

# V. Evidence of Housing Discrimination

## Analysis of Fair Housing Complaints Filed With The Division of Human Relations

The Delaware Division of Human Relations is vested with the authority to enforce the Fair Housing Act. It has had a contractual relationship with HUD since 1985 pursuant to which it investigated complaints of housing discrimination. All complaints of housing discrimination filed in Delaware are “dual filed” with HUD, with the exception of complaints involving marital status and age discrimination, which are not protected classes under the federal statute. This means that complaints are deemed filed at the state and federal levels, asserting both state and federal claims. If a Delaware resident files a complaint with HUD, the complaint is referred to the Division for investigation on HUD’s behalf. The Division thereafter investigates the complaint and recommends a finding.

### ***Intake and “Formally Filed” Housing Complaints***

The number of intake and formally filed housing complaints reported by the Division of Human Relations between 1991 and 2002 are represented in Exhibit V-1. “Intakes” are all complaints that are received. “Formally filed” complaints are intakes that the Division determines to state a claim upon which relief can be granted under the State or Federal Fair Housing Acts. The number of formally filed housing complaints investigated by Delaware’s Division of Human Relations appears to be relatively low. The average yearly total for formally filed housing complaints between the years 1991 and 2002 is 24 complaints, while the average yearly total for intake of housing complaints during this period is 59. Therefore, between the years 1991 and 2002, on average, only 40.7% of intake housing complaints resulted in formally filed housing complaints.

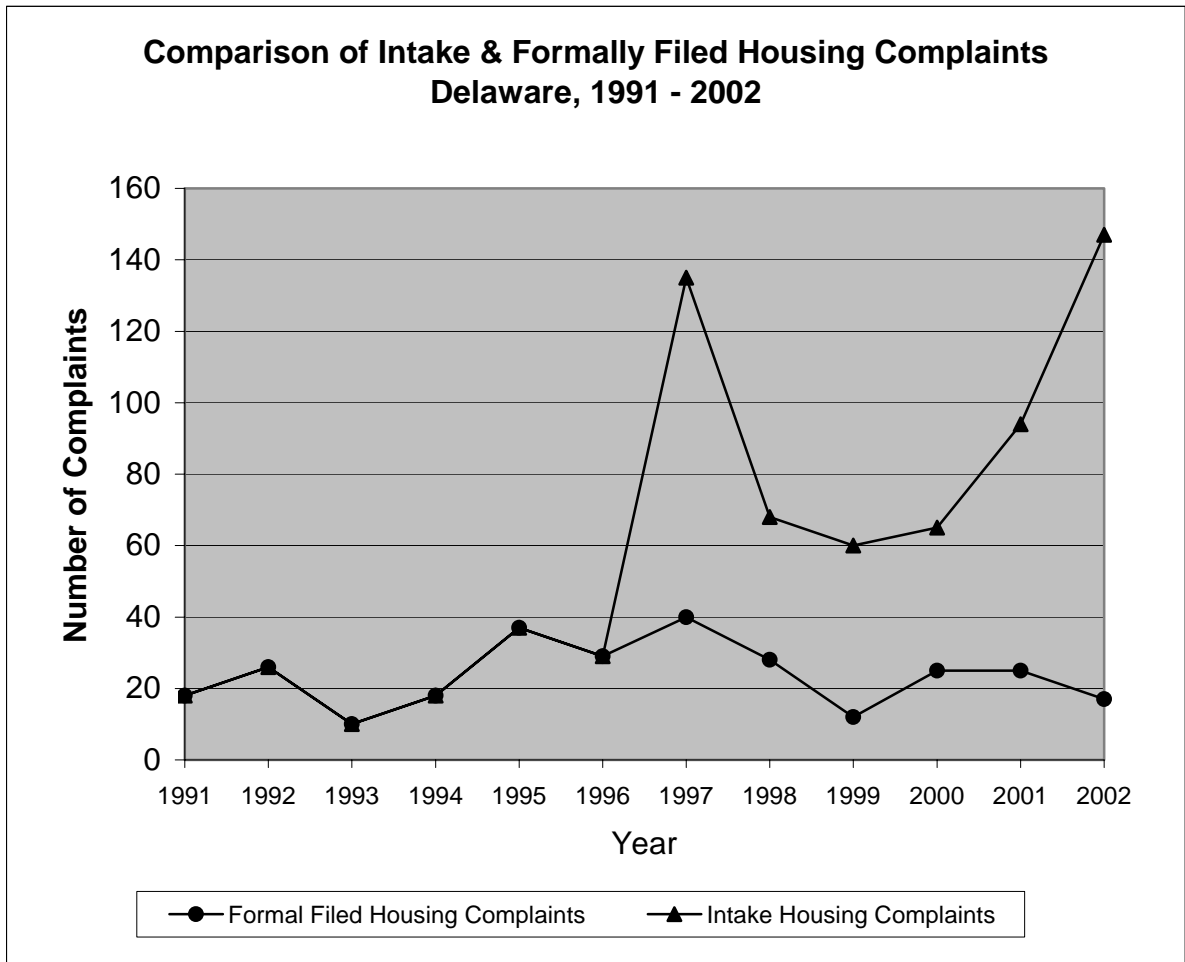
As indicated in Exhibit V-1, between 1991 and 1996, all intake complaints relating to housing became formally filed housing complaints, meaning that they were investigated and resolved by the Division. In 1997, the numbers recorded for intake and formally filed complaints significantly diverge (see Exhibit V-2).

**Exhibit V-1**

<b>Intake &amp; Formally Filed Housing Complaints Delaware, 1991 - 2002</b>												
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Formally Filed Housing Complaints	18	26	10	18	37	29	40	28	12	25	25	17
Intake Housing Complaints	18	26	10	18	37	29	135	68	60	65	94	147

Source: Delaware Division of Human Relations, 2003; University of Delaware

## Exhibit V-2



Source: Delaware Division of Human Relations, 2003; University of Delaware

### ***Basis of Formal Filed Housing Complaints***

The table shown as Exhibit V-3 displays the category of discrimination alleged in the formally filed housing complaints filed between 1991 and 2002. The categories represent protected classifications under the Fair Housing Act. On average, the Division of Human Relations investigated 24 formally filed housing complaints yearly.

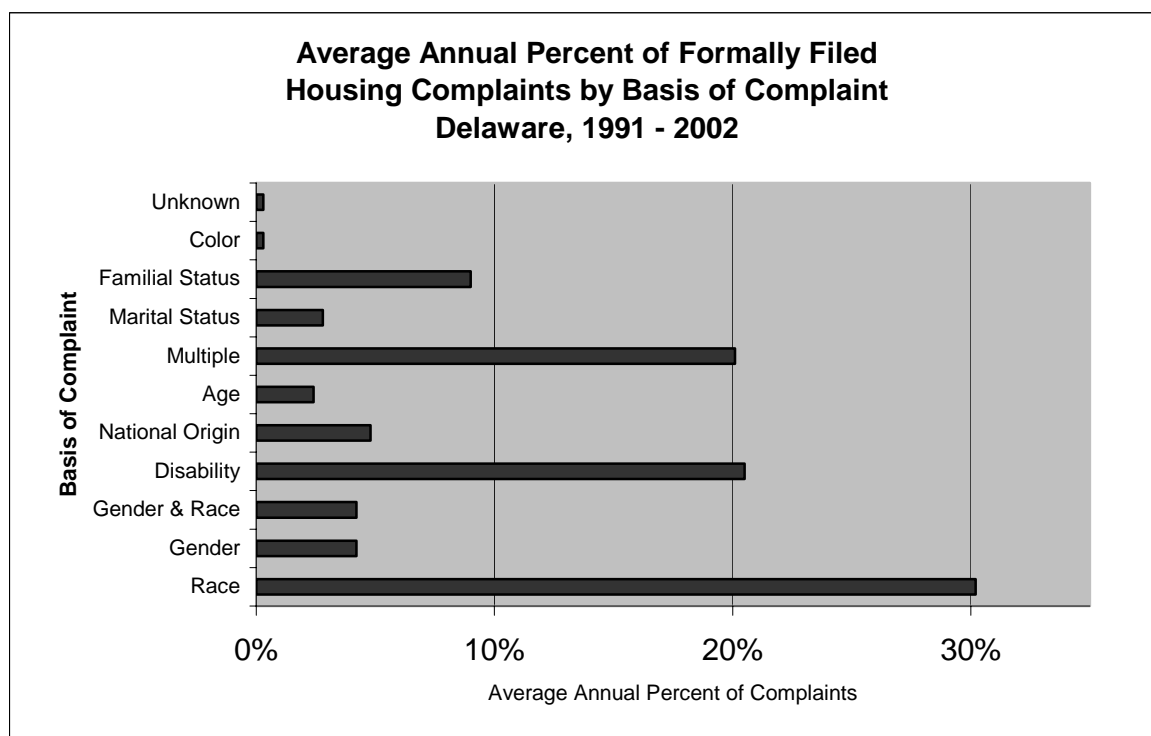
Exhibit V-4 shows the breakdown of these housing complaints by category in an average year. For example, the Division of Human Relations investigated an annual average of seven formally filed housing complaints on the basis of race. This number represents 30.2% of formal filed housing complaints investigated in an average year. Exhibit V-4 further reveals that formally filed housing complaints are most often filed on the basis of race, disability, multiple, and familial status. Housing complaints falling under the 'multiple' category include allegations of discrimination involving more than one protected classification. For example, an individual who alleges discrimination based on race and disability would have her complaint listed under the "multiple" category.

### Exhibit V-3

Basis of Formally Filed Housing Complaints Delaware, 1991 - 2002												
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Race	5	10	4	6	13	9	9	10	5	7	5	4
Gender	2	1	0	0	0	3	2	1	0	2	1	0
Gender & Race	2	0	1	0	2	1	0	1	1	1	2	1
Disability	1	5	3	5	10	3	9	7	3	4	5	4
National Origin	1	0	0	1	1	4	1	1	0	0	2	3
Religion	0	0	0	0	0	0	0	0	0	0	0	0
Retaliation	0	0	0	0	0	0	0	0	0	0	0	0
Age	0	0	0	0	1	1	0	0	0	3	2	0
Multiple	6	8	1	4	8	4	8	5	2	4	4	4
Marital Status	1	0	0	0	1	2	0	1	0	1	1	1
Familial Status	0	1	0	2	1	2	11	2	1	3	3	0
Color	0	1	0	0	0	0	0	0	0	0	0	0
Unknown	0	0	1	0	0	0	0	0	0	0	0	0
Total	18	26	10	18	37	29	40	28	12	25	25	17

Source: Delaware Division of Human Relations, 2003; University of Delaware

### Exhibit V-4



Source: Delaware Division of Human Relations, 2003; University of Delaware

**Disposition/Resolution of  
Formally Filed Housing Complaints**

The disposition of the formally filed complaints for the years 1991 to 2002 is recorded in Exhibit V-5. According to the Division of Human Relations, the average processing time for housing complaints is 198 days. The Division's ability to close cases in a relatively timely manner is demonstrated by the fact that during a 12-year period; only one housing complaint remained open at the end of the year in which it was filed.

**Exhibit V-5**

<b>Disposition/Resolution of Formally Filed Housing Complaints Delaware, 1991 - 2002</b>												
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Closure	18	26	10	18	37	29	40	28	12	25	25	16
No Cause	0	2	4	1	14	11	8	11	5	3	4	4
Cause	0	2	2	3	3	0	1	1	0	2	0	0
Mediation	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Closure	0	5	0	1	2	4	2	5	1	0	3	1
Settlement	11	10	3	9	6	7	12	7	3	10	10	6
Hearing/Trial	3	0	0	0	0	0	0	0	0	0	0	0
Monetary Compensation (\$)	5,810	4,589	6,750	1,427	6,900	9,835	2,953	18,600	5,600	\$0	8,032	22,100
Other: Withdrawals	3	6	1	4	12	7	16	4	3	10	8	3
Unknown	0	1	0	0	0	0	1	0	0	0	0	0
Dismissals	1	0	0	0	0	0	0	0	0	0	0	2

Source: Delaware Division of Human Relations, 2003; University of Delaware

Many formally filed housing complaints result in a finding of no cause. A significant portion of formally filed housing complaints is resolved through settlement. The monetary compensation awarded for housing complaints is low. The total monetary compensation awarded between 1991 and 2002 is \$92,596, which is an annual average of only \$7,716 for all complaints filed. It should be noted, moreover, that most formally filed housing complaints do not result in any financial compensation for the victims. The Division has a policy of encouraging conciliation. However, most conciliation agreements do not provide for financial compensation.

Between 1991 and 2002, only three (out of a total of 28) formally filed housing complaints were resolved by a hearing before the Human Relations Commission.

## Concerns of Key Informants

During the month of November 2002, the principal investigators of this study convened a series of focus group meetings. One meeting was held in New Castle County, another in Kent County, and a third in Sussex County. Participants in these focus groups were selected on the basis of their knowledge, experience or expertise in housing matters. They included community activists, housing advocates, realtors, developers, bankers, and public officials<sup>1</sup>. The groups were asked a series of pre-determined questions that were designed to solicit responses that would identify and discuss impediments to fair housing choice in Delaware. The same questions were posed at each of the three meetings. A court reporter transcribed the meetings. To maintain confidentiality, participants were identified with numbers. The following is a summary of the discussions that occurred during those meetings.

### ***New Castle County Focus Group Meeting***

The first focus group meeting was convened in New Castle County on November 8, 2002 in the Community Service Building in Wilmington. There was a consensus among the participants that race discrimination and family income are the predominate barriers to equal housing opportunities in New Castle County. Rental costs and housing prices, along with the relatively low-income levels of many minority families, contribute substantially to the continued existence of residential segregation in the county. Focus group participants also stated that social and cultural attitudes contribute to the continuing patterns of residential segregation. Many people do not feel comfortable in racially and ethnically diverse communities. They prefer racially and economically homogeneous neighborhoods.

Many residents also fear the crime rates, poor schools, and other social problems that they associate with racially mixed and predominately minority communities. Focus group participants stated that NIMBYism (“not in my backyard”), particularly as it relates to the location of low- and moderate-income housing, is prevalent among the County’s white residents. This attitude is not race neutral. Opponents to subsidized housing developments assume that they will house large numbers of low-income African Americans and Hispanics.

With respect to rental housing, the focus group participants believe that a major impediment to desegregation involves credit practices. Many landlords screen tenants on the basis of their credit histories, rental references and criminal records. Many low- and moderate-income families that have credit problems are not aware of them. Other impediments to rental housing include the limited availability of public housing, problems with housing code enforcement, and disability and age discrimination. Efforts to provide affordable housing in New Castle County have not been adequate. The focus group participants also identified sexual harassment of tenants as a problem in some low-end management companies.

The focus group also stated that racial and ethnic minorities do not have equal access to for-sale housing in New Castle County. The group indicated that the local real estate industry plays a substantial role in this problem. Steering is one example. Some agents show houses in certain neighborhoods to people according to their racial, ethnic or disability status; whites are shown to white areas, minorities are steered to minority neighborhoods.

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<sup>1</sup> A list of persons participating in focus group meetings and interviewed for this study can be found in the appendix.

Neighborhood and civic associations in New Castle County also play a substantial role in housing discrimination. Focus group participants stated that these organizations advise realtors as to whom they can show homes to in their neighborhoods. Frequently, they actively discourage sales to minority purchasers. Agents who do not comply with the wishes of the neighborhood and civic associations will be blacklisted.

Some of the focus group participants described problems with the insurance industry. Participants stated that it is difficult to secure hazard insurance in some low-income and racially mixed areas, especially in the City of Wilmington. They explained that some companies have discontinued issuing policies that cover subsidized multi-family housing units. Again, there was a clear consensus that race and income discrimination are the predominate barriers to equal housing opportunities in New Castle County.

### ***Kent County Focus Group***

On November 12, 2002, a focus group was convened at the offices of NCALL Research in Dover. The participants identified a number of causes for the persistence of racially segregated housing patterns in certain areas of Kent County. Racial discrimination was the reason most often given. Historic patterns of segregation also contribute to today's housing patterns. Steering and redlining were also identified as causes of continuing racial segregation. Participants stated that income and economic circumstances of individual families are also factors. People of color often lack the financial resources to live in non-segregated neighborhoods where the cost of housing tends to be higher. Property values and the cost of housing are less expensive in minority neighborhoods. The use of credit scores and increasingly strict lending rules limit the access that minority families have to credit, which in turn limits their housing options.

Kent County has a shortage of affordable housing. Zoning laws and NIMBYism contribute to residential segregation. As one participant noted, “. . .certainly I have difficulty saying that discrimination doesn't exist because I see it so much on the development side . . . almost any new initiative for affordable apartments meets some form of public outcry that can quickly move into almost a hysteria . . . Land use decisions are supposed to be setback, side yard, parking spaces, density, those kinds of things. Most of the time when we go through, you know, some form of an approval process, it gets down to who is going to live there, which is not land use.”

Individuals with disabilities encounter a myriad of challenges in finding housing. Discrimination is one of the barriers. There is very little accessible housing, *i.e.*, units that have been designed to accommodate the needs of disabled persons. Some new housing construction does not meet federal and state accessibility standards due to a lack of adequate enforcement of laws requiring the elimination of architectural barriers. Individuals with disabilities also encounter difficulties locating accessible housing. Many of them lack the financial resources needed to make necessary home modifications. Fair Housing laws allow changes to be made at the tenant's expense. According to one participant, regulations and practices adopted by Delaware's public housing authorities may actually limit the number of housing vouchers that are made available to individuals with disabilities.

One participant believed that credit scoring eliminated the possibility of discrimination by mortgage lenders. Another participant stated that credit scoring negatively affected minority borrowers' ability to secure homeowner's insurance. Obtaining homeowner's insurance is

necessary to secure a mortgage. Location and claims history also affect the ability to obtain insurance. Many insurance companies refuse to cover manufactured housing units.

The focus group participants stated that many incidents of housing discrimination are not reported. The reasons for underreporting included, lack of awareness or training about fair housing laws and the complaint process, fear of retaliation, fear of eviction and bureaucratic difficulties associated with filing complaints.

### ***Sussex County Focus Group***

The Sussex County focus group was convened on Tuesday, November 12, 2002, at the offices of the First State Community Action Agency in Georgetown, Delaware. The participants agreed that residential segregation persists in Sussex County. There are racially and ethnically identifiable areas in which large portions of the County's white, black, and Hispanic populations reside. Prior to the enactment of the Fair Housing Act, racial segregation was the norm in Sussex County. Currently, discriminatory practices, such as steering African-Americans away from white neighborhoods, continue to inhibit desegregation. NIMBYism, particularly concerning low and moderate-income housing, is prevalent. It is presumed that government-subsidized housing, whether single-family dwellings or multi-family developments, will house large numbers of blacks and/or Hispanics.

Over the last decade Sussex County has experienced a large percentage increase in its Hispanic population, far more than Kent County or New Castle County. Some of Sussex County's fair housing problems stem from the rapid influx of Hispanics, many of whom work in the poultry industry. A large portion of the Hispanic population consists of low-income families. Financial status is often a pretext for ethnic discrimination. A lack of adequate transportation, jobs, and affordable housing, contributes to the problems of Hispanics. Access to credit and financing is another problem. Portions of the Hispanic population are undocumented immigrants who do not have established credit histories that would allow them to qualify for loans. Despite the efforts of advocacy agencies, language barriers tend to exacerbate these problems.

There is a severe lack of affordable housing in Sussex County. This has a disproportionate effect on racial and other minorities, persons with disabilities and families with children. Many low- and moderate-income families in Sussex County reside in manufactured housing (trailers/mobile homes). Some families own the manufactured housing and rent the lots on which the units are located. Others rent the unit and the lot. The owners of mobile homes do not accrue equity because the value of such housing does not appreciate. Sexual harassment is a problem in some mobile home developments. Some landlords have been accused of demanding sexual favors in exchange for past due rent.

Housing code enforcement was a dominant theme during the focus group meeting. Several of the participants cited the need for enhanced code enforcement to maintain housing standards. However, if housing codes are enforced too vigorously, low-income residents are adversely affected. Landlords typically pass the costs of maintenance and improvements along to consumers, which make the rental units more expensive.

There was some disagreement as to whether low-income whites encounter housing difficulties that are similar to those experienced by low-income African Americans and Hispanics. However, the group agreed that discriminatory practices such as steering,

problems relating to limited English proficiency and other barriers that Hispanics confront are unique to those groups.

The focus group participants also cited the lack of adequate public transportation, self-segregation, lack of jobs, and zoning regulations as causes that contribute to the persistence of residential segregation. The group believed that advocacy efforts are too focused on home ownership. A large portion of marginalized populations rent their dwellings. Also, many focus group participants were concerned with what they perceive as a lack of attention given to fair housing laws by state officials, real estate agencies, and developers.

***Summary of Items that Focus Groups  
Identified As Impediments to Fair Housing Choice***

Accessibility of housing to individuals with disabilities  
Access to transportation and employment  
Affordability, (rentals and purchases) and a shortage of affordable housing  
Building inspectors unaware of disability laws  
Code enforcement  
Concentration of minorities in subsidized housing  
Concerns about crime, security, education  
Credit, previous rental history, criminal history  
Credit scoring  
Discrimination based on race, sex, ethnicity, disability and familial status  
DSHA's notification requirement for the construction of tax-assisted projects  
Family size  
Historic segregation patterns  
Income  
Lack of consumer education about fair housing laws  
Lack of funding for disability accommodations  
Lack of insurance for mobile homes  
Lack of resources for public housing programs  
Lack of training/awareness of discrimination complaint process  
Lack of effective enforcement of Fair Housing laws  
Lower property values in minority neighborhoods  
Maintenance standards  
Neighborhood and civic associations  
NIMBYism  
Predatory lending practices  
Real estate industry practices  
Redlining  
Refusal to renew homeowner's insurance policies  
Regulatory policies  
Self-segregation  
Sexual harassment by landlords or rental agencies  
Social and cultural preferences  
Steering  
Strict lending rules  
Underreporting of fair housing act violations because of:  
    Fear of retaliation  
    Limited housing options

Lack of knowledge and understanding of Fair Housing laws  
Difficulties with bureaucracy associated with the complaint process  
Zoning

## **Previous Studies and Other Evidence**

### ***1998 State Analysis of Impediments***

In 1998, an Analysis of Impediments to Fair Housing Choice in Delaware was prepared by a consulting firm, the Fair Housing Council of Greater Washington, for the Delaware Consortium of Public Agencies. The participants in the consortium included the Delaware State Housing Authority, the City of Wilmington, New Castle County and the City of Dover (State of Delaware, Analysis of Impediments, November 30, 1998). The authors of the AI concluded that there were several impediments to fair housing choice in Delaware. The following is a summary of the major findings of that study.

*Segregated Housing Patterns:* The study found patterns of residential segregation in Delaware. African-Americans and Hispanics constituted 59% of the population in the city of Wilmington, many of whom were concentrated in discrete pockets within the city limits. For example, 50% of Wilmington's Hispanic population resided in the City's Hilltop neighborhood. Dover also had concentrations of African-Americans. Some of these were in the public housing projects and neighborhoods established during the era of legal segregation.

*Evidence of Discrimination; Complaint Data:* The study noted that for the fiscal years 1992-1997, discrimination complaints filed with enforcement agencies included 153 in New Castle County, 40 in Kent County and 17 in Sussex County. Complaints included claims of discrimination on the basis of refusals to sell, refusals to rent, discriminatory terms and/or conditions, unlawful acts of racial intimidation and discriminatory financing. The study concluded that enforcement impediments included a lack of testing activity, differing reporting formats among agencies, limited outreach efforts, limited resources and ineffective resource allocation.

*Mortgage Lending:* The study found that most of the New Castle County census tracts with high minority populations had lower levels of mortgage lending than other areas. In Kent County, areas with high concentrations minority residents did not show significantly lower lending levels than other areas. In Sussex County, all the areas with high minority concentrations had lower lending levels than other areas within the County. However, when the New Castle, Kent and Sussex comparisons were controlled for income, the lending disparities between white and minority borrowers diminished.

*Homeowner's Insurance:* The 1998 AI suggested that certain aspects of the insurance industry's practices might have had an adverse impact on minority neighborhoods. According to the study's authors, many insurance providers imposed value floors and age limits when issuing homeowner's policies. Generally the value floor was set at \$50,000. The age limit was set at homes built after 1960. In 1990, slightly less than 60% of all single-family homes in Delaware were built before 1960 but only 7% of those homes were valued at less than \$50,000. However, more than 93% of housing units in minority neighborhoods were too old and too inexpensive to qualify for insurance under these criteria. Overall, only

7% of the single family homes in white neighborhoods failed to qualify for homeowner's insurance whereas 30% of the homes in minority areas failed to qualify.

*NIMBYism:* The study concluded that many middle and upper income residents opposed the construction of low-income housing in areas in or near their neighborhoods. The study cited examples of episodes in which strong public opposition prevented the construction of low-income housing developments.

*Lack of Consumer Education About Fair Housing Laws:* The AI found that there was a lack of awareness of fair housing issues across the State. The City of Wilmington developed plans to advance fair housing efforts. New Castle County, Dover, Kent County, and Sussex County had not established fair housing plans.

*A Lack of Affordable Housing:* The study found that the demand for affordable housing outstripped the state's supply. For every low-income household residing in publicly-subsidized housing in 1995, another 1.33 households needed such assistance. Racial minorities were disproportionately affected by the lack of affordable housing because more minority families had incomes at or below the poverty level than other groups.

*Substandard Housing:* "Substandard housing" refers to units that need substantial repairs to make them safe and habitable. This was quantified as at least \$30,000 per unit. The City of Wilmington was found to have 3,365 such units, approximately 11.8% of the housing stock. New Castle County had 9,200 substandard units. Dover contained 2,078 units and Kent County had 5,500. Sussex County had 4,500 substandard units. Rural areas of Kent and Sussex Counties contained two-thirds of the State's substandard housing stock.

*Occupancy Standards:* The study found that occupancy standards had an adverse effect on families with children, single-parent households, minority and immigrant families. There was, at the time, an ongoing debate in the real estate industry over appropriate occupancy standards. Large Hispanic immigrant families resided in units in which the number of bedrooms was less than what was allowed under occupancy guidelines.

*Disability Issues:* There were 33,000 adults in Delaware with disabilities. The highest disability rate was found in Sussex County. Within the 21-54 age group, there were 13,000 Delaware residents with mobility or other limitations. The housing needs of these individuals (accessibility features and the elimination of architectural barriers) were not being adequately addressed.

*Infrastructure Problems in Kent and Sussex Counties:* In rural areas with a population of less than 2,500, there were many problems related to water and sewer infrastructure. West Rehoboth, Delaware, a largely minority community was cited as an example. Until 1998 the residents of West Rehoboth did not have central water or sewer systems. There was inadequate funding for infrastructure development in unincorporated areas throughout Kent and Sussex counties.

*Advertising:* HUD regulations state that all advertising for the sale, rental, or financing of housing should contain an equal housing opportunity logo and/or statement. HUD provides guidelines for the size and placement of the logo. In addition, racially diverse human models should be used in advertisements. In Delaware, a significant percentage of the real estate advertisements lacked the standard logo and minority human models.

### ***City of Wilmington's Draft Analysis of Impediments and Action Plan***

In March of 2003, the City of Wilmington published, for public review and comment, a draft Analysis of Impediments and Action Plan. The City identified the following as impediments to fair housing choice in Wilmington:

1. Patterns of residential segregation; high concentrations of minority residents in specific, racially identifiable neighborhoods.
2. High levels of segregation in public housing, which the City attributed to a long history of pre-Fair Housing Act public policies and private practices that were discriminatory.
3. Anecdotal evidence of racial steering by realtors and real estate relocation firms.
4. Relying on HMDA data, the City concluded that there were racial disparities in mortgage loan denial rates even when controlling for income. The denial rates for minority loan applicants exceeded, by far, the denial rates for non-minority applicants in Wilmington.
5. An increase in NIMBYism. The City found that levels of NIMBYism are lower within the city of Wilmington than surrounding suburban areas. The study also found that there had been some recent episodes of citizen resistance to the construction of tax-assisted housing in certain neighborhoods.
6. Subsidized housing under the Section 8 program tended to be located in areas with high concentrations of minority residents.

### ***HOND's 1999-2000 Testing Data***

During 1999 and 2000, Housing Opportunities of Northern Delaware (HOND) conducted a series of "matched pair" tests to determine the existence of discriminatory practices at several rental, sales, and lending sites in Delaware. In a matched-pair test, the testing agency sends pairs of undercover "testers," posing as individuals seeking housing or loans. Each member of the pair has identical characteristics except for race, sex, ethnicity, disability or familial status. For example, if the test is investigating whether a landlord is discriminating against African-American renters, one tester would be African-American and the other would be white. The testing agency would supply each member of the pair with a profile that contains identical income, credit and other characteristics. By eliminating all differences relevant to the transaction other than race, the experiment can determine whether any differential treatment that might occur is motivated by unlawful discrimination. In the testing performed by HOND, 73 locations were selected for testing, including: 19 rental sites, 34 lending sites, and 20 sales sites.

#### **Rental Tests**

Nineteen rental sites were tested for discrimination. The geographic distribution of the sites was as follows:

- Seven sites in Wilmington,
- Seven sites in New Castle County outside of Wilmington, and
- Five sites outside of New Castle County.

Evidence of discrimination was found at 10 sites; six sites in Wilmington, three sites in the remainder of New Castle County, and one site in another area of the state (see Exhibit V-6). The testers found no evidence of discrimination at nine sites; one in Wilmington, four in the rest of New Castle County, and four in another area within the state. (Four tests were not analyzed because the information was incomplete.)

**Exhibit V-6**

<b>Tested Rental Sites Exhibiting Evidence of Disparate Treatment, Delaware, 1999-2000</b>								
	City of Wilmington		New Castle County Outside Wilmington		Outside New Castle County		Entire State	
	number	percent	number	percent	number	percent	number	percent
Evidence	6	86	3	43	1	20	10	53
No Evidence	1	14	4	58	4	80	9	47
Total Sites	7	100	7	100	5	100	19	100

Source: Housing Opportunities of Northern Delaware; University of Delaware

Lending Tests

Thirty-four lending sites were tested for evidence of discrimination, including:

- Nine sites in Wilmington,
- Five sites in New Castle County outside of Wilmington, and
- Twenty sites outside New Castle County.

Testing revealed evidence of discrimination at 19 sites: four in Wilmington, three in the remainder of New Castle County, and 12 in the rest of the state (See Exhibit V-7). Fifteen sites showed no evidence of discrimination; five sites in Wilmington, two sites in New Castle County, and eight sites in the remainder of the state.

**Exhibit V-7**

<b>Tested Lending Sites Exhibiting Evidence of Disparate Treatment, Delaware, 1999-2000</b>								
	City of Wilmington		New Castle County Outside Wilmington		Outside New Castle County		Entire State	
	number	percent	number	percent	number	percent	number	percent
Evidence	4	45	3	60	12	60	19	56
No Evidence	5	56	2	40	8	40	15	44
Total Sites	9	100	5	100	20	100	34	100

Source: Housing Opportunities of Northern Delaware; University of Delaware

### Sales Tests

Twenty sales sites were tested for evidence of discrimination. The geographic distribution of the sites included:

- Four in Wilmington,
- Two in New Castle County (excluding Wilmington), and
- Fourteen in other areas within the state.

Testing at nine sites revealed disparate treatment, including four in Wilmington and five in the rest of the state (see Exhibit V-8). Neither of the two sites in New Castle County outside of Wilmington exhibited evidence of discrimination. No evidence of discrimination was found at nine sites in the rest of the state. (Five tests were not completed.)

**Exhibit V-8**

<b>Tested Sales Sites Exhibiting Evidence of Disparate Treatment, Delaware, 1999-2000</b>								
	City of Wilmington		New Castle County Outside Wilmington		Outside New Castle County		Entire State	
	number	percent	number	percent	number	percent	number	percent
Evidence	4	100	0	0	5	36	9	45
No Evidence	0	0	2	100	9	64	11	55
Total Sites	4	100	2	100	14	100	20	100

Source: Housing Opportunities of Northern Delaware; University of Delaware

### **Assessment of the Evidence**

As the data contained in this section demonstrates, unlawful housing discrimination persists in Delaware. The results of the index of dissimilarity analysis reveal high levels of segregation in each of Delaware's three Counties. Wilmington has the highest levels, a condition that has remained virtually unabated over the past 30 years. The picture is somewhat brighter in New Castle County, as there has been a substantial drop in the levels of residential segregation since 1970. However, the County remains well above the level of dissimilarity that social scientists would consider integrated. Residential segregation is actually on the rise in Kent and Sussex Counties.

Segregation in New Castle County mirrors the familiar pattern that can be found in urban areas across the nation. African American and Latino populations are tightly packed around an urban core. Whites predominate in suburban areas. In rural areas of Kent and Sussex Counties, a different picture emerges. African Americans are clustered in small, but segregated communities in various locations across the two counties. Instead of high-density public housing or the dilapidated row houses that are a common feature in cities,

rural segregation is reflected in dirt roads; ancient, dilapidated trailer homes; and other substandard conditions.

In each of the three focus group meetings, virtually all participants cited numerous examples of discrimination that regularly occurs in connection with real estate transactions. Dozens of discrimination complaints are filed each year with Delaware's Division of Human Relations. Discussions with focus groups and subsequent interviews indicate that an unknown number of individuals who experience discriminatory treatment do not file complaints. Some do not know how to file complaints. Other victims are not aware that discrimination has occurred.

Most of the discrimination that occurs now is not overt. Minority apartment seekers are told, with a smile, that units are not available when some are still on the market. Minority home seekers are gently steered, without their knowledge, to areas where other minorities reside. White home seekers are shown neighborhoods where all of the residents are white. We were informed that some neighborhood associations pressure real estate agents to keep minority homebuyers away from their communities. Landlords refuse to allow minor structural modifications that would make apartments accessible to individuals with disabilities. HOND's matched pair tests in 1999-2000 found evidence of disparate treatment in 53% of the rental tests, 56% of the lending tests and 45% of the sales tests.

In Sussex County, Guatemalan immigrants are exploited by landlords who rent deteriorated houses in "shifts" that correspond with the work schedules in the poultry industry. While one group of tenants is at work, another group will sleep in the same apartment. Other landlords refuse to rent to Hispanics based on the perception that they all have large families that will overcrowd the unit. Some Hispanics reside in sheds that were not designed for habitation. NIMBYism is rampant in Delaware and poses a considerable barrier to fair housing choice. There were some indications of exclusionary zoning practices.

There has, of course, been considerable progress toward desegregation since the passage of the Fair Housing Act of 1968. African Americans and Latinos have a broader range of housing options, but their choices are far more limited than similarly situated whites. Contrary to the assumptions of many, economic disparities cannot explain the problems. Low-income minorities do not live in neighborhoods with poor whites. The trailer parks in Kent and Sussex Counties are racially and ethnically segregated. New Castle County compares favorably to suburban areas surrounding cities such as Philadelphia, Baltimore, and Washington D.C. However, disturbingly high levels of residential segregation persist throughout the state.