

**CITY OF ROCKY MOUNT
Down Home East Consortium**

**ANALYSIS OF IMPEDIMENTS
TO
FAIR HOUSING CHOICE**

FEBRUARY 2012

**PREPARED BY
THE ROCKY MOUNT DEPARTMENT OF PLANNING AND
DEVELOPMENT**

TABLE OF CONTENTS

- 1) Introduction
- 2) Community Participation
- 3) Community Profile
- 4) Fair Housing Practices
- 5) Lending and Complaint Data, Advertising
- 6) Public Policies and Practices
- 7) Resident Survey and Focus Group Meetings
- 8) Fair Housing Accomplishments
- 9) Identified Impediments, Recommendations, and Action Plan
- 10) Signature Page
- 11) Council Resolution
- 12) Appendices

Appendix A – Home Mortgage Disclosure Act (HMDA) Data

Appendix B – Resident Survey and Analysis of Results

Appendix C – Notice of Public Hearing

Appendix D – Focus Group Presentation and Sign-in Sheets

1) INTRODUCTION

PURPOSE OF REPORT

The Fair Housing Act of 1968 states that it is the policy of the United States to provide for fair housing throughout the country and the Act prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including or otherwise making unavailable or denying a dwelling to any person because of race, color, religion, sex, national origin, handicap, or familial status. The State of North Carolina echoes such goal and has also adopted legislation protecting equal access to housing.

Nationally, fair housing and impediments to fair housing are monitored by the United States Department of Housing and Urban Development (HUD) through the use of Community Block Development Grant (CDBG) funding for fair housing advocacy groups. This role of HUD to act as an administrator of fair housing programs originated in 1968 with the passage of the Civil Rights Act, described below. As a qualified entitlement jurisdiction, the City of Rocky Mount serves as the Lead Agency for the Down East Home Consortium, which also receives HOME Investment Partnership Program (HOME) funds from HUD.

Each grantee which receives CDBG funding under Title I of the Housing and Community Development Act is required to further fair housing and fair housing planning by conducting an analysis to identify impediments to fair housing choice within those cities/communities within its jurisdiction. The grantee will also take appropriate actions to overcome the effects of any impediments identified and will maintain records which reflect the analysis and actions taken in this regard.

The City of Rocky Mount Department of Planning and Development has adopted the following Mission Statement:

Mission - To develop and implement Smart Growth principles to assist in the revitalization, improvement, and preservation of neighborhoods, by promoting decent, safe affordable housing and expanding economic opportunities. These initiatives are principally for persons of low to moderate income and will be accomplished through public/private partnerships coupled with technical assistance.

The City of Rocky Mount has consistently supported the concept of the provision of fair housing for its residents without regard to race, color, religion, sex, national origin, handicap, or familial status. To that end, the City has consistently used a portion of its CDBG funding to support programs of fair housing services for low and moderate income households. The fundamental fair housing goal is to make housing choice a reality through fair housing planning, which includes the following:

- Preparing an Analysis of Impediments to Fair Housing Choice (AI);
- Acting to eliminate identified impediments; and
- Providing fair housing records.

The purpose of this AI is to provide essential, specific, and detailed information and data to municipal officials and staff, policy makers, housing developers, lenders, and fair housing

advocates. The AI helps build public support for fair housing efforts. This report represents Rocky Mount's efforts in making an objective assessment of the nature and extent of fair housing concerns in the City, and the potential impediments to making fair housing choice available to its residents.

The City's last AI was completed in 2002. This new AI considers the significant changes that have occurred since the development of the previous AI including the effects of population growth, an increasing diverse population, economic change with regard to jobs and the housing market, and the continued need for awareness, education and outreach about fair housing.

DEFINING FAIR HOUSING

Federal Laws

Over the years Congress has passed a number of key Federal laws that define and protect the rights of citizens with respect to their rights about living accommodations. The most significant are:

- The Civil Rights Acts of 1866 and 1870
- The Fair Housing Act (1968 and 1988 Amendments)
- The Civil Rights Act of 1964
- Title I of the Housing and Community Development Act of 1974
- The Age Discrimination Act of 1975
- The Home Mortgage Disclosure Act
- The Community Reinvestment Act
- Section 504 of the Rehabilitation Act of 1973
- The Americans With Disabilities Act
- The Architectural Barriers Act
- Section 3 of the Housing and Urban Development Act of 1968
- The Equal Credit Act

Also, Executive Order 11063 (Equal Opportunity in Housing) directs all Federal agencies whose functions involve housing to prevent discrimination in providing or operating housing and in lending.

The federal Fair Housing Act of 1968 and Fair Housing Amendments Act of 1988 (42 U.S. Code §§ 3601-3619, 3631) are the key federal fair housing laws that prohibit discrimination in all aspects of housing, such as the sale, rental, lease or negotiation for real property. The Fair Housing Act prohibits discrimination based on race, religion, and national origin. In 1988, the Fair Housing Act was amended to extend protection to familial status and people with disabilities (mental or physical). In addition, the Amendment Act provides for "reasonable accommodations", allowing structural modifications for persons with disabilities if requested, at their own expense, and sets housing code standards for new multi-family dwellings to accommodate the physically disabled.

Discrimination against Families with Children and Persons with Disabilities are further defined:

Discrimination against Families with Children

Familial Status (often called “families with children”) refers to a parent or another person having legal custody of one or more individuals under the age of 18 years. It refers also to a person who is pregnant or in the process of getting legal custody of a minor child. Families with children enjoy under the law the same protection against housing discrimination as other groups protected by the law. In only two instances, does the law permit, as exceptions, discrimination against families with children. Both exceptions pertain to so-called housing for older persons. Housing intended for and occupied solely by people 62 years of age or older and housing in which 80 percent of the units are intended for and occupied by at least one person who is 55 years of age or older do not need to comply with the law’s familial status provisions. Discrimination against families with children manifests itself in many ways, the most common of which are in advertising (e.g. indications that rentals are for “no children” or “adults only”), restrictive occupancy standards that unreasonably limit the number of children who may occupy a given space, and steering of families with children to separate buildings or parts of buildings.

Provisions for People with Disabilities

The Fair Housing Act defines "handicap" (or disability) as:

1. a physical or mental impairment which substantially limits one or more of such person's major life activities,
2. a record of having such an impairment, or
3. being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance.

Special Protections

In addition to providing people with disabilities all of the protections against housing discrimination that are provided to members of the other six protected classes, the following provisions of the Fair Housing Act provide important additional protection.

The prohibition against discriminating in the terms and conditions of sale or rental prohibits a landlord from asking any questions of a person with a disability than would be asked of any other applicant. A landlord may not, for example, inquire about the nature or severity of a person’s disability or ask whether that person is capable of living alone.

Reasonable Accommodations

It is unlawful to refuse to make such reasonable changes in rules, policies, practices and services, which may be necessary to afford a person with a disability an equal opportunity to enjoy and use a dwelling. These “reasonable accommodations” include such things as making an exception to a “no pets” policy for a person who needs a service animal and providing a reserved, designated parking place for a person with mobility impairment.

Reasonable Modifications

It is unlawful to refuse to permit a person with a disability to make, at his/her own expense, such reasonable changes in the premises as may be necessary to permit use and enjoyment of the

premises. “Reasonable modifications” include such things as installing grab bars to facilitate use of bathroom facilities, cabinets lowered or the widening of a doorway to accommodate a wheelchair.

Full Accessibility of “New” Multi-family Housing

Multi-family housing constructed for first occupancy after March 13, 1991 (i.e. buildings consisting of 4 or more units) must be fully accessible to people with disabilities. If a building has an elevator, all units must be accessible; if there is no elevator, only “ground floor” units must be accessible. “Accessible” means: 1) There must be an accessible building entrance on an accessible route; 2) Public and common use areas must be readily accessible to and usable by people with disabilities; 3) All inside doors must be wide enough to accommodate a wheelchair; 4) There must be an accessible route into and through the dwelling; 5) Light switches, electrical outlets, thermostats and other environmental controls must be accessible; 6) Bathroom walls must be reinforced to allow later installation of grab bars; and 7) Kitchens and bathrooms must have enough space to permit maneuvering in a wheelchair.

Three significant changes to the Fair Housing Act were made. These changes are described briefly as follows:

- The Housing for Older People Act of 1995 (HOPA) made several changes to the 55 and older exemption. Since the 1988 Amendments, the Fair Housing Act has exempted from its familial status provisions properties that satisfy the Act's 55 and older housing condition. First, HOPA eliminated the requirement that 55 and older housing have "significant facilities and services" designed for the elderly. Second, HOPA establishes protection from damages for persons who in good faith believe that the 55 and older exemption applies to a particular property, if they do not actually know that the property is not eligible for the exemption and if the property has formally stated in writing that it qualifies for the exemption.
- Changes were made in the Act to enhance law enforcement, including making amendments to criminal penalties in section 901 of the Civil Rights Act of 1968 for violating the Fair Housing Act.
- Changes were made to provide incentives for self-testing by lenders for discrimination under the Fair Housing Act and the Equal Credit Opportunity Act. See Title II, subtitle D of the Omnibus Consolidated Appropriations Act, 1997, P.L. 104 - 208 (9/30/96)1. In addition, it is also illegal for anyone to threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right and advertise or make any statement that indicates a limitation or preference based on race, color, religion, national origin, familial status or handicap. Both intentional discrimination and unintentional actions or conditions that limit choice are also prohibited.

North Carolina Laws

It is the policy of the State of North Carolina to provide, within constitutional limitations, for fair housing throughout the state. The State of North Carolina Fair Housing Law - Chapter 41A (2011), prohibits discrimination against any person 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 of legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). The law applies to the sale, rental and financing of residential housing and apartments, houses, mobile homes and even vacant lots to be used for housing are covered by the State Fair Housing Act. With a few exceptions, anyone who has control over residential property and real estate financing must obey the law. This includes rental managers, property owners, real estate agents, landlords, banks, developers, builders and individual homeowners who are selling or renting their property. The law was recently amended to deal with housing affordability by adding that discrimination includes development that contains “affordable housing units for families or individuals with incomes below eighty percent (80%) of area median income”

The entity with primary responsibility for addressing Fair Housing issues in the state is the North Carolina Human Relations Commission. This organization is a part of the North Carolina Department of Administration. The Commission is fully substantially equivalent with the Division of Fair Housing within the U.S. Department of Housing and Urban Development, and can conduct investigations and initiate administrative and legal actions. The Commission participated in writing and implementing the Fair Housing goals for the Comprehensive Housing Affordability Strategy (CHAS) and the Consolidated Housing Plan required by the federal government. The Commission supports and works with 57 local autonomous Commissions throughout the state of North Carolina. In addition, the commission also serves as a clearinghouse to disseminate information concerning North Carolina's employment law to citizens.

Rocky Mount Ordinance

The City of Rocky Mount has a “Fair Housing Ordinance,” Section 12-26 et seq, of the Municipal Code. This ordinance follows Federal regulations with respect to housing issues. The City Human Relations Commission will be able to receive and act upon complaints directly rather than referring cases to the State Human Relations Commission in Raleigh.

Fair Housing Defined

In light of the various pieces of fair housing legislation passed at the federal and state levels, fair housing throughout this report is defined as follows:

Fair housing is a condition in which individuals of similar income levels in the same housing market having a like range of housing choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor.

Impediments Defined

Within the legal framework of federal and state laws and based on the guidance provided by the U.S. Department of Housing and Urban Development (HUD) Fair Housing Planning Guide, impediments to fair housing choice are defined as:

Any actions, omissions, or decisions taken because of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or

Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation.

To affirmatively promote equal housing opportunity, a community must work to remove impediments to fair housing choice.

Fair Housing and Affordable Housing

When talking about “fair housing” and “affordable housing” the two phrases are often used interchangeably. The concepts are distinct, but intertwined. However, it is important to distinguish between the two in order to clearly identify issues and reduce fair housing discrimination. The phrase “fair housing,” in the context of preparation of an Analysis of Impediments to Fair Housing Choice (AI), refers to persons (families, seniors, individuals, and special needs populations) who are members of protected classes, as specified by federal statutes. It is illegal to discriminate against person on the basis of their membership in a protected class in the sale, rental, financing, and insuring of housing. On the other hand, “affordable housing” generally refers to the ability of households to afford, based on income, to buy or rent housing. Specifically, most federal, state, and local funding programs to support the increase in the supply of affordable ownership and rental housing are targeted to low- and moderate-income households. Low-income households are defined by most of those publicly funded programs as earning less than 50 percent of the HUD determined area median income (AMI), with moderate-income households earning 50 to 80 percent of the AMI. In certain instances, affordable housing programs address households with greater incomes. The recently adopted Neighborhood Stabilization Program, for example, which focuses on foreclosed housing, has an income limit set at 120% AMI.

Because the two concepts are different, tools to address fair housing are distinguished from tools to increase the supply of affordable housing. One difference is that issues of discrimination regarding fair housing can apply to all income levels, because protected classes are represented in all income groups.

Clearly, there are many actions that can and should be taken that are directly aimed at elimination of discrimination against federally and locally protected groups in the selling, renting, financing, and insuring of housing, as recommended in this AI report. Those actions include: education of prospective homebuyers and tenants as to their rights to access to housing;

and, enhancement of the system to study, receive complaints, investigate complaints, resolve complaints, and/or bring charges and prosecute violations of federal and local fair housing laws. While robust implementation of these actions will decrease discrimination in housing, it is not likely that such actions taken alone will eliminate housing discrimination.

Yet it is difficult to talk about addressing impediments to fair housing, and actions to eliminate discrimination in housing, without simultaneously talking about development of policies, plans, programs, and projects to increase the supply of affordable housing. Discrimination in housing will, in part, be reduced by the provision of housing opportunities and choices made affordable to all income groups in all communities, especially low- and moderate-income households.

Certain protected classes have disproportionate representation in the numbers of low- and moderate-income households in Rocky Mount, and so it is reasonable to expect that as the supply of affordable housing is increased in all communities of the City, greater numbers of protected class members will have access to housing without discrimination.

SCOPE OF ANALYSIS

This Analysis of Impediments (AI) to Fair Housing Choice provides an overview of laws, regulations, conditions or other possible obstacles that may affect an individual's or a household's access to housing. The AI involves:

- A comprehensive review of the laws, regulations, and administrative policies, procedures, and practices;
- An assessment of how those laws, regulations, policies, procedures, and practices affect the location, availability, and accessibility of housing; and
- An assessment of conditions, both public and private, affecting fair housing choice.

Geographic Area Covered

This report constitutes the AI for the City of Rocky Mount and the areas covered by the PJ DEHC.

DATA AND METHODOLOGY

The following are key data sources used to complete this AI:

- 2010 U.S. Census and the 2005-2009 American Community Survey
- The City's Consolidated Plan, 2007-2012 and the 2011 CAPER
- Comprehensive Housing Affordability Strategy (CHAS) Data from HUD
- Housing Authority Plans
- Home Mortgage Disclosure Act (HMDA) Data
- U.S. Department of Housing and Urban Development (HUD), Fair Housing and Equal Opportunity Complaint Data

- The City of Rocky Mount 2002 Analysis of Impediments to Fair Housing Choice
- Housing Elements of the Rocky Mount, Edgecombe County, and Nash County Comprehensive Plans

Sources of specific information are identified in the text, tables and figures.

ORGANIZATION OF THE REPORT

The AI is divided into ten (10) chapters:

1. Background/Purpose: Defines “fair housing” and explains the purpose of the report.
2. Community Participation: Describes the community outreach program.
3. Community Profile: Presents the demographic, housing, and income characteristics in the City of Rocky Mount
4. Fair Housing Practices: Identifies and explains the oversight of fair housing by both government and industry organizations
5. Private Sector Compliance: Assesses the nature and extent of fair housing complaints and violations, examines loan data and lending practices, and evaluates advertising
6. Public Sector Compliance: Analyzes public policies and actions that may impede fair housing within the City
7. Survey Results: Analyzes results of the resident surveys
8. Fair Housing Accomplishments: Describes recent activities and accomplishments related to Fair Housing
9. Identified Impediments: Describes the Impediments to Fair Housing Choice and summarizes AI findings regarding fair housing issues
10. Recommendations and Action Plan: Provides recommendations for furthering fair housing choice and lays out an Action Plan for implementation.

2) COMMUNITY PARTICIPATION

As with the development of the Consolidated Plan, this Analysis of Impediments to Fair Housing Choice (AI) results from a process of consultation and citizen participation, building upon existing participation mechanisms and venues. Citizens, not-for-profit organizations, and interested parties were afforded a variety of opportunities to:

- contribute during meetings, hearings and planning sessions,
- review and comment upon the participation plan, the Analysis of Impediments, and comments made about the Analysis,
- participate in public hearings,
- comment upon the plan and its amendments, and
- register complaints about the Analysis and its amendments.

The City and the Consortium complied with the citizen participation requirements of the regulations by doing the following:

- Preparing, adopting, and following a Citizen Participation Plan;
- Publishing informational notices about the document prior to public hearings;
- Holding public hearings in accessible places at convenient times after providing reasonable notice;
- Publishing a summary of the Analysis, describing its contents and purpose and a listing of locations where the entire document could be examined;
- Making the Analysis available for public examination and comment for a period of thirty (30) days before submission to HUD;
- Providing citizens, public agencies, and other interested parties reasonable access to records regarding any uses of any assistance for affordable and supportive housing that the City may have received during the preceding five years; and
- Considering the views and comments of citizens, and preparing a summary of those views for consideration with the submission.

The Rocky Mount Department of Planning and Development staff conducted a well publicized, evening public meeting at the City Council Chambers. In addition, the Department conducted a focus group meeting with representatives from lending and financial services organizations in the City and Consortium. Also, staff and the project consultant interviewed members of the Rocky Mount Human Relations Commission, and City and Consortium community service organizations, housing developers, and housing advocacy groups. A survey was completed by each attendee at the focus group meeting and was made available to City residents on the City Website and a survey focused on HOME program and housing issues was made available to Consortium residents. The availability of the survey was noted not only on the City and County Websites, but through a press release, PSA, and notice on the local television station.

The Analysis of Impediments process followed that of the Consolidated Plan, and thus received

two public hearings. The first was held on March 12, 2012 at a meeting of the City Council in the Council Chambers. The draft document was then made available for public review and comment for thirty (30) days. The document was made available to the public for review at the following accessible locations:

- The Department of Planning and Development office;
- The City Website
- The County Websites

The City and the Consortium did not receive any citizen comments during the thirty-day public review period.

A public hearing to present the Analysis of Impediments was held on April 23, 2012, following appropriate public notice. This meeting was held in the City Council Chambers. This meeting reviewed the basic elements of the AI. The floor was opened for comments and questions.

At this meeting on April 23, 2012 the City Council approved and executed the Analysis of Impediments to Fair Housing Choice and Resolution of Authorization.

Appendix C presents copies of the public notices for the presentation and discussion of the Analysis of Impediments.

Community Profile

Fair housing is concerned with ensuring that: 1) all people are treated equally in the rental, sale, or occupancy of housing; and 2) a range in types and prices of housing is available. This chapter examines the population, housing, and special needs characteristics and trends in the City and Down East HOME Consortium (DEHC) that may affect equal housing opportunity.

This Community Profile provides insights for identifying potential impediments to fair housing choice. While not definitive indicators of impediments to fair housing choice in and of themselves, these data may point to conditions or situations that could be indicators of impediments to fair housing choice. Observations about issues that **could** arise are made at the end of this section.

OVERVIEW

In late 1996, ten local communities in Nash and Edgecombe Counties in eastern North Carolina, formed the Down East HOME Consortium (DEHC). With the City of Rocky Mount, already a Community Development Block Grant (CDBG) Entitlement City, as the Lead Entity, the Consortium began receiving Home Investment Partnership Program funds (HOME) in 1997. In late 2001, two more communities, Middlesex and Pinetops, joined the DEHC.

Currently, the following jurisdictions comprise the DEHC:

- Edgecombe County
- Bailey
- Conetoe
- Middlesex
- Nashville
- Pinetops
- Dortches
- Nash County
- Princeville
- Rocky Mount
- Sharpsburg
- Spring Hope
- Tarboro
- Whitakers

Edgecombe and Nash Counties' membership in the DEHC does not include the governments of the municipalities in both Counties who chose not to join the Consortium.

Rocky Mount is an All-America City located in both Edgecombe and Nash Counties on the coastal plain of North Carolina. The City is the principal city in the Rocky Mount Metropolitan Statistical Area which encompasses both Edgecombe and Nash Counties and the DEHC participating jurisdictions. The population of the two counties according to the 2010 Census is 152,392, with 57,477 (37.6%) of those persons living in the City itself.

The two counties have a land area of 1,050 square miles, while the City has an area of 35.8 square miles. Three major highways serve the area; Interstate 95, a major north-south route on the East Coast; US 64 a four-lane east-west highway connecting the area to Raleigh, about 45 minutes to the west; and US 301 a major north-south highway connecting the area to southeastern Virginia.

DEMOGRAPHICS

Population

The population of the City now estimated to be 57,477 persons according to the 2010 American Community Survey (ACS), while the population of the two consortium Counties is 152,392. The City has grown by 2.8 percent since 2000, while the Consortium Counties have grown by almost five percent.

The median age of the City's population, according to the 2010 ACS, was 38.7 years. This compares to 37.2 for the United States and 37.4 for the State, but the City's median age is one year lower than those of the two Counties. Overall the City has lower percentages of persons in the working age cohorts (20-65) than the nation or the state, and the percentage of persons in the senior cohorts are slightly higher than those of the state or nation. The table below compares Rocky Mount's population with those of the State and the nation by age cohort, clearly showing the larger percentage of persons in the City over 65 and the smaller percentages of working age persons. The counties follow the same general pattern persons.

Population by Age - Rocky Mount - Consortium - NC - US					
Age Cohort	Rocky Mount %	Edgecombe %	Nash %	NC %	US %
<5 Years	6.7	6.6	6.1	6.6	6.5
5 - 9	6.6	6.7	6.5	6.7	6.6
10-14	6.7	6.7	6.9	6.6	6.7
15-19	7.5	7.2	7.0	6.9	7.1
20-24	6.4	6.1	5.6	6.9	7.0
25-29	6.0	5.8	5.5	6.6	6.8
30-34	5.8	5.7	6.0	6.5	6.5
35-39	5.9	5.7	6.5	6.9	6.5
40-44	6.3	6.3	6.9	7.0	6.8
45-49	7.3	7.4	7.9	7.3	7.4
50-54	7.5	7.7	7.6	7.0	7.2
55-59	7.0	7.5	7.2	6.3	6.4
60-64	6.1	6.3	6.4	5.6	5.4
65-69	4.4	4.5	4.5	4.2	4.0
70-74	3.2	3.5	3.3	3.1	3.0
75-79	2.6	2.6	2.5	2.3	2.4
80-84	2.1	1.9	2.0	1.7	1.9
>85	1.9	1.7	1.7	1.5	1.8
Median Age	38.7	39.6	39.9	37.4	37.2

Source:

2010 ACS

The Elderly and Extra Elderly

The elderly, 65 and over, constituted 14.2 percent of the total population in City of Rocky Mount in the 2010 ACS, 14.2 percent in Edgecombe and 14.0 percent in Nash. These figures are higher than either State or national percentages.

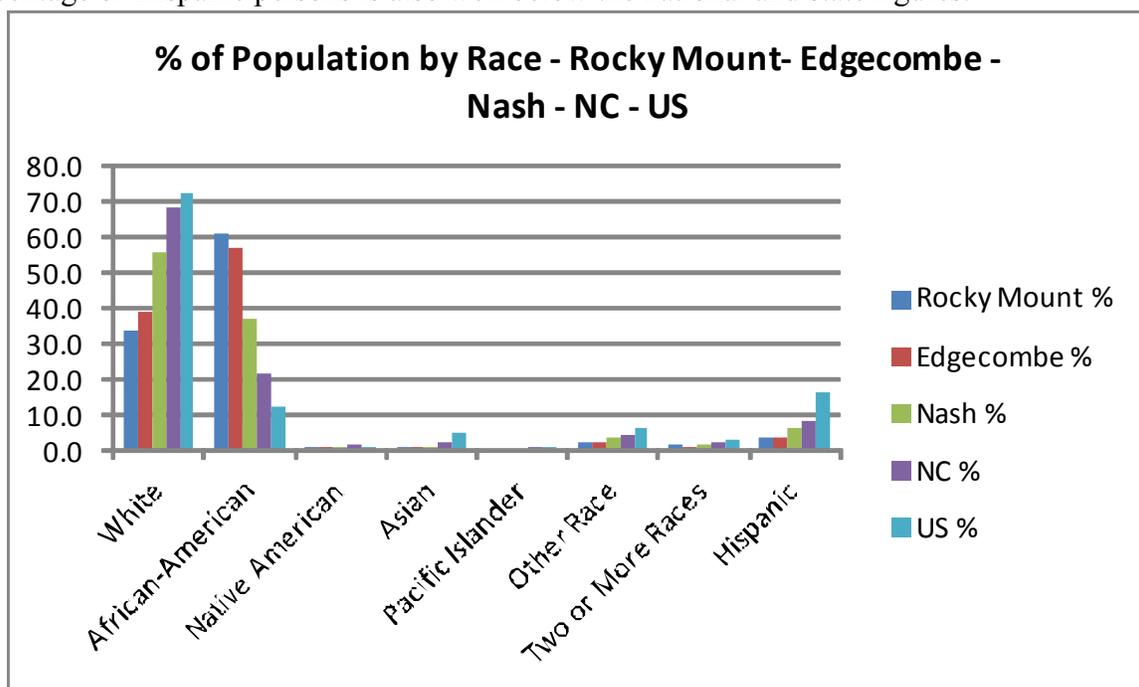
The Extra Elderly, those 75 and over, also constitute a significant part of the City and Consortium populations are present in percentages above the national and state figures, especially in Rocky Mount itself. There are 3,783 extra elderly in the City. These persons may need additional assistance to live independently and have additional requirements for their housing, such as elevators, grab bars in the bathroom, and special types of kitchen and bathroom fixtures.

The elderly, especially in very low-income households, face housing difficulties based upon their particular housing needs (size of units, and types of fixtures and amenities), and on the basis of the cost burden they bear for housing and the fact that most are limited by fixed incomes.

It is also interesting to note that 54.2 percent of persons in the City are female, a figure above the national average of 50.8 though even with the State's 51.3 percent. The populations in the counties reflect this with 53.6 percent of Edgecombe County's population being female. As will be seen below, both age and gender considerations affect the size and types of households, and housing needs and requirements, as well as shaping the types of services the residents need.

Race

The graph below compares the racial composition of Rocky Mount with that of Nash and Edgecombe Counties, North Carolina and the United States. The percentage of the African-American population in the three Consortium jurisdictions is higher than that of the state or the nation, while the percentages of Asians and other groups is lower in most instances. The percentage of Hispanic persons is also well below the national and state figures.



It should be noted that the percentage of persons calling themselves Hispanic increased dramatically in recent years. In 1990 there were only 1,176 persons who classified themselves as Hispanic in the Consortium. By the 2010 Census there were 8,119 Hispanic persons, an increase of almost 700 percent.

Other population characteristics impact housing issues as well. The percentage of foreign-born persons in Rocky Mount is 3.4 percent, which is below the State figure of 7.5 percent, and well below the national percentage, 12.9 percent. Still, 5.4 percent of persons speak a language other than English at home in Rocky Mount. The foreign-born population in Edgecombe County is a modest 2.3 percent, but that of Nash is 5.0 percent, and 7.7 percent of persons in Nash speak a language other than English at home.

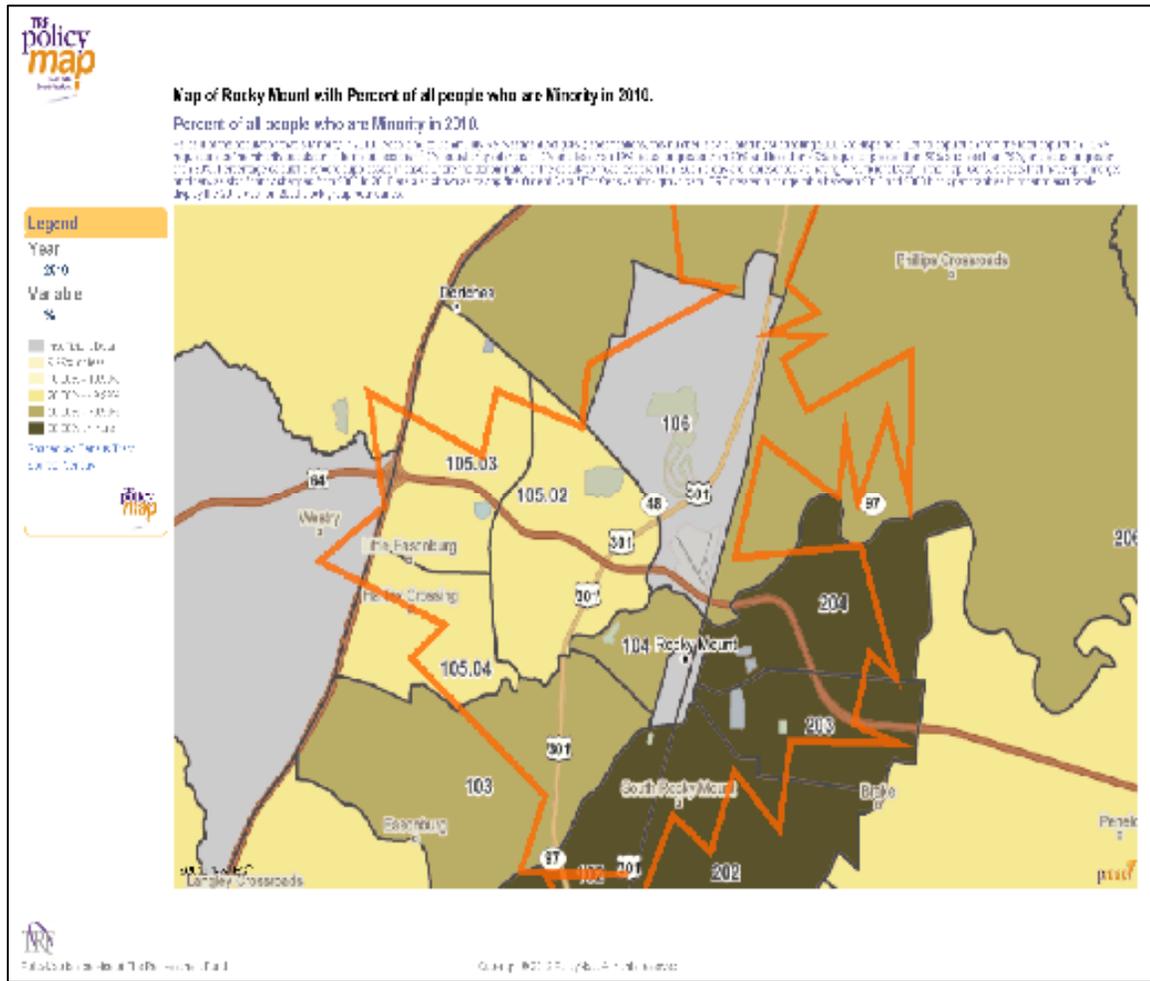
The following is a list of Census Tracts showing concentrations of minority groups. The HUD definition of an area of minority concentration as a census tract in which the population of any racial/ethnic minority group exceeds 50% of the total population of that tract. A high concentration is defined as a census tract in which the population of any racial/ethnic minority group is 75% or more of the total population of that tract.

There are 32 Census tracts in the two counties and they are split evenly between those with a concentration of minority persons and those that do not have a minority concentration. The table on the following page shows the minority percentages for each of the Census Tracts in the Consortium area. However, there are six Census Tracts that have high concentrations of Minority population, and five of them are in Rocky Mount. The map following the table shows the percentage of minority residents in Rocky Mount by Census Tract.

ROCKY MOUNT MINORITY PERCENTAGES BY CENSUS TRACT, 2010

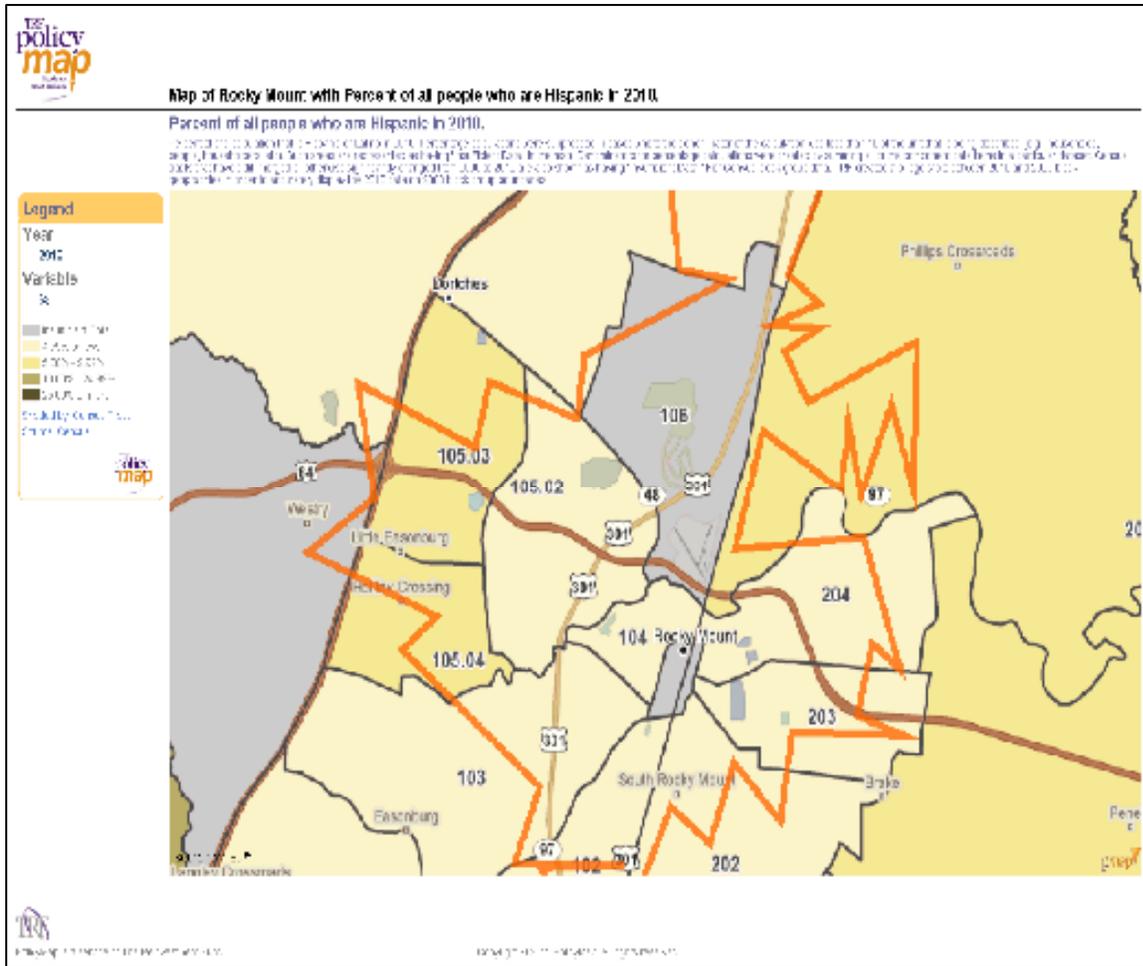
County	US Census Tract	Population	Percent of all people who are Minority in 2010.	Percent of all people who are African American in 2010.
Edgecombe	201	330	89.7	85.5%
Edgecombe	202	7020	83.1	81.1%
Edgecombe	203	5689	85.0	82.9%
Edgecombe	204	5110	95.1	94.0%
Edgecombe	206	3944	74.75	71.4%
Edgecombe	207	2177	64.8	62.0%
Edgecombe	208	3728	50.75	48.5%
Edgecombe	209	1711	90.6	87.3%
Edgecombe	210	3127	54.9	52.0%
Edgecombe	211	4625	56.0	40.4%
Edgecombe	212	4879	30.2	27.6%
Edgecombe	213	4411	38.5	35.2%
Edgecombe	214	3372	18.3	15.9%
Edgecombe	215	2932	45.9	43.9%
Edgecombe	216	2551	27.3	24.3%
Nash	101	413	82.8%	74.6%
Nash	102	6400	73.8%	71.3%
Nash	103	6947	35.5%	32.6%
Nash	104	3679	70.0%	63.6%
Nash	105.02	6287	27.7%	24.0%
Nash	105.03	2922	25.3%	21.5%
Nash	105.04	5142	27.2%	23.6%
Nash	106	8368	42.0%	33.6%
Nash	107	2764	56.7%	53.8%
Nash	108	6068	24.0%	20.9%
Nash	109	5293	54.9%	49.4%
Nash	110	4163	48.9%	43.3%
Nash	111	10056	34.9%	31.8%
Nash	112	5268	18.3%	15.2%
Nash	113	4148	30.0%	13.8%
Nash	114	3641	30.9%	22.4%
Nash	115	5861	30.4%	22.2%

Source: FFIEC, 2012



Source: Policy Map and ACS, 2010

As noted earlier, the Hispanic population has grown significantly in the past two decades. In 2010, this population was concentrated in the western part of the City, as shown on the map below. Despite the rapid growth of this part of the population, Hispanics constitute no more than five to ten percent of the population in any tract. By 2010 the Hispanic population constituted over 10 percent of the population in the Census Tracts on the southern and western parts of the City, though no Tract was over 25 percent Hispanic, as the map below shows.



Source: Policy Map and ACS, 2010

National Origin and Language

The three jurisdictions have modest percentages of foreign-born persons; 5.0 percent in Nash County, 2.3 percent in Edgecombe County, and 3.4 percent in the City. The vast majority of the foreign-born population came from Latin America, though the City has almost six hundred foreign-born persons from Asia. Spanish is the predominant language other than English spoken at home, reflecting the growth of the Hispanic population in the area. Anecdotal information indicates that Hispanics may be the victims of housing discrimination out of proportion to their numbers because they do not know their rights.

Families and Households

The average household size in Rocky Mount, 2.38 persons, is below both the US figure of 2.63, and North Carolina's 2.53. The percentage of Family Households in Rocky Mount is 61.8 percent, well below the US average of 66.4 percent, and the percentage of families with children under 18, is 31.5 percent, which is lower than either the State or the national figures. The

percentage of Rocky Mount households in which there is one or more persons over 65 is only 24.5 percent, a figure slightly higher than that of the State (23.9%) and slightly lower than the national percentage (24.8%). The table below presents this, and other data.

SELECT HOUSEHOLD CHARACTERISTICS					
Rocky Mount, Edgecombe, Nash, NC and US - 2010					
	Rocky Mount	Nash	Edgecombe	NC	US
Avg. HH Size	2.38	2.45	2.51	2.53	2.63
Avg. Family Size	3.08	3.02	3.12	3.10	3.23
	%	%	%	%	%
% HH with Persons 65+	24.5	24.0	27.7	23.9	24.8
% HH with persons Under 18	31.5	33.3	32.8	32.9	33.1
% Single Parent HH with Children	14.5	12.3	13.1	10.2	9.7
% Householders Living Alone	34.0	29.2	29.7	27.8	27.4

Source: ACS, 2010

The percentage of single parents residing in the Consortium area is well above the national and State percentages and the percentage of householders living alone (small households) is also above both State and national norms.

Disabled Persons and Special Needs Populations

The 2010 figures for disability indicate that 16.2 percent of the City’s population has some disability, while the percentages for the two counties are Edgecombe - 17.7% and Nash – 15.2%. This represents over 23,000 persons in the Consortium. These percentages are significantly higher than the national figure of 11.9 percent. While only 5.6 percent of persons under 18 years in the City have a disability, the Census reports that 44.8 percent of persons over 65 (3,460 people) are disabled. The County percentages are similar, as the table below shows. Information about specific disabilities is not available.

SELECT STATISTICS ON DISABILITY					
Rocky Mount, Edgecombe, Nash, NC and US - 2010					
	Rocky Mount	Edgecombe	Nash	NC	US
Total % w/ Disability	16.2	15.2	17.7	13.2	11.9
% < 18 w/ Disability	5.6	4.3	6.3	4.5	4.0
% > 65 w/ Disability	44.8	44.1	43.7	38.4	36.7

Source: ACS, 2010

The implications for fair housing issues are that there is a need for smaller housing units for the disabled, including the elderly and extra elderly. This demand will be significant in light of the high percentages of disabled person.

ECONOMIC FACTORS

Income and Poverty

The following table compares key income and poverty figures for the city, the County, the state, and the United States.

SELECTED INCOME AND POVERTY STATISTICS ROCKY MOUNT, EDGECOMBE, NASH, NORTH CAROLINA, AND THE UNITED STATES – 2010 ACS

	Rocky Mount	Edgecombe	Nash	North Carolina	United States
Median Household Income (\$)	\$37,059	\$23,665	\$44,499	\$43,326	\$50,046
Per Capita Income (\$)	\$21,779	\$16,747	\$23,909	\$23,432	\$26,059
Persons in Poverty (%)	19.0%	22.3%	14.1%	17.5%	15.3%

Source: ACS, 2010

Rocky Mount's Median household Income is 74.0 percent of the national figure and 85.5 percent per cent of the State figure. However, the Edgecombe County income figures are even lower and the percentage of persons in poverty is eight percent higher than the national figure.

Rocky Mount does have a slightly lower percentage of households with retirement income than the nation (17.4% vs. 17.5%) and a higher percentage of households with Social Security income (30.6% vs. 28.4%). At the same time, the percentage of persons with Supplemental Security Income is 8.2 percent compared to the national figure of 5.1 percent. However, the percentage of

persons receiving Food Stamp/SNAP benefits is 19.1 percent, which is higher than the national percentage, 11.9.

In fact, all three jurisdictions have higher percentages of persons on Social Security, SSI and SNAP than the national norms. The table below shows these figures for the City and the two counties, comparing them to state and national percentages.

SELECT INCOME STATISTICS					
	Rocky Mount	Edgecombe	Nash	NC	US
Median HH Income	\$37,059	\$44,499	\$23,665	\$43,326	\$50,046
Per Capita Income	\$21,779	\$23,909	\$16,747	\$23,432	\$26,059
% HH w/ Retirement Income	17.4%	17.9%	17.8%	17.9%	17.5%
% HH w/ Social Security	30.6%	36.7%	30.4%	29.5%	28.4%
% HH w/ SSI	8.2%	8.4%	6.2%	4.7%	5.1%
% HH w/ SNAP	19.1%	22.2%	14.4%	13.1%	11.9%
% Persons in Poverty	19.0%	14.1%	22.3%	17.5%	15.3%

Source: ACS, 2010

Poverty is an issue in Rocky Mount as 19.0 percent of the population had an income in the preceding twelve months that was below the established poverty level. 11.9 percent of the elderly and 32.6 percent of persons in the City under 18 are in this group.

The map below shows that poverty is greatest in census tracts in the central, southern and eastern portions of the City. Though the Policy Map figures are from the 2009 ACS, they indicate that over 20.00 percent of the persons in the darkest shaded Census Tracts were in poverty. These Census Tracts are those that contain the largest percentages of the minority population, and are also the areas deemed eligible for funding from the CDBG program.

ROCKY MOUNT AND CONSORTIUM COUNTY HOUSEHOLD INCOMES, 2011

Income	Rocky Mount %	Edgecombe %	Nash %
<\$10,000	12.7%	14.6%	9.3%
\$10,000-\$14,999	7.7%	10.4%	7.0%
\$15,000-\$24,999	13.3%	15.6%	11.6%
\$25,000-\$34,999	13.4%	12.1%	11.6%
\$35,000-\$49,999	15.8%	15.4%	16.7%
\$50,000-\$74,999	16.0%	16.7%	18.2%
\$75,000-\$99,999	8.9%	8.4%	11.2%
\$100,000-\$149,999	7.9%	5.4%	9.5%
\$150,000-\$199,999	1.9%	1.0%	2.3%
>\$200,000	2.4%	0.4%	2.6%

Source: ACS, 2010

HUD has provided detailed data as part of its Comprehensive Housing Affordability Strategy materials to assist in preparing the Consolidated Plan and implementing HUD programs. HUD established five income categories for its analysis of incomes. The five income ranges are:

- Extremely Low (0-30% of the median income),
- Very Low-income (31-50% of the median income),
- Low-income (51-80% of the median),
- Moderate-income (81-95% of the median), and
- Upper-income (95% and above of the median).

The table below shows the distribution of Extremely Low-, Very Low-, Low- and Moderate-income households in the City based upon this data. The 2011 Median Income figure for a family of four in Consortium, calculated by HUD, is \$49,700.

**HUD AREA MEDIAN HOUSEHOLD INCOME
ROCKY MOUNT, 2011**

Income Category	2012 Median HH Income	Approx. # of HH	Approx. % of HH
	\$49,700		
<30% AMI	\$14,910	11544	19.5%
31-50% AMI	\$24,850	7741	13.1%
51-80% AMI	\$39,760	10212	17.2%
81-95% AMI	\$47,215	6346	10.7%
96%+ AMI	\$47,712	23457	39.6%

*Source: HUD Income Limits Documentation System, 2011 ACS,
Swiger Consulting Analysis*

By these definitions, 49.7 percent of Rocky Mount households are in the lowest income categories.

Public Housing

1) Rocky Mount Housing Authority

The Rocky Mount Housing Authority (RMHA), an independent entity, was formed in 1951 to provide affordable housing to low and very low-income citizens. Supported by HUD, admission to public housing is based on need, and the rent is limited to no more than 30 percent of a person’s income. The RMHA works with the City of Rocky Mount to provide affordable housing to the City’s low-income residents.

The goals of the RMHA are as follow:

1. To expand the supply of assisted housing by applying for additional rental vouchers; reduce public housing vacancies; leverage private or other public funds to create additional housing opportunities and to acquire or build units or developments.
2. To improve the quality of assisted housing with increased customer satisfaction and to renovate or modernize public housing units.
3. To provide an improved living environment by implementing measures to deconcentrate poverty that may include replacing older dense properties.
4. To promote self-sufficiency and asset development of assisted households by increasing the number and percentage of employed persons in assisted families; providing or attracting supportive services to improve assistance recipients’ employability and

providing or attracting supportive services to increase independence for the elderly or families with disabilities.

5. To ensure equal opportunity and affirmatively further fair housing through providing access to assisted housing and suitable living environment regardless of race, color, religion, national origin, sex, familial status; and to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required.

The RMHA currently has 752 units of public housing with 1,766 residents. The City of Rocky Mount and the RMHA partnered to implement the Beal Street Redevelopment Plan and the Neighborhood Stabilization Program in the City. The City acquired a 24-unit townhouse complex, which it rehabbed and sold to the RMHA at a considerable discount in order to increase the supply of affordable rental units. The table below summarizes the public housing available in Rocky Mount as of 2011.

ROCKY MOUNT HOUSING AUTHORITY DEVELOPMENTS			
Development	# of Units	Year Constructed	General Condition
West End Terrace	110	1954	Good
Weeks Armstrong	22	1954	Good
Weeks Armstrong	74	2003	Excellent
West End Terrace	100	1958	Needs Rehabilitation
Weeks Armstrong	86	1971	Good
Scattered Sites	198	1971	Good
McIntrye Lane	50	1985	Good
M.S. Hayworth	40	1980	Good
Marigold Street	14	2003	Excellent
Beal Street Redevelopment	24	2011	Excellent
TOTAL UNITS	718		

Source: RMHA, 2011

Fifty-four of these units are for the elderly and forty-three are designed and designated for the disabled.

All units managed by the RMHA are renter occupied. All of the units are currently occupied and the RMHA has a waiting list of 304 households; the waiting period is as long as two years. Though some of the units are older, the majority of the public housing stock in Rocky Mount is in good repair and most units require only routine maintenance. Air conditioning has been added to many of the older units and other modifications and repairs, such as roofing, kitchen remodeling, and site improvements are on-going as funding permits.

The older units present accessibility issues and some degree of functional obsolescence. Modifications have been made to some of these older units to make them accessible units. The Authority would like to replace these older units, but funding is a significant obstacle.

The Rocky Mount Housing Authority is not considered a “troubled” agency by HUD.

The RMHA has 266 vouchers in the Housing Choice Voucher (HCV) Program. The Waiting List for this program is closed until further notice because the number of applicants far exceeds the expected turnover rate the wait can be two years to obtain a voucher. No HCV units are expected to be lost.

2) Tarboro Housing Authority

In the Town of Tarboro, public housing is managed by the Town of Tarboro Redevelopment Commission. The Commission manages and operates three (3) public housing developments, one Section 8 housing complex, and 82 units of scattered site public housing.

A total of 61 units were constructed to recover from Hurricane Floyd including: eight (8) one-bedroom units at Hendricks Park, sixteen (16) units at East Tarboro Phase I, eighteen (18) units at East Tarboro Phase II, and nineteen (19) units at Hope Lodge. The table below provides a summary of the existing Tarboro public housing units.

TARBORO REDEVELOPMENT COMMISSION DEVELOPMENTS			
Development	# of Units	Year Constructed	General Condition
Pinehurst Homes	50	1953	Good
Hendricks Park	34	1975	Good
East Tarboro Phase I	16	2002	Excellent
East Tarboro Phase II	18	2004	Excellent
Hope Lodge	19	2005	Excellent
Scattered Site Units	48	1980	Good
W. Baker St. Apts.	8	2001	Excellent
TOTAL UNITS	240		

Thirty-four of these units are for the elderly and disabled.

Nash-Edgecombe Economic Development, Inc. (NEED) operates the Section 8 program in the Consortium. Of the over 585 Section 8 vouchers in its program, there are over 100 units in Tarboro.

3) Princeville Housing Authority

The Town of Princeville Housing Authority manages and operates one public housing development, Prince Court. This new development, constructed after Hurricane Floyd, has sixty units, all of which are in excellent condition.

OBSERVATIONS

Several key points relevant to potential impediments to fair housing emerge from the preceding discussion. While not definitive indicators of impediments to fair housing choice in and of themselves, they point to conditions or situations that may create impediments. These points are:

1. The City and the Consortium Counties have high percentages of minority populations and concentrations of minority populations, especially African-Americans.
2. Six Census Tracts have high minority concentrations per HUD's definition, but these tracts are the ones with the lowest income levels. Four of the six tracts are located in the City. This may serve to limit housing opportunities for low-income households.
3. Almost one-half of the population is in the low-income categories as defined by HUD, and significant percentages of persons are living in poverty according to Census data. Affordability is a problem for a very large portion of the population, both owners and renters.
4. Though the number and percentage of Hispanic persons are low, anecdotal information suggests that these households are subject to housing discrimination.
5. There is a high percentage of females in the Consortium area relative to national figures and a high percentage of single parent households (predominantly female heads).
6. There is a high percentage of householders living alone, thus a smaller demand for small housing units.
7. The area has a high percentage of disabled persons, especially the elderly disabled, and thus a need for accessible units.
8. The Housing Authorities has a significant wait list for Section 8 vouchers and for public housing units.

4) FAIR HOUSING PRACTICES

This section provides an overview of the institutional structure of the housing industry in governing the fair housing practices of its members. The oversight, sources of information, and fair housing services available to residents in Rocky Mount are described and their roles explained.

OVERSIGHT ORGANIZATIONS AND ENFORCEMENT PROCESSES

As described above, City residents are protected from housing discrimination by federal, state, and local laws. These laws are enforced by agencies at each level and persons have a number of alternatives for seeking assistance if they feel they have been discriminated against. At the federal level, the Department of Housing and Urban Development and the Department of Justice have enforcement authority. Reports and complaints are filed with these agencies and the Department of Justice may take legal action in some cases. Typically fair housing service providers work in partnership with HUD and state agencies to resolve problems. However, in some cases where litigation is necessary, the case may be 1) resolved via administrative filing with HUD or the state, 2) referred for consideration to the Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section; or 3) referred to a private attorney for possible litigation.

North Carolina has its own law, which provides protections to individuals in the sale or rental of housing. This state law, known as the North Carolina Fair Housing Law, defines discriminatory practices and exemptions from the housing provisions in the North Carolina Code, Chapter 41A. As described below, the North Carolina Human Relations Commission is the lead agency in enforcement actions.

There are a number of avenues a Rocky Mount resident can take to file a complaint. The North Carolina Human Relations Commission is the State agency responsible for enforcing statutes relating to discrimination in housing, employment and public accommodation, as well as coordinating State compliance with federal laws prohibiting discrimination. These types of complaints include alleged violations under the Fair Housing Act (Title VIII) and other HUD programs (Section 504 of the Rehabilitation Act of 1973, American with Disabilities Act of 1990, etc.). The Commission has cooperative agreements with HUD and the Equal Employment Opportunity Commission so that federal and State agency investigations do not duplicate or overlap. Complaints may be filed directly with the Commission.

The City of Rocky Mount has its own Fair Housing Ordinance, which was amended in 2011 to mirror Federal regulations and establish the City Human Relations Commission as the means to file housing discrimination complaints. This ordinance defines fair housing and discriminatory practices and describes the mechanism and procedures, as well as powers, of the Commission to pursue housing complaints. The City recently entered the Fair Housing Initiative Program

(FHIP) and is currently investigating one complaint. Upon completion of the investigation, the Commission will turn the matter over to the State Human Relations Commission for further action, which is the standard procedure. The Commission receives approximately 160 inquiries each year, including some from the two counties. The Commission does not do testing at this time because of limited resources, but feels that such a program would be beneficial.

It should also be noted that the City has an active Commission on Persons with Disabilities that conducts awareness and outreach programs and workshops.

HOME Investment Partnerships Program (HOME)

The City's affirmative marketing goal for the HOME program is to ensure that persons of all racial, ethnic and gender groups have the opportunity to rent or own a HOME assisted unit. The City carries out this policy through the affirmative marketing procedures established in accordance with the Final HOME Rule. These procedures are intended to further the objectives of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, Section 3 of the Housing and Urban Development Act of 1968, and Executive Orders #11063 (as amended by Executive Order #12259) and #11246.

Concerted efforts continue to be made to inform local governments, nonprofits, for-profit developers, public housing authorities, and others about the affirmative marketing requirements of the HOME program.

Local government officials, in agreeing to accept CDBG funds, certify that they will "affirmatively further fair housing". While the law does not specify what type of action recipients must take, it is clear that local government recipients are obligated to take some sort of action to affirmatively further the national goal of fair housing. The City keeps records that reflect all recipients take one or more actions to affirmatively further fair housing.

COORDINATION AND SUPERVISION IN THE HOMEOWNERSHIP MARKET

Many agencies are involved in overseeing real estate industry practices and the practices of the agents involved. A portion of this oversight involves ensuring that fair housing laws are understood and complied with. The following organizations have limited oversight within the lending market, the real estate market, and some of their policies, practices, and programs are described.

Federal Financial Institutions Examination Council (FFIEC)

The Federal Financial Institutions Examination Council (FFIEC) is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, and to make recommendations to promote uniformity in the supervision of financial institutions. The FFIEC

provides data on loan originations, loan denials, and other aspects of the home loan process, as well as preparing Community Reinvestment Act rating reports on financial institutions.

National Association of Realtors (NAR)

The National Association of Realtors (NAR) is a consortium of realtors, which represent the real estate industry at the local, state, and national level. As a trade association, members receive a range of membership benefits. However, to become a member, NAR members must subscribe to its Code of Ethics and a Model Affirmative Fair Housing Marketing Plan developed by HUD. The term “Realtor” thus identifies a licensed real estate professional who pledges to conduct business in keeping with the spirit and letter of the Code of Ethics. “Realtors” subscribe to the NAR’s Code of Ethics, which imposes obligations upon realtors regarding their active support for equal housing opportunity.

Diversity Certification

The NAR has created a diversity certification, “At Home with Diversity: One America”, to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR “At Home with Diversity” course. The certification signals to customers that the real estate professional has been trained on working with the diversity of today’s real estate markets.

North Carolina Association of Realtors (NCAR)

The North Carolina Association of Realtors is a trade association of realtors statewide. As members of the Association, Realtors follow a strict code of ethics. The organization’s Website does not specifically address fair housing topics and there are no links to fair housing entities or organizations. The NCAR offers courses on Business Ethics and Legal Issues in Real Estate, though the content of those courses is not provided on the Website.

North Carolina Real Estate Commission

The North Carolina Real Estate Commission is the licensing authority for real estate brokers and salespersons. The Commission has adopted education requirements that include courses in ethics and fair housing. To renew a real estate license, each licensee is required to complete continuing education, including course on ethics. A number of ethics courses are offered across the state, including an NRA course. Brochures on Fair Housing are available for free in quantity from the Commission.

Rocky Mount Area Association of Realtors

This association of area Realtors includes the 90 members of the local real estate community. The Website offers a listing of available homes, open houses, and community/area information and displays the fair housing logo. Primarily a sales tool, the Website does not mention professional issues, fair housing, or mention courses on ethics and professional standards. It appears that there are four minority-owned real estate firms in the city, but there are no available statistics about the number of minority brokers or agents.

COORDINATION AND SUPERVISION IN THE RENTAL MARKET

A number of agencies are involved with the apartment rental process and related practices. This oversight includes ensuring that fair housing laws are understood. The following organizations have limited oversight within the rental housing market.

Apartment Association of North Carolina (AANC)

The Apartment Association of North Carolina (AANC) is a state chapter of the National Apartment Association dedicated to serving the interests of North Carolina apartment owners and managers. Their Website indicates a focus on fair housing and landlord-tenant law, and prominently displays the fair housing logo. However, the list of resources, focus solely upon model lease agreements. There also several regional Apartment Associations across the State, though there does not appear to be an affiliate in the Rocky Mount DEHC area.

There are three minority-owned property management firms in the City.

OTHER FAIR HOUSING ORGANIZATIONS

In addition, there are a number of not-for-profit organizations concerned with fair housing issues. These organizations provide assistance to individuals who feel that they may have been the subject of discriminatory acts, or they provide services related to fair housing issues, such as credit counseling.

The National Fair Housing Alliance is a national non-profit organization dedicated to assisting low-income persons with housing problems. This organization has two affiliates in North Carolina, most notably for Rocky Mount, the North Carolina Fair Housing Center in Durham.

The resources and expertise of these organizations can be called upon to further fair housing and further collaboration and coordination with them can provide additional resource and expertise.

5) LENDING AND COMPLAINT DATA; ADVERTISING

This section of the AI evaluates lending practices in the Rocky Mount Metropolitan Statistical Area, using Home Mortgage Disclosure Act (HMDA) data, information from banking oversight agencies, and complaint data from local, state, and federal organizations and agencies, as well as an assessment of advertising practices. The HMDA data is presented at the MSA level and thus this analysis will examine lending information in the two counties, and comparisons can be made as far back as 2004.

HOME LOAN ACTIVITY

Background

A key aspect of fair housing choice is equal access to financing for the purchase or improvement of a home. In 1977, the Community Reinvestment Act (CRA) was enacted to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate-income persons and neighborhoods. The Home Mortgage Disclosure Act (HMDA) requires financial institutions with assets exceeding ten (10) million dollars to submit detailed information on the disposition of home loans. HMDA data were evaluated in this AI with respect to lending patterns.

Two types of purchase financing – conventional and government-backed – are examined, as well as refinancing and home improvement loans. Conventional financing refers to market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions.

Government-backed financing refers to loans offered at below-market interest rates that are typically issued by private lenders and are guaranteed by federal agencies. These loans are offered to lower and moderate income households who may experience difficulty in obtaining home mortgage financing in the private market due to income and equity issues. Several federal government agencies offer loan products that have below-market interest rates and are insured (“backed”) by the agencies. Sources of government-backed financing include the Federal Housing Administration, the Department of Veterans Affairs, and the Rural Housing Services/Farm Service Agency (RHA/FSA). Loans backed by local jurisdictions (such as silent second loans by cities and counties) are not covered under HMDA.

HMDA data provide some insight into the lending patterns that exist in a community. However, HMDA data is only an indicator of potential problems; the data cannot be used to conclude definite redlining or discrimination practices. In the format provided on the Website, HMDA data lack the detailed information on loan terms or specific reasons for denial to make conclusive statements. The HMDA data found on the Website is presented in Appendix A.

ALL LOANS ORIGINATIONS: EDGECOMBE AND NASH COUNTIES

The table below shows the number of loans for all purposes that were originated in the two counties in the period 2004 through 2010. These figures include loans for mobile homes, multi-family dwelling and home improvement as well as purchase and refinance loans. The general trend shows a decline in the number of loans originated over the period even as the loan amount increased in both counties. The number of loans in Nash County was typically three times the number originated in Edgecombe County over the period and Nash County loan amounts were approximately 50 percent higher than those in Edgecombe County.

All Originations	2004	2005	2006	2007	2008	2009	2010
Edgecombe County							
Number of Loans	727	735	690	555	422	444	359
Median Loan Amount	\$ 74,000	\$ 77,000	\$ 75,000	\$ 85,000	\$ 87,000	\$ 97,000	\$ 93,000
Nash County							
Number of Loans	2,105	2,193	2,133	1,839	1,411	1,768	1,441
Median Loan Amount	\$ 104,000	\$ 110,000	\$ 107,000	\$ 120,000	\$ 132,000	\$ 136,000	\$ 132,000
North Carolina							
Number of Loans	273,067	286,420	277,972	245,487	204,621	262,249	210,257
Median Loan Amount	\$ 122,000	\$ 125,000	\$ 129,000	\$ 142,000	\$ 154,000	\$ 164,000	\$ 159,000
National							
Number of Loans	11,746,438	11,559,564	10,070,623	7,742,076	5,611,779	7,757,819	6,743,289
Median Loan Amount	\$ 147,000	\$ 161,000	\$ 163,000	\$ 168,000	\$ 170,000	\$ 176,000	\$ 175,000

Originations by Loan Purpose

In 2010, Edgecombe County saw 29.81% of its loans originated for the purpose of purchasing a home and 70.19% for refinancing. Nash County saw 28.66% of its loans originated for the purpose of purchasing a home and 71.34% for refinancing. The number of purchase loans declined, reflecting the decline in the housing market, and mirrored the decline at both the state and national levels.

Purchase	2004	2005	2006	2007	2008	2009	2010
Edgecombe County							
Number of Loans	260	338	297	237	161	132	107
Median Loan Amount	\$ 87,000	\$ 85,000	\$ 83,000	\$ 92,000	\$ 87,000	\$ 93,500	\$ 92,000
Percent of All Loans	36%	46%	43%	43%	38%	30%	30%
Nash County							
Number of Loans	1,012	1,126	1,139	993	634	522	413
Median Loan Amount	\$ 113,000	\$ 119,000	\$ 119,000	\$ 132,000	\$ 137,000	\$ 133,000	\$ 133,000
Percent of All Loans	48%	51%	53%	54%	45%	30%	29%
North Carolina							
Number of Loans	131,970	151,399	154,689	130,878	91,372	75,370	67,476
Median Loan Amount	\$ 132,000	\$ 137,000	\$ 144,000	\$ 156,000	\$ 160,000	\$ 155,000	\$ 159,000
Percent of All Loans	48%	53%	56%	53%	45%	29%	32%
National							
Number of Loans	4,879,019	5,146,333	4,667,928	3,524,874	2,562,011	2,413,549	2,181,851
Median Loan Amount	\$ 156,000	\$ 170,000	\$ 174,000	\$ 176,000	\$ 174,000	\$ 164,000	\$ 168,000
Percent of All Loans	42%	45%	46%	46%	46%	31%	32%

Refinance	2004	2005	2006	2007	2008	2009	2010
County (Edgecombe)							
Number of Loans	467	397	393	318	261	312	252
Median Loan Amount	\$ 70,000	\$ 73,000	\$ 70,000	\$ 80,000	\$ 87,000	\$ 98,000	\$ 93,500
Percent of All Loans	64%	54%	57%	57%	62%	70%	70%
County (Nash)							
Number of Loans	1,093	1,067	994	846	777	1,246	1,028
Median Loan Amount	\$ 95,000	\$ 98,000	\$ 89,000	\$ 103,000	\$ 129,000	\$ 137,000	\$ 132,000
Percent of All Loans	52%	49%	47%	46%	55%	70%	71%
State (North Carolina)							
Number of Loans	141,097	135,021	123,283	114,609	113,249	186,879	142,781
Median Loan Amount	\$ 110,000	\$ 109,000	\$ 106,000	\$ 125,000	\$ 150,000	\$ 168,000	\$ 159,000
Percent of All Loans	52%	47%	44%	47%	55%	71%	68%
National							
Number of Loans	6,867,419	6,413,231	5,402,695	4,217,202	3,049,768	5,344,270	4,561,438
Median Loan Amount	\$ 140,000	\$ 155,000	\$ 153,000	\$ 160,000	\$ 165,000	\$ 183,000	\$ 179,000
Percent of All Loans	58%	55%	54%	54%	54%	69%	68%

Looking at both conventional and government-backed purchase loans and refinancing loans for 2010 only shows the degree to which both refinancing loans were being sought and the extent of applications for government-backed loans (FHA/VA). As noted refinancing was very popular, and the percentage of origination for government-backed loans was high.

	FHA,FRS/RHS & VA (Purchase)	FHA,FRS/R HS & VA (Purchase)	Conventional (Purchase)	Conventional (Purchase)	Refinancing	Refinancing	TOTAL #	TOTAL %
	#	% of Total	#	% of Total	#	% of Total		
Loans Originated	323	62.7%	335	52.1%	1,414	53.4%	2,072	54.4%
Approved, Not Accepted	21	4.1%	54	8.4%	115	4.3%	190	5.0%
Applications Denied	87	16.9%	185	28.8%	685	25.9%	957	25.1%
Applications Withdrawn	56	10.9%	64	10.0%	337	12.7%	457	12.0%
File Closed for Incompleteness	28	5.4%	5	0.8%	98	3.7%	131	3.4%
TOTAL APPLICATIONS	515		643		2,649		3,807	

In 2010, 10.31% of loans originated in Edgecombe County were high-cost loans, compared to 2.86% of loans in North Carolina. For the same year 4.23% of loans originated in Nash County were high-cost loans, compared to 2.86% of loans in North Carolina. This may reflect the difficulty that persons in Edgecombe County had in obtaining conventional financing for purchases. Still, the number of high-cost loans has declined markedly from the high numbers of the 2004-2007 period.

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010
County (Edgecombe)								
Number of Loans	220	346	326	196	97	42	4	37
Median Loan Amount	\$ 68,500	\$ 76,000	\$ 74,000	\$ 78,500	\$ 64,000	\$ 68,500	N/A	\$ 104,000
Percent of All Loans	30%	47%	47%	35%	23%	11%	9%	10%
County (Nash)								
Number of Loans	415	599	643	357	175	72	4	61
Median Loan Amount	\$ 88,000	\$ 100,000	\$ 99,000	\$ 94,000	\$ 96,000	\$ 104,000	N/A	\$ 100,000
Percent of All Loans	20%	27%	30%	19%	12%	5%	2%	4%
State (North Carolina)								
Number of Loans	39,955	62,030	64,019	37,598	17,491	7,536	496	6,013
Median Loan Amount	\$ 96,000	\$ 107,000	\$ 112,000	\$ 117,000	\$ 103,000	\$ 111,000	\$ 110,000	\$ 125,000
Percent of All Loans	15%	22%	23%	15%	9%	3%	2%	3%
National								
Number of Loans	1,709,639	2,909,619	2,827,156	1,364,023	556,800	311,065	23,951	145,203
Median Loan Amount	\$ 116,000	\$ 145,000	\$ 152,000	\$ 144,000	\$ 107,000	\$ 103,000	\$ 81,000	\$ 88,000
Percent of All Loans	15%	25%	28%	18%	10%	5%	3%	2%

It is interesting to note that the percentage of high-cost loans to African-Americans in the area has declined and has been below the percentage of loans made to Whites since the housing bubble burst in 2008.

High-Cost Lending by Loan Type Edgecombe County

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010
Purchase								
Number of Loans	62	164	131	69	25	9	1	14
Median Loan Amount	\$ 79,500	\$ 82,500	\$ 75,000	\$ 82,000	\$ 60,000	\$ 154,000	N/A	\$ 106,000
Percent of Purchase Loans	24%	49%	44%	29%	16%	8%	5%	13%
Refinance								
Number of Loans	158	182	195	127	72	33	3	23
Median Loan Amount	\$ 64,000	\$ 71,000	\$ 72,000	\$ 75,000	\$ 65,500	\$ 61,000	N/A	\$ 103,000
Percent of Refinance Loans	34%	46%	50%	40%	28%	12%	11%	9%

Nash County

High-Cost Loans	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010
Purchase								
Number of Loans	183	267	322	143	63	22	1	29
Median Loan Amount	\$ 97,000	\$ 109,000	\$ 115,000	\$ 122,000	\$ 109,000	\$ 105,000	N/A	\$ 104,000
Percent of Purchase Loans	18%	24%	28%	14%	10%	5%	2%	7%
Refinance								
Number of Loans	232	332	321	214	112	50	3	32
Median Loan Amount	\$ 78,000	\$ 89,000	\$ 79,000	\$ 82,000	\$ 85,000	\$ 100,500	N/A	\$ 100,000
Percent of Refinance Loans	21%	31%	32%	25%	14%	4%	2%	3%
High-Cost								
Loans to Whites								
Number of Loans	57	60	68	56	41	18	3	21
Median Loan Amount	\$ 60,000	\$ 80,000	\$ 72,000	\$ 91,500	\$ 60,000	\$ 76,500	N/A	\$ 110,000
Percent of Loans to Whites	16%	21%	23%	22%	17%	7%	10%	10%
Percent of High-Cost Loans	26%	17%	21%	29%	42%	43%	75%	57%
Loans to African Americans								
Number of Loans	119	223	205	125	48	23	1	15
Median Loan Amount	\$ 66,000	\$ 76,000	\$ 73,000	\$ 77,000	\$ 64,500	\$ 65,000	N/A	\$ 73,000
Percent of Loans to African Am	41%	61%	63%	49%	33%	20%	7%	13%
Percent of High-Cost Loans	54%	64%	63%	64%	49%	55%	25%	41%
Loans to Asians								
Number of Loans	1	1	1	-	-	-	-	-
Median Loan Amount	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of Loans to Asians	25%	33%	50%	0%	0%	0%	0%	0%
Percent of High-Cost Loans	0%	0%	0%	0%	0%	0%	0%	0%
Loans to Hispanics								
Number of Loans	4	2	3	4	1	-	-	-
Median Loan Amount	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of Loans to Hispanics	31%	22%	75%	27%	33%	0%	0%	0%
Percent of High-Cost Loans	2%	1%	1%	2%	1%	0%	0%	0%
Loans to Nonhispanics								
Number of Loans	164	281	276	179	86	41	4	36
Median Loan Amount	\$ 66,000	\$ 76,000	\$ 73,000	\$ 79,000	\$ 61,500	\$ 68,000	N/A	\$ 106,000
Percent of Loans to Nonhispar	28%	44%	44%	36%	22%	11%	9%	11%
Percent of High-Cost Loans	75%	81%	85%	91%	89%	98%	100%	97%

Nash County

High-Cost	2004	2005	2006	2007	2008	2009Q1 - 2009Q3	2009Q4	2010
Loans to Whites								
Number of Loans	156	233	241	155	105	51	2	41
Median Loan Amount	\$ 85,000	\$ 111,000	\$ 106,000	\$ 100,000	\$ 96,000	\$ 113,000	N/A	\$ 110,000
Percent of Loans to Whites	12%	16%	18%	13%	11%	4%	2%	4%
Percent of High-Cost Loans	38%	39%	37%	43%	60%	71%	50%	67%
Loans to African Americans								
Number of Loans	181	253	292	146	62	18	2	17
Median Loan Amount	\$ 89,000	\$ 93,000	\$ 95,000	\$ 88,500	\$ 96,500	\$ 87,500	N/A	\$ 89,000
Percent of Loans to African A	34%	50%	51%	32%	20%	7%	5%	7%
Percent of High-Cost Loans	44%	42%	45%	41%	35%	25%	50%	28%
Loans to Asians								
Number of Loans	1	5	1	2	-	1	-	1
Median Loan Amount	N/A	\$ 122,000	N/A	N/A	N/A	N/A	N/A	N/A
Percent of Loans to Asians	8%	25%	5%	14%	0%	8%	0%	14%
Percent of High-Cost Loans	0%	1%	0%	1%	0%	1%	0%	2%
Loans to Hispanics								
Number of Loans	6	16	14	8	4	2	-	2
Median Loan Amount	\$ 95,000	\$ 95,000	\$ 92,000	\$ 134,000	N/A	N/A	N/A	N/A
Percent of Loans to Hispanics	17%	31%	31%	20%	14%	7%	0%	11%
Percent of High-Cost Loans	1%	3%	2%	2%	2%	3%	0%	3%
Loans to Nonhispanics								
Number of Loans	307	482	530	294	163	69	4	58
Median Loan Amount	\$ 90,000	\$ 101,500	\$ 100,000	\$ 96,000	\$ 96,000	\$ 103,000	N/A	\$ 102,000
Percent of Loans to Nonhispa	18%	25%	28%	18%	13%	5%	2%	4%
Percent of High-Cost Loans	74%	80%	82%	82%	93%	96%	100%	95%

Originations for Purchase:

Edgecombe County

In 2010, the typical loan originated for the purchase of a home in Edgecombe County was \$92,000.

Purchase	2004	2005	2006	2007	2008	2009	2009Q4	2010
All Purchase								
Number of Loans	260	338	297	237	161	132	N/A	107
Median Loan Amount	\$ 87,000	\$ 85,000	\$ 83,000	\$ 92,000	\$ 87,000	\$ 93,500	N/A	\$ 92,000
Percent of All Loans	36%	46%	43%	43%	38%	30%	N/A	30%
High-Cost Purchase								
Number of Loans	62	164	131	69	25	9*	1	14
Median Loan Amount	\$ 79,500	\$ 82,500	\$ 75,000	\$ 82,000	\$ 60,000	\$154,000*	N/A	\$ 106,000
Percent of Purchase Loans	24%	49%	44%	29%	16%	7.96%*	0	13%
Prime Purchase								
Number of Loans	198	174	166	168	136	104*	18	93
Median Loan Amount	\$ 90,000	\$ 93,000	\$ 90,000	\$ 97,500	\$ 92,000	\$92,000*	88,500	\$ 91,000
Percent of Purchase Loans	76%	51%	56%	71%	84%	92.04%*	1	87%

*Indicates data for 2009Q1 - 2009Q3 only.

Nash County

In 2010, the typical loan originated for the purchase of a home in Nash County was \$133,000.

Purchase	2004	2005	2006	2007	2008	2009	2009Q4	2010
All Purchase								
Number of Loans	1,012	1,126	1,139	993	634	522	--	413
Median Loan Amount	\$ 113,000	\$ 119,000	\$ 119,000	\$ 132,000	\$ 137,000	\$ 133,000	--	\$ 133,000
Percent of All Loans	48%	51%	53%	54%	45%	30%	--	29%
High-Cost Purchase								
Number of Loans	183	267	322	143	63	22*	1	29
Median Loan Amount	\$ 97,000	\$ 109,000	\$ 115,000	\$ 122,000	\$ 109,000	\$105,000*	N/A	\$ 104,000
Percent of Purchase Loans	18%	24%	28%	14%	10%	4.73%*	0	7%
Prime Purchase								
Number of Loans	829	859	817	850	571	443*	56	384
Median Loan Amount	\$ 118,000	\$ 124,000	\$ 120,000	\$ 134,500	\$ 138,000	\$135,000*	122,500	\$ 133,500
Percent of Purchase Loans	82%	76%	72%	86%	90%	95.27%*	1	93%

*Indicates data for 2009Q1 - 2009Q3 only.

A limited amount of HMDA data about loan applications and denials is available at the Census Tract level. When combined with information about the percent of minority population in each tract, the reader can see the extent to which loans were sought, approved or denied in the context of minority presence. The table below shows each of the Census Tracts in the Consortium Counties, the percentage of minority population, the number of loan applications government backed, conventional and refinance loans and the number and percentage of denials. The average percentage of denials for the 31 tracts (no data was available for Edgecombe County tract 201) was 30.6 percent. Tracts with a denial percentage greater than this are highlighted in blue, while tracts with a denial rate of over 50 percent are highlighted in yellow.

In general, the tracts with the highest percentage of minority population are those with the highest percentages of loan denial. However, two factors must be considered. First, those tracts with the highest concentration of minority population tend to have the fewest loan applications; thus, the number of loan denials has a greater impact upon the percentage of denials. Also, there are a number of reasons for loan denial, and persons with weak credit, a poor employment history or other factors are less likely to be approved.

LOAN DENIALS BY CENSUS TRACT AND MINORITY POPULATION, 2010

County	US Census Tract	% Minority Population	# of Applications FH, Conventional, and Refinance	# of Loan Denials	% of Denials
Edgecombe	201	N/A	N/A	N/A	N/A
Edgecombe	202	83%	102	46	45.1%
Edgecombe	203	85%	93	40	43.0%
Edgecombe	204	95%	74	28	37.8%
Edgecombe	206	75%	28	7	25.0%
Edgecombe	207	65%	33	17	51.5%
Edgecombe	208	51%	70	22	31.4%
Edgecombe	209	91%	30	15	50.0%
Edgecombe	210	55%	69	23	33.3%
Edgecombe	211	56%	73	19	26.0%
Edgecombe	212	30%	109	25	22.9%
Edgecombe	213	39%	100	37	37.0%
Edgecombe	214	18%	85	25	29.4%
Edgecombe	215	46%	71	22	31.0%
Edgecombe	216	27%	61	15	24.6%
Nash	101	83%	5	3	60.0%
Nash	102	74%	45	20	44.4%
Nash	103	35%	207	50	24.2%
Nash	104	70%	39	12	30.8%
Nash	105.02	28%	181	47	26.0%
Nash	105.03	25%	132	24	18.2%
Nash	105.04	27%	192	28	14.6%
Nash	106	42%	242	54	22.3%
Nash	107	57%	102	31	30.4%
Nash	108	24%	324	46	14.2%
Nash	109	55%	133	44	33.1%
Nash	110	49%	90	30	33.3%
Nash	111	35%	571	84	14.7%
Nash	112	18%	294	52	17.7%
Nash	113	30%	100	19	19.0%
Nash	114	31%	115	37	32.2%
Nash	115	30%	135	35	25.9%
TOTAL			3905	957	24.5%
Average % Denied					30.6%

The data in the table below shows the disposition of loan applications by race for Home Purchase and Refinance Loans in 2010. Whites had twice the number of loan applications as African-Americans, but their origination percentage was substantially higher than that of African-Americans. Other racial groups were present only in small numbers, and their impact on the overall statistics is minimal.

**Rocky Mount MSA
Disposition of Loan Applications by Race/Ethnicity, 2010**

Race	Applications Received	# Loans Originated	Loan Origination Rate	Applications Denied	Loan Denial Rate	Withdrawn, Not Accepted, Closed or Incomplete Loans
American Indian/Alaskan Native	23	11	47.8%	5	21.7%	7
Asian	16	9	56.3%	4	25.0%	3
Black or African-American	1029	439	42.7%	379	36.8%	211
Hawaiian or Pacific Islander	4	2	50.0%	1	25.0%	1
White	2349	1453	61.9%	447	19.0%	449
Two or More Minority Races	2	2	100.0%	0	0.0%	0
Joint (White/Minority Race)	22	16	72.7%	4	18.2%	2
Race Not Available	362	140	38.7%	117	32.3%	105
TOTAL	3807	2072	54.4%	957	25.1%	778

(Home Purchase and Refinance Loans)

Data Source:

The data displayed on the tables above is derived from a public database of lending activity, collected by the FFIEC as mandated by the Home Mortgage Disclosure Act (HMDA) of 1975. The data may be found at www.ffiec.gov/hmda.

CRA RATING

The Community Reinvestment Act (CRA) is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate-income neighborhoods. CRA ratings are provided for the main or regional headquarters of the financial institution. Depending on the type of institution and total assets, a lender may be examined by different agencies for its CRA performance. Databases maintained by the Federal Reserve Board (FRB), Federal Financial Institutions Examination Council (FFIEC), Federal Deposit Insurance Corporation (FDIC), and Office of the Comptroller of the Currency (OCC) were researched for the performance of the top financial institutions issuing home loans.

Among the lenders active in the City and the Consortium, nine received ratings from the FFIEC. The table below shows the most recent rating received by these financial institutions. Three of the institutions received a Satisfactory rating and six received a rating of Outstanding.

**FFIEC Interagency Community Reinvestment Act (CRA) Ratings
Rocky Mount MSA**

Institution Name	State	Supervising Agency	Year Rated	Rating
Bank of America, N.A.	NC	OCC	2009	Outstanding
Branch Banking & Trust Company (NC)	NC	FDIC	2010	Satisfactory
CitiBank, NA	NY	OCC	2006	Outstanding
First South Bank (NC)	NC	FDIC	2006	Outstanding
GMAC Commercial Mortgage Bank	UT	FDIC	2005	Outstanding
New Republic Savings Bank (NC)	NC	OTS	2009	Satisfactory
RBC Bank USA	NC	FRB	2010	Satisfactory
Southern Bank & Trust Co	NC	FDIC	2009	Outstanding
Wells Fargo Bank, NA	SD	OCC	2009	Outstanding

Source: Federal Financial Institutions Examination Council's (FFIEC), 2012

FAIR HOUSING COMPLAINT DATA

As described earlier, there are a number of organizations and agencies with oversight in the area of fair housing and discrimination in housing. This section of the Analysis of Impediments will review and assess information about housing discrimination complaints and reports on housing opportunity in the City and the Consortium.

There were no Title VIII complaints filed in either Edgecombe or Nash Counties in 2010, nor are there any Department of Justice cases involving entities in either county.

The North Carolina Human Rights Commission documents and reports available on its Website do not contain any information about housing discrimination complaints pertaining to the Consortium or Rocky Mount. Attempts to obtain more detailed information about fair housing complaints from the Commission were unsuccessful.

However, since the Commission is the administrator for fair housing issues, the data obtained from the HUD Fair Housing Equal opportunity Website is very likely as accurate and as current as any obtained from the Commission.

The FHEO data is available only at the County level and thus the figures presented here reflect the County, not simply the City. The data cover the period July 2006 to July 2010, and are the most recent and complete available. During this period there were nine complaints filed. A

Year	County	Basis of Complaint
2006	Nash	Race - Black
2007	Edgecombe	Unknown
2008	Nash	Disability
2008	Nash	Race - Black
2009	Edgecombe	Race - Black
2009	Nash	Race - Black
2009	Nash	Disability
2010	Edgecombe	Race - Black
2010	Nash	Familial Status

breakdown by year and type of complaint follows:

Fair Housing Complaints Filed with HUD, Edgecombe and Nash Counties, 2006-2010

Source: HUD, Office of Fair Housing and Employment Opportunity

The statistics also show what race was the subject of five of the nine complaints. Only two complaints were based on disability and only one on familial status.

These data do not capture the totality of fair housing conditions in the Consortium. Not all fair housing problems are recorded or come to light as fair housing complaints. Many persons do not lodge a complaint, because, as a fair housing advocate in Oregon observed, “*All they [persons seeking housing] want is a house, not a Federal case.*”

REAL ESTATE ADVERTISING

This assessment of fair housing practices in Rocky Mount and the two counties included a review of a number of publications containing advertisements for housing, both for sale and rental. Overall, there does not appear to be any attempt to exclude or discriminate against any of the protected classes. The real estate advertisements in *The Rocky Mount Telegram* were

examined for three randomly selected Sundays in the period July through October 2011, as were some weekday classified sections. In a few instances, display ads did not include the fair housing logo, and in most of the ads the logo was present, but very small. In fairness, the Realtor© logo was also very small in these ads, as the real estate firms were paying to sell houses. Some of the individual ads (classified style) indicated “no pets” or “credit check required,” but there was nothing discriminatory; indeed, some ads noted proximity to schools and/or work. The “Real Estate Week” section of the Sunday paper also appears on the paper’s Website and several issues were reviewed in that medium with the same findings.

Only two of the free real estate publications found at grocery and convenience stores were examined, as these were the only ones to be found. *The Real Estate Book*, Volume 20, number 3 (no date), contained no language or descriptions that suggested discrimination, though a few ads did not display the fair housing logo. The publication itself noted that all of the ads in it were subject to the Federal Fair Housing Act and that the publication would not knowingly accept any ads with discriminatory or preferential language. *The Apartment Finder* publication contained no ads for Rocky Mount apartments.

A review of on-line housing Websites (Craigslist.com and homefinder.com) included some ads noting income restrictions, no pets, or no smokers, but nothing discriminatory.

It should be noted that there are only four minority-owned real estate firms among the firms in the Rocky Mount and Consortium area. The Realtors Association is not thought keep demographic statistics about its members, so there is no reliable count of minority brokers and agents. There are three minority-owned property management firms.

OBSERVATIONS

1. The HMDA data are inconclusive in identifying or defining any impediment to fair housing, though it appears that Census Tracts with the highest percentage of minority residents had the highest rates of loan denials.
2. The number of FHEO complaints for the period under review was modest.
3. There was no clear sign of discrimination in the language or illustrations of housing advertising in the area’s real estate publications or on line sites.

6) PUBLIC POLICIES

A wide range of government policies affects fair housing choice. Though municipalities have broad powers with regard to land use and zoning in North Carolina, some of these policies are beyond the control of municipal government. An assessment of public policies and practices enacted by the City and the Consortium can help determine potential impediments to fair housing opportunity. To identify potential impediments to fair housing choice and affordable housing development, housing-related documents (e.g., zoning code materials, previous fair housing assessments) were reviewed, and interviews with fair housing advocates and practitioners were conducted in preparing this AI.

Neither Rocky Mount nor the DEHC Consortium communities put any limitations on growth. Through vehicles such as zoning ordinances, subdivision controls, permit systems, housing codes and standards new construction restrictions and rent control, the municipalities have attempted to ensure the health, safety, and quality of life of its residents while minimizing the barriers that promote fair housing choice or may impede the development of affordable housing.

The following are public policy, zoning, and land issues identified in discussions with the municipal officials, developers, and other agencies and organizations that create impediments to fair housing choice.

1. Market Conditions

The major barrier to affordable housing in Rocky Mount and DEHC Consortium in general is the high cost of housing created by rising land, infrastructure, and construction costs. The Rocky Mount area is perceived as a desirable place to live, and has experienced some recent growth.

Though not a public policy matter *per se*, the City and Consortium do what they can to promote the construction of affordable and accessible housing units, working with developers and property owners. The key elements in place to provide affordable housing include the following programs: 1) scattered site homeowner rehabilitation with an emphasis upon improving energy efficiency, 2) lead-based paint hazard interim controls and abatement, 3) urgent repair/emergency assistance, 4) foreclosure counseling, 5) neighborhood stabilization, and 6) the Beal Street Redevelopment Project

2. Zoning

The *Fair Housing Planning Guide* notes several key issues for review when assessing the impact of zoning on fair housing choice. A review of Rocky Mount's Zoning Regulations in Chapter 5 of the Municipal Code showed that the City has addressed these topics. The regulations appear

to meet HUD standards and the Rocky Mount regulations are current in addressing the disabled and providing definitions of “family” and “group home”. However, the code does not include “victims of domestic violence” or “transitional housing” among its definitions as they relate to group homes.

The City Zoning Ordinance provides for a full spectrum of housing. There are no restrictions on mobile homes, and multi-family units may be constructed in a wide range of zoning districts.

3. Building Codes

Building regulations are essential to protecting the health and safety of citizens and the general welfare of the community, as well as to ensure a reasonable building life. While building codes have positive contributions, they also contribute to increased construction costs. The City enforces the North Carolina State Building Code, which covers such items as structural stability, electrical, plumbing, mechanical, energy conservation, and some specialty items in certain circumstances. The City also enforces a locally adopted Minimum Housing Code whose purpose is “...to establish minimum levels of safety, health, and sanitation in existing residential buildings and to provide a means for eliminating substandard housing.” As a uniform statewide set of standards, the enforcement of state Building Codes as well as local City of Rocky Mount Minimum Housing Codes does not appear to be an impediment to fair housing choice.

4. Subdivision Regulations

The implementation of development standards and subdivision regulations sets minimum levels of protection for the public. These regulations and standards affect things such as street widths, sidewalks and drainage features. However excessive street widths, parking requirements, curbing and landscaping add to the cost of housing. Also, certain housing rehabilitation costs are increased because of the uniform construction code. As with zoning enforcement, affordability and fair housing choice are oftentimes closely related, but not necessarily.

In Rocky Mount, based on a review of the City’s Subdivision Regulations, it appears that these regulations do not impede fair housing choice within the City’s jurisdiction. The City’s Subdivision Ordinance is enforced uniformly throughout its jurisdiction.

Other related elements are accessibility standards, “visitability”, energy conservation and universal design. These standards are described in various publications and are increasing incorporated in new residential and commercial developments. However, their use by design professionals needs to be increased.

5. Property Taxes

Property taxes generate revenue to support a broad array of public facilities and services at the local level of government. However, it is also recognized that property taxes are a significant housing cost and therefore can impact affordability. Though not a direct impediment to fair housing choice, property taxes can affect housing choice. One impact of high property taxes is that taxes are part of a household’s monthly housing costs. Thus, a potential homeowner who can afford his mortgage may not qualify when property taxes are factored in.

6. *Comprehensive Plan & Affordable Housing*

The City's Master Plan dates from 2003, and states the City's goals and objectives for housing in that twelve-page Element of the Plan. The Plan cites Fair Housing as a specific goal, notes the need for affordable housing, as well as describing the need for a range of housing and the preservation of the City's neighborhoods and residential character.

The City has acknowledged the need for a range of types and prices of housing and has steadily worked to obtain this range of housing opportunity in its development and redevelopment programs. The Beal Street Redevelopment Plan has resulted in the demolition of five unsafe units and the redevelopment of 17 affordable units for low-mod households. The NSP program has sold one home to a low-mod household. The Housing Element could be revisited to update statistics and policy rationale and to reflect the progress made in providing affordable and accessible housing.

7. *Public Transit*

The Rocky Mount Transit System, a City-owned and operated service, offer nine major routes offering service to most parts of the City. Six of these routes are loops and there are inbound-outbound operations, though all meet at the Transfer Center. Feeder routes were added in 2001 and provide service for workers coming into the City or working in out-of-town locations. Rocky Mount and Nash-Edgecombe Transit Services merged in 2001 and now provide public transportation services to the City and portions of Nash and Edgecombe Counties.

The Tar River Transit service provides readily accessible ADA paratransit service in the region.

The linkage between residential areas of concentration of minority and LMI persons and employment opportunities is key to expanding fair housing choice. The City's public transportation system meets this need, and the provision of increased density multi-family housing along the light rail route, as noted in the Master Plan, will meet the needs of low- and moderate-income households if affordable units are included in new developments.

8. *Local Ordinances*

A recent case has revealed a situation that requires attention to local ordinances. A person was evicted from an apartment because the landlord/owner changed the name on the utility from the resident's to his, and, after not paying the bills, had the tenant evicted.

OBSERVATIONS

The key points that emerge from the preceding discussion are:

- 1) The City is proactively addressing problems created by market conditions (high housing costs) with the resources available.
- 2) The Zoning Code, development standards and permitting processes are good and address HUD concerns, though more emphasis could be

- placed upon incorporating universal design and “visitability” principles into project requirements.
- 3) The City could more proactively address housing affordability by adopting policies such as inclusionary zoning or density bonuses.
 - 4) A local ordinance preventing the transfer of utility statements should be addressed.

7) RESIDENT SURVEY & FOCUS GROUP MEETINGS

COMMUNITY DEVELOPMENT AND FAIR HOUSING SURVEY

The Office of Planning and Development conducted a survey on **Community Development** and **Fair Housing** issues. The City’s survey was conducted 1) to determine the types of CDBG programs were thought necessary to meet community needs and 2) to determine the extent to which impediments to housing, whether intentional or unintentional, were evident to residents and what the nature of those impediments are. The CDBG questions went into some detail about the types of programs thought necessary and the importance of each, while the questions on fair housing focused on discrimination and the understanding of fair housing. This survey helped to identify the priority needs for programs and services in the City, as well as the impediments to fair housing choices that exist in Rocky Mount. A complete summary of the responses to all questions and a copy of the English language survey are provided in Appendix B.

The survey, available in English and Spanish, was posted on the City Website from mid-January to late February, 2012, was advertised in *The Rocky Mount Telegram* and on the City Website, and was distributed at the focus group meeting. Focus group attendees were encouraged to advise others to take the survey on line. There were 20 responses in all; there were no responses to the Spanish language survey.

Demographics

The demographic data collected at the end of the survey indicated that forty-seven percent of the respondents were African American, forty-one percent were White and twelve percent were Two or More Races. There were no Hispanic respondents.

The incomes of the respondents were fairly evenly spread across the spectrum. Only one respondent reported an income of less than \$35,000, and twelve reported incomes between \$35,000 and \$100,000. Five persons reported incomes above \$100,000 and only two people skipped the question. Three-quarters of the respondents owned their home and of those that rented three-quarters rented a house; thus there was only one apartment dweller in the survey.

Asked to indicate in which Ward they lived, 7 persons responded that they were uncertain. The remaining thirteen came from each of the Wards with Wards One and Seven having three persons each.

The respondent pool was not representative of the City's overall demographics. The income levels, the percentage of White persons, and the percentage of home owners were higher than comparable figures for the City.

Housing Issues

Asked about the importance of a range of housing programs, twelve of the eighteen persons who responded felt that weatherization and energy improvements was the most important type of program with the construction of new affordable homeowner units and housing for seniors and the extra elderly (75+) next (10 votes each).

The overall affordability of ownership housing was deemed the most pressing concern of these respondents, though the condition of rental units was rated a close second. The availability of housing for seniors and the availability of homeless shelter tied for third place as a concern.

CDBG Programs

Asked to rate the importance of eight categories of CDBG programs, fifteen of the eighteen persons who responded chose Economic Development as the highest priority. The Elimination of Blight was second with twelve votes and Affordable Housing tied with Planning (choice not often selected in other communities) for third. Clearly economic issues are of significance to these respondents.

Asked which specific types of economic development programs are of most importance, two-thirds of the respondents selected job training and small business loan programs as very important (10 votes each), followed by job retention (9 votes), with technical assistance to small business as third (8 votes).

Respondents were asked to rank a wide range of community service programs in question 9. The greatest need expressed by two-thirds of respondents was one that did not emerge in meetings, interviews or the focus group session – that is, transportation to services and/or employment. Job training and childcare services tied for second with ten votes each. The job training selection follows through on the importance of the issue as an economic development concern. Afterschool care, services for domestic violence and child abuse, financial training and clean up of empty lots and buildings each received nine votes.

Asked about homeless assistance, the respondents selected homeless prevention and emergency shelters for women and children as very important. Substance abuse treatment for the homeless received nine votes as very important, while emergency financial assistance (an aspect of homeless prevention), and emergency shelters for men received eight votes each.

In the elimination of blight choices, building code enforcement ranked highest with almost two-thirds of the votes for very important.

It should be noted that few items under infrastructure were rated as very important or important, and

Playgrounds and green space received 10 of sixteen votes as important in the public facilities section followed by health facilities and libraries with nine votes each as important. Overall however, no public facilities selection received a significant number of very important votes.

Fair Housing

The issue of housing discrimination drew a mixed response among these respondents. Only one respondent indicated that he/she had personally experienced housing discrimination in Rocky Mount, and that they had not reported this because of uncertainty about where or how to report it.

Asked if they believed that Rocky Mount has fair housing problems, sixty-one percent replied sometimes or often and twenty-two percent of respondents replied rarely. Almost thirty percent felt that housing discrimination was becoming more of a concern, but this was balanced by another thirty percent who felt that it is not a concern, and almost one-quarter of respondents had no opinion.

In general these respondents felt that buyers and seller, real estate professional and lenders understand fair housing rights moderately well or well. Only apartment managers had a significant percentage of responses in the poorly category, and one respondent felt that they had no understanding of the topic.

Asked if persons would know where to report housing discrimination, fifty-five percent responded “No,” and over one-quarter of respondents replied “Don’t Know.” This contradicts the impression received in interviews, focus group meetings and other discussions in which the idea that the Human Relations Commission was clearly identified as the place to report housing discrimination problems.

Over two-thirds of respondents felt that there are areas in Rocky Mount that have fair housing problems. Asked to identify areas, one person responded Candlewood, and another responded Hispanics. The latter response is in line with the ideas expressed in other meetings and discussions.

A series of questions about zoning and land use issues revealed that this group of respondents is fairly knowledgeable about this topic. Only two people skipped these questions altogether, and few people responded with Don’t Know to any of them.

The survey asked about fair housing outreach and education. Seventy percent of respondents do not feel well informed about fair housing issues. This indicates a degree necessity for additional outreach. Asked about the means to conduct this outreach, these respondents felt that media attention, brochures, public service announcements and housing fairs and events were the best means to provide information.

FOCUS GROUP DISCUSSIONS

The Department of Planning and Development held one focus group meeting and one public meeting as part of the research for this revised Analysis. The following are synopses of each of the meetings. A copy of the presentation made to each, and copies of the sign-in sheets for each are found in Appendix D.

Meeting with Down East HOME Consortium Members

January 10, 2012

Rocky Mount City Hall

The meeting began shortly after 11:00 AM and was attended by ten members of the Down East Home Consortium (DEHC) and members of City staff. A quorum attended, thus the meeting was an official one.

Dr. Swiger introduced the consulting firm and provided some background on the firm. He then gave a presentation on the Consolidated Plan and the Analysis of Impediments document. He also introduced the survey and discussed how to get the word out about it in order to obtain a good response rate.

The DHEC member from Dortches noted that the town was not listed on the survey and Dr. Swiger said that the error would be corrected as quickly as possible. Also, there was some confusion about the titles on the tow surveys, and he indicated that the problem would be resolved. The representatives from Nash and Edgecombe Counties indicated that they would attempt to get the survey on each county Website.

Nash County said that the HOME funds were very important to them as they received CDBG funds only one every three years. The HOME funds were used primarily for home replacement for homes most in need of rehab.

The group then turned to discussing fair housing issues. The greatest complaint is that landlords are not maintaining the properties. There has been an increase in complaints from Hispanics, but the thinking is that many will not come forward because of fear (retaliation or immigrant status?).

The group had no comments on housing discrimination against persons with disabilities or about family size. The group noted that much of the rental housing is for mobile homes on a lot as opposed to an apartment building. In fact, the group noted that there is very little available in terms of apartment units.

Group homes are not an issue in the group's opinion.

A big complaint was that the communities need more time to use HOME funds. Getting a project to the point that HOME funds can be used is often lengthy and by then the time for using HOME funds has expired.

Homelessness is an issue from several perspectives. In North Carolina agricultural use of land is exempt from codes. If a housing code is put into place and enforced, it would likely serve to create homelessness as many structures could not meet any code and people would be forced to relocate – except there are no places to go.

**FOCUS GROUP MEETING -- REALTORS AND LENDERS
ROCKY MOUNT, NC – FEBRUARY 15, 2012
THE IMPERIAL CENTER – BLACK BOX THEATER**

The group met at noon for a Lunch and Learn meeting at which Dr. Swiger gave a presentation on the CDBG and HOME programs.

The group asked for details about the CDBG program in Rocky Mount and Ms High, the CDBG Program Director, explained that CDBG funds could be used not only to support community housing projects (rehabilitation, weatherization, homeownership assistance, housing counseling), but for community service projects. She went on to explain that recently the City has been using most of its CDBG allocation on the Beal Street project. This project entailed the acquisition and demolition or renovation of properties in this blighted neighborhood, making them into affordable housing units. This effort was being coordinated with the Neighborhood Stabilization Program to provide housing for very low-income families.

The group had no other comments about the CDBG program or community needs.

The subject of Fair Housing was then discussed. The group noted that there is a need to educate the Hispanic population about fair housing. Some members of the group felt that Spanish-speaking persons were being discriminated against and that these persons did not realize they were being discriminated against. A bilingual education and outreach program was thought to be necessary.

Asked about discrimination against persons with disabilities, the group indicated that access is an issue, in large measure because landlords do not wish to pay for the ramps and other features required. Members of the group noted that some churches were able to assist with the construction of ramps.

Family size was thought to be a concern, though much of the conversation focused upon how many unrelated adults could reside in a dwelling. No specific instances or examples of this type of discrimination were offered.

Asked if people were aware of where and how to report discrimination, members of the group felt that the City's Human Relations Commission is widely know and recognized as the entity to whom one can turn for these matters.

Asked about NIMBYism (Not in My Backyard), the group felt that it was not a pervasive problem, but could emerge in specific instances or for specific projects. The group had no opinion about the pervasiveness of discrimination on Rocky Mount or the Consortium or whether it is a growing or diminishing problem. The meeting adjourned at 1:00 PM.

**PUBLIC MEETING
ROCKY MOUNT, NC – 7:00 PM - FEBRARY 16, 2012
CITY COUNCIL CHAMBERS**

The meeting began shortly after 7:00 PM. After an introductory presentation by Dr. Swiger, describing the topics under consideration this evening, the floor was opened for discussion of the CDBG and HOME programs.

One person asked if the information in the Con Plan was going to be available to the various organizations and Dr. Swiger explained that the materials were available during the drafting period and after approval were on the City Website.

Discussion first focused on housing issues, and one person noted that while senior housing was in short supply in the Consortium, and more of it is needed, it was often perceived by seniors as unsafe.

Another participant noted that there is a great need for transitional housing in the two counties as many offenders return to the area after release from jail or prison. Having no good place to live increases the chances for recidivism, and sets the stage for additional community problems.

Another person noted that there is an urgent need for leveraging funds. CDBG allocations are getting smaller though the needs continue to grow. Local governments and private partners are needed to keep programs going.

Urgent repairs were stressed as a primary concern. Several anecdotes were given to indicate the extent of the need.

The topic of housing for persons with mental health issues was raised and it was noted that placing these persons in homes for the elderly was not a good practice, but was about the only thing currently available.

The issue of the relatively high tax valuation on abandoned or run down properties was also noted. Many boarded up homes were still in private hands and members of the group felt that some of these homes could be used to meet a variety of needs, such as housing for the homeless.

Indeed the need for housing for the homeless was discussed at length, the key points being that the need (especially for family housing) was increasing while funding was becoming increasingly tenuous.

The need for capacity building was raised and the group agreed that more not for profits needed to step forward, that these groups needed better coordination among themselves. How to get more groups and more people involved was discussed at length. The need for more assistance and better coordination included services for the homeless, transitional housing and a range of programs.

One member of the group noted that not-for-profits are sometimes reluctant to apply for new grants and programs because they are not certain that they will not be left with an unfunded program after several years – one they cannot support without the federal funds. Another participant noted that even among the churches, there were limits to how much assistance they could provide and that churches were seeing fewer donations for assistance in these difficult economic times.

Another member of the group noted that the City and the Consortium needed additional staff to help better execute these programs effectively and efficiently. Staff plays an important role in program direction, monitoring and capacity building, but one person can only do so much.

Another person noted that programs for youth were needed, and that these programs might be the most effective since they would hopefully prevent problems. The person noted that the results were often difficult to see and often took years to happen.

When the group turned to fair housing issues, the members felt that housing discrimination is a growing concern in the area, especially as it pertains to Spanish-speaking persons. As the earlier focus group had noted, many Spanish-speaking persons do not understand that they are being discriminated against, and education efforts are much needed.

OBSERVATIONS

The key points that emerge from the preceding discussion are:

1. There is ambiguity about the extent of housing discrimination in the City.
2. The means or process to report discrimination is not clear, based upon the survey, though the matter seemed clear in discussions and meetings.
3. There is a need for increased awareness about housing discrimination, especially among the Hispanic community.

8) FAIR HOUSING ACCOMPLISHMENTS

The Rocky Mount Community Development Division is implementing a Fair Housing Partnership with the City's Human Relations Department. The City of Rocky Mount continues its public awareness campaign, including the distribution of flyers and brochures, the placement of advertisements on the public access television channel, providing speakers and materials to community and church meetings, Study Circles and public forums. The Commission on Persons with Disabilities continues to examine issues related to accessibility, housing availability, and other ADA concerns.

The City Human Relations Department and now the City Human Relations Commission are responsible for handling fair housing complaints in Rocky Mount. In the past year the City has engaged in the following fair housing activities:

- Accept and investigate 125 fair housing inquiries or complaints
- Study housing issues within the Hispanic community
- Present Landlord/Tenant training to area residents throughout the year
- Distribute Fair Housing literature in English and Spanish at various events and locations
- Met with representatives of the realtors association, financial institutions, insurance companies, and community organizations to discuss the proposed Fair Housing ordinance
- Submitted application to HUD to become a FHAP agency
- Attended Fair Housing training, including the National Fair Housing Training Academy, and the FHEO, FHIP/FHAP Leadership and Training Workshop in Atlanta
- Produced and recorded Fair Housing Public Service Announcements
- Hosted a Contractor's Workshop to discuss contractor responsibilities for implementing fair housing

The City and the CDBG program funded the following fair housing efforts in 2010/11:

- ✓ General Fund - \$40,471 for Fair Housing Complaints
- ✓ CDBG - \$18,500 for Housing Counseling
- ✓ CDBG - \$25,000 for Transitional Housing
- ✓ CDBG/HOME - \$19,000 for housing rehab for handicapped accessibility (assisted five households)

It should be noted that the funds available for the housing rehab and for housing counseling were substantially lower than in previous years.

The City and the Consortium members have focused on addressing the following impediments to fair housing as identified in the 2002 Analysis:

- Disparity and inequality in obtaining mortgage financing from several major lending institutions
- Low number and percent of loan originations in Census Tracts with greater than 50 percent minority population
- Disparities in appraisal values and property insurance premiums
- Historically segregated residential patterns, especially in Edgecombe County.

The City is working with the counties and the City of Wilson to prepare and present Fair Housing Workshops with a particular focus on landlord – tenant relations.

9) IDENTIFIED IMPEDIMENTS, RECOMMENDATIONS AND ACTIONS

Background

This section summarizes the key findings of the AI document, and makes recommendations for actions to eliminate impediments to fair housing choice in Rocky Mount and the DEHC. This information is as comprehensive as possible, and there likely remain a number of additional remedies to these and other problems faced by home seekers.

Housing discrimination continues to occur, and manifests itself in different ways among different segments of the population. Since it continues to be the goal of the City and DEHC to eliminate any existing discrimination and prevent future housing discrimination and other impediments to equal housing opportunity, the recommendations provided below provide a guide to ensure fair access to housing for all City residents.

This 2011 AI builds upon the previous AI, analyzes recent data, identifies the private and public sector conditions that foster housing discrimination, and provides recommendations for dealing with the fair housing issues identified. Based upon research in statistical materials, a review of HMDA and complaint data, interviews and focus group discussion, as well as surveys, the following is a list of key potential impediments identified in Rocky Mount. Each impediment below is followed by recommendations to address and eliminate that impediment.

Several of these topics are closely related and linkages among them are noted.

It should be noted that in some instances, it is necessary to strike a balance among issues. Land use policies and requirements and development standards, although sometimes adding costs to construction or rehabilitation, are necessary for the safety and health of residents

It should also be noted that Rocky Mount appears to have a low incidence of housing discrimination, especially as evidenced by the small number of complaints on file. This is not to say that housing discrimination does not exist, but that it seems less prevalent.

Key Points

The earlier sections of this analysis noted the following key points. The Community Profile observed that:

1. The City and the Consortium Counties have high percentages of minority populations and concentrations of minority populations, especially African-Americans.

2. Six Census Tracts have high minority concentrations per HUD's definition, but these tracts are the ones with the lowest income levels. Four of the six tracts are located in the City. This may serve to limit housing opportunities for low-income households.
3. Almost one-half of the population is in the low-income categories as defined by HUD, and significant percentages of persons are living in poverty according to Census data. Affordability is a problem for a very large portion of the population, both owners and renters.
4. Though the number and percentage of Hispanic persons are low, anecdotal information suggests that these households are subject to housing discrimination.
5. There is a high percentage of females in the Consortium area relative to national figures and a high percentage of single parent households (predominantly female heads).
6. There is a high percentage of householders living alone, thus a smaller demand for small housing units.
7. The area has a high percentage of disabled persons, especially the elderly disabled, and thus a need for accessible units.
8. The Housing Authorities has a significant wait list for Section 8 vouchers and for public housing units.

The review of complaint and lending data from the Office of Fair Housing and Employment Opportunity (FHEO) and the Housing Mortgage Data Act, as well as a review of recent real estate publications indicated the following:

1. The HMDA data are inconclusive in identifying or defining any impediment to fair housing, though it appears that Census Tracts with the highest percentage of minority residents had the highest rates of loan denials.
2. The number of FHEO complaints for the period under review was modest.
3. There was no clear sign of discrimination in the language or illustrations of housing advertising in the area's real estate publications or on line sites.

A review of Public Policy issues showed the following:

1. The City is proactively addressing problems created by market conditions (high housing costs) with the resources available.
2. The Zoning Code, development standards and permitting processes are good and address HUD concerns, though more emphasis could be placed upon incorporating universal design and "visitability" principles into project requirements.
3. The City could more proactively address housing affordability by adopting policies such as inclusionary zoning or density bonuses.
4. A local ordinance preventing the transfer of utility statements should be addressed.

An analysis of the Community Survey and the focus group discussions showed:

1. There is ambiguity about the extent of housing discrimination in the City.
2. The means or process to report discrimination is not clear, based upon the survey, though the matter seemed clear in discussions and meetings.
3. There is a need for increased awareness about housing discrimination, especially among the Hispanic community.

Impediments, Recommendations, and Actions

IMPEDIMENT ONE – NEED FOR INCREASED AWARENESS, OUTREACH AND EDUCATION

Rocky Mount has an active fair housing program. However, focus group discussions and survey results note a lack of knowledge about fair housing law, policies, and practices, especially among the Hispanic community. The need for on-going education, awareness, and outreach remains, especially among lower income households and minorities.

Recommendations:

- 1) Continue and expand efforts by City agencies, housing advocacy groups, and service organizations to inform renters and homebuyers of their rights and means of recourse if they feel they have been discriminated against.
- 2) Conduct City-led training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 3) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.
- 4) Update Fair Housing information regularly and adjust strategies and actions accordingly.
- 5) Expand awareness efforts through school programs (e.g., poster contests, essay contests) coordinated with Fair Housing Month programs, and devote a Housing Summit session specifically to fair housing law and practice.
- 6) Work with housing advocacy and not-for-profit organizations to develop homeownership and home maintenance educational programs for first-time homebuyers to better prepare them for the responsibilities of ownership and home maintenance.
- 7) Continue and, if possible, expand existing to educate households and housing related organizations by disseminating Fair Housing law literature, conducting

Fair Housing law seminars and training, and focusing public awareness campaigns about Fair Housing law in ethnic and minority neighborhoods, and among civic, social, religious, and special interest groups.

- 8) Provide Fair Housing materials and educational programs in Spanish, especially in neighborhoods and communities with high percentages of Spanish-speaking persons.

IMPEDIMENT TWO – LIMITED SUPPLY OF AFFORDABLE HOUSING

As discussed earlier, affordability is one aspect of housing discrimination and it is difficult to talk about addressing impediments to fair housing, and actions to eliminate discrimination in housing, without simultaneously talking about development of policies, plans, programs, and projects to increase the supply of affordable housing.

Earlier sections of this Analysis addressed the issue of affordability. Suffice to say that even moderate-income households face challenges in purchasing a home in Rocky Mount, and low-income families face a significant cost burden for rental housing. Incentives for the creation of affordable housing should be structured so that they are stringent enough to produce the desired units, but palatable to the developer as well.

Recommendations and Actions

- 1) Continue to use all available federal and state funding resources and programs to address high priority housing needs for rehabilitation, preservation, and development of affordable units.
- 2) Continue to work with community based organizations, affordable housing developers, and housing advocacy groups to increase the supply of disability accessible housing units, leveraging resources to the extent possible.
- 3) Continue taking advantage of the Neighborhood Stabilization Program resources to acquire housing units and make them affordable.
- 4) Continue and, if possible, expand housing rehabilitation programs to maintain the City's base of affordable units, both owner-occupied and rental.
- 5) Continue to seek incentives to promote developers constructing a wide range of housing types at a number of price points, considering transportation, employment centers and the availability of services and shopping in their planning (See government policies below).
- 6) Housing for special needs populations and minorities should be scattered throughout the City.

IMPEDIMENT THREE – GOVERNMENT POLICIES

This impediment deals with issues relating to the development of land including housing that is available to a wide range of persons and income levels in disparate locations. This goal is affected by a wide range of factors, some of which are beyond the ability of the City to change.

Though not raised as an on-going concern in Rocky Mount, the proposed development or location of affordable housing, group homes, public housing, or Section 8 housing often draws storms of criticism and opposition from neighborhood residents. This “not-in-my-backyard” (NIMBY) attitude affects the availability of housing for people in the protected classes and is a significant challenge to achieving fair housing objectives.

While it is difficult to avoid this attitude, the City can take some measures to mitigate these challenges.

Recommendations

- 1) Ensure that reasonable accommodation and disabled access issues are properly addressed in municipal zoning and construction codes, especially noting the definitional issues raised earlier.
- 2) Do as much as possible to reduce review and approval process times for both new construction and home modification applications.
- 3) Encourage the use of universal design principles in new housing developments.
- 4) Encourage developers, housing advocacy groups, and other interested parties to conduct neighborhood outreach and information campaigns before submitting projects for review and approval.
- 5) As noted in Impediment One, undertake a public outreach/education program about fair housing and affordable housing on a regular basis. While such efforts will not lay all misconceptions to rest, a broader understanding of the nature of fair housing and the types of persons and families involved will mitigate at least some opposition.
- 6) Seek new or additional incentives, as noted in Impediment Two, to get developers to undertake affordable projects or to include affordable units in market rate projects.

IMPEDIMENT FOUR – AWARENESS OF POTENTIAL DISCRIMINATION

The review of demographic information does not provide a clear indicator of housing discrimination among persons in the protected classes. However, statistical data can assist in identifying potential problems and topics of concern,

In the current economy and given the structure of the City’s housing stock, the incidences of discrimination may focus on rental housing, and the focus of efforts in the immediate future should be upon aspects of discrimination in the rental market, and upon some groups within the protected classes.

In particular, discrimination among three protected classes should be addressed.

- Disabled persons may face discrimination or difficulties in finding appropriate units because of the small number of small units and the costs of building or adapting units.
- There is a high percentage of small family and elderly households indicating a potential demand for smaller housing units.
- There is a high percentage of single parent households, often headed by females.

Recommendations

- 1) Increase housing choice alternatives for the disabled and families with children by encouraging the construction of affordable, and especially rental, housing.
- 2) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them (See advocacy and outreach above).
- 3) The City should implement a Fair Housing testing and auditing program, focusing upon rental properties at this time.

SPECIFIC ACTIONS AND PROGRAMS

The City of Rocky Mount and the DEHC will implement the following activities in the coming year to address issues of housing discrimination:

- Conduct Fair Housing workshops, focusing on programs for the Hispanic community
- Continue to fund the Human Relations Commissions pursuit of fair housing Complaints
- Continue the distribution of Public Service Announcements concerning fair housing
- Hold additional Contractor Workshops
- Develop a Fair Housing Month Program involving elementary and intermediate schools
- Provide literature and Fair Housing posters to community groups, realtors, and public facilities

City of Rocky Mount

The City of Rocky Mount, North Carolina, as a recipient of Community Development Block Grant (CDBG) funds and HOME Investment Partnerships (HOME) funds and Lead Agency for the Down East HOME Consortium (DEHC) through the Department of Housing and Urban Development (HUD), and in order to comply with its certification to affirmatively further fair housing, has conducted an Analysis of Impediments to Fair Housing Choice within the City of Rocky Mount and the Down East HOME Consortium. I affirm that the City of Rocky Mount and the DEHC will support activities to assure non-discrimination in the provision of housing and its accompanying transactions.

David W. Combs
Mayor

May 14, 2012

City of Rocky Mount

A signed copy of the resolution by which the City Council approved the AI

OR

The following signed statement:

This serves as acknowledgement that the 2012 Analysis of Impediments to Fair housing Choice, prepared by the Rocky Mount Department of Planning and Development and DEHC. It was officially adopted by the Rocky Mount City Council the lead entity on behalf of DEHC and the City of Rocky Mount at its meeting on May 14, 2012.

Mayor Combs

Date