

I. Introduction

Purpose and Summary of Study

The Fair Housing Act of 1968 prohibits discrimination against persons and actions which “otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin” (42 U.S.C. Sec. 3604(f)). The Act prohibits both intentional discrimination and practices that are facially neutral but have a discriminatory effect on housing opportunities for the groups protected by the statute. The Act provides for a broad range of remedies to redress existing violations and to prevent future violations. The Act was amended in 1988 to include handicapped persons and families with children among those covered by its protections. Discrimination based on disability includes a failure to make reasonable modifications to residential premises that may be necessary to allow handicapped persons full enjoyment of the premises.

A 2003 poll conducted by the Gallup organization indicates that approximately 80 percent of white Americans believe that minority home seekers can reside anywhere they wish, as long as they can afford to do so. This perception is far from accurate. Data developed during the 2000 Census reveals that while America is generally becoming more racially and ethnically diverse, the nation's inner-cities are more segregated today than they were 50 years ago. The Fair Housing Act outlawed housing discrimination 35 years ago. In the intervening years, there has been substantial progress toward desegregating housing patterns in the United States. Despite the advances, however, there are certain areas that have gone against the overall trend. In most urban communities in the Northeast and Midwestern regions of the United States, certain neighborhoods have been resistant to change. In the nation's inner-cities, racial minorities, particularly African-Americans and Latinos, reside in a state of extreme racial isolation, a condition that social scientists refer to as hypersegregation.”

The continuing patterns of residential segregation are not, as many believe, the product of the private choices of individuals nor are they entirely attributable to the economic conditions of individual families. Studies regularly conducted by the U.S. Department of Housing and Urban Development (HUD) and other organizations demonstrate, conclusively, that racially identifiable housing patterns are the result of decades of official segregation and the persistence of unlawful discriminatory practices.

This analysis examines discrimination and segregation in Delaware's housing market. The U.S. Department of Housing and Urban Development requires all local entities that administer certain programs funded by HUD to periodically develop an Analysis of Impediments to Fair Housing Choice (AI). The purpose of the AI is to identify obstacles, (*i.e.*, “impediments”) to fair housing choice through a comprehensive review and analysis of policies, procedures and practices, in both the public and private sectors of the locality that directly or indirectly impinge on equal housing opportunities.

These assessments should include, but are not limited to, an analysis of the availability of affordable, accessible housing and any impediments that adversely affect access to such housing. HUD defines as “impediments to fair housing choice” any actions, omissions, or decisions that have the effect of restricting housing choice, or the availability of housing

choices, to individuals on the basis of race, color, religion, sex, disability, familial status or national origin.

The investigation covered the entire state. It revealed residential segregation in each of Delaware's three Counties. Wilmington has the highest level, 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. Although the levels are somewhat lower than in New Castle, residential segregation is actually on the rise in Kent and Sussex Counties.

Segregation in New Castle County mirrors a pattern that can be found in urban areas across the nation. African American and Hispanic populations are tightly packed around an urban core. Whites predominate in suburban areas. In Kent County, Dover and Sussex County, a different picture emerges. African Americans and Hispanics are clustered in small, but segregated communities in various locations across these areas. Instead of high-density public housing or dilapidated row houses, rural segregation is reflected in dirt roads, ancient, decaying trailer homes, and other substandard conditions.

Numerous housing discrimination complaints are filed each year with Delaware's Division of Human Relations, the state's fair housing enforcement agency. An unknown number of individuals who experience discriminatory treatment do not file complaints. Some do not know how to file complaints. Others are not aware that discrimination has occurred. With respect to lending, African Americans' applications for mortgages are rejected considerably more frequently than those of Whites with comparable incomes. Hispanics fare somewhat better than Blacks, but not as well as Whites.

Most of the discrimination that occurs now is not overt. Minority apartment seekers are told that units are not available when some are still on the market. Minority homebuyers are gently steered, without their knowledge, to areas where other minorities reside. White home purchasers are shown neighborhoods where all of the residents are white. Landlords refuse to allow minor structural modifications that would make apartments accessible to individuals with disabilities. Tests conducted by a local advocacy organization in 1999 and 2000 found evidence of disparate treatment in several cases.

In Sussex County, landlords target and exploit Guatemalan immigrants with substandard rental units. Other landlords refuse to rent to Hispanics based on the perception that they all have large families that will overcrowd units. NIMBYism is prevalent in Delaware and poses a considerable barrier to fair housing choice. These and other findings will be discussed in more detail in the following sections of the study. We conclude with a set of recommendations that suggest actions that could be taken to address the problems identified.

Methodology

This research project utilized a variety of information resources, as well as both qualitative and quantitative methods. Primary data (that collected specifically for this project) was obtained through several focus group meetings and interviews with individuals who are knowledgeable about housing, discrimination and civil rights. We refer to them as "key

informants” for this reason, and they include: public sector administrators, planners and analysts; housing advocates and experts; realtors; nonprofit sector leaders; attorneys; developers; and bankers. A list of the persons providing input for this project can be found in the Appendix.

This research undertaking also availed itself of a variety of secondary information and quantitative data (that collected previously for other purposes). Several prior studies of housing discrimination and impediments to fair housing were reviewed, and federal and state case law was examined. Secondary quantitative data was obtained from fair housing enforcement and advocacy organizations in the state and from public agencies, including the U.S. Census Bureau, the Federal Financial Institutions Examination Council (FFIEC), the Delaware Division of Human Relations, and Housing Opportunities of Northern Delaware, Inc. (HOND).

To capture the important perspectives expressed during the large focus group meetings held in each of the three counties, a verbatim transcript was produced. During these meetings names were not recorded; participants were assigned an identification number so that they would feel comfortable speaking candidly about their fair housing thoughts and concerns. These transcripts were then read, summarized and analyzed by multiple project staff. Extensive notes were also taken to facilitate the analysis of the important points made by individuals who met with project staff one-on-one or in small groups.

In addition to the use of descriptive statistics and data plotted on maps, the project also utilized the quantitative method known as the “index of dissimilarity.” This is a well-regarded technique used by social scientists to measure the extent to which any two selected population sub-groups are segregated from each other. More detail about this method can be found in Section IV.

For a complete list of information and data sources used, the reader is referred to the bibliography in Section X of this report.

