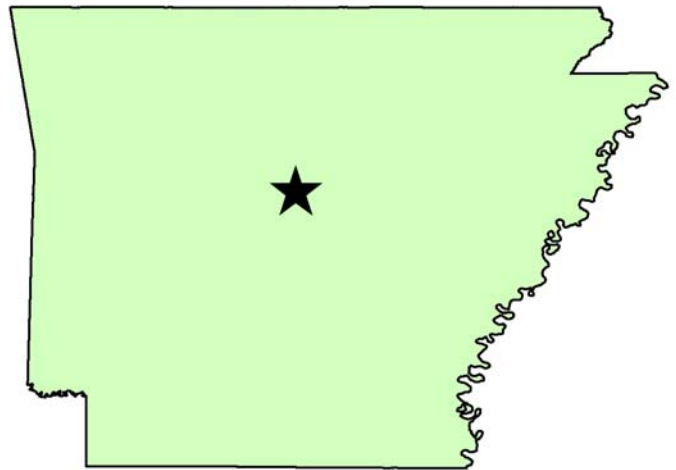


# 2010 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE CITY OF CONWAY, ARKANSAS



FINAL REPORT  
NOVEMBER 1, 2010



# **2010 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE CITY OF CONWAY, ARKANSAS**

Prepared for the:  
Conway Community Development Department

Prepared by:  
Western Economic Services, LLC  
212 SE 18<sup>th</sup> Avenue  
Portland, OR 97214  
Phone: (503) 239-9091  
Toll-free: 1-866-937-9437  
Fax: (503) 239-0236  
Website: <http://www.westernes.com>

**Draft Report for Public Review  
November 1, 2010**



# **HAS YOUR RIGHT TO FAIR HOUSING BEEN VIOLATED?**

If you feel you have experienced discrimination in the housing industry, please contact:

Arkansas Fair Housing Commission  
101 E. Capitol Avenue, Suite 212  
Little Rock, AR 72201  
Telephone: (501) 682-3247  
Fax: (501) 682-3271  
Toll Free: (800) 340-9108  
<http://www.fairhousing.arkansas.gov/>

# ***TABLE OF CONTENTS***

---

---

<u>SECTION</u>	<u>PAGE</u>
<b>EXECUTIVE SUMMARY</b>	<b>1</b>
<b>SECTION I. INTRODUCTION</b>	<b>5</b>
<b>SECTION II. SOCIO-ECONOMIC CONTEXT</b>	<b>11</b>
Demographics	11
Economics	17
Housing	23
<b>SECTION III. LENDING PRACTICES</b>	<b>29</b>
Home Mortgage Disclosure Act Data Analysis	29
<b>SECTION IV. FAIR HOUSING AGENCIES AND PROGRAMS</b>	<b>39</b>
Major Fair Housing Organizations	39
Statewide Fair Housing Organizations	42
Complaint and Compliance Review	42
<b>SECTION V. EVALUATION OF THE FAIR HOUSING PROFILE</b>	<b>45</b>
Related Fair Housing Studies and Cases	45
Fair Housing Complaints	49
2010 Fair Housing Survey	54
<b>SECTION VI. IMPEDIMENTS AND SUGGESTED ACTIONS</b>	<b>59</b>
<b>APPENDIX A: ADDITIONAL CENSUS DATA</b>	<b>61</b>
<b>APPENDIX B: ADDITIONAL BLS/BEA DATA</b>	<b>65</b>
<b>APPENDIX C: ADDITIONAL HMDA DATA</b>	<b>67</b>
<b>APPENDIX D: ADDITIONAL SURVEY DATA</b>	<b>75</b>



# **EXECUTIVE SUMMARY**

---

---

## **BACKGROUND**

In exchange for federal funds, the City of Conway is required to submit to the U.S. Department of Housing and Urban Development (HUD) certification that it is affirmatively furthering fair housing. This certification has three elements and requires that the City:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI);
2. Take actions to overcome the effects of any impediments identified; and
3. Maintain records reflecting the actions taken in response to the analysis.

HUD describes impediments to fair housing choice in terms of their applicability to local, state and federal law. In the federal Fair Housing Act, impediments are defined as:

- Any actions, omissions or decisions taken because of race, color, religion, sex, national origin, familial status, and mental or physical disability which restrict housing choices or the availability of housing choice for these protected classes.
- Any actions, omissions or decisions which have the effect of restricting housing choices or the availability of housing choice on the protected classes.

The AI process involves a thorough examination of a variety of sources related to housing, affirmatively furthering fair housing, the fair housing delivery system and housing transactions, particularly for persons who are protected under fair housing law. AI sources include census data, employment and income information, home mortgage application data, federal and state fair housing complaint information, surveys of housing industry experts and stakeholders, and related information found in the public domain.

An AI also includes an active and involved public input and review process via direct contact with stakeholders, a public forum to collect input from citizens and interested parties, distribution of draft reports for citizen review and a formal presentation of findings and actions to consider implementing in order to overcome the identified impediments.

## **OVERVIEW OF FINDINGS**

### **Socio-Economic Context**

According to data from the U.S. Census Bureau, the population in the City of Conway increased from 2000 through 2009 from 43,176 to 59,511; this was a total increase of 16,344 persons or 37.9 percent. Between 2000 and 2009, Faulkner County showed significant increases in all age cohorts. The greatest change was seen in the group aged 55 to 64, which increased by 56.9 percent, followed by those aged 15 to 24, which increased by 43.2 percent. From 2000 through 2009, the greatest growth in a racial group was seen in two or more races at 66.0 percent growth, followed by black at 60.0 percent growth. However, the Hispanic ethnic population grew twice as fast at 132.6 percent. A few areas of the city showed concentrations of these racial and ethnic minorities. For all persons aged five or older in 2000, the city had a disability rate of 16.8 percent, below the national

rate of 19.0 percent at that time. This percentage represented 6,665 persons living with a disability, and this population was concentrated in one area of the city.

The total number of full- and part-time jobs in Faulkner County increased substantially from 1969 through 2008 from around 10,000 jobs to more than 55,000 jobs. Between 1990 and 2009, the labor force in the City of Conway, defined as people either working or looking for work, rose from slightly under 15,000 to 27,811. Average earnings per job in Faulkner County have been lagging over recent years, with the absolute difference between county and state estimates reaching \$3,277 in 2008. In 2009, the unemployment rate in Conway was 5.5 percent, as compared to 7.3 percent in the state as a whole. As of June 2010, the city rate stood at 6.3 percent while the state rate stood at 7.7 percent. In Conway, the poverty rate in 2000 was 16.3 percent with 6,476 persons considered to be living in poverty, and certain parts of the city had appreciably higher rates of poverty.

In Faulkner County, the number of housing units increased by 26.7 percent from 2000 through 2009 and rose from 34,546 units to 43,777 units. Of the 17,286 units counted in the 2000 census in Conway, about 11,000 units or 63.7 percent of all units were single-family type. An additional 16.3 percent were apartments, 8.1 percent were duplexes, and 7.6 percent were mobile homes. Most units, more than 16,000, were occupied housing units, and, of these, 8,827 were owner-occupied and 7,230 were renter-occupied. At the time that the 2000 census was taken, 2.1 percent of households in Conway were overcrowded and 1.0 percent of households were severely overcrowded. At that time, a total of 77 units in Conway were counted as lacking complete kitchen facilities and 53 were counted as lacking complete plumbing facilities. Additionally, 14.6 percent of households had a cost burden and 12.6 percent of households had a severe cost burden in 2000. Analysis of assisted housing units in Conway showed that they were located mostly in the central parts of the city and that some contracts are set to expire in 2010.

## **Lending Practices**

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in denial rates in the City of Conway by race, ethnicity, income and geographic area. Evaluated home purchase loan applications from 2004 through 2008 showed that there were 5,484 loan originations and 793 loan denials, for an average five-year loan denial rate of 12.6 percent. These HMDA data also showed that American Indian, black and Hispanic applicants experienced higher rates of loan denials than white applicants, even after correcting for income. Further, some geographic areas of the city had significantly higher denial rates exceeding 75.0 percent, including areas with high concentrations of minority populations. Analysis of high interest rate loans showed that minority populations also received a disproportionate share of these lower quality loan products.

## **Evaluation of the Fair Housing Profile**

A review of national fair housing studies revealed that despite efforts to curb fair housing discrimination in the U.S., problems still exist in terms of discrimination against racial and ethnic minorities, discrimination against persons with disabilities and residential

segregation resulting from some current fair housing efforts. Statewide fair housing studies and cases demonstrated issues of discrimination based on race, familial status and sex.

Fair housing complaint data was collected from HUD and the Arkansas Fair Housing Commission. Data from these sources showed that only 11 complaints were filed in Conway from 1999 through March 2010. The most common bases for complaints were race and disability and the most prevalent issue was discriminatory terms and conditions in the rental market. Still, other reasons for such few complaints may be at work in the city.

A fair housing survey regarding the state of fair housing throughout Conway showed that some respondents had concerns about fair housing in Conway and some saw barriers to affirmatively furthering fair housing, including claims of NIMBYism and zoning restrictions. Some respondents also found fair housing laws difficult to understand and many noted that discrimination is not well reported and that additional outreach and education efforts regarding fair housing are needed in the city.

### **IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE**

The 2010 Analysis of Impediments for the City of Conway uncovered several issues that can be considered barriers to affirmatively furthering fair housing and, consequently, impediments to fair housing choice. These issues are as follows:

1. Historically, insufficient system capacity has resulted in:
  - A. Inadequate outreach and education efforts that have led to:
    - i Insufficient community awareness of fair housing;
    - ii Insufficient understanding of what constitutes affirmatively furthering fair housing; and
    - iii Inadequate understanding of the complaint process;
  - B. Ineffective processing and resolution of fair housing complaints.
2. Disproportionately high home purchase loan denial rates exist for racial and ethnic minorities.
3. Home purchase loan denial rates are disproportionately high in lower-income areas.
4. Current land-use and development practices may not be in the spirit of affirmatively furthering fair housing.

### **SUGGESTED ACTIONS TO CONSIDER**

In response to these impediments, the City of Conway should consider these actions:

1. Consider continuing participating in the Arkansas Community Development Association for efficient use of fair housing resources.
  - A. Contribute resources to central pool to assist with funding fair housing activities.
  - B. Consider additional partners to include in the Association.
2. Increase knowledge and understanding of fair housing and affirmatively furthering fair housing through the following outreach and education efforts:
  - A. Offer meeting space and set up educational opportunity schedule for both consumers and providers of housing to be carried out by the Arkansas Fair Housing Commission (AFHC),

- i. Assist in coordinating delivery of educational services by AFHC to local renters,
    - ii. Assist in coordinating local delivery of professional training services by AFHC to landlords, program managers, other rental housing providers,
  - B. Prominently display AFHC posters, flyers, and fair housing educational materials,
  - C. Distribute printed materials from the AFHC that present information regarding:
    - i. Definitions of reasonable accommodation and modification,
    - ii. Examples of discriminatory terms and conditions in rental markets,
    - iii. Differences between affirmatively furthering fair housing, affordable housing production and preservation, and landlord/tenant rights and responsibilities,
  - D. Create improved referral system by distributing information about AFHC including how to file a complaint,
  - E. Request that the AFHC establish a Fair Housing Hotline for individuals to contact the AFHC and obtain immediate response to fair housing questions or concerns,
  - F. Request technical assistance from the State's Little Rock office for outreach and education activities to be targeted to racial and ethnic minorities in the city.
- 3. Establish baseline of the actual level and types of discrimination occurring in the community through testing and enforcement activities,
  - A. Ask the AFHC to conduct, or conduct separately, a small sample of fair housing tests and record findings; this will again be done in five years to compare results,
    - i. For the City of Conway, this is to include race and disability testing initially,
  - B. Request that the AFHC track complaint data more closely and use complaint data to compare year to year changes in fair housing activities,
    - i. While more complaints are likely to be filed if educational efforts are successful, the goal of this action is to decrease the *percentage* of complaints that are found to be without cause and increase the percentage of those that are amicably reconciled. An additional goal is the decrease of the number of persons who abandon the complaint process.
- 4. Coordinate renter, homebuyer and homeowner credit trainings with bankers and Realtors,
  - A. Enhance understanding of credit, what leads to poor credit and the attributes of predatory lending,
  - B. Enhance the understanding of disreputable real estate business practices, such as steering, redlining, and blockbusting.
- 5. Review prospective degree of exclusionary zoning and land use policies that may exist,
  - A. Consider how more inclusionary land-use policies might work for the City and how they may be implemented,
  - B. Consider how to extend affordable housing production/preservation activities to additional areas of the City.
- 6. Form local fair housing workgroup to meet on a quarterly basis and address fair housing issues in the City. This group should be comprised of interested parties such as bankers, Realtors, property managers, fair housing advocates and representatives.
  - A. Create and maintain database of contact information for this group and establish fair housing outreach e-mail distribution list.

## **SECTION I. INTRODUCTION**

---

---

### **BACKGROUND**

Title VIII of the 1968 Civil Rights Act, also known as the federal Fair Housing Act, made it illegal to discriminate in the buying, selling or renting of housing because of a person's race, color, religion or national origin. Sex was added as a protected class in the 1970s. In 1988, the Fair Housing Amendments Act added familial status, including pregnant women and families with children under age 18, and disability, making a total of seven federally protected classes.

Federal fair housing statutes are largely covered by the following pieces of U.S. legislation:

- The Fair Housing Act,
- The Housing Amendments Act, and
- The Americans with Disabilities Act.

State or local government may enact fair housing laws that extend protection to other groups as well. In Arkansas, the Arkansas Fair Housing Act is equivalent to the federal Fair Housing Act and includes the following protected classes: race, color, national origin, religion, sex, familial status, and disability or handicap.

### **WHY ASSESS FAIR HOUSING?**

Provisions to affirmatively further fair housing are long-standing components of the U.S. Department of Housing and Urban Development's (HUD) housing and community development programs. These provisions flow from Section 808(e) (5) of the Federal Fair Housing Act, which requires that the Secretary of HUD administer HUD's housing and urban development programs in a manner that affirmatively furthers fair housing.

In 1994, HUD published a rule consolidating plans for housing and community development programs into a single preparation: the Consolidated Plan for Housing and Community Development. This document incorporates the plans for original consolidated programs, which include Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grants<sup>1</sup> (ESG), and Housing Opportunities for Persons with AIDS (HOPWA), as well as encouraging additional program components that have been enacted.

As a part of the consolidated planning process, states and entitlement communities receiving such funds as a formula allocation directly from HUD are required to submit to HUD certification that they are affirmatively furthering fair housing. This certification has three parts and requires:

- Completing an Analysis of Impediments to Fair Housing Choice (AI);

---

<sup>1</sup> This program was recently renamed the Emergency Solutions Grant

- Taking actions to overcome the effects of any impediments identified through the analysis; and
- Maintaining records reflecting the analysis and actions taken.

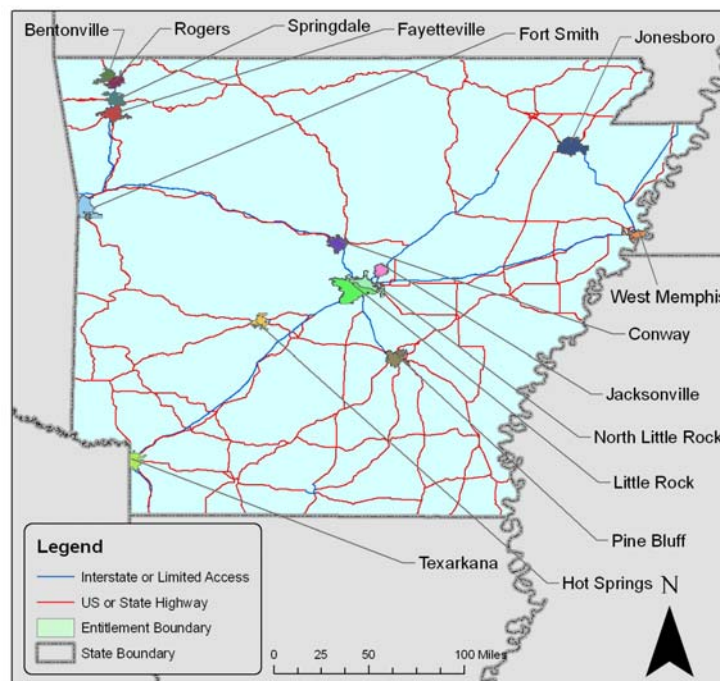
HUD interprets these three certifying elements to entail:

- Analyzing and working to eliminate housing discrimination in the jurisdiction;
- Promoting fair housing choice for all people;
- Providing opportunities for racially and ethnically inclusive patterns of housing occupancy;
- Promoting housing that is physically accessible to, and usable by, all people, particularly individuals with disabilities; and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act.<sup>2</sup>

## PURPOSE OF THIS RESEARCH

Thus, the purpose of the 2010 City of Conway Analysis of Impediments to Fair Housing Choice is to identify impediments to fair housing choice in the city and to suggest actions that the City can consider in working toward eliminating, overcoming or mitigating the identified impediments. A map presenting the City of Conway, along with the Arkansas Community Development Association which represents all other HUD-designated entitlement areas in Arkansas, is presented below.

**Map I.1**  
**Arkansas Community Development Association**



<sup>2</sup> *Fair Housing Planning Guide*. U.S. Department of Housing and Urban Development. March 1996, pg.1-3.

Further, in order to operate more cost effectively in a time of limited resources, this research was conducted concurrently with five other entitlement cities in Arkansas: Fayetteville, Fort Smith, Jacksonville, North Little Rock and West Memphis.

## **RESEARCH METHODOLOGY**

The 2010 Conway Analysis of Impediments to Fair Housing Choice offers a thorough examination of a variety of sources related to housing, such as demographic change, economic influences, and the state of the housing market, but also information pertaining to affirmatively furthering fair housing, the status of the fair housing delivery system and housing transactions affecting people throughout Conway. This information was collected and evaluated through four general approaches that provided a rich data set for analyzing impediments to fair housing choice.

The four methodological research activities utilized in creating this AI were:

1. *Primary Research* – the collection and analysis of raw data that did not previously exist.
2. *Secondary Research* – the review of existing data and studies.
3. *Quantitative Analysis* – the evaluation of objective, measurable and numerical data.
4. *Qualitative Analysis* – the evaluation and assessment of subjective data, such as people’s beliefs, feelings, attitudes, opinions and experiences.

Some of the baseline secondary and quantitative data providing a picture of the City’s housing marketplace were drawn from the U.S. Census Bureau. Other data were drawn from records provided by the Bureau of Economic Analysis, the Bureau of Labor Statistics and a variety of other sources. The narrative below offers a brief description of other key data sources employed for the 2010 Conway AI.

### **Home Mortgage Disclosure Act Data**

To examine possible fair housing issues in the home mortgage market, Home Mortgage Disclosure Act (HMDA) data was analyzed. The HMDA was enacted by Congress in 1975 and has since been amended several times. It is intended to provide the public with loan data that can be used to determine whether financial institutions are serving the housing credit needs of their communities and to assist in identifying possible discriminatory lending patterns. HMDA requires lenders to publicly disclose the race, ethnicity and sex of mortgage applicants, along with loan application amounts, household income and census tract in which the home is located, and information concerning actions related to the loan application. For this analysis, HMDA data from 2004 through 2008 were analyzed, with the measurement of denial rates by geographic area and by race and ethnicity of applicants as well as the reasons for denial as the key research objectives. These data were also examined to identify the groups and locations most likely to encounter high interest rate loans.

## **Fair Housing Complaint Data**

Housing complaint data was used to analyze complaints related to fair housing discrimination in the renting and selling of housing. HUD provided fair housing complaint data for the City of Conway for the time period from January 1999 through March 2010. That information included basis of complaint, issues pursuant to the grievance and closure status of the alleged fair housing infraction. This review of fair housing complaints allowed for inspection of the tone and relative degree and frequency of certain types of unfair housing practices seen in the city and the degree to which they were found to be with cause, even while acknowledging that many individuals may be reluctant to step forward with a complaint. The Arkansas Fair Housing Commission also provided some complaint data for the state for the time period from January 2006 through February 2010.

## **2010 Conway Fair Housing Survey**

One of the methods HUD recommends for gathering public input about perceived impediments to fair housing is to conduct a survey. The City of Conway elected to use a survey instrument to measure the degree of understanding of fair housing laws, awareness of actions made to affirmatively further fair housing, perceptions of state and local government policies that adversely affect fair housing including zoning requirements and development practices, as well as known practices in both public and private sectors that may deliberately or unwittingly affect housing choice due to protected class status. This step was a cost effective, efficient method to target research resources. The Conway 2010 Fair Housing Survey, which was conducted entirely online, received a total of 55 responses.

The 2010 survey targeted individuals involved in the housing arena. The prospective contact list was assembled by the lead agency with experts in at least the following areas:

- Residential and commercial building codes and regulations;
- State, local, and federal occupancy standards;
- Residential health and safety codes and regulations (structural, water and sewer);
- State and local land use planning;
- Banking and insurance laws and regulations;
- Real estate development, real estate sales and management laws and regulations;
- Renter rights and obligations, including civil rights;
- Fair housing, disability, social service, and other advocacy organizations;
- Habitat for Humanity or similar housing providers.

The survey approach also assured that selected target populations, through their in-need service provider network or advocacy organizations, were well represented. Furthermore, these entities were utilized to help publicize fair housing planning activities and public involvement.

The survey protocol involved sending an e-mail announcement to each prospective respondent, introducing them to the upcoming survey, its purpose and intent. A link was

provided that directed the respondent to the online survey. The e-mail message also urged respondents to forward the survey announcement to any other individual or agency involved in fair housing. Furthermore, the announcement and survey link were posted on the lead agency's website and printed copies were distributed during public meetings.

As noted above, the survey was designed to address a wide variety of issues related to fair housing and affirmatively furthering fair housing. The following narrative summarizes key survey themes and data that were intended to be collected from each survey section.

### *Federal, State, and Local Fair Housing Law*

Questions in this section related to awareness of fair housing laws, understanding of fair housing laws, including protected classes, availability of fair housing training and knowledge of the fair housing complaint referral process. Answers to this question provided a snapshot of understanding and awareness of fair housing in the city.

### *Fair Housing in Conway*

This section offered a number of open-ended questions that allowed respondents to identify: general concerns about fair housing in the city, possible barriers or constraints in the fair housing process, geographic areas with fair housing problems and also non-compliance issues with any private lenders or landlords in the city. The use of open-ended questions allowed respondents to address any number of concerns such as redlining, neighborhood issues, lease provisions, steering, sub-standard rental housing, occupancy rules, or other fair housing issues in Conway.

### *State and Local Government Policies and Activities Related to Fair Housing*

In this section, respondents were asked to offer insight into state or local government policies and activities related to fair housing in Conway. More specifically, questions related to: planning, financing or administrative actions that may have adversely affected fair housing; awareness of non-compliance issues with public housing authorities in the city; codes or regulations, in relation to building, occupancy, health or safety, that may be barriers to fair housing; or public administrative actions or policies, including tax policy, that may represent barriers to fair housing choice. These questions were used to identify fair housing issues in the city in relation to zoning, building codes, accessibility compliance, subdivision regulations, displacement issues, development practices, residency requirements, property tax policies, land use policies, or NIMBYism.<sup>3</sup>

### *Fair Housing Activities in Conway*

The questions in this section were utilized to measure awareness of outreach and education activities, fair housing testing efforts, and a city fair housing plan. Respondents

---

<sup>3</sup> Not In My Backyard

were also asked if they believed that fair housing laws in Conway need to be changed, and, if so, how they should be changed. The purpose of this section was to gain insight into the effectiveness of current fair housing activities in the city and possible ways to improve the delivery of fair housing services in Conway.

If limited input on a particular topic was received, it was assumed that the entirety of stakeholders did not view the issue as one of high pervasiveness or impact. This does not mean that this issue was non-existent in the city, only that there was not a large perception of its prevalence as gauged by this singular survey instrument.

## **LEAD AGENCY**

The Conway Community Development Department (CDD) is the lead agency for preparing the 2010 Analysis of Impediments to Fair Housing Choice. Western Economic Services, LLC, a Portland, Oregon-based consulting firm specializing in research and analysis in support of housing and community development planning, prepared this AI.

## **Commitment to Fair Housing**

In accordance with the applicable statutes and regulations governing the Consolidated Plan, the CDD certifies that it will *affirmatively further fair housing*. This statement means that CDD has conducted an AI within the City of Conway, will take appropriate actions to overcome the effects of any impediments identified through that analysis, and will maintain records reflecting that analysis and actions in this regard.

## **PUBLIC INVOLVEMENT**

The CDD conducted the public input process associated with this AI. The public notification, input and review process were conducted in line with the Citizen Participation Plan associated with the Consolidated Planning process. Specifically, the key elements of public involvement activities included placement of display and legal advertisements in Conway's local newspaper, the *Log Cabin Democrat*, as well as running of classified advertisements on the local access cable channel. Information regarding public input was also published on the City website and announced during televised city council meetings.

The CDD held a public input meeting, or Fair Housing Forum, on August 17, 2010. This meeting was designed to offer the public the opportunity to offer commentary on fair housing in Conway as well as provide feedback on the initial findings of the AI.

The draft report for public review was released for public review on September 15, 2010, which initiated a 30-day public review period, and a final presentation was made on September 21, 2010. The final report was released on November 1, 2010 and is available online at the CDD website at: [www.cityofconway.org/departments/cdbg/cdbg.html](http://www.cityofconway.org/departments/cdbg/cdbg.html).

## SECTION II. SOCIO-ECONOMIC CONTEXT

### INTRODUCTION

This section presents general demographic, economic and housing information collected from: the U.S. Census Bureau, the Bureau of Economic Analysis, the Bureau of Labor Statistics and other resources, and the data were used to analyze a broad range of socioeconomic characteristics including population, race, ethnicity, disability, employment, poverty concentrations and housing trends. These data illustrate the underlying conditions that have helped shape housing market behavior and housing choice, as well as highlight potential impediments to fair housing choice.

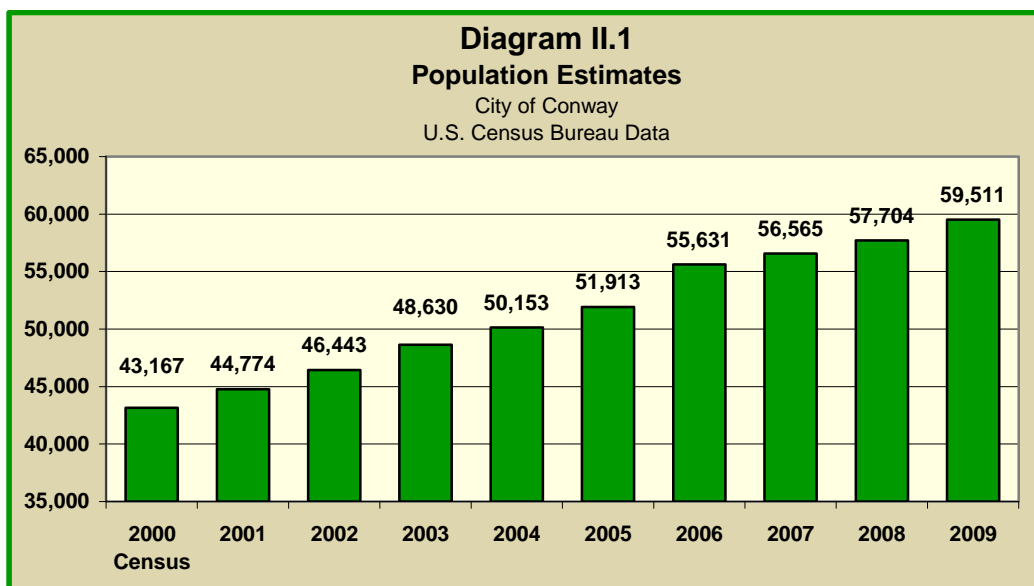
### DEMOGRAPHICS

#### POPULATION DYNAMICS

Population estimates from the U.S. Census Bureau are presented in Table II.1, at right. This table shows that the population in the City of Conway increased from 2000 through 2009 from 43,176 to 59,511. This was a total increase of 16,344 or 37.9 percent.

Population growth in the city is also presented in Diagram II.1. The population increase was steady throughout the time period, although there were a few significant jumps in population growth, such as from 2005 to 2006.

Year	Population
2000 Census	43,167
2001	44,774
2002	46,443
2003	48,630
2004	50,153
2005	51,913
2006	55,631
2007	56,565
2008	57,704
2009	59,511
<b>% Change 00 - 09</b>	<b>37.9%</b>



Census data regarding population by age for the City of Conway for 2000 is presented in Table II.2. The two largest age groups at this time were persons aged 35 to 54 and persons aged 5 to 19, both with over 10,000 persons counted.

Age	Population
Under 5	2,967
5 to 19	10,119
20 to 24	6,619
25 to 34	6,778
35 to 54	10,285
55 to 64	2,510
65 and over	3,889
<b>Total</b>	<b>43,167</b>

Table II.3 presents intercensal population estimates by age for Faulkner County; intercensal estimates for this and other selected data sets are only available at a county level. Between 2000 and 2009, the county showed significant increases in all age cohorts. The greatest change was seen in the group aged 55 to 64, which increased by 56.9 percent, followed by those aged 15 to 24, which increased by 43.2 percent. In 2009, slightly less than 70.0 of residents in Faulkner County were younger than age 44.

Age	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	% Change 00 - 09
Under 14	18,312	18,735	18,968	19,455	19,870	20,261	20,748	21,428	21,816	22,283	21.7%
15 to 24	16,879	17,961	18,696	20,027	20,842	21,946	23,352	23,435	24,111	24,174	43.2%
25 to 44	25,922	26,028	25,906	25,869	26,047	26,399	26,793	27,209	27,602	28,009	8.1%
45 to 54	10,286	10,865	10,996	11,334	11,737	12,115	12,628	12,984	13,462	13,849	34.6%
55 to 64	6,450	6,700	7,202	7,701	8,078	8,541	8,907	9,316	9,659	10,120	56.9%
65 & over	8,165	8,415	8,624	8,906	9,136	9,416	9,903	10,286	10,639	10,951	34.1%
<b>Total</b>	<b>86,014</b>	<b>88,704</b>	<b>90,392</b>	<b>93,292</b>	<b>95,710</b>	<b>98,678</b>	<b>102,331</b>	<b>104,658</b>	<b>107,289</b>	<b>109,386</b>	<b>27.2%</b>

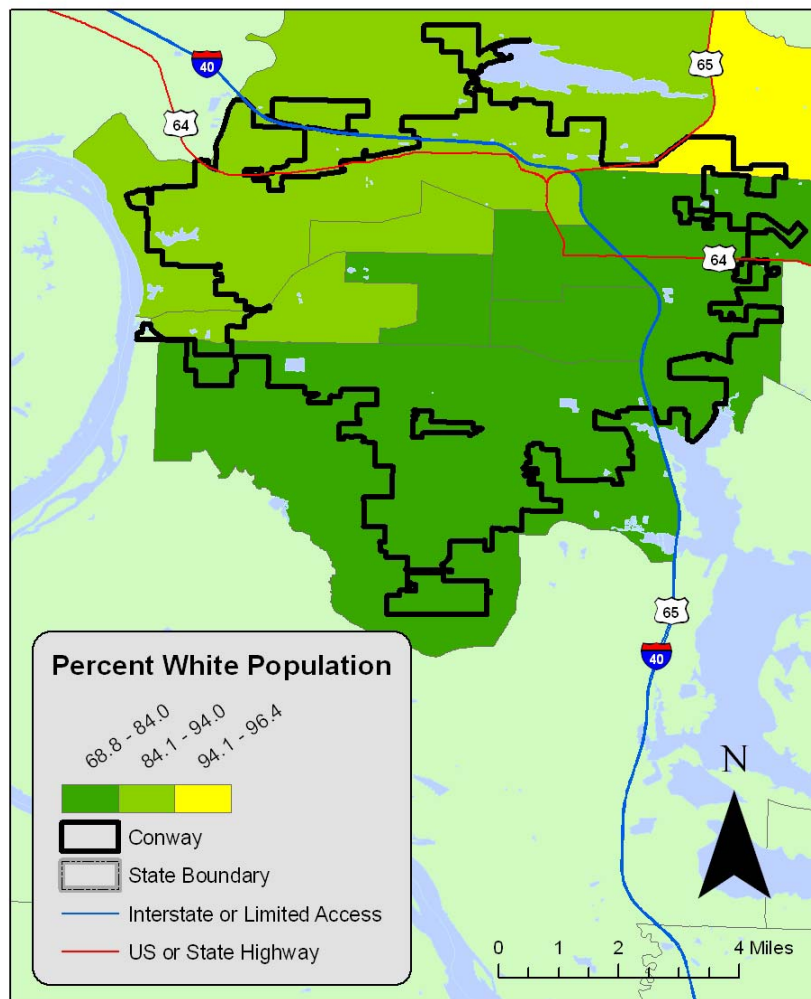
## RACIAL AND ETHNIC COMPOSITION

At the time that the 2000 census was taken, the racial composition of the City of Conway was predominantly white; this group comprised 84.0 percent of the total population at 36,272 persons. The next most populous group was black, at 12.1 percent or 5,232 persons. The Hispanic population equated to 2.2 percent of the population or slightly less than 1,000 persons. These data are presented at right in Table II.4.

Race	Population	Percent
White	36,272	84.0
Black	5,232	12.1
American Indian	155	0.3
Asian	541	1.3
Native Hawaiian/Pacific Islander	14	0.1
Other	421	1.0
Two or More Races	532	1.2
<b>Total</b>	<b>43,167</b>	<b>100.0</b>
Hispanic	983	2.2

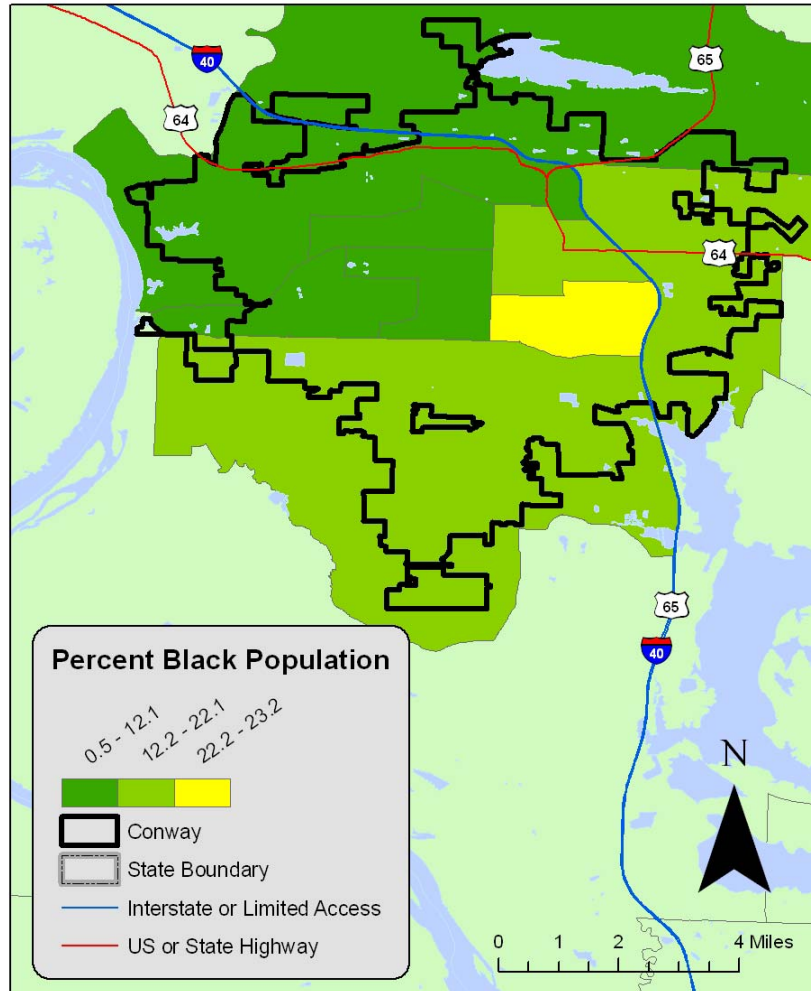
However, the geographic distribution of these racial and ethnic minorities was not even throughout the city. HUD defines a population as having a disproportionate share when the portion of that population is more than 10 percentage points higher than the jurisdiction average. For example, the citywide white population in Conway in 2000 was 84.0 percent. Therefore, any area that had a white population higher than 94.0 percent displayed a disproportionate share of the white population. This analysis of racial distribution was conducted by calculating race as the percentage share of total population and then plotting the data on a geographic map of census tracts in Conway. As Map II.1 illustrates, the white population in the city was concentrated only in the most northeastern tip, where the population was as high as 96.4 percent white, as shown in yellow.

**Map II.1**  
**Percent White Population by Census Tract**  
 City of Conway  
 2000 Census Data



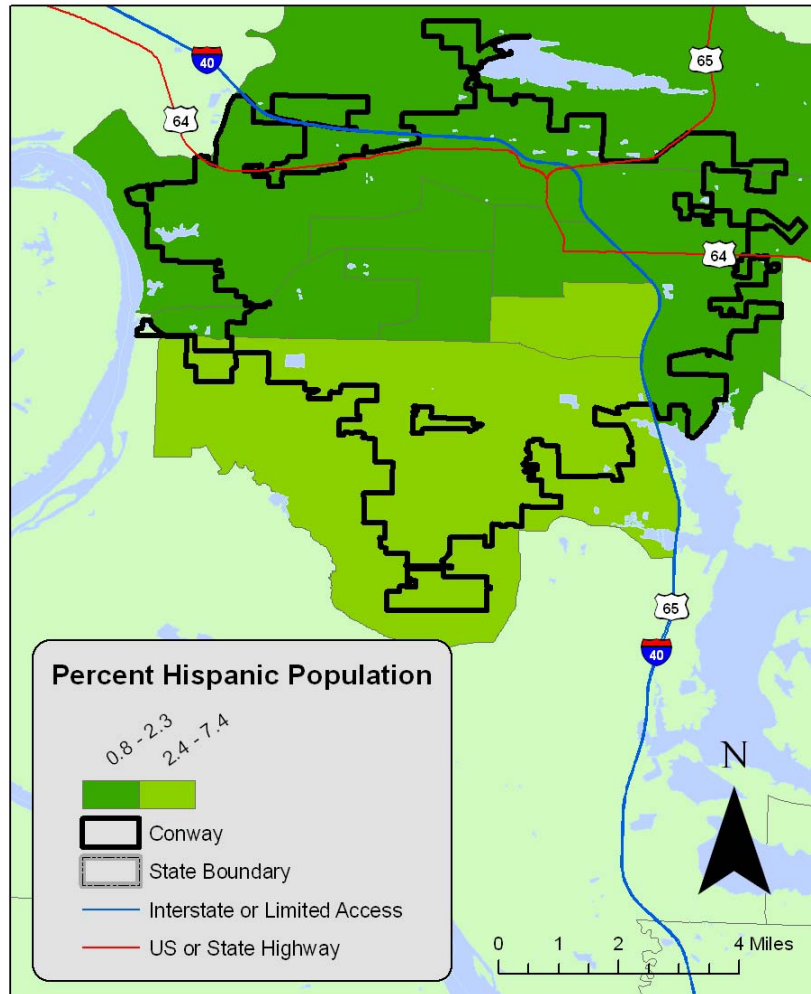
A similar evaluation was conducted for the black population in the city. This analysis revealed that the black population was concentrated in the mid-central part of the city, with one census tract showing a population concentration exceeding 22.1 percent shown in yellow.

**Map II.2**  
**Percent Black Population by Census Tract**  
City of Conway  
2000 Census Data



Analysis of the concentration of the Hispanic population at the time of the 2000 census revealed that no census tracts in the city showed a disproportionate share of population greater than 12.2 percent. This finding is shown in Map II.3, below.

**Map II.3**  
**Percent Hispanic Population by Census Tract**  
 City of Conway  
 2000 Census Data



More recent data regarding racial and ethnic populations in Faulkner County are presented in Table II.5, on the following page. From 2000 through 2009, the greatest growth in a racial group was seen in “two or more races” at 66.0 percent growth, followed by black at 60.0 percent growth. However, the Hispanic ethnic population grew twice as fast at 132.6 percent.

**Table II.5**  
**Intercensal Population Estimates by Race and Ethnicity**  
 Faulkner County  
 U.S. Census Bureau Intercensal Estimates

Race	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	%Change 00-09
White	76,695	78,609	79,940	82,313	84,230	86,423	89,295	91,109	93,044	94,664	23.4%
Black	7,338	8,000	8,318	8,727	9,113	9,777	10,439	10,856	11,427	11,740	60.0%
American Indian	458	469	474	485	489	504	512	521	536	577	26.0%
Asian	638	678	683	718	741	781	837	857	900	951	49.1%
Native Hawaiian/ Pacific Islander	34	34	34	37	38	38	39	39	40	41	20.6%
Two or More Races	851	914	943	1,012	1,099	1,155	1,209	1,276	1,342	1,413	66.0%
<b>Total</b>	<b>86,014</b>	<b>88,704</b>	<b>90,392</b>	<b>93,292</b>	<b>95,710</b>	<b>98,678</b>	<b>102,331</b>	<b>104,658</b>	<b>107,289</b>	<b>109,386</b>	<b>27.2%</b>
Hispanic	1,509	1,727	1,912	2,076	2,260	2,548	2,745	2,981	3,348	3,510	132.6%

## DISABILITY STATUS

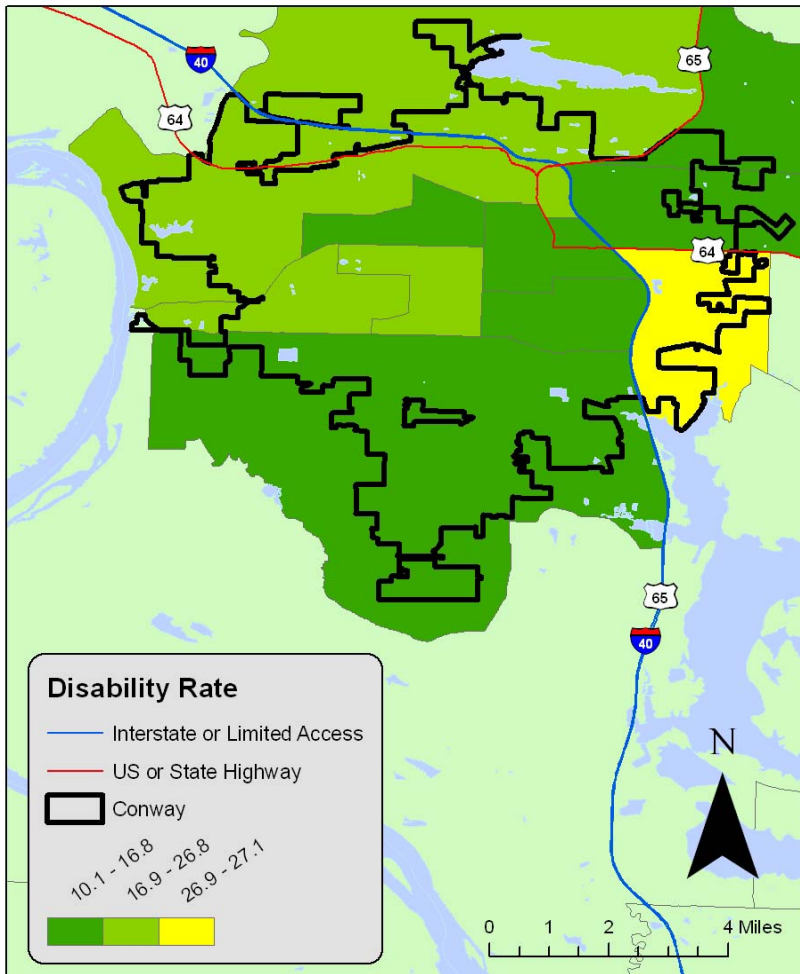
Disability is defined by the Census Bureau as a lasting physical, mental or emotional condition that makes it difficult for a person to conduct daily activities of living or impedes them from being able to go outside the home alone or to work.<sup>4</sup> For all persons aged five or older, the city had a disability rate of 16.8 percent, just below the national rate of 19.0 percent at that time. Still, this represented 6,665 persons living with a disability, as shown at right in Table II.6.

<b>Table II.6</b> <b>Disability by Age</b> City of Conway 2000 Census SF3 Data	
Age	Population
5 to 15	518
16 to 64	4,415
Over 65	1,732
<b>Total</b>	<b>6,665</b>
Disability Rate	16.8%

Map II.4, on the following page, reveals that one census tract in the city contained a disproportionate share of the disabled population or more than 26.8 percent of the total disabled population at the time of the 2000 census. This census tract was located in the eastern part of Conway.

<sup>4</sup> The data on disability status were derived from answers to long-form questionnaire items 16 and 17 for the 1-in-6 sample. Item 16 asked about the existence of the following long-lasting conditions: (a) blindness, deafness, or a severe vision or hearing impairment, (sensory disability) and (b) a condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying (physical disability). Item 16 was asked of a sample of the population five years old and over. Item 17 asked if the individual had a physical, mental, or emotional condition lasting 6 months or more that made it difficult to perform certain activities. The four activity categories were: (a) learning, remembering, or concentrating (mental disability); (b) dressing, bathing, or getting around inside the home (self-care disability); (c) going outside the home alone to shop or visit a doctor's office (going outside the home disability); and (d) working at a job or business (employment disability). Categories 17a and 17b were asked of a sample of the population five years old and over; 17c and 17d were asked of a sample of the population 16 years old and over. For data products which use the items individually, the following terms are used: sensory disability for 16a, physical disability for 16b, mental disability for 17a, self-care disability for 17b, going outside the home disability for 17c, and employment disability for 17d. For data products which use a disability status indicator, individuals were classified as having a disability if any of the following three conditions was true: (1) they were five years old and over and had a response of "yes" to a sensory, physical, mental or self-care disability; (2) they were 16 years old and over and had a response of "yes" to going outside the home disability; or (3) they were 16 to 64 years old and had a response of "yes" to employment disability.

**Map II.4**  
**Percent of Population with a Disability by Census Tract**  
 City of Conway  
 2000 Census Data



## ECONOMICS

### LABOR FORCE AND EMPLOYMENT

Between 1990 and 2009, the labor force in the City of Conway, defined as people either working or looking for work, rose from slightly under 15,000 to 27,811. Over the same time period, the number of employed persons grew similarly through 2008 when this figure fell slightly to 26,286, as seen in Diagram II.2, on the following page.

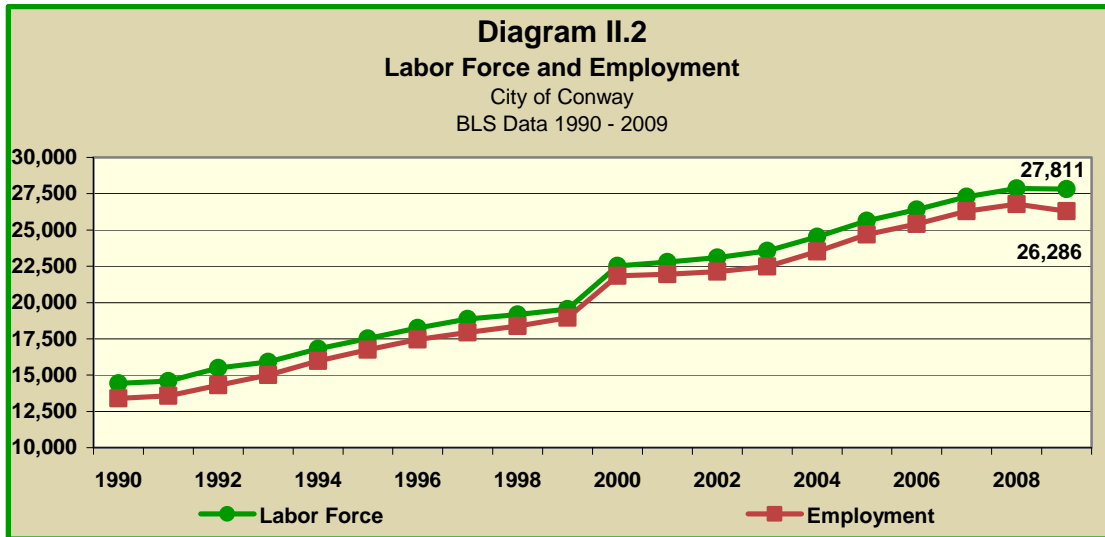
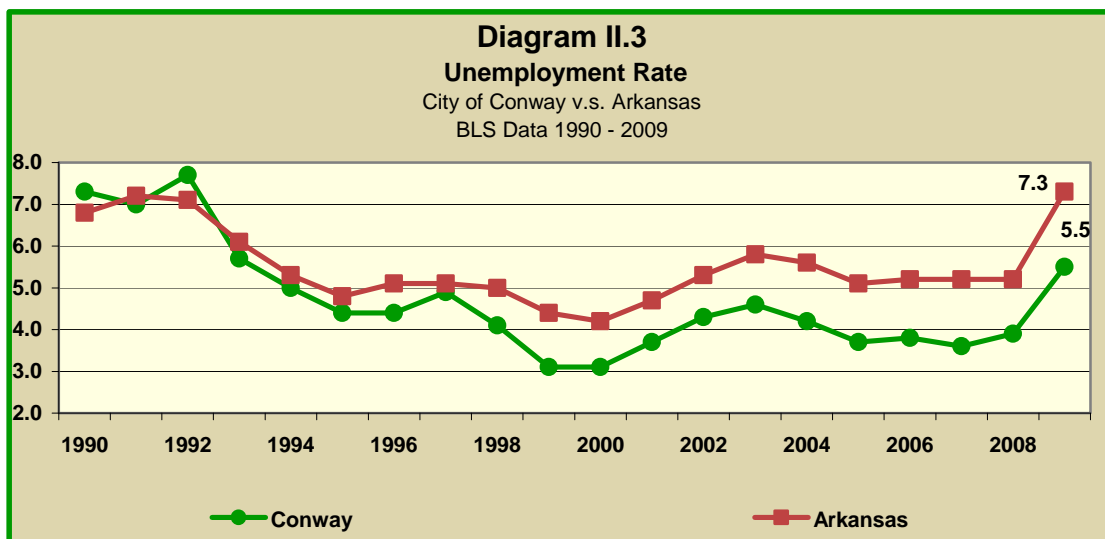
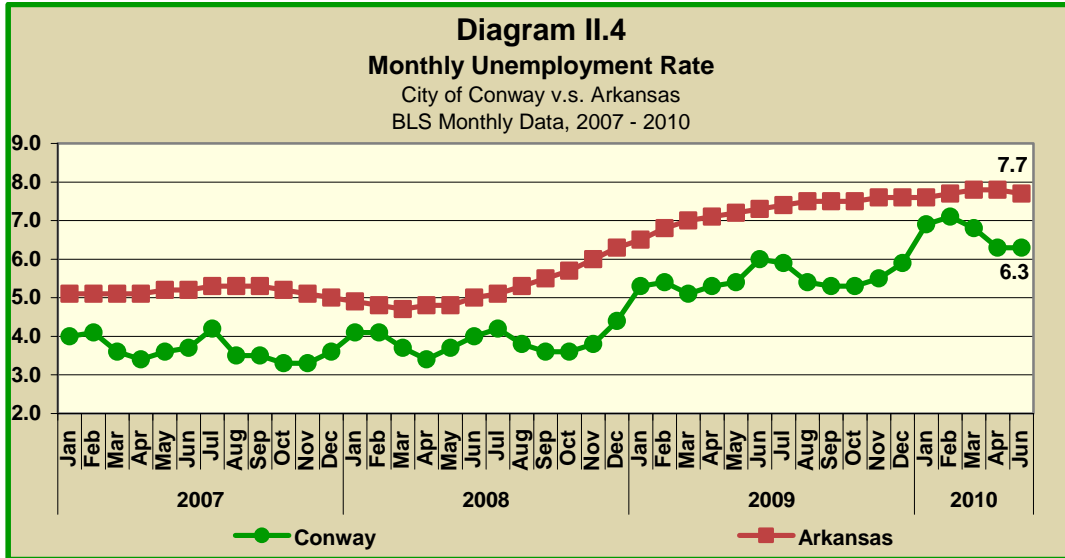


Diagram II.3 presents the unemployment rate in the City of Conway and the State of Arkansas from 1990 through 2009.<sup>5</sup> With the exception of the early 1990s, Conway's unemployment rate has remained below the state rate. In 2009, the unemployment rate in Conway was 5.5 percent, as compared to 7.3 percent in the state as a whole.



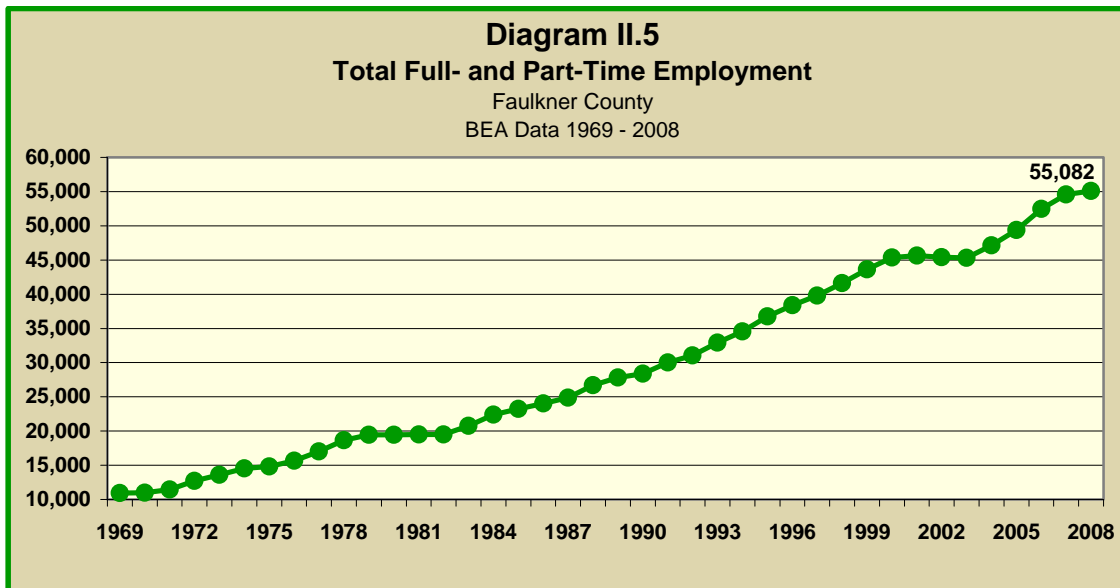
More recent unemployment rate data are presented in Diagram II.4, on the following page. As shown, the unemployment rate for Conway has been repeatedly rising and falling from 2007 through 2009, from lows near 3.0 in 2007 and 2008 to highs exceeding 7.0 percent in the first part of 2010. As of June 2010, the city rate stood at 6.3 percent while the state rate stood at 7.7 percent.

<sup>5</sup> Local area unemployment statistics estimation inputs were updated using the 2000 census, causing a shift in the series after 2000.



**FULL- AND PART-TIME EMPLOYMENT AND EARNINGS**

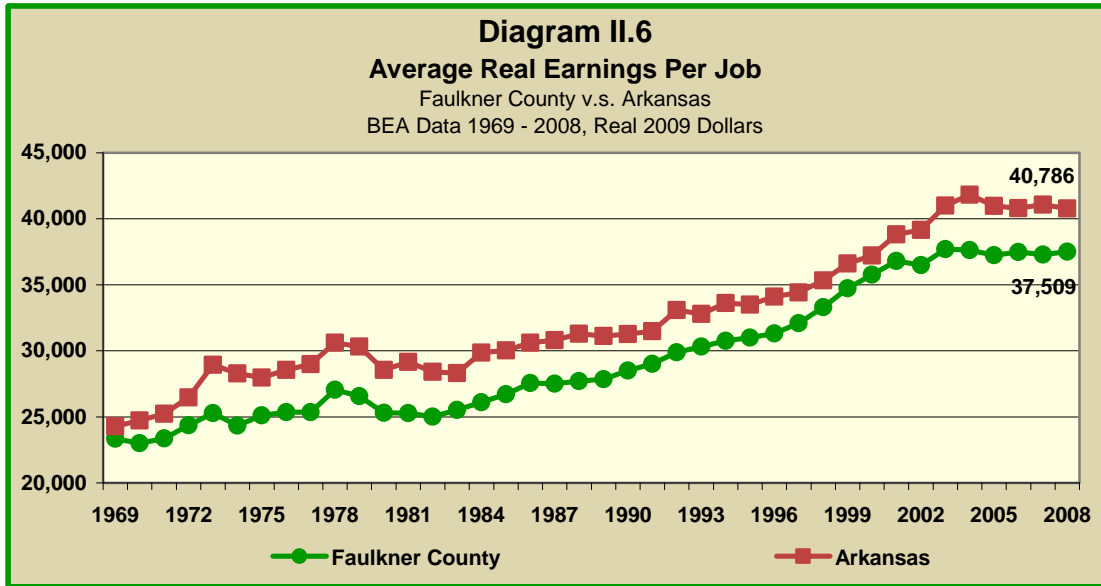
The Bureau of Economic Analysis (BEA) provides an alternate view of employment: a count of both full- and part-time jobs. Thus, a person working more than one job can be counted more than once. The total number of full- and part-time jobs in Faulkner County increased substantially from 1969 through 2008 from around 10,000 jobs to more than 55,000 jobs, as shown in Diagram II.5, below.<sup>6</sup>



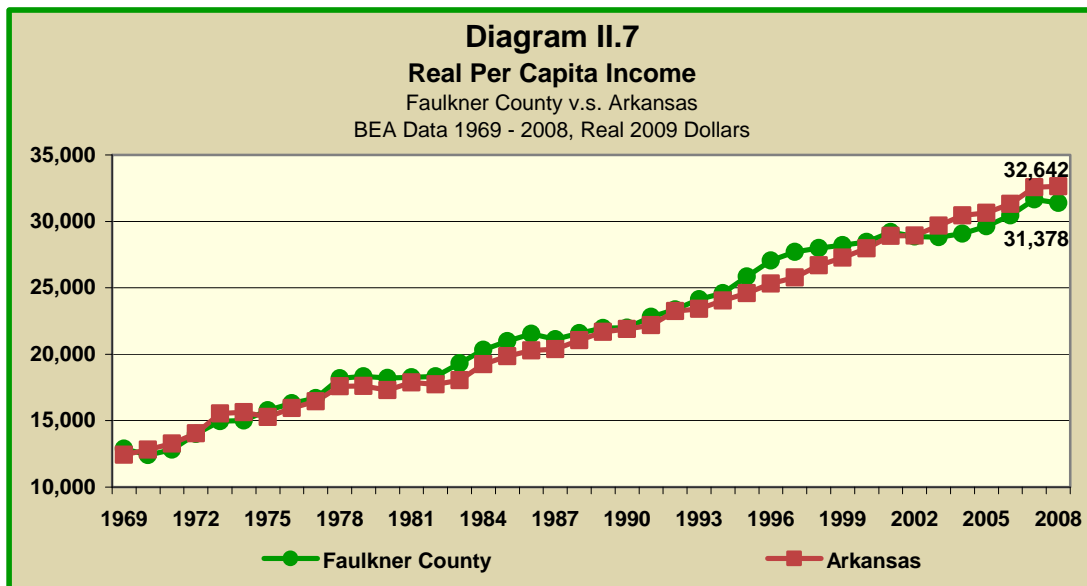
When the total amount of earnings is divided by the number of jobs and then deflated to remove the effects of inflation, the average real earnings per job is determined. This figure can be compared to statewide figures. Unfortunately, average earnings per job in Faulkner

<sup>6</sup> Data are, in part, from administrative records. The most current data available were through 2008.

County have been lagging over recent years, with the absolute difference between county and state estimates reaching \$3,277 in 2008, as Diagram II.6, below, illustrates.



Another gauge of economic standing involves comparing the total of all forms of income: wages earned, transfer payments, and property income, such as dividends, interest and rents. When these data are added together and divided by population, per capita income is the result. Diagram II.7 compares real per capita income in Faulkner County to the State of Arkansas from 1969 through 2008 and shows that per capita income grew relatively steadily from around \$12,500 to \$31,378.



## HOUSEHOLD AND FAMILY INCOME

Table II.7 presents the number of households by income range. As shown, the majority of households in Conway, 3,384 or 21.1 percent, had incomes less than \$15,000. In total, 5,585 households or 34.7 percent of all households had incomes less than \$25,000.

<b>Table II.7</b> <b>Households by Income</b> City of Conway 2000 Census SF3 Data	
Income	Households
Under 15,000	3,384
15,000 - 19,999	1,093
20,000 - 24,999	1,108
25,000 - 34,999	2,002
35,000 - 49,999	2,781
50,000 - 74,999	2,703
75,000 - 99,999	1,477
100,000 and above	1,524
<b>Total</b>	<b>16,072</b>

## POVERTY

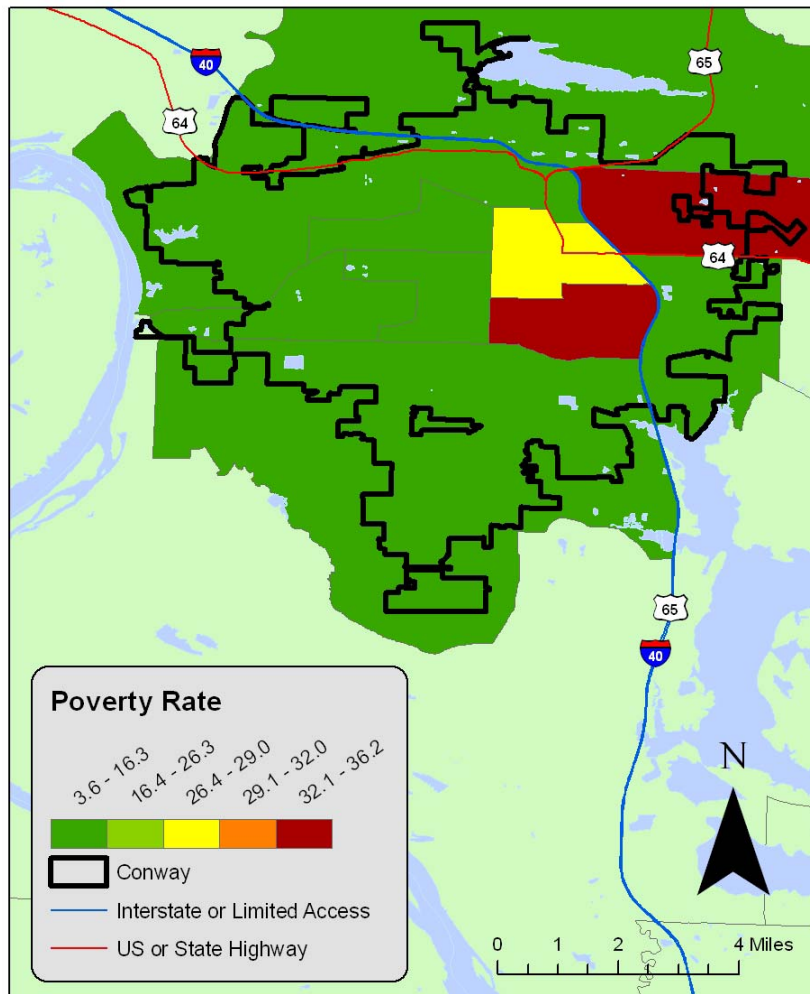
The Census Bureau uses a set of income thresholds that vary by family size and composition to determine poverty status. If a family's total income is less than the threshold for their size, then that family, and every individual in it, is considered poor. The poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index. The official poverty definition counts income before taxes and does not include capital gains and non-cash benefits, such as public housing, Medicaid and food stamps. Poverty is not defined for people in military barracks, institutional group quarters or for unrelated individuals under age 15, such as foster children.

In Conway, the poverty rate in 2000 was 16.3 percent with 6,476 persons considered to be living in poverty, as noted in Table II.8, at right. This rate was higher than the national average at that time of 12.4 percent. Persons in poverty included slightly over 600 children under age 5 and 375 persons 65 or older.

<b>Table II.8</b> <b>Poverty by Age</b> City of Conway 2000 Census SF3 Data	
Age	Population
5 and Below	602
6 to 18	926
18 to 64	4,573
65 and Older	375
<b>Total</b>	<b>6,476</b>
Poverty Rate	16.3%

Additionally, poverty was not spread evenly throughout the City of Conway, as some census tracts had higher concentrations of poverty than others. Map II.5 presents a geographic representation of the Census 2000 poverty rate. Data have been segmented to illustrate the census tracts that had a disproportionate share of persons living in poverty or where more than 26.3 percent of persons were poor. This map shows that census tracts in the northeast part of the city showed poverty rates in excess of 26.3 percent and that two census tracts showed a poverty rate as high as 36.2 percent.

**Map II.5**  
**Percent of Population in Poverty by Census Tract**  
 City of Conway  
 2000 Census Data



## HOUSING

Data regarding the number of housing units counted in Faulkner County for the years 2000 through 2009 are presented in Table II.9, at right. In total, the number of housing units in the city increased by 26.7 percent in this ten-year time period and rose from 34,546 units in 2000 to 43,777 units in 2009.

More detailed information regarding the attributes of the housing stock in the City of Conway is available from 2000 census data. Of the 17,286 units counted in the 2000 census, about 11,000 units or 63.7 percent of all units were single-family type. An additional 16.3 percent were apartments, 8.1 percent were duplexes, and 7.6 percent were mobile homes. These data are presented at right in Table II.10.

The 17,286 housing units reported in the 2000 census can also be examined by tenure status. Most units, more than 16,000, were occupied housing units, and, of these, 8,827 were owner-occupied and 7,230 were renter-occupied. The portion of owner-occupied units, at 51.1 percent, was well below the national homeownership rate of 69.0 percent at that time. Slightly over 7.0 percent of the housing stock in Conway was counted as vacant units, as shown in Table II.11, at right.

### VACANT HOUSING UNITS

Data on the disposition of the 1,229 vacant units indicate that 647 units were for rent, 299 were for sale, 106 were rented or sold but unoccupied, 104 were for seasonal, recreational, or occasional use, and 73 were “other vacant” units. “Other vacant” units refers to units that are not for sale or rent and are not available to the marketplace. “Other vacant” units may also contribute to blight.

Year	Total Units
2000	34,546
2001	35,474
2002	36,414
2003	37,388
2004	38,326
2005	39,291
2006	41,319
2007	42,252
2008	42,866
2009	43,777
<b>% Change</b>	<b>26.7%</b>

Unit Type	Units
Single-Family Unit	11,009
Duplex	1,396
Tri- or Four-Plex	747
Apartments	2,817
Mobile Homes	1,317
Boat, RV, Van, Etc.	0
<b>Total</b>	<b>17,286</b>

Tenure	Units
Occupied Housing Units	16,057
Owner-Occupied	8,827
Renter-Occupied	7,230
Vacant Housing Units	1,229
<b>Total Housing Units</b>	<b>17,286</b>

<b>Table II.12</b> <b>Disposition of Vacant Units</b> City of Conway 2000 Census SF3 Data	
<b>Disposition</b>	<b>Units</b>
For Rent	647
For Sale	299
Rented or Sold, Not Occupied	106
For Seasonal, Recreational, or Occasional Use	104
For Migrant Workers	0
Other Vacant	73
<b>Total</b>	<b>1,229</b>

## HOUSING PROBLEMS

While the 2000 census did not report significant details regarding the physical condition of housing units, some information can be derived from the one in six sample, also called SF3 data.<sup>7</sup> These data relate to overcrowding, incomplete plumbing or kitchen facilities, and cost burdens.

Overcrowding is defined as having from 1.01 to 1.5 people per room per residence, with severe overcrowding defined as having more than 1.5 people per room. At the time that the 2000 census was taken, 2.1 percent of households in Conway were overcrowded and 1.0 percent of households were severely overcrowded. This problem was more frequent in renter-occupied households than in owner-occupied households. These data are presented in Table II.13.

<b>Table II.13</b> <b>Overcrowding and Severe Overcrowding</b> City of Conway Census 2000 SF3 Data				
	<b>No Overcrowding</b>	<b>Overcrowding</b>	<b>Severe Overcrowding</b>	<b>Total</b>
<b>Owner</b>				
Households	8,715	86	26	8,827
Percent	98.7%	1.0%	0.3%	100.0%
<b>Renter</b>				
Households	6,850	245	135	7,230
Percent	94.7%	3.4%	1.9%	100.0%
<b>Total</b>				
Households	15,565	331	161	16,057
Percent	96.9%	2.1%	1.0%	100.0%

<sup>7</sup> Summary File 3 (SF3) consists of 813 detailed tables of 2000 census social, economic and housing characteristics compiled from a sample of approximately 19 million housing units (about 1 in 6 households) that received the 2000 census long-form questionnaire. Source: <http://www.census.gov/Press-Release/www/2002/sumfile3.html>. These sample data include sampling error and may not sum precisely to the 100 percent sample typically presented in the 2000 census.

Incomplete plumbing and kitchen facilities are another indicator of potential housing problems. According to the Census Bureau, a housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower. Likewise, a unit is categorized as deficient when any of the following are missing from the kitchen: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator. As shown below in Table II.14, at the time of the 2000 census, a total of 77 units in Conway were counted as lacking complete kitchen facilities and 53 were counted as lacking complete plumbing facilities.

<b>Table II.14</b> <b>Housing Units with Incomplete Plumbing or Kitchen</b> City of Conway 2000 Census SF3 Data	
<b>Facilities</b>	<b>Units</b>
Lacking Complete Kitchen Facilities	77
Lacking Complete Plumbing Facilities	53

The third type of housing problem reported in the 2000 census is cost burden. Cost burden is defined as gross housing costs that range from 30.0 to 50.0 percent of gross household income; severe cost burden is defined as gross housing costs that exceed 50.0 percent of gross household income. For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent and selected electricity and natural gas energy charges.

Table II.15 shows that in Conway, 14.6 percent of households had a cost burden and 12.6 percent of households had a severe cost burden in 2000. These figures were well below the national averages of 20.8 percent and 19.1 percent at that time, respectively. This housing problem was more common for renters than for homeowners with a mortgage or homeowners without a mortgage.

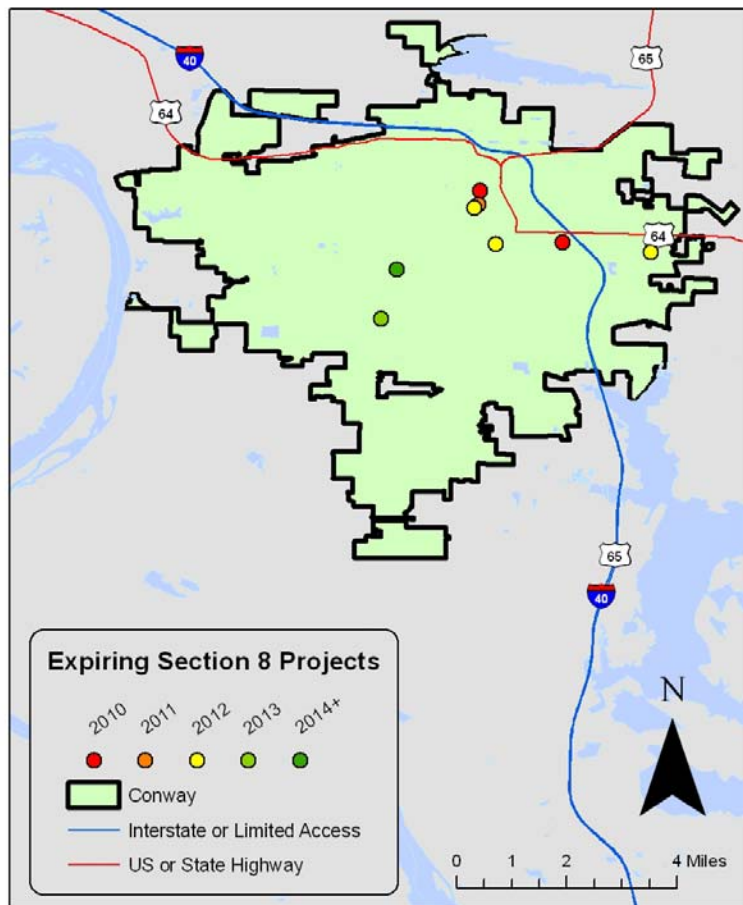
<b>Table II.15</b> <b>Percent of Income Spent on Housing</b> City of Conway Census 2000 SF3 Data					
	<b>Less than 30.0%</b>	<b>31% - 50%</b>	<b>Above 50%</b>	<b>Not Computed</b>	<b>Total</b>
<b>Renter</b>					
Households	3,767	1,416	1,601	439	7,223
Percent	52.2%	19.6%	22.2%	6.1%	100.0%
<b>Owner With Mortgage</b>					
Households	4,966	702	274	18	5,960
Percent	83.3%	11.8%	4.6%	0.3%	100.0%
<b>Owner Without Mortgage</b>					
Households	1,725	86	26	53	1,890
Percent	91.3%	4.6%	1.4%	2.8%	100.0%
<b>Total</b>					
Households	10,458	2,204	1,901	510	15,073
Percent	69.4%	14.6%	12.6%	3.4%	100.0%

People who experience a severe cost burden are at risk of homelessness. For example, cost-burdened renters who experience one financial setback are likely to have to choose between rent and food or rent and healthcare for their family. Similarly, such homeowners with a mortgage and just one unforeseen financial constraint, such as temporary illness, divorce or the loss of employment, may be forced to face foreclosure or bankruptcy. Furthermore, households that no longer have a mortgage yet still experience a severe cost burden may be unable to conduct periodic maintenance and repair of their home, contributing to dilapidation and blight. All three of these situations should be of concern to policy makers and program managers.

## ASSISTED HOUSING

The location and availability of assisted housing available to citizens of Conway was also geographically mapped. Map II.6, below, shows that there were eight Section 8 housing projects centrally located in the city and that at least two of these projects were set to expire in 2010.

**Map II.6**  
**Distribution of Section 8 Vouchers**  
 City of Conway  
 2010 HUD Data



## SUMMARY

According to data from the U.S. Census Bureau, the population Conway increased from 2000 through 2009 from 43,176 to 59,511; this was a total increase of 16,344 or 37.9 percent. Between 2000 and 2009, the county showed significant increases in all age cohorts. The greatest change was seen in the group aged 55 to 64, which increased by 56.9 percent, followed by those aged 15 to 24, which increased by 43.2 percent. From 2000 through 2009, the greatest growth in a racial group was seen in two or more races at 66.0 percent growth, followed by black at 60.0 percent growth. However, the Hispanic ethnic population grew twice as fast at 132.6 percent. There were a few areas of the city that showed concentrations of minority populations. For all persons aged five or older in 2000, the city had a disability rate of 16.8 percent, just below the national rate of 19.0 percent at that time. This percentage represented 6,665 persons living with a disability, and the disabled population was concentrated in one census tract in Conway.

The total number of full- and part-time jobs in Faulkner County increased substantially from 1969 through 2008 from around 10,000 jobs to more than 55,000 jobs. Between 1990 and 2009, the labor force in the City of Conway, defined as people either working or looking for work, rose from slightly under 15,000 to 27,811. Average earnings per job in Faulkner County have been lagging over recent years, with the absolute difference between city and state estimates reaching \$3,277 in 2008. In 2009, the unemployment rate in Conway was 5.5 percent, as compared to 7.3 percent in the state as a whole. As of June 2010, the city rate stood at 6.3 percent while the state rate stood at 7.7 percent. In Conway, the poverty rate in 2000 was 16.3 percent with 6,476 persons living in poverty. A few areas of the city showed higher rates of poverty.

In Conway, the number of housing units increased by 26.7 percent from 2000 through 2009 and rose from 34,546 units to 43,777 units. Of the 17,286 units counted in the 2000 census, about 11,000 units or 63.7 percent of all units were single-family type. An additional 16.3 percent were apartments, 8.1 percent were duplexes, and 7.6 percent were mobile homes. Most units, more than 16,000, were occupied housing units, and, of these, 8,827 were owner-occupied and 7,230 were renter-occupied. At the time that the 2000 census was taken, 2.1 percent of households in Conway were overcrowded and 1.0 percent of households were severely overcrowded. At that time, a total of 77 units in Conway were counted as lacking complete kitchen facilities and 53 were counted as lacking complete plumbing facilities. Additionally, 14.6 percent of households had a cost burden and 12.6 percent of households had a severe cost burden in 2000. Assisted housing projects in the city were centrally located, but some units are set to expire in 2010.



## SECTION III. LENDING PRACTICES

---

Since the 1970s, the federal government has enacted several laws aimed at promoting fair lending practices in the banking and financial services industries. A brief description of selected federal laws aimed at promoting fair lending follows:

The 1968 **Fair Housing Act** prohibits discrimination in housing based on race, color, religion or national origin. Later amendments added sex, familial status and disability. Under the Fair Housing Act, it is illegal to discriminate against any of the protected classes in the following types of residential real estate transactions: making loans to buy, build or repair a dwelling; selling, brokering or appraising residential real estate; or selling or renting a dwelling.

The **Equal Credit Opportunity Act** was passed in 1974 to prohibit discrimination in lending based on race, color, religion, national origin, sex, marital status, age, receipt of public assistance or the exercise of any right under the Consumer Credit Protection Act.<sup>8</sup>

The **Community Reinvestment Act** was enacted in 1977 to require each federal financial supervisory agency to encourage financial institutions to help meet the credit needs of their entire community, including low- and moderate-income neighborhoods.

Under the **Home Mortgage Disclosure Act (HMDA)**, enacted in 1975 and later amended, financial institutions are required to publicly disclose the race, sex, ethnicity and household income of mortgage applicants by the census tract in which the loan is proposed, as well as outcome of the loan application. The analysis presented herein is from the HMDA data system.

### HOME MORTGAGE DISCLOSURE ACT DATA ANALYSIS

---

The HMDA requires both depository and non-depository lenders to collect and publicly disclose information about housing-related loans and applications for such loans.<sup>9</sup> Both types of lending institutions must meet a set of reporting criteria, as follows:

1. The institution must be a bank, credit union or savings association.
2. The total assets must exceed the coverage threshold.<sup>10</sup>
3. The institution must have had a home or branch office in a metropolitan statistical area (MSA).

---

<sup>8</sup> *Closing the Gap: A Guide to Equal Opportunity Lending*, The Federal Reserve Bank of Boston, April 1993.

<sup>9</sup> Data are considered "raw" because they contain entry errors and incomplete loan applications. Starting in 2004, the HMDA data made substantive changes in reporting. It modified the way it handled Hispanic data, loan interest rates, as well as the reporting of multifamily loan applications.

<sup>10</sup> Each December the Federal Reserve announces the threshold for the following year. The asset threshold may change from year to year, based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

4. The institution must have originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one- to four-family dwelling.
5. The institution must be federally insured or regulated.
6. The mortgage loan must have been insured, guaranteed or supplemented by a federal agency or intended for sale to Fannie Mae or Freddie Mac.

For other institutions, including non-depository institutions, the reporting criteria are as follows:

1. The institution must be a for-profit organization.
2. The institution's home purchase loan originations must equal or exceed 10.0 percent of the institution's total loan originations, or more than \$25 million.
3. The institution must have had a home or branch office in an MSA or have received applications for, originated or purchased five or more home purchase loans, home improvement loans, or refinancing mortgages on property located in an MSA in the preceding calendar year.
4. The institution must have assets exceeding \$10 million or have originated 100 or more home purchases in the preceding calendar year.

HMDA data represent most mortgage lending activity and are thus the most comprehensive collection of information regarding home purchase originations, home remodel loan originations and refinancing available.

As presented in Table III.1, HMDA information was collected for the City of Conway for 2004 through 2008. During this time, 22,643 loan applications were reported by participating institutions for home purchases, home improvements and refinancing mortgages. About 12,600 of these loan applications were specifically for home purchases.

<b>Table III.1</b>						
<b>Purpose of Loan by Year</b>						
City of Conway						
HMDA Data 2004 - 2008						
<b>Purpose</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
Home Purchase	2,492	2,783	3,047	2,420	1,915	12,657
Home Improvement	237	271	226	270	225	1,229
Refinancing	2,104	1,881	1,704	1,505	1,563	8,757
<b>Total</b>	<b>4,833</b>	<b>4,935</b>	<b>4,977</b>	<b>4,195</b>	<b>3,703</b>	<b>22,643</b>

Home purchases and access to the ability to enter into homeownership are the focus of this particular analysis because the other categories typically apply to units previously purchased and do not reflect initial homeownership opportunities. As seen in Table III.2, of the 12,657 home purchase loan applications, 10,921 were specifically for owner-occupied homes. The number of owner-occupied home purchase loan applications was highest in 2006 at 2,563.

<b>Table III.2</b>						
<b>Owner Occupancy Status for Home Purchase Loan Application</b>						
City of Conway						
HMDA Data 2004 - 2008						
<b>Status</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
Owner-Occupied	2,163	2,394	2,563	2,094	1,707	10,921
Not Owner-Occupied	303	378	470	322	200	1,673
Not Applicable	26	11	14	4	8	63
<b>Total</b>	<b>2,492</b>	<b>2,783</b>	<b>3,047</b>	<b>2,420</b>	<b>1,915</b>	<b>12,657</b>

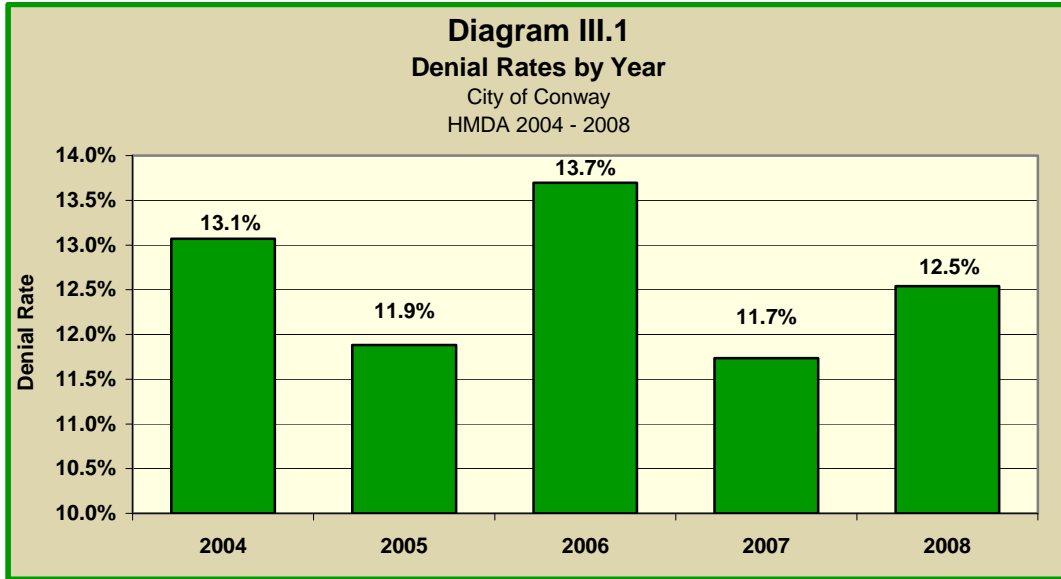
After a loan application is submitted, the financing institution makes one of several decisions:

- “Originated” indicates that the loan was made by the lending institution.
- “Approved but not accepted” notes loans approved by the lender, but not accepted by the applicant.
- “Application denied by financial institution” defines a situation where the loan application failed.
- “Application withdrawn by applicant” means that the applicant closed the application process.
- “File closed for incompleteness” means that the loan application process was closed by the institution due to incomplete information.
- “Loan purchased by the institution” indicates that the previously originated loan was purchased on the secondary market.

For this analysis, only loan originations and loan denials were inspected as an indicator of the underlying success or failure of home purchase loan applicants. Altogether, there were 5,484 loan originations and 793 loan denials for an average five-year denial rate of 12.6 percent, as seen in Table III.3. This was a very low denial rate overall.

<b>Table III.3</b>						
<b>Owner-Occupied Home Purchase Loan Applications by Action Taken</b>						
City of Conway						
HMDA Data 2004 - 2008						
<b>Action</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
Loan Originated	1,104	1,231	1,317	1,023	809	5,484
Application Approved But Not Accepted	89	87	97	64	31	368
Application Denied	166	166	209	136	116	793
Application Withdrawn By Applicant	102	123	115	71	80	491
File Closed for Incompleteness	37	31	26	21	21	136
Loan Purchased by the Institution	665	756	799	779	650	3,649
<b>Total</b>	<b>2,163</b>	<b>2,394</b>	<b>2,563</b>	<b>2,094</b>	<b>1,707</b>	<b>10,921</b>
Denial Rate	13.1%	11.9%	13.7%	11.7%	12.5%	12.6%

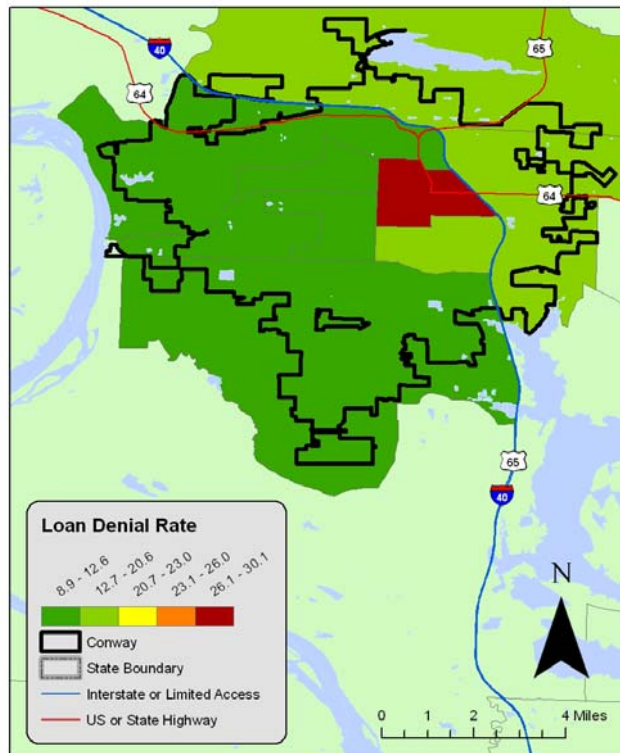
Denial rates varied by year, as seen in Diagram III.1, on the following page. In general, the number of loans denied in the City of Conway decreased in this five-year period and between 2004 and 2008 denial rates fell from 13.1 percent to 12.5 percent.



Importantly, denial rates were not evenly distributed throughout the city. As shown in Map III.1, below, one census tract in the city had denial rates well above the city average of 12.6 percent. One tract displayed in red represent areas with census tracts that demonstrated a much higher share of loan denials that exceeded 26.0 percent.

### Map III.1 HMDA Denial Rate by Census Tract

City of Conway  
HMDA Data 2004-2008



HMDA data were also used to determine denial rates by gender. Table III.4 shows that in those applications in which gender was provided by the applicant, denial rates were uneven with females experiencing higher denial rates as compared to males. On average, between 2004 and 2008 male applicants experienced a denial rate of 10.9 percent while female applicants experienced a denial rate 16.7 percent.

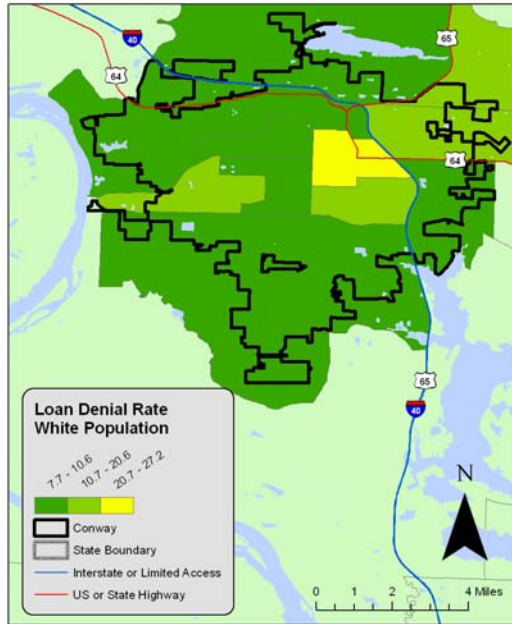
<b>Table III.4</b>					
<b>Denial Rate for Owner-Occupied Home Purchase Loan Applications by Gender</b>					
City of Conway HMDA Data 2004 - 2008					
<b>Year</b>	<b>Male</b>	<b>Female</b>	<b>Not Provided by Applicant</b>	<b>Not Applicable</b>	<b>Total</b>
2004	12.3%	15.0%	13.6%	0.0%	13.1%
2005	9.6%	17.6%	12.5%	0.0%	11.9%
2006	11.3%	18.6%	25.0%	0.0%	13.7%
2007	10.0%	15.9%	17.8%	0.0%	11.7%
2008	11.3%	15.7%	15.8%	0.0%	12.5%
<b>Total</b>	<b>10.9%</b>	<b>16.7%</b>	<b>16.5%</b>	<b>0.0%</b>	<b>12.6%</b>

Denial rates were calculated by race and ethnicity of the loan applicants as well and these data are presented in Table III.5. As shown therein, most minority racial and ethnic applicants had much higher denial rates than white applicants. American Indian applicants had the highest denial rate at 38.1 percent, compared to 10.6 percent for white applicants. Black and Hispanic applicants also had high denial rates of 28.3 and 23.9 percent, respectively.

<b>Table III.5</b>						
<b>Percent Denial Rates by Race</b>						
City of Conway HMDA Data 2004 - 2008						
<b>Race</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
American Indian or Alaskan Native	0.0%	42.9%	50.0%	25.0%	50.0%	38.1%
Asian	20.0%	0.0%	16.7%	5.6%	50.0%	12.7%
Black	27.8%	28.6%	27.7%	30.2%	27.0%	28.3%
White	11.2%	9.7%	11.1%	9.9%	11.2%	10.6%
Not Applicable	15.8%	16.5%	23.3%	16.4%	11.5%	17.8%
No Co-Applicant	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>13.1%</b>	<b>11.9%</b>	<b>13.7%</b>	<b>11.7%</b>	<b>12.5%</b>	<b>12.6%</b>
Hispanic (Ethnicity)	21.1%	25.0%	26.8%	18.2%	26.7%	23.9%

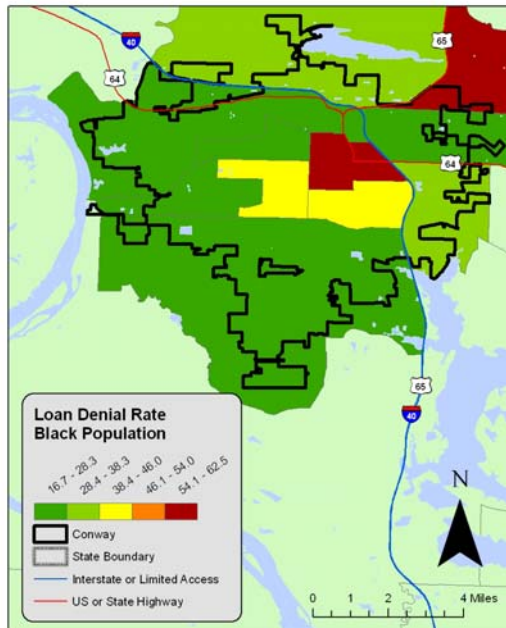
Denial rates by race and ethnicity were plotted on a map to examine geographic location of denial rates. Map III.2, on the following page, presents home loan application denial rates in Conway for white applicants and shows that a portion of the city experienced denial rates above 20.7 percent, shown in yellow.

**Map III.2**  
**Denial Rate for White Applicants by Census Tract**  
 City of Conway  
 HMDA Data 2004 - 2008



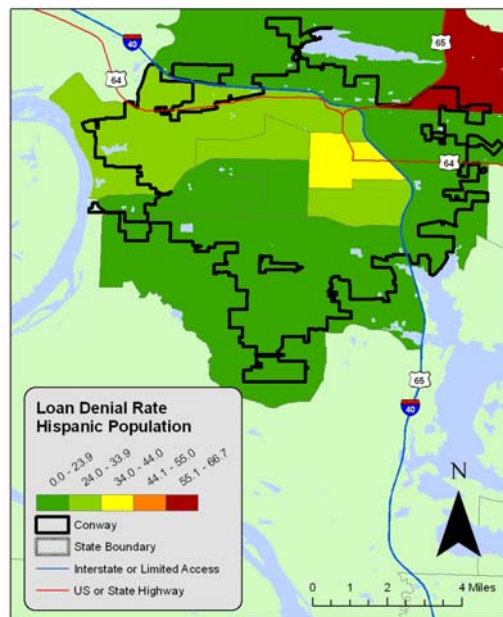
Map III.3 presents the geographic distribution of HMDA denial rates for black applicants in Conway. Denial rates for this group were as high as 62.5 percent in areas in the central and northeast part of the city, shown in red.

**Map III.3**  
**Denial Rate for Black Applicants by Census Tract**  
 City of Conway  
 HMDA Data 2004 - 2008



Map III.4 presents geographic data on denial rates for Hispanic applicants in Conway. One census tract showed denial rates in excess of 34.0 percent, shown in yellow, and another census tract in the northeastern half of the city showed denial rates in excess of 55.0 percent, shown in red.

**Map III.4**  
**Denial Rate for Hispanic Applicants by Census Tract**  
 City of Conway  
 HMDA Data 2004 - 2008



Part of the HMDA data includes information about the reason for the loan denial, although financial institutions are not uniformly required to fill out this field. Nevertheless, the most frequently cited categories of denials were credit history and debt-to-income ratio, as shown in Table III.6. These problems could be rectified through enhancing programs for consumers to better understand credit and the importance of responsible spending.

**Table III.6**  
**Owner-Occupied Home Purchase Loan Applications by Reason for Denial**

City of Conway  
 HMDA Data 2004 - 2008

Denial Reason	American Indian or Alaskan Native	Asian	Black	White	Not Applicable	Total	Hispanic (Ethnicity)
Debt-to-income Ratio	0	3	26	61	7	97	2
Employment History	0	1	2	13	1	17	2
Credit History	4	3	45	144	23	219	12
Collateral	0	0	1	30	2	33	1
Insufficient Cash	0	0	1	17	2	20	0
Unverifiable Information	1	0	3	18	3	25	1
Credit Application Incomplete	0	0	9	48	2	59	0
Mortgage Insurance Denied	0	0	1	1	0	2	0
Other	0	3	16	50	3	72	2
Missing	3	0	41	172	33	249	8
<b>Total</b>	<b>8</b>	<b>10</b>	<b>145</b>	<b>554</b>	<b>76</b>	<b>793</b>	<b>28</b>
% Missing	37.5%	0.0%	28.3%	31.0%	43.4%	31.4%	28.6%

Table III.7 shows denial rates by income for Conway. As one might expect, households with lower incomes tended to be denied for loans more often. Households with income from \$15,000 to \$30,000 were denied an average of 30.7 percent of the time, but those with incomes above \$75,000 were denied just 5.6 percent of the time.

<b>Table III.7</b>						
<b>Percent Denial Rates by Income</b>						
City of Conway						
HMDA Data 2004 - 2008						
<b>Income</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
<= \$15K	43.5%	65.2%	57.9%	63.6%	60.0%	57.0%
\$15K - \$30K	28.7%	28.2%	41.9%	25.6%	27.6%	30.7%
\$30K - \$45K	13.9%	10.3%	17.2%	13.5%	17.6%	14.4%
\$45K - \$60K	6.9%	12.0%	11.1%	6.9%	11.2%	9.8%
\$60K - \$75K	11.9%	7.5%	9.8%	8.8%	8.2%	9.2%
Above \$75K	5.2%	4.8%	4.2%	8.2%	5.8%	5.6%
Data Missing	7.1%	4.0%	5.3%	11.1%	0.0%	6.0%
<b>Total</b>	<b>13.1%</b>	<b>11.9%</b>	<b>13.7%</b>	<b>11.7%</b>	<b>12.5%</b>	<b>12.6%</b>

Table III.8 presents denial rates segmented by both race or ethnicity and income. Even when correcting for income, minority racial and ethnic applicants faced a much higher loan denial rate than white applicants. For example, black applicants experienced much higher loan denial rates than white applicants at all income levels; at income levels below \$15,000 black applicants had a denial rate of 90.9 percent compared to a denial rate of 47.8 percent for white applicants, and at incomes over \$75,000 black applicants had a denial rate of 16.5 percent compared to 4.7 percent for white applicants.

<b>Table III.8</b>								
<b>Percent Denial Rates of Owner-Occupied Home Purchase Loans by Race by Income</b>								
City of Conway								
HMDA Data 2004 - 2008								
<b>Race</b>	<b>&lt;= \$15K</b>	<b>\$15K - \$30K</b>	<b>\$30K - \$45K</b>	<b>\$45K - \$60K</b>	<b>\$60K - \$75K</b>	<b>Above \$75K</b>	<b>Data Missing</b>	<b>Total</b>
American Indian or Alaskan Native	.	100.0%	80.0%	66.7%	0.0%	0.0%	0.0%	38.1%
Asian	100.0%	28.6%	25.0%	5.0%	0.0%	0.0%	33.3%	12.7%
Black	90.9%	55.0%	19.0%	21.5%	17.9%	16.5%	100.0%	28.3%
White	47.8%	25.7%	12.8%	8.4%	8.1%	4.7%	4.7%	10.6%
Not Applicable	85.7%	34.7%	20.8%	13.2%	17.9%	9.7%	5.6%	17.8%
No Co-Applicant	.	.	.	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>57.0%</b>	<b>30.7%</b>	<b>14.4%</b>	<b>9.8%</b>	<b>9.2%</b>	<b>5.6%</b>	<b>6.0%</b>	<b>12.6%</b>
Hispanic (Ethnicity)	100.0%	43.5%	20.5%	10.5%	30.0%	11.8%	0.0%	23.9%

In addition to modifications implemented in 2004 for documenting loan applicants' race and ethnicity, the HMDA reporting requirements were changed in response to the Predatory Lending Consumer Protection Act of 2002, as well as the Home Owner Equity Protection Act (HOEPA). Consequently, loan originations are now flagged in the data system for three additional attributes:

1. If they are HOEPA loans;

2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of high annual percentage rate loans (HALs), defined as more than three percentage points for home purchases when contrasted with comparable treasury instruments, or five percentage points for refinance loans.

Originated owner-occupied home purchase loans qualifying as HALs were identified for 2004 through 2008. These high interest loans were considered predatory in nature. Table III.9 shows that between 2004 and 2008 there were 625 owner-occupied HALs originated in the city. Fortunately, the number of HALs decreased significantly over this time period and by 2008 the rate of HALs was only 8.4 percent.

<b>Table III.9</b>						
<b>Originated Owner-Occupied Loans by Purpose by Predatory Status</b>						
City of Conway HMDA Data 2004 - 2008						
<b>Loan Type</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
Other Originated	972	1,074	1,125	947	741	4,859
High APR Loan	132	157	192	76	68	625
<b>Total</b>	<b>1,104</b>	<b>1,231</b>	<b>1,317</b>	<b>1,023</b>	<b>809</b>	<b>5,484</b>
Percent High APR	12.0%	12.8%	14.6%	7.4%	8.4%	11.4%

Still, this figure is a measure of the city's underlying foreclosure risk, and it is important to examine characteristics of those householders who purchased the roughly 625 HALs in the city over the five-year time period.

As seen in Table III.10, below, the group with the greatest number of HALs was white applicants, whose households had 475 such loans. Black applicants had 89 home purchase HALs, and Hispanic applicants had 22 home purchase HALs.

<b>Table III.10</b>						
<b>Owner-Occupied Home Purchase HALs Originated by Race</b>						
City of Conway HMDA Data 2004 - 2008						
<b>Race</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
American Indian	1	1	0	1	0	3
Asian	2	3	0	0	0	5
Black or African American	18	27	29	11	4	89
White	101	115	141	58	60	475
Not Applicable	9	11	22	6	4	52
No Co-Applicant	1	0	0	0	0	1
<b>Total</b>	<b>132</b>	<b>157</b>	<b>192</b>	<b>76</b>	<b>68</b>	<b>625</b>
Hispanic	5	3	11	2	1	22

On the other hand, further evaluation of the HMDA data revealed that an unusually high proportion of HALs was made to black applicants. While white applicants had 10.2 percent of owner-occupied loans as HALs and Asian applicants had 7.2 percent of loans as HALs, black

applicants had roughly double this rate at 24.2 percent. As seen in Table III.11, below, Hispanic applicants and American Indian applicants also had a high rate of HALs at 24.7 percent and 23.1 percent, respectively.

<b>Race</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
American Indian	50.0%	25.0%	0.0%	33.3%	0.0%	23.1%
Asian	16.7%	16.7%	0.0%	0.0%	0.0%	7.2%
Black or African American	23.1%	30.0%	30.9%	18.3%	8.7%	24.2%
White	11.1%	11.1%	12.7%	6.6%	8.2%	10.2%
Not Applicable	8.9%	13.6%	24.7%	10.7%	17.4%	14.9%
No Co-Applicant	33.3%	0.0%	0.0%	0.0%	0.0%	9.1%
<b>Total</b>	<b>12.0%</b>	<b>12.8%</b>	<b>14.6%</b>	<b>7.4%</b>	<b>8.4%</b>	<b>11.4%</b>
Hispanic	33.3%	20.0%	36.7%	11.1%	9.1%	24.7%

## SUMMARY

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in denial rates in Conway by race, ethnicity, income and geographic area. Evaluated home purchase loan applications from 2004 through 2008 showed that there were 5,484 loan originations and 793 loan denials, for an average five-year loan denial rate of 12.6 percent. These HMDA data also showed that American Indian, black and Hispanic applicants experienced higher rates of loan denials than white applicants, even after correcting for income. Further, some geographic areas of the city had significantly higher denial rates exceeding 75.0 percent, including areas with high concentrations of minority populations. Analysis of high interest rate loans showed that minority populations also received a disproportionate share of these lower quality loan products.

## **SECTION IV. FAIR HOUSING AGENCIES AND PROGRAMS**

---

The following narrative provides an enumeration of key agencies and organizations contributing to affirmatively furthering fair housing in Arkansas. It concludes with a succinct review of the complaint process within each organization.

### **MAJOR FAIR HOUSING ORGANIZATIONS**

---

#### **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 Fort Worth, Texas, oversees housing, community development and fair housing enforcement in Arkansas, as well as Louisiana, New Mexico, Oklahoma and Texas.<sup>11</sup> The Office of Fair Housing and Equal Opportunity (FHEO), within HUD's Fort Worth office, enforces the federal Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending and other related transactions in Arkansas. 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.

#### **FAIR HOUSING ASSISTANCE PROGRAM**

In the U.S., many agencies receive funding directly from HUD as Fair Housing Assistance Program (FHAP) participants. FHAPs require an ordinance or law that empowers a local or state governmental agency to enforce local fair housing laws; if HUD determines that the local entity can operate on a "substantially equivalent" level to federal agency enforcement activities, HUD contracts with that agency to process fair housing complaints and reimburses the jurisdiction on a per case basis.<sup>12</sup> FHAP grants are given to public, not private, entities and are given on a noncompetitive, annual basis to substantially equivalent state and local fair housing enforcement agencies.

To create a substantially equivalent agency, a state or local jurisdiction must first enact a fair housing law that is substantially equivalent to federal laws. In addition, the local jurisdiction must have both the administrative capability and fiscal ability to carry out the law. With these elements in place, the jurisdiction may apply to HUD in Washington D.C. for substantially equivalent status. The jurisdiction's law would then be examined, and the federal government would make a determination as to whether it was substantially equivalent to federal fair housing law.

When substantially equivalent status has been granted, complaints of housing discrimination are dually filed with the state (or local agency) and with HUD. The state or local agency investigates most complaints; however, when federally subsidized housing is

---

<sup>11</sup> <http://www.hud.gov/offices/fheo/aboutfheo/fhubs.cfm#hdcent>

<sup>12</sup> <http://www.hud.gov/offices/fheo/progdesc/title8.cfm>

involved, HUD will typically investigate the complaint. Still, the state or local agencies are reimbursed for complaint intake and investigation and are awarded funds for fair housing training and education.

## **FAIR HOUSING INITIATIVE PROGRAM**

A Fair Housing Initiative Program (FHIP) participant may be a government agency, a private non-profit or a for-profit organization. FHIPS are funded through a competitive grant program which provides funds to organizations to carry out projects and activities designed to enforce and enhance compliance with fair housing laws. Eligible activities include education and outreach to the public and the housing industry on fair housing rights and responsibilities, as well as enforcement activities in response to fair housing complaints, including testing and litigation. The following FHIP initiatives provide funds and competitive grants to eligible organizations:

**The Fair Housing Organizations Initiative (FHOI)** provides funding that builds the capacity and effectiveness of non-profit fair housing organizations by providing funds to handle fair housing enforcement and education initiatives more effectively. FHOI also strengthens the fair housing movement nationally by encouraging the creation and growth of organizations that focus on the rights and needs of underserved groups, particularly people with disabilities.

**Grantee eligibility:**

Applicants must be qualified fair housing enforcement organizations with at least two years of experience in complaint intake, complaint investigation, testing for fair housing violations, and meritorious claims in the three years prior to the filing of their application.

**Eligible activities:**

The basic operation and activities of new and existing non-profit fair housing organizations.

**The Private Enforcement Initiative (PEI)** offers a range of assistance to the nationwide network of fair housing groups. This initiative funds non-profit fair housing organizations to carry out testing and enforcement activities to prevent or eliminate discriminatory housing practices.

**Grantee eligibility:**

Fair housing enforcement organizations that meet certain requirements related to the length and quality of previous fair housing enforcement experience may apply for FHIP-PEI funding.

**Eligible activities:**

Conducting complaint-based and targeted testing and other investigations of housing discrimination, linking fair-housing organizations in regional enforcement activities, and establishing effective means of meeting legal expenses in support of fair housing litigation.

**The Education and Outreach Initiative (EOI)** offers a comprehensive range of support for fair housing activities, providing funding to state and local government agencies and non-profit organizations for initiatives that explain to the general public and housing

providers what equal opportunity in housing means and what housing providers need to do to comply with the Fair Housing Act.

**Grantee eligibility:**

State or local governments, qualified fair housing enforcement organizations (those with at least two years of experience), other fair housing organizations, and other public or private nonprofit organizations representing groups of people protected by the FHA may apply for FHIP-EOI funding.

**Eligible activities:**

A broad range of educational activities that can be national, regional, local or community-based in scope. Activities may include developing education materials, providing housing counseling and classes, convening meetings that bring together the housing industry with fair housing groups, developing technical materials on accessibility, and mounting public information campaigns. National projects that demonstrate cooperation with the real estate industry or focus on resolving the community tensions that arise as people expand their housing choices may be eligible to receive preference points.

**The Administrative Enforcement Initiative (AEI)** helps state and local governments who administer laws that include rights and remedies similar to those in the Fair Housing Act implement specialized projects that broaden an agency's range of enforcement and compliance activities. No funds are available currently for this program.

In 2006, the FHIP program awarded \$18.1 million: \$13.9 million for PEI grants and \$4.2 million for EOI. One organization in Arkansas received a FHIP grant in 2006:

Crawford Sebastian Community Development Council, Fort Smith  
Education and Outreach Initiative – General Component  
Award Amount: \$34,088

Crawford-Sebastian Community Development Council, Inc., (C-SCDC) used its low-income homeownership advocacy program to provide fair housing information. The program provided comprehensive information on mortgage loans and down payment assistance. Additionally, C-SCDC disseminated fair housing brochures and flyers to residents of Crawford and Sebastian counties.<sup>13</sup>

In 2007, the FHIP program awarded \$18.1 million: \$14 million for PEI and \$4.1 for EOI. One organization operating in Arkansas received FHIP grants that year.<sup>14</sup>

Arkansas Community Housing Corporation, Little Rock  
Education and Outreach Initiative – General Component  
Award Amount: \$99,948

Arkansas Community Housing Corporation (ACHC) will reach out to underserved populations in urban, suburban and rural areas of Central and Southeastern Arkansas, particularly neighborhoods with high loan denial rates, to inform them about their fair housing rights. Specific activities will include conducting workshops designed to increase minority homeownership, educating lenders about the need to address

---

<sup>13</sup> <http://www.hud.gov/offices/fheo/partners/FHIP/fhip.cfm>

<sup>14</sup> <http://www.hud.gov/news/releases/pr07-148.pdf>

impediments to homeownership, and increasing compliance with the Fair Housing Act by addressing regulatory barriers and increasing the number of fair housing complaints filed with HUD.

In 2008 the FHIP program awarded \$21.8 million: \$20 million for PEI and \$1.3 million for EOI. An additional \$500,000 was granted for an EOI Clinical Law School Component - \$500,000. No organizations in Arkansas received FHIP grants in 2008.<sup>15</sup>

No organizations in Arkansas received FHIP funding in 2009.

## **STATEWIDE FAIR HOUSING ORGANIZATIONS**

---

### **ARKANSAS FAIR HOUSING COMMISSION**

The Arkansas Fair Housing Commission (AFHC) was established by the Arkansas Legislature as part of Act 1785 of 2001, the Arkansas Fair Housing Act. Since then, the AFHC has been established as a substantially equivalent agency or FHAP in Arkansas, meaning that it has been deemed capable by HUD of accepting and processing complaints in the same manner as the federal agency. HUD contracts with the AFHC to handle complaints within the state, and complaints that are filed with HUD may be contracted to the AFHC.

The AFHC serves to enforce the Arkansas Fair Housing Act and the federal Fair Housing Act, which offer the protections of: race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, or people securing custody of children under the age of 18), and disability.

This agency works to receive, investigate, conciliate and otherwise resolve fair housing complaints in the state that are in relation to discrimination against the protected classes listed above. Additionally the AFHC works to establish education and outreach programs to enhance the understanding of fair housing in the state and also provides technical and other assistance to federal, state, local and other public or private entities in order to eliminate discriminatory housing practices.

## **COMPLAINT AND COMPLIANCE REVIEW**

---

### **COMPLAINT PROCESS FOR THE ARKANSAS FAIR HOUSING COMMISSION**

The Arkansas Fair Housing Commission (AFHC) accepts fair housing complaints that occur within the state in relation to both state and federal fair housing laws. A complainant has one year from occurrence of the alleged act of discrimination to file with the agency. When a complaint is submitted, the complainant must submit details regarding the event including names and contact information for the parties involved, details about the alleged discriminatory incident like protected class status and discriminatory action involved, and location of the alleged discriminatory action. After a complaint is submitted, the agency

---

<sup>15</sup> <http://www.hud.gov/offices/fheo/partners/FHIP/FY2008FHIP.cfm#mn>

contacts the complainant to discuss the complaint and the process of resolving the complaint. If the complainant does not receive contact from the agency within three weeks of submitting the complaint form, the complainant may inquire about the status of the complaint by calling the AFHC. The agency can be contacted by phone at 501-682-3205 or toll free at 800-340-9108.

The AFHC indicates that complaints should be submitted online by filling out the form located at the AFHC website. The address for the complaint form on the AFHC website is: <http://www.fairhousing.arkansas.gov/complaint/default.php>.

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

While persons who contact HUD to file a complaint may be referred to the AFHC, 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.cfm>

In Arkansas, the contact information for the regional HUD office in Fort Worth is:

Fort Worth Regional Office of FHEO  
U.S. Department of Housing and Urban Development  
801 Cherry Street, Unit #45  
Suite 2500  
Fort Worth, Texas 76102  
(817) 978-5900  
1-800-669-9777  
TTY (817) 978-5595

There is also a HUD field office located in Little Rock. The contact information is:

Little Rock Field Office  
425 West Capitol Avenue  
Suite 1000  
Little Rock, AR 72201-3488  
(501) 324-5931

When a complaint is submitted, intake specialists review the information and contact the complainant in order to gather additional details and to determine if the case qualifies as possible housing discrimination. Complaints that are specific to a state or locality that is

part of HUD's Fair Housing Assistance Program are referred to the appropriate parties, who have 30 days to address the complaint. If HUD is handling the case, the formal complaint is sent to the complainant for review and is then forwarded to the alleged violator for review and response.

Next, the circumstances of the complaint are investigated through conducting interviews and examining relevant documents. During this time, the investigator attempts to rectify the situation through mediation, if possible.

The case is closed if mediation of the two parties is achieved or if the investigator determines that there was no reasonable cause of discrimination. If reasonable cause is found, then either a federal judge or a HUD Administrative Law Judge hears the case and determines damages, if any.<sup>16</sup> A respondent may be ordered:

- To compensate for actual damages, including humiliation, pain and suffering.
- To provide injunctive or other equitable relief, for example, to make the housing available.
- To pay the Federal Government a civil penalty to vindicate the public interest. The maximum penalties are \$10,000 for a first violation and \$50,000 for an additional violation within seven years.
- To pay reasonable attorney's fees and costs.<sup>17</sup>

## Section 504 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.<sup>18</sup>

## SUMMARY

Two main organizations play a role in fair housing in Arkansas: the Arkansas Fair Housing Commission and the U.S. Department of Housing and Urban Development. These entities exist to address fair housing complaints and to rectify fair housing disputes as well as to offer education and advocacy for the general public.

---

<sup>16</sup> <http://www.hud.gov/offices/fheo/complaint-process.cfm>

<sup>17</sup> <http://www.hud.gov/offices/fheo/FHLaws/yourrights.cfm>

<sup>18</sup> <http://www.hud.gov/offices/fheo/disabilities/sect504faq.cfm>

## **SECTION V. EVALUATION OF THE FAIR HOUSING PROFILE**

---

---

The following narratives examine the status of the fair housing system, including national and statewide fair housing studies and cases, statewide U.S. Department of Justice fair housing cases, local housing complaint data and results of the 2010 fair housing survey.

### **RELATED FAIR HOUSING STUDIES AND CASES**

---

---

#### **NATIONAL FAIR HOUSING STUDIES AND ARTICLES**

In 2000, The United States Department of Housing and Urban Development (HUD) released a publication entitled “Discrimination in Metropolitan Housing Markets” (HDS2000), measuring the prevalence of housing discrimination based on race or color in the U.S. The third nationwide effort to measure discrimination against minority home seekers since 1977, HDS2000 measured discrimination in metropolitan areas with populations greater than 100,000 and with significant black, Hispanic and/or Native American minorities. The study found that discrimination persists in both rental and sales markets of large metropolitan areas nationwide, but that its incidence has generally declined since 1989. The exception was for Hispanic renters, who faced essentially the same incidence of discrimination in 2000 as they did in 1989.

In April 2002, HUD released, “How Much Do We Know?,” a national study which assessed public awareness of and support for fair housing law. The study found that only one-half of the general public was able to identify six or more of eight scenarios describing illegal conduct. In addition, 14.0 percent of the nationwide survey’s adult participants believed that they had experienced some form of housing discrimination in their lifetime. However, only 17.0 percent of those who had experienced housing discrimination had done something about it. Last, two-thirds of all respondents said that they would vote for a fair housing law.<sup>19</sup>

As a follow-up, HUD released a study in February 2006 called “Do We Know More Now? Trends in Public Knowledge, Support and Use of Fair Housing Law.” The study was used to determine whether a nationwide media campaign was effective in increasing the public’s awareness of housing discrimination, as well as its desire to report such discrimination. Unfortunately, the study found that knowledge of fair housing laws had not improved between 2000 and 2005. As before, just half of the public knew the law with respect to six or more illegal housing activities. In the 2006 report, 17.0 percent of the study’s adult participants claimed to have experienced discrimination when seeking housing; however, after reviewing descriptions of the perceived discrimination, only about 8.0 percent of the situations might be covered by the Fair Housing Act. Most individuals who felt they had been discriminated against did not file a fair housing complaint,

---

<sup>19</sup> *How Much Do We Know?* United States Department of Housing and Urban Development, Office of Policy Development and Research, 2002. Document available at <http://www.huduser.org/Publications>.

indicating that they felt it “wasn’t worth it.” Others didn’t know where to complain, assumed it would cost too much, were too busy or feared retribution.<sup>20</sup>

In 2004, the U.S. General Accounting Office’s (GAO) released a report titled “Fair Housing: Opportunities to Improve HUD’s Oversight and Management of the Enforcement Process.” The GAO report found that, although the process had improved in recent years, between 1996 and 2003 the median number of days required to complete fair housing complaint investigations was 259 for HUD’s Fair Housing and Equal Opportunity Offices and 195 for FHAP agencies. The report did find a higher percentage of investigations completed within the FHA’s 100-day mandate.<sup>21</sup> The GAO report also identified the following trends between 1996 and 2003:

- The number of fair housing complaints filed each year steadily increased since 1998. An increasing proportion of grievances alleged discrimination based on disability, and a declining proportion alleged discrimination based on race, though race was still the most cited basis of housing discrimination over the period.
- FHAP agencies conducted more fair housing investigations than FHEO agencies over the eight-year period. The total number of investigations completed each year increased somewhat after declining in 1997 and 1998.
- Investigation outcomes changed during this time, and an increasing percentage closed without a finding of reasonable cause to believe discrimination occurred. A declining percentage of investigations were resolved by the parties themselves or with help from FHEO or FHAP agencies.

In January 2005, the Center for Community Capital at the University of North Carolina at Chapel Hill reported that the following three predatory loan terms increase the risk of mortgage foreclosure in subprime home loans: prepayment penalties, balloon payments and adjustable rates. The study examined recent home mortgages while controlling for credit scores, loan terms and varying economic conditions.<sup>22</sup> For example, in the prime lending market only 2.0 percent of home loans carry prepayment penalties of any length. Conversely, up to 80.0 percent of all subprime mortgages carry a prepayment penalty, which is a fee for paying off a loan early. An abusive prepayment penalty extends more than three years and/or costs more than six months’ interest.<sup>23</sup> While previous studies have linked subprime lending with home loss, this study was the first to identify specific abusive terms that lead to foreclosure.

Released by the Poverty and Race Research Action Council in January 2008, “Residential Segregation and Housing Discrimination in the United States” asserts that many current governmental efforts to further fair housing actually result in furthering unfair housing practices across the U.S. This article suggests that fair housing efforts can cause residential

---

<sup>20</sup> *Do We Know More Now?* United States Department of Housing and Urban Development, Office of Policy Development and Research, 2006. Document available at <http://www.huduser.org/Publications>.

<sup>21</sup> *Fair Housing: Opportunities to Improve HUD’s Oversight and Management of the Enforcement Process*, United States General Accounting Office, Report to Congressional Requesters, April 2004.

<sup>22</sup> <http://www.kenan-flagler.unc.edu/assets/documents/foreclosurerelease.pdf>

<sup>23</sup> <http://www.responsiblelending.org/pdfs/2b003-mortgage2005.pdf>

segregation. For example, the majority of public housing residents are non-white and most public housing accommodations are grouped in the same census tracts, which results in residential segregation. Similarly, many Section 8 voucher holders are racial or ethnic minorities and most housing that accepts Section 8 vouchers is grouped in a few select areas, which again results in residential segregation. The report offers recommendations to curb such residential segregation, which include:

- Dispersing public housing developments throughout cities and communities; and
- Providing greater incentives for landlords with properties throughout an area to accept the coupons.<sup>24</sup>

Published in 2009 by the National Fair Housing Alliance, “For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination” presented research on the prevalence of discriminatory housing advertisements on popular websites such as craigslist. According to the article, while newspapers are prohibited from publishing discriminatory housing advertisements, no such law exists for websites such as craigslist, as they are considered interactive internet providers rather than publishers of content. As such, they are not held to the same legal standards as newspapers. Currently, while individual landlords who post discriminatory advertisements may be held responsible, there are no such standards for companies, like craigslist, that post the advertisements that are discriminatory. Other publishers of content, like newspapers, are currently required to scan the advertisements they accept for publishing for content that could be seen as discriminatory such as phrases like “no children” or “Christian only” that violate provisions of the Fair Housing Act in their stated preferences that violate protected groups like families with children and religion.

## **OTHER CASES WITH NATIONAL IMPLICATIONS**

In a landmark fraud case, Westchester County, New York, was ordered to pay more than \$50 million dollars to resolve allegations of misusing federal funds for public housing projects and falsely claiming their certification of furthering fair housing. The lawsuit, which was filed in 2007 by an anti-discrimination center, alleged that the County failed to reduce racial segregation of public housing projects in larger cities within the county and to provide affordable housing options in its suburbs. The County had accepted more than \$50 million from HUD between 2000 and 2006 with promises of addressing these problems. In a summary judgment in February of 2009, a judge ruled that the county did not properly factor in race as an impediment to fair housing and that the county did not accurately represent its efforts of integration in its analysis of impediments. In the settlement, Westchester County will be forced to pay more than \$30 million to the federal government, with roughly \$20 million eligible to return to the county to aid in public housing projects. The County must also set aside \$20 million to build public housing units in suburbs and areas with mostly white populations. The ramifications of this case are expected to affect housing policies of both states and entitlement communities across the nation, in which activities taken to affirmatively further fair housing will likely be held to

---

<sup>24</sup> <http://www.prrac.org/pdf/FinalCERDHousingDiscriminationReport.pdf>

higher levels of scrutiny to ensure that federal funds are being spent to promote fair housing and affirmatively further fair housing.

In 2008, \$3 billion of federal disaster aid was allotted to Texas State government to provide relief from damage caused by hurricanes Ike and Dolly. These storms ravaged homes in coastal communities, and many of these homes were owned by low-income families who could not afford to rebuild. However, instead of directing the federal funds to the areas most affected by the storms, the State spread the funds across Texas and let local planning agencies spend at will. In reaction to this, two fair housing agencies in the state filed a complaint with HUD stating that the plan violated fair housing laws as well as federal aid requirements that specify that half of the funds be directed to lower-income persons. In light of the complaint, HUD withheld \$1.7 billion in CDBG funds until the case could be resolved. A settlement was reached in June 2010. As part of the settlement, the State will redirect 55 percent of the amount of the original funds to aid poorer families who lost their homes. The State will also rebuild public housing units that were destroyed by the storms and offer programs to aid minority and low-income residents in relocating to less storm-prone areas or areas with greater economic opportunities.

## **RECENT ARKANSAS FAIR HOUSING CASES AND STUDIES**

In 2007, a complaint regarding race and color discrimination in Arkansas was resolved. According to the complaint, which was filed with and investigated by the Arkansas Fair Housing Commission, owners and managers of an apartment complex in Little Rock refused to rent an apartment to a black man. Details of the case showed that the man had filed all appropriate paperwork to rent an apartment but that the apartment manager stalled in renting the apartment to the man and ultimately told him it was filled and then refused to refund his application fee. The defendants claimed that they chose not to rent to the complainant because of his poor credit score, but documents to support this claim could not be produced.<sup>25</sup>

An article published in *The Arkansas Realtor* in 2009 reported that while the number of housing discrimination complaints reported to HUD increased nationwide, the number of housing complaints reported to HUD in Arkansas decreased. According to the article, while a record of more than 10,500 complaints were filed with HUD in 2008, the number of complaints filed in Arkansas in 2008 was down 5.0 percent from the previous year. This change was attributed to increased fair housing education efforts.<sup>26</sup>

## **RECENT ARKANSAS SUITS FILED BY THE U.S. DEPARTMENT OF JUSTICE**

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:

---

<sup>25</sup> <http://www.fairhousing.arkansas.gov/cases/cases.php>

<sup>26</sup> <http://positiverealestateprofessionals.com/ara/2009/07/31/hud-reports-national-rise-in-housing-discrimination-complaints-drop-in-arkansas-filings/>

- 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.

In 2007, a consent decree was released in the case of *United States v. Adams*. The consent decree resolved a complaint filed in 2007 alleging that the owners and management of a Fort Smith apartment complex refused to rent based on familial status. Testing conducted by the Justice Department indicated that the defendants discriminated against people with children in violation of the Fair Housing Act. As part of the consent decree, the manager and owner of the complex were required to pay more than \$165,000 to compensate victims and \$20,000 in civil penalties to the United States and to attend fair housing training.

The United States filed a Fair Housing Act complaint against Bobby L. Hurt on March 13, 2009. The suit alleges a pattern or practice of sexual harassment in or around multiple West Memphis mobile homes the defendant formerly managed. Hurt allegedly entered females’ homes without permission, touched them inappropriately, and threatened to evict tenants who refused or objected to his advancements.<sup>27</sup>

## FAIR HOUSING COMPLAINTS

---

### COMPLAINTS FILED WITH HUD

HUD maintains records of all complaints filed that represent violations of federal housing law. Over the 1999 through March 2010 time period, HUD reported a total of 11 fair housing complaints occurring from within the City of Conway.<sup>28</sup> Although only 11 complaints were filed, one cannot directly conclude that Conway lacks fair housing problems. Rather, there may be a variety of reasons that explain such low complaint activity in the city, such as a lack of knowledge of fair housing law protections, lack of understanding of the complaint process, or fear of retaliation.

Table V.1, on the following page, presents HUD complaint data broken down by basis or the protected class alleged to have been aggrieved in the complaint. Complainants may cite more than one basis; hence the number of bases cited can exceed the total number of complaints. This table shows that 12 bases were cited in relation to the 11 complaints filed. The majority of the fair housing complaints filed with HUD in Conway were filed on the basis of race, followed by disability, religion, and family status.

<sup>27</sup> <http://www.justice.gov/crt/housing/fairhousing/>

<sup>28</sup> The original data request placed before HUD requested data for 2004 through the present. Data from 1999 through 2010 was received, but some of the complaint data were missing elements such as date filed, basis, issue, or closure date. All of these have been identified as “missing” in subsequent data tables and are believed to be attributable to the early years of this data set.

**Table V.1**  
**Fair Housing Complaints by Basis**  
 City of Conway  
 HUD Data, 1999 - March 2010

<b>Basis</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Missing</b>	<b>Total</b>
Race	.	.	.	.	.	1	2	1	.	2	1	.	.	7
Disability	.	.	.	.	.	.	.	.	.	1	1	.	1	3
Religion	.	.	.	.	.	1	.	.	.	.	.	.	.	1
Family Status	.	.	.	.	.	.	1	.	.	.	.	.	.	1
Sex	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Harassment	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Retaliation	.	.	.	.	.	.	.	.	.	.	.	.	.	0
National Origin	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Other Origin	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Color	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Missing	.	.	.	.	.	.	.	.	.	.	.	.	.	0
<b>Total Basis</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>12</b>
<b>Total Complaints</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>11</b>

The issue, or alleged discriminatory action, that was related to each complaint is presented in Table V.2, on the following page; similar to the way bases are reported, more than one issue may be counted per each complaint. In this case, 14 issues were cited in relation to the 11 complaints. Discriminatory terms, conditions or privileges relating to rental was cited most often, followed by discriminatory terms, conditions, privileges, or services and facilities and discriminatory refusal to rent.

Housing complaints filed with HUD can also be examined by closure status. Of the 11 complaints, six were found to have no cause. Three cases were closed with successful conciliation or settlement, one complaint was closed after the complainant failed to cooperate and one complaint with withdrawn by the complainant after resolution. These data are presented on the following page in Table V.3.

The four housing complaints that were successfully settled were further examined. Table V.4, on the following pages, shows that three of these successfully resolved complaints were filed on the basis of race and one was filed on the basis of disability.

Table V.5, also on the following pages, presents the successful complaints broken down by issue. Discrimination in making of loans, discrimination in the appraising of residential real property, discriminatory terms, conditions, privileges, or services and facilities, discrimination in terms, conditions, or privileges relating to rental, and failure to make reasonable accommodation were all cited.

**Table V.2**  
**Fair Housing Complaints by Issue**

City of Conway  
HUD Data, 1999 - March 2010

Issue	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Missing	Total
Discrimination in term, conditions or privileges relating to rental	.	.	.	.	.	1	1	.	.	1	1	.	1	5
Discriminatory terms, conditions, privileges, or services and facilities	.	.	.	.	.	.	2	1	.	.	.	.	.	3
Discriminatory refusal to rent	.	.	.	.	.	.	1	.	.	.	.	.	.	1
Discriminatory refusal to rent and negotiate for rental	.	.	.	.	.	.	1	.	.	.	.	.	.	1
Discriminatory advertisement - sale	.	.	.	.	.	1	.	.	.	.	.	.	.	1
Discrimination in making of loans	.	.	.	.	.	.	.	.	.	1	.	.	.	1
Discriminatory in the appraising of residential real property	.	.	.	.	.	.	.	.	.	1	.	.	.	1
Failure to make reasonable accommodation	.	.	.	.	.	.	.	.	.	.	1	.	.	1
Missing	.	.	.	.	.	.	.	.	.	.	.	.	.	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>14</b>
Total complaints	0	0	0	0	0	2	3	1	0	2	2	0	1	11

**Table V.3**  
**Fair Housing Complaints by Closure**

City of Conway  
HUD Data, 1999 - March 2010

Closure	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Missing	Total
No cause determination	.	.	.	.	.	.	2	1	.	1	1	.	1	6
Conciliation/settlement successful	.	.	.	.	.	1	.	.	.	1	1	.	.	3
Complainant failed to cooperate	.	.	.	.	.	1	.	.	.	.	.	.	.	1
Complaint withdrawn by complainant after resolution	.	.	.	.	.	.	1	.	.	.	.	.	.	1
Complaint withdrawn by complainant without resolution	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Dismissed for lack of jurisdiction	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Unable to locate complainant	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Untimely filed	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Missing	.	.	.	.	.	.	.	.	.	.	.	.	.	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>11</b>

**Table V.4**  
**Successful Fair Housing Complaints by Basis**

City of Conway  
 HUD Data, 1999 – March 2010

Basis	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Missing	Total
Race	.	.	.	.	.	1	1	.	.	1	.	.	.	3
Disability	.	.	.	.	.	.	.	.	.	.	1	.	.	1
Sex	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Harassment	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Retaliation	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Family Status	.	.	.	.	.	.	.	.	.	.	.	.	.	0
National Origin	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Other Origin	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Color	.	.	.	.	.	.	.	.	.	.	.	.	.	0
Religion	.	.	.	.	.	.	.	.	.	.	.	.	.	0
<b>Total Basis</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>

**Table V.5**  
**Successful Fair Housing Complaints by Issue**

City of Conway  
 HUD Data, 1999 - March 2010

Issue	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Missing	Total
Discrimination in making of loans	.	.	.	.	.	.	.	.	.	1	.	.	.	1
Discrimination in the appraising of residential real property	.	.	.	.	.	.	.	.	.	1	.	.	.	1
Discriminatory terms, conditions, privileges, or services and facilities	.	.	.	.	.	.	1	.	.	.	.	.	.	1
Discrimination in terms, conditions or privileges relating to rental	.	.	.	.	.	1	.	.	.	.	.	.	.	1
Failure to make reasonable accommodation	.	.	.	.	.	.	.	.	.	.	1	.	.	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>5</b>

## COMPLAINTS FILED WITH THE ARKANSAS FAIR HOUSING COMMISSION

Some housing complaint data regarding number of complaints, basis and closure were received from the Arkansas Fair Housing Commission (AFHC), although they were only available as a statewide total. These data were relevant to 2006 through February 2010. As shown in Table V.6, a total of 398 complaints were filed with this agency in this time period, with a high of 141 in 2007 and a low of 26 in 2006, with 2010 data disclosed from this tally as a partial year total. In terms of the total bases cited, recalling that more than one basis can be cited per complaint, 464 bases were cited. The most common basis was race, followed by disability, sex, familial status and retaliation.

<b>Table V.6</b>							
<b>Fair Housing Complaints by Basis</b>							
State of Arkansas							
AFHC Database, 2006 – Feb 2010							
<b>Year</b>	<b>Race</b>	<b>Disability</b>	<b>Sex</b>	<b>Familial Status</b>	<b>Retaliation</b>	<b>Total Basis</b>	<b>Total Complaints</b>
2006	17	6	1	3	.	27	26
2007	101	39	18	10	3	171	141
2008	61	44	16	12	4	137	115
2009	62	38	9	7	7	123	112
2010	4	.	2	.	.	6	4
<b>Total</b>	<b>245</b>	<b>127</b>	<b>46</b>	<b>32</b>	<b>14</b>	<b>464</b>	<b>398</b>

Table V.7 presents data on the closure status of the complaints filed. Nearly 40.0 percent of the complaints filed were found to be without cause; this was a fairly high percent of complaints that were dismissed. However, nearly 30.0 percent of the complaints were closed by conciliation, roughly 20.0 percent were voluntarily withdrawn by the complainant after resolution was reached and 5.0 percent were determined to be with cause.

<b>Table V.7</b>						
<b>Fair Housing Complaints by Closure</b>						
State of Arkansas						
AFHC Database, 2006 – Feb 2010						
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
No cause	15	57	44	35	.	151
Conciliation	4	41	36	33	1	115
Voluntarily withdrawn with resolution	1	19	23	31	3	77
Failure to cooperate	1	7	12	8	.	28
Cause	4	15	.	1	.	20
Proposed cause	0	1	.	1	.	2
Voluntarily withdrawn without resolution	1	.	.	3	.	4
Referred to Attorney General	0	1	.	.	.	1
<b>Total</b>	<b>26</b>	<b>141</b>	<b>115</b>	<b>112</b>	<b>4</b>	<b>398</b>

## 2010 FAIR HOUSING SURVEY

Additional evaluation of Conway’s fair housing profile was conducted via a survey of stakeholders in the city. The purpose of the 2010 Conway fair housing survey, a relatively more qualitative component of the analysis of impediments, was to gather the knowledge, experiences, opinions and feelings of stakeholders and interested citizens regarding fair housing, as well as to gauge the ability of our informed and interested parties to understand and affirmatively further fair housing. The survey served as a vehicle for gathering information on fair housing problems in the public sector, perceptions of public policies and practices and their impact on fair housing as well as any possible codes or regulations that might be perceived as barriers to fair housing choice in Conway.

There were 55 persons in the city who completed the survey, which was conducted entirely online. Individuals solicited for participation included representatives of: housing groups, minority organizations, disability resource groups, real estate and property management associations, banking entities, and others groups involved in the fair housing arena.

Most questions in the survey required simple “yes,” “no,” or “don’t know” responses, although many questions allowed the respondent to offer written comments. While the numerical tallies are presented in this section along with summaries of some comment-driven questions, a complete listing of written responses is available in Appendix D of this report.

The first question in the survey asked for the respondent to identify their role in the housing industry. Responses are presented in Table V.8, at right, and show the majority of respondents identified their role in the housing industry as a concerned citizen, followed by housing advocate, housing developer, and other services.

Respondents were then asked a series of questions relating to federal and city fair housing laws. Of those who answered the question, the overwhelming majority, 79.5 percent, noted that fair housing laws serve a useful purpose, and 35.9 percent said that these laws are difficult to understand or follow. However, only 23.1 percent of respondents noted that fair housing training is available. The results of this section are presented in Table V.9, on the following page.

<b>Role</b>	<b>Total</b>
Concerned citizen	21
Advocate	5
Housing developer	4
Other services	3
Property management	3
Bank/Financial services	2
Construction	2
Education/Educator	2
Program manager	2
Architect	1
Building inspection	1
Law/Legal services	1
Public safety	1
Welfare services	1
Other (please specify)	6
<b>Total</b>	<b>55</b>

<b>Table V.9</b>					
<b>Survey Responses</b>					
City of Conway 2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
<b>Federal, City and Local Fair Housing Law</b>					
Do these laws serve a useful purpose?	31	3	5	16	55
Are these laws difficult to understand or follow?	14	16	9	16	55
Is there a specific training process to learn about fair housing law?	9	7	22	17	55

The next section in the survey asked about the state of fair housing in Conway. A number of respondents, 12, noted that they have concerns about fair housing in the city, but only six respondents said that they could identify barriers to affirmatively furthering fair housing in Conway, as seen in Table V.10, below. Specific examples of barriers to affirmatively furthering fair housing included:

- Lack of awareness and understanding of fair housing, including the general public and housing providers;
- Discrimination based on race and ethnicity; mental, physical, and developmental disability; gender and sex; substance abuse addiction; past felony conviction; low-income status; and sexual orientation;
- Lack of reporting of fair housing violations due to ignorance of discriminatory actions, lack of evidence or fear of retaliation;
- Lack of investigation of fair housing violations and enforcement of fair housing laws;
- Need for more accessible, affordable housing;
- Claims of NIMBYism and zoning restrictions;
- Lack of government commitment to affirmatively furthering fair housing.

<b>Table V.10</b>					
<b>Survey Responses</b>					
City of Conway 2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
<b>Fair Housing in Your Community</b>					
Do you have concerns about fair housing in your community?	12	23	2	18	55
Do you see barriers to affirmatively furthering fair housing in your community?	6	19	12	18	55
Are there geographic areas in your community that have fair housing problems?	5	13	19	18	55

Respondents were also asked to evaluate local government policies and activities in terms of their relationship to fair housing. A small number of respondents, three, noted that they were aware of local government actions that had adversely affected fair housing, as seen in Table V.11. When asked to elaborate, respondents suggested that a lack of enforcement and multi-family zoning policies restrict fair housing.

While no respondents cited non-compliance issues with public housing authorities, a small number of respondents indicated knowledge of codes or regulations that are barriers to fair housing but noted in comments that a lack of enforcement of fair housing law and the cost of land is also a problem.

<b>Table V.11</b>					
<b>Survey Responses</b>					
City of Conway					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
<b>Local Government Policies and Activities Related to Fair Housing</b>					
Has local government taken actions which adversely affected fair housing choice?	3	14	14	24	55
Are there fair housing non-compliance issues with any public housing authorities?	0	27	4	24	55
Are there codes or regulations that represent barriers to fair housing choice?	3	21	8	23	55
Are there any public administrative policies that represent barriers to fair housing choice?	2	24	6	23	55

Table V.12 presents survey results regarding fair housing activities in Conway. Survey results showed that most respondents were not aware of fair housing testing in the city or of a statewide fair housing plan, but a small number of respondents, two, indicated that the fair housing laws in Conway need to be changed. Comments related to this question showed that respondents felt that the list of protected classes should be expanded to include all individuals, especially the poor. There were six respondents who thought the Conway could do something to affirmatively further fair housing. Comments related to this question showed the need for:

- More outreach and educational programs,
- Expanding fair housing protection to others,
- Increasing inclusionary zoning policies.

<b>Table V.12</b>					
<b>Survey Responses</b>					
City of Conway					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
<b>Fair Housing Activities in Your Community</b>					
Are you aware of any fair housing testing in your community?	0	25	7	23	55
Are you aware of a Statewide fair housing plan?	3	21	8	23	55
Do fair housing laws in Conway need to be changed?	2	8	21	24	55
Is there something the City can do to affirmatively further fair housing?	6	5	21	23	55

The adequacy of fair housing outreach and education efforts were also evaluated in the survey, although few respondents chose to address this question. As shown in Table V.13, 14 respondents noted that there was too little outreach and education in Conway, and 14 said that they did not know.

<b>Table V.13</b>						
<b>Survey Responses</b>						
City of Conway						
2010 Fair Housing Survey						
Questions	Responses					Total
	Too Little	Right Amount	Too Much	Don't Know	Missing	
<b>Outreach and Education in Your Community</b>						
Is there sufficient outreach and education regarding affirmatively further fair housing in your community?	14	4	0	14	23	55
Is there sufficient fair housing testing in your community?	5	1	0	14	35	55

Respondents were also asked to identify protected classes covered by fair housing law in the city. Race and disability were provided as examples of protected classes and respondents were asked to provide additional classes of persons that are protected by fair housing law in Conway. As established previously, the federal Fair Housing Act and the Arkansas Fair Housing Act offer the protections of race, color, religion, national origin, sex, disability and familial status. Many respondents were correctly able to identify religion, familial status, national origin, sex, and colors, but fewer respondents were able to list disability or handicap. Many respondents also included groups on this list that are protected by neither federal or state fair housing laws including age, sexual orientation, persons with HIV/AIDS, military status and persons on public assistance. These tabulations are presented in Table V.14.

<b>Table V.14</b>	
<b>Protected Classes Cited</b>	
City of Conway	
2010 Fair Housing Survey	
Status	Total
Age	3
Familial Status	3
Gender	5
Marital status	2
National origin	5
Religion	9
Sexual orientation	2
Other	12
<b>Total</b>	<b>41</b>

Additionally, respondents were asked to indicate where they would refer someone who had a fair housing complaint. Comments included proper referral entities, such as HUD and the Arkansas Fair Housing Commission, but suggestions also included housing authorities, the Attorney General’s office or City Hall. This finding suggests that there is a lack of understanding of where to refer someone who has a fair housing problem or complaint.

## SUMMARY

A review of national fair housing studies revealed that despite efforts to curb fair housing discrimination in the U.S., problems still exist in terms of discrimination against racial and ethnic minorities, discrimination against persons with disabilities and residential

segregation resulting from some current fair housing efforts. Statewide fair housing studies and cases demonstrated issues of discrimination based on familial status and sex.

Fair housing complaint data was collected from HUD and the Arkansas Fair Housing Commission. Data from these sources showed that only 11 complaints were filed in Conway from 1999 through March 2010. The most common bases for complaints were race and disability and the most prevalent issue was discriminatory terms and conditions in the rental market. Still, other reasons for such low complaint levels may be at work in the city.

A fair housing survey regarding the state of fair housing throughout Conway showed that some respondents had concerns about fair housing in Conway and some saw barriers to affirmatively furthering fair housing, including perceptions of NIMBYism and issues related to zoning restrictions. Some respondents also found fair housing laws difficult to understand and many noted that discrimination is not well reported and that additional outreach and education efforts regarding fair housing are needed in the city.

## **SECTION VI. IMPEDIMENTS AND SUGGESTED ACTIONS**

---

---

Provisions to affirmatively furthering fair housing are long-standing components of HUD's housing and community development programs. In exchange for receiving federal funds from HUD, the City of Conway certifies that it is affirmatively furthering fair housing. The requirements of such certification comprise the following elements:

1. Conduct an Analysis of Impediments to Fair Housing Choice;
2. Take actions to remedy impediments, if impediments are identified;
3. Maintain records of the analysis and actions taken.

The first element in the certification process noted above has resulted in the identification of selected impediments and specific actions that the City can consider to address these impediments. These items are outlined below.

### **IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE**

The 2010 Analysis of Impediments for the City of Conway uncovered several issues that can be considered barriers to affirmatively furthering fair housing and, consequently, impediments to fair housing choice. These issues are as follows:

1. Historically, insufficient system capacity has resulted in:
  - C. Inadequate outreach and education efforts that have led to:
    - i Insufficient community awareness of fair housing;
    - ii Insufficient understanding of what constitutes affirmatively furthering fair housing; and
    - iii Inadequate understanding of the complaint process;
  - D. Ineffective processing and resolution of fair housing complaints.
2. Disproportionately high home purchase loan denial rates exist for racial and ethnic minorities.
3. Home purchase loan denial rates are disproportionately high in lower-income areas.
4. Current land-use and development practices may not be in the spirit of affirmatively furthering fair housing.

### **SUGGESTED ACTIONS TO CONSIDER**

In response to these impediments, the City of Conway should consider these actions:

1. Consider continuing participating in the Arkansas Community Development Association for efficient use of fair housing resources.
  - A. Contribute resources to central pool to assist with funding fair housing activities.
  - B. Consider additional partners to include in the Association.
2. Increase knowledge and understanding of fair housing and affirmatively furthering fair housing through the following outreach and education efforts:
  - A. Offer meeting space and set up educational opportunity schedule for both consumers and providers of housing to be carried out by the Arkansas Fair Housing Commission (AFHC),

- i. Assist in coordinating delivery of educational services by AFHC to local renters,
    - ii. Assist in coordinating local delivery of professional training services by AFHC to landlords, program managers, other rental housing providers,
  - B. Prominently display AFHC posters, flyers, and fair housing educational materials,
  - C. Distribute printed materials from the AFHC that present information regarding:
    - i. Definitions of reasonable accommodation and modification,
    - ii. Examples of discriminatory terms and conditions in rental markets,
    - iii. Differences between affirmatively furthering fair housing, affordable housing production and preservation, and landlord/tenant rights and responsibilities,
  - D. Create improved referral system by distributing information about AFHC including how to file a complaint,
  - E. Request that the AFHC establish a Fair Housing Hotline for individuals to contact the AFHC and obtain immediate response to fair housing questions or concerns,
  - F. Request technical assistance from the State's Little Rock office for outreach and education activities to be targeted to racial and ethnic minorities in the city.
- 3. Establish baseline of the actual level and types of discrimination occurring in the community through testing and enforcement activities,
  - A. Ask the AFHC to conduct, or conduct separately, a small sample of fair housing tests and record findings; this will again be done in five years to compare results,
    - i. For the City of Conway, this is to include race and disability testing initially,
  - B. Request that the AFHC track complaint data more closely and use complaint data to compare year to year changes in fair housing activities,
    - i. While more complaints are likely to be filed if educational efforts are successful, the goal of this action is to decrease the *percentage* of complaints that are found to be without cause and increase the percentage of those that are amicably reconciled. An additional goal is the decrease of the number of persons who abandon the complaint process.
- 4. Coordinate renter, homebuyer and homeowner credit trainings with bankers and Realtors,
  - A. Enhance understanding of credit, what leads to poor credit and the attributes of predatory lending,
  - B. Enhance the understanding of disreputable real estate business practices, such as steering, redlining, and blockbusting.
- 5. Review prospective degree of exclusionary zoning and land use policies that may exist,
  - A. Consider how more inclusionary land-use policies might work for the City and how they may be implemented,
  - B. Consider how to extend affordable housing production/preservation activities to additional areas of the City.
- 6. Form local fair housing workgroup to meet on a quarterly basis and address fair housing issues in the City. This group should be comprised of interested parties such as bankers, Realtors, property managers, fair housing advocates and representatives.
  - A. Create and maintain database of contact information for this group and establish fair housing outreach e-mail distribution list.

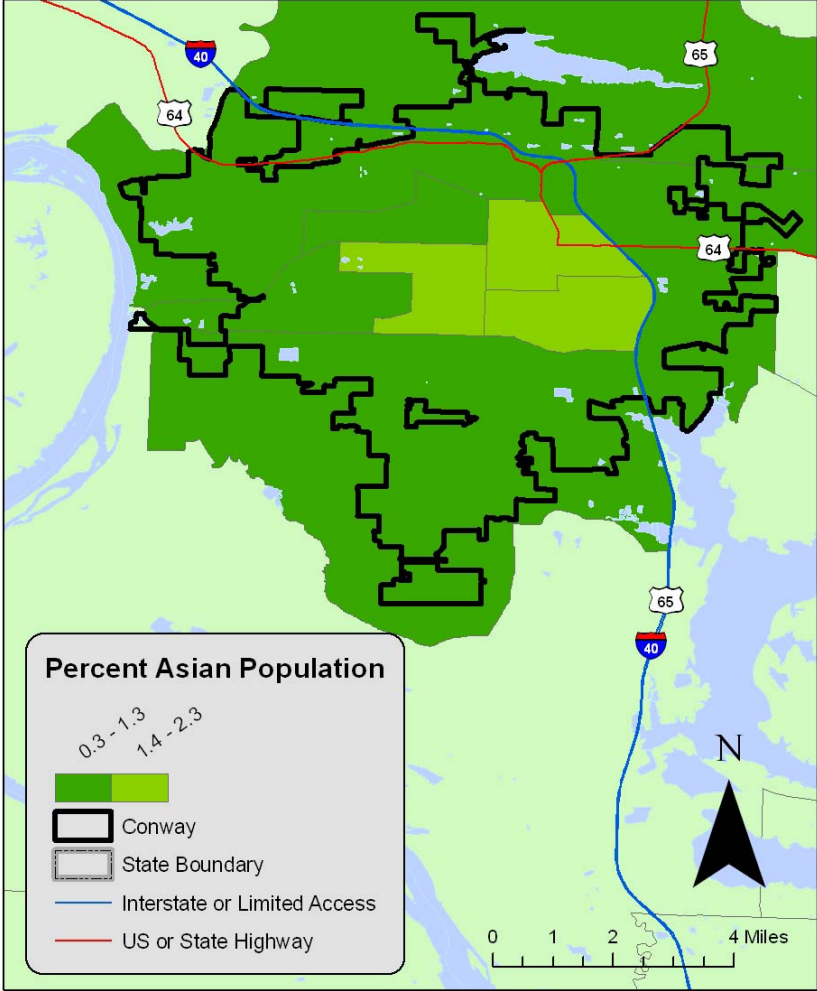
## APPENDIX A: ADDITIONAL CENSUS DATA

---

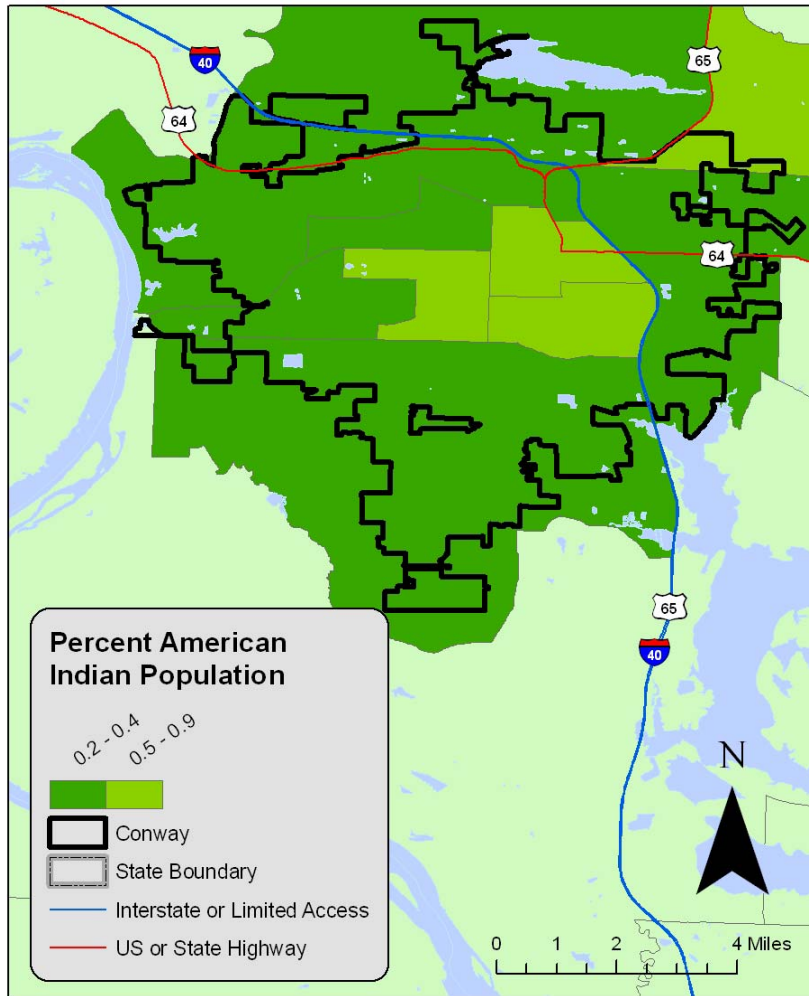
<b>Table A.1</b> <b>Population by Ethnicity</b> City of Conway 2000 Census SF1 Data	
<b>Ethnicity</b>	<b>Population</b>
Hispanic	983
Non-Hispanic	42,184
<b>Total Population</b>	<b>43,167</b>
Percent Hispanic	2.28%

<b>Table A.2</b> <b>Group Quarters Population</b> City of Conway 2000 Census SF1 Data	
<b>Group Quarters</b>	<b>Population</b>
<b>Institutionalized</b>	
Correctional Institutions	143
Nursing Homes	382
Other Institutions	8
<b>Total</b>	<b>533</b>
<b>Non-institutionalized</b>	
College Dormitories	2,780
Military Quarters	0
Other Non-institutional Group Quarters	724
<b>Total</b>	<b>3,504</b>
<b>Group Quarters Population</b>	<b>4,037</b>

**Map A.1**  
**Percent Asian Population by Census Tract**  
 City of Conway  
 2000 Census Data



**Map A.2**  
**Percent American Indian Population by Census Tract**  
City of Conway  
2000 Census Data





## APPENDIX B: ADDITIONAL BLS/BEA DATA

<b>Table B.1</b>									
<b>Total Employment and Real Personal Income</b>									
Faulkner County									
BEA Data 1969 - 2008, 2009 Dollars									
Year	1,000s of 2009 Dollars						Per Capita Income	Total Employment	Average Real Earnings Per Job
	Earnings	Social Security Contributions	Residents Adjustments	Dividends, Interest, Rents	Transfer Payments	Personal Income			
1969	255,711	18,002	68,773	37,164	51,678	395,324	12,884	10,954	23,344
1970	252,392	17,642	71,161	41,718	48,155	395,783	12,419	10,969	23,010
1971	267,953	19,382	80,498	44,482	55,037	428,587	12,829	11,467	23,367
1972	309,650	23,378	89,972	46,872	59,093	482,208	13,997	12,712	24,359
1973	344,393	29,448	99,608	51,729	80,572	546,854	14,972	13,622	25,281
1974	354,133	31,951	106,458	58,214	93,037	579,891	15,011	14,549	24,340
1975	371,930	32,989	106,967	61,854	108,367	616,129	15,778	14,812	25,110
1976	396,962	36,197	116,740	65,138	111,339	653,982	16,317	15,656	25,356
1977	431,216	40,315	125,616	71,631	112,214	700,362	16,700	17,006	25,357
1978	504,023	47,438	132,366	80,420	122,948	792,318	18,189	18,634	27,048
1979	516,801	50,746	140,896	89,463	131,323	827,736	18,325	19,455	26,563
1980	491,545	49,002	152,218	102,850	147,018	844,628	18,224	19,427	25,302
1981	492,541	52,615	154,289	117,496	144,464	856,174	18,268	19,491	25,270
1982	487,290	53,232	155,665	131,686	147,000	868,410	18,345	19,484	25,009
1983	529,210	58,249	162,627	139,916	161,855	935,360	19,330	20,740	25,516
1984	584,421	66,069	175,517	148,265	172,110	1,014,244	20,341	22,387	26,106
1985	620,685	70,891	187,050	167,955	179,391	1,084,190	20,987	23,247	26,699
1986	662,916	75,564	197,252	174,912	183,019	1,142,536	21,533	24,050	27,564
1987	683,826	76,737	201,309	165,989	184,860	1,159,247	21,132	24,861	27,505
1988	740,305	85,909	203,806	173,571	187,779	1,219,551	21,578	26,712	27,715
1989	774,460	89,743	208,229	182,450	208,863	1,284,259	21,975	27,798	27,860
1990	809,704	98,968	209,179	188,350	222,859	1,331,123	22,001	28,405	28,505
1991	871,011	106,589	227,166	191,142	239,719	1,422,449	22,813	30,028	29,007
1992	927,871	114,037	258,535	199,466	247,830	1,519,664	23,366	31,044	29,890
1993	997,476	123,127	293,841	214,301	256,035	1,638,525	24,145	32,901	30,317
1994	1,062,507	133,769	318,586	226,104	262,947	1,736,375	24,590	34,533	30,768
1995	1,139,880	143,911	346,204	273,788	281,841	1,897,801	25,845	36,768	31,001
1996	1,201,365	151,670	372,484	306,042	346,919	2,075,140	27,062	38,375	31,306
1997	1,276,917	161,424	412,551	335,955	344,855	2,208,854	27,707	39,792	32,090
1998	1,385,247	175,580	396,283	360,615	326,208	2,292,773	27,985	41,613	33,288
1999	1,514,998	189,975	368,154	357,627	337,537	2,388,341	28,220	43,626	34,727
2000	1,622,449	199,800	318,997	356,419	362,377	2,460,442	28,459	45,348	35,777
2001	1,679,779	203,193	355,899	349,716	407,373	2,589,573	29,194	45,631	36,812
2002	1,657,128	199,374	368,501	344,492	437,858	2,608,605	28,859	45,395	36,504
2003	1,709,451	201,395	389,773	340,134	450,484	2,688,446	28,817	45,332	37,709
2004	1,773,793	207,879	436,295	306,406	473,491	2,782,106	29,068	47,125	37,640
2005	1,838,668	217,877	447,856	356,843	498,602	2,924,093	29,633	49,364	37,247
2006	1,967,008	235,960	459,828	396,312	529,167	3,116,354	30,454	52,471	37,488
2007	2,034,665	244,462	513,237	449,334	560,521	3,313,294	31,659	54,554	37,297
2008	2,066,081	252,579	497,193	444,022	611,795	3,366,511	31,378	55,082	37,509

<b>Table B.2</b> <b>Labor Force Statistics</b> City of Conway Bureau of Labor Statistics 1990 - 2009				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
1990	14,443	13,388	1,055	7.3
1991	14,588	13,570	1,018	7.0
1992	15,494	14,307	1,187	7.7
1993	15,917	15,002	915	5.7
1994	16,810	15,965	845	5.0
1995	17,515	16,738	777	4.4
1996	18,252	17,458	794	4.4
1997	18,870	17,942	928	4.9
1998	19,168	18,375	793	4.1
1999	19,553	18,945	608	3.1
2000	22,533	21,843	690	3.1
2001	22,790	21,953	837	3.7
2002	23,102	22,118	984	4.3
2003	23,566	22,485	1,081	4.6
2004	24,539	23,512	1,027	4.2
2005	25,626	24,675	951	3.7
2006	26,409	25,407	1,002	3.8
2007	27,294	26,300	994	3.6
2008	27,858	26,780	1,078	3.9
2009	27,811	26,286	1,525	5.5

## APPENDIX C: ADDITIONAL HMDA DATA

<b>Table C.1</b>						
<b>Owner-Occupied Home Purchase Loan Applications by Loan Type</b>						
City of Conway						
HMDA Data 2004 - 2008						
<b>Loan Type</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
Conventional	1,588	1,881	2,083	1,664	805	8,021
FHA - Insured	474	407	355	331	779	2,346
VA - Guaranteed	90	98	121	86	88	483
Rural Housing Service or Farm Service Agency	11	8	4	13	35	71
<b>Total</b>	<b>2,163</b>	<b>2,394</b>	<b>2,563</b>	<b>2,094</b>	<b>1,707</b>	<b>10,921</b>

<b>Table C.2</b>							
<b>Owner Occupied Home Purchase Loan Applications by Selected Action Taken by Race</b>							
City of Conway							
HMDA Data 2004 - 2008							
<b>Race</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
American Indian or Alaskan Native	Originated	2	4	3	3	1	13
	Denied	0	3	3	1	1	8
	Denial Rate %	0.0%	42.9%	50.0%	25.0%	50.0%	38.1%
Asian	Originated	12	18	20	17	2	69
	Denied	3	0	4	1	2	10
	Denial Rate %	20.0%	0.0%	16.7%	5.6%	50.0%	12.7%
Black	Originated	78	90	94	60	46	368
	Denied	30	36	36	26	17	145
	Denial Rate %	27.8%	28.6%	27.7%	30.2%	27.0%	28.3%
White	Originated	908	1,036	1,110	884	735	4,673
	Denied	114	111	139	97	93	554
	Denial Rate %	11.2%	9.7%	11.1%	9.9%	11.2%	10.6%
Not Applicable	Originated	101	81	89	56	23	350
	Denied	19	16	27	11	3	76
	Denial Rate %	15.8%	16.5%	23.3%	16.4%	11.5%	17.8%
No Co-Applicant	Originated	3	2	1	3	2	11
	Denied	0	0	0	0	0	0
	Denial Rate %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	Originated	1,104	1,231	1,317	1,023	809	5,484
	Denied	166	166	209	136	116	793
	<b>Denial Rate %</b>	<b>13.1%</b>	<b>11.9%</b>	<b>13.7%</b>	<b>11.7%</b>	<b>12.5%</b>	<b>12.6%</b>
Hispanic (Ethnicity)	Originated	15	15	30	18	11	89
	Denied	4	5	11	4	4	28
	Denial Rate %	21.1%	25.0%	26.8%	18.2%	26.7%	23.9%

<b>Table C.3</b>							
<b>Owner-Occupied Home Purchase Loan Applications by Selected Action Taken by Gender</b>							
City of Conway							
HMDA Data 2004 - 2008							
<b>Gender</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
Male	Originated	743	863	945	739	582	3,872
	Denied	104	92	120	82	74	472
	Denial Rate %	12.3%	9.6%	11.3%	10.0%	11.3%	10.9%
Female	Originated	284	310	329	244	209	1,376
	Denied	50	66	75	46	39	276
	Denial Rate %	15.0%	17.6%	18.6%	15.9%	15.7%	16.7%
Not Provided by Applicant	Originated	76	56	42	37	16	227
	Denied	12	8	14	8	3	45
	Denial Rate %	13.6%	12.5%	25.0%	17.8%	15.8%	16.5%
Not Applicable	Originated	1	2	1	3	2	9
	Denied	0	0	0	0	0	0
	Denial Rate %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	Originated	1,104	1,231	1,317	1,023	809	5,484
	Denied	166	166	209	136	116	793
	<b>Denial Rate %</b>	<b>13.1%</b>	<b>11.9%</b>	<b>13.7%</b>	<b>11.7%</b>	<b>12.5%</b>	<b>12.6%</b>

<b>Table C.4</b>							
<b>Owner-Occupied Home Purchase Loan Applications by Reason for Denial</b>							
City of Conway							
HMDA Data 2004 - 2008							
<b>Denial Reason</b>	<b>American Indian or Alaskan Native</b>	<b>Asian</b>	<b>Black</b>	<b>White</b>	<b>Not Applicable</b>	<b>Total</b>	<b>Hispanic (Ethnicity)</b>
Debt-to-income Ratio	0	3	26	61	7	97	2
Employment History	0	1	2	13	1	17	2
Credit History	4	3	45	144	23	219	12
Collateral	0	0	1	30	2	33	1
Insufficient Cash	0	0	1	17	2	20	0
Unverifiable Information	1	0	3	18	3	25	1
Credit Application Incomplete	0	0	9	48	2	59	0
Mortgage Insurance Denied	0	0	1	1	0	2	0
Other	0	3	16	50	3	72	2
Missing	3	0	41	172	33	249	8
<b>Total</b>	<b>8</b>	<b>10</b>	<b>145</b>	<b>554</b>	<b>76</b>	<b>793</b>	<b>28</b>
% Missing	37.5%	0.0%	28.3%	31.0%	43.4%	31.4%	28.6%

**Table C.5**  
**Action of Owner Occupied Home Purchase Loan Applications by Income By Race:**  
**Originated and Denied**

City of Conway  
HMDA Data 2004 - 2008

Race		<= \$15K	\$15K - \$30K	\$30K - \$45K	\$45K - \$60K	\$60K - \$75K	> \$75K	Data Missing	Total
American Indian or Alaskan Native	Loan Originated	0	0	1	1	1	9	1	13
	Application Denied	0	2	4	2	0	0	0	8
	Denial Rate %	.	100.0%	80.0%	66.7%	0.0%	0.0%	0.0%	38.1%
Asian	Loan Originated	0	5	15	19	15	13	2	69
	Application Denied	1	2	5	1	0	0	1	10
	Denial Rate %	100.0%	28.6%	25.0%	5.0%	0.0%	0.0%	33.3%	12.7%
Black	Loan Originated	1	49	128	73	46	71	0	368
	Application Denied	10	60	30	20	10	14	1	145
	Denial Rate %	90.9%	55.0%	19.0%	21.5%	17.9%	16.5%	100.0%	28.3%
White	Loan Originated	35	437	1,005	907	713	1,494	82	4,673
	Application Denied	32	151	147	83	63	74	4	554
	Denial Rate %	47.8%	25.7%	12.8%	8.4%	8.1%	4.7%	4.7%	10.6%
Not Applicable	Loan Originated	1	32	76	66	46	112	17	350
	Application Denied	6	17	20	10	10	12	1	76
	Denial Rate %	85.7%	34.7%	20.8%	13.2%	17.9%	9.7%	5.6%	17.8%
No Co-Applicant	Loan Originated	0	0	0	1	1	1	8	11
	Application Denied	0	0	0	0	0	0	0	0
	Denial Rate %	.	.	.	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	Loan Originated	37	523	1,225	1,067	822	1,700	110	5,484
	Application Denied	49	232	206	116	83	100	7	793
	<b>Denial Rate %</b>	<b>57.0%</b>	<b>30.7%</b>	<b>14.4%</b>	<b>9.8%</b>	<b>9.2%</b>	<b>5.6%</b>	<b>6.0%</b>	<b>12.6%</b>
Hispanic (Ethnic)	Loan Originated	0	13	35	17	7	15	2	89
	Application Denied	2	10	9	2	3	2	0	28
	Denial Rate %	100.0%	43.5%	20.5%	10.5%	30.0%	11.8%	0.0%	23.9%

**Table C.6**  
**Percent Denial Rates by Income**

City of Conway  
HMDA Data 2004 - 2008

Income	2004	2005	2006	2007	2008	Total
<= \$15K	43.5%	65.2%	57.9%	63.6%	60.0%	57.0%
\$15K - \$30K	28.7%	28.2%	41.9%	25.6%	27.6%	30.7%
\$30K - \$45K	13.9%	10.3%	17.2%	13.5%	17.6%	14.4%
\$45K - \$60K	6.9%	12.0%	11.1%	6.9%	11.2%	9.8%
\$60K - \$75K	11.9%	7.5%	9.8%	8.8%	8.2%	9.2%
Above \$75K	5.2%	4.8%	4.2%	8.2%	5.8%	5.6%
Data Missing	7.1%	4.0%	5.3%	11.1%	0.0%	6.0%
<b>Total</b>	<b>13.1%</b>	<b>11.9%</b>	<b>13.7%</b>	<b>11.7%</b>	<b>12.5%</b>	<b>12.6%</b>

**Table C.7**  
**Action of Owner Occupied Home Purchase Loan Applications by Income:**  
**Originated and Denied**

City of Conway  
HMDA Data 2004 - 2008

<b>Income Group</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
\$15,000 or less	Loan Originated	13	8	8	4	4	37
	Application Denied	10	15	11	7	6	49
	Denial Rate %	43.5%	65.2%	57.9%	63.6%	60.0%	57.0%
More than \$15,000 up to \$30,000	Loan Originated	144	127	93	96	63	523
	Application Denied	58	50	67	33	24	232
	Denial Rate %	28.7%	28.2%	41.9%	25.6%	27.6%	30.7%
More than \$30,000 up to \$45,000	Loan Originated	284	270	269	224	178	1,225
	Application Denied	46	31	56	35	38	206
	Denial Rate %	13.9%	10.3%	17.2%	13.5%	17.6%	14.4%
More than \$45,000 up to \$60,000	Loan Originated	215	257	240	189	166	1,067
	Application Denied	16	35	30	14	21	116
	Denial Rate %	6.9%	12.0%	11.1%	6.9%	11.2%	9.8%
More than \$60,000 up to \$75,000	Loan Originated	133	209	212	156	112	822
	Application Denied	18	17	23	15	10	83
	Denial Rate %	11.9%	7.5%	9.8%	8.8%	8.2%	9.2%
More than \$75,000	Loan Originated	289	336	459	338	278	1,700
	Application Denied	16	17	20	30	17	100
	Denial Rate %	5.2%	4.8%	4.2%	8.2%	5.8%	5.6%
Data Missing	Loan Originated	26	24	36	16	8	110
	Application Denied	2	1	2	2	0	7
	Denial Rate %	7.1%	4.0%	5.3%	11.1%	0.0%	6.0%
<b>Total</b>	Loan Originated	1,104	1,231	1,317	1,023	809	5,484
	Application Denied	166	166	209	136	116	793
	<b>Denial Rate %</b>	<b>13.1%</b>	<b>11.9%</b>	<b>13.7%</b>	<b>11.7%</b>	<b>12.5%</b>	<b>12.6%</b>

**Table C.8**  
**Percent Denial Rates by Income by White Applicants**

City of Conway  
HMDA Data 2004 - 2008

<b>Income</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
<= \$15K	31.6%	56.3%	46.2%	60.0%	55.6%	47.8%
\$15K - \$30K	23.7%	23.2%	34.5%	21.7%	26.6%	25.7%
\$30K - \$45K	13.9%	7.4%	15.5%	11.0%	16.4%	12.8%
\$45K - \$60K	4.9%	11.2%	9.4%	5.3%	9.9%	8.4%
\$60K - \$75K	11.5%	6.2%	8.8%	7.9%	6.5%	8.1%
Above \$75K	4.3%	4.7%	3.8%	6.4%	4.7%	4.7%
Data Missing	4.5%	5.6%	0.0%	14.3%	0.0%	4.7%
<b>Total</b>	<b>11.2%</b>	<b>9.7%</b>	<b>11.1%</b>	<b>9.9%</b>	<b>11.2%</b>	<b>10.6%</b>

<b>Table C.9</b>						
<b>Percent Denial Rates by Income by Black Applicants</b>						
City of Conway						
HMDA Data 2004 - 2008						
<b>Income</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
<= \$15K	100.0%	100.0%	75.0%	100.0%	.	90.9%
\$15K - \$30K	53.1%	47.1%	65.4%	72.7%	33.3%	55.0%
\$30K - \$45K	5.9%	18.8%	20.9%	23.1%	30.4%	19.0%
\$45K - \$60K	26.7%	26.1%	14.3%	23.1%	19.0%	21.5%
\$60K - \$75K	12.5%	20.0%	13.3%	13.3%	37.5%	17.9%
Above \$75K	23.5%	8.7%	5.0%	30.0%	20.0%	16.5%
Data Missing	.	.	100.0%	.	.	100.0%
<b>Total</b>	<b>27.8%</b>	<b>28.6%</b>	<b>27.7%</b>	<b>30.2%</b>	<b>27.0%</b>	<b>28.3%</b>

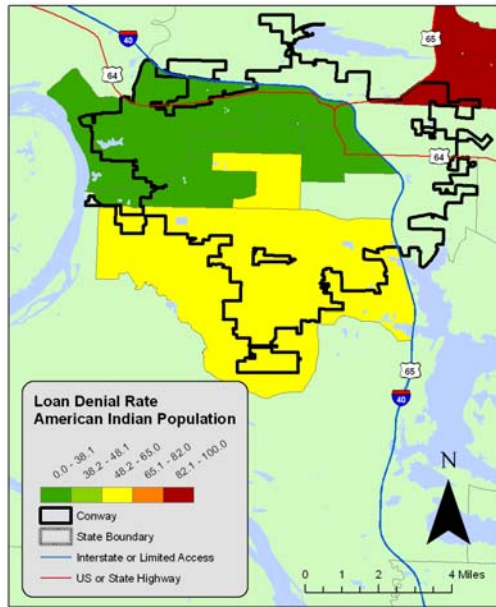
<b>Table C.10</b>							
<b>Originated Owner-Occupied Home Purchase Loans by Race by Predatory Status</b>							
City of Conway							
HMDA Data 2004 - 2008							
<b>Race</b>	<b>Loan Type</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
American Indian	Other Originated	1	3	3	2	1	10
	High APR Loan	1	1	0	1	0	3
	Percent High APR	50.0%	25.0%	0.0%	33.3%	0.0%	23.1%
Asian	Other Originated	10	15	20	17	2	64
	High APR Loan	2	3	0	0	0	5
	Percent High APR	16.7%	16.7%	0.0%	0.0%	0.0%	7.2%
Black or African American	Other Originated	60	63	65	49	42	279
	High APR Loan	18	27	29	11	4	89
	Percent High APR	23.1%	30.0%	30.9%	18.3%	8.7%	24.2%
White	Other Originated	807	921	969	826	675	4,198
	High APR Loan	101	115	141	58	60	475
	Percent High APR	11.1%	11.1%	12.7%	6.6%	8.2%	10.2%
Not Applicable	Other Originated	92	70	67	50	19	298
	High APR Loan	9	11	22	6	4	52
	Percent High APR	8.9%	13.6%	24.7%	10.7%	17.4%	14.9%
No Co-Applicant	Other Originated	2	2	1	3	2	10
	High APR Loan	1	0	0	0	0	1
	Percent High APR	33.3%	0.0%	0.0%	0.0%	0.0%	9.1%
<b>Total</b>	Other Originated	972	1,074	1,125	947	741	4,859
	High APR Loan	132	157	192	76	68	625
	<b>Percent High APR</b>	<b>12.0%</b>	<b>12.8%</b>	<b>14.6%</b>	<b>7.4%</b>	<b>8.4%</b>	<b>11.4%</b>
Hispanic	Other Originated	10	12	19	16	10	67
	High APR Loan	5	3	11	2	1	22
	Percent High APR	33.3%	20.0%	36.7%	11.1%	9.1%	24.7%

**Table C.11**  
**Originated Owner-Occupied Home Purchase Loans by Income by Predatory Status**

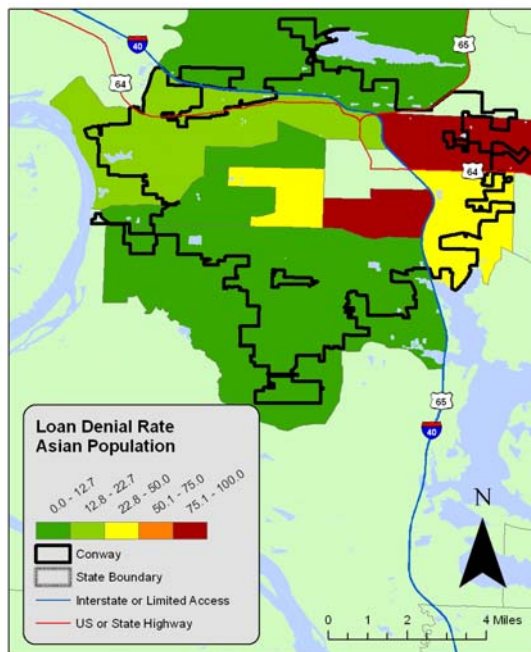
City of Conway  
HMDA Data 2004 - 2008

<b>Income Group</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
\$15,000 or less	Other Originated	8	8	6	4	4	30
	High APR Loan	5	0	2	0	0	7
	Percent High APR	38.5%	0.0%	25.0%	0.0%	0.0%	18.9%
More than \$15,000 up to \$30,000	Other Originated	122	97	81	86	56	442
	High APR Loan	22	30	12	10	7	81
	Percent High APR	15.3%	23.6%	12.9%	10.4%	11.1%	15.5%
More than \$30,000 up to \$45,000	Other Originated	253	230	216	207	163	1,069
	High APR Loan	31	40	53	17	15	156
	Percent High APR	10.9%	14.8%	19.7%	7.6%	8.4%	12.7%
More than \$45,000 up to \$60,000	Other Originated	188	221	196	171	153	929
	High APR Loan	27	36	44	18	13	138
	Percent High APR	12.6%	14.0%	18.3%	9.5%	7.8%	12.9%
More than \$60,000 up to \$75,000	Other Originated	119	180	186	147	105	737
	High APR Loan	14	29	26	9	7	85
	Percent High APR	10.5%	13.9%	12.3%	5.8%	6.3%	10.3%
More than \$75,000	Other Originated	257	316	408	318	252	1,551
	High APR Loan	32	20	51	20	26	149
	Percent High APR	11.1%	6.0%	11.1%	5.9%	9.4%	8.8%
Data Missing	Other Originated	25	22	32	14	8	101
	High APR Loan	1	2	4	2	0	9
	Percent High APR	3.8%	8.3%	11.1%	12.5%	0.0%	8.2%
<b>Total</b>	Other Originated	972	1,074	1,125	947	741	4,859
	High APR Loan	132	157	192	76	68	625
	<b>Percent High APR</b>	<b>12.0%</b>	<b>12.8%</b>	<b>14.6%</b>	<b>7.4%</b>	<b>8.4%</b>	<b>11.4%</b>

**Map C.1**  
**Denial Rate for American Indian Applicants by Census Tract**  
 City of Conway  
 HMDA Data 2004 – 2008



**Map C.2**  
**Denial Rate for Asian Applicants by Census Tract**  
 City of Conway  
 HMDA Data 2004 - 2008





## APPENDIX D: ADDITIONAL SURVEY DATA

<b>Table D.1</b> <b>What are your concerns about fair housing?</b> City in Conway 2010 Fair Housing Survey
Comments
Age discrimination As an agency that gets frequent training, abiding by the law is not as difficult as those individuals and companies that do not receive the training on a regular basis. I believe that there is reverse discrimination going on in many cases It is important that the law be followed in our community and that people are not discriminated against. It seems that some classes have a fair easier time of getting mortgage loans whereas other classes are made jump through hoops and put through all kinds of red tape to get the same mortgage loan. judging individuals on race My concern is of proactive approach so that we maintain awareness of discriminatory practices Not enough available Not enough housing that people can afford people who have fixed or limited incomes are limited in affordable housing opportunities. The wait is to long for HUD housing. Approximately six months. Whether there are sufficient units to serve the population.

<b>Table D.2</b> <b>What are the barriers or constraints to affirmatively furthering fair housing?</b> City of Conway 2010 Fair Housing Survey
Comments
Dissemination of information Lack of education primarily housing costs, buying and renting Same as #8 so many republicans hate people who aren't either 1) like them or 2) rich or 3) might need help someone will always believe they are getting discriminated against no matter what

<b>Table D.3</b> <b>What geographic areas have fair housing problems?</b> City of Conway 2010 Fair Housing Survey
Comments
more affluent areas of city - West Conway N/A Old Conway old conway or cow town older parts of town west conway areas.

<b>Table D.4</b> <b>What are the problems in those areas?</b> City of Conway 2010 Fair Housing Survey
<b>Comments</b>
lack of affordable houses/rentals more elete members of conway live in these areas. N/A Owners of older homes do not want college students living in the area. people are moving out of the older parts of town creating vacant houses, empty lots, more prone to violence and drugs, therefore as this stays the same or worsens, people who can afford to will continue move out of these areas, there need to be some basic criteria for rental property such as no drugs, illegal activity poor economy

<b>Table D.5</b> <b>Has state or local government taken planning, financing or administrative actions that may have adversely affected fair housing choice?</b> City of Conway 2010 Fair Housing Survey
<b>Comments</b>
As people moved out of the area, the area was left to basically fend for itself, police protection is minimal causing people not to move into the area, the area was basically left behind in the development of the city. Things are slowly improving, although violence and illegal activity continues with police response slow giving loans to certain groups I feel it but I don't know of any specific action taken. Unsure zoning for multi-family for the sake of real estate value. also zoning for mobile home estates.

<b>Table D.6</b> <b>What are the state or local codes or regulations that may represent barriers to fair housing choice?</b> City of Conway 2010 Fair Housing Survey
<b>Comments</b>
they are not enforced enough too expensive to develop and build in conway will adversely affect not fair housing but will not allow affordable housing Yes I do know that some contractors have a hard time getting things through the city planning commission.

<b>Table D.7</b> <b>What are the public administrative actions or policies, including tax policy, that may represent barriers to fair housing choice?</b> City of Conway 2010 Fair Housing Survey
<b>Comment</b>
need simpler ways of obtaining govt money to develop affordable housing in conway ar There is a need to have clear dissemination of information to Hispanic population regarding homeownership taxes and Homestead Tax Credit.

**Table D.8**  
**Is there something particular that can be done to further fair housing ?**

City of Conway  
2010 Fair Housing Survey

**Comment**

allow EVERYONE the same benefits  
Fair housing is not the same as affordable housing, Huge issue in Conway on affordable housing, Fair housing is a non-issue. No way able to be unfair to folks who can't afford home in the first place.  
Hold landlords more accountable.  
Inclusionary Zoning Policy  
Outreach and educational programs  
there is always room for improvement

**Table D.9**  
**How should fair housing laws be changed?**

City of Conway  
2010 Fair Housing Survey

**Comment**

I think it should only apply to physically handicapped people.  
they should be changed to include all individuals esp. the poor

