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# REGIONAL FAIR HOUSING EQUITY ASSESSMENT

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## KEY INFORMANT INTERVIEWS

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# Introduction

This report is designed to provide an understanding of the extent of fair housing activity taking place within the Piedmont Triad Region. Interviews were conducted with a diverse set of people with housing related interests. Included in the survey were county planners, economic development professionals, fair housing advocates, property managers, and advocates for persons who belong to the protected classes. Key Informants were assured that the information they shared would be kept completely confidential, so they could feel free to speak openly and honestly about their observations and concerns. In order to honor this commitment, this report does not list the names of key informants, only a description of their roles in an aggregate format. This stand-alone report will be included later under Section V: Identification and Assessment of the Existing Fair Housing Issues, Services, and Activities in the Regional Fair Housing Equity Assessment (FEAH) for the Piedmont Triad Sustainable Communities Regional Planning Project.

All of the key informants taking part in this survey had specific knowledge about housing conditions and barriers to housing choice within the county or counties they serve. Since this report is focused primarily on impediments to fair housing choice, the key informants were asked to discuss in concrete terms the functional and policy

issues that, in their opinion, pose the greatest impediment to fair housing choice in their service area. At least one key informant was interviewed from each of the twelve counties in the Piedmont Region. To identify the appropriate key informants for interviewing, the research team created a list of professionals who, because of their position, would be knowledgeable about housing and policy issues within the county they serve.

The research team sent letters to each potential key informant requesting his or her cooperation for an interview. A majority of those contacted agreed to be interviewed. The notable exceptions were several economic development professionals who, with just two exceptions, declined to be interviewed because, as a whole, they did not feel that they had any knowledge of housing issues and did not see fair housing choice as having relevance to the work of economic development. Those interviewed included:

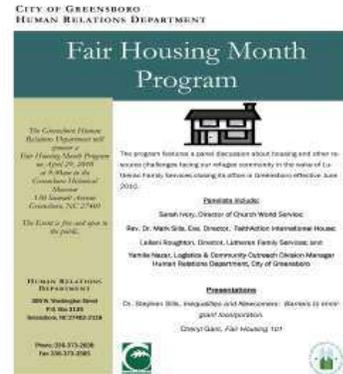
- County planners from two urban and three rural counties
- Two economic development professionals, one from an urban and one from a rural county
- Home builders serving three rural counties
- Property managers from one rural and two urban counties
- Housing rights advocates from two counties, one urban and one rural
- Two public housing directors, one from an urban and one from a rural county

# Positive Activities

The interviews began by asking the informant to discuss positive actions within the area served that promote access to fair housing and housing resources. Outside of the major metropolitan areas, most of the key informants indicated there is no positive activity within the county or counties they serve. As one informant stated, “There are so many problems it is difficult to think of anything that is working well to promote fair housing choice.”

Those informants serving the more urban counties could point to educational outreach services, most often sponsored by private, nonprofit advocacy groups that help community members learn about their fair housing rights as well as what housing resources exist. Some communities have public-private partnerships that work to educate landlords and property managers about fair housing responsibilities. Some also have specialized programs for low-income families to help them save money for rental deposits or down payments for a house purchase. The key informants serving rural counties were in agreement that there are virtually no educational activities taking place within their service area. Even those in the urban counties stated that there is little or no educational work ongoing outside of the larger municipalities.

*There is little or no educational work ongoing outside of the larger municipalities.*



Furthermore, there was a strong consensus among the rural informants that lower-income and minority residents are unlikely to be aware of available housing resources such as the North Carolina First Time Homebuyer Program. Combined with a general shortage of affordable housing and little to no subsidized housing, there was a consensus among informants that many individuals and families are forced by circumstances into concentrated areas of substandard housing. These often are racially concentrated areas of poverty.

Even in the more urban areas in which organized programs of fair housing education are ongoing, there was a general consensus that a large percentage of the population remains unaware of their fair housing rights under the law. Moreover, there was general agreement that most people are not aware of the procedure for initiating an investigation or how to lodge a complaint. As a result, most violations of fair housing law go unreported.

# Problem Areas

The key informants were asked to discuss what currently is not working well in their county with regard to affirmatively furthering access to fair housing and community resources. There was a consensus among the informants that ongoing racial discrimination and very low family incomes are the predominate barriers to equal housing opportunities in all parts of the region. Rental costs and housing prices, along with the relatively low-income levels of many minority families, contribute substantially to the continued existence of residential segregation in the region.

Several of the key informants also mentioned that social and cultural attitudes contribute to a continuing pattern of residential segregation.

*When everyone is squeezed, large families and those with disabilities are squeezed out of the market*

A major factor that exacerbates existing barriers to housing choice is the overall condition of the economy. As one informant put it, “When everyone is squeezed, large families and those with disabilities are squeezed out of the market.” When this happens, some folk feel they must take whatever they can find and they do not complain.

An issue that affects rural areas of the region especially hard is the difficulty of finding affordable financing for the purchase of manufactured housing. For many lower income workers, being able to

purchase a manufactured house would allow them to move from substandard rental housing into housing that meets all local building codes. Unfortunately, according to several of the key informants, many lending institutions are reluctant to provide mortgage loans on manufactured housing. As a result, even those who have the resources to afford a better house are prevented from getting one.

Key informants from several counties pointed out that some members of their county power structure are owners of rental housing which, in some cases, does not meet code. These same informants described an environment in which governmental oversight is often viewed in a

negative light. As a result, organizations that promote fair housing choice, whether public or

private in nature, are seen as a liability rather than an asset for the community. In such places, any affirmative effort to enforce fair housing law is viewed as an anti-business activity and therefore such efforts are directly or indirectly discouraged.

A significant problem area results from the combination of a shortage of available affordable housing units coupled with a predominance of low-pay jobs. Several of the key informants, including economic development and county planning professionals, mentioned that their county has a relatively high percentage of people who work at jobs that pay less than a living

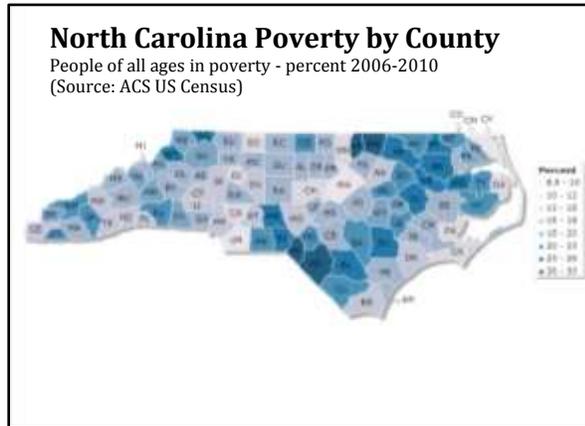


Figure 1 - North Carolina Poverty by County

wage. With more people needing lower-cost housing than there are units available, long waiting lists are generated and families are forced to accept whatever is available, regardless of condition or location. Public housing directors point out that reductions in federal funding for subsidized housing, and especially the Section 8 Voucher Program, have worsened this problem.

Almost all of those interviewed mentioned that most of the current housing construction going on in their county is for higher-end single family units, or, in the case of the largest cities, luxury apartments. There was an almost universal consensus among the informants that this region needs a dramatic increase in the construction of lower-cost housing, both multi-family and single-family. The discussion of this issue raised a number of factors that serve as barriers for the construction of more lower-cost housing. A major factor for rural areas is the lack of adequate water and sewer infrastructure, which in turn, requires that housing be constructed on larger lots in order to

accommodate septic systems. Larger lot requirements add significantly to the cost of any new housing that may be constructed.

A county planner and a fair housing advocate each mentioned a deeply rooted social factor that often blocks the construction of more lower-cost housing. This is the reluctance of some families who own relatively large parcels of land to sell their land. Some of these families are best described as being economically poor but land rich. The land has been in their family for generations, and even while they may live in substandard housing and lack many amenities, they simply will not consider selling even a small portion of their land.

From the property manager's perspective, a major problem is that many tenants often do not know how to care for a property, and sometimes do not have money even to purchase a vacuum cleaner or other maintenance supplies. As a result, such tenants will leave a property in very poor condition when they move out. This, of course, costs the owner a considerable part of any profit that may have been earned. After repeated experiences like this, property owners either give up maintaining their lower-rent properties or they create increasingly complex screening procedures for new tenants. Some of those screening procedures may inadvertently violate fair housing rights of prospective tenants.

# Fair Housing Policy

Key informants were asked to discuss what types of policy changes can, in their opinion, improve the current state of access to fair housing and community resources in their county. Responses were quite wide ranging, but there were several suggestions that were proposed by a high percentage of the key informants.

The most common response, in more than half the interviews, was that an expansion of water and sewer lines throughout the county would open up opportunities for the construction of many more multi-family complexes and this would greatly increase housing choices for many of the protected classes. Water and sewer availability would also allow for house construction on smaller lots, thus decreasing the cost of new single-family housing. County planners, builders, and advocates all mentioned expansion of water and sewer lines as being the single most important policy issue for increasing housing choice in their county.

Another policy that was mentioned many times, especially by county planners in the more urban counties, as well as by housing advocates, was for less restrictive zoning for group homes and other types of housing for the elderly and disabled members of the community.

*When all rental housing in the county meets minimum housing code, the concentration of poverty, especially by race, will simply disappear*

Housing advocates were in agreement that some type of policy that requires regular inspection of rental housing combined with a way to enforce minimum housing codes for all rental property in the county would lead to a dramatic improvement in housing choices for all renters, including especially lower-income households. One housing advocate stated, “When all rental housing in the county meets minimum housing code, the concentration of poverty, especially by race, will simply disappear.”

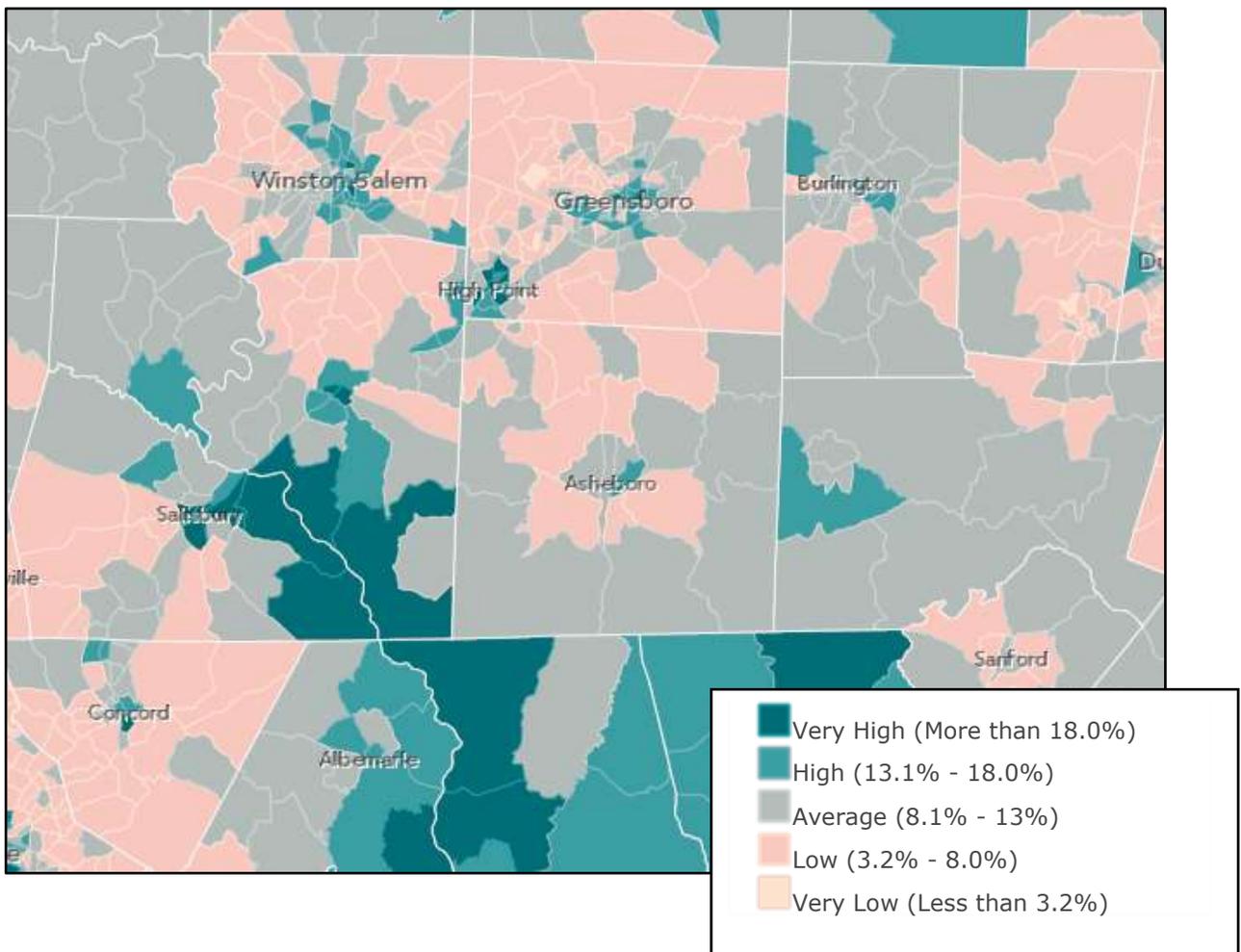
Property managers, on the other hand, suggested a policy that all renters should be required to take classes in home maintenance and family finances so they can be more likely to take care of properties the rent. Property managers also were in agreement that an expansion of the Section 8 Program would benefit low income households as well as owners. One property manager with many years of experience said that a profit can be made when renting under the



Section 8 Program because there are regular inspections of the property and the tenants are afraid of losing their vouchers, so they tend to take very good care of the property they rent. With fewer repair and maintenance costs for the landlord, this system makes good economic sense for everyone. All of the property managers, housing advocates, and public housing managers pointed out that there are long waiting lists for Section 8 vouchers, extending to several thousand households in most counties.

Some of the builders, county planners, and housing advocates shared a policy idea that would require that abandoned structures, and especially abandoned housing, as well as properties on which back taxes have not been paid after a reasonable time be seized and turned over to charitable groups such as Habitat for Humanity for renovation and sale to low-income households. Such a policy would benefit the community in multiple ways.

Figure 2 Percent vacant housing by tract



# Transportation & Housing Choice

The key informants were asked to discuss the role that transportation could play that would expand fair housing choice in their county. There was universal agreement among informants that there is an important role for transportation when addressing fair housing issues. As one county planner said, “the lack of readily available public transit greatly limits housing choice.” Especially in rural counties, but to some degree even in the more urban counties, most of the concentrations of poverty tend to be isolated from those areas in which well-paying jobs are available. They also are isolated from grocery stores, libraries, universities, and other important services.



Figure 3 - North Carolina Average Commute Time by County

Several planning directors pointed out that housing tends to cost less in rural counties, but the best paying jobs are concentrated in urban counties. They suggested that more inter-county transportation options would significantly increase housing choice for protected classes by making it more affordable for people to live in rural counties and work in urban counties. Housing advocates tended to see an expansion of transportation

options as life enhancing for lower-income households by increasing access to educational, employment, and shopping opportunities. However, some county planners do not feel that people in their county would utilize public transit options, even if they were available. One county planner pointed out that the people in that rural county were involved primarily in agriculture and had neither training for nor interest in the types of employment they would find in the urban counties. However, one of the economic development directors pointed out that in their county several larger employers are hiring, but many of those who could qualify for the available jobs do not have access to transportation.

This is not just a limiting factor for the individuals, but also for the employers who need more workers. It also hampers the

recruitment of new business when it becomes known that existing employers are having a hard time filling open positions.

There was strong support for increased transportation options for the elderly and the handicapped throughout the region. Advocates and public housing directors all agreed that funding for transportation for the elderly and handicapped needs to be increased, especially for transportation to medical appointments out-of-county. There was a clear consensus that those who are

unable to drive themselves due to age or to physical or mental limitations would have more housing choices were more transportation services available to them.

## Regional Fair Housing

Key informants were asked to discuss their opinion on how a regional fair housing program could benefit their county. There was near universal agreement that a regional approach to affirmatively further fair housing choice would be a positive thing. There were only two informants who did not see any reason for working regionally on this issue. One was a county planner who did not feel there were any fair housing needs in the county and the other was a county planner who stated that they had never had any reason to learn about fair housing and did not feel qualified to comment on this question. The other planners, advocates, economic development directors, builders, property managers, and public housing directors interviewed were all supportive of having a fair housing program that would work throughout the Central Piedmont Region.

One county planner suggested that the rural counties should all collaborate on fair housing, since they tend to not have anyone responsible for promoting fair housing or available to investigate and resolve fair

housing problems. This planner suggested that rural counties in the region should work in partnership with the community colleges to develop a uniform approach for public education, investigation, and enforcement of fair housing.

One builder pointed out that housing codes are only being enforced on new construction, making it difficult for builders to make a profit when trying to provide affordable housing. This builder said that having an active and locally available fair housing investigator could lead to more equal enforcement of building codes and this would “level the playing field,” for those seeking to provide housing to lower-income tenants and home buyers.

*A regional approach makes good sense from both the programmatic and the economic standpoint*

One of the economic development professionals said “it makes no sense for each rural county to try to deal with fair housing alone. A regional approach makes good sense from both the programmatic and the economic standpoint.” The other economic development professional agreed, suggesting the formation of a regional council of housing professionals who could explore best practices, train local officials in fair housing law, advocate in front of local governing bodies for policies that would further fair housing goals, and when necessary, have the authority to investigate complaints and enforce fair housing laws.

Housing advocates and public housing directors agreed that people in their county

do not file fair housing complaints for two reasons: (1) they do not know how to file a complaint or with whom, and (2) they do not expect anything to come from a complaint even if one is filed. Having an ongoing program of education and investigation will greatly benefit those communities that now rely on a state or federal office for these functions.

Advocates and builders agreed that while Realtors are regularly informed about fair housing laws as part of their continuing education requirements, many non-Realtor landlords receive no training about their fair housing responsibilities. A regional fair housing program could rotate among the counties conducting seminars and workshops to educate not only the consumer public, but more specifically those who rent houses and apartments.

Several of the key informants based in urban counties mentioned that racially/ethnically concentrated areas of

poverty have been either created or made much worse by the exodus of wealthier white families moving from urban neighborhoods into adjacent rural counties. As one economic development professional put it, “this flight is often justified by the lower property tax rate in the rural county,

*...problems created by white flight are multi-county in nature and these problems cannot be solved unless the rural and urban counties are working together.*

but in reality it is primarily to avoid living in a racially integrated neighborhood. When these areas of concentrated poverty

become too large, it harms the image of the entire county and complicates the task of attracting new business.” A public housing director said that any approach that can help counties work regionally to address issues such as fair housing “would be positive in that the problems created by white flight are multi-county in nature and these problems cannot be solved unless the rural and urban counties are working together.”



# Summary & Conclusions

County planners, economic development professionals, fair housing advocates, property managers, and advocates for persons who belong to the protected classes were interviewed for this report. Notably missing were economic development professionals who declined to be interviewed.

We have found that, based on information from the interviewees, fair housing policies, activities and enforcement differ significantly between urban and rural areas. Outside of the cities, there is little or no Fair Housing activity. While urban areas have educational outreach services and some level of investigation or enforcement, some rural areas reported that enforcement of fair housing law is viewed as an anti-business activity and therefore such efforts are directly or indirectly discouraged.

Housing market conditions were also a significant factors in influencing housing choice both urban and rural areas. The overall condition of the economy is a driving factor in all areas, but financing for the purchase of manufactured housing is especially difficult in rural areas. Infrastructure issues (principally water and sewer) were also seen as limiting for the development of affordable or multi-family housing in rural areas.

Housing code enforcement was seen a potential way to overcome disparities in areas with Racial or Ethnic Concentrations

of Poverty (R/ECAPS). Seizing abandoned housing, as well as properties on which back taxes, and turning them over to charitable groups was suggested as a way to reclaim housing stock in blighted neighborhoods and provide affordable choices.

Transportation throughout the region is a constant issue, especially for low-income, disabled, and elderly. Inter-county transportation options would significantly increase housing choice for protected classes increased transportation options for the elderly and the handicapped were also seen as benefiting.

Regionalization in fair housing and planning were received positively by most. A regional approach to fair housing enforcement and planning “makes good sense from both the programmatic and the economic standpoint.”