

## **30-DAY PUBLIC COMMENT PERIOD**

The following pages represent the draft “Analysis of Impediments to Fair Housing Choice”.

The Office of Community Development of the City of Norwich welcomes comments and recommendations from the public. Comments must be received no later than 4:00 on February 29, 2012 in order to be reviewed prior to submittal to HUD.

A public hearing will take place at a date and time prior to HUD submission. All comments may be directed to [gevans@cityofnorwich.org](mailto:gevans@cityofnorwich.org) or by letter to City of Norwich, Office of Community Development, 23 Union Street, Norwich, CT 06360

# Analysis of Impediments to Fair Housing Choice Norwich, CT 2012

February 2012

Prepared by

The City of Norwich Office of Community Development  
23 Union Street  
Norwich, CT 06360  
860-823-3770  
[www.norwichct.org](http://www.norwichct.org)

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# Chapter 1

## Executive Summary

### At the Crossroads

Norwich has reached a crossroads that nearly every growing city in urban areas faces. City officials can decide whether:

- To proactively seek to maintain a free market in housing and continue along the path of affirmatively advancing fair housing choice; or
- Go down the road that far too many cities have followed and allow distortions in the housing market caused by discriminatory practices to produce a Norwich divided into racially and ethnically– segregated neighborhoods.

The recommendations proposed in Chapter 5 of this analysis of impediments to fair housing choice identify and explain how to curtail the discriminatory practices that distort the free housing market and lead to segregated neighborhoods. Implementing these recommendations can help nip in the bud the sort of residential segregation — and reduced housing choices — that plagues so many other larger cities.<sup>1</sup>

### Findings and Recommendations Summarized

Norwich has become more racially and ethnically diverse since 1980. But, as detailed in Chapter 5, Norwich has quite a way to go before the distortions of the housing market are seen as true racial discrimination. The proportion of Norwich’s population that is Asian, African American and Hispanic is what would be expected in a free housing market without practices that discriminate against people on the basis of race or ethnicity. However, there are several instances of higher than normal (or non-free market) concentrations of racial disparities.

This and other data in Chapter 3 may suggest that it is very likely that members of the real estate industry (realtors, lenders and property owners) engage in practices that steer African-Americans, Asians and Hispanics away from Norwich neighborhoods.

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<sup>1</sup> This “Executive Summary” is no substitute for carefully reading this entire analysis of impediments. By definition an executive summary is just a summary, leaving out 99 percent of the information in the full report. The full report provides an extensive discussion of the data, documentation, and findings that places data in proper perspective and context — which is nearly impossible to accomplish in an executive summary

There are early signs that minority concentrations *may* be developing in specific Norwich Census tracts. While these figures are *no cause for immediate alarm*, they do suggest that the real estate industry may be directing members of minority groups to certain parts of Norwich where substantial numbers of minorities already live and Whites to parts of the city where few members of minority groups reside.

Norwich needs to proactively conduct testing of the sale and rental of residential properties to determine the extent to which racial steering is occurring so the city can work to put an end to these practices. More intensive training of real estate, specifically property owners may be needed to ensure fair housing continues in Norwich.

It is also possible that some self-steering is taking place in which members of some minority groups may not even consider living in certain areas of Norwich because they feel unwelcome or, conversely, consider living in areas where they will be surrounded by familiar cultures and customs. The city needs to work to expand the owner occupied housing choices of members of these groups so they will consider housing they can afford anywhere in Norwich. Norwich needs to continue to promote affirmative marketing of all of its housing to members of all racial and ethnic groups.

The economic growth over the last decade has turned housing values into a double-edged sword, making ownership of housing unaffordable to a growing proportion of existing residents, not to mention potential residents.

To enable people of more modest means to remain in Norwich, the city needs to expand its limited stock of owner-occupied affordable housing and reduce the dilapidated affordable housing that now exists in specific areas. Zoning may be the most effective tool for producing additional affordable housing dispersed throughout the City to people of modest means.

Few residents or potential residents understand fair housing. To increase awareness, the city needs to encourage education and training around fair housing and make it easier to report potential fair housing violations.

The limited availability of American Disabilities Act (ADA) compliant properties creates an undue hardship and impediment for the city's disabled population.

## Chapter 2

# Basis of This Study

Like all cities that receive Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development, the City of Norwich is obligated to identify, analyze, and devise solutions to impediments to fair housing choice that may exist in the community.

CDBG was created by combining a number of categorical grants to cities and counties into a single grant that gave recipients at a local level a fair amount of discretion in how the funds would be spent. Passage of the Housing and Community Development Act in 1974 included an instruction from Congress to recipients of Community Development Block Grant (CDBG) funds to “affirmatively advance fair housing.”<sup>1</sup>

Since 1968, the U.S. Department of Housing and Urban Development (HUD) has been under an obligation to “affirmatively advance fair housing in the programs it administers.”<sup>2</sup> As a direct result in 1996, HUD officials reported:

“However, we also know that the Department [HUD] itself has not, for a number of reasons, always been successful in ensuring results that are consistent with the Act. It should be a source of embarrassment that fair housing poster contests or other equally benign activity were ever deemed sufficient evidence of a community’s efforts to affirmatively further fair housing. The Department believes that the principles embodied in the concept of “fair housing” are fundamental to healthy communities, and that communities must be encouraged and supported to include *real, effective*, fair housing strategies in their overall planning and development process, not only because it is the law, but because it is the right thing to do.”<sup>3</sup>

As a condition of receiving these federal funds, communities are required to certify that they will affirmatively advance fair housing. As clearly stated by HUD, benign activities do not make the cut. Seeking to comply with our nation’s laws HUD officials have determined that “Local communities will meet this obligation by performing an analysis of the impediments to fair housing choice within their communities and developing (and implementing) strategies and actions to overcome these barriers based on their history, circumstances, and experiences.”<sup>4</sup>

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1 Public Law Number 93–383, 88 Stat. 633 (August 22, 1974). Most of this statute can be found at 42 U.S.C. §§1437 et seq. and 42 U.S.C. §§5301 et seq.

2 Office of Fair Housing and Equal Opportunity, U. S. Department of Housing and Urban Development, *Fair Housing Planning Guide*, (Washington, DC. March 1996), Vol. 1, i.

3 Ibid. Emphasis in original.

4 Ibid.

While the extent of the obligation to affirmatively advance fair housing is not defined statutorily, HUD defines it as requiring a recipient of funds to:

- Conduct an analysis to identify impediments to fair housing choice within the jurisdiction
- Take appropriate actions to overcome the effects of any impediments identified through the analysis, and
- Maintain records reflecting the “analysis and actions in this regard.”<sup>5</sup>

Throughout the nation, HUD interprets these broad objectives to mean:

- Analyze and eliminate housing discrimination in the jurisdiction
- Promote fair housing choice for all persons
- Provide opportunities for racially and ethnically inclusive patterns of housing occupancy
- Promote housing that is physically accessible to, and usable by, all persons, particularly persons with disabilities
- Foster compliance with the nondiscrimination provisions of the Fair Housing Act.”<sup>6</sup>

While HUD has offered a multitude of suggestions for producing the required analysis of impediments to fair housing choice, each recipient community is able to conduct the study that fits within the broad guidelines HUD offers. We have attempted to do just that with this report.

The substantive heart of the Fair Housing Act lies in the prohibitions stated in §3604, §3605, §3606, and §3617. It is said that the most important part of these sections is §3604(a) which makes it illegal “To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, **or otherwise make unavailable or deny**, a dwelling to any person be cause of race, color, religion, sex, familial status, or national origin.”<sup>7</sup>

The 1988 amendments to the Act added a similarly-worded provision that added discrimination on the basis of handicap in §3604(f)(1) and required that reasonable accommodations be made “in rules, policies, practices, or services when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling.”<sup>8</sup> In addition, the 1988 amendments that reasonable modifications of existing premises be allowed for people with disabilities and that renters must agree to restore the interior of the premises to the condition it was in prior to making the modifications.<sup>9</sup> The amendments also required new multifamily construction to meet specified accessibility requirements in public areas and individual dwelling units.<sup>10</sup>

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5 Ibid., 1–2.

6 Ibid., 1–3.

7 42 U.S.C. §3604(a). *Emphasis added*.

8 Ibid., §3604(f)(3)(B).

9 Ibid., §3604(f)(3)(A).

10 Ibid., §3604(f)(3)(C).

The highlighted provision, “or otherwise make unavailable or deny,” has been read to include a broad range of housing practices that can discriminate illegally, such as exclusionary zoning; redlining mortgages, insurance, and appraisals; racial steering; blockbusting; discriminatory advertising; citizenship requirements that have the effect of excluding African Americans from an all– white city’s public housing; harassment that would discourage minorities from living in certain dwellings; prohibiting white tenants from entertaining minority guests; and many more.<sup>11</sup>

As much as practical under budgetary restraints, an analysis of impediments to fair housing choice should seek to determine if any of these practices are present. The Housing and Community Development Act of 1974 clearly states that the intent of Congress that the “primary objective” of the act and “of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.”<sup>12</sup>

It is clear that one of the key underlying purposes of the Housing and Community Development Act of 1974 is to foster racial and economic integration.<sup>13</sup> This key goal of the act is reflected in the technical language “the reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial de-concentration of housing opportunities for persons of lower income.”<sup>14</sup>

Taken as a whole the act has “the goal of open, integrated residential housing patterns and to prevent the increase of segregation, in ghettos, of racial groups.”<sup>15</sup> With such a panoptic goal, HUD is obligated to use its grant programs “to assist in ending discrimination and segregation, to the point where the supply of genuinely open housing increases.”<sup>16</sup> “Congress saw the anti-discrimination policy [embodied in the Fair Housing Act] as the means to effect the anti-segregation–integration policy.”<sup>17</sup>

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11 Robert Schwemm, *Housing Discrimination: Law and Litigation*, §13:4–13:16, 2007.

12 42 U.S.C. §5301(c).

13 Daniel Lauber, “The Housing Act & Discrimination,” *Planning*, (February 1975): 24–25.

14 42 U.S.C. §5301(c)(6).

15 *Otero v. New York City Housing Authority*, 484 F.2d 1122, 1134 (2d Cir. 1973).

16 *N.A.A.C.P. v. Secretary of HUD*, 817 F.2d 149, 155 (1st Cir. 1987) (Breyer, J.).

17 *United States v. Starrett City Associates*, 840 F.2d 1096, 1100 (2d Cir. 1988). The discussion in this paragraph is derived in large part from the discussion on pages 24 and 25 of the district court’s decision in *U.S. ex rel. Antidiscrimination Center of Metro New York, Inc. v. Westchester County, New York*, 495 F.Supp.2d 375, 385–386 (S.D.N.Y. 2007).

These purposes of the act have implications for the proper conduct of an analysis of impediments to fair housing choice expressed very clearly this past July when the federal district court in the Southern District of New York ruled “a local government entity that certifies to the federal government that it will affirmatively further fair housing as a condition to its receipt of federal funds must consider the existence and impact of race discrimination on housing opportunities and choice in its jurisdiction.”<sup>18</sup> The court concluded “an analysis of impediments that purposefully and explicitly, “as a matter of policy,” avoids consideration of race in analyzing fair housing needs fails to satisfy the duty affirmatively to further fair housing.”<sup>19</sup>

This analysis of impediments seeks to comply with the purpose and spirit of the Housing and Community Development Act and the nation’s Fair Housing Act. Every effort has been taken to conduct a fair and balanced analysis that takes into account the sound planning, housing, and fair housing principles and practices.

Entering this project with no preconceptions except that Norwich has experienced ebbs and flows of growth over the last 50 years, Community Development staff approached this analysis of impediments to fair housing choice by letting statistical data and a public survey to lead us to our conclusions. Some of the data we uncovered surprised us no less than it will surprise readers of this document. We have attempted to apply sound fair housing principles to the facts we found in order to identify both immediate and potential impediments to fair housing choice and craft recommendations to overcome these impediments.

This is an analysis of “impediments” to fair housing choice (AI). Consequently it focuses on those policies and practices that impede fair housing choice. Again, it is important to note that the City is in the process of updating its Plan of Conservation of Development (POCD) per the State of Connecticut requirements. As a result the AI will serve as a “living” document that may be amended as more up-to-date information around land-use and zoning text amendments become available.

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18 *U.S. ex rel. Antidiscrimination Center of Metro New York, Inc. v. Westchester County, New York* , 495 F.Supp.2d 375, at 387 (S.D.N.Y. 2007).

19 *Ibid.*, 388.

# Limitations of This Analysis

This analysis of impediments to fair housing choice was prepared for the purposes stated herein. Consequently, it seeks to identify impediments and suggest solutions. However, it does not constitute a comprehensive planning program. Many of the identified issues warrant additional research and analysis by Norwich's planning staff. The City is in the process of updating its Plan of Conservation and Development (POCD) per Connecticut General Statute requirements and therefore we wish to allow this document to be a "living document". It will need to be amended as the POCD begins to address and adjust existing zoning and regulations that may impact the results of the analysis contained within.

It is also important to state that this analysis does not constitute legal advice.

We have assumed that all direct and indirect information that the City of Norwich departments, realtors, loan officers, survey participants, Census data supplied is accurate. Similarly, we have assumed that information provided by other sources is accurate.

Tempting as it always is to lift statements from any study out of context, please don't! It is vital that this analysis of impediments be read as a whole. Conclusions and observations made throughout this study are often dependent on data and discussions presented earlier. Context is vital to correctly understanding this analysis and avoiding misleading or erroneous interpretations of its content.

# Chapter 3

## Overview of the City of Norwich

### Demographics

The largest municipality in Southeastern Connecticut, Norwich is working hard to be one of the most dynamic and fastest growing cities in Connecticut. Between 2000 and 2010, only Storrs, CT (which is home to the University of Connecticut) grew more in percentages and 4<sup>th</sup> in raw numbers. Norwich’s population grew by 12.1 percent or nearly 4,376 people during this period. As shown in Table 1 below, the U.S. Census Bureau estimates Norwich’s population at 40,493 as of 2010. This analysis of impediments to fair housing choice finds that Norwich is beginning to experience some of the phenomena that larger cities typically experience.

Table 1: Norwich Population Growth: 1960–2010				
Norwich Population Growth: 1960–2010				
Year	Population	Change	Percent Change	Data Source
1960	38,506	-----	-----	Census Count
1970	41,739	3233	8%	Census Count
1980	38,074	-3,665	-9%	Census Count
1990	37,391	-683	-2%	Census Count
2000	36,117	-1,274	-3%	Census Count
2009	36,639	522	1%	Estimate
2010	40,493	3,854	10%	Census Count
Total Change	-----	1,987	5%	Estimate

## Chapter 3: Overview of the City of Norwich

As evidenced in Table 2 below, a fair number of Norwich residents live in poverty. Poverty rates in

New London County, where Norwich is located, and the State of Connecticut are substantially lower in most categories. Norwich poverty rates are higher in all categories among county, state and US geographies. Compared to the county and state, Norwich's poverty rate is double or near double in 3 out of 4 categories.

Category	Norwich Poverty Percent	New London Poverty Percent	CT Poverty Percent	US
Age 65+	11.0%	5.8%	6.8%	9.0%
Related Children under 18	19.6%	9.4%	11.1%	17.9%
All Families	11.5%	5.6%	6.9%	11.3%
Female-head of households	23.9%	19.7%	23.3%	30.3%
Source: 2010 Census				

Further study beyond the scope of this report is needed to determine why the poverty rate in these categories is higher in Norwich and how to address the housing needs of these individuals. It is possible that additional lower-cost senior-focused housing is needed, including group homes for the frail/elderly.

Over the past 20 years, Norwich's population has slowly become more racially diverse. Although Norwich's population remains overwhelmingly Caucasian, the proportion of its Asian population has grown 3-fold since 2000. Since that time, the proportions of Norwich's population who are African American, Hispanic and Some Other Race has doubled.

According to Norwich's *Consolidated Plan 2010-2014*, a minority population greater than 28.4% percent or more in an area is considered to be a "minority concentration." As the following table shows, only 6 block groups in Norwich were identified as being minority population concentration areas as part of the Con-Plan.

Please also see the following map which provides a basic geographic relationship in order to better assist the reader.

<b>Minority Population Concentrations Areas</b>		
<b>Census Tract</b>	<b>Block Group</b>	<b>Minority</b>
6967	9	56.5%
6968	1	40.1%
6968	2	36.5%
6967	4	33.8%
6970	2	30.3%
6964	5	29.1%

Due to excessively high standard of deviation required to be termed “minority concentration” a secondary analysis can be used at a Census tract level. This analysis allows for the concentration of a minority group to exist when the proportion in a defined area is more than its proportion of the total city population. For example, in 2010, The Asian population constituted

7.7 percent of Norwich’s total population. Under these circumstances, a Norwich census tract that is higher relative to the population level as a whole may suggest a concentration. It is important to note, however, that a slight increase or even a few percentage points higher should not suggest a concentration — the number can be “nearly” the same as the proportion in the entire city without being dubbed a concentration.

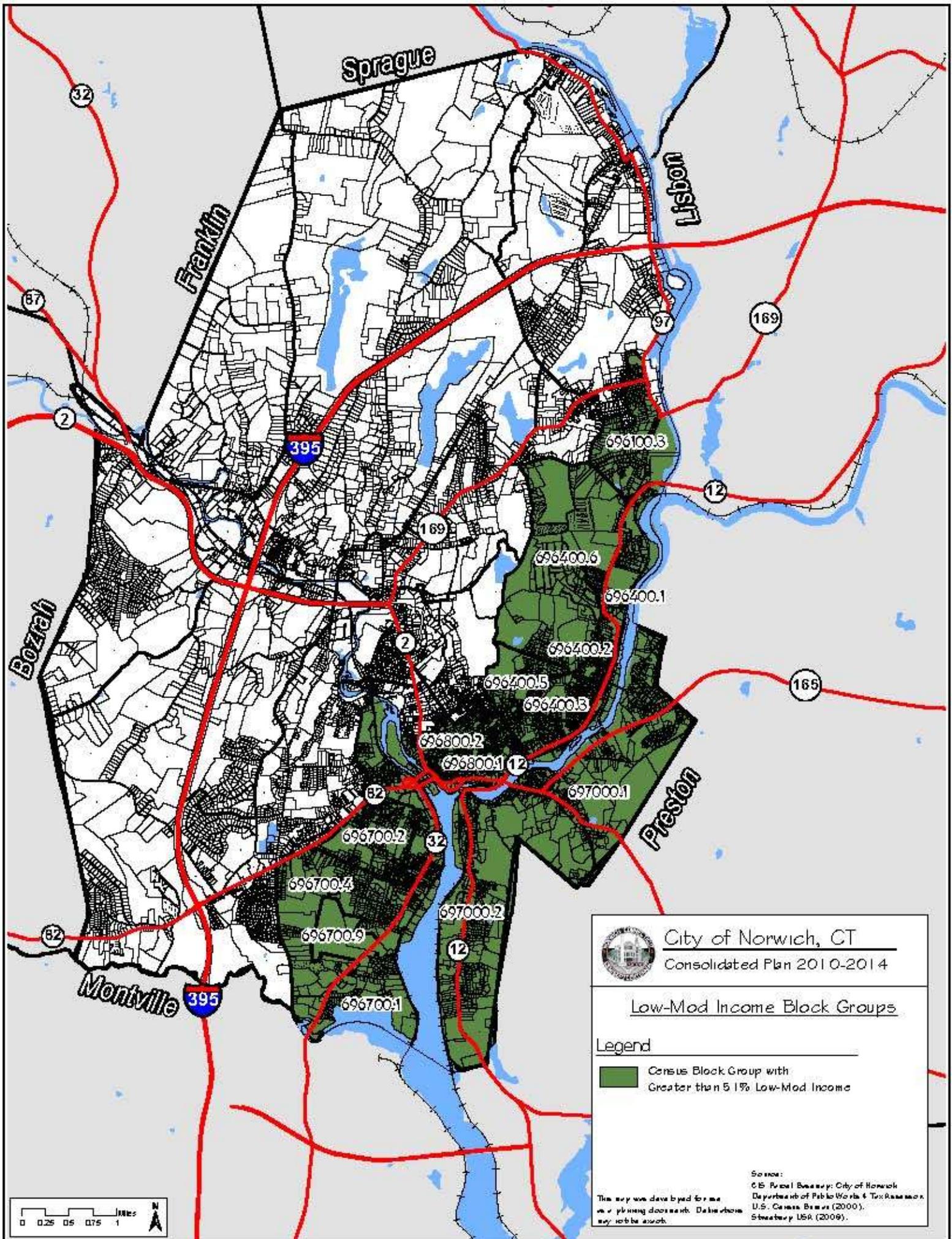
On the other hand, as shown in Table 4 below, African Americans and Hispanics each constituted around 6 percent of Norwich’s population in 2000. A census tract that is 18 percent African American or Hispanic — more than three times the citywide proportion — might suggest a concentration that is probably due to discriminatory practices that may be at work diminishing fair housing choice.

Conversely, census tracts that are well over 90 percent Caucasian in a city that is 83.1 percent white (2000 Census) may also reflect real estate and other practices that interfere with fair housing choice at work.

**Table 4: Racial Composition of Norwich: 1990–2010**

<b>Racial Composition of Norwich: 1990–2010</b>						
		<b>African</b>		<b>Some</b>	<b>Two or</b>	<b>Hispanic</b>
<b>Year</b>	<b>White</b>	<b>American</b>	<b>Asian</b>	<b>Other</b>	<b>Races</b>	<b>of</b>
						<b>Any Race</b>
<b>1990</b>	91.3%	5.3%	1.1%	1.7%	N/A	3.1%
<b>2000</b>	83.1%	6.8%	2.1%	2.8%	3.9%	6.1%
<b>2005</b>	71.6%	11.7%	5.3%	4.9%	5.2%	7.9%
<b>2010</b>	69.5%	10.4%	7.7%	5.8%	5.2%	12.6%

Sources: 1990, 2000, and 2010 U.S. Census; 2006 American Community Survey. Rows do not add up to 100 percent due to some dual reporting. “Hispanic” is not a race and is reported separately because people of any race can be Hispanic.

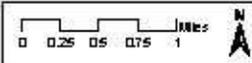



**City of Norwich, CT**  
 Consolidated Plan 2010-2014

**Low-Mod Income Block Groups**

**Legend**  
 Census Block Group with Greater than 5.1% Low-Mod Income

Source:  
 CE: Fiscal Bureau; City of Norwich  
 Department of Public Works & Tax Assessor  
 U.S. Census Bureau (2000),  
 Streetmap USA (2009).



The 2010 census — the most recent highly accurate source of racial composition data by census tract — reveals that several areas of minority concentration have developed in Norwich and that minorities are barely present in others. As explained later in this analysis of impediments, these numbers reflect situations that can lead to greater minority concentrations down the road, especially if discriminatory practices caused these distortions in the free housing market.

**Table 5: Racial Composition of Norwich By Census Tract: 2010**

Census Tract	Total	Percent White	Percent Black/African American	Percent American Indian/Alaskan Native	Percent Asian	Percent Some other Race	Percent Two or More Races	Percent Hispanic Any Race
6961	4917	80.4%	8.8%	1.0%	1.5%	3.5%	4.7%	8.5%
6962	4813	84.8%	3.3%	0.5%	6.8%	1.5%	3.1%	4.8%
6963	2847	88.4%	2.3%	0.8%	3.3%	1.9%	3.3%	5.2%
6964	6052	62.1%	15.4%	1.7%	3.3%	10.0%	7.4%	21.3%
6965	3134	73.7%	11.8%	0.8%	4.2%	4.7%	4.5%	9.0%
6966	4073	67.5%	6.0%	0.9%	15.9%	4.5%	5.2%	8.5%
6967	5915	59.6%	12.7%	1.7%	14.0%	6.3%	5.3%	14.7%
6968	3974	53.0%	18.8%	1.4%	7.7%	11.8%	7.2%	22.5%
6970	4768	66.1%	10.8%	1.3%	10.6%	5.8%	5.3%	12.8%

In 2010, several census tracts are showing trends of high concentrations of specific minorities. These are highlighted in red in Table 5 above. Tract 6964 is 62.1 percent white with minority populations of 15.4 percent African American (compared to 10.4 percent citywide), 3.3 percent Asian (compared to 7.7 percent citywide), 10 percent some other race (compared to 5.8 percent citywide), and 21.3 percent Hispanic of any race (compared to 12.6 percent citywide). It is important to note that a Census tract with 3.3 percent Asian population in a city with a 7.7 percent Asian population does not suggest any diminution of fair housing choice among Asians. You must also look at tenure of units in each Census tract and weigh in factors such as access to employment and transportation.

Conversely, the relatively high percentages of African Americans and Hispanics do show a trend towards a high potential for discrimination in housing. With the substantial sways in population categories, Tracts 6968 (47% minority concentration) 6967 (40.6% minority concentration) and 6964 (37.9% minority concentration) have unusually high levels of minority concentrations. Taking into account transportation, proximity to employment (namely the casinos) and the mix of available housing type (predominately multi-unit housing) it could suggest that housing discrimination may play a minor role in the diversity. In other words, while other rationale might explain the population in these tracts, the rationale may not be the central reason for the high concentration of minorities; discrimination should not be ruled out. Data from the 2005-2007 American Community Survey strongly suggest that this concentration has been building since at least 1999 and so housing diversity should have adjusted to match the need.

The 2010 Census rental unit statistics show that 76 percent of the dwelling units in census tract 6968 were rental, with the largest percent of renters being African American/Black (19.3%). However, tract 6967 had the highest overall concentration of rental units (1,498 units) yet showed an increased percentage of White, non-Hispanic residents as well as a proportionately lower percent of Black/African American and a proportionally higher percent of Asian residents based on units available. This may be a sign of realtor steering or property owner discrimination and should be monitored. Tract 6964 is home to the third largest rental unit concentration and hosts the highest percentage of Hispanic tenured rental units at 22.3 percent. Also, the fact that 6964 has 17.1 percent Black/African American and 12 percent Some other Race reduces overall concern regarding a landlord restricting renting. However, it may be deemed segregating in nature due to the higher percentage.

Census Tract	6961	6962	6963	6964	6965	6966	6967	6968	6970
<b>Total:</b>	2,061	2,087	1,109	2,309	1,380	1,488	2,473	1,604	2,088
<b>Owner occupied:</b>	1,134	1,503	918	1,054	652	1,199	975	385	794
<b>Percent Owner</b>	55.0%	72.0%	82.8%	45.6%	47.2%	80.6%	39.4%	24.0%	38.0%
<b>White</b>	92.6%	89.6%	93.9%	82.2%	87.9%	78.0%	70.3%	73.0%	72.9%
<b>Black or African American</b>	3.1%	2.3%	1.6%	7.5%	4.8%	3.5%	7.4%	9.4%	7.1%
<b>American Indian/Alaskan Native</b>	0.8%	0.3%	0.2%	0.9%	0.3%	0.8%	1.1%	1.8%	0.8%
<b>Asian</b>	1.2%	5.5%	2.0%	3.5%	3.7%	12.7%	16.7%	6.5%	13.9%
<b>Some Other Race</b>	1.4%	0.7%	0.9%	3.0%	1.7%	2.5%	2.6%	5.7%	2.6%
<b>Two or More Races</b>	0.8%	1.5%	1.4%	2.8%	1.5%	2.5%	1.8%	3.6%	2.8%
<b>Hispanic or Latino</b>	2.6%	2.3%	2.1%	7.3%	3.1%	3.5%	5.0%	10.4%	4.5%
<b>Renter occupied:</b>	927	584	191	1,255	728	289	1,498	1,219	1,294
<b>Percent Rental</b>	45.0%	28.0%	17.2%	54.4%	52.8%	19.4%	60.6%	76.0%	62.0%
<b>White</b>	80.9%	86.8%	88.5%	61.4%	76.4%	65.1%	68.2%	57.6%	70.9%
<b>Black or African American</b>	9.7%	3.6%	3.1%	17.1%	12.4%	12.8%	13.2%	19.3%	11.7%
<b>American Indian/Alaskan Native</b>	1.0%	0.9%	1.0%	1.8%	1.0%	1.7%	1.7%	1.4%	1.7%
<b>Asian</b>	1.0%	2.9%	0.5%	2.2%	3.0%	7.6%	6.8%	6.7%	6.1%
<b>Some Other Race</b>	3.2%	3.3%	3.1%	12.0%	4.1%	8.0%	6.3%	9.6%	5.9%
<b>Two or More Races</b>	4.0%	2.6%	3.7%	5.5%	3.0%	4.8%	3.7%	5.3%	3.8%
<b>Hispanic or Latino</b>	7.6%	5.7%	6.3%	22.3%	7.8%	12.5%	14.4%	18.8%	11.8%

# Transportation

The vast majority of Norwich residents drive their cars to work. Approximately 8.4 percent of Norwich households lack access to a motor vehicle, 24.2 percent have access to one vehicle and 60.6 percent have access to 2 or more vehicles.<sup>8</sup> The city, though, realizes that the lack of a comprehensive, general transit system can pose a substantial strain on low-income households. As of the 2010 Census, greater than 14 percent of the population lives in poverty. It is well established that proximity to employment is important to people with modest incomes, especially for those at or near the poverty level. The city recognizes that the lack of access to transportation, private and public, creates a barrier to self-sufficiency.

According to the 2010 Census, 76 percent of Norwich's working residents 16 and over drove to work alone, 11 percent car pooled, 9 percent took public transportation, 1 percent walked, and 3 percent used other means. Their average commute was 26.5 minutes. The other 8 percent worked at home.

City officials are very much aware of the need to improve transportation in Norwich. The city's *Plan of Conservation Development* as well as the *5-Year Consolidated Plan* and the regional Comprehensive Economic Development Strategy (CEDS) all focus on the need to improve transportation in the city and region. In all cases, problems around the lack of adequate transportation can be translated into quality of life issues for the region and individuals. communities such as Norwich.

Norwich does not offer a traditional full public transit system. However, the regional Southeastern Area Transit (SEAT) system provides bus service between Norwich, New London and Groton (New London County's larger communities and larger employment bases). Although the SEAT system is a "flag-down" system that has a somewhat regional presence, it provides service only in specific locations that are limited in certain Census tracts.

The lack of public transit that runs throughout all major housing areas, specifically high rental areas will lead to segregation of populations, specifically low-to-moderate income individuals. Based on 2010 Census demographics, there are a reasonable number of low-to-moderate income individuals who are minority that are concentrated within Census tracts 6968, 6967 and 6964. The question that is raised as a result becomes paradoxical. These Census tracts are racially and ethnically diverse. Is the diversity created a result of the access to transportation or a greater number of available rental units and openness of jobs within a walkable geography? Or, is it a result of steering or segregation?

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8 "Selected Housing Characteristics," 2010, U.S. Census Bureau.

# Employment

Connecticut notoriously lags during a sluggish economy. Typical down-turns seem to hit our state last – potentially a positive if we learn to prepare. Unfortunately, the late impact of any restriction in economic growth also means Connecticut is late to recover when the rest of the country is making a comeback. Southeastern Connecticut holds many excellent opportunities but remains somewhat secluded to business expansions. Our major industries focus on defense, pharmaceuticals, and entertainment. In the last 3 years, however, the reduction in higher paying jobs within those industries and increase in lower income jobs within the entertainment category has accelerated a sway in city demographics. The companies and the categories below represent the major Norwich area employers.

## Top 20 Norwich Area Employers

Employer	Town	Category	Employees
<a href="#">Foxwoods Resort Casino</a>	LEDYARD	Casinos	10,000 or more employees
<a href="#">Pfizer Inc</a>	GROTON	Laboratories-Research & Development	1,000 - 4,999 employees
<a href="#">Lawrence &amp; Memorial Hospital</a>	NEW LONDON	Diagnostic Imaging Centers	1,000 - 4,999 employees
<a href="#">William W Backus Hospital</a>	NORWICH	Hospitals	1,000 - 4,999 employees
<a href="#">Dominion Millstone Power Sta</a>	WATERFORD	Electric Companies	1,000 - 4,999 employees
<a href="#">Connecticut College</a>	NEW LONDON	Schools	500 - 999 employees
<a href="#">Mystic Seaport Museum</a>	GROTON	Museums	500 - 999 employees
<a href="#">US Coast Guard-Academy</a>	NEW LONDON	Federal Government-Public Order & Safety	500 - 999 employees
<a href="#">York Correctional Institution</a>	EAST LYME	State Govt-Correctional Institutions	500 - 999 employees
<a href="#">Walmart Supercenter</a>	WATERFORD	Department Stores	250 - 499 employees
<a href="#">Walmart Supercenter</a>	LISBON	Department Stores	250 - 499 employees
<a href="#">Day Newspaper Publishing Co</a>	NEW LONDON	Newspapers (Publishers/Mfrs)	250 - 499 employees
<a href="#">Sonalysts Inc</a>	WATERFORD	Video Production & Taping Service	250 - 499 employees
<a href="#">Davis-Standard Llc</a>	STONINGTON	Machinery-Manufacturers	250 - 499 employees
<a href="#">Day Publishing Co</a>	NEW LONDON	Newspapers (Publishers/Mfrs)	250 - 499 employees
<a href="#">Thomas G Faria Corp</a>	MONTVILLE	Electronic Equipment & Supplies-Mfrs	250 - 499 employees
<a href="#">Moark Egg</a>	BOZRAH	Eggs (Whls)	250 - 499 employees
<a href="#">New London City Manager</a>	NEW LONDON	City Government-Executive Offices	250 - 499 employees

Over the last 30 years, Norwich’s labor force has increased while the available jobs have decreased substantially. The gap between labor and opportunity has spread further in the last five years and there has been a deterioration in the number of businesses in Norwich.

Job/Worker Levels 1980-2010			Businesses in Norwich		
Year	Jobs	Workers	Year	Norwich	County
1980	17,610	18,036	2005	17,656	128,733
1990	18,500	19,405	2008	17,572	129,733
2000	17,770	18,876	2009	17,572	129,733
2010	16,595	21,331	2010	17,056	130,881

As the chart below reflects, Norwich has certainly seen positive fluctuations in the number of unemployed and the number has dipped as low as 2.7 percent. A deeper

comparison to the county, state and country shows that the fluctuations are shared across

geographies.

Variations at the different geographic levels follow a deviation of 1 % between city and county; 0.7% between city and state; and null between city and country. Norwich closes the gap significantly in 2001 and 2002 for job growth as the economy as a whole was suffering from the impact of September 11, 2001. Our core industries of defense and

Labor Force 1999-2011				
Year	Size of Workforce	Number Employed	Number Unemployed	Unemployment Rate
1999	18,663	17,839	824	4.4
2000	18,559	18,063	496	2.7
2001	18,955	18,324	631	3.3
2002	19,713	18,788	925	4.7
2003	20,145	18,921	1,224	6.1
2004	20,119	19,001	1,118	5.6
2005	20,392	19,288	1,104	5.4
2006	20,541	19,503	1,038	5.1
2007	20,472	19,414	1,058	5.2
2008	21,017	19,690	1,327	6.3
2009	21,251	19,310	1,941	9.1
2010	21,331	19,147	2,184	10.2
*2011	20,981	18,834	2,148	10

entertainment worked to stabilize the area. Conversely, in 2003 and 2004 we witness an increase in the labor force and a contraction in employment that results in the widening the deficit gap. These years also coincide with a more than double increase of our Asian population. This has been anecdotally stated to be a result of emigration of residents from New York as a result of job losses from 9/11 and the technology bubble burst.

Unemployment Rates 1999-2011 City, County, State, US				
Year	Norwich	New London County	CT	US
1999	4.4%	3.3%	3.2%	4.2%
2000	2.7%	2.2%	2.3%	4.0%
2001	3.3%	2.8%	3.1%	4.7%
2002	4.7%	3.9%	4.4%	5.8%
2003	6.1%	4.9%	5.5%	6.0%
2004	5.6%	4.5%	4.9%	5.5%
2005	5.4%	4.5%	4.9%	5.1%
2006	5.1%	4.2%	4.4%	4.6%
2007	5.2%	4.3%	4.6%	4.6%
2008	6.3%	5.4%	5.6%	5.8%
2009	9.1%	7.0%	8.3%	9.3%
2010	10.2%	8.7%	9.1%	9.6%
*2011	10.0%	9.0%	9.0%	9.0%

Progress allows the ebb and flow to settle until the housing bubble bursts and Norwich is left without other stabilizing industries that might help soften the impact. In 2009, the city significantly trails the county in terms of employment and is almost equal with the country as a whole.

The range of industries served by Norwich residents runs the full gamut as shown in the next table:

In recent years the nature of jobs in Norwich have been shifting away from higher paying towards lower paying service industry positions. These lower-wage service-sector jobs have been growing over the last decade at three times the rate of higher salary manufacturing positions transforming New London County into a “major hub for lower-wage service-sector jobs.” Eastern Connecticut faces numerous workforce development challenges; underemployment resulting from the growth of lower-wage service jobs is foremost among them.<sup>9</sup>

## Racial Composition of Racial workers compared to residents

Norwich city, Connecticut		
INDUSTRY	Estimate	Percent
<b>Civilian employed population 16 years and over</b>	20,981	100.0%
<b>Agriculture, forestry, fishing and hunting, and mining</b>	23	0.1%
<b>Construction</b>	811	4.0%
<b>Manufacturing</b>	1,399	7.0%
<b>Wholesale trade</b>	238	1.2%
<b>Retail trade</b>	2,069	10.3%
<b>Transportation and warehousing, and utilities</b>	868	4.3%
<b>Information</b>	332	1.7%
<b>Finance and insurance, and real estate and rental and leasing</b>	514	2.6%
<b>Professional, scientific, and management, and administrative and waste management services</b>	1,111	5.5%
<b>Educational services, and health care and social assistance</b>	3,978	19.8%
<b>Arts, entertainment, and recreation, and accommodation and food services</b>	7,373	36.7%
<b>Other services, except public administration</b>	659	3.3%
<b>Public administration</b>	723	3.6%

As of 2010, the most recent year for which reliable data are available, the proportion of people working in Norwich who were African American, Asian or Hispanic was greater than their proportions among Norwich residents.

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<sup>9</sup> State of Connecticut’s Eastern Workforce Investment Board (EWIB); website [www.ewib.org](http://www.ewib.org)

While 10.4 percent of Norwich’s population was African American, the proportion of people working in Norwich who were African American was 12.7 percent. Please reference the chart below entitled “2010 Census Related Norwich Workforce”. The proportion of Hispanics working in Norwich was greater than the proportion of Norwich’s residents. The proportion of Asians working in Norwich is 9 percent compared to the proportion of Asians living here — 7.7 percent of Norwich residents.

2010 Census Related Norwich Workforce - Top Quartile						
OCCUPATION	Estimate	White	Black/African American	Asian	Hispanic	Percent
Civilian employed population 16 years and over	20,981	14,425	2,660	1,886	7434	100.0%
	100.0%	68.8%	12.7%	9.0%	35.4	
Management, business, science, and arts occupations	5,228	4,254	366	210	817	26.0%
	100.0%	81.4%	7.0%	4.0%	15.6%	
Service occupations	6,576	3,385	1,235	1,219	3609	32.7%
	100.0%	51.5%	18.8%	18.5%	54.9%	
Sales and office occupations	4,995	3,759	795	346	1631	24.9%
	100.0%	75.3%	15.9%	6.9%	32.7%	
Natural resources, construction, and maintenance occupations	1,568	1,537	31	47	134	7.8%
	100.0%	98.0%	2.0%	3.0%	8.5%	
Production, transportation, and material moving occupations	1,731	1,487	233	64	360	8.6%
	100.0%	85.9%	13.5%	3.7%	20.8%	

These figures have implications for the transportation issues raised earlier, especially for reverse commuters. They also have implications for the basic sound planning principle of enabling people to live near their work so as to minimize the length of their commutes. Living near work helps minimize air pollution and gas consumption, as well as reduce wear and tear on streets and highways (and reduce the frequency of rebuilding them), and foster family values by enabling workers to spend more time with their families rather than in time-consuming commutes.

Reducing the time spent commuting increases the desirability of living in a community. A well-regarded 2004 study arrived at the “unambiguous conclusion” that, “The length of their commute to work holds a dominant place in Americans’ decisions about where to live.

Americans place a high value on limiting their commute times and they are more likely to see improved public transportation and changing patterns of housing development as the solutions to longer commutes than increasing road capacities.”<sup>10</sup>

More specifically, this random–sample national survey found:

- “A limited commute time is, for most Americans, an important factor in deciding where to live. Being within a 45–minute commute to work is rated highest among a list of fourteen priorities in thinking about where to live (79% “very” or “somewhat” important), followed by easy access to highways (75%) and having sidewalks and places to walk (72%).
- “A short commute is particularly important to people who plan to buy a home in the next three years (87%) and women and African Americans place high importance on sidewalks and places to walk (76% and 85%, respectively).”<sup>11</sup>

These figures also illustrate the need for more housing affordable to people of modest incomes as opposed to lower income. The differential between minority workers and minority residents is not excessive. This lends credence to the probability that discriminatory practices against African Americans, Asians and Hispanics could be at play only within certain Census tracts in Norwich. Tracts, specifically the 6 block groups mentioned previously, should be monitored for changes in rental units by tenure, accessibility to transportation and type of industry as well as occupation.

## Zoning and Housing for People with Disabilities

A great many municipal zoning ordinances fail to make the “reasonable accommodation” for community residences for people with disabilities (group homes, halfway houses, and recovery communities) that the 1988 amendments to the nation’s Fair Housing Act (FHA) require. The FHA requires local jurisdictions to make a “reasonable accommodation” in their zoning rules and regulations to enable community residences for people with disabilities to locate in the same residential districts as any other residential use.<sup>22</sup> Relatively few cities have used their zoning codes to affirmatively advance fair housing for people with disabilities.

Norwich’s zoning continues to be the exception. It is among the most receptive zoning in Connecticut for community residences for people with disabilities — which Norwich’s zoning code defines as “residential care homes.”

The Norwich zoning code allows any residential care home — which by zoning ordinance definition are for people with disabilities — to locate in every residential district as of right as long as it has any required state license or certification. If a required state license or certifica-

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**Norwich’s zoning for group homes is among the most receptive in Connecticut.**

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10 Belden Russonello & Stewart Research and Communications, *2004 American Community Survey National Survey on Communities* (October 2004), 1. Available online as a PDF file at [http:// smartgrowthamerica.org/narsgareport.html](http://smartgrowthamerica.org/narsgareport.html)

11 Ibid. 7, 9.

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tion has been denied, the zoning code, by definition, prohibits establishment of the residential care home — a perfectly reasonable and legal provision. If the State of Connecticut does *not* require a license or certification, the residential care home is allowed in every residential district as of right.

Given the more restrictive zoning provisions that most other Connecticut jurisdictions impose on community residences for people with disabilities, it is fair to report that Norwich's less restrictive zoning **affirmatively advances fair housing choice** for people with disabilities who wish or need to live in a community residence.

We identified 2,912 assisted housing units in the City of Norwich. This includes 686 public housing units and 514 Section 8 vouchers. Out of the total assisted units, only 100 met the American Disability Act residential handicap standards. The availability of handicap units is a concern and is well documented by hard data and 115 respondent surveys collected during the analysis. The survey was completed in order to establish community benchmarks and views on potential impediments.

The chart below represents data retrieved from the 2010 Census regarding residents with disabilities.

Subject	US 301,501,772	Connecticut 3,502,402	County 261,198	Norwich 39,730
	Percent with a disability			
Total	12.00%	10.50%	11.40%	14.00%
Under 5	0.80%	0.60%	0.50%	0.40%
5 to 17	5.20%	4.70%	5.50%	5.40%
18 to 64	10.00%	8.30%	9.70%	13.80%
65 +	37.20%	32.80%	30.50%	32.60%

According to the data, 14 percent of residents in Norwich are classified as disabled. While not all disabled residents require ADA compliant housing, it is certain realistic to suggest that out of an approximate 5,560 residents, undoubtedly more than 100 units are needed.

This concern has not gone un-noticed by previous administrations. The city has previously provided financial assistance for housing that serves people with disabilities. For fiscal years 2008 through 2010, Norwich has awarded Community Development Block Grant (CDBG) funds totaling \$200,000 to Norwich Public Housing (our local housing authority) complexes serving low-income people with physical disabilities.

## Chapter 4

# Status of Fair Housing in Norwich

## Private Sector Compliance Issues

### Fair Housing Complaints and Studies

Efforts to obtain information on fair housing complaints in New London County ran into numerous dead ends. While there is a State of Connecticut Commission on Human Rights and Opportunities (CHRO) located in City Hall Norwich, this agency does not field fair housing related issues. In fact, any fair housing related issues would be referred to the Hartford CHRO, which is 45 minutes away. The State of Connecticut funds a non-profit agency called Connecticut Fair Housing Center, which is an excellent resource. They are in the process of preparing a state-wide Analysis and were extremely helpful in information gathering. Presently, however, CT Fair Housing Center does not have any listing of fair housing complaints in Norwich.

It should be made clear, however, that the lack of recorded complaints does not mean fair housing is not an issue. In fact, the lack of any record should be a cause for concern in a community such as Norwich. It means there is a limited venue in which residents have to complain. Or, it means education around fair housing may be limited – 2 identifiable barriers which lead to a fair housing choice.

### Home Appraisal Practices

As found in Norwich's 1996 *Analysis of Impediments to Fair Housing Choice*, we did not uncover any evidence of discriminatory practices against minorities by home appraisers regarding Norwich properties. There were, however, questions about appraisal practices that impacted the housing market over the last decade, predominantly a “push” of values to benefit existing owners. Since this document is an analysis of impediments, the review of erroneous housing values is beyond the scope. However, practices of scamming, creating straw-buyers and adjusting values are known to exist.

### Norwich Real Estate Firms and Developers

Real estate firms tend to be the first place where members of the public learn about how the Fair Housing Act can affect them. A regulation issued by the U.S. Department of Housing and Urban Development requires all real estate offices to prominently display the Fair Housing Poster (HUD form HUD-928.1A(8-93)).

## Chapter 4: Status of Fair Housing in Norwich

In the course of our field work in Norwich, we randomly selected four real estate offices to visit to see if they actually placed the HUD poster in a prominent location. We visited the firms on a Friday in October and November. Two firms had the poster on the wall in its common area where any customer could see it. One did not. The poster was not in any common area. The fourth firm was closed.

We also checked the brochures for the firms and other advertising to identify the racial/ethnic composition of their agents. The firms with the HUD poster had a racially and ethnically-diverse set of agents. The agents at the one firm without the poster were also diverse and the advertising sign on its front window listed the foreign languages — a mix of Asian dialects, Haitian-Creole, and Spanish — each agent spoke.

We visited the sales office of a 215-unit condominium conversion and could not find the HUD fair housing poster in any common area where a potential buyer might see it.

We also visited a model home and sales office of one developer. No fair housing poster was visible in the common areas where customers could meet with an agent and read dozens of flyers and brochures about this developer's homes. All of the employees we saw represented the diversity of the community and brochures were multi-lingual.

This effort was not intended to be a thorough, scientific examination of the racial composition of the professional sales staff at Norwich real estate offices nor of whether or not they place the HUD fair housing poster in a prominent place. It does suggest that more thorough research would be prudent to determine the extent to which real estate offices display the HUD fair housing poster, the hiring practices of real estate offices, and their advertising practices.

### Apartment Leasing Firms

Similarly, the leasing offices of apartment complexes are required to display the HUD Fair Housing Poster in a prominent location. We randomly chose two apartment complexes and found that both displayed the HUD fair housing poster in areas where it's likely customers would see it. The promotional package of one development included seven full color photographs showing "residents." Two included African Americans and one included Asians. This complex is located in the census tract 6968, the most racially-diverse tract in Norwich.

### Real Estate Advertising

We also examined a random sample of real estate publications featuring Norwich properties as well as websites of five builders with developments in Norwich. Two builder websites had no pictures of people. Three featured people of all races, including a Caucasian-Asian couple on its homepage. This builder included a racially/ethnically diverse group of people in a fair number of photographs on its site.

We also examined three real estate magazines available at the real estate offices we visited in Norwich. Between them, there were two photographs of Asian "home buyers" and one African American. A fair number of real estate agents were pictured in the magazines. At least five of the agents pictured were Hispanic. None was African American and one was Asian.

# Public Sector Compliance Issues

## Affordable Housing

While homeowners enjoyed unusually rapid increases in property values during the last decade, these increases have outpaced increases in household income and altered the affordability landscape in Norwich as well as in similar communities.

Economists and housing experts have long used the rule of thumb that a home is affordable when its purchase price is no more than two and a half or three times the buyer's gross annual income.<sup>12</sup> Their other test that applies to both owner *and* tenant households is that housing is affordable if the household spends no more than 30 percent of its gross monthly income on housing. This is not an arbitrary figure. Spending more than 30 percent on housing, leaves a typical lower-, middle-, and upper-middle class household less money for essentials like food, clothing, furniture, transportation, health care, savings, and health insurance. Local businesses suffer the most from this reduction in spending money due to high housing costs. Spending more than 30 percent on housing denies spending to other sectors of the economy unless households strapped for cash go into credit card debt. While it's not surprising that households with modest incomes face the tightest housing cost squeeze, data for Norwich show that the squeeze is also affecting higher income owners of single-family homes to an unanticipated degree.

## Affordability of Ownership Housing

To make sense of the plethora of available data, many researchers report on median household incomes and median home values. The median is the middle. For example, half of Norwich's households have incomes above the median and half below it.

On the next page, the table "Comparing Affordable Home Ownership Costs in Norwich 2000 & 2010", shows how the skyrocketing value of Norwich single-family detached houses has become unattainable based on the classification of available employment in the region.

In 2000, a household with the median income in Norwich (\$39,189) could afford a house costing as much as \$117,567. The median value of a single-family detached house was \$110,900, over \$6,500 less than what a median income Norwich household could afford. So, more than half of Norwich's residents could afford to buy a single-family detached house in Norwich — in 2000.

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<sup>12</sup> For purposes of this analysis, we will err on the conservative side and use three times the median income to establish the price of an affordable house in Norwich rather than two and a half times.

Comparing Affordable Home Ownership Costs in Norwich: 2000 & 2010				
	Median Household (HH) Income	Affordable Home Price for the Median HH Income	Median Value of Single Family (SF) Detached Houses	Median HH Income to Afford Median SF Detached House
Year				
2000	\$39,189	\$117,567	\$110,900	\$36,967
2010	\$52,075	\$156,225	\$217,700	\$72,565

Sources: Median household incomes and median home values are from the 2000 and 2010 U.S. Census as well as Multiple Listing Service (MLS). Note that MLS figures do *not* include homes sold by owner.

Methodology: “Affordable Home Price for the Median HH Income” is three times the “Median Household Income.” The median HH income to afford each type of ownership housing is one-third of the median value for each type of housing.

Between 2000 and 2010, the median household income in Norwich rose 33 percent while the median value of single-family detached dwellings rose an astonishing 96 percent. While that was great news for existing Norwich homeowners, it was bad news for any household earning less than \$72,565, the gross annual income needed to afford the median priced house in Norwich. In 2010, the actual median value of a single-family detached house (\$217,700) was now \$61,475 greater than the median price affordable to the median income Norwich household. More than half the single-family detached houses were beyond the financial means of more than half of Norwich’s households.

During that same time frame, the value of houses in Norwich had grown so much that a household at the 2010 median income of \$52,075 earned \$20,490 *less* than it took to afford a median priced house in Norwich.

### Affordability of Rental Housing

About 46 percent of Norwich’s housing stock is rental. Greater than 20% of rental housing units are affordable (more than double the state requirement). As shown in the table “Comparing Affordable Rental in Norwich: 2000 and 2010, the median-income Norwich household has no problem affording the median rent here. ***However, the vast majority of Norwich tenants earn less than Norwich’s median income. Higher income households tend to own rather than rent.*** Consequently, it is essential to look at the per-

Comparing Affordable Rental in Norwich: 2000 & 2010			
Year	Median Household Income in Norwich	Affordable Rent for the Median Household Income	Median Rent in Norwich
2000	\$39,189	\$979	\$588
2010	\$52,075	\$1,302	\$923

Sources: 2000 and 2010 U.S. Census.

## Chapter 4: Status of Fair Housing in Norwich

Median Rent and Percent Paying Greater than 30% of Income on Rent										
Year	Norwich	> 30%	New London County	> 30%	Hartford County	> 30%	CT	> 30%	US	> 30%
2000	\$588	47.0%	\$646	43.2%	\$645	49.1%	\$681	49.5%	\$602	47.8%
2005	\$820	51.0%	\$910	43.9%	\$836	45.1%	\$910	46.6%	\$781	45.7%
2010	\$923	47.0%	\$984	43.2%	\$916	49.1%	\$994	49.5%	\$850	47.8%

centage of income rental households are spending on rent to determine actual affordability to tenants as shown above in the table “Median Rent and Percent Paying Greater than 30% of Income on Rent”.

Source: U.S. Census Bureau, *American Community Survey 2005 and US Census 2000 and 2010*

Norwich has participated in a see-saw like battle with housing cost burden. In 2000, 47 percent of all rental households were spending over 30 percent of their gross monthly income on rent, it then rose to 51 percent in 2005. By 2010 it returned to 47 percent. Spending more than 30 percent of one’s income on rent is stretching it; spending 40 or 50 percent or more poses a serious affordability problem with negative implications for the local Norwich economy.

Median Income for Various Areas 2000 - 2010						
Year	Norwich	New London County	Hartford County	CT	US	
2000	\$16,245	\$50,646	\$50,756	\$53,935	\$41,994	
2005	\$56,851	\$76,734	\$77,680	\$80,906	\$60,374	
2010	\$52,075	\$65,958	\$61,871	\$67,067	\$51,222	

## Accessing Information About Fair Housing

The city’s 1996 *Analysis of Impediments to Fair Housing Choice* reported that there was “no definitive contact within Norwich for fair housing complaint intake and assistance.”

However, a reduction in staffing at the municipal and state level has created a barrier for citizens trying to learn whom to contact if they feel rights have been violated.

The City’s building department also works with housing related issues, but not specifically violations to fair housing. The duties have recently shifted to the Community Development Department, which will work to create a more comprehensive strategy for referring and monitoring concerns. Unfortunately, staffing is also limited in this office and enforcement actions will be relegated to the state agency most appropriate for actions. The Community Development Department, acting as the Fair Housing Officer, will work with Connecticut Fair Housing Center in Hartford to begin local real estate property testing for discrimination.

## Chapter 5

# Impediments and Possible Solutions

## Private Sector Impediments

The most substantial impediments to fair housing choice in Norwich emanate from the private sector. It is likely that real estate practices — not unique to the Norwich area — have led to the distortions in the housing market that have depressed the numbers of African Americans and Hispanics among Norwich’s population within specific Census tracts.

Yet there is much that Norwich can do to help correct these distortions in the housing market as suggested by the recommendations below.

The leadership of Norwich’s elected officials is crucial to overcoming the identified impediments to fair housing choice. This is a time for positive, constructive leadership committed to achieving these goals.

These private sector impediments are very interrelated as are many of the solutions. Together these recommendations offer a fairly comprehensive approach to countering the distortions in the private sector housing market that have resulted in restricted fair housing choice for African Americans and Hispanics.<sup>5</sup>

### Prevention: Nipping Impediments in the Bud

**Impediment #1:** Both rental and ownership real estate practices that direct minorities only to integrated neighborhoods and predominantly minority neighborhoods, and that direct whites only to virtually all-white neighborhoods constitute one of the most substantial impediments to assuring that people of all races and ethnicities enjoy the full range of housing choices envisioned by the Fair Housing Act and Community Development Block Grant Program. As discussed in Chapter 3 and above, the proportion of African-American and Hispanic people living in Norwich is a reasonable mix based on a free housing market where only income determined who lives in Norwich *with* the city’s actual mix of housing types and prices. It is essential to note, however, that several areas of Norwich are developing substantial concentrations of minority residents. Historically these phenomena result from distortions in the housing market caused by discriminatory practices. It is difficult to determine within these tracts if it is a result of steering or discrimination versus the access to transportation, proximity to employment or even closeness to friends and family. If it is the former, it is vital that Norwich be proactive to identify and curtail these practices before they can lead to increased socioeconomic segregation.

**Recommended Action #1:** Proactively conduct testing of sale and rental properties to identify such practices as racial steering and other violations of the Fair Housing Act at an early stage. Norwich should contract with an organization experienced in fair housing testing to conduct periodic testing of real estate agents, developers, landlords, and apartment managers to identify racial and ethnic steering within Norwich and steering of minorities away from Norwich housing. Such testing should include controlled samples that are large enough to provide statistically significant results and findings.

**Impediment #2** Real estate practices such as steering impose a major barrier to ensuring that people of all races consider the full range of housing choices they can afford. Such impediments to fair housing choice can quickly change the racial/ethnic make up of a neighborhood. While it is hard to imagine that any real estate broker or apartment manager is unaware of fair housing laws, the disparity between Norwich’s actual racial/ethnic composition and its composition if only income determined who lives in Norwich, strongly suggests that practices like steering may be more common than one might expect.

**Recommendation Action #2** More intensive training of real estate professionals is needed to discourage steering based on race, ethnicity, familial status, or disability, the four primary bases of fair housing complaints. Realtors typically engage in a mandatory periodic training programs for all real estate professionals practicing in Norwich that candidly examines fair housing issues, illegal practices, and proper practices to make them more sensitive to fair housing issues and less likely to engage in illegal practices. It is obvious from the visits with real estate offices that this training has been beneficial. Ideally, the education level of the consumer needs to also be raised. This should include educating property owners who rent and educating tenants city-wide.

## Expanding Housing Choices

**Impediment #3** Given how much the racial and ethnic composition of Norwich’s actual population differs from what it would be if only income determined who buys and rents in Norwich, there is a need to expand the housing choices of minorities, especially African Americans and Hispanics of all income levels in Norwich. They need to be aware of ownership and rental opportunities in neighborhoods besides those that have a substantial proportion of minority residents. With some Norwich neighborhoods showing early signs of potential for developing into racially- or ethnically-identifiable areas, it is crucial to make sure that members of these minority groups know about the full range of housing choices available to them and feel welcome in all areas of Norwich.

**Recommendation #3** Norwich should require “affirmative marketing” of all new residential developments and buildings in order to receive a building permit, zoning, or subdivision approval. The underlying concept is to make home seekers aware of the full array of housing choices available to them. For the developer, affirmative marketing means taking special steps to promote traffic from particular racial or ethnic groups that are otherwise unlikely to compete for their housing. These steps can include:

## Chapter 5: Impediments and Possible Solutions

**3-A** Advertising targeted to the racial or ethnic groups that have not been competing for the housing in addition to normal marketing methods

**3-B** Using press releases, photographs, promotions, and public service announcements to dispel stereotypes and myths concerning multi-racial living patterns

**3-C** Training and educating all personnel participating in real estate sales and rentals and in marketing in affirmative marketing techniques and the facts about multi-racial living

**3-D** Collecting occupancy data and data on who looks at units — accurate racial data is vital for achieving and preserving racial diversity

**3-E** Using public relations to place newspaper and television features that focus on individuals and groups that represent racial diversity

**3-F** Educating residents about racially/ethnically-diverse living.

**Impediment #4** Early signs of minority concentrations pose an impediment to fair housing choice in Norwich. When parts of a city become racially-identifiable some real estate professionals have been known to steer minorities to areas perceived as minority or integrated neighborhoods and to direct them away from predominantly white areas of a town. They have also been known to direct Caucasians away from integrated and predominantly minority neighborhoods and to predominantly white neighborhoods. This practice is a major cause of resegregation — if whites are steered away from integrated neighborhoods, then only minorities will be moving in and the neighborhood will inevitably re-segregate. The key to maintaining racially-diverse neighborhoods is to maintain demand for housing from all races and ethnic groups.

There is a need to keep track of racial composition between decennial censuses to nip in the bud any steering or other discriminatory practices before trends toward re-segregation advance and become irreversible.

**Recommendation #4** Norwich should establish methods to gather data on the race/ethnicity of people moving to, out of, and within Norwich. By maintaining accurate information on housing questions, a city can quickly respond to rumors and half truths that inevitably are spread about a community's integrated housing such as the Norwich census tracts that have substantial minority populations. Equally important, no municipality can determine what strategies it should employ unless it has an up-to-date racial/ethnic profile of all neighborhoods and blocks so it can identify emerging trends that may reflect illegal activities and threaten the ability to maintain multi-racial/ethnic demand for housing. Data that show rapid racial/ethnic change can alert city officials to possible illegal real estate practices is needed. Proven tools the city may wish to use include several that make use of information that apartment managers and real estate firms already gather:

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**4-A** The city should establish a partnership with school (which could focus on Adult Education/ESL) to adopt a joint policy of affirmatively promoting stable, racially and ethnically integrated/diverse neighborhoods.

**4-B** Requiring managers of rental properties to submit a monthly or quarterly report that identifies the race/ethnicity of home seekers and the addresses of the apartments they were shown and the address of the apartment they ultimately rented (if known). A record of the name, address, and phone number of each prospect must be maintained and provided to the city upon request. At a minimum this should be required of managers of properties receiving financial assistance from city or state government.

**4-C** Testing is another tool that can help alert the city to illegal real estate practices like steering that distort the housing market and lead to the development of minority concentrations, exclusively white neighborhoods, and the potential for resegregation. Recommendations regarding testing appear on page 66.

**Impediment #5** Fair housing survey complaints strongly suggest that the practices of some managers have established barriers to fair housing choice, especially for households with disabilities. The refusal to make reasonable accommodations for people with disabilities by allowing some modification to enable them to enjoy their property or common areas like anybody else places a substantial barrier to fair housing choice.

**Recommendation #5** Norwich should contract with an organization well-versed in fair housing law to conduct periodic workshops for property owners and condo association officers and their management firms to make them fully aware of the type of modifications to dwelling units and common areas as well as other reasonable accommodations needed to meet the mandates of the fair housing laws of Norwich, the State of Connecticut, and the nation.

### Mortgage Lending

**Impediment #6** When it comes to home loan lending practices, it would appear that little has changed in the region. African Americans, Asians and Hispanics continue to be denied home mortgage loans at substantially greater rates than Caucasians. In addition, access to HMDA like data at the Census tract or specific City wide level is not available.

**Recommendation #6** Based on disparity in loan denial rates, it would appear there is a need to provide members of minority groups, especially Hispanics and Asians, with financial counseling to better prepare applicants *before* they submit a mortgage loan application. Such counseling should include educating potential home buyers to recognize what they can actually afford to purchase, preventing the use of subprime mortgages and predatory loans that have produced the current nationwide wave of foreclosures, credit, budgeting monthly ownership costs, building a reserve fund for normal and emergency repairs, recognizing racial steering by real estate agents, and encouraging consideration of the full range of housing choices available. The city could contract with an organization such as Connecticut Housing Finance Authority or local financial institutions to provide this service and arrange with real estate firms and other lenders serving Norwich to identify applicants who are likely to benefit from such counseling. While this impediment is not unique to Norwich, in the absence of an effective statewide or national effort to overcome it, local action is warranted.

Lastly, the city should work with local lenders to collect more sufficient and up-to-date data on HMDA like concerns. This will allow the city to be proactive in the event a perceived discriminatory act is actual.

## Public Sector Impediments

### Building a Climate To Overcome Private Sector Impediments

**Impediment #7** As many of the recommendations for overcoming the private sector impediments suggest, they cannot be mitigated without a solid commitment from the City of Norwich. It will take a public-private partnership to enable Norwich to maintain a free market in housing.

**Recommendation #7** The City of Norwich needs to expressly embrace the concept of a stable, racially and ethnically-integrated community. City officials might want to consider using Fair Housing Month to establish a community dialogue on the need to fully expand housing choices and to learn how other communities have accomplished this goal. They should consider establishing an on-going public education effort to help citizens learn the facts on these issues including that stable, racially and ethnically-diverse neighborhoods increase property values and better prepare their children for the racially and ethnically-diverse workplaces in which they will be employed.

### Assistance on Fair Housing Complaints

**Impediment #8** “Who do you call?” remains the question for anybody who thinks they’ve been victimized by fair housing discrimination in Norwich. It’s a substantial barrier to fair housing choice when somebody who thinks she may have been discriminated against is not immediately referred to the proper fair housing person by the first person to whom she speaks at City Hall.

**Recommendation # 8** Norwich should make it very easy for people who think they may have been victimized by housing discrimination to get assistance. The city should train key staff (including everybody who might answer the phone at the police department) to refer callers about fair housing to the designated staff person in City Hall. The designated individual should be well-versed in fair housing law and practices. At least one backup individual should be assigned to field calls for when the designated individual is not available.

Information about fair housing violations and remedies should be easy to find on the city’s website as discussed below. The proper number to call for assistance with fair housing should be listed on the “Who Do I Call?” web page under a clear heading like “Fair Housing Complaints.” However, the city should not rely heavily on the Internet because many of those who face housing discrimination may not have ready access to the Internet, be very skilled on the Internet, or read English well enough to use the city’s website effectively. Also see the recommendation immediately below.

## **Conclusion**

Norwich has reached a crossroads that nearly every growing city in major urban areas faces. One road follows an “it can’t happen here” attitude that may allow discriminatory real estate practices that segregate neighborhoods to occur or distort the free housing market. The other path affirmatively advances fair housing choice by proactively seeking to restore a free market in housing. The recommendations proposed in this report to identify and curtail the discriminatory practices that distort the free housing market and lead to segregated neighborhoods can help Norwich walk along the latter path and prevent the sort of residential segregation that plagues so many other larger cities from getting a foothold in Norwich.

It’s a choice between going down the road that far too many cities have followed or continuing along the path of affirmatively advancing fair housing choice that Norwich has historically maintained. By working to overcome these enumerated impediments, whether real or perceived, will help make Norwich’s choice clear.