[39] http://www.fairhousingnc.org/

Next, the circumstances of the complaint are investigated through interviews and examination of relevant documents. During this time, the investigator attempts to have the parties rectify the complaint through conciliation. 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 conciliation fails, and reasonable cause is found, then either a federal judge or a HUD Administrative Law Judge hears the case and determines damages, if any.[40] In the event that the federal court judge finds the discrimination alleged in a complaint to have actually occurred, the 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.[41]

If neither party elects to go to federal court, a HUD Administrative Law Judge will hear the case. Once the judge has decided the case, he or she issues an initial decision. If the judge finds that housing discrimination has occurred, he or she may award a civil penalty of up to $11,000 to the complainant, along with actual damages, court costs, and attorney's fees. When the initial decision is rendered, any party that is adversely affected by that decision can petition the Secretary of HUD for review within 15 days. The Secretary has 30 days following the issuance of the initial decision to affirm, modify, or set aside the decision, or call for further review of the case. If the Secretary does not take any further action on the complaint within 30 days of the initial decision, the decision will be considered final. After that, any aggrieved party must appeal to take up their grievance in the appropriate court of appeals.[42]

North Carolina Human Relations Commission

North Carolina residents who believe that their right to fair housing choice has been violated may file a complaint with the North Carolina Human Relations Commission within one year of the alleged discriminatory episode. Fair housing organizations may also file such a complaint on behalf of those who have experienced such discrimination. Once the Commission receives a complaint, the Director of the Commission will notify the respondent within ten days along with the complainant.

In the event that the alleged discrimination has occurred within the jurisdiction of a sub-state agency with legal authority to investigate the complaint that is "equivalent to or greater than" the authority of the Commission, the Commission will turn the processing of that complaint over to that agency. If the Commission has jurisdiction over the matter, it will begin an investigation of the complaint within thirty days of the date on which the complaint is filed. At any time during this process, the complaint can be resolved through a process of conciliation, or some other agreement, between the complainant and respondent.

[40] "HUD's Title VIII Fair Housing Complaint Process." http://www.hud.gov/offices/fheo/complaint-process.cfm
[41] "Fair Housing—It's Your Right." http://www.hud.gov/offices/fheo/FHLaws/yourrights.cfm
[42] "HUD's Title VIII Fair Housing Complaint Process." http://www.hud.gov/offices/fheo/complaint-process.cfm

Within 90 days of the filing of the complaint, the Commission will make a determination on whether or not there is reasonable cause to believe that discrimination has occurred in the present case. If no such cause is found, the complaint will be dismissed. In such a case, the complainant would retain the right to pursue the matter by bringing a civil action against the respondent in a superior court. If the complaint is found to be with cause, the Commission will attempt to resolve the complaint by "informal conference, conciliation, or persuasion (§41A-7(g))." If none of these measures result in an agreement between the parties, the Commission will notify both parties, and the complainant may request a right-to-sue letter from the Commission.

In this case, the complainant may elect to commence a civil action against the respondent; alternately the matter could go before an administrative judge. If the respondent is found to have discriminated against the complainant in the provision of housing during the civil action, he or she may be compelled to halt the discriminatory activity at issue in the complaint, and damages may be awarded to the complainant.

In the case of an administrative hearing, respondents who are found to have discriminated may face fines ranging from $10,000 to $50,000; depending on how many times the respondent has been found guilty of discrimination in housing. The Commission will review the decision of the administrative judge and issue a final decision. Following this decision, the aggrieved party, which is the party against whom the matter was decided, may petition for judicial review of the Commission's final decision.[43]

SUMMARY

The City of Salisbury is served by the North Carolina Human Relations Commission, a participant in the HUD Fair Housing Assistant Program (FHAP). As such, the fair housing policies and procedures administered by this Commission have been deemed "substantially equivalent" to those of HUD, and any fair housing complaints HUD receives from Salisbury residents will eventually be referred to the Human Relations Commission. In addition to HUD and the Human Relations Commission, Salisbury residents are served by a non-profit and Fair Housing Initiative Program (FHIP) participant, Legal Aid of North Carolina. This non-profit provides a range of legal resources, including fair housing education, outreach, complaint intake, and testing, to residents across North Carolina.

[43] N.C. Gen. Stat. §§41A-7(a),(b),(c),(d),(e),(f),(g),(k),(l), and (m).

SECTION V. FAIR HOUSING IN THE PRIVATE SECTOR

As part of the AI process, the U.S. Department of Housing and Urban Development (HUD) suggests that the analysis focus on possible housing discrimination issues in both the private and public sectors. Examination of housing factors in Salisbury's public sector is presented in **Section VI**, while this section focuses on research regarding the City's private sector, including the mortgage lending market, the real estate market, the rental market, and other private sector housing industries.

LENDING ANALYSIS

HOME MORTGAGE DISCLOSURE ACT

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* 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.[44] The analysis presented herein is from the HMDA data system.

[44] *Closing the Gap: A Guide to Equal Opportunity Lending,* The Federal Reserve Bank of Boston, April 1993. http://www.bos.frb.org/commdev/closing-the-gap/closingt.pdf

The HMDA requires both depository and non-depository lenders to collect and publicly disclose information about housing-related applications and loans.[45] Both types of lending institutions must meet the following set of reporting criteria:

1. The institution must be a bank, credit union, or savings association;
2. The total assets must exceed the coverage threshold;[46]
3. The institution must have had an office in a Metropolitan Statistical Area (MSA);
4. 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;
5. The institution must be federally insured or regulated; and
6. 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.

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

1. The institution must be a for-profit organization;
2. 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;
3. 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
4. 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 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 in the following pages, modifications were made in 2004 for documenting loan applicants' race and ethnicity, so data are most easily compared after that point.

Home Purchase Loans

As presented on the following page in Table V.1, HMDA information was collected for Census tracts in Salisbury from 2004 through 2011. During this time, 12,465 loan applications were reported by participating institutions for home purchases, home improvements, and refinancing mortgages. Of these loan applications, 4,693 were specifically for home purchases.

[45] 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.

[46] 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.

Table V.1
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**	**12,465**

Because access to homeownership is the focus of this analysis, the following discussion will be confined to trends in home purchase loans for owner-occupied housing units. The reason for tailoring the discussion in this way is the fact that other loan statuses, such as "Not Owner Occupied" or "Not Applicable", may refer to loans on housing units that the applicant does not intend to live in. Accordingly, such loans are not necessarily linked to an individual's ability to choose where he or she lives. As shown in Table V.2 below, of the 4,693 home purchase loan applications submitted during the time period, of which 3,925 were specifically for owner-occupied homes. The number of owner-occupied home purchase loan applications was highest in 2006 with 829 applications.

Table V.2
Occupancy Status for Home Purchase Loan Applications
City of Salisbury
2004–2011 HMDA Data

Status	2004	2005	2006	2007	2008	2009	2010	2011	Total
Owner-Occupied	531	693	829	601	471	296	258	246	3,925
Not Owner-Occupied	139	117	150	142	77	41	26	36	728
Not Applicable	1	5	23	2	8	0	1	0	40
Total	**671**	**815**	**1,002**	**745**	**556**	**337**	**285**	**282**	**4,693**

Denial Rates

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

- "Originated," which indicates that the loan was made by the lending institution;
- "Approved but not accepted," which notes loans approved by the lender but not accepted by the applicant;
- "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.

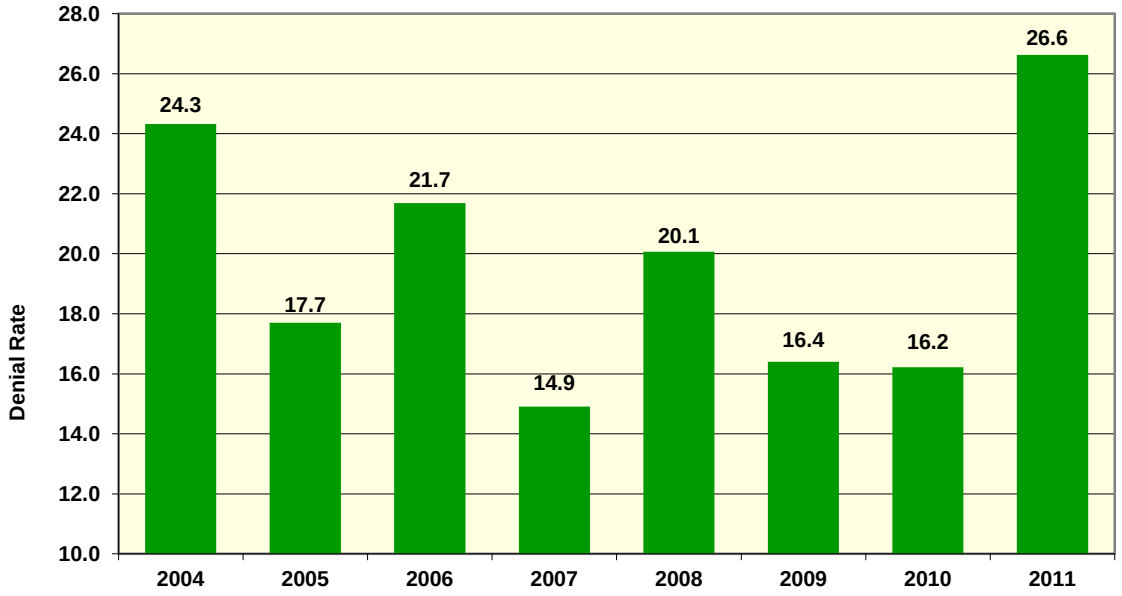
These outcomes were used to determine denial rates presented in the following section. General reasons for the denial of a loan are typically provided, as noted in Table V.6 on page 76, though the precise reasons for loan denials are not always known. The ratio of loan originations to loan denials serves as an indicator of the overall success or failure of home

purchase loan applicants. Altogether, there were 2,047 loan originations and 504 applications denied in the City of Salisbury, for an average eight-year denial rate of 19.8 percent, as shown below in Table V.3. The rate of loans denials varied from year to year, ranging from 14.9 percent in 2007 to 26.6 percent in 2011, as shown below in Diagram V.1.

Table V.3
Loan Applications by Action Taken
City of Salisbury
2004–2011 HMDA Data

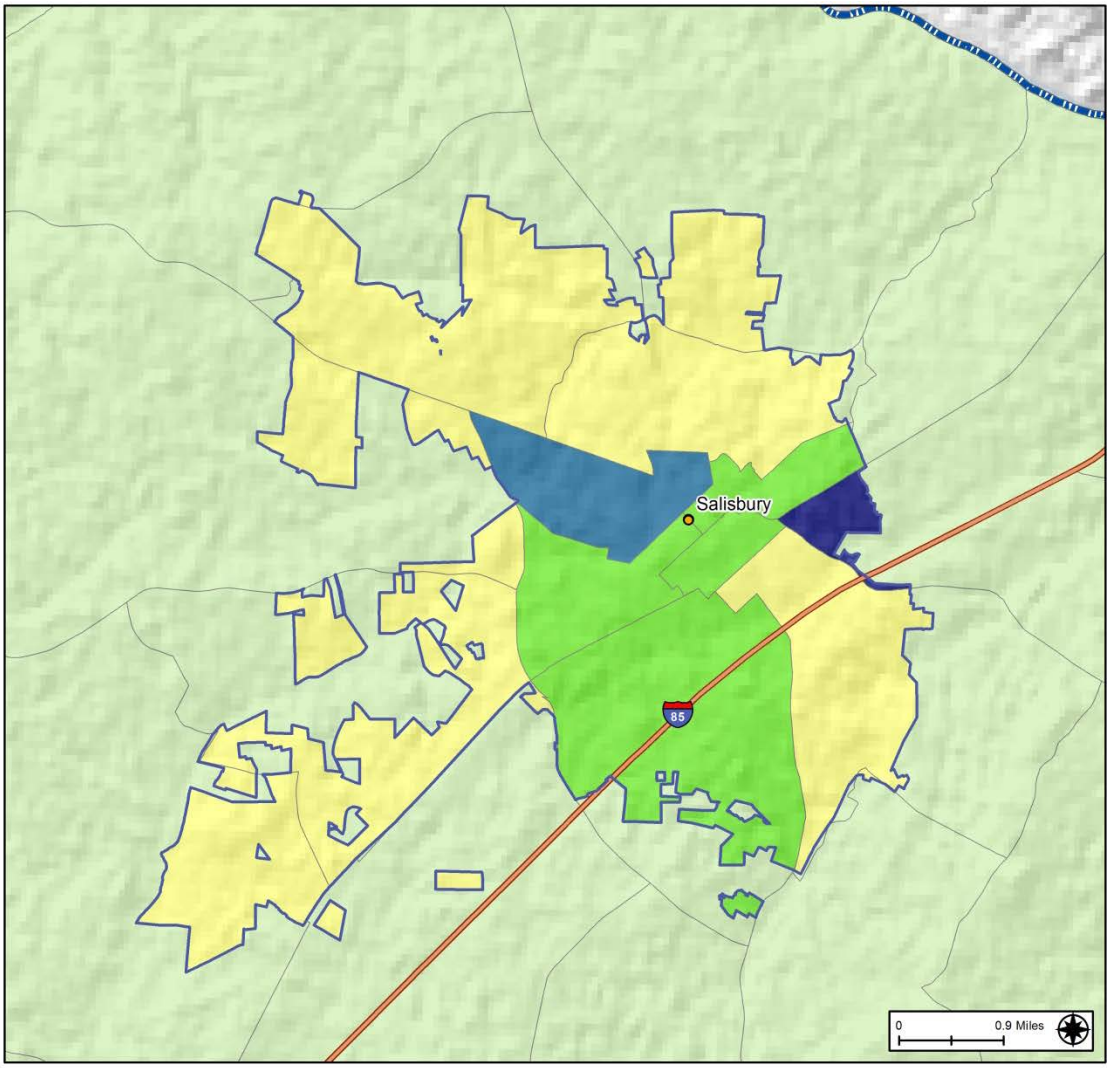
Action	2004	2005	2006	2007	2008	2009	2010	2011	Total
Loan Originated	280	358	444	331	239	158	124	113	2,047
Application Approved but not Accepted	25	54	57	41	18	10	13	12	230
Application Denied	90	77	123	58	60	31	24	41	504
Application Withdrawn by Applicant	44	54	51	39	39	18	19	14	278
File Closed for Incompleteness	8	11	11	10	6	11	2	4	63
Loan Purchased by the Institution	84	138	142	122	109	67	76	62	800
Preapproval Request Denied	0	1	1	0	0	1	0	0	3
Preapproval Approved but not Accepted	0	0	0	0	0	0	0	0	0
Total	**531**	**693**	**829**	**601**	**471**	**296**	**258**	**246**	**3,925**
Denial Rate	**24.3%**	**17.7%**	**21.7%**	**14.9%**	**20.1%**	**16.4%**	**16.2%**	**26.6%**	**19.8%**

Diagram V.1
Denial Rates by Year
City of Salisbury
2004–2011 HMDA Data



The incidence of loan denials was subject to substantial geographic variation in Salisbury. The highest rates of loan denials were observed in the center and south of the City, particularly in the large tract to the immediate east of the center of town, where 42.8 percent of loan applications were denied between 2004 and 2011. In the large Census tract to the immediate west of the center of town, a little over one-third of home purchase loan applications were denied. In central Census tracts, as well as in the large tract to the immediate southwest of the center of town, denial rates ranged from 19.9 to 29.8 percent, as shown on the following page in Map V.1.

Map V.1
Denial Rates by Census Tract
City of Salisbury
2004–2011 HMDA Data



LEGEND

2004-2011 Distribution of Loan Denials
2004-2011 Average Denial Rate for All Applicants in the City of Salisbury = 19.8%
Disproportionate Share Threshold = 29.8% (A disproportionate share exists when the denial rate in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Denial Rate
- 12.9 - 19.8%
- 19.9 - 29.8%
- 29.9 - 34.1%
- 34.2 - 38.5%
- 38.6 - 42.8%

Disproportionate Share Threshold

Data Source: FFIEC HMDA 2004-2011

In addition to the geographic variation discussed above, loan denials were seen to vary in their frequency along gender lines, as shown in Table V.4 below. The denial rate for female applicants was 2.9 percentage points higher than the rate for male applicants overall, as well as in each individual year except for 2009. In some years, the difference between the two was quite small, only around 0.5 percentage points. In other years, the gap was much larger, or nearly ten percentage points in 2004.

Table V.4
Denial Rates by Gender of Applicant
City of Salisbury
2004–2011 HMDA Data

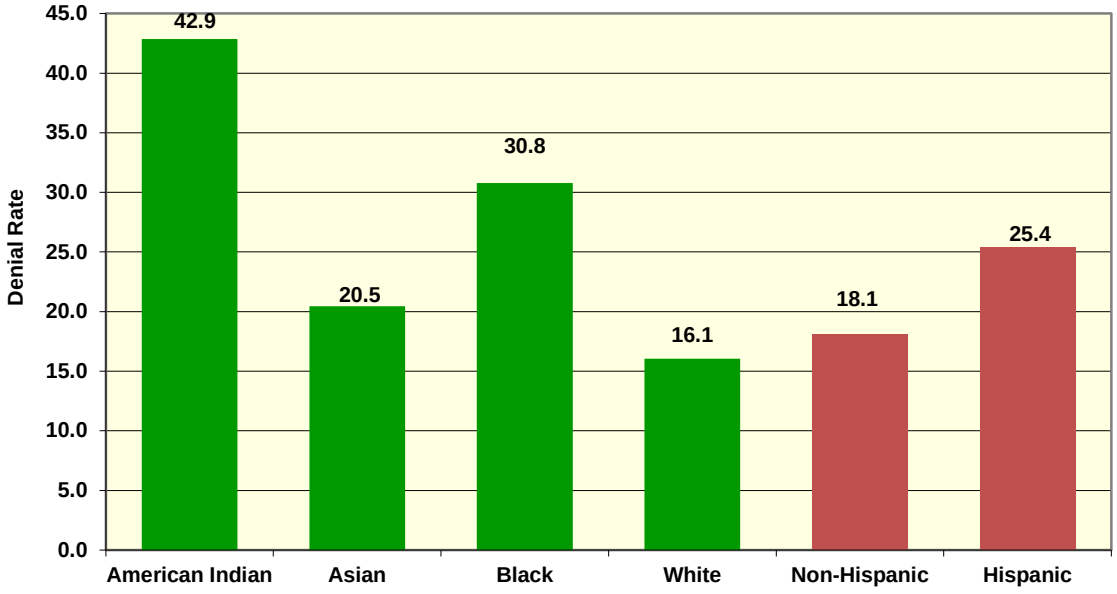
Year	Male	Female	Not Available	Not Applicable	Average
2004	20.6%	30.3%	40.0%	%	24.3%
2005	17.3%	17.9%	22.2%	%	17.7%
2006	19.9%	21.4%	54.5%	%	21.7%
2007	13.5%	14.0%	43.8%	%	14.9%
2008	17.6%	22.0%	36.4%	%	20.1%
2009	17.5%	15.5%	.0%	%	16.4%
2010	13.5%	16.4%	75.0%	%	16.2%
2011	23.8%	28.1%	50.0%	%	26.6%
Average	**18.0%**	**20.9%**	**40.2%**	**%**	**19.8%**

Finally, denial rates varied considerably by race and ethnicity, as shown in Table V.5 below. White applicants were denied loans at below the average rate of denials during every year under consideration here, while the rate at which loans were denied to black applicants was well above the yearly average in every year. The same tended to be true of denials to Hispanic applicants, though there were some years in which the rate of loan denials to Hispanic applicants was below the average rate. Overall, 16.1 percent of loan applications from White applicants were denied compared to 30.8 percent for applications from black applicants, as shown in Diagram V.2 on the following page. In terms of ethnicity, Hispanic applicants were denied 25.4 percent of the time, compared to 18.1 percent for non-Hispanic applicants.

Table V.5
Denial Rates by Race/Ethnicity of Applicant
City of Salisbury
2004–2011 HMDA Data

Race/Ethnicity	2004	2005	2006	2007	2008	2009	2010	2011	Average
American Indian	40.0%	100.0%	33.3%	.0%	100.0%	50.0%	%	%	42.9%
Asian	16.7%	33.3%	18.2%	20.0%	20.0%	.0%	%	50.0%	20.5%
Black	29.9%	25.3%	37.7%	32.7%	21.4%	30.0%	20.8%	47.4%	30.8%
White	22.6%	14.7%	16.0%	9.6%	18.0%	14.8%	14.0%	21.3%	16.1%
Not Available	28.0%	24.2%	34.8%	38.7%	38.9%	14.3%	66.7%	44.4%	33.1%
Not Applicable	.0%	%	.0%	%	%	0%	0%	%	.0%
Average	**24.3%**	**17.7%**	**21.7%**	**14.9%**	**20.1%**	**16.4%**	**16.2%**	**26.6%**	**19.8%**
Non-Hispanic	22.7%	15.9%	20.7%	12.6%	17.9%	17.3%	14.5%	24.1%	18.1%
Hispanic	37.0%	26.3%	17.1%	30.8%	38.5%	9.1%	20.0%	.0%	25.4%

Diagram V.2
Denial Rates by Race/Ethnicity of Applicant
City of Salisbury
2004–2011 HMDA Data

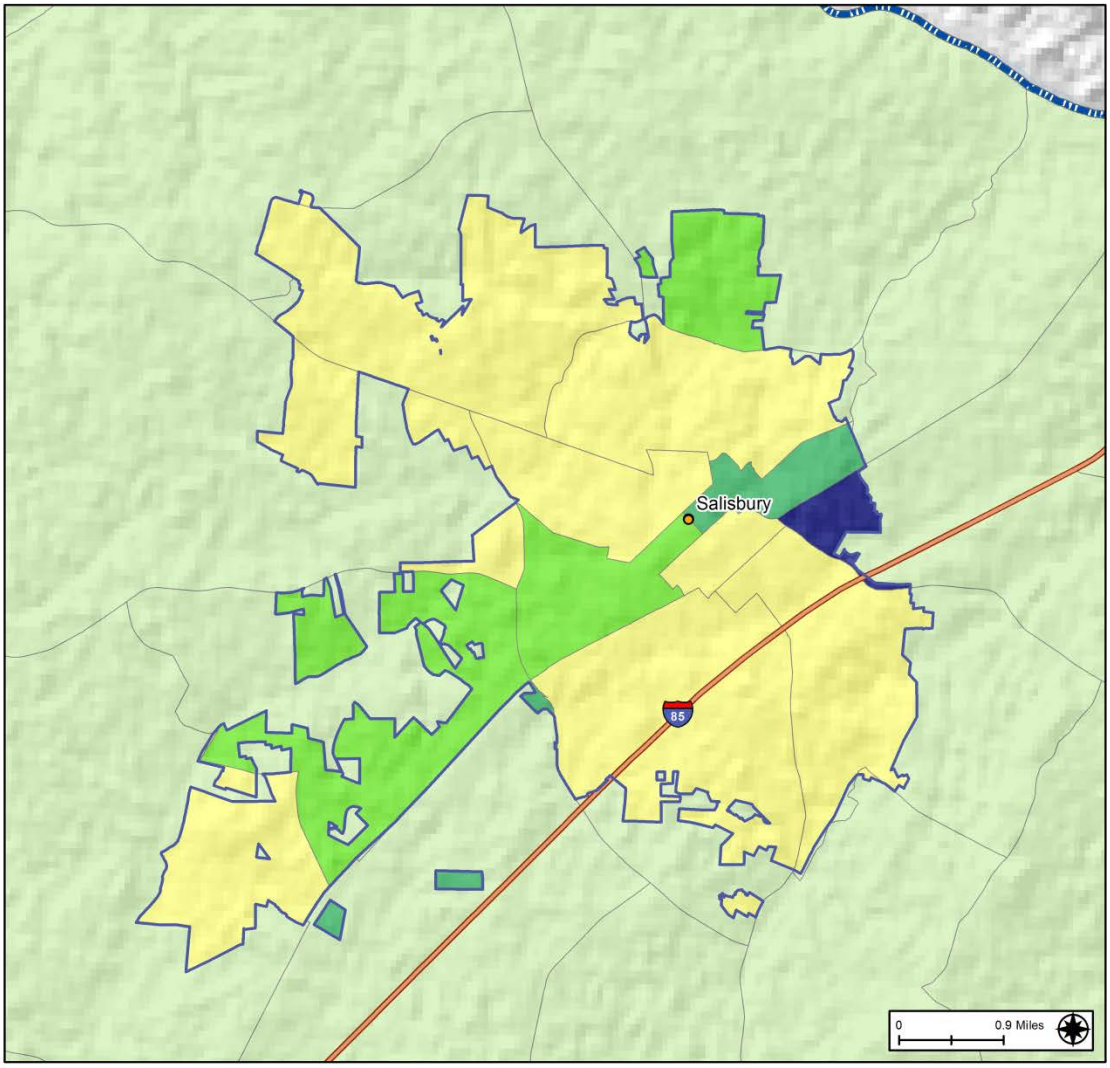


Denial rates by race and ethnicity were plotted on several maps to examine the geographic concentration of loan denials. Data regarding the concentration of denial rates for black applicants in Salisbury are presented in Map V.2 on the next page. There were three tracts in which the rate of loan denials to black applicants exceeded the disproportionate share threshold of 40.8 percent. One of these was the large tract to the south of the City. The other two tracts encompassed part of the city center, and the area immediately to the east of the city center. In this latter area, 62.7 percent of applications from black residents were denied.

There was one large area in which loan applications from Hispanic residents were denied at a rate that exceeded the disproportionate share threshold, as shown in Map V.3 on page 75. This area consisted of three adjoining Census tracts to the west of the city center, in which denial rates to Hispanic applicants ranged from 35.5 to 40.0 percent.

Data gathered under the HMDA often include information regarding the reason for a loan denial, as noted previously. These data suggest that credit history, debt-to-income ratio, and collateral were the primary factors in most of the loans denied between 2004 and 2011, excluding the "Missing" and "Other" categories in Table V.6 on page 76. However, the importance of these three factors in the decision to deny home purchase loans has varied over time, even as the total number of loans denied each year has fallen since 2006. Nevertheless, credit history was a primary factor in loan denials in every year except for 2008, when debt-to-income ratio became the number one factor in loan denials, and the following year, when the insufficient collateral was the primary factor in almost 30 percent of loan denials.

Map V.2
Denial Rates for Black Applicants by Census Tract
City of Salisbury
2004–2011 HMDA Data



LEGEND

2004-2011 Distribution of Loans Denied to Black Applicants
2004-2011 Average Denial Rate for Black Applicants in the City of Salisbury = 30.8%
Disproportionate Share Threshold = 40.8% (A disproportionate share exists when the denial rate in a given area is 10 percentage points greater than the study area average.)

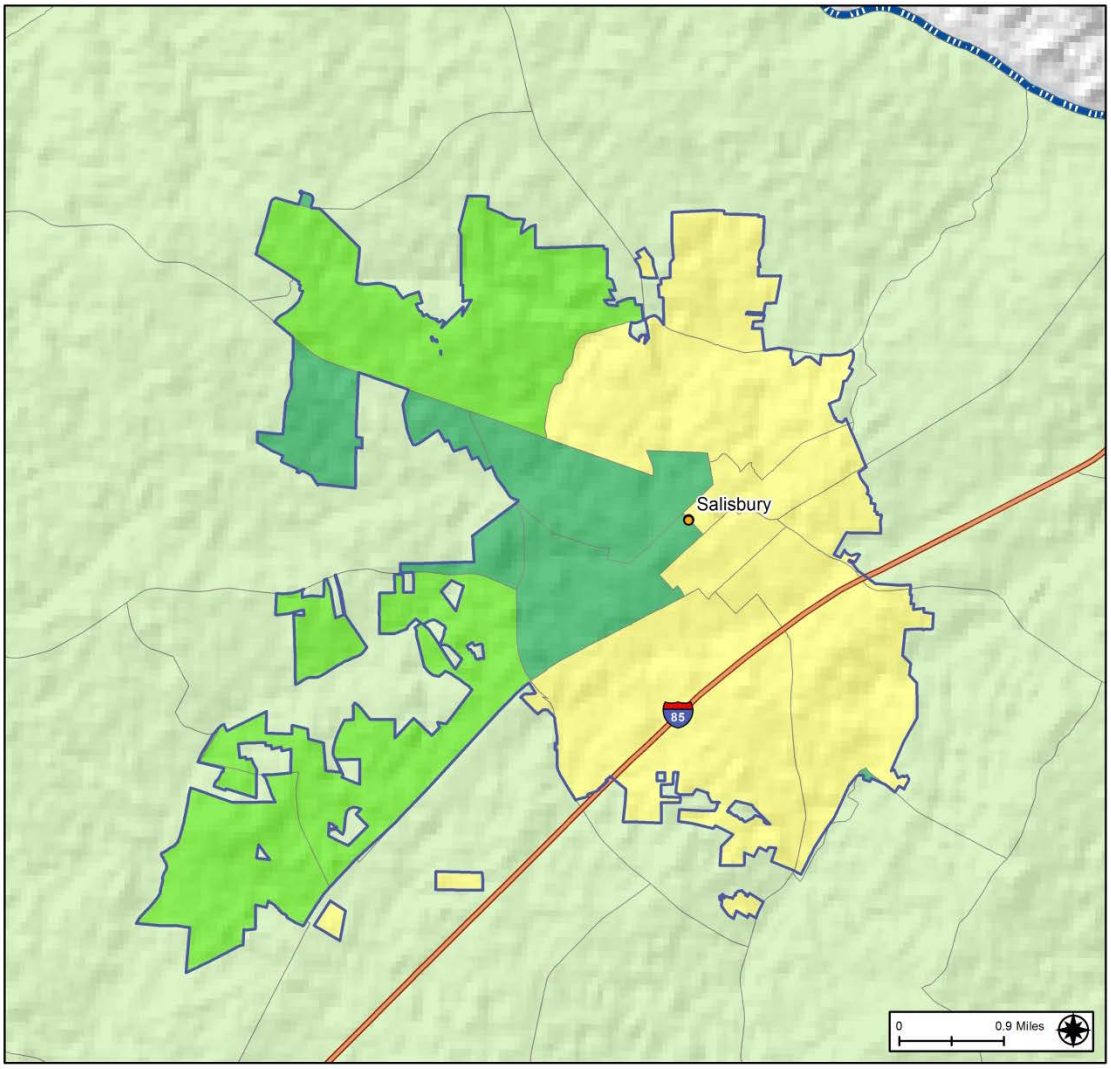
- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Denial Rate
- 15.3 - 30.8%
- 30.9 - 40.8%
- 40.9 - 48.1%
- 48.2 - 55.4%
- 55.5 - 62.7%

Disproportionate Share Threshold

Data Source: FFIEC HMDA 2004-2011

Map V.3
Denial Rates for Hispanic Applicants by Census Tract
City of Salisbury
2004–2011 HMDA Data



LEGEND

2004-2011 Distribution of Loans Denied to Hispanic Applicants
2004-2011 Average Denial Rate for Hispanic Applicants in the City of Salisbury = 25.4%
Disproportionate Share Threshold = 35.4% (A disproportionate share exists when the denial rate in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Denial Rate
- 0.0 - 25.4%
- 25.5 - 35.4%
- 35.5 - 40.0%
- Disproportionate Share Threshold

Data Source: FFIEC HMDA 2004-2011

Table V.6
Loan Applications by Reason for Denial
City of Salisbury
2004–2011 HMDA Data

Denial Reason	2004	2005	2006	2007	2008	2009	2010	2011	Total
Debt-to-Income Ratio	16	4	16	7	12	6	2	5	68
Employment History	0	1	4	2	1	0	0	0	8
Credit History	29	25	20	16	10	8	11	14	133
Collateral	8	7	11	6	11	9	3	3	58
Insufficient Cash	1	1	0	1	2	0	0	0	5
Unverifiable Information	5	2	4	1	2	0	0	1	15
Credit Application Incomplete	1	3	5	3	1	1	0	0	14
Mortgage Insurance Denied	0	0	0	1	0	0	0	0	1
Other	10	23	15	6	4	2	1	2	63
Missing	20	11	48	15	17	5	7	16	139
Total	**90**	**77**	**123**	**58**	**60**	**31**	**24**	**41**	**504**

Table V.7 below shows denial rates by income in the City of Salisbury. As one might expect, households with lower incomes tended to be denied for loans more often. Households with incomes from $15,001 to $30,000 were denied an average of 28.6 percent of the time, while those with incomes above $75,000 were denied 10.4 percent of the time on average.

Table V.7
Denial Rates by Income of Applicant
City of Salisbury
2004–2011 HMDA Data

Income	2004	2005	2006	2007	2008	2009	2010	2011	Total
$15,000 or Below	55.6%	66.7%	44.4%	16.7%	100.0%	.0%	50.0%	25.0%	48.7%
$15,001–$30,000	34.8%	21.1%	35.8%	19.0%	24.4%	13.2%	39.4%	38.7%	28.6%
$30,001–$45,000	26.7%	13.7%	19.0%	20.4%	15.1%	28.6%	9.3%	28.9%	19.5%
$45,001–$60,000	20.9%	23.3%	23.6%	15.3%	24.2%	14.3%	25.0%	12.5%	21.0%
$60,001–$75,000	13.3%	28.0%	10.5%	7.0%	23.3%	11.5%	.0%	35.7%	16.1%
Above $75,000	8.6%	8.8%	11.5%	8.7%	11.9%	13.3%	.0%	21.1%	10.4%
Data Missing	37.5%	.0%	36.8%	27.3%	.0%	.0%	%	20.0%	26.2%
Total	**24.3%**	**17.7%**	**21.7%**	**14.9%**	**20.1%**	**16.4%**	**16.2%**	**26.6%**	**19.8%**

As noted previously, minority racial and ethnic applicants often faced much higher loan denial rates than white applicants. This condition remains true even after correcting for income, as shown on the following page in Table V.8. For example, black applicants earning between $60,000 and $75,000 per year were denied 20.6 percent of the time, while similarly situated white applicants were denied 12.3 percent of the time. As discussed above, denial rates tended to fall with rising incomes. However, black, white, and Hispanic applicants all experienced an uptick in denial rates in the $45K to $60K income range over lower income ranges. For white and black applicants, the denial rate dropped again in the next higher income bracket. In the case of Hispanic applicants, denial rates continued to climb with entry into each higher income bracket.

Table V.8
Denial Rates of Loans by Race/Ethnicity and Income of Applicant
City of Salisbury
2004–2011 HMDA Data

Race	<= $15K	$15K– $30K	$30K– $45K	$45K– $60K	$60K– $75K	Above $75K	Data Missing	Average
American Indian	100.0%	50.0%	50.0%	.0%	%	.0%	%	42.9%
Asian	100.0%	33.3%	18.2%	8.3%	25.0%	27.3%	.0%	20.5%
Black	66.7%	39.4%	29.0%	34.2%	20.6%	14.9%	25.0%	30.8%
White	42.3%	23.6%	15.4%	17.8%	12.3%	9.3%	25.5%	16.1%
Not Available	.0%	44.7%	28.0%	28.6%	45.5%	15.8%	42.9%	33.1%
Not Applicable	.0%	%	.0%	%	%	%	.0%	.0%
Average	**48.7%**	**28.6%**	**19.5%**	**21.0%**	**16.1%**	**10.4%**	**26.2%**	**19.8%**
Non-Hispanic	54.5%	26.9%	18.5%	19.9%	13.5%	9.3%	23.1%	18.1%
Hispanic	33.3%	29.3%	17.5%	21.4%	27.3%	33.3%	28.6%	25.4%

Predatory Style Lending

In addition to modifications implemented in 2004 to correctly document 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:

1. If they are HOEPA loans;[47]
2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of high annual percentage rate (APR) 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.[48]

For the 2014 AI only originated owner-occupied home purchase loans qualifying as HALs were examined for 2004 through 2011. These high APR loans are considered predatory in nature. Table V.9 below shows that between 2004 and 2011, there were 329 HALs for owner-occupied homes originated in the City of Salisbury, representing 16.1 percent of all loans. The number of HALs was highest in 2005 and decreased afterward; by 2010, the rate of HALs had fallen to 0.0 percent. It has since crept back up to 2.7 percent in 2011.

Table V.9
Originated Owner-Occupied Loans by High Annual Percentage Rate Loan (HAL) Status
City of Salisbury
2004–2011 HMDA Data

Loan Type	2004	2005	2006	2007	2008	2009	2010	2011	Total
Other	234	256	328	289	227	150	124	110	1,718
HAL	46	102	116	42	12	8	0	3	329
Total	**280**	**358**	**444**	**331**	**239**	**158**	**124**	**113**	**2,047**
Percent HAL	16.4%	28.5%	26.1%	12.7%	5.0%	5.1%	.0%	2.7%	16.1%

[47] Loans are subject to the HOEPA if they impose rates or fees above a certain threshold set by the Federal Reserve Board. "HMDA Glossary." http://www.ffiec.gov/hmda/glossary.htm#H
[48] 12 CFR Part 203, http://www.ffiec.gov/hmda/pdf/regc_020702.pdf

The geographic distribution of HALs in the City of Salisbury is presented on the following page in Map V.4. The only tract in which HALs were issued at a disproportionately high rate was in the large Census tract in the east of the City, where 35.6 percent of loans issued were high-annual percentage rate loans.

Though the average rate of HALs was 16.1 percent, it varied widely over the period and was most recently very low. But while HAL figures improved significantly after 2006, they are a measure of the underlying foreclosure risk for recent homeowners in the City of Salisbury, and it is important to examine characteristics of applicants who received these HALs in the eight-year time period and who may still be paying the high rates. As shown in Table V.10 below a majority of HALs in the City went to white borrowers, who received 186 of these high interest loans over the eight years under consideration here. Black borrowers received 96 such loans. In terms of ethnicity, Hispanic borrowers took out 24 home purchase HALs.

Table V.10
HALs Originated by Race of Borrower
City of Salisbury
2004–2011 HMDA Data

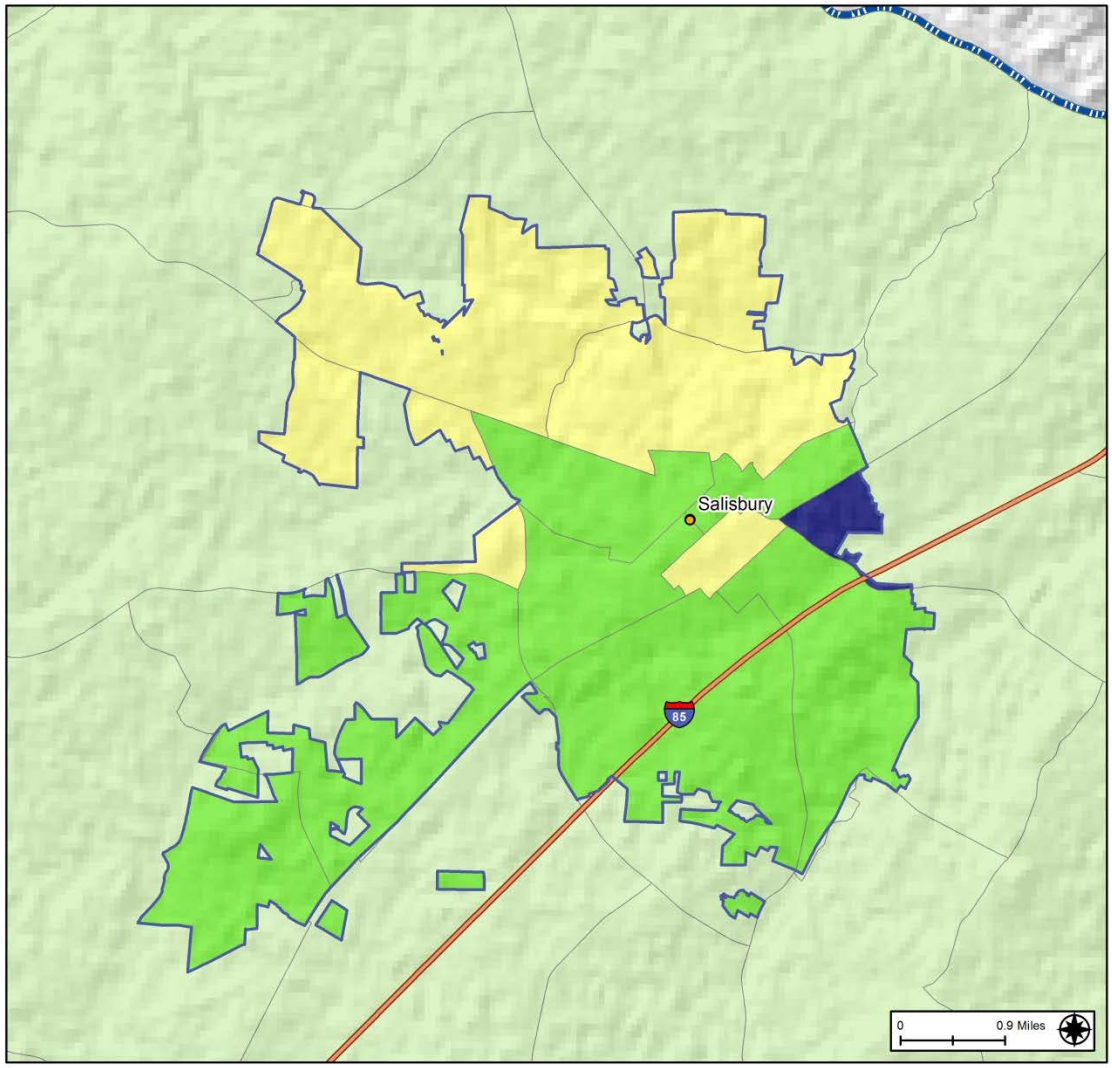
Race	2004	2005	2006	2007	2008	2009	2010	2011	Total
American Indian	1	0	0	1	0	0	0	0	2
Asian	1	2	3	0	0	0	0	0	6
Black	20	33	30	9	2	1	0	1	96
White	19	54	68	28	10	5	0	2	186
Not Available	5	13	14	4	0	2	0	0	38
Not Applicable	0	0	1	0	0	0	0	0	1
Total	**46**	**102**	**116**	**42**	**12**	**8**	**0**	**3**	**329**
Hispanic (Ethnicity)	3	4	11	4	0	1	0	1	24

While the highest *number* of HALs was taken out by white applicants, these loans were issued to black applicants in relatively high proportions, as shown in Table V.11 below. In total, black borrowers were issued HALs at a rate of 34.2 percent, almost three times the rate at which these loans were extended to white borrowers over the eight-year period. By contrast the rate of HALs to white borrowers was consistently at or below average over the eight-year period, 11.6 percent to 16.1 percent, respectively. In terms of ethnicity, Hispanic borrowers were also issued HALs at a higher rate than non-Hispanic borrowers, or 22.6 to 14.9 percent, respectively, as shown in Diagram V.3 on page 80.

Table V.11
Rate of HALs Originated by Race/Ethnicity of Borrower
City of Salisbury
2004–2011 HMDA Data

Race	2004	2005	2006	2007	2008	2009	2010	2011	Average
American Indian	33.3%	%	.0%	50.0%	%	.0%	%	%	25.0%
Asian	20.0%	100.0%	33.3%	.0%	.0%	.0%	%	.0%	17.1%
Black	42.6%	55.9%	45.5%	27.3%	6.1%	7.1%	.0%	10.0%	34.2%
White	9.2%	19.9%	20.3%	10.3%	5.3%	3.8%	.0%	2.1%	11.6%
Not Available	27.8%	52.0%	46.7%	21.1%	.0%	33.3%	.0%	.0%	33.0%
Not Applicable	.0%	%	50.0%	%	%	%	%	%	33%
Average	**16.4%**	**28.5%**	**26.1%**	**12.7%**	**5.0%**	**5.1%**	**0.0%**	**02.7%**	**16.1%**
Non-Hispanic	15.5%	27.6%	24.0%	11.7%	5.5%	3.5%	%	1.9%	14.9%
Hispanic	17.6%	28.6%	37.9%	22.2%	.0%	10.0%	.0%	16.7%	22.6%

Map V.4
Rate of HALs by Census Tract
City of Salisbury
2004–2011 HMDA Data



LEGEND

2004-2011 Distribution of HALs

2004-2011 Average Percentage of HALs to All Borrowers in the City of Salisbury = 16.1%
Disproportionate Share Threshold = 26.1% (A disproportionate share exists when the rate of HALs in a given area is 10 percentage points greater than the study area average.)

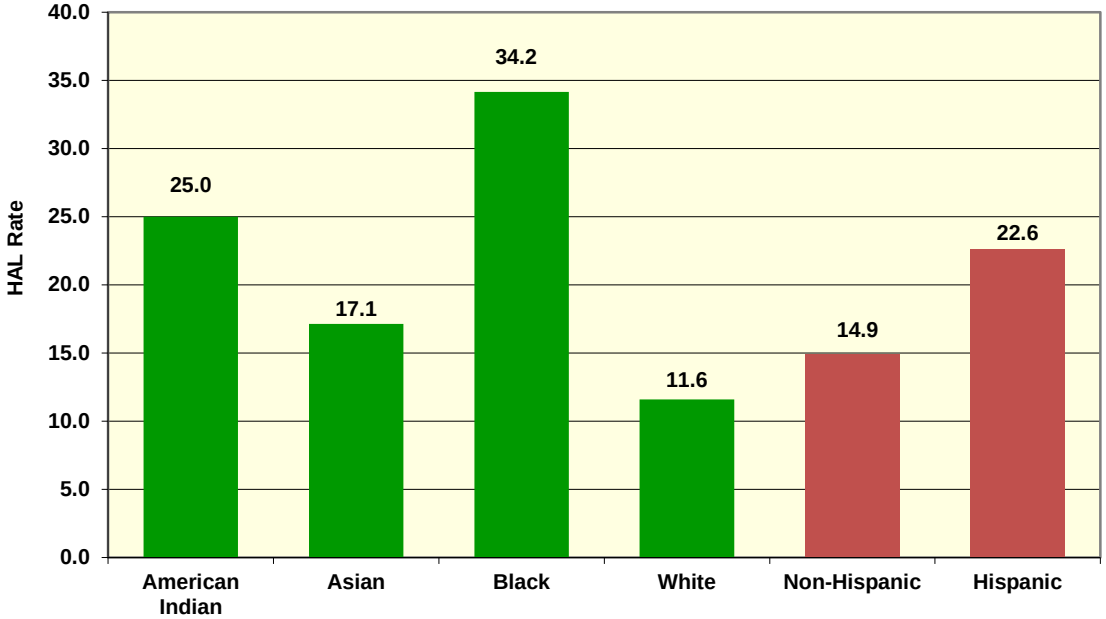
- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percentage of HALs

- 7.8 - 16.1%
- 16.2 - 26.1%
- 26.2 - 35.6%
- Disproportionate Share Threshold

Data Source: FFIEC HMDA 2004-2011

Diagram V.3
Rate of HALs Originated by Race/Ethnicity of Borrower
City of Salisbury
2004–2011 HMDA Data



The geographic concentration of HALs for black applicants is shown in Map V.5. Tracts with disproportionately high rates of HALs to black applicants were isolated to outlying Census tracts in the north and east of the City. This latter area was one in which a relatively large proportion of residents were black in both Censuses. Tracts with above-average HAL rates were scattered throughout the City.

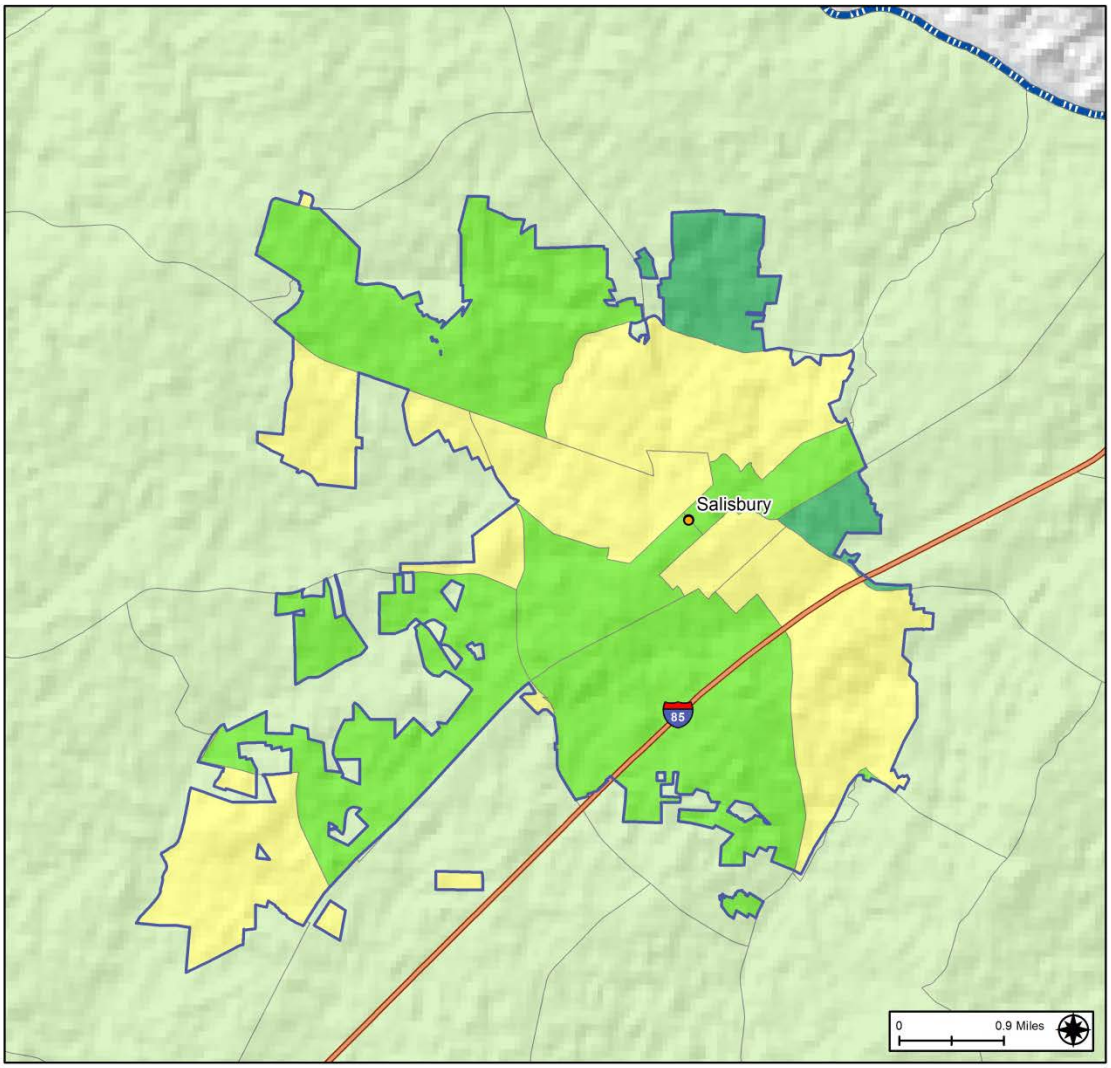
In the case of Hispanic applicants, high rates of HALs were issued in Census tracts in the center of the City, as well as in the large tract to the east of the center of town, as shown in Map V.6 on page 82. Unlike HALs issued to black applicants, HALs tended to be issued to Hispanic applicants more for home purchases outside of those in which Hispanic residents have traditionally lived in high concentrations.

COMMUNITY REINVESTMENT ACT DATA

Economic vitality of neighborhoods can partly be measured through Community Reinvestment Act (CRA) data. According to these data, 7,707 small business loans were extended to businesses in Salisbury during the period from 2000 to 2011. Of these, 2,966 loans went to businesses with annual revenues of less than $1 million, and a large majority of all loans, 6,960, were valued under $100,000. Tables with complete CRA data are presented in Appendix A.

Small business loans were also analyzed to determine the location of funding in relation to median family income (MFI) levels. Diagram V.4 on page 83 presents the distribution of small business loans by value and by percent of MFI by Census tract. As shown, comparatively few loans went to areas with 50 percent or less of the MFI, despite the fact that these loans were designed to aid low- and moderate-income areas.

Map V.5
HALs to Black Borrowers by Census Tract
City of Salisbury
2004–2011 HMDA Data



LEGEND

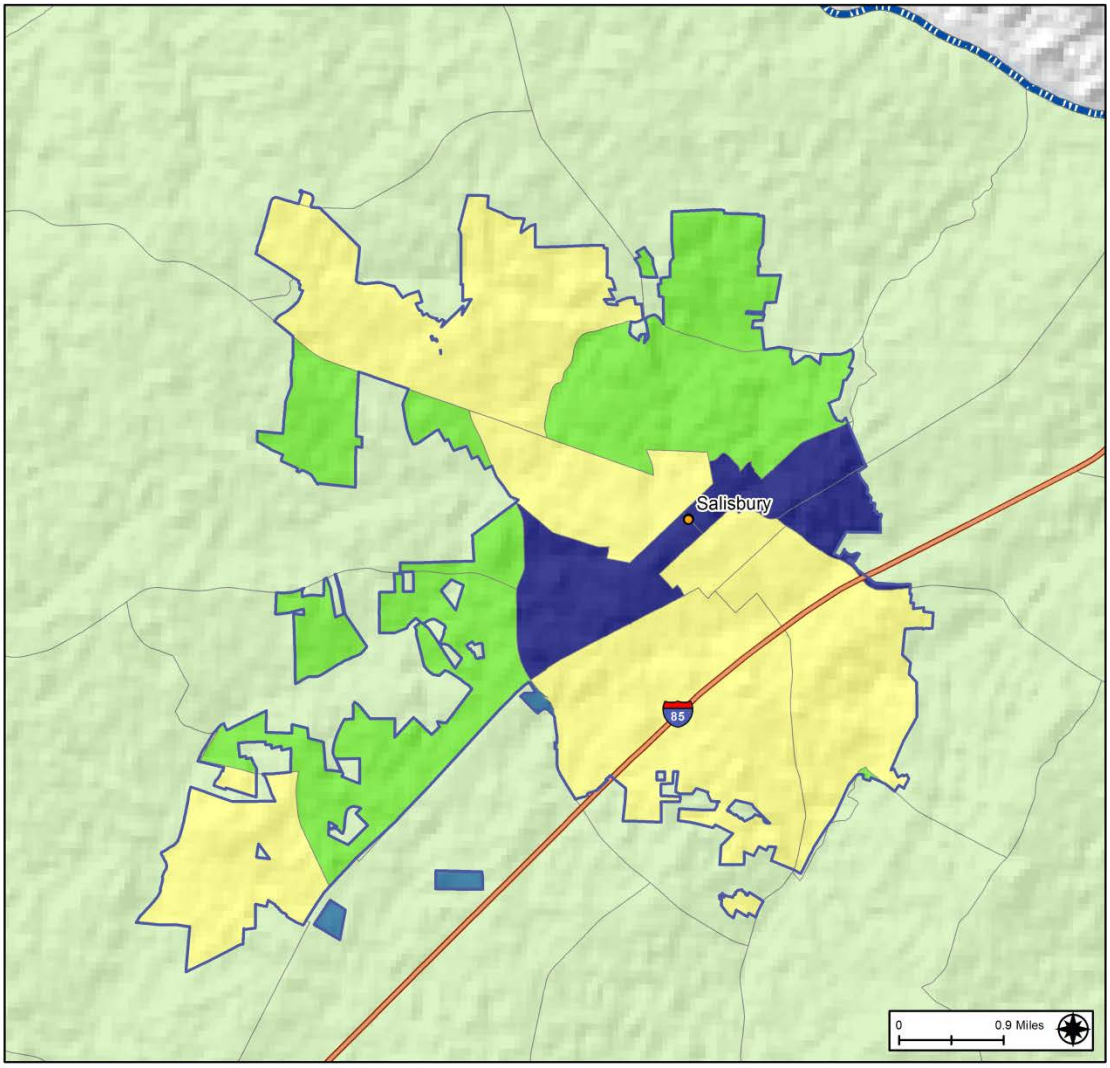
2004-2011 Distribution of HALs to Black Borrowers
2004-2011 Average Percentage of HALs to Black Borrowers in the City of Salisbury = 34.2%
Disproportionate Share Threshold = 44.2% (A disproportionate share exists when the rate of HALs in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percentage of HALs
- 0.0 - 34.2%
- 34.3 - 44.2%
- 44.3 - 47.8%
- Disproportionate Share Threshold

Data Source: FFIEC HMDA 2004-2011

Map V.6
HALs to Hispanic Applicants by Census Tract
City of Salisbury
2004–2011 HMDA Data



LEGEND

2004-2011 Distribution of HALs to Hispanic Borrowers

2004-2011 Average Percentage of HALs to Hispanic Borrowers in the City of Salisbury = 22.6%
Disproportionate Share Threshold = 32.6% (A disproportionate share exists when the rate of HALs in a given area is 10 percentage points greater than the study area average.)

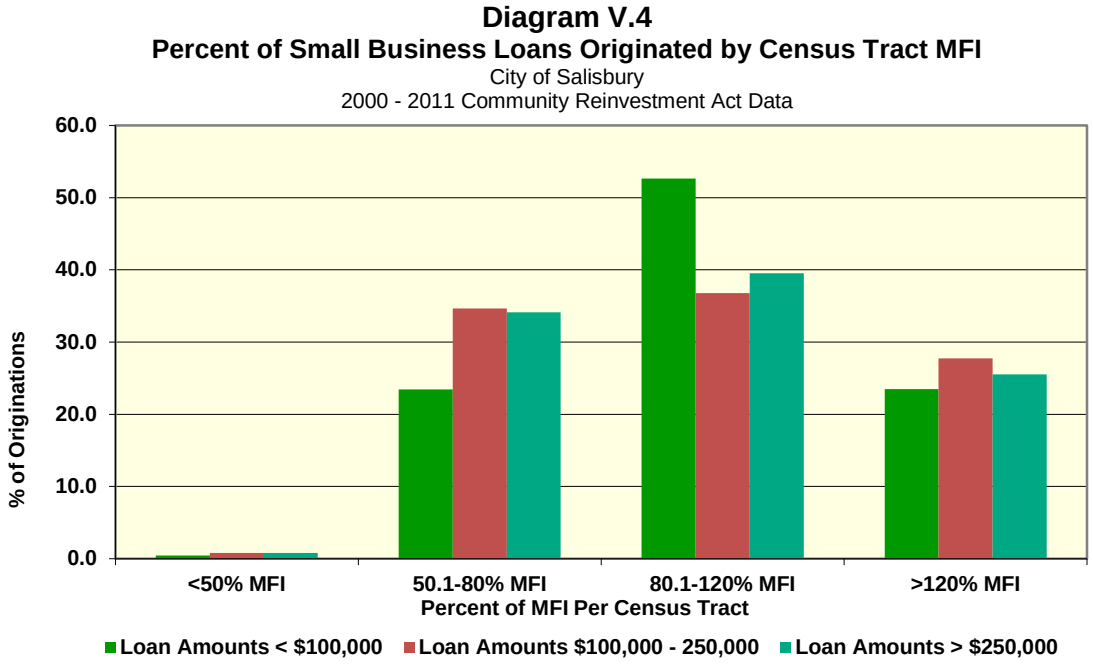
- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

Percentage of HALs

- 0.0 - 22.6%
- 23.7 - 32.6%
- 32.7 - 35.0%
- 35.1 - 37.4%
- 37.5 - 40.0%

Disproportionate Share Threshold

Data Source: FFIEC HMDA 2004-2011



Map V.7 on the following page illustrates the number of loans issued to businesses in City Census tracts from 2000 through 2011, divided by the population of each tract. This operation provides a standardized measure of the amount of loans issued in each tract, and facilitates comparison between tracts of different geographic sizes. The tracts that received the highest numbers of loans per 100 residents were located in the central Census tract and to the north of that tract. In the center of town, over 183 small business loans were issued for every 100 residents. Comparatively few loans were issued in Census tracts to the immediate east and west of the city center, less than 15 per 100 residents.

Map V.8 on page 85 illustrates the distribution of loan funding for businesses in each Census tract by total amount of loan dollars per resident—again, this is a measure that was chosen to facilitate comparison between tracts of different geographic sizes. The greatest value of loans issued to any tract went to the tract in the center of town, where $79.56 in loan dollars was distributed for every resident. Large areas to the north and south of the central tract also received an above average number of loan dollars—between $11.92 and $45.73 per resident. By contrast, the large Census tract to the west of the city center received less than $8.79 per resident, while less than $5.67 was issued per resident in large tracts to the east and southeast of the center of the city.

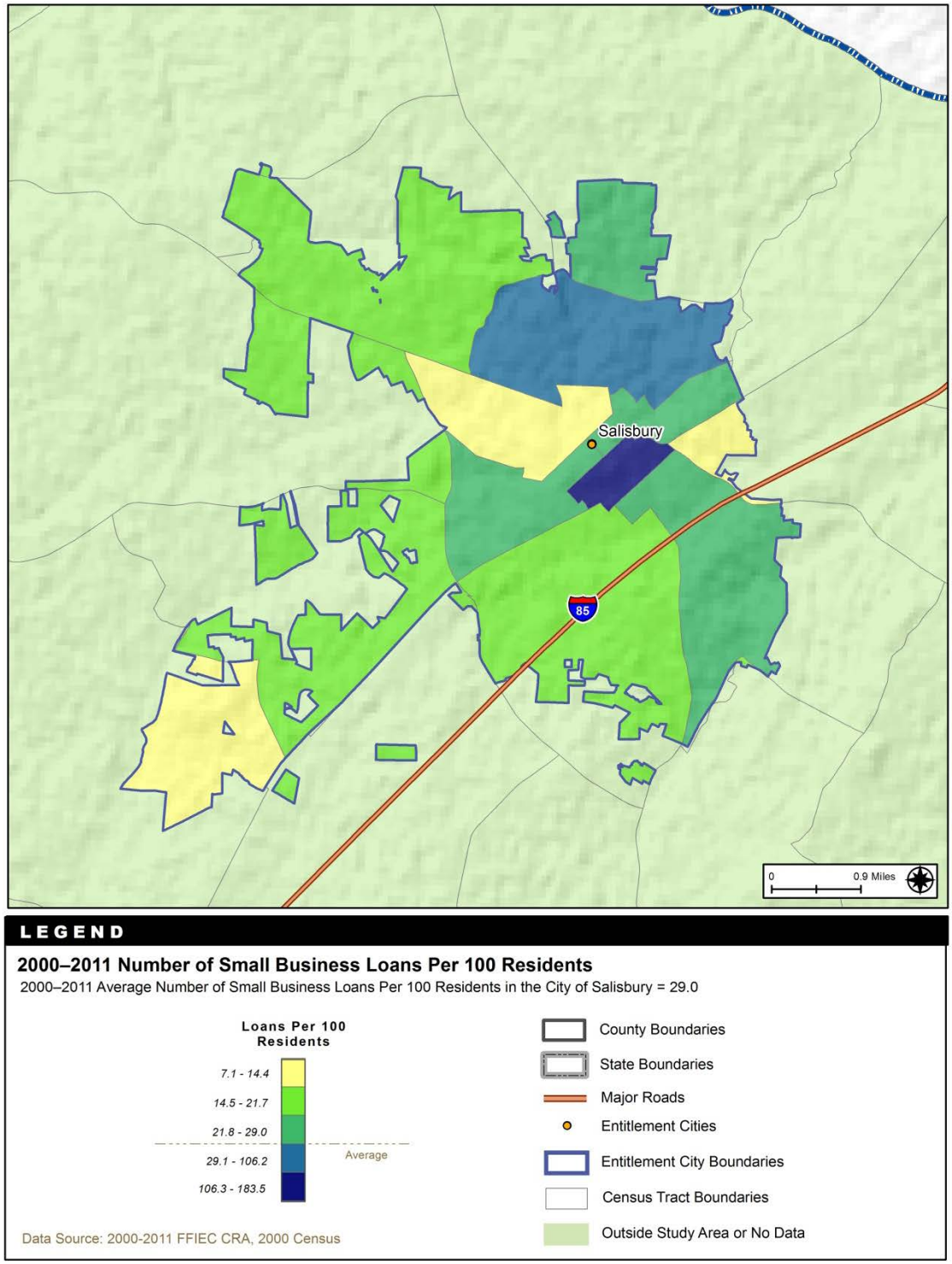
Fair Housing Complaints

U.S. Department of Housing and Urban Development

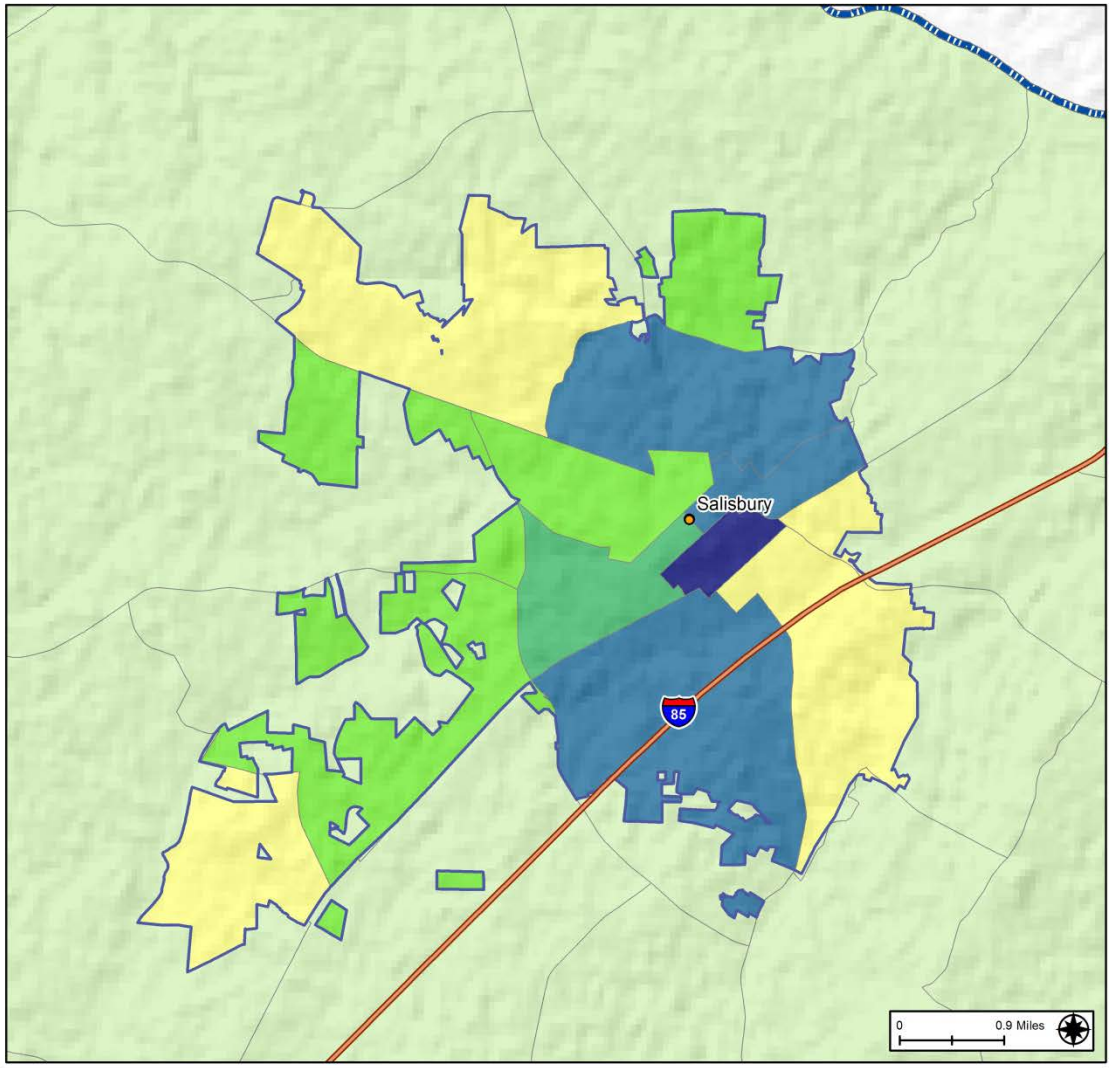
HUD maintains records of complaints that represent alleged violations of federal housing law, as described previously in the Complaint Process Review. Between 2004 and 2013, HUD reported just 10 complaints filed in the City of Salisbury, as shown in Table V.12 on page 86.[49]

[49] Data were provided by HUD's Atlanta Regional Office.

Map V.7
Number of Small Business Loans
City of Salisbury
2000–2011 CRA Data



Map V.8
Amount of Small Business Loan Dollars
City of Salisbury
2000–2011 CRA Data



LEGEND

2000–2011 Small Business Loan Dollars Per Resident

2000–2011 Average Dollar Value of Small Business Loans Per Resident in the City of Salisbury = $11.91

Loan Dollars Per Resident

- $2.55 - 5.67
- $5.68 - 8.79
- $8.79 - 11.91
- Average
- $11.92 - 45.73
- $45.74 - 79.56

- County Boundaries
- State Boundaries
- Major Roads
- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data

Data Source: 2000-2011 FFIEC CRA, 2000 Census

No more than two complaints were filed in any given year, and in some years no complaints were filed. This table 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 of complaints. As shown, a total of 16 bases were cited in relation to the 10 complaints filed. Disability was the most commonly cited basis, followed by race, which were cited in 6 and 5 complaints, respectively.

Table V.12
Fair Housing Complaints by Basis
City of Salisbury
2004–2013 HUD Data

Basis	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Disability	1	2	1					1	1		6
Race			1	1		1	1		1		5
Sex						1	1				2
Retaliation		1							1		2
Family Status									1		1
Total Bases	**1**	**3**	**2**	**1**		**2**	**2**	**1**	**4**		**16**
Total Complaints	1	2	1	1		1	1	1	2		10

In addition to the basis for discrimination, HUD records the issue, or alleged discriminatory action related to each complaint. These are presented in Table V.13 below. In the same way that bases are reported, more than one issue may be associated with each complaint. In Salisbury, 15 issues were cited, the most frequent issue being discriminatory acts under Section 818, which relates to attempts to coerce complainants not to exercise their right to fair housing, or to punish those who do. This issue was cited in 3 complaints. The next most common complaints alleged discrimination in terms, conditions, and privileges relating to rental; discriminatory terms, conditions, privileges, or services and facilities; and failure to make reasonable accommodation; each of these bases were cited in 2 complaints. A complete version of this table with yearly complaint data is included in Appendix D.

Table V.13
Fair Housing Complaints by Issue
City of Salisbury
2004–2013 HUD Data

Issue	Total Complaints
Discriminatory acts under Section 818 (coercion, etc.)	3
Discrimination in term, conditions or privileges relating to rental	2
Discriminatory terms, conditions, privileges, or services and facilities	2
Failure to make reasonable accommodation	2
Discriminatory refusal to rent	1
Discriminatory advertising, statements and notices	1
Otherwise deny or make housing available	1
Discriminatory financing (includes real estate transactions)	1
Discrimination in the terms or conditions for making loans	1
Discrimination in making of loans	1
Total Issues	**15**
Total Complaints	10

Housing complaints filed with HUD can also be examined by closure status, as shown in Table V.14 on the following page. Of the 10 total complaints, 3 were issued a "no cause" determination, which means that discrimination was not found during the HUD investigation.

Three were withdrawn after resolution and two were successfully conciliated. A complete version of this table with yearly complaint data is included in Appendix D.

Table V.14
Fair Housing Complaints by Closure Status
City of Salisbury
2004–2013 HUD Data

Closure Status	Total
No Cause	3
Withdrawal After Resolution	3
Conciliated / Settled	2
Withdrawal Without Resolution	1
Litigation Ended –Discrimination Found	1
Total Complaints	**10**

Table V.15 below presents the bases cited for the complaints considered to have been found to have cause, many of which were successfully conciliated or settled. Of those 6 complaints, there were 8 bases cited, with 5 related to disability and 2 related to race, and 1 related to sex. These bases represented classes of persons protected under the federal Fair Housing Act.

Table V.15
Fair Housing Complaints Found With Cause by Basis
City of Salisbury
2004–2013 HUD Data

Basis	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Disability	1	1	1					1	1		5
Race			1			1					2
Sex						1					1
Total Bases	**1**	**1**	**2**			**2**		**1**	**1**		**8**
Total Complaints	1	1	1			1		1	1		6

The 6 complaints found to be with cause are separated by issue, or discriminatory action, in Table V.16 below. The most commonly cited issues in these complaints were discrimination in terms, conditions, or privileges relating to rental (2 complaints) and failure to make reasonable accommodation (2 complaints). A complete version of this table with yearly complaint data is included in Appendix D.

Table V.16
Fair Housing Complaints Found With Cause by Issue
City of Salisbury
2004–2013 HUD Data

Issue	Total
Discrimination in term, conditions or privileges relating to rental	2
Failure to make reasonable accommodation	2
Discriminatory terms, conditions, privileges, or services and facilities	1
Discriminatory refusal to rent	1
Discriminatory acts under Section 818 (coercion, etc.)	1
Discrimination in making of loans	1
Total Issues	**8**
Total Complaints	6

FAIR HOUSING SURVEY – PRIVATE SECTOR RESULTS

Additional evaluation of fair housing within the City of Salisbury was conducted via an online survey of stakeholders conducted from March 2013 through May 2014. The purpose of the survey, a relatively qualitative component of the 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 **Sections VI** and **VII**.

The 2013 City of Salisbury Fair Housing Survey was completed by 27 persons and 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, 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. 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 Appendix B.

FAIR HOUSING IN THE PRIVATE SECTOR

In order to address perceptions of fair housing in The City of Salisbury'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 on the following page in Table V.17. Unfortunately, most of the respondents to this section of the survey declined to answer the questions: the typical response rate per question was 7 respondents, though one question received 8 responses and another only received 5 responses. When asked in each question whether they were aware of barriers to fair housing choice in each of the areas listed in the table below, most respondents stated either that they were unaware of any such barriers, or selected "Don't know" in response to the question. Only 1 respondent claimed to be aware of barriers to fair housing choice in each of the specific markets or industries listed in the table, with the exception of the home appraisal

industry—two respondents claimed to be aware of barriers to fair housing choice in this industry.

Table V.17
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	19	27
The real estate industry?	1	5	1	20	27
The mortgage and home lending industry?	1	4	2	20	27
The housing construction or accessible housing design fields?	1	4	2	20	27
The home insurance industry?	1	4	2	20	27
The home appraisal industry?	2	4	1	20	27
Any other housing services?		4	1	22	27

SUMMARY

Data collected through the Home Mortgage Disclosure Act (HMDA) revealed that loan applications were denied at different rates depending on the sex, race, and ethnicity of the applicants, as well as the location of the housing unit the loan was intended to finance. The overall denial rate for home purchase loans was 19.8 percent, as 504 applications were denied and 2,047 loans originated between 2004 and 2011. Female loan applicants experienced a higher denial rate than male applicants in each of those eight years, with the exception of 2009. Over, 20.9 percent of loan applications from female applicants were denied; for male applicants, this figure was 18.0 percent. However, the discrepancy between denial rates for different racial and ethnic groups was wider still. Between 2004 and 2011, 30.8 percent of home purchase loan applications submitted by black applicants were denied; by comparison, 16.1 percent of white applicants were turned down for a home purchase loan. In terms of ethnicity, 25.4 percent of Hispanic applicants were turned down when they applied for a home purchase loan, compared to 18.1 percent of non-Hispanic applicants. Moreover, housing units that these denied loans were intended to finance were disproportionately located in Census tracts to the immediate east and west of the center of the city. Both of these areas were observed to hold disproportionate shares of black residents in 2000 and 2010.

Of those applicants who were approved for home purchase loans, 16.1 percent were issued loans with high annual percentage rates (HALs). As was the case with loan denials, black and Hispanic residents received HALs at a higher rate than white or non-Hispanic borrowers. A full 34.2 percent of loans issued to black borrowers from 2004 to 2011 were HALs; nearly three times the rate at which these lowers quality loan products were issued to white residents. Likewise, 22.6 percent of loans issued to Hispanic borrowers were HALs, compared to a HAL rate of 14.9 percent for non-Hispanic borrowers. These loans were especially prevalent in the large tract to the immediate east of the center of town.

That same geographic area was largely passed over for small business loans, which tended to go to tracts in which the median income was over 50 percent of the median family income (MFI) for the area. A substantial portion of such loans went to tracts in which the median income was over 120 percent of the MFI, even though these loans are intended to target low- to moderate-income communities. However, the number of loans issued in the central part of

the city was well above average. However, there was very little investment activity, either measured in number of loans per 100 residents or loan dollars per person, in the large tract to the immediate west of the center of the city. This area was observed to hold a disproportionately high rate of poverty in 2011.

Only ten fair housing complaints were lodged with HUD between 2004 and the first part of 2013, and the most common complaints alleged discrimination on the basis of disability and race. The most common discriminatory acts alleged in these complaints were coercion under Section 818; discrimination in terms, conditions, or privileges relating to rental; and discrimination in terms, conditions, privileges, or services and facilities. Six of these complaints were determined to have cause during the HUD investigation, and disability figured in five of these complaints.

Results from the private sector portion of the 2013 Fair Housing Survey reveal that awareness of issues relating to fair housing in the private sector was limited. Unfortunately, the number of responses to the survey was quite low, making it difficult to reach definitive conclusions based on those responses.

SECTION VI. FAIR HOUSING 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. The U.S. Department of Housing and Urban Development (HUD) recommends that the AI investigate a number of housing factors within the public sector, including the placement of public housing as well as access to government services.

PUBLIC SERVICES

Community features, including public services and facilities, and the location of public and assisted housing are essential parts of good neighborhoods, leading to a more desirable community and more demand for housing in these areas.

MULTI-FAMILY ASSISTED HOUSING UNITS

Public or assisted housing can exist in several forms, including low-income housing projects, housing voucher programs, and supportive housing. The objective of public and other forms of assisted housing is to provide housing that is suitable for persons with special needs or families with low- to moderate-incomes and to promote access to jobs, transportation, and related community resources. Uneven distribution of public and assisted housing, such as Low Income Housing Tax Credit projects constructed in only one part of town, should be avoided.

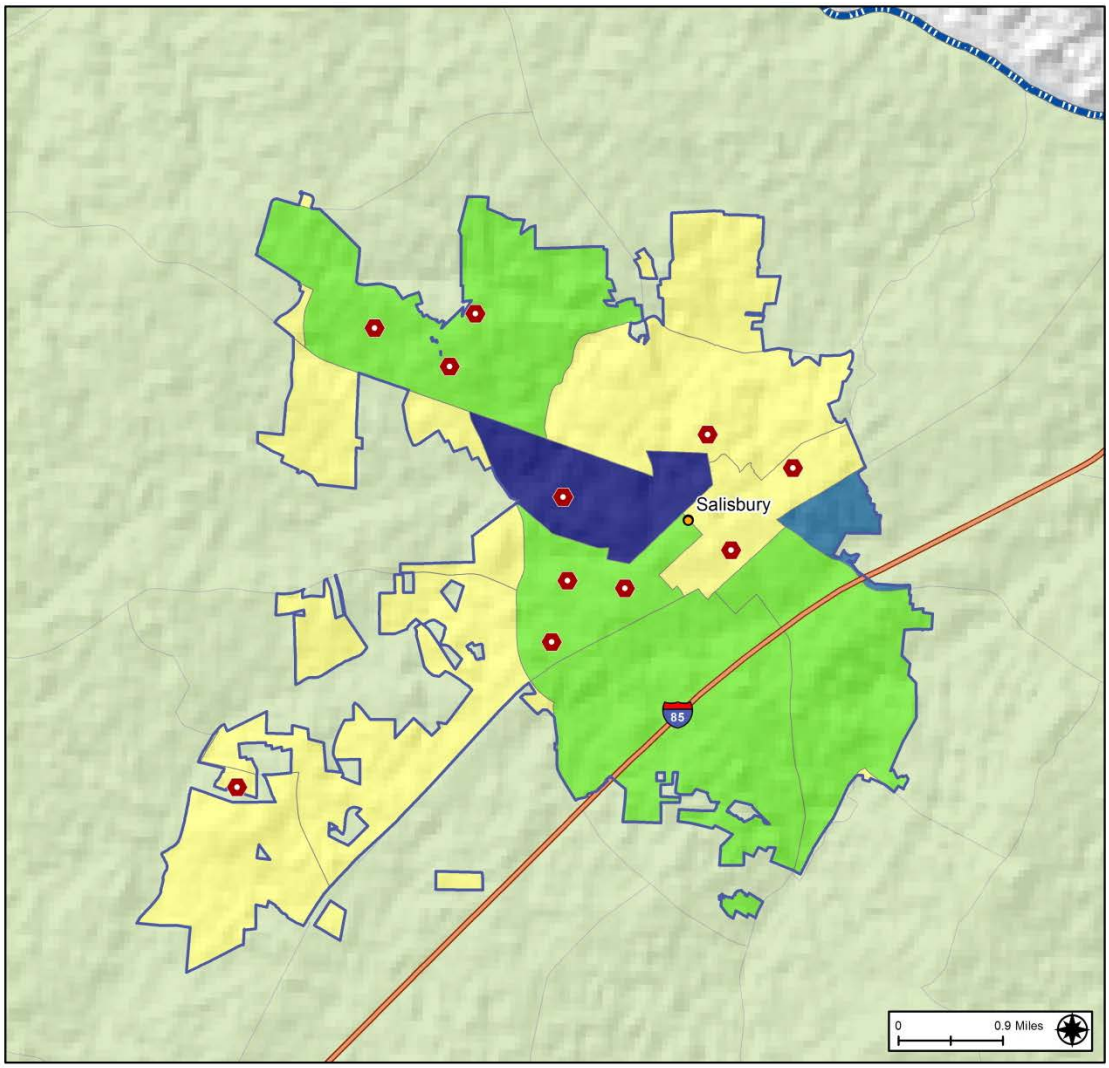
Map VI.1 on the following page shows multi-family housing properties funded by HUD rental assistance and their relation to areas of poverty.[50] As shown, these units were distributed fairly widely throughout the City. There was a slight tendency for these units to be clustered in and around the center of town. There was a tendency for these units to be located in areas of above average poverty rates; however, there was no tendency for them to be located in areas with disproportionately high poverty rates.

LOW-INCOME HOUSING TAX CREDIT PROGRAM

The Low-Income Housing Tax Credit (LIHTC) Program is designed to promote investment in affordable rental housing by providing tax credits to developers of qualified projects. To qualify for the tax credits, housing projects must be residential rental properties in which a proportion of available units are rent-restricted and reserved for low-income families. The exact proportions of units that need to be reserved for low-income families for a project to qualify for LIHTC credits varies according to which threshold the property owner elects to implement: at least 20 percent of housing units must be occupied by families with incomes equal to or less than HUD's median family income (MFI) according to the 20-50 rule, while at least 40 percent of units must be reserved for families earning less than 60 percent of the area median income if the property owner elects to follow the 40-60 rule. HUD's MFIs are adjusted for household size. Property owners are required to maintain rent and income restrictions for at least thirty years, pursuant to the HUD-mandated minimum affordability period.

[50] HUD Multifamily Assistance and Section 8 Contracts database, January 2012, http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/exp/mfhdiscl

Map VI.1
Multi-Family Assisted Housing Units
City of Salisbury
2013 HUD Data



LEGEND

2013 Multi-family Assisted Housing and 2011 Poverty

2007-2011 Average Poverty Rate Per Tract in the City of Salisbury = 21.5%
Disproportionate Share Threshold = 31.5% (A disproportionate share exists when the poverty rate in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- HUD-Assisted Multi-family Property
- County Boundaries
- State Boundaries
- Major Roads

Poverty Rate

- 8.8 - 21.5%
- 21.6 - 31.5%
- 31.6 - 35.7%
- 35.8 - 39.9%
- 40.0 - 44.2%

Disproportionate Share Threshold

Data Source: 2007-2011 ACS, 2013 HUD FHA Office of Multi-family Housing Programs

The distribution of housing projects participating in the LIHTC program is displayed in Map VI.2 on the following page. As was the case with multi-family assisted housing, there was no tendency observed toward the location of these units in areas with disproportionately high rates of poverty. However, all of these units were located in tracts with *above-average* rates of poverty, and there was some clustering of these units in a large tract in the extreme northwest of the City. This cluster included one large LIHTC project (which included 100 units) and two smaller projects of 50 units or less, in addition to one medium-sized project nearby.

FAIR HOUSING SURVEY – PUBLIC SECTOR RESULTS

As mentioned previously, further evaluation of the status of fair housing within the City of Salisbury was conducted via an online 2013 Fair Housing Survey, which was completed by 27 stakeholders and citizens. Those solicited for participation included a wide variety of individuals in 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 Appendix B. Other survey results are also discussed in **Sections V** and **VII**.

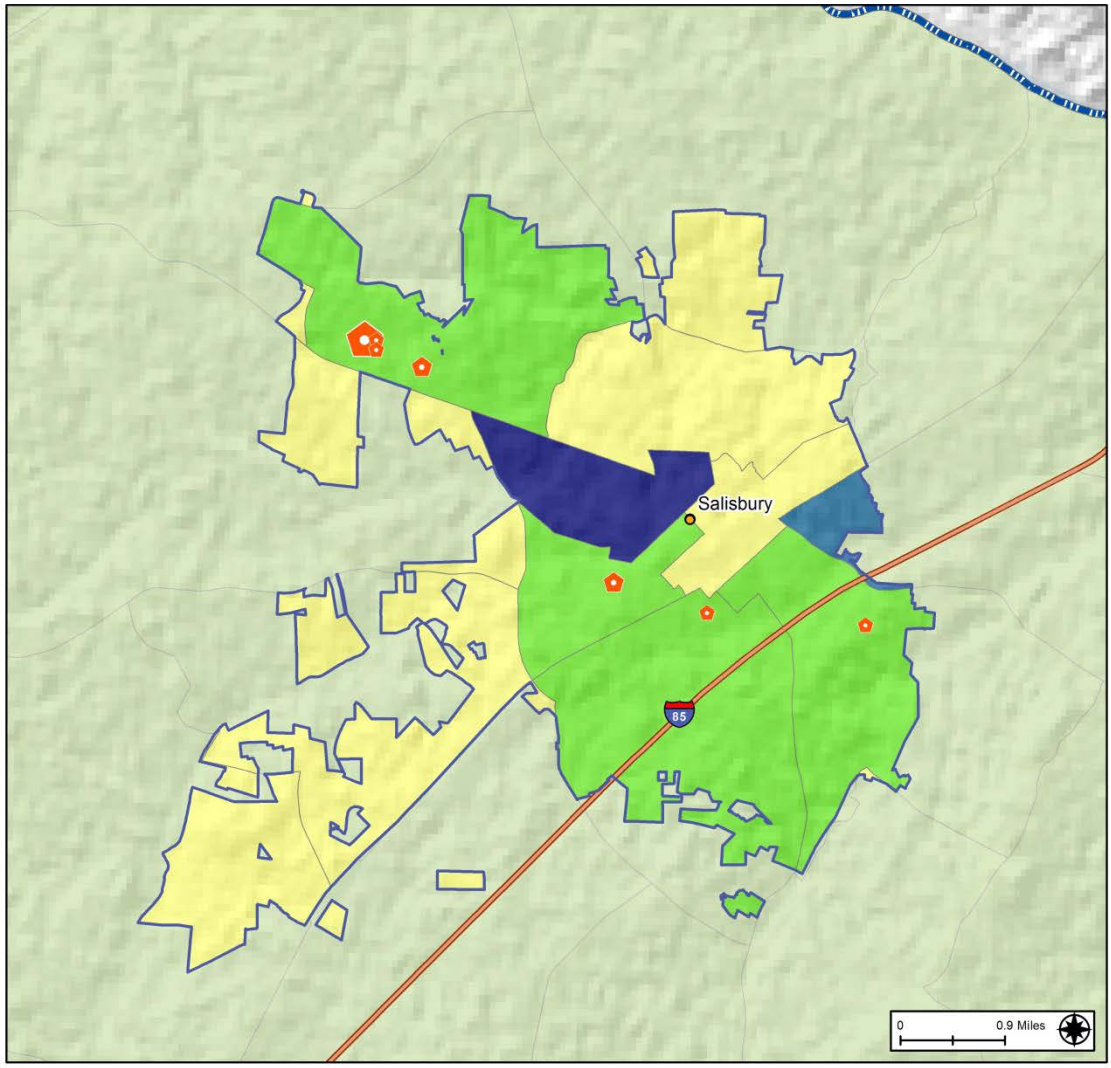
FAIR HOUSING IN THE PUBLIC SECTOR

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.1, on page 95. As was the case with the private sector portion of the fair housing survey, the public sector portion received a limited number of responses per question: most questions received 6 responses, though one question only received five responses. A maximum of two respondents claimed to be aware of questionable practices or barriers to fair housing choice in any of the public policy areas mentioned, specifically in the question about zoning laws. All other questions received between 0 and 1 "yes" responses. Two of the three comments submitted in this section focused on public opposition to affordable housing units and group homes (NIMBYism), as expressed through land-use and zoning decisions.

Map VI.2
2013 Low-Income Housing Tax Credit (LIHTC) Units
City of Salisbury
2013 HUD Data



LEGEND

2013 LIHTC Affordable Units and 2011 Poverty

2007-2011 Average Poverty Rate Per Tract in the City of Salisbury = 21.5%
Disproportionate Share Threshold = 31.5% (A disproportionate share exists when the poverty rate in a given area is 10 percentage points greater than the study area average.)

- Entitlement Cities
- Entitlement City Boundaries
- Census Tract Boundaries
- Outside Study Area or No Data
- County Boundaries
- State Boundaries
- Major Roads

LIHTC # of Units
- 1 - 50
- 51 - 75
- 76 - 100

Poverty Rate
- 8.8 - 21.5%
- 21.6 - 31.5%
- 31.6 - 35.7% (Disproportionate Share Threshold)
- 35.8 - 39.9%
- 40.0 - 44.2%

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

Table VI.1
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	21	27
Zoning laws?	2	3	1	21	27
Occupancy standards or health and safety codes?	1	4	1	21	27
Property tax policies?		4	2	21	27
Permitting process?		3	2	22	27
Housing construction standards?	1	4	1	21	27
Neighborhood or community development policies?	1	4	1	21	27
Limited access to government services, such as employment services?	1	4	1	21	27
Public administrative actions or regulations?	1	3	2	21	27

SUMMARY

Subsidized housing units—including HUD assisted multifamily properties and projects financed through Low Income Housing Tax Credits—were widely distributed throughout the city, though they did tend to be located in areas with above-average rates of poverty. Though there were exceptions to this trend in the distribution of multi-family assisted units, all of the LIHTC projects were located in areas with above-average poverty rates. Moreover, there were four LIHTC properties clustered in an area of northwest Salisbury.

As was the case in the private sector portion of the 2013 Fair Housing Survey, questions on barriers to fair housing choice in the public sector received very few responses. Commentary in this section was correspondingly limited, though two of the commenters maintained that land use and zoning policies provide an avenue for neighborhood opposition to affordable housing units, limiting such units to certain areas of town.

SECTION VII. PUBLIC INVOLVEMENT

This section discusses analysis of fair housing in the City of Salisbury as gathered from various public involvement efforts conducted as part of the AI process. Public involvement feedback is a valuable source of qualitative data about impediments, but, as with any data source, citizen comments alone do not necessarily indicate the existence of citywide impediments to fair housing choice. However, survey and forum comments that support findings from other parts of the analysis reinforce findings from other data sources concerning impediments to fair housing choice.

FAIR HOUSING SURVEY

As discussed in previous sections, a 2013 Fair Housing Survey comprised a large portion of the public involvement efforts associated with the development of the 2014 AI. 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 below.

The purpose of the survey, a relatively qualitative component of the 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 City were solicited to participate.

A total of 27 persons in Salisbury completed the survey, which was conducted entirely online. A complete list of responses is included in Appendix B. Other survey results are also discussed in **Sections V and VI.**

Table VII.1
Role of Respondent
City of Salisbury
2013 Fair Housing Survey Data

Primary Role	Total
Advocate/Service Provider	1
Appraisal	
Banking/Finance	1
Construction/Development	2
Homeowner	9
Insurance	
Law/Legal Services	
Local Government	4
Property Management	
Real Estate	1
Renter/Tenant	8
Other Role	
Missing	1
Total	**27**

Respondents of the 2013 Fair Housing Survey were asked to identify their primary role within the housing industry. As shown in Table VII.1 at right 9 respondents identified themselves as homeowners, 8 as renters, 4 as local government officials, and 2 as construction or development professionals.

The next question asked respondents about their familiarity with fair housing laws. Results of this question are presented in Table VII.2 on the following page. Four out of the 13 who responded to this question stated that they were not familiar with fair housing laws, while 9 maintained that they were "somewhat" or "very" familiar with these laws.

Table VII.3 on the following page shows the responses to four 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. As shown, 11 of the 14 respondents who answered this question indicated that they felt that fair housing laws are useful, and none of the respondents maintained that fair housing laws are not useful, though 3 selected "Don't know" in response to this question. Respondents were also asked if fair housing laws are

difficult to understand or follow. A majority of respondents stated that they were not difficult to follow, though one respondent felt that they were. In response to a question concerning whether or not fair housing laws should be changed, only 3 respondents stated that fair housing laws should be changed. When asked to specify the types of changes to fair housing laws that they would wish to see, one respondent cited a need for stronger code enforcement and the other felt that there "shouldn't be so many discriminatory factors." In response to the next question, 5 respondents maintained that fair housing laws are adequately enforced in Salisbury; 2 respondents felt that they were not, and 7 responded that they didn't know well enough to weigh in on current levels of enforcement.

Table VII.2
How Familiar are you with Fair Housing Laws?
City of Salisbury
2013 Fair Housing Survey Data

Familiarity	Total
Not Familiar	4
Somewhat Familiar	7
Very Familiar	2
Missing	14
Total	**27**

Table VII.3
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	13	27
Are fair housing laws difficult to understand or follow?	1	8	3	15	27
Do you think fair housing laws should be changed?	3	5	6	13	27
Do you thing fair housing laws are adequately enforced?	4	5	2	16	27

The next section in the survey related to fair housing activities, including outreach and education and testing and enforcement. As shown below in Table VII.4, when asked if there was a training process available to learn about fair housing laws, 4 respondents answered "yes"; the same number of respondents also noted that they had participated in fair housing training. Respondents were also asked about their awareness of fair housing testing; none of the respondents were aware of any such testing taking place in Salisbury.

Questions in this section also invited respondents to gauge the current levels of fair housing activities in their communities. Five of the 11 respondents stated that there was not enough education and outreach concerning fair housing, and no respondents thought that there was too much, or even that current levels of outreach and education were sufficient. In terms of fair housing testing, two of the 9 respondents who answered this question indicated that there is too little testing; the rest responded to this question with "Don't know".

Table VII.4
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	16	27
Have you participated in fair housing training?		4	3		20	27
Are you aware of any fair housing testing?			8	2	17	27
Testing and education	**Too Little**	**Right Amount**	**Too Much**	**Don't Know**	**Missing**	**Total**
Is there sufficient outreach and education activity?	5			6	16	27
Is there sufficient testing?	2			7	18	27

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 at right in Table VII.5. Some respondents were able to correctly identify several of the protected classes, including religion, gender, family status, and disability. However, several respondents mistakenly thought that North Carolina fair housing laws included protections based on age or sexual orientation. Neither of these classes represents individuals protected under fair housing laws applicable to the City of Salisbury.

Table VII.5
Protected Classes
City of Salisbury
2013 Fair Housing Survey Data

Protected Class	Total
Age	3
Disability	1
Ethnicity	1
Familial Status	2
Gender	3
Military	1
National Origin	0
Religion	3
Sexual Orientation	1
Other	1
Total	**16**

Table VII.6 below presents tallied responses to survey questions related to the status of fair housing in the City of Salisbury. Only 4 to 5 respondents answered each question: none of these were familiar with a fair housing ordinance, regulation, or plan; and none were familiar with any specific areas of the City in which fair housing problems are especially prevalent.

Table VII.6
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		23	27
Are there any specific geographic areas that have fair housing problems?		2	3	22	27

Respondents were also asked to offer any additional comments that they might have regarding fair housing in their communities. The sole comment submitted with this question highlighted the role of public opposition, or NIMBYism, in blocking the placement of multi-family housing development.

Fair Housing Forum and Presentation

Fair Housing Forum and Final Presentation

One fair housing forum was held in Salisbury as part of the AI process. The forum was held on February 21, 2014 at 9:00 AM in the City Hall of Salisbury. The purpose of this discussion was to allow the public to have the chance to learn more about the AI process, including why the AI was conducted, and included a discussion of preliminary findings. The complete minutes of the meeting are presented in Appendix C. The discussion at this meeting covered a diverse set of topics, though review of the forum minutes reveals a few dominant themes. Such themes included the following:

- Differential rates of investment in neighborhoods around and differences over how resources can best be distributed
- The effect of concentrating public housing and apartment units in previously blighted areas

A final presentation of the key issues pertaining to the identified impediments, actions the city should consider conducting, as well as measurement criteria, was given on April 16, 2014 at 1:00 PM in the City Hall of Salisbury.

SUMMARY

Results of the 2013 Fair Housing Survey suggest that Salisbury residents are generally familiar with, and supportive of, laws and policies designed to promote fair housing. However, as with the rest of the survey, questions from the public involvement portion of the survey received few responses. Focus group commentary centered on the distribution of resources in the city, the effect of affordable housing locational choices, and areas of concern throughout the city.

SECTION VIII. SUMMARY OF FINDINGS

This AI reviews both the public and private sector contexts for Salisbury's housing markets, in order to determine the effects these forces have on housing choice. As part of that review, analysis of demographic, economic, and housing data provide background context for the environments in which housing choices are made. Demographic data indicate the sizes of racial and ethnic populations and other protected classes; economic and employment data show additional factors in influencing housing choice; and counts of housing by type, tenure, quality, and cost indicate the ability of the housing stock to meet the needs of the city's residents.

Once this contextual background analysis has been performed, detailed review of fair housing laws, cases, studies, complaints, and public involvement data can be better supported by the background information. The structure provided by local, state, and federal fair housing laws shapes the complaint and advocacy processes available in the city, as do the services provided by local, state, and federal agencies. Private sector factors in the homeownership and rental markets, such as home mortgage lending practices, have substantive influence on fair housing choice. In the public sector, policies and codes of local governments and a limited location of affordable rental units can significantly affect the housing available in each area, as well as neighborhood and community development trends. Complaint data and AI public involvement feedback further help define problems and possible impediments to housing choice for persons of protected classes, and confirm suspected findings from the contextual and supporting data.

Alone, findings from any one of the following do not prove the existence of an impediment to fair housing choice. However, when evidence for a specific impediment emerges repeatedly in the analysis of different data sets, it suggests that such impediment may in fact be present in the housing market of Salisbury.

Socio-Economic Context

The population of Salisbury changed considerably between the 2000 and 2010 Censuses, both in size and composition. In 2000 the city had a population of 26,462 people, but due to a 27.2 percent growth rate over the following decade the number of Salisbury residents stood at 33,662 in 2010. Though a majority of Salisbury residents were white or black, neither of these groups grew substantially over the decade as a share of the total population. In fact, the share of white residents in 2010 was nearly 5 percentage points lower than it had been in 2000. In terms of ethnicity, the Hispanic population more than trebled in size between Censuses. In 2000 this population had accounted for 4.3 percent of the total population; by 2010, 10.6 percent of Salisbury residents were Hispanic. The geographic distribution of these groups appeared to change very little over the decade, as white and black residents tended to remain disproportionately concentrated in different areas of the city.

The impact of the recent recession on the Salisbury labor market was pronounced. The unemployment rate rose from 6.1 percent in 2005 to 11.6 percent in 2009. However, the labor market of Salisbury overall has been subject to considerable fluctuation since the late 1990s, as has the unemployment rate. In 2003, unemployment stood at 11.4 percent, before dropping to around 6 percent in 2005. The total number of jobs in Rowan County fell by more than 4,200

jobs, with average earnings and per capita income declining. The poverty rate in the City had increased from 16.0 percent in 2000 to 21.5 percent.

Single-family homes dominated the housing market of Salisbury in 2000 and 2010, though apartments gained some ground over the decade, increasing their share of all housing units from 16.7 to 18.7, or 2 percentage points. This shift toward apartment units coincided with a shift toward rental occupancy, as growth in the number of renter-occupied units outpaced growth in the number of owner-occupied units. Owner-occupied and rental units tended to be concentrated in different areas of the city—rental units were concentrated in the center and south of town, and owner-occupied units in the north of the city, and in outlying Census tracts.

The most dramatic shift in housing stock was the substantial increase in the number of vacant units; these units, which had accounted for 9 percent of the housing stock in 2000, doubled in number over the decade and came to represent 14.1 percent of all housing units in 2010. As suggested above, much of this growth was driven by a proliferation in vacant units available for rent. The number of vacant units classified as "Other Vacant" grew more moderately between the 2000 and 2010 Censuses.

The average household in Salisbury grew in size between the two Censuses, due to high rates of growth in households with five or more members. Growth in the number of one- and two-person households, by contrast, was below average. In spite of this shift toward larger households, overcrowding was not substantially more prevalent by 2011 than it had been in 2000. There were also fewer housing units with incomplete plumbing and kitchen facilities by 2011. However, the share of households with severe cost burdens jumped from 11.7 to 18.3 percent during this time.

Review of Fair Housing Laws, Studies, and Cases

Residents of the City of Salisbury are protected by fair housing statutes at the state and federal level. Fair housing protections on the basis of race, color, religion, sex, national origin, disability, and family status are enshrined in laws at all of these levels. Additionally, North Carolina state law prohibits discrimination in land-use decisions on the basis that the housing projects potentially at issue in those decisions consist of affordable housing units.

Recent fair housing studies have focused on potential unforeseen sources of segregation and disparate treatment. They have also highlighted some successes in fair housing policy in combating discrimination, while acknowledging that while discrimination has lessened, it has also become increasingly more subtle.

The Department of Justice has brought two fair housing complaints against entities near Salisbury: the Town of Maiden and Bank of America. In both cases, disability was the basis of discrimination alleged. At the national level, recent cases brought against Westchester County in New York and the State of Texas have concerned the alleged failure of these jurisdictions to honor the fair housing components of HUD funding; these cases promise to impact fair housing compliance and policy in the future.

Fair Housing Structure

The City of Salisbury is served by the North Carolina Human Relations Commission, a participant in the HUD Fair Housing Assistant Program (FHAP). As such, the fair housing policies and procedures administered by this Commission have been deemed "substantially equivalent" to those of HUD, and any fair housing complaints HUD receives from Salisbury residents will eventually be referred to the Human Relations Commission. In addition to HUD and the Human Relations Commission, Salisbury residents are served by a non-profit and Fair Housing Initiative Program (FHIP) participant, Legal Aid of North Carolina. This non-profit provides a range of legal resources, including fair housing education, outreach, complaint intake, and testing, to residents across North Carolina.

Fair Housing in the Private Sector

Data collected through the Home Mortgage Disclosure Act (HMDA) revealed that loan applications were denied at different rates depending on the sex, race, and ethnicity of the applicants, as well as the location of the housing unit the loan was intended to finance. The overall denial rate for home purchase loans was 19.8 percent, as 504 applications were denied and 2,047 loans originated between 2004 and 2011. Female loan applicants experienced a higher denial rate than male applicants in each of those eight years, with the exception of 2009. Over, 20.9 percent of loan applications from female applicants were denied; for male applicants, this figure was 18.0 percent. However, the discrepancy between denial rates for different racial and ethnic groups was wider still. Between 2004 and 2011, 30.8 percent of home purchase loan applications submitted by black applicants were denied; by comparison, 16.1 percent of white applicants were turned down for a home purchase loan. In terms of ethnicity, 25.4 percent of Hispanic applicants were turned down when they applied for a home purchase loan, compared to 18.1 percent of non-Hispanic applicants. Moreover, housing units that these denied loans were intended to finance were disproportionately located in Census tracts to the immediate east and west of the center of the city. Both of these areas were observed to hold disproportionate shares of black residents in 2000 and 2010.

Of those applicants who were approved for home purchase loans, 16.1 percent were issued loans with high annual percentage rates (HALs). As was the case with loan denials, black and Hispanic residents received HALs at a higher rate than white or non-Hispanic borrowers. A full 34.2 percent of loans issued to black borrowers from 2004 to 2011 were HALs; nearly three times the rate at which these lowers quality loan products were issued to white residents. Likewise, 22.6 percent of loans issued to Hispanic borrowers were HALs, compared to a HAL rate of 14.9 percent for non-Hispanic borrowers. These loans were especially prevalent in the large tract to the immediate east of the center of town.

That same geographic area was largely passed over for small business loans, which tended to go to tracts in which the median income was over 50 percent of the median family income (MFI) for the area. A substantial portion of such loans went to tracts in which the median income was over 120 percent of the MFI, even though these loans are intended to target low- to moderate-income communities. However, the number of loans issued in the central part of the city was well above average. However, there was very little investment activity, either measured in number of loans per 100 residents or loan dollars per person, in the large tract to

the immediate west of the center of the city. This area was observed to hold a disproportionately high rate of poverty in 2011.

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Results from the private sector portion of the 2013 Fair Housing Survey reveal that awareness of issues relating to fair housing in the private sector was limited. Unfortunately, the number of responses to the survey was quite low, making it difficult to reach definitive conclusions based on those responses.

Fair Housing in the Public Sector

Subsidized housing units—including HUD assisted multifamily properties and projects financed through Low Income Housing Tax Credits—were widely distributed throughout the city, though they did tend to be located in areas with above-average rates of poverty. Though there were exceptions to this trend in the distribution of multi-family assisted units, all of the LIHTC projects were located in areas with above-average poverty rates. Moreover, there were four LIHTC properties clustered in an area of northwest Salisbury.

As was the case in the private sector portion of the 2013 Fair Housing Survey, questions on barriers to fair housing choice in the public sector received very few responses. Commentary in this section was correspondingly limited, though two of the commenters maintained that land use and zoning policies provide an avenue for neighborhood opposition to affordable housing units, limiting such units to certain areas of town.

Public Involvement

Results of the 2013 Fair Housing Survey suggest that Salisbury residents are generally familiar with, and supportive of, laws and policies designed to promote fair housing. However, as with the rest of the survey, questions from the public involvement portion of the survey received few responses. Focus group commentary centered on the distribution of resources in the city, the effect of affordable housing locational choices, and areas of concern throughout the city.

SECTION IX. IMPEDIMENTS 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 countacted

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

SECTION X. GLOSSARY

Accessible housing: Housing designed to allow easier access for physically disabled or vision impaired persons.

ACS: American Community Survey

AI: Analysis of Impediments to Fair Housing Choice

AMI: Area median income

BEA: Bureau of Economic Analysis

BLS: Bureau of Labor Statistics

CDBG: Community Development Block Grant

Census tract: Census tract boundaries are updated with each decennial census. They are drawn based on population size and ideally represent approximately the same number of persons for each tract.

Consolidated Plan: Consolidated Plan for Housing and Community Development

Cost burden: Occurs when a household has gross housing costs that range from 30.1 to 50 percent of gross household income.

CRA: Community Reinvestment Act

Disability: 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.

Disproportionate share: Exists when the percentage of a population is 10 percentage points or more above the study area average.

DOJ: U.S. Department of Justice

ESG: Emergency Shelter Grants program

Family: A family is a group of two people or more related by birth, marriage, or adoption and residing together.

FFIEC: Federal Financial Institutions Examination Council

FHAP: Fair Housing Assistance Program

FHEO: Fair Housing and Equal Opportunity

FHIP: Fair Housing Initiative Program

Floor area ratio: The ratio of the total floor area of a building to the land on which it is situated, or the limit imposed on such a ratio.

Freddie Mac: Federal Home Loan Mortgage Corporation (FHLMC), a government-sponsored enterprise that purchases mortgages from lenders and repackage them as mortgage-backed securities for investors.

GAO: U.S. General Accounting Office

Gross housing costs: For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent and electricity or natural gas energy charges.

HAL: High annual percentage rate (APR) loan, defined as more than three percentage points higher than comparable treasury rates for home purchase loans, or five percentage points higher for refinance loans.[51]

HMDA: Home Mortgage Disclosure Act

[51] 12 CFR Part 203, http://www.ffiec.gov/hmda/pdf/regc_020702.pdf

HOME: HOME Investment Partnerships

HOPWA: Housing Opportunities for Persons with AIDS

Household: A household consists of all the people who occupy a housing unit. A house, an apartment or other group of rooms, or a single room, is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live with any other persons in the structure and there is direct access from the outside or through a common hall.

Housing problems: Overcrowding, incomplete plumbing or kitchen facilities, or cost burdens

HUD: U.S. Department of Housing and Urban Development

Incomplete kitchen facilities: A housing unit is classified as lacking complete kitchen facilities when any of the following are not present: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

Incomplete plumbing facilities: A housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower.

Labor force: The total number of persons working or looking for work

MFI: Median family income

Mixed-use development: The use of a building, set of buildings, or neighborhood for more than one purpose.

MSA: Metropolitan Statistical Area

NIMBYism: "Not in my backyard" mentality among community members, often in protest of affordable or multi-family housing.

Other vacant units: Housing units that are not for sale or rent

Overcrowding: Overcrowding occurs when a housing unit has more than one to 1.5 persons per room.

Poverty: The Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using Consumer Price Index (CPI-U). The official poverty definition uses money income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps).

Predatory loans: As defined by the Predatory Lending Consumer Protection Act of 2002 as well as the Home Owner Equity Protection Act (HOEPA), loans are considered predatory based on:

1. If they are HOEPA loans;[52]
2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of HALs. For full definition, see **HAL.**

These loans are referred to in this report as "predatory style loans", or loans that are "predatory in nature".

Protected Class: Group of people protected from discrimination and harassment. Salisbury residents are protected from housing discrimination based on race, sex, religion, familial status, disability, national origin, and color.

[52] Loans are subject to the HOEPA if they impose rates or fees above a certain threshold set by the Federal Reserve Board. "HMDA Glossary." http://www.ffiec.gov/hmda/glossary.htm#H

Public housing: Public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.

RDA: Redevelopment agency

Severe cost burden: Occurs when gross housing costs represent 50.1 percent or more of gross household income.

Severe overcrowding: Occurs when a housing unit has more than 1.5 persons per room.

Steering: Actions of real estate agents or landlords to discourage a prospective buyer or tenant from seeing or selecting properties in certain areas due to their racial or ethnic composition.

Tenure: The status by which a housing unit is held. A housing unit is "owned" if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is "owned" only if the owner or co-owner lives in it. All other occupied units are classified as "rented," including units rented for cash rent and those occupied without payment of cash rent.

APPENDICES

The following sections present additional data prepared in development of the City of Salisbury Analysis of Impediments to Fair Housing Choice.

A. COMMUNITY REINVESTMENT ACT DATA

Table A.1
Small Business Loans Originated: $100,000 or Less by Tract MFI
City of Salisbury
2000–2011 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
Number of Loans						
2000		83	75	73		231
2001		121	94	88		303
2002		140	154	123		417
2003	30	246	498			774
2004		155	470	204		829
2005		152	425	208		785
2006		215	522	265		1,002
2007		195	508	254		957
2008		159	434	184		777
2009		52	154	83		289
2010		50	165	52		267
2011		63	166	100		329
Total	**30**	**1,631**	**3,665**	**1,634**	**0**	**6,960**
Loan Amount ($1,000s)						
2000		1,441	916	779		3,136
2001		1,279	1,162	1,644		4,085
2002		1,989	1,571	1,923		5,483
2003	439	3,025	6,002			9,466
2004		2,222	5,050	2,968		10,240
2005		1,800	4,687	3,337		9,824
2006		2,415	4,257	3,221		9,893
2007		2,455	4,914	3,302		10,671
2008		2,196	3,988	2,218		8,402
2009		1,114	2,408	1,403		4,925
2010		858	1,881	734		3,473
2011		992	2,508	1,564		5,064
Total	**439**	**21,786**	**39,344**	**23,093**	**0**	**84,662**

Table A.2
Small Business Loans Originated: $100,001 to $250,000 by Tract MFI
City of Salisbury
2000–2011 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
Number of Loans						
2000		6	2	3		11
2001		8	4	11		23
2002		21	6	13		40
2003	3	29	23			55
2004		11	15	13		39
2005		13	12	16		41
2006		10	15	10		35
2007		12	10	8		30
2008		10	13	9		32
2009		6	13	9		28
2010		1	14	6		21
2011		3	11	6		20
Total	**3**	**130**	**138**	**104**	**0**	**375**
Loan Amount ($1,000s)						
2000		932	294	548		1,774
2001		1,513	738	2,134		4,385
2002		4,128	914	2,128		7,170
2003	534	5,281	3,833			9,648
2004		2,021	2,703	2,488		7,212
2005		2,355	2,096	3,110		7,561
2006		1,697	2,696	1,966		6,359
2007		2,380	1,784	1,420		5,584
2008		2,017	2,141	1,397		5,555
2009		1,261	2,135	1,629		5,025
2010		200	2,485	954		3,639
2011		448	1,675	1,162		3,285
Total	**534**	**24,233**	**23,494**	**18,936**	**0**	**67,197**

Table A.3
Small Business Loans Originated: More than $250,000 by Tract MFI
City of Salisbury
2000–2011 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
Number of Loans						
2000		5	2	5		12
2001		6	6	3		15
2002		10	10	8		28
2003	3	24	21			48
2004		2	17	11		30
2005		14	17	13		44
2006		10	11	8		29
2007		10	13	12		35
2008		10	12	17		39
2009		14	14	12		40
2010		12	12	2		26
2011		10	12	4		26
Total	**3**	**127**	**147**	**95**	**0**	**372**
Loan Amount ($1,000s)						
2000		2,542	900	2,258		5,700
2001		2,308	2,785	1,124		6,217
2002		3,914	4,809	4,899		13,622
2003	1,800	13,825	11,073			26,698
2004		1,035	10,122	5,886		17,043
2005		7,778	8,671	6,812		23,261
2006		5,198	5,074	4,148		14,420
2007		5,605	5,749	7,012		18,366
2008		5,526	3,667	8,622		17,815
2009		7,438	7,131	5,122		19,691
2010		5,425	5,816	1,230		12,471
2011		4,349	6,497	1,890		12,736
Total	**1,800**	**64,943**	**72,294**	**49,003**	**0**	**188,040**

Table A.4
Small Business Loans to Businesses with Gross Annual Revenues of Less Than $1 Million by Tract MFI

City of Salisbury
2000–2011 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
Number of Loans						
2000		30	24	25		79
2001		96	51	64		211
2002		65	51	50		166
2003	13	113	213			339
2004		61	187	91		339
2005		63	213	112		388
2006		75	203	104		382
2007		75	211	103		389
2008		55	151	75		281
2009		24	63	35		122
2010		18	63	19		100
2011		31	95	44		170
Total	**13**	**706**	**1,525**	**722**	**0**	**2,966**
Loan Amount ($1,000s)						
2000		2,697	1,090	1,189		4,976
2001		3,870	2,684	3,999		10,553
2002		7,311	4,013	3,817		15,141
2003	881	11,454	15,033			27,368
2004		3,589	12,988	6,130		22,707
2005		7,607	11,431	8,263		27,301
2006		3,730	7,718	4,588		16,036
2007		4,139	7,515	4,857		16,511
2008		3,912	5,681	5,535		15,128
2009		3,754	6,170	5,050		14,974
2010		3,361	5,830	1,188		10,379
2011		2,713	7,028	2,040		11,781
Total	**881**	**58,137**	**87,181**	**46,656**	**0**	**192,855**

B. Fair Housing Survey Open Questions

Federal, State, and Local Laws

Table B.1
How did you become aware of fair housing laws?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
A recent graduate with a BA in Political Science, fair housing laws are studied strenuously in law courses.
Being a member of various boards and commissions such Habitat, CAC, HAC, ,etc.
I am involved in various housing programs and have attended several training on Fair Housing.
Law courses in college
Online research
Part of my job
read law online
Through obtaining a mortgage

Table B.2
How should fair housing laws be changed?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
Give Code Enforcement more authority to enforce even what is on the books now.
There shouldn't be so many discriminatory factors.

Local Fair Housing

Table B.3
Are there any specific geographic areas that have fair housing problems?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.4
Please share any additional comments.
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Fair Housing in the Private Sector

Table B.5
Are you aware of any questionable practices or barriers to fair housing choice in the rental housing market?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
Not all landlords follow fair housing laws

Table B.6
Are you aware of any questionable practices or barriers to fair housing choice in the real estate industry?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
Bias shown toward schools in certain areas and houses in these areas"someone" has decided aren't as good never get shown.

Table B.7
Are you aware of any questionable practices or barriers to fair housing choice in the mortgage and home lending industry?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.8
Are you aware of any questionable practices or barriers to fair housing choice in the housing construction or accessible housing design fields?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.9
Are you aware of any questionable practices or barriers to fair housing choice in the insurance industry?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.10
Are you aware of any questionable practices or barriers to fair housing choice in the home appraisal industry?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.11
Are you aware of any questionable practices or barriers to fair housing choice in any other housing services?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Fair Housing in the Public Sector

Table B.12
Are you aware of any questionable practices or barriers to fair housing choice in land use policies?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
Areas are known to discourage building of affordable housing

Table B.13
Are you aware of any questionable practices or barriers to fair housing choice in zoning laws?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
Again, certain neighborhoods do not want group homes anywhere near their neighborhood

Table B.14
Are you aware of any questionable practices or barriers to fair housing choice in safety or occupancy standards?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
Many are not reported, but I feel what is is as stilctly enforced as in other areas.

Table B.15
Are you aware of any questionable practices or barriers to fair housing choice in property tax policies?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.16
Are you aware of any questionable practices or barriers to fair housing choice in the permitting process?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.17
Are you aware of any questionable practices or barriers to fair housing choice in housing construction standards?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.18
Are you aware of any questionable practices or barriers to fair housing choice in neighborhood or community development policies?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.19
Are you aware of any barriers that limit access to government services, such as a lack of transportation or employment services?
City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

Table B.20
Are you aware of any questionable practices or barriers to fair housing choice in any other public administrative actions or regulations?

City of Salisbury
2013 Fair Housing Survey Data

Comments:
No comments were submitted for this question.

C. Minutes from the Fair Housing Focus Group Meeting

Salisbury Fair Housing Forum

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 staring 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 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 an 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 used 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 done, 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 charted 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 compliant. 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 statics 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.

Comment121: 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.

D. Additional Tables

Housing Problems

Table D.1
Cost Burden and Severe Cost Burden by Tenure
City of Salisbury
2000 Census & 2011 Five-Year ACS Data

Data Source	Less Than 30%		31%-50%		Above 50%		Not Computed		Total
	Households	% of Total	Households	% of Total	Households	% of Total	Households	% of Total	
Owner With a Mortgage									
2000 Census	2,105	70.1%	632	21.1%	258	8.6%	7	.2%	3,002
2011 Five-Year ACS	2,705	63.6%	821	19.3%	678	15.9%	52	01.2%	4,256
Owner Without a Mortgage									
2000 Census	1,845	86.4%	139	6.5%	78	3.7%	74	3.5%	2,136
2011 Five-Year ACS	1,996	85.8%	154	6.6%	146	6.3%	31	1.3%	2,327
Renter									
2000 Census	2,636	55.4%	911	19.1%	822	17.3%	391	8.2%	4,760
2011 Five-Year ACS	2,580	44.6%	1,209	20.9%	1,435	24.8%	555	9.6%	5,779
Total									
2000 Census	6,586	66.5%	1,682	17.0%	1,158	11.7%	472	4.8%	9,898
2011 Five-Year ACS	7,281	58.9%	2,184	17.7%	2,259	18.3%	638	5.2%	12,362

HUD Complaint Tables

Table D.2
Fair Housing Complaints by Issue
City of Salisbury
2004–2012 HUD Data

Issue	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Discrimination in term, conditions or privileges relating to rental	1		1								2
Discriminatory terms, conditions, privileges, or services and facilities									2	2	2
Discriminatory acts under Section 818 (coercion, etc.)		1						1	1	1	3
Discriminatory refusal to rent								1			1
Failure to make reasonable accommodation		1							1	1	2
Discriminatory advertising, statements and notices									1	1	1
Otherwise deny or make housing available				1							1
Discriminatory financing (includes real estate transactions)							1				1
Discrimination in the terms or conditions for making loans							1				1
Discrimination in making of loans						1					1
Total Issues	**1**	**2**	**1**	**1**	**0**	**1**	**2**	**2**	**5**	**5**	**15**
Total Complaints	1	2	1	1		1	1	1	2	2	10

Table D.3
Fair Housing Complaints by Closure Status
City of Salisbury
2004–2012 HUD Data

Closure Status	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
No Cause		1		1					1		3
Conciliated / Settled	1		1								2
Withdrawal After Resolution						1		1	1		3
Withdrawal Without Resolution							1				1
Litigation Ended –Discrimination Found		1									1
Total Complaints	**1**	**2**	**1**	**1**		**1**	**1**	**1**	**2**		**10**

Table D.4
Fair Housing Complaints Found With Cause by Issue
City of Salisbury
2004–2012 HUD Data

Issue	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Discrimination in term, conditions or privileges relating to rental	1		1								2
Failure to make reasonable accommodation									1	1	1
Discriminatory terms, conditions, privileges, or services and facilities									1		1
Discriminatory refusal to rent								1			1
Discriminatory acts under Section 818 (coercion, etc.)								1			1
Discrimination in making of loans						1					1
Total Issues	**1**	**0**	**1**	**0**	**0**	**1**	**0**	**2**	**2**	**0**	**7**
Total Complaints	1		1			1		1	1		5