



An Analysis of Impediments to Fair Housing Choice

for Richland County South Carolina

2011

Richland County Office of
Community Development

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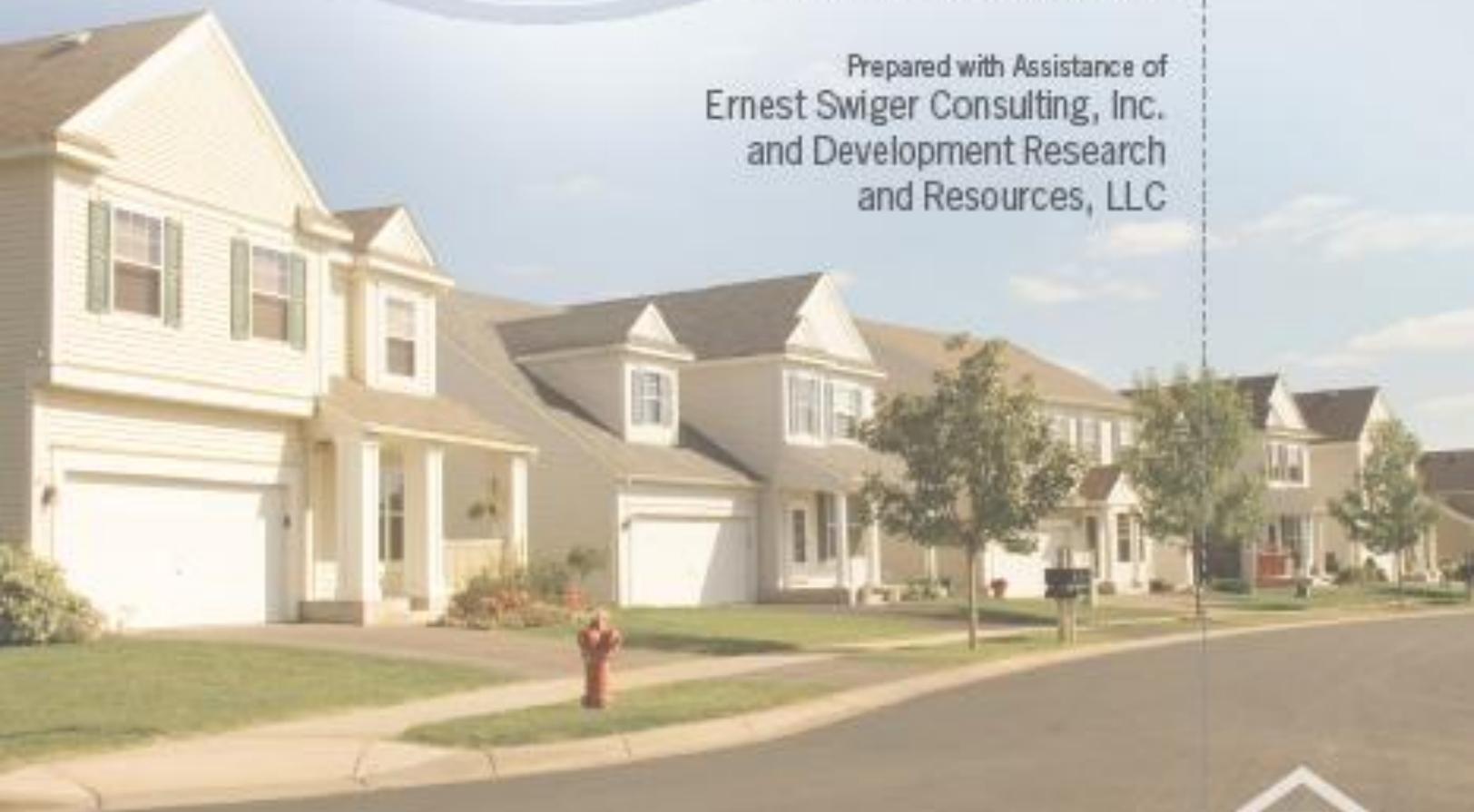


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EXECUTIVE SUMMARY

Background

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

Nationally, fair housing and impediments to fair housing are monitored by the United States Department of Housing and Urban Development (HUD) through the use of Community Block Development Grant (CDBG) funding for fair housing advocacy groups. This role of HUD to act as an administrator of fair housing programs originated in 1968 with the passage of the Civil Rights Act, described below. As a qualified county, Richland County also receives HOME Investment Partnership Program (HOME) funds from HUD.

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

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

This report represents Richland County's efforts in making an objective assessment of the nature and extent of fair housing concerns in the County, and the potential impediments to making fair housing choice available to its residents.

Key Statutes

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

The State of South Carolina, through the South Carolina Fair Housing Law, echoes this goal of achieving fair housing for all citizens. This law is included in full in Appendix A. The Law describes unlawful activities, assigns administration of the law to the Human Affairs Commission, and defines the protected classes to include race, color, national origin; sex; religion; disability; and familial status (families with children). In addition, the South Carolina Residential Landlord and Tenant Act of 1986 and the housing protections of the Violence Against Women Act further define the ability of individuals and families to obtain and maintain stable, decent, and safe housing.

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

Fair housing is a condition in which individuals of similar income levels in the same housing market having a like range of housing

choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor.

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

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

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

Public Participation

This Analysis of Impediments to Fair Housing Choice (AI) results from a process of consultation and citizen participation, building upon existing participation mechanisms and venues. This process included focus group meetings with lenders, housing practitioners, and housing advocacy groups, participation in a County Planning Board meeting, and Web-based surveys for housing practitioners and government officials and one for the public. The draft document was reviewed and discussed in an open meeting by the County Council's Planning Commission and approved at a County Council meeting held On September 6, 2011.

Community Profile

Fair housing is concerned with ensuring that: 1) a range in types and prices of housing is available; and 2) all people are treated equally in the rental, sale, or occupancy of housing. The third chapter of the AI examines the population,

housing, and special needs characteristics and trends in Richland County that may affect equal housing opportunity.

This Community Profile provides insights for identifying potential impediments to fair housing choice. While not definitive indicators of impediments to fair housing choice in and of themselves, these data point to conditions or situations that **could** be indicators of impediments to fair housing choice. The issues that **could** be a source of housing discrimination are summarized at the end of each section.

The most noticeable issues that emerged from this analysis were:

- 1) The County has a high percentage of non-family households, as well as small households (persons living alone).
- 2) The percentage of female head households with children is above the national average.
- 3) The number of persons with disabilities is significant and increasing.
- 4) The County population includes significant percentages of Whites and African Americans, though there are relatively few persons in other ethnic or racial groups.
- 5) The County's Median Household Income is below the national figure, the percentage of persons and families in poverty is above the national average, and 52.0 percent of households are in HUD's lowest income levels.
- 6) Despite the recent decline in housing prices and the volume of new construction in recent years, the cost of housing, both purchase and rental, remains high, and large numbers of both owners and renters are severely cost burdened.
- 7) Though there has been significant housing construction in the last decade, a great portion of that has been high-end units; much of the more affordable housing stock is older.
- 8) The housing authority in Columbia has long waiting list for units and the list for Section 8 vouchers is closed.
- 9) Housing growth has tended to move further from employment and shopping centers, increasing housing costs when transportation costs are factored in.
- 10) The County has lost significant numbers of jobs paying living wages in the durable goods manufacturing, finance and real estate, and government sectors over the last decade.

- 11) Cuts in federal funding for new construction of low- and moderate-income housing has limited access to both rental and owner housing for households in these income ranges.

Complaint Mechanisms

Persons who feel that their right to fair housing has been violated have a number of avenues, which they can pursue to achieve remedy. These range from complaints through Federal or State agencies to personal legal actions. The primary means for filing a complaint are:

- 1) The Office of Fair Housing and Equal Opportunity (FHEO), within HUD's Atlanta office, and
- 2) The South Carolina Human Affairs Commission (SCHAC)

Other State agencies have some role in fair housing issues, and there are a number of not-for-profit organizations that can assist with fair housing issues and concerns. These include:

- Appleseed Legal Justice Center
- The South Carolina Bar Association
- The Richland County Community Relations Council
- SC Centers For Equal Justice

Complaint and Lending Data Analysis

An analysis of complaint data indicates that discriminatory behavior exists even though specific forms of discrimination are sometimes difficult to fully document. An examination of the complaints filed with HUD through its Office of Fair Housing and Equal Opportunity shows that between 2006 and November of 2010, ninety-four complaints were filed in Richland County. The number of complaints mirrored the trend across the State with an increasing number of complaints through 2008, followed by a sharp decline as the housing market declined. There are no clear trends in this data other than the decline after 2008. Of the 94 cases reported in this period, 43 were based upon Race and 36 were

based upon Disability. The third most prevalent reason was familial status (16) and the fourth most common basis for complaint was sexual discrimination (14).

A review of the Department of Justice, Office of Civil Rights, Website did not reveal any fair housing cases filed in South Carolina.

A key aspect of fair housing choice is equal access to financing for the purchase or improvement of a home. In 1977, the Community Reinvestment Act (CRA) was enacted to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate-income persons and neighborhoods. The Home Mortgage Disclosure Act (HMDA) requires financial institutions with assets exceeding ten (10) million dollars to submit detailed information on the disposition of home loans. The Federal Financial Institutions Examination Council (FFIEC) is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of these financial institutions and to make recommendations to promote uniformity in the supervision of financial institutions. The FFIEC provides data on loan originations, loan denials, and other aspects of the home loan process, as well as preparing Community Reinvestment Act rating reports on financial institutions.

The HMDA data were carefully reviewed for denial rate by race, ethnicity, income level, loan type and to the extent possible, census tract. The key findings were:

- 1) The number of complaints filed with the Human Affairs Commission has declined since 2008. Race is the basis for the greatest number of complaints, followed by Disability.
- 2) Government-backed loans had the highest rate of origination because of their guarantees. The high percentage of loan denials among refinance and home improvement loans reflects increasingly stringent loan standards and the difficult financial circumstances of many loan applicants.
- 3) African American, Hispanic, and Asian loan applicants had higher rates of loan denial than White applicants overall.

- 4) In general, White loan applicants had the same percentage of loan withdrawals as African Americans, but Hispanics and Asians had higher percentages. This may indicate unfamiliarity with the loan application and approval process.
- 5) Poor Credit History, Lack of Collateral and Poor Debt-to-Income Ratio were the leading reasons for loan denial. The percentage of African American loan denials generally was larger than that of White applicants for each of the four types of loans.
- 6) The higher percentages of loan denials among Hispanics, Asians, and other groups must be viewed in terms of the small pool of applicants in the MSA.
- 7) Changes in the structure of the financial services industry, as well as changes in lending regulations and credit requirements have increased the difficulty for households and developers to obtain loans.
- 8) The HMDA data are inconclusive in identifying or defining any specific impediments to fair housing, and more detailed research in the HMDA data is needed to identify possible trends or patterns of discrimination.

Public Policies

A wide range of government policies affects affordable housing and fair housing choice. The most important impediment revolves around the lack of Federal and State resources for affordable housing initiatives.

The lack of programs and resources to reduce excessive rent or mortgage burdens to qualified persons is a key factor in limiting housing choice.

Other key public policy impediments include:

1. Market Conditions and Lending Standards
2. Lack of A Fair Housing Policy
3. Need for Housing Accessible to Disabled Persons
4. Need for More Extensive Outreach and Education on Fair Housing Rights and Policies
5. Need for Better Public Transportation
6. Need for Better Land Use Planning
7. Monitoring of Lending Practices
8. Low Income Levels
9. Property Tax Policy

The key findings relative to Public Policy Issues are:

1. The discussion of public policy issues needs to be explored in detail, especially through the use of panels or focus groups to determine more specifically what types of zoning and land use decisions have the greatest impact upon fair housing.
2. The need for education and outreach on fair housing issues needs to continue.
3. The education and outreach programs should be expanded to include financial literacy and life skills in addition to home purchase education and credit improvement.
4. The County should adopt a formal Fair Housing Policy.
5. Building codes and requirements should be strengthened to include visitability and universal design standards to create more accessible housing for the disabled.

Fair Housing Actions

Richland County is committed to affirmatively furthering fair housing. As noted, the County identified twelve impediments to fair housing in its 2004 Analysis of Impediments to Fair housing Choice, and has consistently addressed these impediments through a range of activities, programs, and policies. These actions have been reported each year in the Consolidated Annual Performance and Evaluation Report (CAPER) and range from specific community outreach and publicity events to support for ordinances and regulations to further fair housing.

The following synopsis of actions is from the 2010 CAPER:

- ✓ Partnered with lenders and bankers to host five workshops on predatory lending, fair housing, and foreclosure prevention
- ✓ Recognized Fair Housing Month with a County Council resolution, a Fair Housing Art Exhibit at the County Administration Building, two workshops in targeted neighborhoods, and two CHDO workshops highlighting fair housing
- ✓ Emphasized fair housing during the Ridgewood Alive program during CD Week
- ✓ Participated in the Greater Columbia Community Relations Council Poster Context Program
- ✓ CD staff served on housing related committees of organizations such as the Community Relations Council, the Midlands Homeless Consortium, and the Affordable Housing Task Force
- ✓ Contracted with Clear Channel Radio to run housing anti-discrimination public service announcements

- ✓ Distributed fair housing literature year-round at public events and included Homeownership packets to attendees at the Richland County Homeownership Assist Program orientation and Post Homeownership Workshop
- ✓ Partnered with CHDO and sub-recipients to leverage funding for in-fill housing development and rehabilitation projects to provide housing for the underserved
- ✓ Provided funding to support the Ridgewood Summer Beautification Program
- ✓ Updated the Fair Housing information on the County Website
- ✓ Supported the Penny Sales Tax to provide funding for public transportation.

Identified Impediments and Recommendations

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

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

After a review of the key findings from the earlier chapters, the following impediments were identified and actions to eliminate or mitigate them are as follow:

IMPEDIMENT ONE – DISCRIMINATION IN THE HOUSING MARKET

The review of demographic information, discrimination complaint data, and lending data are not clear in indicating the extent of housing discrimination among persons in the protected classes. Statistical data can assist in identifying

problems and topics of concern, however, reporting requirements vary, as does the quality of data provided. Further, much of the available data is at least a year old by the time it is available. More focused, accurate and current data is necessary to understand the needs, and more sources of first-hand information from focus groups and housing advocacy groups are needed to obtain a better understanding of the situation in the marketplace.

In the current economy and given the structure of the Richland County housing stock, the incidences of discrimination likely focus on rental housing, and the focus of efforts in the immediate future should be upon aspects of discrimination in the rental market.

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

- Female-Headed Households – There are no statistics specific to this issue, but female-headed households often face discrimination in the housing market often due to low income and the need to care for children.
- Non-family households and small households are numerous in the County and may also face discrimination, especially in light of a relatively small supply of small rental units.
- Disabled persons may face discrimination or difficulties in finding appropriate units because of the small number of small units and the costs of building or adapting units because of the higher taxes upon rental units.
- Racial/Ethnic Groups – The County has seen a significant increase in the number of foreign-born people over the last decade, many of these persons coming from Latin America. Many of these immigrants do not speak English as their first language, and may be intimidated at contacting governmental entities.

Recommendations

- 1) Continue and, if possible, expand existing to educate households and housing related organizations by disseminating Fair Housing law literature, conducting Fair Housing law seminars and training, and focusing public awareness campaigns about Fair Housing law in ethnic and minority neighborhoods, and among civic, social, religious, and special interest groups.
- 2) Provide Fair Housing materials and educational programs in Spanish, especially in neighborhoods and communities with high percentages of Spanish-speaking persons.

- 3) Conduct training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 4) Increase housing choice alternatives for the disabled and families with children by encouraging the construction of affordable, and especially rental, housing (See affordability and government policies below).
- 5) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them (See advocacy and outreach below).
- 6) The County should create a Fair Housing testing and auditing program, focusing upon rental properties at this time.
- 7) Work with housing advocacy and not-for-profit organizations to develop homeownership and home maintenance educational programs for first-time homebuyers to better prepare them for the responsibilities of ownership and home maintenance.

IMPEDIMENT TWO – FAIR HOUSING ADVOCACY AND OUTREACH

Richland County has a strong, visible fair housing program and a coordinated means to address fair housing complaints and queries. However, focus group discussions and survey results in particular note a lack of knowledge about fair housing policies and practice. The need for on-going education, awareness and outreach remains, especially among lower income households and minorities.

Recommendations:

- 1) Continue and expand efforts by County agencies, housing advocacy groups, and service organizations to inform renters and homebuyers of their rights and recourse, if they feel they have been discriminated against.
- 2) Conduct County-led training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 3) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.

- 4) Update Fair Housing information regularly and adjust strategies and actions accordingly. In particular, the groups mentioned above should continue to meet yearly (or perhaps twice yearly) at the Fair Housing Summit.
- 5) Evaluate language proficiency needs in light of the 2010 Census data, including determining the degree to which services in other languages are needed, and the number and types of documents and materials needed in languages other than English.

IMPEDIMENT THREE – BIAS IN LENDING

This Analysis did not find conclusive evidence of discrimination in lending practices, and the issue does not appear to have generated specific complaints. Additional detailed research is necessary to make any definitive conclusion. However, the County should, to the extent possible, ensure that persons seeking loans for home purchase or improvement are aware of lending practices and procedures.

Recommendations

- 1) Work with lending institutions to develop programs to foster conventional lending and banking services in underserved neighborhoods and to specific groups of persons.
- 2) Use neighborhood organizations, churches, and service providers to expand financial literacy and credit counseling programs, especially in minority and lower-income neighborhoods.
- 3) Work with lending institutions to develop programs to provide financial literacy and a better understanding of the home purchase/mortgage acquisition process.
- 4) The County may wish to prepare an index of segregation study, comparing 2000 and 2010 Census data (when available at the appropriate level) to identify any changes in the racial composition of Census Tracts or neighborhoods over the decade.

IMPEDIMENT FOUR– LIMITED SUPPLY OF AFFORDABLE HOUSING

As discussed earlier, affordability is one aspect of housing discrimination and it is difficult to talk about addressing impediments to fair housing, and actions to eliminate discrimination in housing, without simultaneously talking about

development of policies, plans, programs, and projects to increase the supply of affordable housing.

Earlier sections of this Analysis, the Housing Market Analysis in the Consolidated Plan, and the housing Element of the County's Master Plan have addressed the issue of affordability, and the arguments and statistics will not be repeated here. Suffice to say that even moderate-income households face challenges in purchasing a home in Richland County, and low-income families face a significant cost burden for rental housing.

Recommendations

- 1) Continue to use all available federal and state funding resources and programs to address high priority housing needs for rehabilitation, preservation, and development of affordable units.
- 2) The Community Development Department should conduct an annual survey of housing needs in conjunction with the preparation of its Annual Action Plan or CAPER in order to both measure progress in meeting housing needs and to identify areas of continuing need and priority projects.
- 3) Continue to work with community based organizations, affordable housing developers, and housing advocacy groups to increase the supply of larger and disability accessible housing units, leveraging resources to the extent possible.
- 4) The County should meet on a regular basis with representatives from the lending and housing development community to identify difficulties experienced in the development of affordable housing.
- 5) Continue and, if possible, expand housing rehabilitation programs to maintain the County's base of affordable units, both owner-occupied and rental.
- 6) Research other affordable housing programs for additional ideas and practices.
- 7) Work with municipalities to create incentives for developers to build a wide range of housing types at a number of price points, considering transportation, employment centers and the availability of services and shopping in their planning (See government policies below).

IMPEDIMENT FIVE – GOVERNMENT POLICIES

This impediment deals with issues relating to the development of land including housing that is available to a wide range of persons and income levels in disparate locations. This goal is affected by a wide range of factors, some of which, as noted earlier, are beyond the ability of the County to change. However, as noted some changes in the Land Development Code may be warranted, and a more positive approach to developing affordable housing undertaken by the County.

Recommendations

- 1) Ensure that reasonable accommodation and disabled access issues are properly addressed in land use and construction codes. Create a task force, including housing developers, housing advocates and architects to examine this issue and make recommendations to the County.
- 2) Related to the above, the County should adopt guidelines to encourage the use of universal design principles in new housing developments.
- 3) Do as much as possible to reduce review and approval process times for both new construction and home modification applications.
- 4) Provide technical assistance and an ADA checklist to developers and builders on accessibility requirements.
- 5) Emphasize higher density, mixed use development of a range of housing types to offer more housing choices to more people.
- 6) Support the expansion of public transportation to better link low-income neighborhoods to employment centers by studying needs and areas for emphasis and supporting funding for these routes and services.
- 7) Support infill and redevelopment of residential neighborhoods and the use of incentives for the creation of affordable housing close to employment centers and shopping areas.
- 8) Work with municipalities to create incentives for developers to build a wide range of housing types at a number of price points, considering transportation, employment centers and the availability of services and shopping in their planning.

IMPEDIMENT SIX – LOCAL OPPOSITION (NIMBY)

The proposed development or location of affordable housing, group homes, public housing, or Section 8 housing often draws storms of criticism and opposition from neighborhood residents. This “not-in-my-backyard” (NIMBY)

attitude affects the availability of housing for people in the protected classes and is a significant challenge to achieving fair housing objectives.

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

Recommendations

- 1) Ensure that land use and building codes properly address issues of concern with respect to higher density housing, persons with disabilities, and group homes/congregate living/community care.
- 2) Encourage developers, housing advocacy groups, and other interested parties to conduct neighborhood outreach and information campaigns before submitting projects for review and approval.
- 3) Undertake a public outreach/education program about fair housing and affordable housing on a regular basis. While such efforts will not lay all misconceptions to rest, a broader understanding of the nature of fair housing and the types of persons and families involved will mitigate at least some opposition.

This Executive Summary captures the key points of the Analysis. The following sections present research, observations, a description of the impediments, and a review of the actions the County has taken to eliminate impediments since the 2004 Analysis.

1) INTRODUCTION

PURPOSE OF REPORT

Each grantee that receives CDBG funding under Title I of the Housing and Community Development Act is required to further fair housing and fair housing planning by conducting an analysis to identify impediments to fair housing choice within those cities/communities within its jurisdiction. The grantee will also take

appropriate actions to overcome the effects of any impediments identified and will maintain records, which reflect the analysis and actions taken in this regard.

This report represents Richland County's efforts in making an objective assessment of the nature and extent of fair housing concerns in the County, and the potential impediments to making fair housing choice available to its residents.

The County's first AI was completed in 2004. This AI considered the significant changes that occurred in the County including the effects of population growth, an increasingly diverse population, economic change with regard to jobs and the housing market, and the continued need for awareness, education and outreach about fair housing.

Key terms and the pertinent statutes were described earlier. One other concept does need to be clarified.

Fair Housing and Affordable Housing

When talking about "fair housing" and "affordable housing" the two phrases are often used interchangeably. The concepts are distinct, but intertwined. However, it is important to distinguish between the two in order to clearly identify issues and reduce fair housing discrimination. The phrase "fair housing," in the context of preparation of an Analysis of Impediments to Fair Housing Choice (AI), refers to persons (families, seniors, individuals, and special needs populations) who are members of protected classes, as specified by federal statutes. It is illegal to discriminate against person on the basis of their membership in a protected class in the sale, rental, financing, and insuring of housing. On the other hand, "affordable housing" generally refers to the ability of households to afford, based on income, to buy or rent housing. Specifically, most federal, state, and local funding programs to support the increase in the supply of affordable ownership and rental housing are targeted to low- and moderate-income households. Low-income households are defined by most of those publicly

funded programs as earning less than 50 percent of the HUD determined area median income (AMI), with moderate-income households earning 50 to 80 percent of the AMI. In certain instances, affordable housing programs address households with greater incomes. The recently adopted Neighborhood Stabilization Program, for example, which focuses on foreclosed housing, has an income limit set at 120% AMI.

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

Clearly, there are many actions that can and should be taken that are directly aimed at elimination of discrimination against federally and locally protected groups in the selling, renting, financing, and insuring of housing, as recommended in this AI report. Those actions include: education of prospective homebuyers and tenants as to their rights to access to housing; and, enhancement of the system to study, receive complaints, investigate complaints, resolve complaints, and/or bring charges and prosecute violations of federal and local fair housing laws. While robust implementation of these actions will decrease discrimination in housing, it is not likely that such actions taken alone will eliminate housing discrimination.

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

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

SCOPE OF ANALYSIS

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

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

Geographic Area Covered

This report constitutes the AI for Richland County, which comprises the unincorporated areas of the County.

DATA AND METHODOLOGY

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

- 2000 U.S. Census
- 2005-2009 American Community Survey
- 2010 Census Data, Table DP-1
- The Richland County Consolidated Plan, 2007-2011
- The Richland County 2004 Analysis of Impediments to Fair Housing Choice
- Comprehensive Housing Affordability Strategy (CHAS) Data from HUD
- Housing Authority Agency Plans
- U.S. Department of Housing and Urban Development (HUD), Fair Housing and Equal Opportunity Complaint Data
- Home Mortgage Disclosure Act (HMDA) Data
- The Richland County Comprehensive Plan Housing Element
- Effects of Road Impact Fees on The Price of Affordable Housing, Tischler Bise, January 21, 2011
- RealtyTrac and Trulia Housing Sales and Foreclosure Data
- Chapter 26, the Land Development Code of Richland County, South Carolina.
- A Snapshot of Homelessness, prepared by the Midlands Area Consortium for the Homeless, 2011.

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

In addition, the recently completed Lexington County Analysis of Impediments to Fair Housing Choice and the Columbia, South Carolina Five-Year Consolidated Plan were reviewed as part of preparing this study.

ORGANIZATION OF THE REPORT

The AI is divided into eight (8) chapters:

1. Introduction: Defines “fair housing” and explains the purpose of the report.
2. Community Outreach: Describes the community outreach program.
3. Community Profile: Presents the demographic, housing, and income characteristics in the Richland County.
4. Fair Housing Practices: Identifies and explains the oversight of fair housing by both government and industry organizations
5. Lending Data and Public Policies: Assesses the nature and extent of fair housing complaints and violations, examining loan data, complaints, and lending practices

6. Public Policies: Analyze various public policies and actions that may impede fair housing within the County
7. Fair Housing Actions: Describes the County's actions to affirmatively further fair housing
8. Conclusions and Recommendations: Summarizes AI findings regarding fair housing issues, and provides recommendations for furthering fair housing choice.

2) COMMUNITY PARTICIPATION

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

- contribute during meetings, hearings and planning sessions, and through Web-based surveys, one for residents and one for real estate practitioners,
- review and comment upon the participation plan, the Analysis of Impediments, and comments made about the Analysis,
- participate in a public hearing,
- comment upon the plan and its amendments, and
- register complaints about the Analysis and its amendments.

The County complied with the citizen participation requirements of the regulations by doing the following:

- Preparing, adopting, and following a Citizen Participation Plan;
- Preparing, disseminating and assessing the results of Web-based surveys of real estate practitioners and of residents;
- Publishing informational notices about the analysis prior to public hearings on it;
- Holding a public hearing in an accessible place at a convenient time after providing reasonable notice;
- Publishing a summary of the Analysis, describing its contents and purpose and a listing of locations where the entire plan could be examined;
- Making the Analysis available for public examination and comment for a period of thirty (30) days before submission to HUD;
- Providing citizens, public agencies, and other interested parties reasonable access to records regarding any uses of any assistance for affordable and supportive housing that the County may have received during the preceding five years; and

- Considering the views and comments of citizens.

Community Development staff conducted a publicized public hearing to obtain public input and reaction. A copy of the public notice and a copy of the sign-in sheet from that hearing are attached as Appendix B.

The Community Development staff posted two surveys, one for residents and one for real estate practitioners and one for government employees and officials, on the County Website. This survey was publicized in the press, at the Fair Housing month program, and on the County Website. In the period April 1, 2011 to May 30, 2011, the County received 46 responses from the practitioners and 54 responses from residents. The survey results are noted in the sections below and copies of the surveys and a summary of the results for each are found in Appendix C.

In addition, the Community Development staff conducted three focus group meetings and arranged one teleconference call to obtain input. The group sessions were held on April 4 and 5 in the County Administration Building. The first session occurred as part of the County Planning Commission meeting on April 4 and was attended by 26 persons, including the Commission members. The second focus group meeting, which included members of the lending community, was held on the morning of April 5; the third session was held that afternoon and included representatives of County housing organizations. The teleconference call focused on transportation issues, and involved the Chairman of the Central Midlands Regional Transit Authority, a consultant from the Central Midlands Council of Government, and representatives from Ernest Swiger Consulting, Inc. and Development Research and Resources LLC. Summaries of these meetings are also found in Appendix D.

A public hearing to review and discuss the Analysis of Impediments to Fair Housing Choice, was held on September 8, 2011. This meeting was publicized and held at Council Chambers.

The County did not receive any citizen comments during the public review period.

The Development and Services Committee of County Council reviewed the AI during their July 26, 2011 meeting and forwarded the document to the full Council for review and approval at the September 26, 2011 County Council meeting.

3) COMMUNITY PROFILE

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

This Community Profile provides insights for identifying potential impediments to fair housing choice. While not definitive indicators of impediments to fair housing choice in and of themselves, these data point to conditions or situations that **could** be indicators of impediments to fair housing choice. The issues that **could** be a source of housing discrimination are summarized at the end of each section.

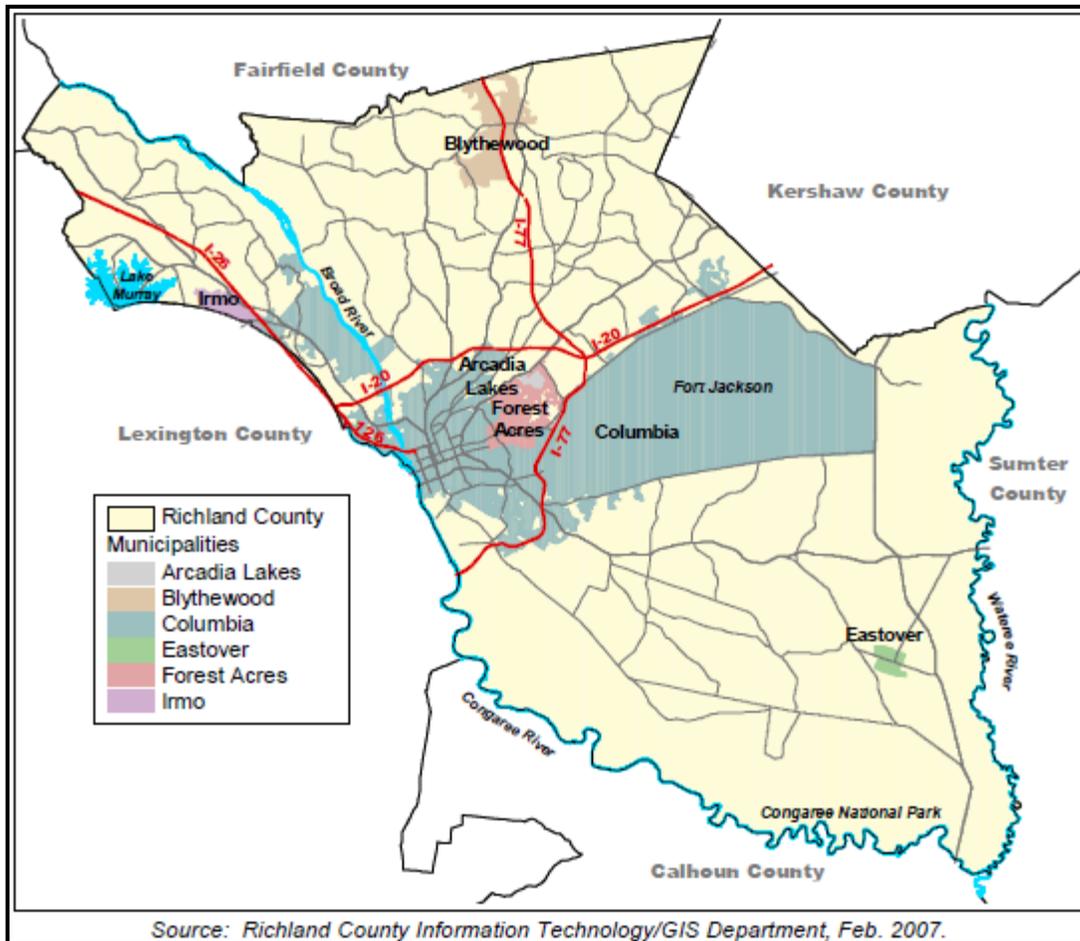
Background on Richland County

Richland County is located at the center of South Carolina and has a total area of 771 square miles, of which 15.2 square miles are water. The County surrounds Columbia, which is the State Capital and the County Seat. The County also includes Fort Jackson, the 52,000-acre military installation that serves as a basic training facility for over 45,000 soldiers each year. The Congaree National Park is a 15,000-acre tract of bottomland forest in the southern part of the County, which is administered by the National Park Service, while Lake Murray, a 50,000-acre reservoir, created in the 1920s, is located within the County. Almost two-

thirds of the County is categorized as forest, approximately 20 percent as agriculture or rangeland, and 15 percent as urban. In 2009, approximately 29.6% of land was used for agricultural purposes. Most prime farmlands are located in the Atlantic Coastal Plain portion (South of Columbia and Fort Jackson). Despite the presence of highly urbanized Columbia and five other incorporated municipalities, the percentage of persons living in the unincorporated areas of the County exceeds the incorporated percentage 56.4 percent to 43.6 percent.

The County is seen as a desirable place to live because it is an employment and government center, and the climate and relatively lower cost of living attract retirees and others seeking to relocate to a warmer environment. The County also offers amenities such as the University of South Carolina main campus and seven other higher educational institutions, the Columbia Metropolitan Convention Center, the Riverbanks Zoo, the EdVenture Children's Museum, the south Carolina State Museum, the Columbia Museum of Art, the Botanical Gardens, and other cultural and recreational venues.

The map below, taken from the County's Five-Year Consolidated Plan, shows the County and highlights the incorporated municipalities.



Richland County Five Year Consolidated Plan, 2007-2011

Demographic Data

Population

According to the 2010 Census, the County population was 384,504 persons of whom 51.3 percent were female. The 2010 population was an increase of 63,827 from the 2000 census, an increase of almost twenty percent over the period. The County has shown an overall pattern of steady growth since the 1950s.

An examination of population by County Council District reveals two dynamics in population patterns since 2000. First, as noted, population growth has continued at a steady pace with an average growth in population of 18.2% throughout the County, based upon Central Midlands Council of Government figures by County Council District, as shown below.

Richland County Population By County Council District: 2000 and 2010

COUNCIL DISTRICT	POP 2000	POP 2010 Estimate	% Change - 2000 to 2010	BLACK 2010 Population Estimate	% Black Population 2010
1	30,424	40,801	34.1%	7,786	19.1%
6	25,927	25,943	0.1%	5,698	22.0%
9	30,033	56,086	86.7%	17,300	30.8%
8	28,764	30,272	5.2%	11,008	36.4%
5	30,837	30,082	-2.4%	13,788	45.8%
2	30,031	41,903	39.5%	21,239	50.7%
11	28,089	34,195	21.7%	17,604	51.5%
10	29,899	32,851	9.9%	21,150	64.4%
4	26,809	25,778	-3.8%	17,531	68.0%
3	30,849	29,481	-4.4%	21,528	73.0%
7	29,119	31,781	9.1%	23,410	73.7%
County Totals	320,781	379,173	18.2%	178,042	47.0%

Source: Central Midlands Council of Government

Second, this growth has not been even across the County. The table above ranks the Districts in terms of percentage of Black population. One Council District, number 9, has seen a very marked increase in population (86.7%) and two others, numbers 1 and 2, have grown by over one-third over the period. District 2 is 50 percent Black, though Districts one and nine are less than one-third Black. However, it should be noted that two of the Council Districts with predominately White populations have seen only modest growth, and one predominately White district, number 5, had a negative growth rate. At the same time, two predominately Black Districts had negative growth, while two others experienced growth approaching 10 percent in each case.

Thus, no clear trend in population growth or decline is evident in an examination of population change by Council District.

An examination of the components of population change shows how the population has changed. Population change in a jurisdiction occurs as a result of two key components: (1) Natural population increase, defined as the difference

between births and deaths, and (2) Net Migration, defined as the difference between the population moving into a jurisdiction (in-migration) and those persons moving out of a jurisdiction (out-migration). Census data showing the components of change is not readily available at the District level, but data from the South Carolina Department of Health and Environmental Control's, Vital Statistics Unit provides insight into the nature of changes over the period 2000 to 2010

Figures are not available for each year of the decade, but population increase through natural increase was approximately 2,000 persons per year. Over the decade the natural increase would be expected to be in the range of 10,000 persons, well below the 63,827 person increase the County experienced. This confirms the observation that the County's growth stemmed from in-migration. An increase from in-migration in turn creates a demand for new, additional housing units, and this is the source of the County's housing growth throughout the decade.

Sex and Age

The median age for Richland's population in 2010 was 32.6 years, well below the US figure of 37.2 years and the State's median age of 37.9.

2010

Age	Richland County - % of Population by Age Cohort	South Carolina - % of Population by Age Cohort	United States - % of Population by Age Cohort
<5	6.4	6.5	6.5
5-9	6.3	6.4	6.6
10-14	6.2	6.4	6.7
15-19	8.7	7.1	7.1
20-24	10.6	7.2	7.0
25-29	8.1	6.6	6.8
30-34	6.9	6.2	6.5
35-39	6.6	6.4	6.5
40-44	6.4	6.6	6.8
45-49	6.8	7.2	7.4
50-54	6.6	7.1	7.2
55-59	5.9	6.6	6.4
60-64	4.8	6.1	5.4
65-69	3.3	4.7	4.0
70-74	2.2	3.3	3.0
75-79	1.8	2.4	2.4
80-84	1.3	1.7	1.9
85+	1.2	1.5	1.8

US Census Bureau, 2010, Demographic Profile

The percentages of school age children in the County are slightly below those of the US, but the percentages of young adults are sharply higher. This is in some measure due to the presence of the University and other educational institutions, as noted above, but still reflects the presence of a younger population in the late 20s and 30-year old cohorts. The percentages of seniors are below significantly below the national and state percentages.

Median age population statistics for Richland County by gender indicate that the median age for females is 34.4 years of age, compared to 30.9 years of age for males. Detailed age and sex data for Richland County provides further insight into the current population make-up as of the 2010 Census.

As noted above females comprise 51.3% of the County's population, compared to 48.7% for males. Males outnumber females particularly in the four lowest age

cohorts. Males under age 19 make-up 14.1% of the County's population, compared to 13.3% of females. However, when the two oldest age categories (age 62 and over, and age 65 and over) are considered, females outnumber males by 1.9% and 1.7% respectively. The absolute difference between males and females for these two age categories is 13,749 persons. Despite the relatively low percentage of seniors, the growth trend in the number of seniors points to a need for accessible and affordable housing for older persons.

Households

In Richland County, family households constitute 61.5 percent of households, a figure below the 67.5 percent for the State, and the 66.4 percent for the US. Household size in the County (2.43) is smaller than the US (2.58), and the percentage of Richland households with children under the age of 18 is 28.9% compared to the US 29.8%. However, the percentage of female-headed households is 17.7%, higher than the US percentage of 13.1% and the State's 15.6%. Female householders without a husband present represent 10.1 percent of households, a figure above the national 7.2 percent and the State's 8.4 percent. Nonfamily households represent 38.5 percent of Richland households while the US figure is 32.5 percent. Households living alone constitute 30.2 percent of households in Richland County.

Richland County Population in Households by Household Type: 2010

HOUSEHOLDS BY TYPE	Total	Percent
Total Households	145,194	100.0
Family households (families)	89,357	61.5
With own children under 18 years	41,893	28.9
Husband-wife family	57,541	39.6
With own children under 18 years	24,415	16.8
Male householder, no wife present	6,154	4.2
With own children under 18 years	2,766	1.9
Female householder, no husband present	25,662	17.7
With own children under 18 years	14,712	10.1
Nonfamily households	55,837	38.5
Householder living alone	43,828	30.2
Male	18,816	13.0
65 years and over	2,896	2.0
Female	25,012	17.2
65 years and over	7,792	5.4
Households with individuals under 18 years	47,703	32.9
Households with individuals 65 years and over	27,885	19.2
Average household size	2.43	(X)
Average family size	3.05	(X)

Source: U. S. Bureau of the Census, DP1, 2010.

The implication for housing issues is that there is a significant demand for smaller living units, given the smaller percentages of families with children and the number of householders living alone. At the same time, the relatively high percentage of female-headed householders with children could be an indicator of housing choice concerns.

Disability

The Census Bureau definition of disability will be used for this analysis, as that is the basis for the available data. The Bureau defines disability as a long-lasting physical, mental, or emotional condition, which can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. Such conditions can also impede a person from being able to go outside the home alone or to work at a job or business.

Neither the 2010 Census data nor the 2009 ACS data include data on persons with disabilities. However, the 2007 American Community Survey data do, and that source will be used to provide insight into the numbers of person in the County with disabilities. These figures indicate that, as of 2007, 13.4 percent of the population five years and over reported a disability of some type. This amounts to over 40,500 persons. The 2000 census figure was 13,411 persons with a disability, which was 8.0 percent of the population then. The 2007 population 65 and over reported that 40.5 percent of its members (almost 13,000 persons) had some type of disability. These Richland County figures are close to the national percentages of 15.1% and 40.9% respectively.

The implication for discrimination housing issues is that an increasing number of persons will require housing that meets Americans with Disabilities Act (ADA) requirements.

Race and Ethnicity

The table on the following page compares the Racial and ethnic composition of Richland County with that of South Carolina, and the United States.

Racial/Ethnic Composition Richland County, South Carolina, and the United States, 2010			
Race	Richland County %	South Carolina %	US %
White	47.3	66.2	72.4
African American	45.9	27.9	12.6
American Indian	0.3	0.4	0.9
Asian	2.2	1.3	4.8
Pacific Islander	0.1	0.1	0.2
Other Race	4.9	2.5	6.2
Two or More Races	2.2	1.7	2.9
Hispanic	4.8	5.1	16.3

US Census Bureau, 2010, Demographic Profile

The County has a much higher percentage of African Americans than the US and the State. At the same time, the County has a lower percentage of Whites and Other Race. The percentage of Asian persons is higher than that of the State, but well below the US figure. The percentage of White persons has declined from 50.3 percent in 2000, while the African American population has increased by nine-tenths of a percent since the 2000 census. The Hispanic population has increased by two percent since 2000, but has increased from 8,713 persons in 2000 to 18,637 in 2010, more than doubling to approximately 4.8 percent of the population.

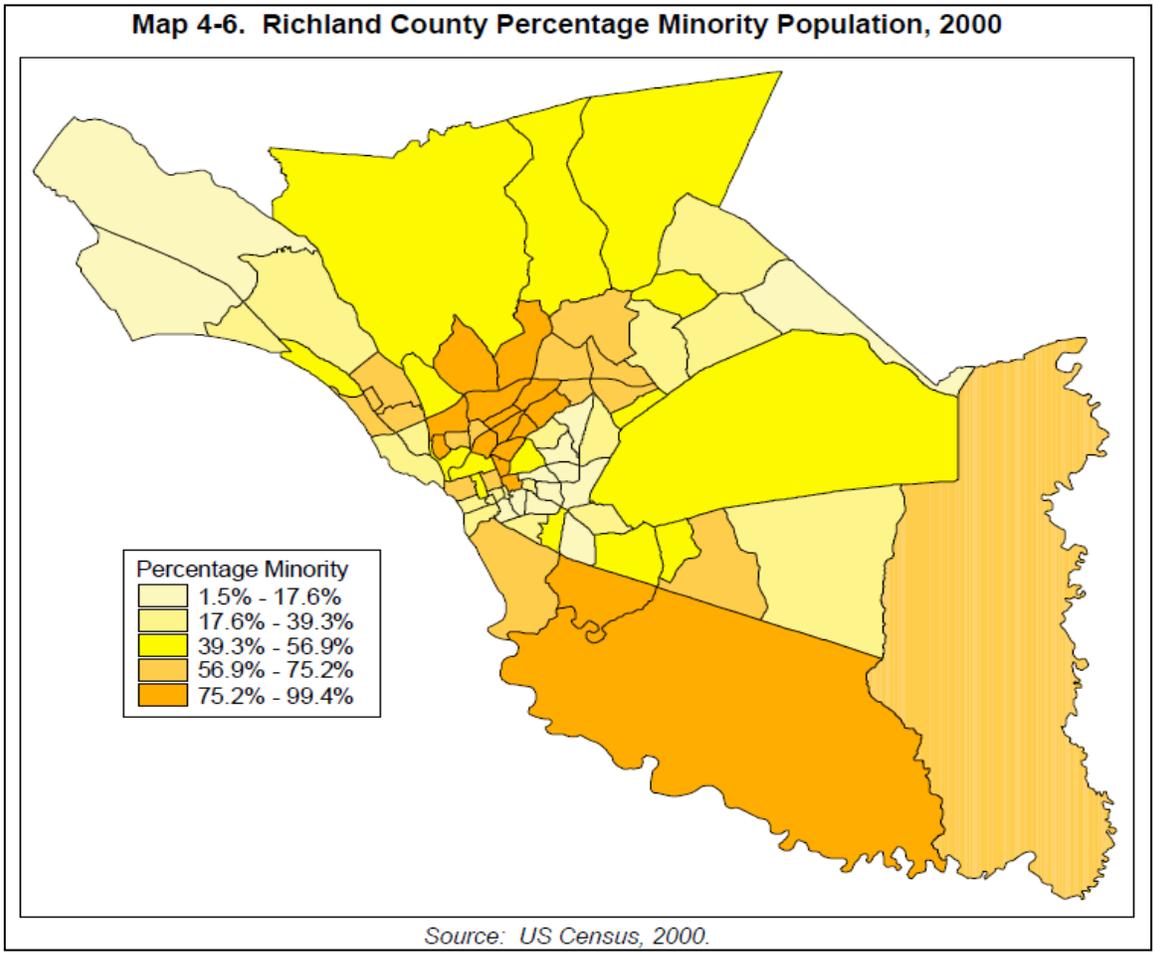
Richland County Population By County District and Race: 2010

District	Total Population	Total White Population	Percent White Population	Total Black Population	Percent Black Population	Total Hispanic Population	Percent Hispanic Population
1	42,228	30,675	72.6	9,211	21.8	1,182	2.8
2	36,179	14,560	40.2	19,673	54.4	1,295	3.6
3	26,372	6,780	25.7	18,576	70.4	776	2.9
4	26,504	8,902	33.6	16,517	62.3	705	2.7
5	29,062	16,718	57.5	10,772	37.1	652	2.2
6	31,192	23,648	75.8	5,263	16.9	2,093	6.7
7	38,969	10,709	27.5	26,019	66.8	1,834	4.7
8	30,498	15,368	50.4	11,626	38.1	2,894	9.5
9	55,163	26,500	48.0	23,440	42.5	3,060	5.5
10	32,968	12,213	37.0	17,877	54.2	2,744	8.3
11	35,369	15,901	45.0	17,564	49.7	1,402	4.0
Richland County	384,504	181,974	47.3	176,538	45.9	18,637	4.8

Source: U. S. Census Bureau, 2011.

In 2000 Whites and African Americans comprised 95.5 percent of the population; in 2010 the two groups constituted only 93.2 percent of the population. Thus, the County's population is slowly becoming increasingly diverse, though still concentrated among Whites and African Americans.

The map (on the following page), taken from the Consolidated Plan and based upon 2000 Census data, shows the concentrations of minority populations in the County. More recent maps are not yet available from the Census Bureau.



Richland County Five Year Consolidated Plan, 2007-2011

A review of the 2009 American Community Survey data on languages spoken at home reveals that 92.4 percent of Richland residents speak only English at home (80.4% US), and while 3.2 percent of residents speak Spanish at home, a figure is well below the US 12.1 percent. Those speaking other languages at home are likewise significantly lower than US figures.

Homelessness

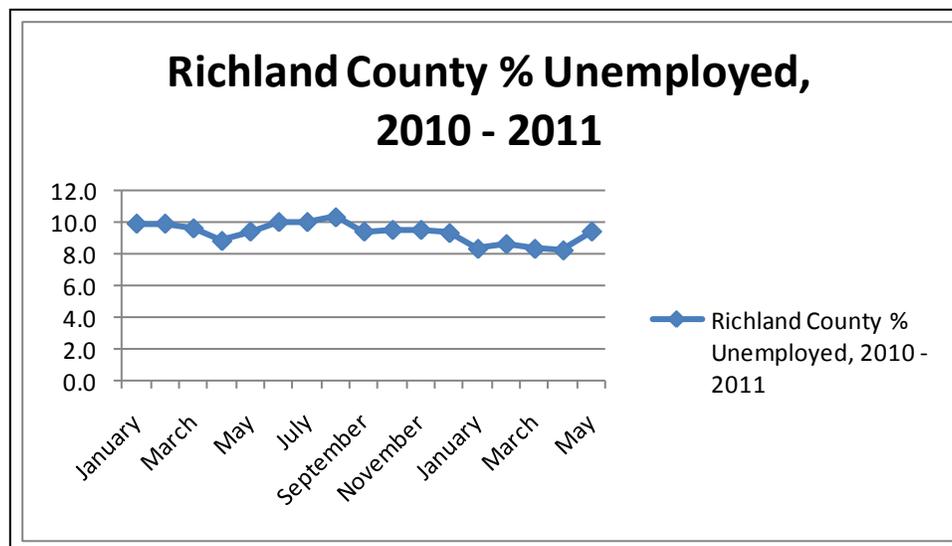
In January of 2011, the Midlands Area Consortium for the Homeless conducted its biennial count of the homeless in the fourteen county area it covers. The count showed that there were 1,621 homeless persons per HUD’s definitions and the constraints that the count methodology imposed upon the effort. The actual numbers may be higher because of the rural nature of many parts of the fourteen

county area, the fact that “doubled up” persons are not counted, and that it was impractical to attempt to count persons in substandard housing (again because of the size and rural nature of the area canvassed). The results showed that one in four persons were living in a family, 16 percent of the homeless population was under the age of 18, and one in four adult homeless had a disability. The 1,621 person figure was 16 percent higher than the previous count in 2009, and 71.3 percent were African American and 25.7 percent were White. Of the total homeless, 1,065 (65.7%) were in Richland County.

Economy and Employment

Unemployment

Unemployment in the County has remained stubbornly high throughout 2010, though it declined in the first quarter of 2011, only to surge upward in May of 2011. As the graph below shows, the numbers of persons out of work peaked in the middle of 2010 and declined gradually over the remainder of the year, dropping below 9.0 percent in January of 2011. Still, Richland County’s most recent figure is well below the State’s 10.2 percent unemployment in May of 2011.



South Carolina Department of Employment and Workforce, Employment/Unemployment Statistics, 2007-2011

Occupations

The table on the following page shows the number of Richland County employees by industry in 2009, the most recent data available. The presence of educational institutions and being a seat of government provides a degree of economic stability and insulation from economic downturns. The Professional-Scientific industries as well as the Finance, Insurance, and Real Estate sector are also well represented. Many jobs in these sectors pay relatively well.

**Richland County Employees, Number and % of Workforce
2009**

INDUSTRY	# of Employees	% of County Workforce	% of US Workforce
Agriculture-Forestry-Mining	657	0.4	1.6
Construction	8,718	5.2	7.4
Manufacturing	13,015	7.7	11.2
Wholesale	4,646	2.8	3.2
Retail	18,276	10.9	11.5
Transportation-Utilities	6,566	3.9	5.1
Information	4,634	2.8	2.4
FIRE	15,897	9.5	7.1
Professional-Scientific	16,758	10.0	10.3
Education-Health Care	41,478	24.7	21.5
Art-Entertainment-Accommodation-Food Service	15,195	9.0	8.8
Other Service	7,332	4.4	4.8
Public Administration	14,892	8.9	4.7

Source: American Community Survey, 2009

Income and Poverty

Despite these jobs and a good economic base, income figures for the County lag national figures. The median household income (MHI) was \$47,969 in 2009 and the per capita income (PCI) was \$25,865. These figures compare to \$51,425 for the US MHI and \$27,041 for the US PCI. The differences mean that the Richland MHI is 93.0 percent of the US figure and the Richland PCI is 96.0 percent of the US, so the difference would appear to be modest.

However, the differences are not spread evenly among the racial and ethnic populations. The table below indicates that Pacific Islanders have by far the highest MHI, followed by Whites. Asians are slightly above the County median, but Native Americans have less than fifty percent of the median and Blacks have 75.8 percent of the median. Members of Some Other Race and Two or More Races are at 77.9% and 70.8% respectively. Hispanics fare better than most of the minority populations, but still lag the median by eleven percent. Thus, there are significant income discrepancies among races in the County.

Richland County Median Household Income By Race: 2009

HOUSEHOLD INCOME BY RACE AND HISPANIC OR LATINO ORIGIN OF HOUSEHOLDER	Total	Median Household Income (MHI) in Dollars	% of MHI
Households	137,279	47,969	
One race--			
White	51.90%	60,908	127.0%
Black or African American	43.80%	36,377	75.8%
American Indian and Alaska Native	0.40%	20,320	42.4%
Asian	1.90%	48,792	101.7%
Native Hawaiian and Other Pacific Islander	0.10%	76,364	159.2%
Some other race	0.80%	37,368	77.9%
Two or more races	1.20%	33,974	70.8%
Hispanic or Latino origin (of any race)	2.50%	42,531	88.7%
White alone, not Hispanic or Latino	50.40%	61,498	128.2%

Source: U. S. Bureau of the Census, ACS, 2009

It should be noted that these figures, both for the US and for the County show a decline in Median Household Income for all households from the 2008 figures.

According to the ACS figures, 14.0 percent of the County population had incomes of less than \$15,000. This compares to 13.0 percent nationwide. In contrast, 3.1 percent of households in Richland County had incomes over \$200,000, compared to 8.2% percent nationally. It should be noted that until reaching the \$75,000 income range, Richland County households consistently constitute a higher percentage of households than the national figures though they are lower than or equal to the State percentages. The reverse is true from \$75,000 upward – the percentage of Richland households in each range is below national percentages, sometimes significantly. The table below shows the figures in detail.

Richland County Median Household Income by Household Type: 2009

	Richland Households	South Carolina Households	United States Households
Total	137,279	1,693,388	112,611,029
Less than \$10,000	8.7%	9.5%	7.4%
\$10,000 to \$14,999	5.3%	6.6%	5.6%
\$15,000 to \$24,999	10.8%	12.6%	5.3%
\$25,000 to \$34,999	11.8%	12.2%	5.5%
\$35,000 to \$49,999	15.2%	15.2%	10.6%
\$50,000 to \$74,999	18.5%	18.6%	14.3%
\$75,000 to \$99,999	12.1%	11.2%	18.7%
\$100,000 to \$149,999	10.9%	9.2%	12.3%
\$150,000 to \$199,999	3.5%	4.9%	12.1%
\$200,000 or more	3.1%	-----	8.2%
Median income (dollars)	47,969	43,572	51,425

Source: U. S. Bureau of the Census, ACS, 2009

It should be noted that the state’s median household and per capita income has never been higher than 87% of national income according to Bureau of Economic Analysis-Local Area Personal Income statistics for 2010. Also, the State Department of Commerce and the South Carolina Department of Employment

and Workforce have noted that Richland County lost 9,614 jobs between 2004 and 2010, many of these good paying positions in the manufacturing, finance, and government sectors. The average annual wage lost was \$38,545. This loss, combined with stagnant wage growth, continues to hold the County's income levels below national norms.

HUD has provided detailed data as part of its Comprehensive Housing Affordability Strategy materials to assist in preparing the Consolidated Plan. This data provides an overview of the economic structure of the County's households. HUD established five income categories for their analysis. The five income ranges are:

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

The table below shows the distribution of Extremely Low-, Very Low-, Low- and Moderate-income households in the County based upon this data. Figures for 2010 are presented as Census data for households by income is not yet available. The 2010 Median Income figure for a family of four in Richland County, as calculated by HUD, is \$62,400. This figure differs from the data above in that it is based upon a complex series of calculations that allow for inflation and accommodate local conditions.

Number and Percent of Richland County Households by Income, 2009

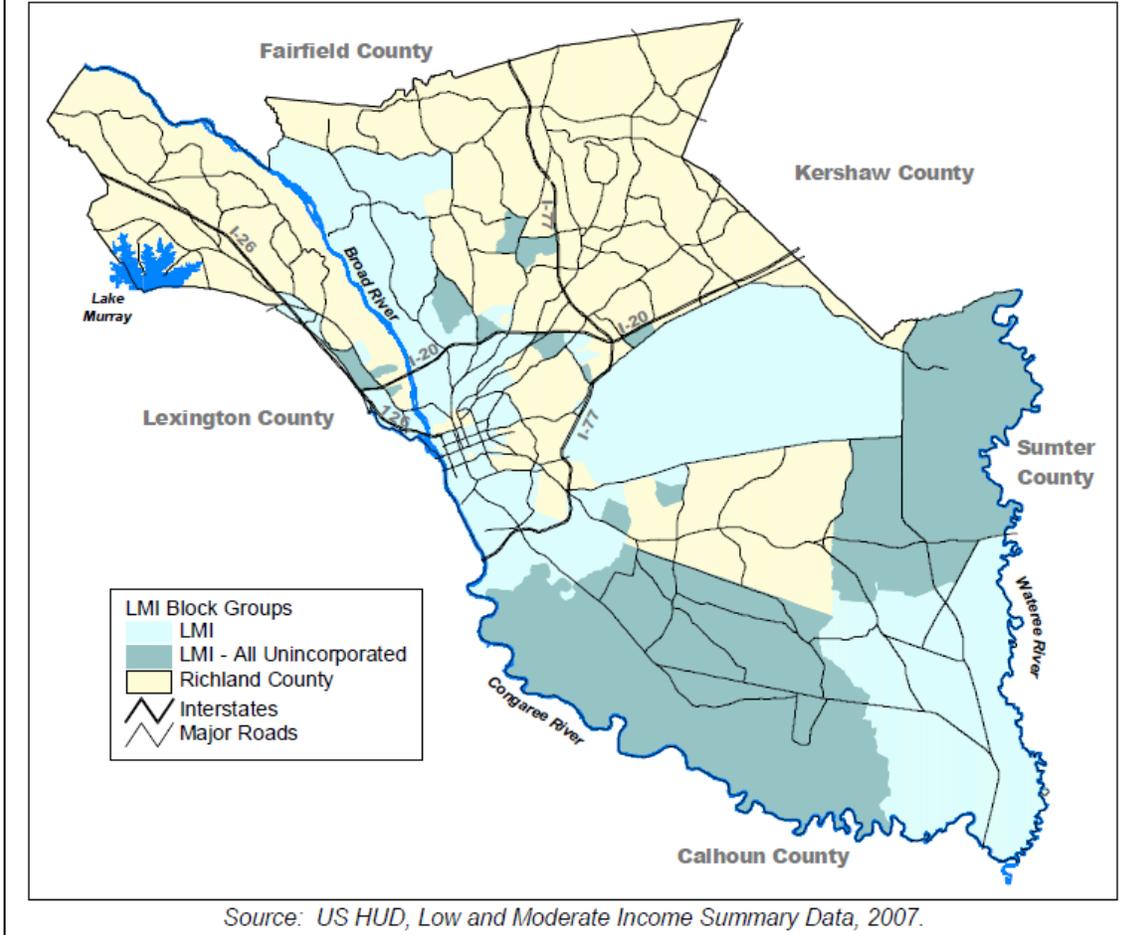
HOUSEHOLDS BY INCOME	HOUSEHOLDS	PERCENT
Below 30% of Median Family Income	24,729	18%
30 to 50% of Median Family Income	20,614	15%
to 80% of Median Family Income	25,927	19%
Greater than 80% of Median Family Income	66,009	48%
Total Households	137,279	

HUD User Data Sets, FY 2010 Income Limits, February 2010

By these definitions, 52.0 percent of Richland County households are in the low-income categories.

Identifying concentrations of low-income households and racial and ethnic minorities is helpful in identifying possible patterns of discrimination. The HUD definition of an area of low-income concentration is a census tract in which the number of low-income households (defined as households earning 50% or less of the median income) exceeds 50% of the total number of households. The threshold for an area defined as highly concentrated is 75% or more of the census tract occupied by low-income households. The map below shows the County's low-mod income Census Tracts.

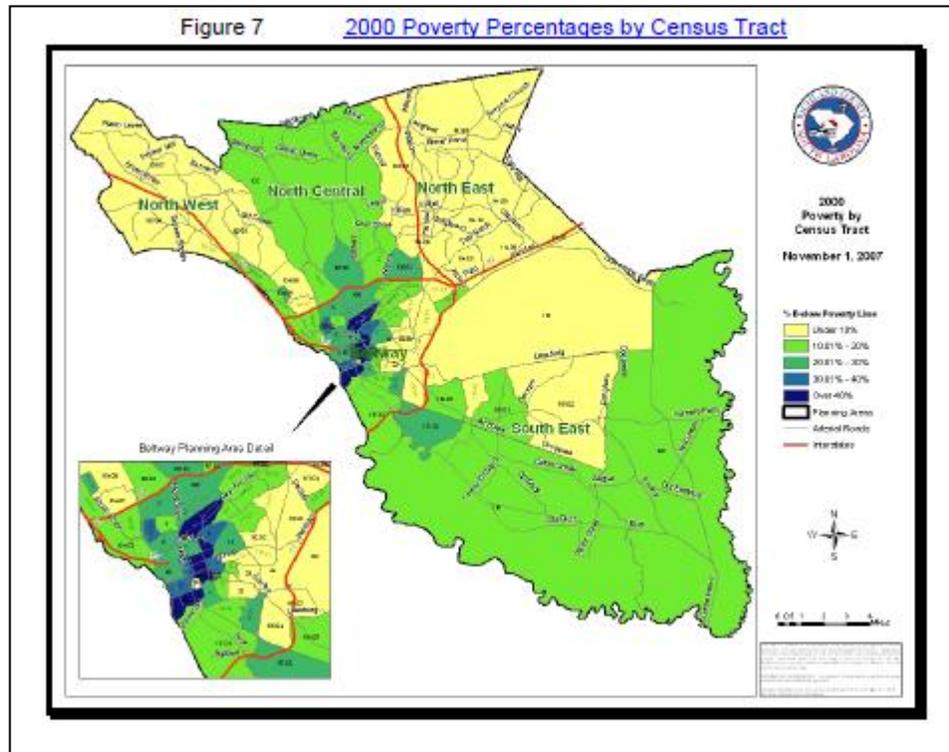
**Map 4-10. LMI Areas by Census Block Group and Tract, FY 2006
Richland County**



Richland County Five Year Consolidated Plan, 2007-2011

Poverty remains a problem for many Richland County municipalities. In 2000, 13.7 percent of Richland County’s population was below poverty level, higher than the national average of 9.20 percent of families below the poverty level. The 2009 American Community Survey data shows an increase in the number of persons below the poverty level, now with 13.8% of persons in poverty. This compares to 13.5 percent for the US. Richland County continues to have more *families* below the poverty level (10.1%), than the nation as a whole, which comes in at 9.9%. Almost 15 percent of families with children were in poverty in 2009, and 34.9 percent of female headed households with children were in poverty.

The map below, taken from the County's Comprehensive Plan shows the percentage of the County's population living in poverty in 2000. The highest percentages are, in general, in or close to the City of Columbia.



Richland County Comprehensive Plan, 2009, Housing element

HOUSING DATA

Fair housing is concerned with the availability of a range of types and prices of housing. To understand fair housing choice comprehensively, an assessment of the housing market is important. This section provides an overview of the housing market in Richland County. Later sections of this report will build upon this analysis and evaluate the zoning ordinances and other land use regulations that affect the supply and availability of housing.

The County's pattern of development has resulted in a range of housing issues, such as rehabilitation, maintenance, affordability, and appropriate density.

The following paragraphs provide a current housing inventory (supply) and housing market (demand) overview of the County. The housing inventory includes an assessment of the County's total housing supply by type, tenure, occupancy status, conditions, and change in composition from 2000 to 2010. The housing market overview provides an assessment of current housing demand in the County based on tenure and household income. The primary source of data for this analysis is the 2010 U.S. Census and the 2009 American Community Survey (ACS).

Inventory

In 2000, there were 129,793 housing units in the County. The City of Columbia accounted for 35.5 percent of these units. Among the municipalities, Irmo had the highest homeownership rate and the highest percentage of single-family dwellings. By 2010, the County had 161,725 housing units, an increase of 25.0 percent over the decade. The overall vacancy rate in 2010 was 10.2 percent, a marked increase from the 2000 figure of 7.0 percent, but reflective of the housing "bust."

ACS figures for 2009 show that while 63.4 percent of units were single unit structures (over 97,000 units); the percentage of duplex and multi-family units was 30.6 percent, figures close to the 2000 percentages. The percentage of persons living in mobile homes or RVs had declined from 6.8 percent in 2000 to 6.0 percent in 2009. The reasons for this decline are not apparent from the statistics, but new ordinances concerning the use of manufactured housing and an increase in home ownership in general are certainly contributing factors.

The figures shown below are the percentages of housing units by unit size for the County, the State of South Carolina, and the United States. The County has about the same percentage of one-unit structures as the state and the nation. The County does have a larger percentage of moderate-sized multi-unit

structures (5-19 units). One notable difference is the small percentage of mobile homes and other dwellings compared to the State.

**Richland County, South Carolina, and US Housing Units
by Type, 2009**

Type of Unit	Richland County # of Units	Richland County % of Units	South Carolina	United States
1 Unit (detached & attached)	101,028	66%	65%	67%
2-4 Units	12,029	8%	5%	8%
5-19 Units	19,776	13%	8%	9%
20+ Units	11,024	7%	3%	8%
Other	9,186	6%	18%	7%
TOTAL	153,043			

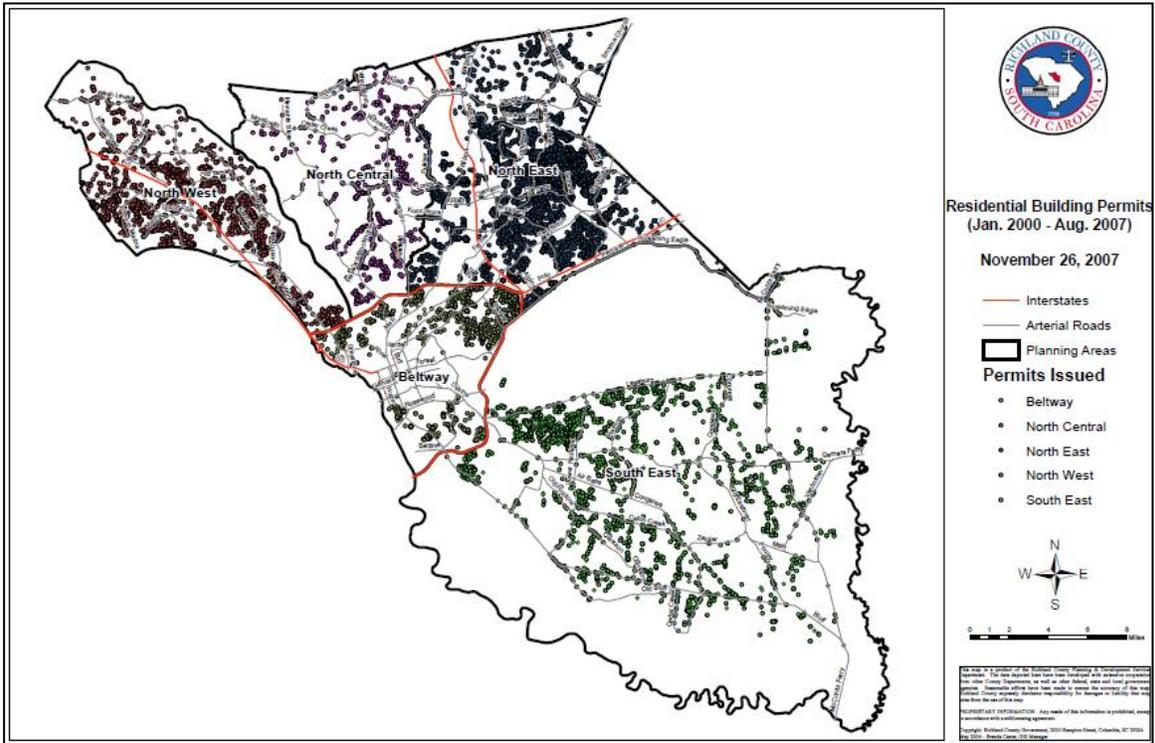
ACS, 2009

The majority of units (57.2%) in the County housing stock are moderate-size, 4-6 rooms, which is slightly higher than the US percentage of 56.9. However, only 10.8 percent of units are small units (1-3 rooms), much lower than the 13.3 percent nationally. This also could indicate a shortage of units for the many small households in the County, as noted above.

The supply of housing over the past five years has increased rapidly in Richland County according to US Census figures. ACS figures show that Richland County had 25,676 housing units constructed between 2000 and 2009. This represents 16.8 percent of the County's total housing stock. An additional 16.3 percent of units were constructed in the decade between 1990 and 2000, meaning that one-third of the County's housing is less than twenty years old.

The map below, taken from the Planning Department's Website, shows the pattern of building permits issued between 2000 and 2007. There are obvious

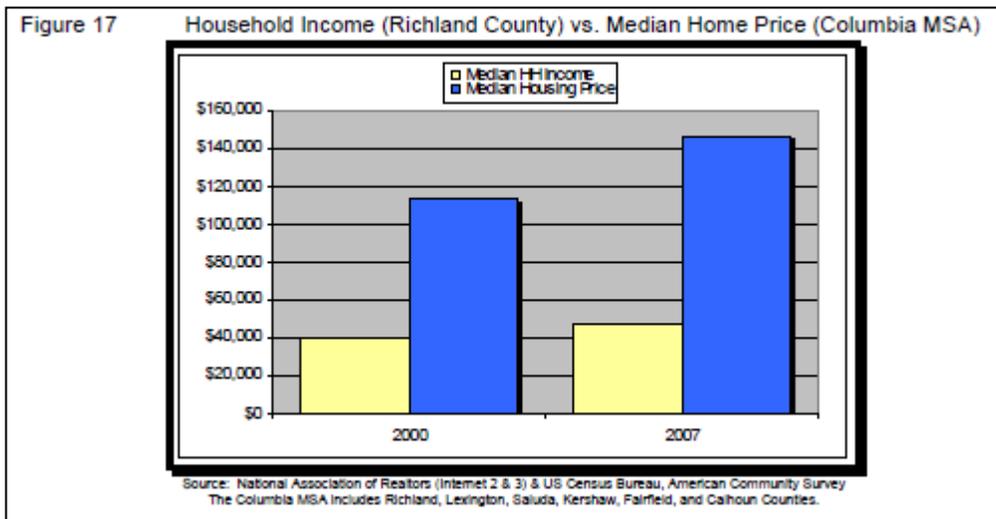
concentrations of development, by and large, moving away from the urban center of the County.



Richland County Department of Planning and Development Services,

The County Comprehensive Plan states the problem quite clearly:

“Between 2000 and 2007, median household income increased by 17% (adjusted for inflation), while the median sale price of a home increased by 30%. This trend indicates a lack in affordable housing over the next 30 years.



The rising cost of housing, coupled with the median household income, contributes to the sprawl that is so prevalent in the County. Individuals search for homes farther away from the employment centers, because they cannot purchase housing closer to jobs. This lack of affordable housing leads to congested roadways, increased infrastructure upgrades, increased air pollution and adds to other problems local and state governments must address. Affordable housing affects not only the housing market, but transportation, economic development, land use, air quality, and other areas of the community.”

An examination of Certificate of Occupancy and Demolition data is helpful in determining patterns of housing development and growth across the County. Richland County is not immune from the forces that have shaped the economy over the past decade and building activity reflects this.

In order to examine the housing growth trend, building permit data based on Certificates of Occupancy issued during the calendar year was examined. Data for residential building construction activity for 2006, 2007 and 2009 was collected and assessed. The process, which entailed the collection, compilation and geo-coding of data from the Richland County Planning Department, the Richland County Building Codes and Housing Inspections Department, and Richland County Geographic Information Systems, was complex. The process did result in the identification of housing construction by .Census tract and County Council District. The table below shows the number of COs issued in 2006, the year construction activity peaked in the County, for each of the eleven Council Districts.

**Certificate of Occupancy: Residential Building Permits by Council District
2006**

District	Total COs by District	Total Value of COs	Average Value of Residential CO
1	405	\$72,421,826	\$178,819
2	440	\$57,396,606	\$130,447
3	15	\$3,604,395	\$240,293
4	5	\$547,692	\$109,538
5	2	\$29,500	\$14,750
6	6	\$360,920	\$60,153
7	807	\$115,376,106	\$142,969
8	155	\$16,611,379	\$107,170
9	1,019	\$174,587,561	\$171,332
10	43	\$30,210,928	\$702,580
11	264	\$31,481,974	\$119,250
Grand Total	3,161	\$502,628,887	
Richland County Average:			\$159,009

Source: Richland County Planning Department, the Richland County Building Codes and Housing Inspections Department, and Richland County Geographic Information Systems, Development Resources and Research LLC; and Ernest Swiger Consulting, Inc. Analysis

Council District 9 had the largest number of COs by far, though the average value of the District's COs was only slightly above the County average. District 10 had the fifth smallest number of COs, but the average value was almost four and one-half times the average. Three Districts had fewer than ten COs for the year and the average value for these was well below the County average.

The Average CO Value of \$159,009 would mean that (using the rule of thumb that one can afford a home that is approximately two and one-half times a

household's annual salary) a household would need an income of \$63,600 to afford that home. As noted above, the County's Median Household Income is \$47,969, leaving a gap of \$16,621. Thus, many households in the County were precluded from ownership opportunities.

Beginning in 2007, new residential construction activity in Richland County slowed considerably. The housing "bust", and the economic recession which occurred from 2007 through 2009, marked the dramatic decline in residential construction. South Carolina's economy, unlike the rest of the nation, experienced a lag in the economic downturn, with unemployment, and its subsequent impact on foreclosures and the housing market taking place after other jurisdictions of similar size and other regions of the nation had experienced a bottoming out of their local and regional economy. In particular, the period from mid-2008 through December of 2009 was a period of job layoffs in the broad economy, combined with furloughs and temporary layoffs in selected sectors such as manufacturing, services, finance, insurance and real estate. The only sectors that were able to sustain themselves within Richland County were state and county government and the health care sector.

District	Total COs by District	Value of COs	2007 Average Value of Residential CO	2006 Average Value of Residential CO	Percent Change in Value 2006 to 2007
1	119	\$21,798,757	\$183,183	\$178,819	2.4%
2	135	\$22,963,189	\$170,098	\$130,447	30.4%
3	6	\$801,889	\$133,648	\$240,293	-44.4%
4	7	\$593,007	\$84,715	\$109,538	-22.7%
5	1	\$222,437	\$222,437	\$14,750	1408.0%
6	N/A	N/A	N/A	\$60,153	
7	80	\$14,203,447	\$177,543	\$142,969	24.2%
8	42	\$6,659,875	\$158,568	\$107,170	48.0%
9	291	\$50,912,779	\$174,958	\$171,332	2.1%
10	34	\$5,207,979	\$153,176	\$702,580	-78.2%
11	65	\$10,458,946	\$160,907	\$119,250	34.9%
TOTAL	780	\$133,822,305			
Richland County Average:			\$171,567	\$159,009	7.9%

Source: Richland County Planning Department, the Richland County Building Codes and Housing Inspections Department, and Richland County Geographic Information Systems, Development Resources and Research LLC; and Ernest Swiger Consulting, Inc. Analysis

Certificate of Occupancy data demonstrates the impact of a declining economy on housing starts. The 2007 figures reveal that construction activity for new housing units Countywide declined 75.3% from 3,161 in 2006 permits to 780 permits. A District by District comparison of Certificate of Occupancy activity for residential units indicates that while housing construction slowed considerably, that the average value of housing units increased by almost eight percent. Some of the variation in value is accounted for by exceptional changes in value for a limited number of COs (District 5), or the type of construction being done (District 10 where the average value dropped from \$700,000 to \$150,000).

**Certificate of Occupancy: Residential Building Permits by Council District
2009**

District	Total COs by District	Value of COs	2009 Average Value of Residential	2006 Average Value of Residential CO	Change in Value 2006 to 2009
1	41	\$12,504,206	\$304,891	\$178,819	70.5%
2	107	\$22,393,686	\$209,287	\$130,447	60.4%
3	7	\$1,147,519	\$163,931	\$240,293	-31.8%
4	3	\$433,377	\$144,459	\$109,538	31.9%
5	1	\$597,000	\$597,000	\$14,750	3947.5%
6	N/A	N/A	N/A	\$60,153	
7	103	\$35,013,811	\$339,940	\$142,969	137.8%
8	89	\$9,062,821	\$101,829	\$107,170	-5.0%
9	151	\$29,442,893	\$194,986	\$171,332	13.8%
10	13	\$2,660,625	\$204,663	\$702,580	-70.9%
11	24	\$3,583,169	\$149,299	\$119,250	25.2%
TOTAL	539	\$116,839,107			
Richland County Average:			\$216,770	\$159,009	36.3%

Source: Richland County Planning Department, the Richland County Building Codes and Housing Inspections Department, and Richland County Geographic Information Systems, Development Resources and Research LLC; and Ernest Swiger Consulting, Inc. Analysis

Residential permit activity in 2009 reflected the continued, long-term problems associated with the home foreclosure crisis. Funding from the Troubled Asset Relief Program (TARP) was intended to make the financial market for mortgages more fluid, and HUD's Neighborhood Stabilization Program (NSP) was made available to assist homeowners avoid foreclosure. Mortgage lending for new home purchases slowed considerably, and lenders were cautious about making loans to all but the most highly qualified purchasers.

Primarily because of stricter credit standards and a lack of resources on the part of potential homebuyers, residential housing permits slowed to 17.1% of 2006 residential permit levels with a total of 539 residential Certificate of Occupancy permits issued in 2009. Construction activity occurred in County Council Districts away from the center city, and in rural sections of the County where new neighborhoods were being developed and or the later phases of subdivisions were being completed. Council Districts 9, 2, 7, and 8 experienced the highest number of permits issued. The average value of residential permits was \$216,770, a thirty-six percent increase from the 2006 level.

Overall the value of COs increased across the County. The increases were greater than the rate of inflation, and greater than increases in income, as noted earlier. Thus, homeownership became increasingly difficult.

Building Demolition Activity

Residential Building Demolitions By Council District: Richland County: 2006 - 2009

County Council District	Total Demolitions By Council District: 2006	Percent of Demolitions By Council District: 2006	Total Demolitions By Council District: 2007	Percent of Demolitions By Council District: 2007	Total Demolitions By Council District: 2008	Percent of Demolitions By Council District: 2008	Total Demolitions By Council District: 2009	Percent of Demolitions By Council District: 2009	Total Demolitions per District, 2006-2009
1	2	2.7	5	4.9	12	8.6	5	5.8	24
2	2	2.7	12	2.7	7	5	13	15.1	34
3	6	8.2	3	8.2	13	9.3	11	12.8	33
4	26	35.6	7	35.6	7	5	6	7	46
5	0	0	1	0	0	0	0	0	1
6	0	0	0	0	0	0	0	0	0
7	8	11	13	11	22	15.7	21	24.4	64
8	3	4.1	35	4.1	7	5	2	2.3	47
9	4	5.5	2	5.5	10	7.1	3	3.5	19
10	19	26	20	26	50	35.7	16	18.6	105
11	3	4.1	4	4.1	12	8.6	9	10.5	28
Total and Percentage of Demolitions: 2006 - 2007	73		102		140		86		401

Source: Richland County Building Codes, Planning, and GIS Department. Data Compiled By Development Resources and Research, LLC, June 2011

An examination of residential demolitions by County Council District reveal that County Council Districts with low residential construction activity experienced higher total and percentage rates of demolitions. While overall demolitions countywide for the years 2006 through 2009 only totaled 401 demolitions, four Council Districts accounted for the majority of building demolitions: Council Districts 10, 7, 8, and 4 accounted for 65.4% of all demolitions occurring within the County over this same time period. The majority of Building Demolition activity occurred during the 2006 and 2007 calendar years. It is uncertain as to whether this activity was based on County priorities related to housing code enforcement, available entitlement funding, or other priorities set by County officials.

Tenure

According to the 2009 ACS data, there are 153,045 housing units in the County, 89.7 percent of which (137,279) were occupied. This percentage of occupied units is higher than the national figure of 88.2 percent. There are 84,457 (61.5%) of these units occupied by owners and 52,822 units (38.5%) occupied by renters.

These percentages vary somewhat from the national percentages of 66.9 and 33.1 percent respectively. The lower percentage of homeowners may result in part from high housing prices and relatively low-income levels, making ownership difficult for many moderate- and low-income households.

The Table below provides detailed information about housing occupancy characteristics in Richland County based upon ACS data.

Housing Occupancy Characteristics for Richland County, 2009

	Total occupied housing units	Owner-occupied housing units	Renter-occupied housing units
Richland County: Occupied Housing Units	137,279	84,457	52,822
HOUSEHOLD SIZE			
1-person household	32.3%	26.2%	42.1%
2-person household	32.1%	35.2%	27.3%
3-person household	16.6%	17.2%	15.6%
4-or-more-person household	19.0%	21.5%	15.0%
South Carolina: Occupied housing Units	1,693,388	1,190,603	502,785
HOUSEHOLD SIZE			
1-person household	27.6%	23.8%	36.6%
2-person household	35.5%	38.9%	27.5%
3-person household	16.7%	16.6%	16.9%
4-or-more-person household	20.2%	20.7%	19.1%
United States: Occupied housing Units	112,611,029	75,320,422	37,290,607
HOUSEHOLD SIZE			
1-person household	27.3%	22.0%	38.1%
2-person household	33.4%	36.6%	26.9%
3-person household	15.9%	16.3%	15.2%
4-or-more-person household	23.4%	25.1%	19.8%

Source: U. S. Bureau of the Census, ACS, 2009

Richland County housing occupancy characteristics differ from those of the State and nation in several respects. The County has a higher percentage of one-person households than either the State or the nation, a lower percentage of two-person households and a significantly lower percentage of 4-person or more households than the nation. The number of **persons per household** living in occupied housing units for Richland County is 2.43 persons, which is slightly lower than the U.S. average of 2.60 persons per household. The average **family size** for Richland County is 3.04 persons, compared to 3.19 persons per family for the United States. The implication is that the need for housing will focus upon smaller units.

Age and Condition

The County's housing stock is young, because as noted above, one-third of the units have been constructed in the past twenty years. Only 4.8 percent of housing was built before 1939 and a total of 9.9 percent was constructed before 1950. The median age of the units in the County is approximately 1979. The implication of this is that rehabilitation and upgrading of units is likely not a significant problem and that lead-based paint mitigation is not a concern outside of a few older communities or areas. The table below shows the number and percentage of units built by decade.

Richland County Selected Housing Characteristics: 2010

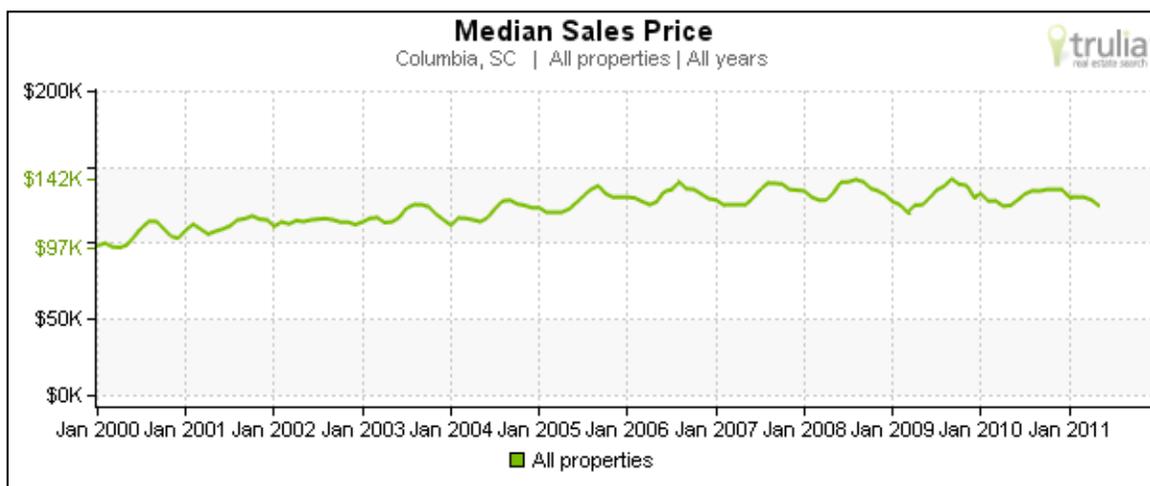
YEAR STRUCTURE BUILT	Estimate	Percent
Total housing units	153,045	
Built 2005 or later	6,307	4.1%
Built 2000 to 2004	19,369	12.7%
Built 1990 to 1999	24,974	16.3%
Built 1980 to 1989	22,873	14.9%
Built 1970 to 1979	27,609	18.0%
Built 1960 to 1969	19,792	12.9%
Built 1950 to 1959	16,946	11.1%
Built 1940 to 1949	7,772	5.1%
Built 1939 or earlier	7,403	4.8%

Source U. S. Census Bureau, ACS, 2009

The condition of the housing stock in the County is considered fair to good for the most part. The 2009 ACS reported that there were 516 housing units (0.4%) in the County that lacked complete plumbing and 1,094 units (0.8%) that lacked a complete kitchen. Assuming that these units do not overlap, there were only 1,610 substandard units in the County by this definition. Also according to the 2009 data, there are 252 units (0.2%) in which no fuel is used to heat, a possible indication of a substandard unit.

Housing Market

The median sales price for homes in Columbia in the spring of 2011 was \$124,500 based on 356 home sales. Compared to the same period one year ago, the median home sales price did not change, though the number of home sales decreased 57.7%. The graph below shows the 13 percent drop in sales price since mid-2008, and steep decline in the second half of that year.

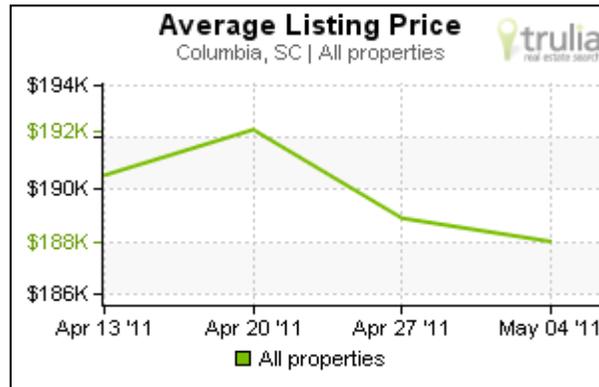


Trulia.com

There are currently 4,692 resale and new homes in Columbia according to Trulia, a real estate data and information provider. The Trulia report notes that there are 1,707 homes in the pre-foreclosure, auction, or bank-owned stages of the foreclosure process.

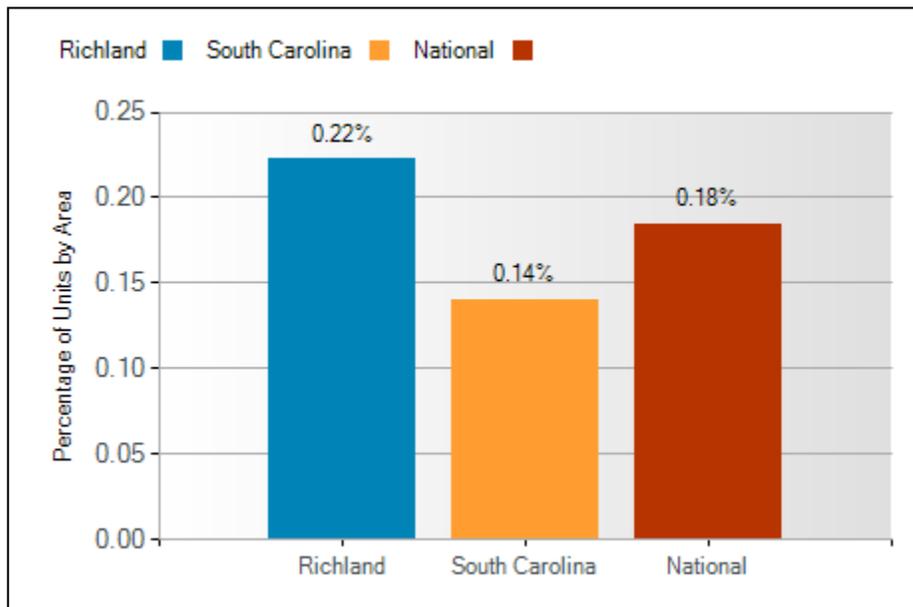
The average listing price for homes for sale in the Columbia market was \$187,984 for the week ending May 4, which represents a decrease of 0.5%, or

\$893, compared to the prior week. The graph below from Trulia shows how listing prices have changed in response to the on-going weak market.



Richland County continues to suffer from foreclosures. The County has a greater percentage of foreclosed properties than either the State or the nation, as the graph below from RealtyTrac demonstrates. The rate of foreclosure for the County is one new foreclosure in 450 houses, a relatively high rate compared to the national rate of one in 542.

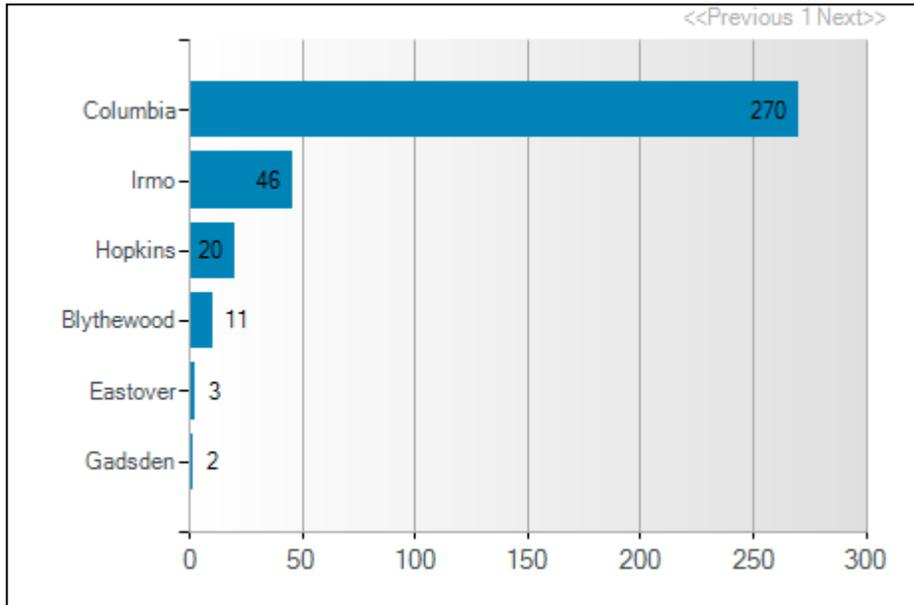
Foreclosure Rates, Richland County, SC, and US, 2010



RealtTrac.com

The foreclosure activity is concentrated with Columbia having the greatest number of recent foreclosures, followed at some distance by Irmo and Hopkins, as the graph below shows.

Number of Foreclosures by Municipality, 2010



RealtyTrac.com

The current market conditions with an increased number of foreclosures and falling housing prices do not make housing more affordable. Though prices are dropping, the declines are not significant for moderate-income households, let alone low-income households. Further, as noted, wages are not increasing generally, and home loans are increasingly difficult to obtain.

The average sale price of \$124,500 is likely out of reach for even moderate-income households. The rule of thumb for home buying is that the home should cost roughly two and one-half times the family income. This factor of 2.5 times the HUD median family income of \$62,400 is \$156,000, which might enable a median family income to purchase the median priced house. Credit history, down payment, and employment would all factor into the purchase decision in this instance. A family at 80 percent of the median income figure would be just at

the \$124,500 figure, and any family below the 80 percent figure would fall short of this standard.

Housing Need and Affordability

As noted above, affordability is not, in itself, an impediment to fair housing choice. Fair housing choice means that one has the opportunity to obtain adequate housing within one's means. However, a basic premise of all housing markets is that there must exist a spectrum of housing choice and opportunity for local residents. This axiom establishes that housing choice and needs differ in most communities due to a variety of factors, including: employment mix, household income, population age, proximity of employment and mere preference. A spectrum of rental housing choice and opportunity is particularly important as rental housing can accommodate an assortment of individual and household needs.

Local housing and labor markets are inextricably linked to one another. Industries are served by local housing markets that provide choices and opportunities for both current and future workers. The level of affordable housing demand is largely determined by job growth and retention. Employment growth will occur through the retention and expansion of existing firms and new economic growth resulting from start-ups, spin-offs, and relocations to Richland County. Populations follow job growth and the demand for housing will be influenced by the location, type, and wage levels of the County's future employment growth. The affordability component of housing demand, however, is based on local wages and salaries that are then translated into household incomes. Therefore, the availability of an existing supply of various housing types and price levels must be maintained to address the housing demand of the variety of occupations that comprise the local industrial base.

The 2007 CHAS data provided by HUD indicate that 41,800 households (31.0%) are report some type of housing problem, usually cost burden. Twenty-four percent of Owner households report some problem, while forty-three percent of Renter households report a problem. It should be noted that sixty-five percent of the Owner households in the low-income range that reported problems are African American and ninety-five percent of the low-income Renter households reporting problems are African American.

Looking more specifically at cost burden, twenty-three percent of Owner households report a cost burden, and 7,425 of these are severely cost burdened, that is, paying more that 50 percent of income for shelter. However, forty-one percent of Renter households report a cost burden and over half of these 20,605 households are severely cost burdened.

The National Low-Income Housing Coalition, a nationally recognized source of information on housing issues, notes that the maximum rent affordable to a household at less than 30 percent of Area Median Income is \$428 in Richland County, but that the Fair Market Rent in the County for a two-bedroom unit is \$699. According to the group's calculations, a household would need 1.3 minimum wage earners working forty hours per week year-round to afford a two-bedroom unit.

Further, Pennsylvania State University publishes data regarding Living Wage based on Family Composition. As stated earlier, the ability for individuals and household members to purchase housing is based not only on the availability of housing at reasonable prices and location, but also the income level of families living within Richland County, the availability of higher income, and living wage job opportunities across that various employment sectors within the local, County, and regional economy. Data for Richland County indicates that the average livable wage monthly income for a household with two adults and one child would need to be \$3,525.

Living Wage Family Composition for Richland County

Monthly Expenses	One Adult	One Adult, One Child	Two Adults	Two Adults, One Child	Two Adults, Two Children
Food	\$237	\$385	\$457	\$606	\$754
Child Care	\$0	\$619	\$0	\$619	\$1,095
Medical	\$92	\$183	\$184	\$275	\$365
Housing	\$621	\$692	\$621	\$692	\$692
Transportation	\$273	\$471	\$547	\$744	\$942
Other	\$199	\$391	\$398	\$589	\$781
TOTAL	\$1,422	\$2,741	\$2,207	\$3,525	\$4,629

Source: Pennsylvania State University Geography Department, Living Wage Calculator.

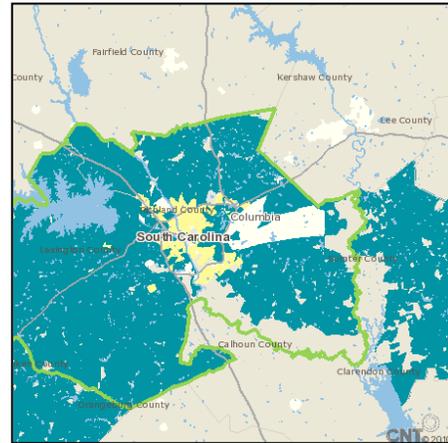
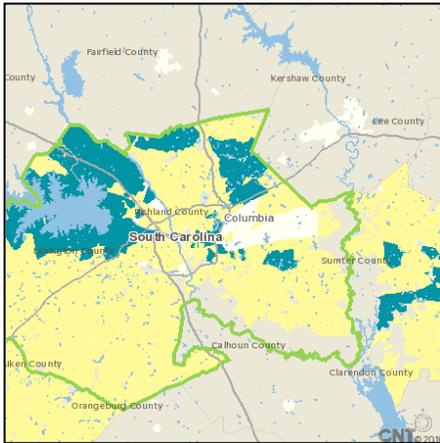
The chart also leads to consideration of another key component related to affordable housing and family stability – the cost and affordability of transportation.

Cost burden is more than a function of rent or mortgage payment and utilities; increasingly people are recognizing the impact of transportation costs on housing affordability. The 2009 ACS data indicate that 76.4 percent of Richland workers drive to work alone while another 10.1 percent do carpool. These figures are close to national percentages. However, only 1.5 percent of Richland workers use public transportation, compared to 5.0 percent nationally. The mean travel time to work was 21.6 minutes, less than the national average of 25.2 minutes. Still, the County is experiencing increased traffic congestion, even on local roads at peak travel times, there are increasing concerns about pollution, and there is an impact on housing choice and housing affordability.

For many segments of the population, especially low-income households, limited availability to public transportation, in terms of access, destinations, and hours of

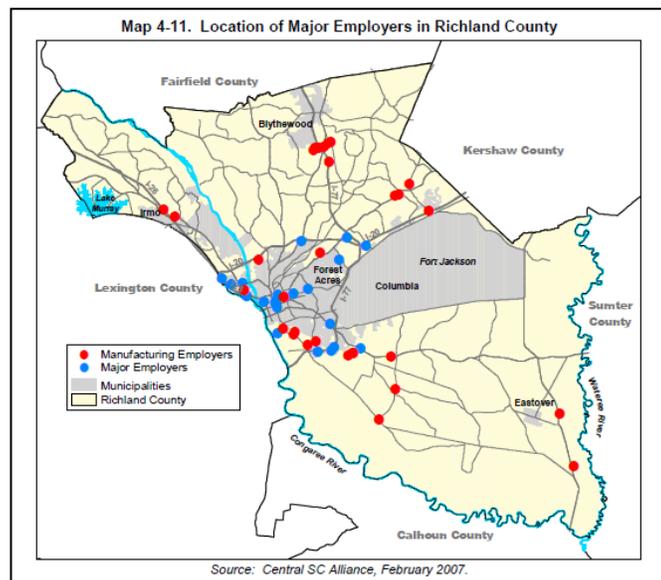
operation, can limit access to jobs, education, services, and shopping in addition to increasing the housing cost burden. The maps below, taken from the H+T Affordability Index Website demonstrate the impact of transportation cost on affordability. The blue areas in the map on the left indicate those areas in which housing costs are 30 percent or greater of household income, which is the traditional view of affordability. The blue area in the map on the right shows the effect of adding transportation costs so that now housing costs and transportation are 45 percent or greater of household income.

H+T Transportation Affordability Index – Richland County (from <http://htaindex.cnt.org>)



The point of the maps is that increased transportation costs wipe out the perceived savings in housing. This households with limited incomes think they are getting a more affordable home (or a larger home), when in reality the increased distance to work, the dependence upon reliable transportation (usually an auto in light of poor public transportation), and the increased distance to shopping and conveniences, are actually creating an increased burden. Thus, transportation affects housing choice – cheaper but further way may not be a bargain.

The transportation system should ideally provide service to the County's employment centers. These centers, shown below in a map from the Consolidated Plan, could be matched to the County's transportation system to identify weaknesses and areas lacking service. Focusing development in or near employment centers and better linking employment centers to population centers will reduce the housing and transportation cost element.



Richland County Five Year Consolidated Plan, 2007-2011

The State, the County, the Central Midlands Planning Organization, and the Central Midlands Regional Transit Authority have prepared a number of studies and plans for improving the transportation system and better connecting residential, shopping, and employment centers. However, much remains to be done, and efforts to expand public transportation will require additional funding. Also, measures to foster infill development and redevelopment in existing communities should be promoted, and incentives for such development more broadly implemented.

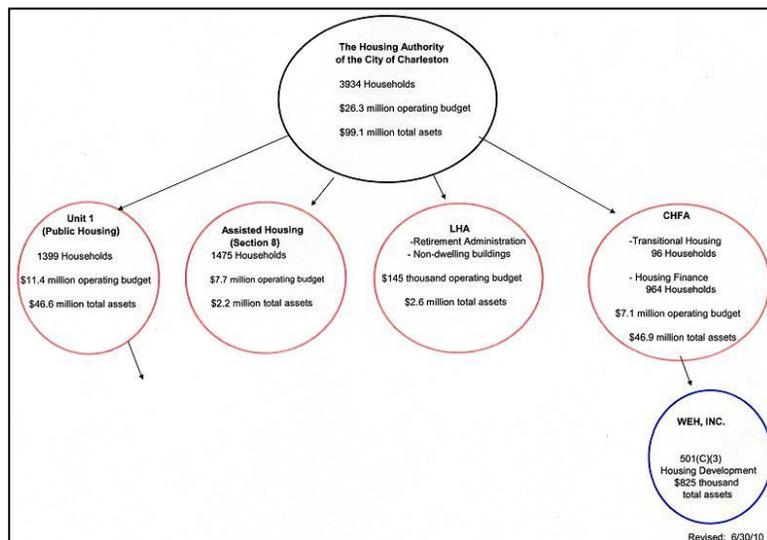
Since retail development follows population growth, the development of housing near employment centers will, ultimately lead to the growth of that sector in

locations near population centers, reducing transportation costs and traffic congestion.

Public Housing Authority

Public housing is a factor in the County's housing market. The Columbia Housing Authority (CHA) provides quality housing for low- and moderate-income families in the City of Columbia and for residents of the unincorporated areas of Richland County. According to the CHA Website, the CHA currently owns and maintains 1,400 units of conventional public housing, which are available to families of low- and moderate-incomes. CHA's housing inventory is constantly changing and includes a wide array of housing types such as small and large multi-family complexes, duplexes, and single-family homes. Most of the single-family homes are located throughout the unincorporated areas of Richland County. The CHA also administers the Section 8 Rental Assistance Program for the County, which provides rental assistance to more than 3,100 residents with low incomes who cannot afford private rental market rates, which for a Richland County household at less than 30 percent of Area Median Income is \$428 according to the National Low-Income Housing Coalition.

In addition, as the graphic below illustrates, the CHA' Housing Finance Agency provides loans to create housing opportunities for low and moderate income citizens. The Housing Finance Agency arm of the Authority provides 870 additional units of housing for the citizens of Charleston.



Source: Charleston Housing Auth

Demand for public housing and housing assistance in Richland County continues to far exceed the supply of public housing units. In December of 2010, 7,336 families were on the waiting list for CHA public housing and Section 8 vouchers. This list includes a large number of disabled individuals under the age of fifty, though the number of elderly on the wait list has declined slightly because of the opening of new units for the elderly. The wait list for housing vouchers is currently closed.

The Housing Authority specifically addresses the issue of fair housing, reasonable accommodation, and limited English proficiency in the introductory section of its Annual Plan.

SUMMARY OF KEY POINTS

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

- 1) The County has a high percentage of non-family households, as well as small households (persons living alone).
- 2) The percentage of female head households with children is above the national average.
- 3) The number of persons with disabilities is significant and increasing.
- 4) The County has a significant number of African Americans, and Whites, though there are relatively few persons in other ethnic or racial groups.

- 5) The County's Median Household Income is below the national figure, the percentage of persons and families in poverty is above the national average, and 52.0 percent of households are in HUD's lowest income levels.
- 6) Despite the recent decline in housing prices and the volume of new construction in recent years, the cost of housing, both purchase and rental, remains high, and large numbers of both owners and renters are severely cost burdened.
- 7) Though there has been significant housing construction in the last decade, a great portion of that has been high-end units, and much of the more affordable housing stock is older.
- 8) The housing authority in Columbia has long waiting list for units and the list for Section 8 vouchers is closed.
- 9) Housing growth has tended to move further from employment and shopping centers, increasing housing costs when transportation costs are factored in.

4) FAIR HOUSING PRACTICES

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

Fair Housing Enforcement in Richland County

Persons who feel that their right to fair housing has been violated have a number of avenues, which they can pursue to achieve remedy. These range from complaints through Federal or State agencies to personal legal actions. This section briefly describes the more commonly used avenues and those for which data is tracked.

THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The United States Department of Housing and Urban Development (HUD) oversees, administers, and enforces the Fair Housing Act. HUD's regional office in Atlanta, Georgia, oversees housing, community development and fair housing

enforcement in South Carolina, as well as Alabama, the Caribbean, Florida, Georgia, Kentucky, Mississippi, North Carolina and Tennessee. The Office of Fair Housing and Equal Opportunity (FHEO), within HUD's Atlanta office, enforces the federal Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending and other related transactions in South Carolina. HUD also provides education and outreach, monitors agencies that receive HUD funding for compliance with civil rights laws, and works with state and local agencies under the Fair Housing Assistance Program and Fair Housing Initiative Program.

COMPLAINT PROCESS FOR THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

According to the HUD website, any person who feels their housing rights have been violated may submit a complaint to HUD via phone, mail or the Internet. A complaint can be submitted to the national HUD office at:

Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
Room 5204
451 Seventh St. SW
Washington, DC 20410-2000
(202) 708-1112
1-800-669-9777
<http://www.hud.gov/offices/fheo/online-complaint>

In South Carolina, the contact information for the regional HUD office in Atlanta is:

Atlanta Regional Office of FHEO
U.S. Department of Housing and Urban Development
Five Points Plaza
40 Marietta Street, 16th Floor
Atlanta, Georgia 30303-2806
(404) 331-5140
1-800-440-8091

However, as described below, the South Carolina Human Affairs Commission is the Fair Housing Enforcement Organization and is designated by HUD to receive and investigate fair housing complaints in the State of South Carolina. No local

or county entities have received the “substantially equivalent status” necessary to receive and investigate complaints.

In addition to general fair housing discrimination complaints, HUD accepts specific complaints that violate Section 504 of the Rehabilitation Act of 1973, which prohibits programs or organizations that receive federal funds from discriminating against persons with disabilities. In relation to housing, this means that any housing program that accepts federal monies must promote equal access of units, regardless of disability status. Both mental and physical handicap are included in Section 504. An example of a Section 504 violation is a public housing manager who demands a higher housing deposit to a person in a wheelchair because of the anticipated damage that a wheelchair may cause. This violates Section 504 in that a person cannot be held to different standards or liabilities due to disability. Complaints that are in violation of Section 504 are filed and processed in the same manner as general fair housing complaints.

THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION

The South Carolina Human Affairs Commission (SCHAC) is the agency designated by HUD to enforce the South Carolina Fair Housing Law. The agency mission is to educate the public and enforce the laws that prohibit discrimination in housing, employment, and public accommodations. Through enforcement activities, the agency is directly involved in complaint processing, investigations, and settlement. The agency has also assisted in the establishment and maintenance over 30 Community Relations Councils around the State. The mission of these councils is to encourage local resolution of housing problems and to foster better community relations.

A person who feels that they have been discriminated against may contact the SCHAC to register that complaint within 180 days of the alleged discrimination. The complaint will be investigated and, if deemed a violation, a complaint form will be filed. Though every effort is made to mediate the complaint, an

investigation will be completed, and a determination as to whether or not there are reasonable grounds to believe a violation has occurred will be made. If there has been no settlement, and there are reasonable grounds, one of several enforcement options may be chosen. These include civil action, an administrative hearing by a panel of SCHAC members, or the complainant may sue the respondent in State court.

OTHER INVOLVED ENTITIES

STATE AGENCIES

A number of other State agencies are involved in fair housing and deal with fair housing issues, though these issues are not their primary concern. These agencies include:

- South Carolina Department of Human Affairs
- South Carolina Department of Consumer Affairs
- The Governor's Office of Economic Opportunity (OEO)
- South Carolina State Housing Finance and Development Authority
- South Carolina Department of Health and Environmental Control (DHEC)
- South Carolina Lieutenant Governor's Office on Aging
- South Carolina Department of Social Services (DSS)
- South Carolina Department of Mental Health (DMH)
- South Carolina Department of Disabilities and Special Needs (DDSN)

NON PROFIT ORGANIZATIONS

Appleseed Legal Justice Center – The South Carolina Appleseed Legal Justice Center provides legal information to the general public through brochures, pamphlets, flyers, and power-point presentations. The Center has an interest in housing issues and works to ensure the enforcement of federal and state laws that can protect an individual's ability to maintain stable housing, including federal and state fair housing laws, the South Carolina Residential-Landlord Tenant Act, and the housing protections provided under the 2005 reauthorization of the Violence Against Women Act.

The South Carolina Bar Association – The Bar Association provides a series of programs to educate the public about fair housing issues. In addition, the Bar provides a service, Ask-A-Lawyer, through which individuals may ask legal questions about housing and tenants’ rights, receiving replies from volunteer attorneys.

The Richland County Community Relations Council – The County works with the Community Relations Council, whose membership includes representatives from the City of Columbia, the County, and the Chamber of Commerce, on a range of efforts. To achieve its objective of improving the quality of life in the Midlands region efforts are made to improve and promote communications among business, government, and citizens. The staff studies and evaluates information received concerning racial and social problems within the Columbia metropolitan area and takes proper action based on consultation with the Board of Directors.

The Council is the local contact for fair housing complaints. The Council’s Housing Program staff attempts to mediate complaints, and, if the issue cannot be resolved locally, turns complaints over to HUD. The Commission will file a formal fair housing complaint and investigate the facts. The Commission only handles cases from the private sector; all cases related to public housing are turned directly over to the state HUD office in Columbia.

SC Centers For Equal Justice –The South Carolina Centers for Equal Justice (SCCEJ) provides gratis legal services in a wide variety of civil (non-criminal) legal matters, including employment, housing and public benefits to eligible low income residents of South Carolina.

OTHER INFORMATION, COORDINATION, AND SUPERVISION IN THE HOMEOWNERSHIP MARKET

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

Federal Financial Institutions Examination Council (FFIEC)

The Federal Financial Institutions Examination Council (FFIEC) is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, and to make recommendations to promote uniformity in the supervision of financial institutions. The FFIEC provides data on loan originations, loan denials, and other aspects of the home loan process, as well as preparing Community Reinvestment Act rating reports on financial institutions.

National Association of Realtors (NAR)

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

Diversity Certification

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

South Carolina Association of Realtors (CAR)

The South Carolina Association of Realtors is a trade association of realtors statewide. As members of the Association, realtors follow a strict code of ethics. The Association offers a certificate course, “At Home with Diversity, One America,” as part of its graduate education program.

South Carolina Real Estate Commission

The South Carolina Real Estate Commission is the licensing authority for real estate brokers and salespersons. The Commission has adopted education requirements that include courses in ethics and fair housing. To renew a real estate license, each licensee is required to complete continuing education.

OTHER INFORMATION, COORDINATION, AND SUPERVISION IN THE RENTAL MARKET

Many organizations oversee the apartment rental process and related practices. This oversight includes ensuring that fair housing laws are understood. The following organizations have limited oversight within the rental housing market.

South Carolina Apartment Association (SCAA)

The South Carolina Apartment Association (CTAA) is a state chapter of the National Apartment Association dedicated to serving the interests of South Carolina apartment owners and managers.

National Association of Residential Property Managers (NARPM)

NARPM is an association of real estate professionals who are experienced in managing single-family and small residential properties. NARPM promotes the standards of property management, business ethics, professionalism, and fair housing practices within the residential property management field. NARPM certifies members in the standards and practices of the residential property management industry and promotes continuing professional education. NARPM offers designations to qualified property managers and management firms, and these certifications require educational courses in fair housing practices.

Landlords United is an organization in Columbia that assists landlords and property owners in the screening and application review of prospective tenants.

Thus, there are a number of professional organizations and government agencies that have varying degrees of supervision on matters of fair housing or which provide training on ethics and fair housing to their members.

5) COMPLAINT AND LENDING DATA

This section of the AI evaluates lending practices in Richland County, using Home Mortgage Disclosure Act (HMDA) data, information from banking oversight agencies, and complaint data from local, state, and federal organizations and agencies.

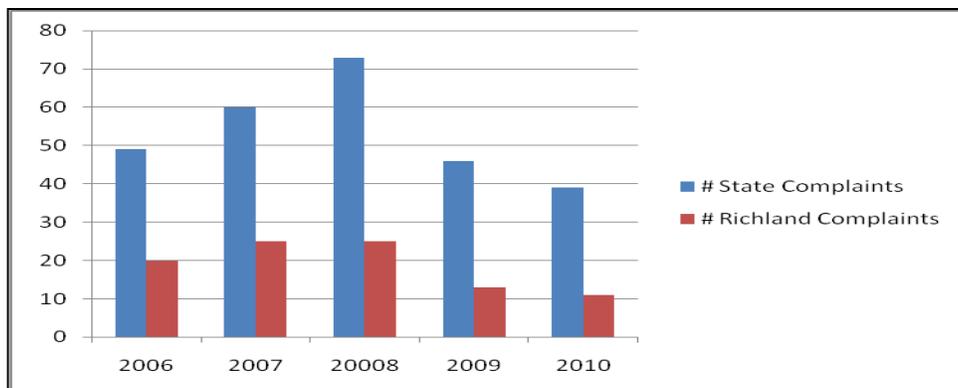
At the same time, public policies established at the local level can affect housing development and therefore may have an impact on the range and location of housing choices available to residents. Fair housing laws are designed to encourage an inclusive living environment and active community participation. An assessment of public policies and practices enacted by the County can help

determine potential impediments to fair housing opportunity. To identify potential impediments to fair housing choice and affordable housing development, housing-related documents (e.g., zoning code materials, previous fair housing assessments) were reviewed, and focus group meetings and interviews were conducted to prepare this AI.

COMPLAINT DATA

An analysis of complaint data indicates that discriminatory behavior exists even though specific forms of discrimination are sometimes difficult to fully document. An examination of the complaints filed with HUD through its Office of Fair Housing and Equal Opportunity shows that between 2006 and November of 2010, ninety-four complaints were filed in Richland County. The number of complaints mirrored the trend across the State with an increasing number of complaints through 2008, followed by a sharp decline as the housing market declined. The graph below shows this trend.

**Number of Discrimination Complaints Files, Richland County
and South Carolina, 2006-2010**



HUD, Office of Fair Housing and Equal Opportunity Complaint Data, 2006-2010

It is interesting to note that the percentage of complaints from Richland County declined from 23 percent of total complaints in 2006 to fifteen percent as the table below shows.

Richland Complaints Relative to SC Complaints, 2006-2010

Year	Number of SC Complaints	Number of Richland Complaints	Richland Complaints as % of Total
2006	86	20	23.3%
2007	112	25	22.3%
2008	132	25	18.9%
2009	84	13	15.5%
2010	71	11	15.5%
TOTAL	485	94	19.4%

HUD, Office of Fair Housing and Equal Opportunity Complaint Data, 2006-2010

The table below shows the number of cases by year and by basis of complaint.

FHEO Housing Discrimination Complaints, 2006 – 2010 Richland County, South Carolina

Year	Race	National Origin	Disability	Familial Status	Sex	Retaliation	TOTAL
2006	10	1	7	1	0	3	20
2007	12	0	9	5	4	2	25
2008	11	0	10	6	2	1	25
2009	7	2	6	2	5	0	13
2010	3	2	4	2	3	2	11
Total by Complaint	43	5	36	16	14	8	94

HUD, Office of Fair Housing and Equal Opportunity Complaint Data, 2006-2010

There are no clear trends in this data other than the decline after 2008. It should be noted that cases may be filed for multiple reasons and thus the percentages for this set of statistics may total over 100 percent. Of the 94 cases reported in

this period, 43 were based upon Race and 36 were based upon Disability. The third most prevalent reason was familial status (16) and the fourth most common basis for complaint was sexual discrimination (14).

There are no discernible reasons for the trends in this data other than the decline in the housing market. After 2008 there were fewer people in the housing market, and this could account for the sharp decline in the number of complaints. Complaints on the basis of national origin increased after 2008, but the number of complaints was relatively small.

DEPARTMENT OF JUSTICE LEGAL ACTIONS

The U.S. Department of Justice (DOJ) enacts lawsuits on behalf of individuals based on referrals from HUD. Under the Fair Housing Act, the DOJ may file lawsuits in the following instances:

- Where there is reason to believe that a person or entity is engaged in what is termed a “pattern or practice” of discrimination or where a denial of rights to a group of people raises an issue of general public importance;
- Where force or threat of force is used to deny or interfere with fair housing rights;
- Where people who believe that they have been victims of an illegal housing practice file a complaint with HUD or file their own lawsuit in federal or state court.

A review of the Department of Justice, Office of Civil Rights, Website did not reveal any fair housing cases filed in South Carolina. However, a case against a developer based in Indianapolis, Indiana, does involve multi-family properties in South Carolina.

HOME LOAN ACTIVITY

Background

A key aspect of fair housing choice is equal access to financing for the purchase or improvement of a home. In 1977, the Community Reinvestment Act (CRA) was enacted to encourage regulated financial institutions to help meet the credit

needs of entire communities, including low and moderate-income persons and neighborhoods. The Home Mortgage Disclosure Act (HMDA) requires financial institutions with assets exceeding ten (10) million dollars to submit detailed information on the disposition of home loans. HMDA data were evaluated in this AI with respect to lending patterns, and the set of HMDA data used for this analysis is included in Appendix E.

Four (4) types of financing – government-backed, conventional, refinancing, and home improvement – are examined. Conventional financing refers to market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions. Government-backed financing refers to loans offered at below-market interest rates that are typically issued by private lenders and are guaranteed by federal agencies. These loans are offered to lower and moderate income households who may experience difficulty in obtaining home mortgage financing in the private market due to income and equity issues. Several federal government agencies, including the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), and the Rural Housing Services/Farm Service Agency (RHA/FSA) offer loan products that have below-market interest rates and are insured (“backed”) by the agencies. Loans backed by local jurisdictions (such as silent second loans by cities and counties) are not covered under HMDA. Refinancing and home improvement loans, as the names state, are market-rate loans provided by private lending institutions for refinancing of existing home loans or for home improvements.

In reviewing the following statistics it is important to keep some demographic and economic figures in mind. Whites constitute 47.3 percent, African Americans 45.9 percent and Asians 2.2 percent of the population. Thus, theoretically, all other things being equal, the rates of loan origination and denial should be about equal between Whites and African Americans since they each represent a similar percentage of the overall population. However, as the table below shows the

percentage of White applicants for all types of loans exceeded their percentage of the total population.

Percentage of Loan Applicants by White and Non-White

Type of Loan	Total Applications	White Non-Hispanic Applicants	White Non-Hispanic Applicants %	Other Applicants, including Hispanic	Other Applicants, including Hispanic %
Conventional	4283	3410	79.6%	873	20.4%
Government Backed	5365	3410	63.6%	1955	36.4%
Refinancing	21691	16275	75.0%	5416	25.0%
Home Improvement	978	648	66.3%	330	33.7%

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

Similarly, the upper income group, as defined by HUD, represents 48.0 percent of the households in the MSA, and, again theoretically, should have loan originations and denials in proportion to its presence in the community.

The number of loan applicants, whether viewed by race or income, is a function of interest in and ability to enter the housing market. Households with lower incomes, regardless of race, are less likely to pursue purchasing a home given their economic circumstances, though they may be inclined to seek refinancing in an effort to reduce mortgage payments. Also, the number of loan applicants will include persons moving from locations outside the State and many of these households are likely to be older, more affluent, and, until recently, White. The point is that Whites, for whatever reasons, were disproportionately more active in the housing market in 2009, according to HMDA data.

The HMDA data indicate that there were 196 institutions with home or branch office in the Columbia MSA making loans for housing in 2009. Almost 400 other institutions were active in the MSA though they did not have an office in the area.

These include the lending arms of brokerage houses and national mortgage companies.

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

Loan Activity

Introduction

In 2009, the most recent year for which complete data is available, 38,644 loan applications were made in the Columbia, SC Metropolitan Statistical Area (MSA), resulting in 23,138 loan originations. The number of originations is 61.0 percent of the total applications for all four types of loans. Though home purchase loan applications totaled 11,484, the number of applications for refinancing was over twice that number. The number of refinancing loans originated is almost twice the number of home purchase loans – 8,114 home purchases versus 14,590 refinancing loans. This reflects the nature of the housing market at the time. Refinancing loans were popular in part as a means to obtain funds (borrowing against the value of the property), but also because of a desire to obtain lower interest rates or different terms on an existing loan.

It should be noted that 73.6 percent of government-backed home purchase loan applications resulted in loans with a rejection rate of only 13.2 percent, demonstrating that lenders were willing to make loans for households that qualified for these loans. Conventional loans had a slightly lower acceptance rate and a slightly higher rate of denial, reflecting the perceived greater risk on the part of lenders. Home Improvement loans had the highest rate of denial.

The table below shows the total number of loans applied for, the numbers of loans originated, and the number denied, as well as the results of other actions

2009 RICHLAND COUNTY TOTAL LOAN DISPOSITIONS								
Type of Loan Disposition	HOME PURCHASE LOANS				REFINANCING		HOME IMPROVEMENT	
	FHA, FSA/RHS & VA		CONVENTIONAL		Number	% Of Total Applications	Number	% Of Total Applications
	Number	% Of Total Applications	Number	% Of Total Applications	Number	% Of Total Applications	Number	% Of Total Applications
Total Applications	6,300	100.0	5,184	100.0	26,028	100.0	1,132	100.0
Total Loans Originated	4,637	73.6	3,477	67.1	14,590	56.1	434	38.3
Approved, But Not Accepted	153	2.4	268	5.2	1,333	5.1	91	8.0
Applications Denied	831	13.2	841	16.2	5,713	21.9	461	40.7
Applications Withdrawn	479	7.6	438	8.4	3,485	13.4	123	10.9
File Closed for Incompleteness	200	3.2	160	3.1	907	3.5	23	2.0

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

These figures are for the entire MSA, and show that the majority of home purchase loans were approved (73.6% and 67.1%), though over 16.0 percent of Conventional purchase loans were denied, and 13.2 percent of Government-backed loans were denied. Only 2.4 percent of Government-backed and 5.2 percent of loans were approved but not accepted. This indicates the potential buyer's failure to close on the chosen property (which could come from any number of reasons) or a reassessment of the purchase situation.

An important variable in dissecting lending outcomes is the percentage of withdrawn or loan applications closed for incompleteness. An understanding of the home buying and loan processes, income/equity requirements, and financial responsibility are important to a successful loan application and home purchase. Many households, particularly those entering the homeownership market the first time, lack financial knowledge to deal with the home buying process and may end up closing or withdrawing their application. A high rate of withdrawn or closed applications can be indicative of a lack of knowledge of the loan application and/or home buying process, or a lack of adequate assistance by the lender throughout the process. The lack of lender assistance may be

discriminatory in motive or outcome. However, HMDA data are inadequate in proving motive.

Both types of home purchase loans have a similar rate of withdrawal. The rate of loan withdrawal for refinancing loans is the highest and may be the result of the complexity of the situation for individual owners. The rate for home improvements is over ten percent, and may also be a reflection of both the complexity of the situation and the limits of an individual household's need or desire for this type of loan, as well as increasingly stringent lending standards.

Loan Disposition by Race and Ethnicity

The tables below show the disposition of each type of loan by race, ethnicity, and minority status. The figures for Minority Status vary from the other figures because of inconsistencies in reporting. The overall denial rates shown above are reflected in these tables. There are wide variances among the eight categories of racial listings in particular, and the reader should view the percentages of denials carefully. In some instances, a high rate of denial or withdrawal of application is due to the rejection or withdrawal of many applications from a small pool. For example, there is a 100 percent denial rate for households comprised of two or more minority races among Conventional Loan Applicants. However, there were only two such households making application. Conversely, there were no loan denials among the four American Indian applicants for Government-backed loans.

That said, the loan denial rate among African Americans was higher than that of Whites among all four types of loans – three times higher for Conventional loans and twice as high for Refinancing Loans. However, the loan withdrawal rate was close between the two groups, except for Refinancing loans, where there is a five percentage point difference.

Latinos had a higher rate of loan denial among all four types of loans and the difference was very marked in the Government-backed loans in particular. For those loans, the denial rate for non-Hispanics was only 0.1 percent, but the Latino rate was over 100 times that rate. The difference in the Conventional loans was slightly less than nine percent.

The table below shows the data for Conventional Loans.

2009 COLUMBIA MSA CONVENTIONAL LOAN DISPOSITION BY RACE & ETHNICITY								
Race and Ethnicity	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed For Incompleteness	% Withdrawn or Closed Incomplete
RACE								
American Indian/Alaska Native	12	5	0	3	25.0	3	1	33.3
Asian	131	69	11	25	19.1	16	10	19.8
Black or African American	610	299	27	220	36.1	46	18	10.5
Native Hawaiian/Other Pacific Islander	10	5	0	4	40.0	1	0	10.0
White	3,523	2,503	182	452	12.8	284	102	11.0
2 or More Minority Races	2	0	0	2	100.0	0	0	0.0
Joint (White/Minority Race)	33	21	3	3	9.1	3	3	18.2
Race Not Available	863	575	45	132	15.3	85	26	12.9
TOTAL	5,184	3,477	268	841	16.2	438	160	11.5
ETHNICITY								
Hispanic or Latino	52	28	1	13	25.0	8	2	19.2
Not Hispanic or Latino	4,286	2,903	218	697	16.3	344	124	10.9
Joint (Hispanic or Latino/Not Hispanic or Latino)	29	21	4	1	3.4	3	0	10.3
Ethnicity Not Available	817	525	45	130	15.9	83	34	14.3
TOTAL	5,184	3,477	268	841	16.2	438	160	11.5
MINORITY STATUS								
White Non-Hispanic	3,410	2,440	173	431	12.6	271	95	10.7
Others, Including Hispanic	873	446	46	269	30.8	78	34	12.8
TOTAL	4,283	2,886	219	700	16.3	349	129	11.2

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

As noted, the Government-backed loans had the highest rate of origination and

2009 COLUMBIA MSA GOVERNMENT-BACKED LOAN DISPOSITION BY RACE & ETHNICITY								
Race and Ethnicity	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed for Incompleteness	% Withdrawn or Closed Incomplete
RACE								
American Indian/Alaska Native	4	4	0	0	0.0	0	0	0.0
Asian	64	50	2	6	9.4	4	2	9.4
Black or African American	1671	1116	37	319	19.1	142	57	11.9
Native Hawaiian/Other Pacific Islander	17	13	0	1	5.9	2	1	17.6
White	3574	2730	86	389	10.9	250	119	10.3
2 or More Minority Races	5	5	0	0	0.0	0	0	0.0
Joint (White/Minority Race)	39	31	1	3	7.7	3	1	10.3
Race Not Available	926	688	27	113	12.2	78	20	10.6
TOTAL	6,300	4,637	153	831	13.2	479	200	10.8
ETHNICITY								
Hispanic or Latino	134	102	4	14	10.4	9	5	10.4
Not Hispanic or Latino	5272	3874	125	706	13.4	393	174	10.8
Joint (Hispanic or Latino/Not Hispanic or Latino)	55	44	0	6	10.9	4	1	9.1
Ethnicity Not Available	839	617	105	105	12.5	73	20	11.1
TOTAL	6,300	4,637	153	831	13.2	479	200	10.8
MINORITY STATUS								
Others, Including Hispanic	1955	1337	44	347	17.7	162	65	11.6
White Non-Hispanic	3410	2605	83	372	10.9	235	115	10.3
TOTAL	5,365	3,942	127	719	13.4	397	180	10.8

the lowest rate of denial overall, as well as the lowest rate of withdrawal. The data for Government-backed loans is shown in the following table.

*Source: Federal Financial Institutions Examination Council (FFIEC)
Home Mortgage Disclosure Act (HMDA), 2009 from
Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.*

Refinancing loans, shown in the table below, had a significant percentage of loan denials, averaging over a twenty percent denial rate across all racial groups. Though the rejection rate for African Americans was twice that of the rate for Whites, other groups did not fare well overall. Similarly, the percentage of applications withdrawn or closed for incompleteness was high with one-third of Native American applications withdrawn or closed. Hispanics had the highest percentage of applications denied and withdrawn. This is a significant figure when considering that Latino applications constituted only 1.3 percent of total applications for refinance loans.

2009 COLUMBIA MSA REFINANCE LOAN DISPOSITION BY RACE & ETHNICITY								
Race and Ethnicity	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed For Incompleteness	% Withdrawn or Closed Incomplete
RACE								
American Indian/Alaska Native	71	24	7	16	22.5	19	5	33.8
Asian	334	163	23	80	24.0	51	17	20.4
Black or African American	4,334	1,723	295	1,482	34.2	675	159	19.2
Native Hawaiian/Other Pacific Islander	45	22	1	12	26.7	8	2	22.2
White	16,860	10,544	813	2,977	17.7	1,933	533	14.6
2 or More Minority Races	33	20	0	7	21.2	4	2	18.2
Joint (White/Minority Race)	160	93	4	34	21.3	24	5	18.1
Race Not Available	4,191	2,001	190	1,105	26.4	711	184	21.4
TOTAL	26,028	14,590	1,333	5,713	21.9	3,425	907	16.6
ETHNICITY								
Hispanic or Latino	353	159	19	97	27.5	59	19	22.1
Not Hispanic or Latino	21,549	12,474	1,135	4,522	21.0	2,722	696	15.9
Joint (Hispanic or Latino/Not Hispanic or Latino)	180	101	6	37	20.6	26	10	20.0
Ethnicity Not Available	3,946	1,856	173	1,057	26.8	678	182	21.8
TOTAL	26,028	14,590	1,333	5,713	21.9	3,485	907	16.9
MINORITY STATUS								
White Non-Hispanic	16,275	10,263	792	2,820	17.3	1,898	502	14.7
Others, Including Hispanic	5,416	2,251	349	1,751	32.3	850	215	19.7
TOTAL	21,691	12,514	1,141	4,571	21.1	2,748	717	16.0

*Source: Federal Financial Institutions Examination Council (FFIEC)
Home Mortgage Disclosure Act (HMDA), 2009 from
Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.*

Home Improvement loans, shown below, were the most difficult to obtain in 2009, as shown in the table below. The denial rate was 33.7 percent for Whites, 54.4 percent for African Americans, and 83.3 percent for Asians. However, Whites had a higher rate and significantly more applications withdrawn than African Americans. Latinos had loans denied at a rate almost fifty percent greater than the rate of non-Hispanics.

2009 COLUMBIA MSA HOME IMPROVEMENT LOAN DISPOSITION BY RACE & ETHNICITY								
Race and Ethnicity	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed For Incompleteness	% Withdrawn or Closed Incomplete
RACE								
American Indian/Alaska Native	1	0	0	1	100.0	0	0	0.0
Asian	6	0	1	5	83.3	0	0	0.0
Black or African American	287	63	32	156	54.4	30	6	12.5
Native Hawaiian/Other Pacific Islander	3	0	0	3	100.0	0	0	0.0
White	670	306	45	226	33.7	78	15	13.9
2 or More Minority Races	5	0	0	4	80.0	1	0	20.0
Joint (White/Minority Race)	14	5	1	5	35.7	3	0	21.4
Race Not Available	146	60	12	61	41.8	11	2	8.9
TOTAL	1,132	434	91	461	40.7	123	23	12.9
ETHNICITY								
Hispanic or Latino	17	5	1	10	58.8	1	0	5.9
Not Hispanic or Latino	964	367	76	391	40.6	109	21	13.5
Joint (Hispanic or Latino/Not Hispanic or Latino)	4	1	0	2	50.0	1	0	25.0
Ethnicity Not Available	147	61	14	58	39.5	12	2	9.5
TOTAL	1,132	434	91	461	40.7	123	23	12.9
MINORITY STATUS								
White Non-Hispanic	648	296	43	219	33.8	75	15	13.9
Others, Including Hispanic	330	73	35	180	54.5	36	6	12.7
TOTAL	978	369	78	399	40.8	111	21	13.5

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

Loan Disposition by Income

The HMDA data permits an analysis of loan disposition by income level. The tables below show this disposition for each of the four types of loan by five levels of income and one category of “Income Not Available.”

For Conventional loans it is interesting to note that the lowest percentage of denials was in the lowest income level and the highest rate of denial (outside of “Income Not Available”) was in the second lowest income level. Those households in the 120 percent or more of MSA Median Income had the second

lowest percentage of loan denials. Interestingly, the percentage of loan withdrawal and closure for incompleteness rose as the income level increased, belying the theory that less financially sophisticated persons are more likely to withdraw their applications. The table appears below.

2009 COLUMBIA MSA CONVENTIONAL LOAN DISPOSITION BY INCOME								
INCOME OF APPLICANTS	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed For Incompleteness	% Withdrawn or Closed Incomplete
Less than 50% of MSA/MD Median	724	356	54	42	5.8	47	25	9.9
50-79% of MSA/MD Median	1027	696	44	186	18.1	72	29	9.8
80-99% of MSA/MD Median	613	437	30	80	13.1	50	16	10.8
100-119% of MSA/MD Median	455	317	18	67	14.7	44	9	11.6
120% or More of MSA/MD Median	2119	1538	118	197	9.3	210	56	12.6
Income Not Available	246	133	4	69	28.0	15	25	16.3
TOTAL	5,184	3,477	268	641	12.4	438	160	11.5

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

Government-backed loans followed a more expected pattern in terms of loan denials - lower income households experienced higher rates of denial and higher income households had a lower percentage of denials. There was no clear pattern among the income levels with respect to withdrawal or closure for incompleteness.

2009 COLUMBIA MSA GOVERNMENT-BACKED LOAN DISPOSITION BY INCOME								
INCOME OF APPLICANTS	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed For Incompleteness	% Withdrawn or Closed Incomplete
Less than 50% of MSA/MD Median	1189	772	27	238	20.0	88	64	12.8
50-79% of MSA/MD Median	2101	1590	43	264	12.6	149	55	9.7
80-99% of MSA/MD Median	1061	794	34	120	11.3	89	24	10.7
100-119% of MSA/MD Median	659	522	15	64	9.7	39	19	8.8
120 or More of MSA/MD Median	1225	945	33	121	9.9	100	26	10.3
Income Not Available	65	14	1	24	36.9	14	12	40.0
TOTAL	6,300	4,637	153	831	13.2	479	200	10.8

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

Refinance loans, which had a high percentage of denials and withdrawals overall, followed the predicted pattern for loan denials. That is, the lower income levels had very high percentages of denials (over 25 percent) while middle and upper income households, and even those "Income Not Available" applicants

were denied less than 25 percent of the time. Loan withdrawals were consistent across all income levels.

2009 COLUMBIA MSA REFINANCE LOAN DISPOSITION BY INCOME								
INCOME OF APPLICANTS	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed For Incompleteness	% Withdrawn or Closed Incomplete
Less than 50% of MSA/MD Median	2258	859	111	902	39.9	316	70	17.1
50-79% of MSA/MD Median	4326	2130	240	1204	27.8	594	158	17.4
80-99% of MSA/MD Median	3226	1706	175	802	24.9	439	104	16.8
100-119% of MSA/MD Median	2340	1293	117	538	23.0	304	88	16.8
120% or More of MSA/MD Median	10521	6642	511	1724	16.4	1335	309	15.6
Income Not Available	3357	1960	179	543	16.2	497	178	20.1
TOTAL	26,028	14,590	1,333	5,713	21.9	3,485	907	16.9

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

Home Improvement loans had the highest percentage of loan denial and this is reflected in the table below. Slightly over 60 percent of loans were denied in the lowest income level, but 28.1 percent were denied even in the highest income category. There was no pattern among the income levels with respect to loan withdrawal or closure for incompleteness.

2009 COLUMBIA MSA HOME IMPROVEMENT LOAN DISPOSITION BY INCOME								
INCOME OF APPLICANTS	Applications Received	Loans Originated	Applications Approved But Not Accepted	Applications Denied	Loan Denial Rate %	Applications Withdrawn	Files Closed For Incompleteness	% Withdrawn or Closed Incomplete
Less than 50% of MSA/MD Median	193	42	15	116	60.1	18	2	10.4
50-79% of MSA/MD Median	254	72	27	113	44.5	32	10	16.5
80-99% of MSA/MD Median	140	52	12	62	44.3	10	4	10.0
100-119% of MSA/MD Median	126	52	5	47	37.3	21	1	17.5
120% or More of MSA/MD Median	377	191	32	106	28.1	42	6	12.7
Income Not Available	42	25	0	17	40.5	0	0	0.0
TOTAL	1,132	434	91	461	40.7	123	23	12.9

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

Reasons for Denial by Race and Ethnicity

The HMDA data permits an analysis of the reasons for denial for each of the four loan types by race, ethnicity, minority status, gender, and income. The total number of denied loans is higher in these tables because there may be multiple reasons for denying a specific loan. The tables for the four types of loans are found in Appendix F because they are too large to fit these text pages.

Of the 912 loan denials for Conventional loans, 499 (55%) were to White Applicants, while 240 (26%) were to African American applicants. Race Not

Available accounted for 131 (14%) of denied loans. The other racial groups thus made up only five percent of the loans denied. As one would suspect, Non-Hispanics, who constituted the majority of loan applicants, were denied loans in the greatest percentage – 85% of the 912 denials. Though the lowest income range had the greatest number of denials (284 for 31% of denials), it is worth noting that the 120 percent or more of median income group had the second highest percentage of denials – 213 or 23 percent.

Conventional Loans

The most common reason for the denial of Conventional loans was Credit History (402 of 912 denials), followed by Debt-to-income Ratio (204). Lack of collateral ranked third and was the reason for 107 denials.

Under denial for Credit History, forty-six percent of denials were to Whites and 35 percent were to African Americans. No other race had a significant percentage. Over one-third of denials for Credit History were to the lowest income group, though the lowest percentage of denials was to the 100-119% of Median Income group.

The number of denials because of Debt-to-Income ratio for Whites was almost three times the number of denials for African Americans – 125 compared to 46. Though the lowest income category had the highest percentage of loan denials for this reason, the second highest percentage was the 120 percent or more group.

The highest income group had the greatest percentage of denials (43%) for lack of Collateral, and had more than three times the number of denials than the other income groups. Whites had two-thirds of the denials for lack of collateral while African Americans were a distant second with only 11 percent of denials for this reason.

Government-backed Loans

Of the 834 loan denials for Government-backed loans, 360 (43%) were to White Applicants, while 348 (42%) were to African American applicants. Race Not Available accounted for 115 (14%) of denied loans. The other racial groups thus made up only one percent of the loans denied. As one would suspect, Non-Hispanics, who constituted the majority of loan applicants, were denied loans in the greatest percentage – 85% of the 834 denials. The lowest income range had the second greatest number of denials (253 for 30% of denials), while the 50-79% of Median Income group had 268 denials (32%). It is worth noting that the 120 percent or more of median income group had 104 denials or 12 percent of denials.

The most common reason for the denial of Government-backed loans was Credit History (295 of 834 denials), followed by Debt-to-income Ratio (186). “Other Reasons” ranked third and was the reason for 101 denials.

Under denial for Credit History, thirty-seven percent of denials were to Whites and forty-eight percent were to African Americans. No other race had a significant percentage. Fifty-nine of denials for Credit History were to the two lowest income groups.

The number of denials because of Debt-to-Income ratio for Whites was almost the same for denials for African Americans – 82 compared to 79, and these two races had 86 percent of the loan denials. The lowest income category had the highest percentage of loan denials for this reason.

The two income groups had the greatest percentage of denials (55%) for Other Reasons, and had twice the number of denials than the other income groups

combined. Whites, Asians and African Americans had almost identical numbers of the denials for Other Reasons.

Refinance Loans

Of the 4,628 loan denials for Refinance loans, 2,494 (54%) were to White applicants, while 348 (25%) were to African American applicants. Race Not Available accounted for 804 (17%) of denied loans. The other racial groups thus made up only four percent of the loans denied. As one would suspect, Non-Hispanics, who constituted the majority of loan applicants, were denied loans in the greatest percentage – 80% of the 4,628 denials. The two lowest income ranges had the greatest number of denials (1,691 for 37% of denials), while the 120% or More of Median Income group had 1,513 denials (33%). This number is twice that of the lowest income range and indicates that this group was facing difficulty in obtaining a loan in light of stricter lending standards.

The most common reason for the denial of Refinance loans was Collateral (1,353 of 4,628 denials), followed by Credit History (1,155). Debt-to-income Ratio ranked third and was the reason for 974 denials.

Under denial for Credit History, Whites and African Americans together had 80 percent of denials, with the number of denials to Whites leading denials to African Americans 502 to 418. No other race had a significant percentage. It was a sign of the times that 264 (23%) of the 120% or More of Median Income group were denied for Credit History.

It is also a sign of the times that this same 120% or More group had 597 of the 1,353 loan denials for Collateral. This represents 44 percent of denials for this reason, and is twice the number and percentage of the next highest group. Also, Whites had 59 percent of the loan denials for Collateral, well above the 21 percent for African Americans.

The number of denials because of Debt-to-Income ratio for Whites was twice the number of denials for African Americans – 553 compared to 225, and these two races had 80 percent of the loan denials. The lowest income category had the highest percentage of loan denials for this reason, though the 120% and More group had 20 percent of loan denials.

Home Improvement Loans

Of the 453 loan denials for Home Improvement loans, 219 (48%) were to White applicants, while 141 (31%) were to African American applicants. Race Not Available accounted for 75 (17%) of denied loans. The other racial groups thus made up only four percent of the loans denied. Non-Hispanics, who constituted the majority of loan applicants, were denied loans in the greatest percentage – 81% of the 453 denials. The two lowest income ranges had the greatest number of denials (258 for 57% of denials), while the 120% or More of Median Income group had 93 denials (21%).

The most common reason for the denial of Refinance loans was Credit History (212 of 453 denials), followed by Debt-to-income Ratio (85). Collateral ranked third and was the reason for 78 denials.

Under denial for Credit History, Whites had 100 denials (47%) and African Americans had 34 percent of denials (73). No other race had a significant percentage. The lowest income group had the highest percentage of denials and the number and percentage of denials decreased as income levels increased.

The number of denials because of Debt-to-Income ratio for Whites was almost twice the number of denials for African Americans – 41 compared to 22, and these two races had 74 percent of the loan denials. The lowest income category had the highest percentage of loan denials for this reason, and the trend was the same as that found above – the number and percentage of denials decreased as income levels increased.

It is interesting to note that 120% or More group had 29 of the 78 loan denials for Collateral. This represents 37 percent of denials for this reason. As with denial for Debt-to-Income ratio, Whites had 54 percent of the loan denials for Collateral, well above the 28 percent for African Americans.

Loan Disposition by Census Tract

The HMDA loan disposition data is also presented by Census Tract. The detailed tables for the analysis of each of the four types of loans are too large to appear in this narrative, but may be found in Appendix G. The summary tables below show the number of Census Tracts for which the percentage of loan denials or loan withdrawals was ten percent greater than the average for that type of loan. In addition, the number of denials is shown by income level (low, moderate, middle, upper). There are nine low-income tracts, 19 upper-income tracts, 23 middle-income tracts, 28 moderate-income tracts and two unknown tracts in the subject area.

Census data also indicate that 38 of the County's 78 Census Tracts are fifty percent or more African American. An examination of the percentages of loan denial by race by Census Tract reveals that the number of Census Tracts in which African Americans constitute fifty percent or more of the population are likely to have loan denial percentages above the average for that type of loan. The table below, based upon an analysis of the larger tables in the Appendix, demonstrates this.

Percentage of Loan Denials in Minority Census Tracts

Type of Loan	% GOVT.-BACKED DENIED	% CONVENT. DENIED	% REFIN. DENIED	% HOME IMPROV. DENIED
78 Tracts Total	Tract Denial Above Average			
	38	40	48	32
38 Minority > 50% Tracts	Minority Tract Denial Above Average			
	21	26	34	20

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

For example, thirty-eight of the Census Tracts in Richland had Government-Backed loan denial rates above the average percentage of denials for this type of loan. Of these thirty-eight Census Tracts, twenty-one were ones with an African American population of fifty percent or greater. Thus, Census Tracts in which the population was more than one-half African American constituted from fifty-five to seventy percent of the Tracts with denial rates higher than the average.

Loan Denials by Census Tract and Income Level

Conventional Loan Denials and Withdrawals by Census Tract and Income Level

Income Level	Number of Loans Denied	Number of Loans Withdrawn
Upper (9 tracts)	1	1
Middle (23 tracts)	8	3
Moderate (28 tracts)	13	3
Low 9 (tracts)	6	3

Unknown (2 tracts)	-	-
Total (81 tracts)	28	10

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

The Moderate Income Census tracts have the highest number of loan denials, though the 28 Moderate Income Tracts constitute one-third of the Tracts but have almost one half of the denials. Withdrawals are fairly spread evenly across the board.

Government-backed Loan Denials and Withdrawals by Census Tract and Income Level

Income Level	Number of Loans Denied	Number of Loans Withdrawn
Upper (9 tracts)	2	2
Middle (23 tracts)	3	4
Moderate (28 tracts)	7	5
Low 9 (tracts)	2	3
Unknown (2 tracts)	-	1
Total (81 tracts)	14	15

Source: Federal Financial Institutions Examination Council (FFIEC) Home Mortgage Disclosure Act (HMDA), 2009 from Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.

Again, Moderate Income Census Tracts have a disproportionate number of loan denials.

Refinance Loan Denials and Withdrawals by Census Tract and Income Level

Income Level	Number of Loans Denied	Number of Loans Withdrawn
Upper (9 tracts)	0	0
Middle (23 tracts)	10	2
Moderate (28 tracts)	10	1
Low 9 (tracts)	5	2
Unknown (2 tracts)	1	1
Total (81 tracts)	26	6

*Source: Federal Financial Institutions Examination Council (FFIEC)
Home Mortgage Disclosure Act (HMDA), 2009 from
Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.*

This table reflects the high number of refinance loan applications (and denials). The number and percentage of denials in the Middle- and Moderate-income tracts is above their representation in the subject area.

Home Improvement Loan Denials and Withdrawals by Census Tract and Income Level

Income Level	Number of Loans Denied	Number of Loans Withdrawn
Upper (9 tracts)	2	1
Middle (23 tracts)	9	4
Moderate (28 tracts)	11	4
Low 9 (tracts)	3	2
Unknown (2 tracts)	-	-
Total (81 tracts)	25	11

*Source: Federal Financial Institutions Examination Council (FFIEC)
Home Mortgage Disclosure Act (HMDA), 2009 from
Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc.*

This table reflects the high number of home improvement loan applications. The number and percentage of denials in the Middle- and Moderate-income tracts is slightly above their representation in the subject area.

In summary, access to mortgage loans, and other types of loans, is correlated to income. Denial rates decrease as income increases while loan originations increase with greater incomes.

CRA Rating

The Community Reinvestment Act (CRA) is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate-income neighborhoods. CRA ratings are provided for the main or regional headquarters of the financial institution. Depending on

the type of institution and total assets, a lender may be examined by different agencies for its CRA performance. Databases maintained by the Federal Reserve Board (FRB), Federal Financial Institutions Examination Council (FFIEC), Federal Deposit Insurance Corporation (FDIC), and Office of the Comptroller of the Currency (OCC) were researched for the performance of the top financial institutions issuing home loans. Though not an indicator of discrimination or possible impediments, these ratings do reflect the ability of institutions to address the needs of low- and moderate-income residents.

Among the lenders active in the County, twelve received ratings from the FFIEC. The table below shows the rating received by these financial institutions. Four lending institutions examined received Outstanding ratings and eight received a Satisfactory rating.

FFIEC Interagency Community Reinvestment Act (CRA) Ratings

Bank Name	City	State	CRA Rating
FIRST CITIZENS BANK AND TRUST COMPANY, INC.	COLUMBIA	SC	Outstanding
NATIONSBANK OF SOUTH CAROLINA, N.A.	COLUMBIA	SC	Outstanding
SOUTH CAROLINA COMMUNITY BANK	COLUMBIA	SC	Outstanding
WACHOVIA BANK OF SOUTH CAROLINA, N.A.	COLUMBIA	SC	Outstanding
CONGAREE STATE BANK	WEST COLUMBIA	SC	Satisfactory
FIRST-CITIZENS BANK AND TRUST COMPANY OF SOUTH CAROLINA	COLUMBIA	SC	Satisfactory
CAROLINA NATIONAL BANK AND TRUST COMPANY	COLUMBIA	SC	Satisfactory
BANKMERIDAN, N. A.	COLUMBIA	SC	Satisfactory
SOUTH CAROLINA COMMUNITY BANK	COLUMBIA	SC	Satisfactory
THE NATIONAL BANK OF SOUTH CAROLINA	COLUMBIA	SC	Satisfactory
OMNI SAVINGS BANK, FSB	COLUMBIA	SC	Satisfactory
SOUTH CAROLINA FEDERAL SAVINGS BANK	COLUMBIA	SC	Satisfactory

*Source: Federal Financial Institutions Examination Council (FFIEC)
Home Mortgage Disclosure Act (HMDA), 2009 from
Development Resources and research LLC; Analysis Ernest Swiger Consulting, Inc*

SUMMARY OF KEY POINTS

- 1) The number of complaints filed with the Human Affairs Commission has declined since 2008. Race is the basis for the greatest number of complaints, followed by Disability.
- 2) Government-backed loans had the highest rate of origination because of their guarantees. The high percentage of loan denials among refinance and home improvement loans

reflects increasingly stringent loan standards and the difficult financial circumstances of many loan applicants.

- 3) African American, Hispanic, and Asian loan applicants had higher rates of loan denial than White applicants overall.
- 4) In general, White loan applicants had the same percentage of loan withdrawals as African Americans, but Hispanics and Asians had higher percentages. This may indicate unfamiliarity with the loan application and approval process.
- 5) Poor Credit History, Lack of Collateral and Poor Debt-to-Income Ratio were the leading reasons for loan denial. The percentage of African American loan denials generally was larger than that of White applicants for each of the four types of loans.
- 6) The higher percentages of loan denials among Hispanics, Asians, and other groups must be viewed in terms of the small pool of applicants in the MSA.
- 7) The HMDA data are inconclusive in identifying or defining any specific impediments to fair housing, and more detailed research in the HMDA data is needed to identify possible trends or patterns of discrimination.

6) PUBLIC POLICIES

A wide range of government policies affects affordable housing and fair housing choice. The most important impediment revolves around the lack of Federal and State resources for affordable housing initiatives. The lack of programs and resources to reduce excessive rent or mortgage burdens to qualified persons is a key factor in limiting housing choice.

Richland County does not put any limitations on growth. Through vehicles such as zoning ordinances, subdivision controls, permit systems, housing codes and standards new construction restrictions and rent control, the County attempted to ensure the health, safety, and quality of life of its residents while minimizing the barriers that may impede the development of affordable housing.

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

1. Market Conditions and Lending Standards

A major barrier to affordable housing in the Richland County is the high cost of housing created by a demand for housing, both existing and new, which exceeds the current supply. Richland County is perceived as a desirable place to live, and has experienced growth in terms of both businesses that wish to operate there and people who wish to reside in the county.

In addition, the cost of site acquisition is high, as are construction costs. These factors make Richland County housing expensive, and make affordable housing out of reach for low-income households.

At the same time, increasingly strict lending standards and changes in the lending process have made obtaining a home loan a more difficult and complicated process, precluding some who might have otherwise earlier qualified for a loan.

2. Lack of A Fair Housing Policy

Though the County has repeatedly affirmed its commitment to fair housing “as one of the nation’s most cherished and fundamental values,” the County lacks a complete and published Fair Housing Policy. Such a document would make the County’s commitment to fair housing clear and unmistakable. County staff from the Legal, Planning and Development and Community Development have collaborated in preparing a draft document. However, it has not reached a form for submission to the County Council for review and approval.

3. Need for Housing Accessible to Disabled Persons

As noted in the description of the County, the numbers of disabled persons is significant and growing, and, despite much recent construction, many housing units are not accessible to these persons. The County current Land Development Code mentions the disabled or handicapped, but there are no specific elements focused on accessibility, visitability or universal design.

The County should continue its work in providing financial assistance and providing other incentives to developers in the creation or adaptation of units for the disabled. At the same time, professional organizations have developed universal design standards and “visitability” standards that could be applied to the County’s planning and building regulations. These measures would ensure the construction of accessible units.

4. Need for More Extensive Outreach and Education on Fair Housing Rights and Policies

The need for education and outreach was a common theme among focus group participants and survey respondents. The need for education about home buying and homeownership is the issue of primary concern, and the means to attract more participants to the existing training classes was noted by both the lender and the housing and community service groups. The need for additional training for property owners and real estate professionals as well emerged from the surveys.

It should also be noted that many focus group participants felt that more emphasis should be given to life skills and financial literacy efforts in addition to home buying.

5. Need for Better Public Transportation

The County has recognized for some years that easy access to housing can facilitate the de-concentration of poverty and increase housing choice, especially for low- and moderate-income households. The topic emerged in each of the focus group meetings and was the subject of a teleconference call to assess progress in dealing with this topic.

6. Need for Better Land Use Planning

This impediment is closely related to the preceding item. Better land use planning will enable the development of communities that are closer to employment centers, closer to services and shopping, and provide a wider range of housing in terms of both types of housing and cost of housing. This issue also involves the creation of incentives for developers to create a range of housing choices at a range of price points.

7. Monitoring of Lending Practices

This issue did not emerge from the focus groups or the surveys per se, nor does the HMDA data suggest any patterns of discrimination. However, the issue is one that requires on-going monitoring. The public should also be made aware of

the issue as a part of outreach and education efforts, so that persons who suspect such discrimination can report it.

8. *Low Income Levels*

Though not a direct impediment to fair housing choice, low income levels do limit the options that households have in making housing choices. Efforts to create new jobs with family-sustaining wages and programs to train people for better paying jobs should be continued and expanded, as they will result in higher incomes and better opportunities for housing and quality of life for County residents.

At the same time the Housing Element of the County's Comprehensive Plan notes the need to develop affordable housing in areas close to employment centers, shopping and services. The Implementation Strategies recommend voluntary, incentive based inclusionary zoning policies, a community land trust and linkages between housing development and industrial and commercial development. The means to implement these goals are not defined.

9. *Property Tax Policy*

Focus group discussions, described below, indicate that higher property taxes on rental properties were creating difficulties in obtaining decent, accessible housing for some. Low property taxes upon houses versus higher taxes on rental units often led to the rental units suffering from deferred maintenance, leading to an increased need for code enforcement.

SURVEY AND FOCUS GROUP INPUT

Surveys

As described in the Community Participation section above, the Community Development Department provided two surveys to obtain input from residents, government officials, and housing practitioners. These surveys are not scientific

or comprehensive, but they do provide some insight into the extent to which people across the County are aware of or knowledgeable about fair housing issues. Copies of these surveys, the survey results, and a synopsis of the findings may be found in Appendix C. The key points highlighted by the surveys are noted here.

While fifteen persons responding to the government officials and housing practitioners' survey believed that housing discrimination occurred only sometimes, and five more thought it occurred only rarely, another fifteen responded "Don't Know." The majority of respondents felt that discrimination was becoming less of a concern or was not a concern. While over half of the respondents felt that residents would report housing discrimination, over two-thirds of respondents felt that the residents would not know where or how to report it.

Over three-quarters of these respondents did not know of a person who had experienced housing discrimination. Among those who knew someone who had experienced discrimination, three indicated the basis was Race, and others cited one case each based on National Origin, Disability, and Gender. Two noted that they did not know the basis for the discrimination.

The most evident point is that even among persons involved to some extent with housing issues there is a significant need for outreach and education. The number of "Don't Know" answers was high for many questions about policies and regulations, but also was high with respect to knowledge or awareness of housing discrimination. There is also a need for more training on fair housing topics.

Among those responding to the resident survey, 25.9 percent felt that housing discrimination occurred often, 46.3 percent felt that it was rarely or only sometimes encountered. Slightly over one-half felt that housing discrimination

was not a concern, and 28.3 percent felt that it has become less of a concern. Despite this positive attitude, over one-third of respondents felt that there are areas in which housing discrimination is encountered.

Asked how well several types of persons involved in real estate transactions understood fair housing rights, it is interesting to note that only slightly over one-half of lenders were deemed to know this well, and slightly under one-half were thought to understand the matter well.

Asked if the respondents themselves felt well informed about fair housing, 57.1 percent said “No.” Over one-third of respondents felt there was not enough outreach and education on fair housing issues, and 31.3 percent replied that they “Don’t Know.” Those who felt that more outreach is necessary strongly favored media attention (85.0%), public service announcements (85.0%), and brochures (80.0%) as the means to reach people.

While the responses indicate that housing discrimination is not perceived as a significant problem, it is manifest in the County, and apparently in some specific areas. While apparently not a major concern, the respondents still expressed a significant degree of lack of knowledge themselves and felt that more outreach and education were necessary.

Focus Group Discussions

The following are brief descriptions of the three focus group sessions and the teleconference call arranged by the Community Development staff. The consultant provided a brief introduction to the issue of fair housing and explained the purpose and content of an Analysis of Impediments before facilitating the discussion. A consultant staff member took notes on each discussion.

A summary of the discussions of each group, as well as sign-in sheets for each are found in Appendix D.

Separate groups noted the impact of low property taxes upon houses versus higher taxes on rental units so that rental units often suffer from deferred maintenance, leading to an increased need for code enforcement. Tighter lending criteria, while not an impediment in and of itself, was limiting the ability of some to obtain housing. The need for more housing accessible to disabled persons was raised in two groups, while NIMBYism was discussed in another.

Several points were brought up in each of the sessions. These include the need for more extensive consumer education, and, indeed, life skills education for potential homebuyers. Also, the groups felt that transportation is becoming an increasingly important aspect of housing affordability and planning. Better planning can provide a wider range of housing choice (both in terms of types and costs) in higher density communities that will combine jobs, housing and shopping.

GENERAL MARKET FACTORS AND AFFORDABILITY

A number of general factors market factors can influence fair housing choice. Some of these have been mentioned earlier, but are summarized here.

Although low-income persons are not a protected class under the Fair Housing Act, as noted earlier, housing costs can serve to restrict fair housing choice. To combat this situation, it is important that both the public and private sector strive to build more affordable housing.

Regulations concerning environmental and labor requirements in housing construction are sometimes a deterrence to affordable housing by increasing housing costs.

Prospective renters encounter unwillingness, on the part of agents and landlords, to rent to: families of color, families with children, persons with housing

subsidies, female heads of households, or people who cannot satisfy the demand for two or three months rent before occupancy.

Neighborhood resistance continues to frustrate efforts to expand housing opportunities. Property owners and residents often emotionally resist the establishments of alternative living sites such as group homes, as well as affordable housing in general.

Finally, affordable housing programs exclude many middle class families due to the allowable income guidelines. Whenever possible, the County should lobby the Federal government to increase these numbers thus increasing the potential opportunities for the middle class.

SUMMARY OF KEY POINTS

The key points that emerge from the preceding discussion are:

- 1) The discussion of public policy issues needs to be explored in detail, especially through the use of panels or focus groups to determine more specifically what types of zoning and land use decisions have the greatest impact upon fair housing.
- 2) The need for education and outreach on fair housing issues needs to continue.
- 3) The education and outreach programs should be expanded to include financial literacy and life skills in addition to home purchase education and credit improvement.
- 4) The County should adopt a formal Fair Housing Policy.
- 5) Building codes and requirements should be strengthened to include visitability and universal design standards to create more accessible housing for the disabled.

7) FAIR HOUSING ACTIONS

Richland County is committed to affirmatively furthering fair housing. As noted, the County identified twelve impediments to fair housing in its 2004 Analysis of Impediments to Fair housing Choice, and has consistently addressed these impediments through a range of activities, programs, and policies. These actions have been reported each year in the Consolidated Annual Performance and Evaluation Report (CAPER) and range from specific community outreach and publicity events to support for ordinances and regulations to further fair housing.

The following synopsis of actions is from the 2010 CAPER:

- ✓ Partnered with lenders and bankers to host five workshops on predatory lending, fair housing, and foreclosure prevention
- ✓ Recognized Fair Housing Month with a County Council resolution, a Fair Housing Art Exhibit at the County Administration Building, two workshops in targeted neighborhoods, and two CHDO workshops highlighting fair housing
- ✓ Emphasized fair housing during the Ridgewood Alive program during CD Week
- ✓ Participated in the Greater Columbia Community Relations Council Poster Context Program
- ✓ CD staff served on housing related committees of organizations such as the Community Relations Council, the Midlands Homeless Consortium, and the Affordable Housing Task Force
- ✓ Contracted with Clear Channel Radio to run housing anti-discrimination public service announcements
- ✓ Distributed fair housing literature year-round at public events and included Homeownership packets to attendees at the Richland County Homeownership Assist Program orientation and Post Homeownership Workshop
- ✓ Partnered with CHDO and sub-recipients to leverage funding for in-fill housing development and rehabilitation projects to provide housing for the underserved
- ✓ Provided funding to support the Ridgewood Summer Beautification Program
- ✓ Updated the Fair Housing information on the County Website
- ✓ Supported the Penny Sales Tax to provide funding for public transportation.

Many of these outreach programs and efforts in particular have been conducted on a yearly basis, and are an integral part of Community Development and County activities.

8) IDENTIFIED IMPEDIMENTS AND RECOMMENDATIONS

Background

This section summarizes the key findings of the previous AI document, makes recommendations about actions to eliminate impediments to fair housing choice in Richland County. This information is by no means comprehensive, and there undoubtedly remain a number of additional remedies to these and other problems faced by home seekers.

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

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

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

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

Key Points

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

- 1) The County has a high percentage of non-family households, as well as small households (persons living alone).
- 2) The percentage of female head households with children is above the national average.
- 3) The number of persons with disabilities is significant and increasing.
- 4) The County population includes significant percentages of Whites and African Americans, though there are relatively few persons in other ethnic or racial groups.
- 5) The County's Median Household Income is below the national figure, the percentage of persons and families in poverty is above the national average, and 52.0 percent of households are in HUD's lowest income levels.
- 6) Despite the recent decline in housing prices and the volume of new construction in recent years, the cost of housing, both purchase and rental, remains high, and large numbers of both owners and renters are severely cost burdened.
- 7) Though there has been significant housing construction in the last decade, a great portion of that have been high-end units, and much of the more affordable housing stock is older.
- 8) The housing authority in Columbia has long waiting list for units and the list for Section 8 vouchers is closed.
- 9) Housing growth has tended to move further from employment and shopping centers, increasing housing costs when transportation costs are factored in.
- 10) The County has lost significant numbers of jobs paying living wages in the durable goods manufacturing, finance and real estate, and government sectors over the last decade.
- 11) Cuts in federal funding for new construction of low- and moderate-income housing has limited access to both rental and owner housing for households in these income ranges.

The review of complaint and lending data from the Human Affairs Commission and the Housing Mortgage Data Act indicated the following:

- 1) The number of complaints filed with the Human Affairs Commission has declined since 2008. Race is the basis for the greatest number of complaints, followed by Disability.

- 2) Government-backed loans had the highest rate of origination because of their guarantees. The high percentage of loan denials among refinance and home improvement loans reflects increasingly stringent loan standards and the difficult financial circumstances of many loan applicants.
- 3) African American, Hispanic, and Asian loan applicants had higher rates of loan denial than White applicants overall, even as the percentage of loan applications for Whites was well above their representation in the total population.
- 4) In general, White loan applicants had the same percentage of loan withdrawals as African Americans, but Hispanics and Asians had higher percentages. This may indicate unfamiliarity with the loan application and approval process.
- 5) Poor Credit History, Lack of Collateral and Poor Debt-to-Income Ratio were the leading reasons for loan denial. The percentage of African American loan denials generally was larger than that of White applicants for each type of loan.
- 6) The higher percentages of loan denials among Hispanics, Asians, and other groups must be viewed in terms of the small pool of applicants in the MSA.
- 7) Changes in the structure of the financial services industry, as well as changes in lending regulations and credit requirements have increased the difficulty for households and developers to obtain loans.
- 8) The HMDA data are inconclusive in identifying or defining any specific impediments to fair housing, and more detailed research in the HMDA data is needed to identify possible trends or patterns of discrimination.

A review of Public Policy issues showed the following:

- 1) The discussion of public policy issues needs to be explored in detail, especially through the use of panels or focus groups to better determine what types of zoning and land use decisions have the greatest impact upon fair housing.
- 2) The need for education and outreach on fair housing issues needs to continue.
- 3) The education and outreach programs should be expanded to include financial literacy and life skills in addition to home purchase education and credit improvement.
- 4) The County should adopt a formal Fair Housing Policy.
- 5) Building codes and requirements should be strengthened to include visitability and universal design standards to create more accessible housing for the disabled. The current Land Development Code does not address these issues in any detail.

Impediments and Recommendations

IMPEDIMENT ONE – DISCRIMINATION IN THE HOUSING MARKET

The review of demographic information, discrimination complaint data, and lending data are not clear in indicating the extent of housing discrimination among persons in the protected classes. Statistical data can assist in identifying problems and topics of concern, however, reporting requirements vary, as does the quality of data provided. Further, much of the available data is at least a year old by the time it is available. More focused, accurate and current data is necessary to understand the needs, and more sources of first-hand information from focus groups and housing advocacy groups are needed to obtain a better understanding of the situation in the marketplace.

In the current economy and given the structure of the Richland County housing stock, the incidences of discrimination likely focus on rental housing, and the focus of efforts in the immediate future should be upon aspects of discrimination in the rental market.

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

- Female-Headed Households – There are no statistics specific to this issue, but female-headed households often face discrimination in the housing market often due to low income and the need to care for children.
- Non-family households and small households are numerous in the County and may also face discrimination, especially in light of a relatively small supply of small rental units.
- Disabled persons may face discrimination or difficulties in finding appropriate units because of the small number of small units and the costs of building or adapting units because of the higher taxes upon rental units.
- Racial/Ethnic Groups – The County has seen a significant increase in the number of foreign-born people over the last decade, many of these persons coming from Latin America. Many of these immigrants do not speak English as their first language, and may be intimidated at contacting governmental entities.

Recommendations

- 1) Continue and, if possible, expand existing to educate households and housing related organizations by disseminating Fair Housing law literature, conducting Fair Housing law seminars and training, and focusing public awareness campaigns about Fair Housing law in ethnic and minority neighborhoods, and among civic, social, religious, and special interest groups.
- 2) Provide Fair Housing materials and educational programs in Spanish, especially in neighborhoods and communities with high percentages of Spanish-speaking persons.
- 3) Conduct training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 4) Increase housing choice alternatives for the disabled and families with children by encouraging the construction of affordable, and especially rental, housing (See affordability and government policies below).
- 5) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them (See advocacy and outreach below).
- 6) The County should create a Fair Housing testing and auditing program, focusing upon rental properties at this time.
- 7) Work with housing advocacy and not-for-profit organizations to develop homeownership and home maintenance educational programs for first-time homebuyers to better prepare them for the responsibilities of ownership and home maintenance.

IMPEDIMENT TWO – FAIR HOUSING ADVOCACY AND OUTREACH

Richland County has a strong, visible fair housing program and a coordinated means to address fair housing complaints and queries. However, focus group discussions and survey results in particular note a lack of knowledge about fair housing policies and practice. The need for on-going education, awareness and outreach remains, especially among lower income households and minorities.

Recommendations:

- 1) Continue and expand efforts by County agencies, housing advocacy groups, and service organizations to inform renters and

homebuyers of their rights and recourse, if they feel they have been discriminated against.

- 2) Conduct County-led training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
- 3) Convene focus groups of advocacy groups, community based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.
- 4) Update Fair Housing information regularly and adjust strategies and actions accordingly. In particular, the groups mentioned above should continue to meet yearly (or perhaps twice yearly) at the Fair Housing Summit.
- 5) Evaluate language proficiency needs in light of the 2010 Census data, including determining the degree to which services in other languages are needed, and the number and types of documents and materials needed in languages other than English.

IMPEDIMENT THREE – BIAS IN LENDING

This Analysis did not find conclusive evidence of discrimination in lending practices, and the issue does not appear to have generated specific complaints. Additional detailed research is necessary to make any definitive conclusion. However, the County should, to the extent possible, ensure that persons seeking loans for home purchase or improvement are aware of lending practices and procedures.

Recommendations

- 1) Work with lending institutions to develop programs to foster conventional lending and banking services in underserved neighborhoods and to specific groups of persons.
- 2) Use neighborhood organizations, churches, and service providers to expand financial literacy and credit counseling programs, especially in minority and lower-income neighborhoods.
- 3) Work with lending institutions to develop programs to provide financial literacy and a better understanding of the home purchase/mortgage acquisition process.

IMPEDIMENT FOUR– LIMITED SUPPLY OF AFFORDABLE HOUSING

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

Earlier sections of this Analysis, the Housing Market Analysis in the Consolidated Plan, and the housing Element of the County’s Master Plan have addressed the issue of affordability, and the arguments and statistics will not be repeated here. Suffice to say that even moderate-income households face challenges in purchasing a home in Richland County, and low-income families face a significant cost burden for rental housing.

Recommendations

- 1) Continue to use all available federal and state funding resources and programs to address high priority housing needs for rehabilitation, preservation, and development of affordable units.
- 2) Continue to work with community based organizations, affordable housing developers, and housing advocacy groups to increase the supply of larger and disability accessible housing units, leveraging resources to the extent possible.
- 3) Continue and, if possible, expand housing rehabilitation programs to maintain the County’s base of affordable units, both owner-occupied and rental.
- 4) Research other affordable housing programs for additional ideas and practices.
- 5) Work with municipalities to create incentives for developers to build a wide range of housing types at a number of price points, considering transportation, employment centers and the availability of services and shopping in their planning (See government policies below).

IMPEDIMENT FIVE – GOVERNMENT POLICIES

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

However, as noted some changes in the Land Development Code may be warranted, and a more positive approach to developing affordable housing undertaken by the County.

Recommendations

- 1) Ensure that reasonable accommodation and disabled access issues are properly addressed in land use and construction codes. Create a task force, including housing developers, housing advocates and architects to examine this issue and make recommendations to the County.
- 2) Related to the above, the County should adopt guidelines to encourage the use of universal design principles in new housing developments.
- 3) Do as much as possible to reduce review and approval process times for both new construction and home modification applications.
- 4) Provide technical assistance and an ADA checklist to developers and builders on accessibility requirements.
- 5) Emphasize higher density, mixed use development of a range of housing types to offer more housing choices to more people.
- 6) Support the expansion of public transportation to better link low-income neighborhoods to employment centers by studying needs and areas for emphasis and supporting funding for these routes and services.
- 7) Support infill and redevelopment of residential neighborhoods and the use of incentives for the creation of affordable housing close to employment centers and shopping areas.
- 8) Work with municipalities to create incentives for developers to build a wide range of housing types at a number of price points, considering transportation, employment centers and the availability of services and shopping in their planning.

IMPEDIMENT SIX – LOCAL OPPOSITION (NIMBY)

The proposed development or location of affordable housing, group homes, public housing, or Section 8 housing often draws storms of criticism and opposition from neighborhood residents. This “not-in-my-backyard” (NIMBY) attitude affects the availability of housing for people in the protected classes and is a significant challenge to achieving fair housing objectives. While it is difficult to avoid this attitude, the County can take some measures to mitigate these challenges.

Recommendations

- 1) Ensure that land use and building codes properly address issues of concern with respect to higher density housing, persons with disabilities, and group homes/congregate living/community care.
- 2) Encourage developers, housing advocacy groups, and other interested parties to conduct neighborhood outreach and information campaigns before submitting projects for review and approval.
- 3) Undertake a public outreach/education program about fair housing and affordable housing on a regular basis. While such efforts will not lay all misconceptions to rest, a broader understanding of the nature of fair housing and the types of persons and families involved will mitigate at least some opposition.

9) SIGNATURE PAGE

**ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE
RICHLAND COUNTY, SOUTH CAROLINA**

May , 2010

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APPENDICES

Appendix A South Carolina Fair Housing Law

Appendix B Notice of Public Hearing and Sign-in Sheet

Appendix C Copies of Public and Practitioner Surveys and Summaries of Results

Appendix D Focus Group Meeting Summaries and Sign-in Sheets

Appendix E HMDA data

Appendix F Tables Showing Reasons for Loan Denial by Race & Ethnicity

Appendix G Tables Showing Loan Disposition by Census Tract