

Analysis of Impediments to Fair Housing

Prepared for the City of Gastonia & Gaston Consortium Area



EQUAL HOUSING OPPORTUNITIES

'Equal and free access to residential housing (housing choice) is fundamental to meeting essential needs and pursuing personal, educational, employment, and other goals. Because housing choice is so critical, fair housing is a goal that government, public officials, and private citizens must achieve if equality of opportunity is to become a reality.'

-HUD Fair Housing Planning Guide

Table of Contents

	Page
Statistical Tables & Maps	3
Information Resources	4
Executive Summary	5
I. Introduction	6
II. Activities Utilizing CDBG & HOME funds to “Affirmatively Further Fair Housing”	7
III. Fair Housing Complaint Profile & Resolution of Complaints	9
IV. The Relationship Between Fair Housing & Affordable Housing	10
V. Jurisdictional Profile & Background Data	14
Setting	
Income	
Housing	
Population	
Education	
Employment Opportunities	
Local Conditions	
Maps	
VI. Areas for Potential Discriminatory Practices & Identification of Impediments	20
Sale of New & Existing Housing	
Affordable Housing	
Aged Housing Stock	
Rental Housing	
Public Housing & Section 8	
Advertising & Marketing Policies	
Lending	
Taxes & Fees	
Zoning & Land Cost	
General Public Attitudes	
Ignorance of Fair Housing Requirements	
Transportation	
Language Barriers	
VII. Impediments Summary & Recommendations	
Conclusion	

Statistical Tables & Maps

	Page
<u>TABLES</u>	
Table 1. Community Development Homeownership Assistance, 2001 & 2002	8
Table 2. Gaston County Area Median Income 2000, Categorized by HUD's Definition of Area Gross Income	11
Table 3. Housing Market Study, Gaston County, 1999	11
Table 4. Comparative of Household Income with Median Earnings of Male & Female Workers, 2000	12
Table 5. Median Household Income by Race, 2000	12
Table 6. Median Household Income Comparative by Counties in Region, 2000	14
Table 7. Median Value of Owner-Occupied Housing Units, 1990 & 2000	15
Table 8. Selected Housing Characteristics-Year Structure Built, 2000	15
Table 9. Housing Characteristics, Selected Monthly Owner and Renter Costs as A Percentage of Household Income, 2000	16
Table 10: Population Growth Comparison for Region, 2000, 1990	16
Table 11: Urban & Rural Population Shares, 1980 – 2000	17
Table 12: Population by Sex, 2000	17
Table 13: Population by Race, 2000	17
Table 14: Educational Attainment Level Comparison in Region, 2000	18
Table 15: Industry Jobs Comparison in Region, 2000	19
<u>MAPS</u>	
Map 1: Cities within the Boundaries of Gaston County, 2000	19A
Map 2: Estimated Population by Race, 1997	19B
Map 3: Estimated Population by Age, 2002	19C
Map 4: Projected Household Income, 2002	19D
Map 5: Location of Public Housing, Gaston County, 1996	19E
Map 6: Gastonia Transit Bus Routes, 2002, Gastonia Planning Department	19F
Map Information is derived from U. S. Dept. of HUD, Community 2020 Software	
<u>GRAPH</u>	
Graph: Gaston County Housing Tenure, 2000, U.S. Bureau of Census	19G

INFORMATION RESOURCES

City of Gastonia:

- Community Development Five-Year Consolidated Plan, May 2000
- Community Development Annual Plan, May 2002
- City Vision 2010 Comprehensive Plan
- Discrimination in Housing Ordinance, 2002
- Analysis of Impediments to Fair Housing, 1996

Gastonia Housing Authority

- PHA Annual Plan , 2001
- PHA Tenant Selection Plan
- Tremont Consultants Market Study, November 1999

University of North Carolina, Gastonia Housing Quality Survey, May 1996

United States Dept. of Commerce, Bureau of Census, Tables for 2000 & 1990,
Demographics, Population, Social, Economic and Selected Housing Characteristics,
100% data when available and sample data when 100% data not available

United Way of Gaston County, Community Needs Survey, 1998

Interview with Public Sector:

Gastonia Housing Authority

- Gary Foster, Executive Director
- Kay Little, Section 8 Division
- Lisa Friend, Public Housing Division
- Sam Murphy, Maintenance Manager

Belmont Housing Authority

- Iris Graham, Administrator

City of Gastonia

- Ed Munn, Executive Director, Administration
- Diane Dil, Planner
- Myra Messer, Community Development Affordable Housing Specialist
- Don Flowers, Real Estate Administrator & Fair Housing Officer
- Frank Hundley, Billing Division Administrator

Interviews with Private Sector:

- Ann Drum, Director-Gaston County Realtors Association
- Sharon McNinch, Bank of America

EXECUTIVE SUMMARY

The City of Gastonia and the Gaston Consortium is committed to non-discriminatory and equal opportunity housing within its boundaries. Support is provided through the City of Gastonia's Fair Housing Ordinance, a Fair Housing Officer and the design of programs that work to expand housing options for all people. Impediments to Fair Housing can be grouped into two major categories: discriminatory practices and market factors that have an impact on housing choice for members of protected classes.

Fair Housing and Affordable Housing have a correlation because the protected class members covered by the Fair Housing Act may include many of the same people that need affordable housing. Therefore, to insure Fair Housing, the expansion of Affordable Housing is a primary goal of Gastonia and the Gaston Consortium.

The fair housing complaint and resolution process for the community allows people who feel they have been discriminated against to seek recourse through a local, state and federal process. Potential impediments and recommendations to improve fair housing and housing choice are identified through data gathered from bankers, housing authorities, local and state government, federal resources and the private sector.

Impediments identified in this Analysis from the resources listed include:

- Aged Housing Stock
- Lack of Affordable Housing
- Public Housing & Section 8 Marketing Plan
- Variations in CRA Lending Requirements among loan providers
- Zoning Combined with High Land Cost
- General Public Attitudes toward Affordable Housing
- Lack of Transportation
- Language Barriers

Gastonia/Gaston County Consortium

Analysis of Impediments to Fair Housing

I. Introduction

Fair housing means the right to choose a place to live without regard to race, color, national origin, gender, religion, or because of a disability or minor children in the household. The federal Fair Housing Act (FHA) prohibits discrimination in the sale or rental of housing.

Under the FHA, state and local units of government that receive certain federal housing funds are not only required to refrain from discrimination; they must also take steps to advance the goals of fair housing and use their policies and programs to help promote open and inclusive patterns of housing. Specifically, all units of government that receive Community Development Block Grant (CDBG) and/or Home Investment Partnership Program (HOME) funds are required by the U.S. Department of Housing and Urban Development (HUD) to undertake an Analysis of Impediments to Fair Housing.

This Analysis to Impediments to Fair Housing (AI) covers the City of Gastonia and the Gaston Consortium area which includes the unincorporated areas of Gaston County, the cities/towns of Belmont, Bessemer City, Cherryville, Dallas, High Shoals, Kings Mountain, Lowell, Ranlo and Stanley. This AI is an exploration of many housing and housing-related policies and practices in use throughout the Gastonia/Gaston Consortium area that inadvertently or deliberately prevent people from living where they choose. The analysis is not a fair housing plan for the jurisdiction; rather, it is a tool to assist in the development of the Annual Action Plan for fair housing activities. The analysis is also intended as an educational tool for housing planners, policymakers, housing providers, and other stakeholders in the community.

The Analysis was completed according to Affirmatively Furthering Fair Housing (AFFH) under Section 808 of the Fair Housing Act, Department of Housing and Urban Development (HUD). According to HUD, the AFFH obligation requires each jurisdiction to:

1. Conduct an analysis to identify impediments to fair housing choice within the jurisdiction;
2. Take appropriate actions to overcome the effects of any impediments identified through the analysis; and
3. Maintain records reflecting the analysis and actions in this regard.

The Analysis of Impediments to Fair Housing was updated by the City of Gastonia's Community Development Division from an original analysis conducted by the University of North Carolina at Charlotte, Department of Geography and Earth Science in cooperation with the City of Gastonia's Community Development Office in February 1996. Information from the City of Gastonia, City Vision 2010, Gastonia's Comprehensive Plan, Gastonia's professional staff, local banking institutions, the Gaston County Public Housing Authorities, local realtors, and private organizations was used to prepare this Analysis.

II. ACTIVITIES UTILIZING CDBG AND HOME FUNDS TO “AFFIRMATIVELY FURTHER FAIR HOUSING”

The City of Gastonia and the Gaston Consortium affirmatively supports Fair Housing and is committed to its funding and actions to help persons overcome barriers to their housing choice. The 2000 Consolidated Plan indicates a number of activities that support fair housing and housing choice for low- and moderate-income households.

Fair Housing Ordinance

The City of Gastonia adopted a Fair Housing Ordinance in 1982. The ordinance was updated in 1988, 1991 and 2002. The ordinance makes it illegal to discriminate in any way in relation to housing including the sale, purchase, rental of housing, in real estate transactions, or in the provision of brokerage services. The provisions of the ordinance include procedures for fair housing complaints and subsequent proceedings.

Fair Housing Officer

The City of Gastonia, through local revenues, provides a staff person to act as the Fair Housing Officer for the City. This program advertises in the local newspapers as well as the local cable government access channel to provide homebuyers, homeowners or renters an opportunity to report fair housing discrimination.

Fair Housing Hotline

A Fair Housing “hotline”, funded through CDBG funds, has been set-up for verbal complaints. The Fair Housing hotline registers approximately 50 calls per year. Statistics show that only two or three of the calls may be cases of discrimination. Most often the caller does not understand the difference between “unfair” and Fair Housing laws. Not all “unfair” practices by a landlord or someone else involved in a housing-related transaction with a consumer are covered by the Fair Housing Act. For example, a landlord that fails to make repairs may be acting “unfairly” but he/she is not in violation of the Fair Housing Act unless his actions (or failure to act) is discriminatory based upon race, color, national origin, gender, religion, disability or familial status.

New Housing Construction

The City of Gastonia constructs approximately ten new houses each year using the HOME Investment Trust Fund and the 108 Guaranteed Loan program in cooperation with a local Community Based Development Organization. The houses are made affordable for low- and moderate-income people who would not normally have the opportunity for homeownership or may be limited on housing choice.

Homeownership

The City of Gastonia’s Homeownership Program, funded through the HOME Investment Trust Fund, has been in operation since 1996. The program assists low-and moderate-income families and individuals with the purchase of a home by providing down payment and closing cost assistance in order to make homeownership more affordable while providing an opportunity for housing choice. Since its inception, the program has pre-qualified 1102 applicants for homeownership and 211 applicants have been provided cash assistance to purchase a home. Additionally, the program has reduced home purchasing expenses through foregone or waived fees, including mortgage protection insurance, of more than \$1.5 million. Statistics on homeownership assistance are listed in the Table 1.

TABLE 1: Homeownership Assistance, 2000-2002, City of Gastonia, Community Development Division

Household Characteristics	July 2000 – June 2001		July 2001 – June 2002	
	30%-50% Median Income	50%-80% Median Income	30%-50% Median Income	50%-80% Median Income
White	2	30	9	34
Minority	6	4	3	10
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Male Head of Household	24		36	
Female Head of Household	18		20	

Based upon the statistics for the most recent two years, the homeownership program has assisted 76.6% white and 23.4% minority that are low- and moderate income. In addition, 60.2% are male head of household and 38.8% are female head of household. Both minorities and females, as part of the “protected class members”, may be more likely to be victims of Fair Housing violations which impedes housing choice. The homeownership program supports housing choice for protected class members.

Public Services

Through CDBG funds, the City of Gastonia supports a non-profit organization that maintains a website (www.socialserve.com) with an affordable housing database. Section 8 and other affordable housing landlords may list available housing units in Gaston County free of charge. Units must be at or below Fair Market Rents established by the U.S. Dept. of HUD each year. The Gastonia Housing Authority, in partnership with the City of Gastonia, provides computer access to the website in their administrative lobby for families or individuals that have Section 8 vouchers. Before implementation one year ago, 175 people were holding Section 8 vouchers that could not locate appropriate housing. At present time only 27 people are holding Section 8 vouchers that have not located appropriate housing. The website provides lower income people with more housing options / housing choice.

III. Fair Housing Complaint Profile and Resolution of Complaints

Existence of discriminatory practices is documented by the review of complaint-based enforcement activity by government agencies charged with enforcing fair housing laws. Data relating to complaints filed and processed the most recent two-year period (Fiscal Years 2001 & 2002) by the local, state and federal offices charged with investigating fair housing complaints were reviewed for this analysis.

Protected class members from Gaston County have filed complaints alleging housing discrimination. Locally, the Fair Housing Officer receives approximately 50 calls each year. Of the 50 calls, two or three are referred to the state Human Relations Commission, which is charged with enforcing fair housing laws. Other calls are primarily code enforcement or credit-related issues that are not subject to the fair housing laws.

The Human Relations Commission for the State of North Carolina reports that in the most recent two-year period, nine complaints have been filed relating to housing discrimination in Gaston County. Of the nine calls only five were subject to the fair housing laws. Resolution of the five discrimination complaints subject to the fair housing law is:

- Two calls – No Cause determination
- Three calls – Investigation pending

Of the investigations pending, two are race-related issues filed against the Gastonia Housing Authority. However, residents of the Gastonia Housing Authority are 90%+ minority so substantiating an alleged race-related discrimination may be difficult.

The North Carolina Real Estate Commission, which regulates the real estate industry in the purchase and sell of housing in the state, reports that incidents with housing discrimination are documented only by individual realtor not by County. Based upon their analysis, they cannot document any cases of housing discrimination complaints.

The U. S. Department of Housing and Urban Development (HUD), North Carolina State Office, is the federal agency charged with the enforcement of housing discrimination. According to their records, no calls concerning housing discrimination have been reported during the two-year period of review for this analysis.

Complaint-based enforcement activity has its limitations and may not be a complete indicator of the extent of discrimination in the housing market. It is possible that many people do not file complaints due to lack of knowledge of the law, from fear of humiliation or a perceived idea that agencies may not be responsive to the issue.

The information received for the analysis of impediments makes it clear that, while efforts of governmental enforcement agencies are important, added resources such as Fair Housing Testing Activities could increase the effectiveness of addressing any fair housing violations. Fair Housing Testing Activities involves matching testers who appears equal in all respects except for race or gender or other factor being tested. After each tester documents the details of an encounter with a lender, the two experiences are compared for equal treatment and for offer of the same or different products or services.

IV. The Relationship Between Fair Housing and Affordable Housing

As stated in the Introduction, fair housing choice means access to housing free from discrimination based upon one's race, color, national origin, gender, religion, handicap, or familial status. Persons who are protected from discrimination by fair housing laws are often referred to as "protected class members." Housing discrimination occurs at all income levels, and studies continue to document that even people with high incomes may be discriminated against when trying to rent or purchase a home.

The Analysis of Impediments (AI) explores a range of fair housing issues unrelated to a person's level of income such as discrimination encountered when renting an apartment or buying a home. But to the extent that protected class members tend to have lower incomes than the population as a whole, access to affordable housing (both rental and homeownership) overlaps with fair housing.

There is a significant correlation between fair housing and affordable housing, although they are not identical. The affordability, size and location of available housing impacts significantly on the ability of protected class members to access housing throughout the Gaston County area.

Definition of Fair Housing

Under the federal Fair Housing Act (FHA), discrimination in the sale or rental of housing, or in the creation and implementation of housing policies and programs, on the basis of race, color, national origin, gender, religion, disability or familial status is illegal. Fair housing means access to housing that is unrestricted by discrimination on these grounds.

A violation of fair housing laws may be a direct discrimination or it may be an indirect discrimination, meaning that the action or policy unfairly burdens or results in the segregation of protected class members.

While fair housing laws require that persons refrain from discriminating, a different duty is placed on governments involved in housing. Under Section 3608 of the FHA, federal, state and local agencies/governments are required not only to refrain from discrimination, but they must also take steps to advance the goals of fair housing. These policies are intended to put a stop to discrimination and to promote the integration of protected class members throughout the community.

According to HUD's *Fair Housing Planning Guide*, the duty of the jurisdictions to affirmatively further fair housing includes responsibilities to:

- *Analyze and eliminate housing discrimination in the jurisdiction.*
- *Promote fair housing choice for all persons.*
- *Provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability or national origin.*
- *Promote housing that is structurally accessible to, and usable by, all persons, particularly persons with disabilities.*
- *Foster compliance with the nondiscrimination provisions of the Fair Housing Act*

Furthermore, the Planning Guide makes clear this duty is not restricted to those public programs that receive federal money through HUD; the obligation “*applies to all housing and housing-related activities in the grantee’s jurisdictional area whether publicly or privately funded.*”

Definition of Affordable Housing

“Affordable housing” commonly refers to housing that is affordable to households with lower incomes. According to HUD, housing is affordable when all housing costs (rent, mortgage, utilities, property taxes, and insurance) do not exceed 30% of total household income. This 30% of income standard applies to any person or household regardless of their source or level of income. Households paying more than 30% of their income on housing are said to have a “housing-cost burden”.

HUD uses four different terms to define income levels:

1. Middle income - households earning 80%-120% of Area Median Gross Income (AMGI)
2. Moderate income – households earning 50%-80% of AMGI
3. Low income – households earning 30%-50% of AMGI
4. Very low income – households earning 30% or less of AMGI

For consistent reporting purposes in this AI, 2000 Data from the U. S. Bureau of Census shall be used to assess the region. One hundred percent data has been used when available, sample data when 100% data has not been available. In 2000, the Gaston County Median Household Income was \$39,482. Using this figure, income levels are categorized below according to HUD’s definition. In addition, the percentage of households that fall within these income categories is indicated in order to appropriately identify the percentage of population that may experience a housing-cost burden in Gaston County.

TABLE 2: Gaston County Area Median Household Income, U.S. Census Bureau, 2000

INCOME LEVEL BY HUD CATEGORY	Income Minimum / Maximum by Category	Percentage of Households	HUD’s 30% Maximum Housing-Cost Burden
Above Middle Income (120%+)	\$47,378 and above	40%	\$1,185 or more
Middle Income (80%-120%)	\$31,586 - \$47,378	23%	\$790 - \$1,185
Moderate Income (50%-80%)	\$19,741 - \$31,586	16%	\$493 - \$790
Low Income (30%-50%)	\$11,845 - \$19,741	11%	\$296 - \$493
Very Low Income (0%-30%)	\$ 0 - \$11,845	10%	0 - \$296

While spending 30% of one’s income on housing is the desired benchmark set by HUD, hundreds of low- and moderate-income households in Gaston County spend more than this amount. Table 3 provides the market rental rates for 16 comparable rental units (including Section 8) from a Housing Market Study conducted by Tremont Consultants in November 1999 for the Gastonia Housing Authority. In order to more appropriately calculate housing cost included is an additional column to adjust the rates for utilities.

TABLE 3: Housing Market Study, November 1999, Tremont Consultants for the Gastonia Housing Authority

Unit Type	Average Rent	Housing Cost (Rent + Utilities)
1 Bedroom / 1 Bath	\$405	\$500
2 Bedroom / 1-2 Bath	\$478	\$580
3 Bedroom / 1-2 Bath	\$549	\$650

Based upon the Rental Housing Cost in Table 3 compared to Household Incomes in Table 2. Renter households that may experience a housing-cost burden are estimated to be from 21% to 28% in Gaston County. This percent may be higher because historically renters tend to have lower incomes than homeowners do. The information indicates that a large number of households may be in need of more affordable housing. For other housing-cost burden information see Table 9

Interrelationship of Fair Housing and Affordable Housing

As stated, fair housing and affordable housing are interrelated. While fair housing protections transcend income, it is often protected class members (people of color, people with disabilities, women, large families, new immigrants) that earn less than the population as a whole. They often experience a greater housing-cost burden, fewer housing choices and a greater likelihood of fair housing discrimination. The following tables represent the disparity in income of protected class members as it interrelates to affordable housing.

TABLE 4: Comparative of Household Income to Median earnings for male vs. female worker, U.S. Census 2000

Full-time, Year-round worker	2000 Median earnings	Comparison to HHI as %
Median Household Income (HHI)	\$39,482	100%
Male Worker	\$ 33,542	85%
Female Worker	\$23,876	60%

TABLE 5: Median Household Income by Race, U.S. Census 2000

Race	Median Household Income	%
Gaston County Median Household Income	\$39,482	100.0%
White	\$41,130	104.2%
African American or Black	\$28,474	72.1%
American Indian & Alaska Native	\$32,222	81.6%
Asian	\$48,611	123.1%
Hawaiian and Pacific Islander	\$35,714	90.4%
Other Race	\$28,974	73.4%
Two or More Races	\$35,517	90.0%
Hispanic or Latino	\$34,833	88.2%

According to the U.S. Census figures listed in the tables above, a male worker in Gaston County earns 85% of the median household income versus a female worker that earns only 60%. Likewise, white households earn 13% to 31% more than all other races except Asian.

In order for Gastonia and the Gaston Consortium to further the goals of fair housing, affordable housing must be a priority to ensure housing choice for all citizens.

V. Jurisdictional Profile & Data

In order to provide an analysis of impediments to fair housing, it is important to review the background of the jurisdiction in order to analyze trends that may create impediments in an area or region. For comparison purposes, information is provided on Gaston County and its similarities and differences to a number of surrounding counties in the Metro Region.

General Information Data

The 2000 Census provides the following information about Gaston County:

- The population of Gaston County is 190,365.
- The racial composition of Gaston County includes:

White	83.0%
Black or African American	13.9%
American Indian or Alaska Native	.3%
Asian	1.0%
Native Hawaiian/Pacific Islanders	-
Other race	1.0%
Two or More Races	.9%
Additional information:	
Persons of Hispanic or Latino Origin	3.0%
- The Median Household Income is \$39,482 (1999 Income).
- Gaston County contains 78,842 housing units of which 73,936 are occupied. Of the units occupied:

68.8% are owner-occupied
31.2% are renter-occupied
- The homeowner vacancy rate is 1.6% and the rental vacancy rate is 7.4%.
- The average household size of owner-occupied units is 2.57%. The average household size of renter-occupied units is 2.46%.
- More than 46% of the housing units in Gaston County are pre-1970.
- The Gaston County labor force numbered 96,898 persons with 5.7% unemployed. Private wage / salary workers or self-employed people make up 89.3% of the work force while 10.7% are government workers. The major industries in Gaston County are manufacturing at 28.2% and retail trade/services at 20.4%.

Setting

The physical and environmental setting affects the pattern of settlement; where we work, where we live, and where we play. Geographically situated in the heart of the Piedmont, the Charlotte-Gastonia-Rock Hill MSA is the largest urban region between Atlanta and Washington, D.C. Gaston County itself covers 356 square miles according to the U. S. Bureau of Census 2000 Data. The hilly terrain, abundance of streams, and red clay soil physically distinguish the region from the surrounding areas. The Piedmont contains both densely settled urban regions and sparsely settled rural areas.

On a smaller scale, the City of Gastonia is the center of a sub-region consisting of Gaston, Lincoln, Cleveland, and northern York counties. Gastonia acts as an employment and retailing nucleus as well as a transportation hub. However, Charlotte is the dominant city in the area and Gastonia gravitates toward greater integration with the Charlotte region.

Income

Income in comparison to race has been discussed in the previous section. However, income for Gaston County households vs. income for other areas in the region is an important factor when determining needs of a community. Listed in Table 6 are the Area Median Household Incomes according to the 2000 U. S. Census. A household includes all the persons who occupy a house, an apartment, a mobile home, a group of rooms, or a single room. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. According to Table 6, Gaston County has maintained its income growth in comparison with the region; however, its income remains lower than other Counties in the region except Cleveland. This lower income per household identifies the need for more job skills and higher paying jobs in Gaston County. The 1998 Community Needs Survey by United Way of Gaston County identified Employability & Job Skills Training at the second most important need in Gaston County.

TABLE 6: Median Area Household Income, U. S. Census, 1990, 2000

HOUSEHD INCOME	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
1990	\$30,133	\$29,228	\$26,476	\$28,126	\$28,662	\$33,830	\$30,957
2000	\$46,140	\$40,536	\$35,283	\$39,482	\$41,421	\$50,579	\$50,638
% Incr.	53.1%	38.7%	33.3%	40.4%	44.5%	49.5%	63.6%

Housing

The suburbanization of metropolitan areas continues as cities spread into the hinterlands. This trend of development at the fringe includes housing, retail, offices, and industry. Interestingly, the increasing acceptance of high quality, high-density residential development in the Charlotte Metro region is a departure from national norms.

Homeownership is a national trend endorsed and encouraged by the federal government and reflects market trends evident in the region. However, Gaston County's homeownership rate of 68.8% (U. S. Bureau of Census, Housing Characteristics, 2000) is slightly down from the 1990 census of 69.3%. Of the 78,842 housing units in Gaston County, 93.8 percent are occupied. Homeowner vacancy rate is 1.6% whereas rental vacancy rate is 7.4%.

Affordable housing, that is housing which is within market reach for very low, low – and moderate income households, is often occupied by the same “protected class members” as stated in the Fair Housing Act. Therefore, we will review the demand for affordable housing that may correlate with limited housing choice.

Housing Demand for Homeownership and Rental Units

According to the 1999 Housing Market Survey by Tremont Consultants prepared for the Gastonia Housing Authority, there are estimated 932 income-qualified renter households that could qualify for homeownership. The housing market survey applied a conservative capture rate of 8% for homeownership; therefore, an estimated need of 75 or more units of new housing construction at that time. In addition, the housing market survey indicated affordable rental units are in high demand, in particular three-bedroom units. Using 16 comparables, the housing market survey stated, “None of these properties had any vacant, unleased 3BR units”.

Current review of rental conditions with the local public housing authorities indicates that the 1,073 Section 8 subsidized properties have a waiting list of 1,380 households with six months to one year. In addition, of the 400 public housing units held by the Gastonia Housing Authority, there is a waiting list of 637 households and a three to twelve months wait depending on bedroom size needed. The Belmont Housing Authority with 50 units of public housing has an equally long waiting list.

Median housing value further defines the housing stock in an area. For comparative purposes, Table 7 shows the housing values for some counties in the region.

TABLE 7: Median Value of Owner-Occupied Housing Units, U. S. Census 1990 & 2000

VALUE	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
1990	\$ 65,300	\$ 62,300	\$52,900	\$57,500	\$ 60,500	\$ 86,300	\$ 70,700
2000	\$118,200	\$103,000	\$83,200	\$90,300	\$104,500	\$141,800	\$128,500
% Incr.	81.0	65.3	57.3	57.1	81.7	64.3	81.8

Gaston County has a median housing value of \$90,300. In the Metro region, Cleveland County is the only county with a lower median housing value. It should be noted that Gaston County’s housing value has the lowest rate of appreciation in the region. This can be accounted for by the large percentage of aging housing in Gaston versus other counties in the region. Aging housing stock affects property tax values and results in lower revenues for local government. Table 8 below provides information on the percentage of housing units that are Pre-1970.

TABLE 8: Selected Housing Characteristics-Year Structure Built, U.S. Census, 2000

HOUSING	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
Pre-1970	38.3%	37.1%	40.8%	46.4%	32.0%	31.0%	26.0%
Post-1970	61.7%	62.9%	59.2%	44.6%	68.0%	69.0%	74.0%

As mentioned in Section IV, many households in Gaston County may experience a housing-cost burden. This means that many pay more than 30% of their household income for housing. Housing includes rent or mortgage payments, utilities, insurance, and property taxes.

Listed in Table 9 is the percent of households in the Metro Region with a housing-cost burden for both renters and homeowners.

TABLE 9: Housing Characteristics, Selected Monthly Owner & Renter Costs as a Percentage of Household Income, U.S. Census, 2000

	% HHI	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
HOME-OWNER	+ 30%	19.0%	18.8%	20.5%	19.8%	18.6%	22.3%	21.4%
	- 30%	81.0%	81.2%	79.5%	80.2%	81.4%	77.7%	78.6%
RENTER	+ 30%	31.0%	29.0%	35.4%	34.7%	27.6%	35.8%	33.9%
	- 30%	69.0%	71.0%	64.6%	65.3%	72.4%	64.2%	66.1%

The above table indicates that 19.8% of homeowners and 34.7% of renters in Gaston County have a housing-cost burden because they pay greater than 30% of their household income for housing. Based upon 2000 Census of 42,377 owner-occupied housing units, this means that 8,390 homeowner households have a housing-cost burden. Likewise, more than 10,000 renter households have a housing-cost burden. Combined, data shows that 26% of the households in Gaston County experience a housing-cost burden.

Population

Any community is a reflection of the people who live and work in it. The study of population is fundamental to understanding and planning for the future needs of the community. Population changes dictate the location and type of new housing required, whether the community needs more schools, or whether more services for senior citizens are necessary. Other services such as police and fire protection need to grow as population grows. By knowing about population change, officials in Gastonia/Gaston County can tailor their community development efforts and social services to the areas that need them most. Table 10 shows the population changes in the Metro Region.

TABLE 10: Population Growth Comparisons, U. S. Census 1990 & 2000

Population	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union	Region
1990	98,935	118,412	84,714	175,093	50,319	511,433	84,211	1,123,117
2000	131,063	141,685	96,287	190,365	63,780	695,454	123,677	1,442,311
% increase	32.5%	19.7%	13.7%	8.7%	26.8%	36.0%	46.9%	28.4%

As the figure indicates, the Metro region, as well as all of the nearby counties, is experiencing a more rapid growth rate than Gaston County. One possible explanation lies in the directional growth of Charlotte over the same period. The rapid expansion of Charlotte toward the Northeast, South, and Southeast coupled with relatively little growth toward the West partially clarifies the slower growth in the county.

It is important to know how many people live in an area, but it is equally important to know where those people live. The region has excellent potential for urban development. In fact, one of the distinctive features of the area is countryside replete with numerous towns and small settlements. Thus, the Metro region is both rural and dense. This pattern repeats in the development of the area's larger cities. Clusters of cities characterize the urban portions of the region rather than one large city and a surrounding hinterland. Nationally, a movement of the population away from rural areas to the cities is evident. The Metro region displays a

similar trend. Some counties exhibit very large growth from rural to urban. Gaston County shows a modest increase in the number of people living in urban areas. Table 11 shows the population shifts between rural and urban areas from 1980 to 2000.

TABLE 11: Urban and Rural Population Shares, U.S. Census 1980–2000

Urban & Rural Populations		Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
1980	Urban	62.7	56.0	28.5	69.3	11.4	87.5	21.7
%	Rural	37.3	44.0	71.5	30.7	88.6	12.5	78.3
1990	Urban	59.5	59.5	26.8	69.7	13.6	90.1	35.7
%	Rural	40.5	40.5	73.2	30.3	86.4	9.9	64.3
2000	Urban	72.4	64.9	44.5	77.5	37.9	96.2	50.1
%	Rural	27.6	35.1	55.5	22.5	62.1	3.8	49.9
% Change Rural to Urban		15.5	15.9	56.1	11.8	232.5	9.9	130.9

The above table indicates that Gaston County has the slowest rate of change from rural to urban other than Mecklenburg, which has been almost exclusively urban for some time. The Census defines an urban population as comprising all persons living in (1) places of 2,500 or more inhabitants incorporated as cities, villages, boroughs, and towns, but excluding those persons living in the rural portions of extended cities (2) census designated places of 2,500 or more inhabitants, and (3) other incorporated or unincorporated territory included in the urbanized areas. An urbanized area comprises one or more places and the adjacent densely settled surrounding territory that together has a minimum population of 50,000 persons.

Race and gender deserve attention in a complete population study. For example, Fair Housing efforts and political redistricting are at least partially based on race. Gender percentages of Gaston County residents do not vary significantly from the other counties in the region as listed in Table 12. Race is also within the same ratios as other counties except for Mecklenburg, which has a significantly larger minority population according to Table 13.

TABLE 12. Population by Sex, U. S. Census, 2000

Population	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
TOTAL	131,063	141,685	96,287	190,365	63,780	695,454	123,677
Male	64,581	69,903	46,313	92,085	31,609	341,609	61,810
Female	66,482	71,782	49,974	98,280	32,171	353,764	61,687

TABLE 13: Population by Race, U. S. Census, 2000

POPULATION	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
TOTAL	131,063	141,685	96,287	190,365	63,780	695,454	123,677
White	109,082	120,427	73,987	158,101	57,551	445,356	102,391
Black or African-American	16,025	12,004	19,953	26,198	4,369	192,666	15,381
American Indian or Alaska Native	445	592	245	731	151	3,250	508
Asian	1,072	3,792	785	1,508	61	20,819	586
Native Hawaiian or Other Pacific Islander	11	6	0	26	27	398	17
Some other race alone	3,236	3,310	573	1,807	1,130	20,857	3,621
Two or more races	1,192	1,554	744	1,994	491	12,108	1,173
OF RACES ABOVE, which include Hispanic or Latino	6,623	7,812	1,083	5,520	3,517	44,954	7,726
Percentage of Minorities	16.8%	15.0%	23.2%	16.9%	9.8%	36.0%	17.2%

The sizes of households and families have an impact on the location, type, and amount of housing needed in the community. The Census Bureau defines a “family” as any household of two or more people living together and related by birth, marriage, or adoption. Based upon the latest 2000 Census, 72.7% of the households in Gaston County are families; 23.3% are one-person households and 4% are non-family households with two or more persons. This mix of families vs. singles and non-related households indicate no pattern of change in the last ten years; therefore, new emerging trends for housing are not indicated.

Of the family households in Gaston County, 22.8% are single parent households with almost three-fourths female head. Single parent head households have declined from ten years ago; down from 25.9%. Most of this decline is in single female heads; down from 80% to 73.2%. However, **females** usually earn less than men; therefore, these families may have lower incomes than their male counterpart and certainly less than the traditional two parent families.

Education

The educational level of a population can highlight the need for more job training and more adult literacy programs. The residents of Gaston County exhibit the highest percentage of population with no high school diploma or equivalent and rank near the bottom in college level or above in educational attainment. Table 13 gives a comparison of educational attainment levels of the population age 25 or older in the region. Inasmuch as education and income are so highly correlated, future earnings potential for residents of Gaston County are below the Metro region. It is extremely difficult to improve the economic circumstances of an individual or family with minimal education.

TABLE 14: Highest Educational Attainment Level Comparison to % of Population Age 25+, U. S. Census, 2000

COUNTY	No High School Diploma	High School Diploma	Some College or Associate Degree	Bachelor Degree	Master, Professional or Doctorate Degree
Cabarrus	21.8%	30.1%	29.0%	14.4%	4.7%
Catawba	25.2%	31.3%	26.5%	12.3%	4.7%
Cleveland	27.8%	34.1%	24.8%	9.0%	4.3%
Gaston	28.6%	29.6%	27.7%	10.3%	3.8%
Lincoln	28.3%	31.8%	26.9%	9.6%	3.4%
Mecklenburg	13.8%	19.9%	29.2%	26.6%	10.5%
Union	19.8%	30.8%	28.1%	15.7%	5.6%

Employment

The dominant economic characteristic of the Metro region pertains to the pattern of manufacturing and non-manufacturing employment. Charlotte is the center of the region in population, cultural facilities, education, and non-manufacturing employment. The counties surrounding Mecklenburg, particularly Catawba, Cleveland, Gaston, and Lincoln, have the largest concentration of manufacturing. This pattern of employment steered geographers and statisticians to recognize the cohesive nature of the region. Textiles, apparel, and related industries dominate the manufacturing sector of the economy. Gaston County continues to be vulnerable to the textile industry with jobs moving to foreign soil. However, as industrial diversification increases, the health of the area’s economy may also increase. Table 15 illustrates the difference between the manufacturing belt and the non-manufacturing core of the region.

TABLE 15: Percent of Industry Comparison by County, U. S. Census, 2000

INDUSTRY JOBS BY COUNTY	Cabarrus	Catawba	Cleveland	Gaston	Lincoln	Mecklenburg	Union
Agriculture	1.0%	.5%	1.2%	.4%	.9%	.2%	1.5%
Construction	8.7%	5.4%	6.5%	7.5%	8.8%	7.3%	11.8%
Education & Public Services	9.7%	7.8%	10.1%	9.1%	8.5%	8.8%	8.9%
Health & Human Services	10.4%	8.4%	10.7%	9.2%	7.8%	9.2%	8.1%
Manufacturing	18.6%	38.3%	33.9%	28.2%	32.0%	10.7%	18.3%
Professional & Office	17.4%	9.4%	9.2%	13.2%	11.5%	29.9%	17.5%
Services-Retail, Recreation, Food	23.8%	21.3%	19.4%	20.4%	18.3%	23.6%	24.2%
Transportation & Utilities	6.2%	4.7%	4.2%	7.2%	8.2%	6.0%	4.5%
Other	4.2%	4.2%	4.8%	4.8%	4.0%	4.3%	5.2%

Charlotte is unique among large cities because it does not have a large manufacturing sector within the city. The manufacturing belt surrounding the city forms an essential part of the regional economic engine. Gastonia's population has increased in white-collar jobs; however, many of these jobs are in Mecklenburg County where the population commutes.

Local Conditions

Gastonia is at the heart of one of the fastest growing regions in the United States. As jobs, capital, and people move toward the sunbelt, Gastonia has the opportunity to take advantage of the economic opportunities. An integral part of the Charlotte region, the city is a partner in the region's housing and job markets. It is also a competitor within the region, seeking a fair share of good jobs and high quality development. Gastonia has almost every service and amenity in the county, including retail trade, medical facilities, and new county government facilities. Essentially, Gastonia is the economic, governmental, and population center of Gaston County.

Gastonia is not growing in a geographically balanced fashion. The regional job market and rapid growth of amenities in the area fuel the economic boom on the East side of the city. Interestingly, school district assignment also dramatically affects the demand for housing, especially single family housing. Houses of similar size and features have vastly different market appeal based on the perceived quality of the local school. These factors only magnify the social distance between the two sides of the city. Stagnation characterizes the West side. It has an aging population, few shopping opportunities or other amenities and an increasing number of people in poverty. Furthermore, the West side of the city has more than its fair share of low-income housing. In fact, CD discourages large (more than twenty-five units) low-income housing projects in certain census tracts on the West side. CD prefers scattered site affordable housing. A local zoning ordinance enforces a maximum number of 50 low-income housing units in certain census tracts unless they are for special needs populations.

The older part of Gastonia, including the downtown, the surrounding neighborhoods, and the outlying mill villages all exhibit signs of decline. Minimal investments in housing, commerce, and services threaten older neighborhoods throughout the city. These neighborhoods present a challenge entirely different from fast-growing suburban areas. As with the west side of Gaston County, downtown Gastonia suffers from a lack of private investment and a largely declined retail base.

VI. Areas for Potential Discriminatory Practices & Identification of Impediments

Sale of New & Existing Housing

Realtors play an important role in encouraging fair housing choice. Historically, blockbusting and steering were techniques commonly used by realtors nationwide to prevent segregation of neighborhoods. Today, local realtors have increased knowledge of fair housing laws and work to uphold a code of ethics by the realtors association that includes the ban of any discriminatory practice. Realtors who join the local association receive specific training in a professional code of ethics.

As stated in Section III of this report, there have been no documented cases of fair housing complaints filed against real estate agencies in Gaston County in the two-year period of June 2000-2002. In addition, there have been no reported complaints to the local realtors association. Although impediments in the actual sale process may exist, the greatest disparity is found in the loan process, which shall be addressed separately in this section.

Aged Housing Stock

Aged Housing Stock has been identified as a problem in Gaston County with 46.4% of the housing stock that is pre-1970. Being of textile dominance, Gaston County's many older houses are what have been commonly termed "mill houses". Textile manufacturing plants, or mills, often provided housing for their workers. When textile manufacturers discontinued the housing options for workers, most of the units were sold. Many are now owned by the elderly population or have become rental housing. With this aged housing stock, issues such as maintenance and lead-based paint become primary concerns. These lower-end rental units house some of the same people that are protected class members under Fair Housing laws. These lower-end rental units are scattered among many parts of the county near primary jobs in manufacturing. The City of Gastonia has a number of programs that assist low-income homeowners with rehabilitation or emergency repairs of older housing stock both inside and outside of the city limits as well as an investor loan program for landlords of rental housing. With this older housing stock, lead-based paint becomes an issue, particularly for families with young children; therefore it is considered an impediment to fair housing because it limits housing choice for these families.

Rental Housing

Housing units in Gaston County are 31.2% renter occupied. Historically, rental housing can be an area of deliberate discrimination by owners refusing to rent to a minority, a single mother or a disabled person. Landlords of rental housing may use tenant selection policies that result in discriminatory practices for protected class members through restrictive occupancy standards, refusal to accept government funded rental subsidies, minimum income standards and tenant screening reports. Although no housing discrimination complaints are recorded other than those mentioned in Section III of this report, housing discrimination may exist by private landlords that go unreported because of failure of protected class members to understand fair housing laws.

Public Housing & Section 8

Public Housing Authorities (PHAs) play an important role in furthering fair housing by developing, implementing, and evaluating policies and procedures that promote greater housing choice. Fair Housing Marketing Plans are important to ensure inclusion of all protected class members.

Public housing for the City of Gastonia is located in the west and northwest areas of the city in predominately African-American/Black neighborhoods thereby limiting housing choice for some renters. No new public housing has been built or acquired since 1971 and no new public housing is being planned by Gastonia. In order to further fair housing choice, the Gastonia Housing Authority (GHA) works to expand Section 8 housing in the county. To do this, GHA actively seeks landlords from all sections of the county. Additionally, GHA holds monthly landlord meetings to provide education on tenant screening, maintenance, free website listing and housing regulations in order to provide landlords the tools needed to be successful Section 8 landlords with successful tenants. Despite these efforts, in the last three years Section 8 housing has decreased from 1,174 units to 1,073 units, a loss of 101 units. This is due in part to more strict maintenance standards implemented by the Gastonia Housing Authority in order to eliminate any substandard rental housing.

The Belmont Housing Authority has 50 units of public housing located in the southeast portion of the city. Currently reviewing its Five-Year Plan, the Belmont Housing Authority is considering additional housing based on need. This housing may be in the form of additional public housing or Section 8 housing choice vouchers.

In analyzing the information provided by the public housing authorities in Gaston County, there is a lack of marketing offered which ensures that all protected class members have housing choices through the authorities. Additionally, language barriers may exist for persons with Limited English Proficiency (LEP) due to on-site language proficiency or standard procedures that would assist these applicants.

Advertising & Marketing Policies

Advertising in a manner that limits the type of tenant a landlord may accept can be a means of indirect discrimination. Phrases identified in the advertising section of local newspapers include:

- “No Section 8 vouchers accepted”
- “Perfect for couple”

Any of these phrases may eliminate protected class members such as a female household head that: (a) may require rent subsidy due to lower income; or (b) has a larger number of children. Additionally, none of the ads reviewed indicated whether the unit had accessibility features for persons with disabilities. This can make it a very difficult and frustrating process for persons with disabilities to look for housing. Although no deliberate discrimination may exist within these ads, exclusions may exist which could be considered an impediment to fair housing choice.

Lack of knowledge of available services in a community may hinder protected class members from housing choice. Marketing plans do not always target lower income families or individuals especially minorities; any of which may tend to be the same as protected classes covered by the Fair Housing Act.

Lending

CRA reports for a two year period from a local lending institution, Bank of America, were reviewed for discrimination of lending practices for protected classes applying for home mortgages. The reports did not indicate any discrimination practices based upon race, color, gender, religion or familial status. Loans were approved based upon ability to pay, job longevity, credit and rental history. Loan rejections did not indicate an unequally high percentage of minorities or single female applicants.

Zoning & Land Cost

Zoning and land cost have historically been issues that often separate classes of people and often becomes an impediment to protected class members by restricting the location of housing. The west side of Gastonia has been overpopulated with lower income rental units. A Gastonia West Committee was formed that brought the issue of this imbalance in affordable rental housing units to the attention of governmental officials. In response, officials placed zoning restrictions with maximum units and census tracts throughout the city in an attempt to balance affordable rental housing. However, land cost on the east side of the city impedes the affordability of rental construction.

General Public Attitudes

Attitudes in a community can reject affordable housing and therefore fair housing choice for many of the protected class members. One of the most frequently cited impediments to fair housing choice nationwide is community and neighborhood opposition to affordable housing, frequently referred to as NIMBY – “Not In My BackYard.” This is not a new issue and Gaston County is no exception to NIMBYism. Neighbors frequently express concern about falling property values, increased crime rates and the safety of their children. Although there are many documented cases of affordable housing blending well with established neighborhoods, lack of education, fear and perception often take precedence in a developing community. Because Gaston County experiences the same perception that affordable housing means crime and unsafe streets, NIMBYism has been identified as an impediment to fair housing choice in this community.

Transportation

Transportation allows a person the means to choose housing in any part of a community. Lack of transportation options limit housing choice for protected class members because they must choose housing that is in close proximity to their jobs, education/training and needed services.

Gastonia has public transportation within its city limits as well as to the local community college. In cooperation with Gastonia, the Charlotte Area Transit System (CATS) has express buses that make daily roundtrip stops in Belmont and Gastonia. This allows people, with limited transportation, access to higher paying jobs in Charlotte. Although Gastonia has been responsive to the needs of its citizens, it is limited to services within the city limits. No other city within the Gaston County municipalities has public transportation.

According to the 2000 Census, 83.7 % of Gaston County workers 16 years of age and over drive alone to work in a car, truck or van. Another 12.7% of workers carpool and 1% walk to work. Only .3% of workers in Gaston County use public transportation for work. Interestingly, a Community Needs Assessment completed in 1998 by United Way of Gaston County, Inc. identified transportation as the third most critical need in the community. The Assessment states, “buses and taxi services are not available in many areas of Gaston County...Lack of adequate transportation provides hardships on individuals trying to secure and maintain employment, access child care or health services, obtain job skills training and other basic family functions.”

As an identified need by focus groups, community leaders and household respondents, lack of transportation throughout the county should be considered an impediment to fair housing choice.

Language Barriers

The face of the Gaston County community is changing. Ten years ago, the population of Gaston County had 644 residents five years of age and older that spoke little or no English. In 2000, this increased to 3,326 residents. The language barriers encountered by non-English speaking people can significantly impact the experience of obtaining housing, whether rental or homeownership. The U. S. Dept. of HUD recently prepared a draft policy guidance reminding state and local units of government that receive HUD funds of their responsibility to review existing procedures for ensuring access to federally-funded housing programs for all persons, including those with Limited English Proficiency (LEP).

In reviewing housing related services in Gaston County there is a lack of interpreter services as well as printed information in languages other than English. Specific housing and housing related services identified in this search include: public housing, homeownership programs, home repair and rehabilitation, relocation assistance, notices of public meetings pertaining to redevelopment or re-zoning, statements and notices pertaining to property taxes, assessments and utility cut-off notices.

Conclusion

A number of impediments have been identified in this analysis. Recommendations have been listed in order for the City of Gastonia to develop plans that will assist protected class members in their accommodation of receiving fair housing.

RECOMMENDATIONS