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SUMMARY OF FAIR HOUSING ISSUES AND CAPACITY TO ADDRESS

This section includes a summary of fair housing issues identified in the four entitlement communities and an assessment of each jurisdiction's fair housing enforcement and outreach capacity.



EXECUTIVE SUMMARY

Introduction

The preparation of this Regional Assessment of Fair Housing (AFH) serves as a component of the Piedmont Triad's efforts to satisfy the requirements of the Housing and Community Development Act of 1974, as amended, which requires that any community receiving Community Development Block Grant (CDBG) funds affirmatively further fair housing.

The AFH covers the entitlement communities of the City of Burlington, the City of Greensboro, the City of High Point, and the Surry HOME Consortium, all of which receive federal funds directly from the Department of Housing and Urban Development (HUD). Also covered by this AFH are the non-entitled areas within the Triad, which are eligible to apply for HUD funding from the North Carolina Small Cities Community Development Block Grant Program. The non-entitled areas include 67 municipalities and 12 counties within the Triad.[1]

The development of the AFH follows the completion of the Regional Fair Housing & Equity Assessment (FHEA) prepared for the Triad by Sills Consulting, LLC. As a recipient of a Sustainable Communities Regional Planning Grant from HUD, the Piedmont Authority for Regional Transportation (PART) oversaw the development of a regional comprehensive, long-range plan. One requirement of this process was the analysis of the impact of state, local and regional policies and practices on the availability of affordable and fair housing for residents of the Triad. The AFH picks up where the FHEA ended and provides a more in-depth analysis of communities of opportunity as well as a series of determinants of fair housing, priority fair housing issues and a series of recommended strategies that, if implemented, would eliminate the impediments to fair housing choice.

The AFH is a review of local regulations and administrative policies, procedures and practices affecting the location, availability and accessibility of housing, as well as an assessment of conditions, both public and private, that affect fair housing choice. Aided by an extensive community participation process, the Triad built the context for analysis by examining demographic, economic and housing market trends within the framework of access to community opportunities.

Entitlement communities receiving CDBG funds are required to:

- Examine and attempt to alleviate housing discrimination within their jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status or national origin
- Promote housing that is accessible to and usable by persons with disabilities, and
- Comply with the non-discrimination requirements of the Fair Housing Act.

As a result, the Triad is charged with the responsibility of conducting its CDBG and other HUD programs in compliance with the federal Fair Housing Act. The responsibility of compliance with the federal Fair Housing Act extends to units of local government and other entities that receive federal funds through any of the entitlement communities or from the State of North Carolina.

Generally, these requirements can be achieved through the preparation of an Analysis of Impediments to Fair Housing Choice. However, the Triad has selected to prepare an AFH in response to the Proposed Rule published by HUD on July 19, 2013. The Proposed Rule sets forth a more clearly defined process and format for the evaluation of barriers to fair housing and a community's capacity to affirmatively further fair housing.

1 The City of Winston-Salem is excluded from this AFH as it prepared its own Analysis of Impediments to Fair Housing Choice separate from this report.

Communities of Opportunity

One of the most useful tools to emerge relative to determining access to community opportunity is the use of Opportunity Mapping. To describe the variation in neighborhood opportunity across metropolitan regions, the Kirwan Institute for the Study of Race and Ethnicity at The Ohio State University has developed the "Communities of Opportunity" model, a fair housing and community development framework that assigns each neighborhood a score reflecting the degree to which its residents have access to determinants of positive life outcomes, such as good schools, jobs, stable housing, transit and the absence of crime and health hazards. The Institute draws upon an extensive research base demonstrating the importance of neighborhood conditions in predicting life outcomes. The ultimate goals of this exercise in applied research are to bring opportunities to opportunity-deprived areas and to connect people to existing opportunities throughout a region.

Major Findings

The diversification of the region means new fair housing needs: The Piedmont Triad is diversifying. This diversification is occurring universally: it is not unique to the region's inner cities or low-income areas. As a result, racial segregation has continually decreased since 1970. The Hispanic population in particular is growing rapidly, bringing in a new labor force with new fair housing needs.

Clusters of racially concentrated areas of poverty occur in the region: Areas with high minority concentration and high poverty rates are clustered in the inner cities of Greensboro, High Point, Winston-Salem, Thomasville, and Lexington. The residents in these areas are predominantly renters, have longer commutes than the general population, spend a larger proportion of their income on housing, and have inferior access to opportunities such as high-performing school districts and engaged labor markets. A need for sustainable employment opportunities within, or in closer proximity to, these racially concentrated areas of poverty is needed.

Housing that is affordable to lower-income residents is not located in high-opportunity areas: This report defines affordable housing as units priced at a cost that low and moderate-income households can afford for less than 30% of their monthly income. These affordable housing options are predominantly located in low-opportunity areas. This reduces housing choice and limits access to high-opportunity areas for low-income residents, who disproportionately tend to be members of the protected classes. Public housing is also disproportionately located in low-opportunity areas, which does little to abate this issue.

Transportation is a critical component of increasing housing choice: Because of the mismatch between areas of opportunity and areas of affordability, transportation and connectivity become critical for expanding neighborhood choice. Employment centers and locations of affordable housing are often inaccessible through the public transit systems that members of the protected classes often rely upon. This spatial mismatch creates significant problems for many residents in the Piedmont Triad. There is an acute need for expanded public transportation to provide RCAP residents and members of the protected classes with access to higher opportunity areas and community assets. This can reduce transportation costs and improve the economic resilience of members of the protected classes.

Determinants of Fair Housing

This AFH also identifies the primary determinants influencing the segregation within the Piedmont Triad. The three themes most commonly derived from both the data analysis and stakeholder interviews were:

Geographic Racially Concentrated Areas of Poverty: Geographic clusters of high-poverty and high-minority areas indicate potentially limited fair housing choice for members of the protected classes. Inadequate public transportation, public housing concentrated in these areas, and a lack of incentives to develop affordable housing in other areas exacerbate these racially concentrated areas of poverty.

Disparities in Access to Community Assets: Features such as high-performing schools, strong local job markets, and adequate public transportation can greatly improve quality of life and economic vitality for members of the protected classes. However, the areas in the Piedmont Triad in which these protected classes disproportionately live have inferior access to these community assets, despite often having the greatest need.

Disproportionate Affordable Housing Need based on Protected Class Status: Members of the protected classes are more likely to be experiencing cost burden, and thus to need affordable housing. These protected classes have higher rates of poverty and have larger families. Combined with net losses in the Piedmont Triad's affordable housing inventory, the need for affordable housing options for the protected classes is acute and growing.

Priority Fair Housing Issues

There are three primary fair housing priorities impacting the Piedmont Triad region. These include the following:

1. A need for expanded public transportation to provide RCAP residents and members of the protected classes with access to higher opportunity areas and community assets
2. A need for greater affordable and accessible housing opportunities, both rental and sales units, in higher opportunity areas
3. A need for sustainable employment opportunities within, or in closer proximity to, RCAPs

Based on the data analysis detailed in the AFH, these three priorities have the potential for mitigating each of the determinants of fair housing. A step-by-step set of recommendations and guidelines on how to implement these strategies can be found in Section 4 of this report.

How the AFH will be Used

Each of the four HUD entitlement communities will incorporate their respective fair housing priorities and strategies in their Five-Year Consolidated Plans and Annual Action Plans. Non-entitlement local governments may use the opportunity mapping analysis in this AFH to design fair housing actions and strategies needed to meet state requirements for the Small Cities CDBG program.

ANALYSIS OF IMPEDIMENTS AND ASSESSMENT OF FAIR HOUSING SUMMARY: GREENSBORO

About the Regional Assessment of Fair Housing

The preparation of this Regional Assessment of Fair Housing (AFH) serves as a component of the Piedmont Triad's efforts to satisfy the requirements of the Housing and Community Development Act of 1974. This legislation applies to any community receiving Community Development Block Grant housing. The AFH covers the entitlement communities of the City of Burlington, the City of Greensboro, the City of High Point, and the Surry HOME Consortium, all of which receive federal funds directly from the Department of Housing and Urban Development (HUD). Also covered by this AFH are the non-entitled areas within the Triad, which are eligible to apply for HUD funding from the North Carolina Small Cities Community Development Block Grant Program. The non-entitled areas include 67 municipalities and 12 counties within the Triad.

The development of the AFH follows the completion of the Regional Fair Housing & Equity Assessment (FHEA) prepared for the Triad by Sills Consulting, LLC. The AFH picks up where the FHEA ended and provides a more in-depth analysis of communities of opportunity as well as a series of determinants of fair housing, priority fair housing issues and a series of recommended strategies that, if implemented, would eliminate the impediments to fair housing choice. This study may also be used to guide and prioritize elements of the Consolidated Plan and Annual Action Plan implementation process. The regional AFH provides the basis for the City of Greensboro Analysis of Impediments, which is summarized below and which is designed to meet the City's obligation under HUD rules to affirmatively further fair housing.

Top Findings in Greensboro

- ***Greensboro is growing and diversifying***
- ***Patterns of segregation and poverty persist in Greensboro***
- ***Members of the protected classes often have inferior access to opportunity, and are concentrated in the lowest-opportunity areas of Greensboro***
- ***Greensboro's supply of housing that is affordable to lower-income residents is shrinking as demand rises***
- ***There is a lack of housing that is affordable to lower-income residents in high-opportunity areas, and members of the protected classes face severe housing challenges***
- ***Greensboro faces several policy-related impediments that either directly or indirectly limit fair housing choice***
- ***Greensboro can take action to address important fair housing priorities***

Key Demographic Trends

Greensboro is growing and diversifying

Greensboro has shown steady population growth, and the city is growing significantly faster than the Piedmont Triad region in general. Greensboro grew 87.2% from 1970 to 2012, compared to 39.1% growth in Burlington, 65.1% in High Point, and 87.5% in North Carolina.

Like most of the region, Greensboro is also becoming much more diverse. While the non-White population in Greensboro increased 5% from 2000 to 2010, the Hispanic population increased 108.7%, becoming the fastest-growing demographic by far. The Black population also increased 30.9%. Minorities in Greensboro tend to have larger families: 82.3% of Hispanic families in Greensboro had three or more members, compared to 48% for Whites. Because race and ethnicity are protected classes, this increases the importance of fair housing strategies that can accommodate Greensboro's diversifying population in the future.

Patterns of segregation and poverty persist in Greensboro

Increased diversity has not resulted in integration, and Greensboro still experiences moderate to high levels of racial and ethnic segregation. Compared to other cities in the Triad, Greensboro is the most segregated city overall. This was determined by using the dissimilarity index, a statistical analysis that calculates how disproportionately distributed certain populations are distributed throughout an area. Within the City of Greensboro, White/Black segregation has decreased over the last 30 years, meaning that Whites and Blacks are becoming more integrated. However, White/Hispanic segregation has increased significantly over the same time period, and White/Asian segregation has increased as well. Greensboro has the highest levels of White/Black, White/Asian, and White/Hispanic segregation within the region, with the general trend going towards segregation rather than integration.

Figure 1 : Population Change, 2000-2010

	2000		2010		% Change
	#	%	#	%	
Region	**1,464,979**	**100.0%**	**1,640,717**	**100.0%**	**12.0%**
White	1,099,957	75.1%	1,146,900	69.9%	4.3%
Non-White	365,022	24.9%	493,817	30.1%	20.8%
Black or African American	288,080	19.7%	340,448	20.7%	18.2%
American Indian and Alaska Native	5,271	0.4%	7,970	0.5%	51.2%
Asian/Pacific Islander	18,461	1.3%	33,339	2.0%	80.6%
Some other race	35,867	2.4%	79,979	4.9%	123.0%
Two or more races	17,343	1.2%	32,081	2.0%	85.0%
Hispanic*	72,867	5.0%	142,829	8.7%	96.0%
Greensboro	**223,891**	**100.0%**	**269,666**	**100.0%**	**20.4%**
White	124,243	55.5%	130,396	48.4	5.0%
Non-White	99,648	44.5%	139,270	51.6%	16.0%
Black or African American	83,728	37.4%	109,586	40.6	30.9%
American Indian and Alaska Native	989	40.0%	1,385	0.5	40.0%
Asian/Pacific Islander	6,446	2.9%	10,929	4.1%	69.5%
Some other race	4,647	2.1%	10,290	3.8	121.4%
Two or more races	3,838	1.7%	7,080	2.6	84.5%
Hispanic*	9,742	4.4%	20,336	7.5	108.7%

* Hispanic ethnicity is counted independently of race.

Source: U.S. Census Bureau, Census 2000 and 2010 (DP01)

High rates of minority concentration exist in Greensboro, along with above-average rates of poverty. When the level of minority concentration exceeds 50% and the poverty rate exceeds 40% in a given area, it is known as a racially concentrated area of poverty, or RCAP. Residents in RCAPs throughout the region tended to have lower incomes, longer commutes, and work in sectors with less potential for upward mobility. Greensboro has 19 Census block groups that have poverty rates and minority concentrations sufficiently high to be classified as RCAPs. These 19 block groups are all in the southern and eastern neighborhoods of central Greensboro. These 19 block groups form three contiguous areas, skirting the southern and eastern border of Downtown Greensboro. These RCAP areas are priority areas from the perspective of infrastructure investment, transportation planning, and quality of life issues.

There are also areas of Greensboro with high levels of poverty and minority concentration, but not as severe as to be classified as an RCAP. These areas are classified as Near-RCAPs. These areas are critical for local stakeholders to monitor: conditions may worsen if nothing is done, but there also exists the potential for catalytic, high-impact investment to prevent the neighborhoods from crossing the threshold to RCAPs. There are 6 contiguous areas like this in Greensboro, all on the borders of an RCAP.

The map on the following page displays the RCAP and Near-RCAP areas of Greensboro, along with the major bus routes:

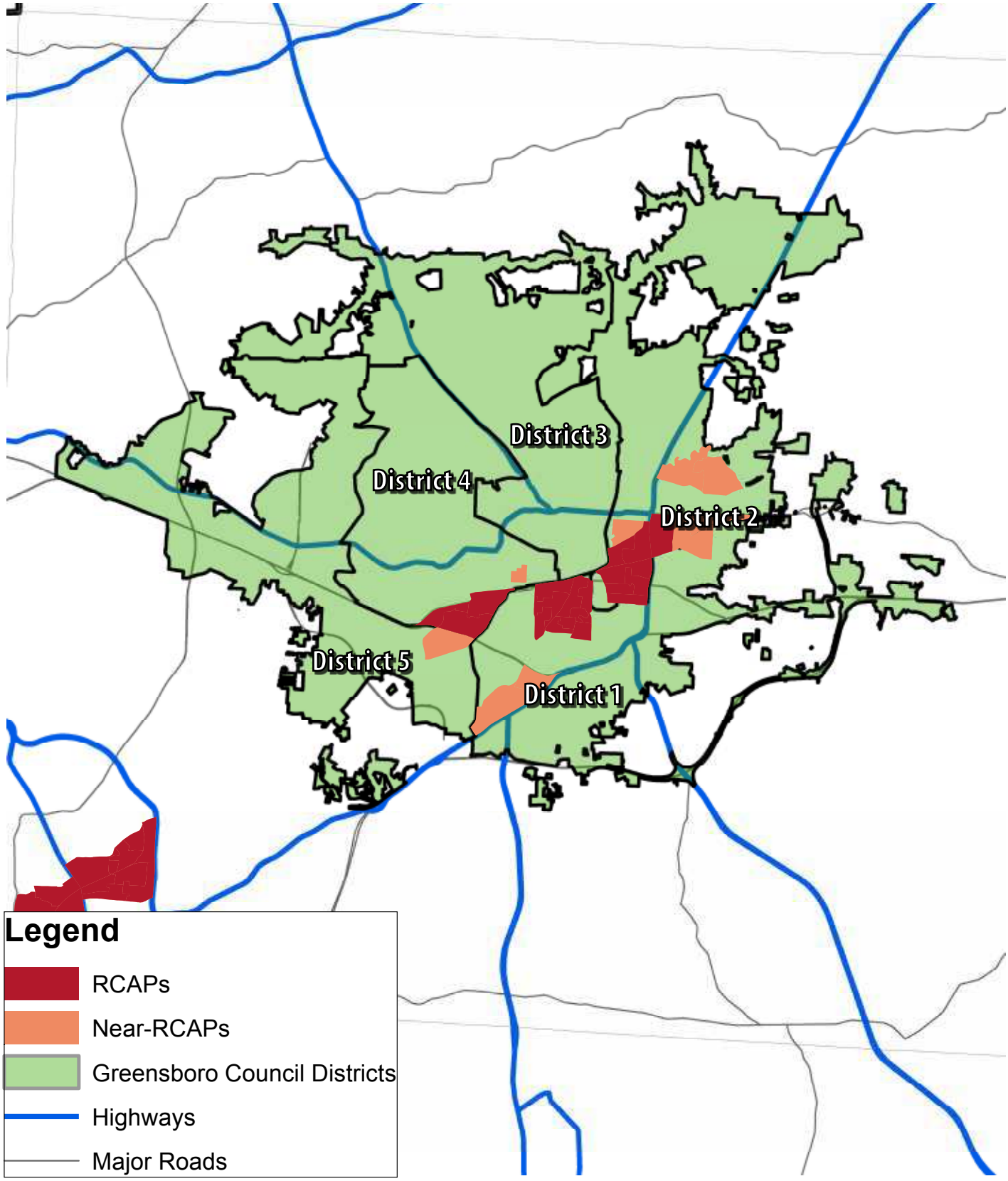
Figure 2 : Local Dissimilarity Indices, 1980-2010

		1980	1990	2000	2010	Trend
Burlington	White and Black	0.59	0.45	0.48	0.42	*Decreasing*
	White and Hispanic*	0.31	0.15	0.41	0.48	*Increasing*
	White and Asian	0.33	0.17	0.26	0.24	*Decreasing*
Greensboro	White and Black	0.71	0.60	0.57	0.57	*Decreasing*
	White and Hispanic*	0.33	0.22	0.46	0.49	*Increasing*
	White and Asian	0.29	0.27	0.35	0.36	*Increasing*
High Point	White and Black	0.64	0.58	0.47	0.46	*Decreasing*
	White and Hispanic*	0.37	0.20	0.47	0.39	*Increasing*
	White and Asian	0.39	0.19	0.35	0.34	*Decreasing*
Surry HOME Consortium	White and Black	0.53	0.33	0.34	0.41	*Decreasing*
	White and Hispanic*	0.52	0.27	0.22	0.25	*Decreasing*
	White and Asian	0.49	0.27	0.32	0.33	*Decreasing*

Source: American Community Survey, 1980-2010

*Hispanic ethnicity is calculated independently of race

MAP 1:
RACIALLY CONCENTRATED AREAS OF POVERTY IN GREENSBORO



Source: 2010 American Community Survey, HUD
Calculations by Mullin & Lonergan Associates

Access to Opportunity

Members of the protected classes often have inferior access to opportunity, and are concentrated in the lowest-opportunity areas of Greensboro

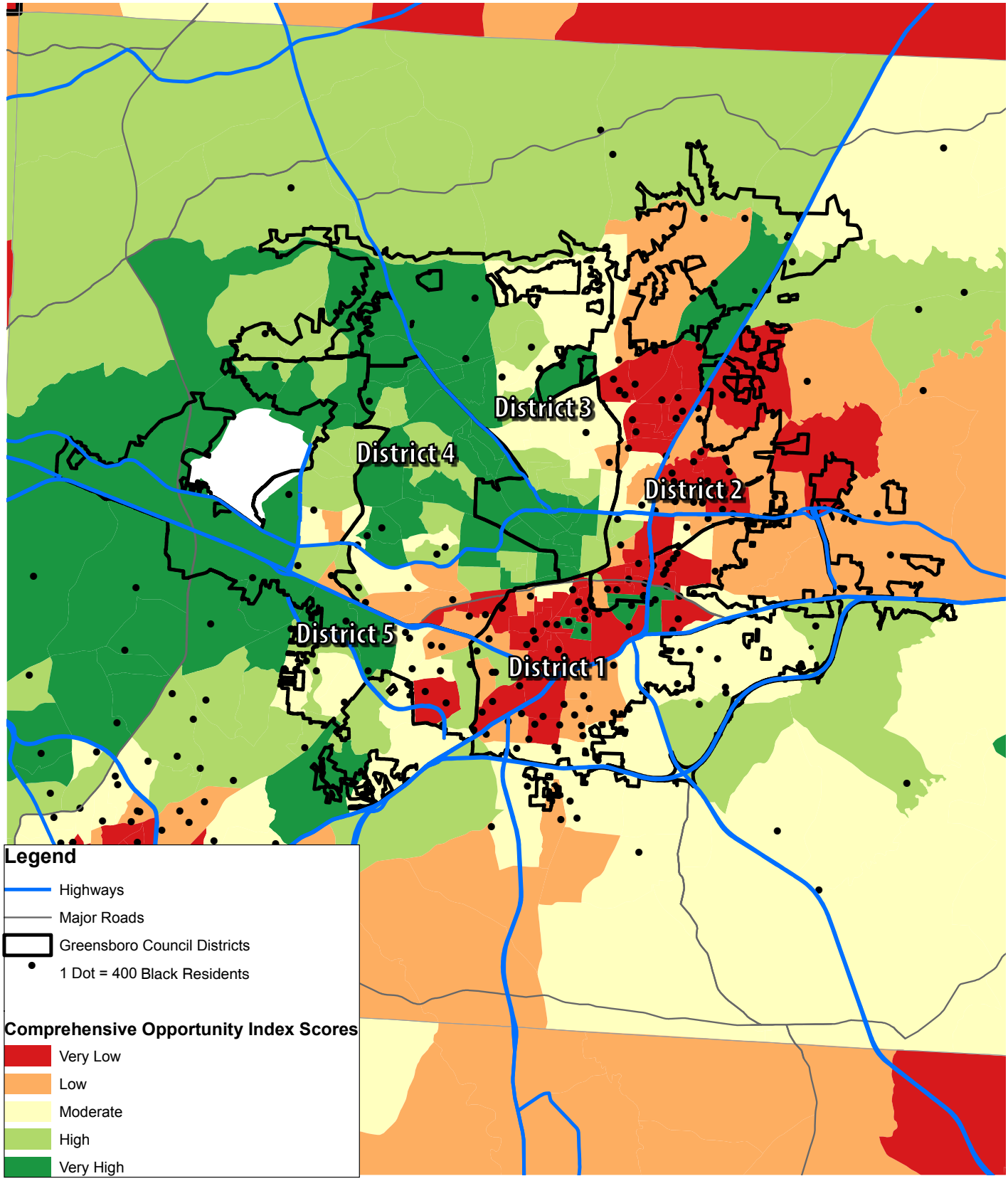
The distribution of opportunity in the region is also uneven, typically in a way that isolates low-income and minority populations from jobs, amenities, and access to good schools and retail services. In Greensboro and the surrounding area in Guilford County, this is the case. Utilizing a technique known as opportunity mapping, the geographic footprint of opportunity and inequality can be quantified and projected onto maps. The resulting maps allow communities such as Greensboro to analyze opportunity at the local level as well as place their situation into a regional context. Key variables were analyzed, and Greensboro's score relative to the region include the following:

- Neighborhood School Proficiency: above average
- Labor Market Engagement: above average
- Prosperity: below average
- Job Access: above average
- Environmental Health Hazard Exposure: below average
- Transit Access: above average

The composite score for Greensboro was 32.4 points, which is higher than the regional average of 29.8 points. It is also higher than the opportunity scores in Burlington, High Point, and the Surry HOME Consortium. Within Greensboro, the highest-scoring areas were concentrated in the western neighborhoods of the city and in the suburbs in western Guilford County between Greensboro and Winston-Salem. The lowest-scoring areas were in southern and eastern Greensboro. These are the same neighborhoods where high levels of poverty and minority concentration exist.

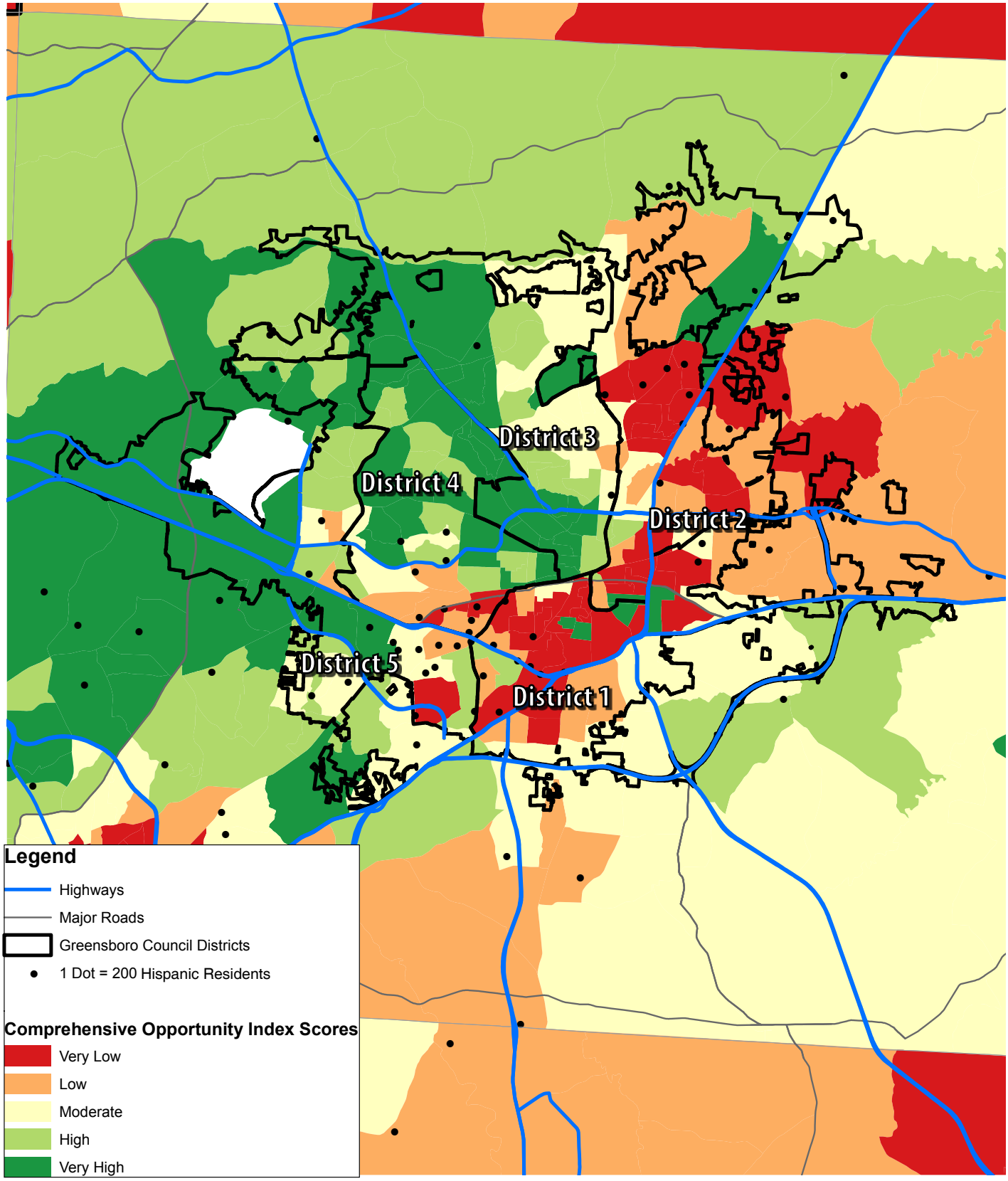
The following maps illustrate the location of Black and Hispanic residents against the backdrop of opportunity areas. Areas with low opportunity scores are shown red, while areas with high opportunity scores are shown in green. Moderate opportunity areas are shown in the intermediate colors. The levels of opportunity in Greensboro very clearly take an east-west polarization. Black and Hispanic residents of Greensboro are clustered in low-opportunity areas, which contain inferior access to basic amenities and resources for upward mobility. However, the presence of some Black residents in the western medium and high scoring opportunity neighborhoods of Greensboro indicates a potential Black middle class not observed in other cities.

MAP 2:
BLACK POPULATION AND AREAS OF OPPORTUNITY IN GREENSBORO



Source: 2010 American Community Survey, HUD
Calculations by Mullin & Lonergan Associates

MAP 3:
HISPANIC POPULATION AND AREAS OF OPPORTUNITY IN GREENSBORO



Source: 2010 American Community Survey, HUD
Calculations by Mullin & Lonergan Associates

Key Housing Trends

Greensboro's supply of housing that is available to lower-income residents is shrinking as demand rises

Housing issues are a major underlying cause of unequal access to opportunity, in both the Piedmont Triad region and in the City of Greensboro. Despite stagnant or declining real incomes in the region, the supply of affordably-priced housing units has shrunk. This has resulted in cost burden (spending over 30% of one's income on housing), overcrowding, and a lack of affordable housing options in high-opportunity areas. These housing issues disproportionately affect members of the protected classes, who also tend to have lower incomes and larger households.

There is a lack of housing that is available to lower-income residents in high-opportunity areas, and members of the protected classes face severe housing challenges

Between 2000 and 2010, real income in Greensboro decreased from $49,180 to $41,530, a loss of 15.6%. While incomes declined across the Piedmont Triad, Greensboro has experienced the sharpest decline in the region. Despite this, the median house value in Greensboro increased 8.8%, from $134,664 to $146,500. Median rent declined from $754 to $717, a decrease of 4.9%, possibly as a reaction to the loss of real income. Households in Greensboro must spend more money on housing, but are making less money overall.

At the same time, market-rate housing is disproportionately filling high-end rental demand rather than addressing the demand for affordable housing. From 2000 to 2010, the number of units in Greensboro renting below $500 decreased 36.7%, and the number of units renting from $500 to $699 decreased 16.1%. Conversely, the number of units renting for $1,000 or more increased 170.7%. Even accounting for inflation, this represents significant shifts in Greensboro's market-rate housing inventory. Given the significant fall in real income, this issue is more severe in Greensboro than in the greater Piedmont Triad region from an affordable housing perspective.

The table below shows the distribution of housing costs for rental units within Greensboro.

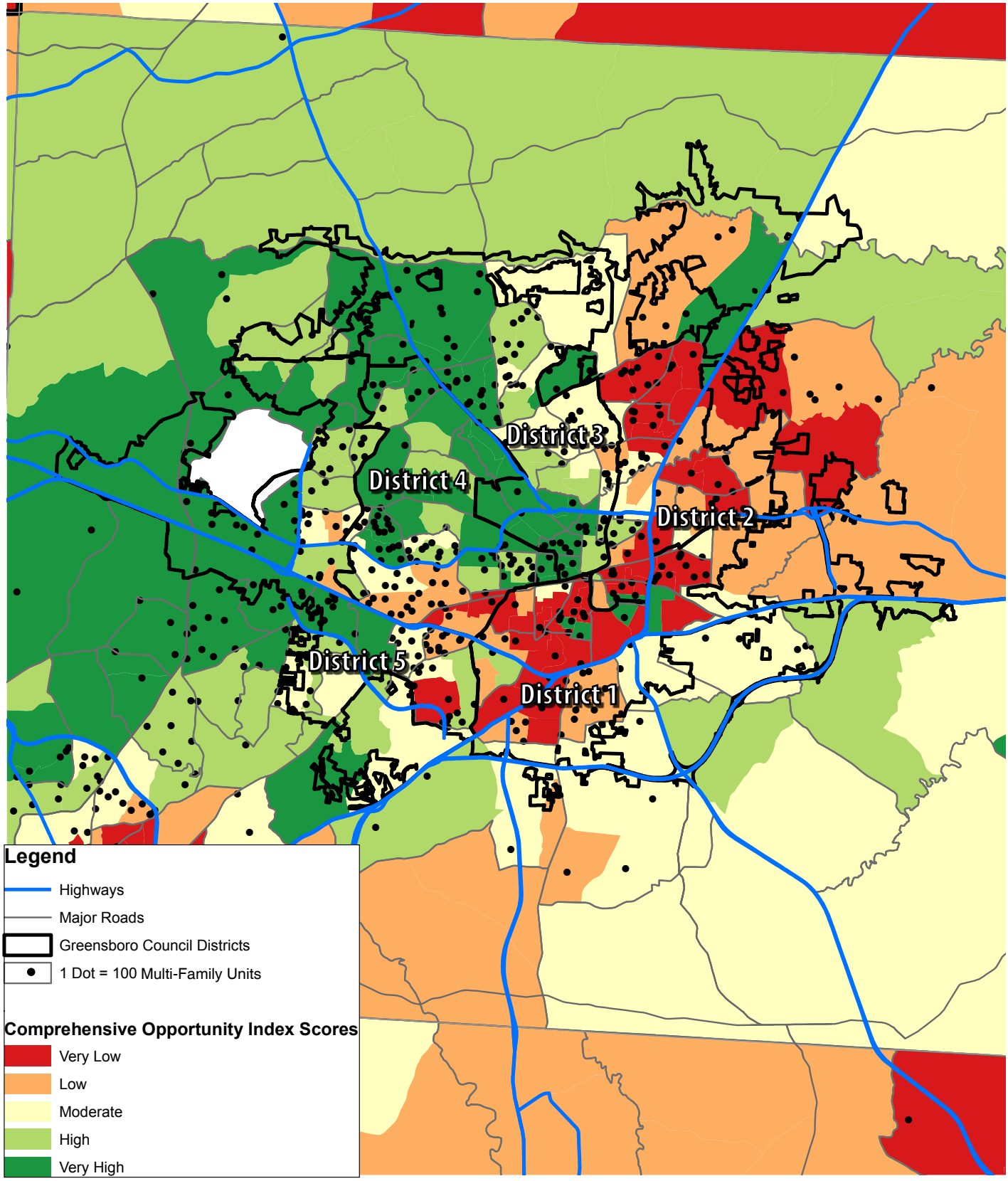
On the following map, each dot represents 100 multi-family housing units, which serves as a rough proxy for affordability. Greensboro has a slightly disproportionate amount of multi-family housing units in low opportunity areas, and very few multi-family units in the high opportunity areas.

Figure 3 : Change in Affordable Rental Housing, 2000-2010

			Change	
Units Renting for:	**2000**	**2010**	**#**	**%**
Region				
Less than $500	72,682	41,995	-30,687	-42.2%
$500 to $699	56,643	64,132	7,489	13.2%
$700 to $999	26,701	57,151	30,450	114.0%
$1000 or More	6,223	22,384	16,161	259.7%
Greensboro				
Less than $500	11,420	7,225	-4,195	-36.7%
$500 to $699	17,605	14,769	-2,836	-16.1%
$700 to $999	10,755	18,034	7,279	67.7%
$1000 or More	2,573	6,964	4,391	170.7%

Source: U.S. Census Bureau, Census 2000 (H062) and 2006-2010 American Community Survey (B25063)

MAP 4:
MULTI-FAMILY UNITS AND AREAS OF OPPORTUNITY IN GREENSBORO



Source: 2010 American Community Survey, HUD
Calculations by Mullin & Lonergan Associates