

METHODOLOGY

The information contained in this *Analysis of Impediments to Fair Housing Choice* focuses on policies, procedures, and practices within the jurisdiction that affect the location, availability and accessibility of housing, the current residential patterns, and other conditions related to fair housing choice. Impediments to fair housing include actions, omissions, and decisions. In consideration of possible impediments, information was gathered from many different sources including:

Neighborhood, Judiciary, and Agency Surveys

- *Neighborhood surveys* –3,358 surveys were distributed around the county. In addition, the surveys were placed on the Greenville County Human Relations website.
- *Survey of professionals in the community* – Qualitative surveys were taken by property managers and owners, agency and non-profit organization workers, judiciary members, and lenders.

Communication with Community Members

- *Communication with people seeking fair housing* – Clients of the Greenville County Human Relations Commission and attendants to the Affordable Housing Fair and Key Program homebuyers education classes.
- *Interaction and interviews with leaders, non-profit organizations, and others* – One on one interviews were held with individuals active in the housing industry.

Review of Existing Data

- *Review of Home Mortgage Disclosure Act data* – Compilation and analysis of data from the Federal Financial Institutions Examination Council for Greenville County.
- *Review of public documents* – Including documents from the City of Greenville, the County of Greenville, the Appalachian Council of Governments, the U.S. Census Bureau, and the South Carolina Office of Research and Statistics.

FAIR HOUSING

Numerous acts, laws, and presidential executive orders have been enacted in order to create fair housing opportunities throughout the US. The following information concerning the legislation can be found on the website for the US Department of Housing and Urban Development (HUD) (<http://www.hud.gov/offices/fheo/FHLaws/index.ctm>). Some of the legislation in the section below do not directly address fair housing, but are included because they promote the prevention and termination of discrimination which is related to fair housing law.

Legislation Pertaining to Fair Housing

The following legislation pertaining to fair housing, unless otherwise noted, can be found on the official HUD website (<http://www.hud.gov>).

Presidential Executive Order 11063

John F. Kennedy in 1963 began the legislation for fair housing by issuing presidential executive order 11063. The terms of the order stated that “discrimination in the sale, leasing, rental, or other disposition of properties and facilities” is prohibited if the properties or facilities are owned, operated, or funded by the government.

Civil Rights Act

In 1964 the Civil Rights Act was introduced. According to Title VI of the act, “discrimination on the basis of race, color, or national origin” is prohibited in programs and activities receiving federal financial assistance.

Presidential Executive Order 11246

Lyndon B. Johnson in 1965 issued executive order 11246. According to this amended presidential order, discrimination based on race, color, religion, sex, or national origin was forbidden in federal employment.

Fair Housing Act

The federal Fair Housing Act of 1968, which is Title VIII of the Civil Rights Act, prohibits discrimination or other unfair actions against persons, which “otherwise make unavailable or deny a dwelling to any person because of race, color, religion, sex, familial status, or national origin.” The act prohibits both intentional housing discrimination—disparate treatment—and action or policies that may not seem to discriminate but do have a negative effect on fair housing choice—disparate impact. The federal Fair Housing Act

provides for a broad range of sanctions and remedies to cure existing and prevent future violations.

Architectural Barriers Act

In 1968 the Architectural Barriers Act was enacted to increase accessibility for handicapped individuals. The act “requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds [...] must be accessible to and useable by handicapped persons.”

Education Amendments Act

Title IX of the Education Amendment Act of 1972 prohibits discrimination on the basis of sex. This applies to federally-funded education programs or activities.

SC Human Affairs Law

In 1972 the South Carolina Human Affairs Law was created to in order to establish the Human Affairs Commission. The purpose of the law is to “promote harmony and the improvement of human affairs in South Carolina and to allow for maximum development of the State economically, educationally, and socially [...and] to promote better community relations and interracial harmony.” Further, the commission must study problems associated with the law and prevent discrimination (http://www.state.sc.us/schac/history_and_purpose.htm).

Rehabilitation Act

A provision of the federal Fair Housing Act, which was borrowed from the U.S. Department of Housing and Urban Development, administered the Rehabilitation Act of 1973. Section 504 the act prohibits a “refusal to make accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford them [the handicapped person] equal opportunity to use and enjoy a dwelling [...] including public and common use areas.” This act reaches nearly all public activities that can adversely affect housing for handicapped people and is not limited to federally funded projects.

Housing and Community Development Act

Section 109 of Title I of the Housing and Community Development Act of 1974 was created in order to protect against discrimination when HUD funds are involved. That is, “programs and activities receiving financial assistance

from HUD's Community Development and Black Grant Program cannot discriminate based on race, color, national origin, sex, or religion.

Home Mortgage Disclosure Act

The Home Mortgage Disclosure Act (HMDA), which was passed by Congress in 1975, was created in order to make loan information publicly available. That is, HMDA offers information to the community that can help determine how financial institutions are responding to the housing needs in their respective communities. HMDA also assists public officials in attracting private investors. Additionally, the act aids in identifying discriminatory lending practices (<http://www.ffiec.gov/hmda/history.htm>).

HMDA requires the disclosure of information from banks, savings associations, credit unions, and other mortgage lending institutions. The required information includes the distribution of home mortgage and home improvement lending on a geographic and demographic basis such as the distribution of mortgage loans to minorities. More specifically, reporting requirements include data on the number, type, and amount of loans as well as the type of action taken—applications approved but not accepted, applications denied, applications withdrawn, or files closed as incomplete (<http://www.ffiec.gov/hmda/history.htm>).

Age Discrimination Act

The Education Amendment Act of 1975 prohibits discrimination on the basis of age. This applies to federally-funded programs or activities.

Community Reinvestment Act

According to the U.S. Environmental Protection Agency, lenders, developers and property owners are concerned about the cost and liabilities of cleaning up and refinancing low-to-moderate income urban neighborhoods – leading them to develop in other areas that are perceived as less risky. The Community Reinvestment Act (CRA) was enacted by Congress in 1977, to “require banks, thrifts, and other lenders to make capital available in low- and moderate-income urban neighborhoods, thereby boosting the nation’s efforts to stabilize these declining areas” (<http://www.epa.gov/brownfields/html-doc/cra.htm>).

The CRA applies to: federally insured depository institutions, national banks, thrifts, and state-chartered commercial and savings banks (<http://www.occ.treas.gov/crainfo.htm>). It works to prevent redlining – the discrimination by refusing to grant loans, mortgages or insurance to people in

an area, particularly ones deemed poor or “financial risks” (www.dictionary.com/redlining).

In May 1995, the Office of the Comptroller of the Currency revised the CRA to allow lenders to claim community development loan credits for loans “made to help finance the environmental cleanup or redevelopment of an industrial site when it is part of an effort to revitalize the low- and moderate-income community in which the site is located” (<http://www.epa.gov/brownfields/html-doc/cra.htm>). This revision was intended to encourage economic activity in inner-city neighborhoods through financing and property redevelopment.

The CRA requires that each insured bank’s record in helping meet the credit needs of its entire community be evaluated periodically (<http://www.ffiec.gov/cra/history.htm>). There are several organizations that work to promote and ensure the credibility and compliance of all lenders subject to the CRA: Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRS), Federal Deposit Insurance Corporation (FDIC), and Office of Thrift Supervision (OTS) (<http://www.ots.treas.gov/craexpl.html>). The following institutions are required to report data under the CRA:

- All savings associations except small institutions (those with total assets equaling less than \$1 billion in the past 2 years) regulated by the OTS
- All state member banks, state nonmember banks, and national banks except small institutions (those with total assets less than \$250 million in the past 2 years) regulated by the FRS, FDIC, and OCC.

According to an article posted on the NeighborWorks e-newsletter (<http://www.nw.org/network/pubs/alert/August05Alert.asp>), as of July 19, 2005, intermediate and small banks (those with total assets valuing between \$250 million and \$1 billion) will face 2 new forms of testing: the small bank lending test and the new community development test. As noted in this posting, “the community development test will focus on a financial institution’s lending, and not related investments and services...the new rule will also revise the meaning of community development to include affordable housing in underserved rural areas and designated disaster areas.”

Amendment of the Federal Fair Housing Act

In 1988 the federal Fair Housing Act was amended to include handicapped persons as among those protected; those with one or more handicaps are discriminated against when there is a failure to make reasonable

modifications to residential premises which may be necessary to enable a handicapped person “full enjoyment of the premises.”

SC Fair Housing Law

The South Carolina Fair Housing Law was enacted in 1989 to, like the federal Fair Housing Law, prevent sellers and renters from discriminating or refusing to sell or rent on the basis of race, color, religion, sex, familial status, national origin, or handicapping condition. This law gave jurisdiction to the Human Affairs Commission. That is, the commission has the power to “investigate all fair housing complaints in the State” (http://www.state.sc.us/schac/history_and_purpose.htm).

Americans with Disabilities Act

Title II of the Americans with Disabilities Act of 1990 prevents discrimination against disabled persons. More specifically, public programs, services, and activities cannot discriminate based on disabilities. Further, “HUD enforces Title II when it relates to state and local public housing, housing assistance, and housing referrals.”

Equal Enjoyment and Privileges to Public Accommodations Act

The Equal Enjoyment and Privileges to Public Accommodations Act was enacted by the South Carolina State General Assembly in 1990. This act states that “all persons shall be entitled to the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodations without discrimination or segregation on the basis of race, color, religion, or national origin” (http://www.state.sc.us/schac/history_and_purpose.htm).

Presidential Executive Order 12892

In 1994 William J. Clinton issued his first presidential executive order that pertains to fair housing. The amended executive order 12892 “requires federal agencies to affirmatively further fair housing in their programs and activities.”

Presidential Executive Order 12898

In 1994 Clinton issued his next presidential executive order pertaining to fair housing. According to executive order 12898, federal agencies must conduct programs, policies, and activities, which have an impact on the environment and individuals’ health, in way that does not exclude anyone based on race, color, or national origin.

The Quality Housing and Work Responsibility Act

The Quality Housing and Work Responsibility Act (QHWRA) signed by President Clinton in 1998 applies to public housing and public housing voucher programs. Its purpose ranges from “reducing the concentration of poverty in public housing,” to creating opportunities and incentives for public housing residents to find work, to rehabilitating public housing units through the establishment of the HOPE IV program.

Presidential Executive Order 13166

Clinton in 2000 issued his final presidential executive order that pertains to fair housing. Executive order 13166 strives to eliminate the barrier caused by poor English proficiency that would deny benefits from federally-funded programs and activities.

Presidential Executive Order 13217

In 2001 George W. Bush issued the most current executive order linked to fair housing promotion. His executive order 13217 requires federal agencies to examine their policies and programs in order to find way to improve availability of “community-based living arrangements for persons with disabilities.”

Promoting Fair Housing and Fair Lending

U.S. Department of Housing and Urban Development

In 1965, the Department of Housing and Urban Development Act created the Department of Housing and Urban Development (HUD) as a Cabinet-level agency. The Civil Rights Act of 1968 made most types of housing discrimination illegal, and gave HUD “enforcement responsibility” when dealing with fair housing practices. The official website for HUD states that the department’s primary purpose is to “promote non-discrimination and ensure fair and equal housing opportunities for all.” HUD’s main responsibilities involve “implement[ing] and enforce[ing] a wide array of civil rights laws, not only for members of the public in search of fair housing, but for HUD funded grant recipients as well,” and are enforced by a group of legislation known as the Civil Rights Related Program Requirements, or CRRPRs (<http://www.hud.gov>).

HUD-funded grant recipients are obligated by law not to discriminate “in housing or services directly or indirectly on the basis of race, color, religion, sex, national origin, age, familial status, or disability.” According to the FHA, the Secretary of Housing and Urban Development “shall administer

programs and activities relating to housing and urban development in a manner that affirmatively furthers the policies outlined” within sections of the Act. Some examples of these programs and activities include but are not limited to offering counseling programs, establishing fair housing enforcement organizations in areas of need, working with housing providers, and encouraging banks and lenders to use more non-traditional credit evaluation methods.

The amended Housing and Community Development Act of 1974 is the primary law for the Community Development Block Grant (CDBG) Program. Under this act, every grant recipient is responsible for assuring HUD that the grant will be carried out in a manner that affirmatively furthers fair housing. CDBG recipients are required to:

1. “Examine and attempt to alleviate housing discrimination within their jurisdiction
2. Promote fair housing choice for all persons
3. Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin
4. Promote housing that is accessible to and usable by persons with disabilities
5. Comply with the non-discrimination requirements of the Fair Housing Act” (<http://www.hud.gov>).

HUD’s Super Notice of Funding Availability (SuperNOFA) provides funds to reinforce that HUD and grantees work towards furthering fair housing and decreasing housing discrimination.

HUD and Fair Lending

Fair lending plays a major role in fair housing. The FHA states that it is unlawful to discriminate in the following ways based on race, color, national origin, religion, sex, familial status, or disability:

- “Refuse to make a mortgage loan
- Refuse to provide information regarding loans
- Impose different terms of conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising properties
- Refuse a loan or set different terms of conditions for purchasing a loan” (<http://www.hud.gov>).

HUD investigates claims of lending discrimination at not charge. “HUD has [also] conducted a number of studies to determine whether minority homebuyers receive the same treatment and information as whites during the mortgage lending process.” HUD also addresses such issues such as subprime lending, predatory lending, and minority homeownership are also address (<http://www.hud.gov>).

FAIR HOUSING AGENCIES AND ACTIVITIES

Fair housing is an issue that is still being proactively addressed in the City of Greenville and throughout Greenville County as a whole. Many agencies work hand-in-hand partnering with each other and supported by private and federal funding to provide a variety of housing services to the community. These services range from landlord-tenant mediation and housing discrimination reporting to credit counseling and homebuyer's education to offering rent assistance or low-income housing. The following is a list of agencies dedicated to helping county residents and the services and programs they provide. To better understand what these organizations and agencies provide, they have been grouped into the following categories: those who own affordable housing units, those who own affordable housing units and also refer clients to other agencies, those who handle cases and refer to other agencies, as well as those who provide emergency housing assistance and referrals to other agencies.

Own Housing Units:

1. Greenville County Redevelopment Authority – A local organization that works to rebuild and renovate low-to-moderate income housing in Greenville County, offering affordable housing options to residents in those communities.
2. Greenville Housing Authority – A local organization that owns and operates the public housing projects within the City of Greenville as well as administers the Section 8 Program in Greenville County.
3. Greer Housing Authority - A local organization that owns and operates the public housing projects within the City of Greenville as well as administers the Section 8 Program in the City of Greer.
4. Greenville Habitat for Humanity – A local organization that incorporates potential home owners into the building and rehabilitation of low-income housing. Also sells housing to low-income residents.
5. Neighborhood Housing Corporation of Greenville – A local organization that sells affordable/low-cost homes to eligible low-income residents and families who have gone through the credit counseling process.
6. Greenville Housing Future, Inc. – A local organization that develops affordable housing in specific neighborhoods within the City of Greenville for low-to-moderate income families.
7. Mental Health Association of Greenville County Housing Corporation, Inc. – A private, non-profit organization that develops and leases supportive housing for persons suffering from and have been hospitalized for mental illnesses.

Own Housing Units & Refer Clients to Other Agencies:

8. Upstate Homeless Coalition – A local organization that owns and runs a transitional housing program for the chronically homeless, while also offering assistance and referrals to other service providers.
9. The Urban League of the Upstate – A local organization that offers credit and housing counseling to individuals and families. Provides affordable housing programs, including assisting clients to improve their credit history, developing payment plans for overdue bills and learning about the aspects involved in purchasing a home for the first time. Also provides HECM counseling for seniors.
10. Homes of Hope – A local organization that builds and rehabilitates homes for low-income families. Also provides mentoring and educational programs for addicts.
11. Sunbelt Human Advancement Resource (SHARE) – A local organization that provides a variety of services to the low-to-moderate income population. Services range from pre- and post-purchase counseling to low-income families to emergency utility and rent assistance.

Refers Clients to Other Agencies:

12. City of Greenville Office of Community Development – A local department of the City that plans and develops low-to-moderate income housing, and works to provide families with low-interest financing for homeownership. Also encourages positive community programs and job training.
13. Greenville County Human Relations Commission – A local organization that provides pre- and post-purchase counseling, mortgage default/foreclosure counseling, mediates landlord/tenant disputes, receives and investigates fair housing complaints, maintains database of affordable housing resources, and conducts community education workshops and fairs. Also provides first-time homebuyers education classes to qualified clients.
14. Nehemiah Corporation – A local organization that participates in the planning and development of supportive and affordable housing for residents with special needs.
15. Legal Services of Western Carolina – “An organization which offers free or reduced rate legal advice to low to moderate income individuals, including landlord/tenant issues, leases and contracts and recovery from bad debts (AI Report 2001)”.

Provides Emergency Assistance & Refers to Other Agencies:

16. United Ministries – A local organization that provides a Place of Hope, giving homeless people a refuge and place to get back on their, emergency assistance, employment training and adult education.
17. Greer Relief – A local organization that provides a food pantry for short-term, emergency food products, partial rental assistance for clients facing eviction, partial utilities and prescription medications assistance, as well as short-term case management, counseling and referrals to other agencies.
18. AID Upstate – A local organization that provides services such as housing assistance, nutritional and pharmaceutical needs, food and transportation for clients with HIV/AIDS. This organization also acts as advocates for their clients, and works to educate the public on the threat of HIV/AIDS as well as offering free HIV testing.

In addition to all of the agencies above, there are 23 privately-owned subsidized housing programs within the county, offering subsidized housing based on income or tax credit. As the number of residents seeking this service increases, these programs will continue to grow in numbers.

PREVIOUS IMPEDIMENTS

Several impediments to fair and affordable housing in Greenville County were identified in the previous Analysis of Impediments to Fair Housing Choice submitted in 2001. These impediments can be grouped accordingly:

- **Education**
 - Lack of education in the general public regarding personal finances, home-buying, etc.
 - Lack of formal education, income, and/or transportation
 - Lack of employment opportunities in low-to-moderate income areas
- **Discrimination of those in the protected classes**
 - Senior citizens often fall prey to predatory lending
 - NIMBYism (not in my backyard)
 - Immigrants and language barriers
 - Segregated housing patterns
 - Minority fears and concerns
- **Housing Barriers**
 - Lack of access to safety/healthier options in affordable neighborhoods
 - Lack of affordable, quality home options in the available housing stock
 - Lack of disability-friendly housing available
 - Lack of housing providing essential amenities and safe/healthy living situations
 - High development costs and problems with developers
 - High property taxes
- **Community/Municipal Impediments**
 - Lack of program/outreach funding
 - Lack of fair housing review board

The impediments identified in the 2001 study are as follows:

1. “The general public (especially low-income and/or minority individuals) are not well-educated in many issues of personal economics, including an understanding of credit and debt, their rights and responsibilities as renters, how to obtain a loan, budgeting their pay check and accessing public assistance programs.
2. Members of protected classes report that they are discriminated against when seeking safe, decent and affordable housing.

3. Neighborhoods where housing is affordable often do not include fair access to infrastructure, including sidewalks, streets free of debris, police patrols, commercial centers and public transportation.
4. Low-income, less-educated, minority and/or senior citizens fall victim to subprime and predatory lenders who rob their homes of equity and often cause foreclosure and homelessness.
5. Immigrants to Greenville County often face many cultural and language barriers – including prejudices – when attempting to obtain human and social services from local government and when attempting to obtain housing. Hispanics are especially taken advantage of by landlords who use residents’ poor understanding of language to extort high deposits and penalties.
6. Residents often pay much more than they can afford for safe and decent housing. Due to low educational attainment, disability or age, protected classes often cannot obtain a job that will pay a wage that will allow for better housing. Some protected class members cannot use public transportation because it does not operate on routes or at times that are conducive to working moderate-salaried jobs.
7. The number, quality, affordability and accessibility of the housing stock in Greenville County does not meet the needs of residents – especially large and extended families, special needs individuals and low-income, minority, disabled and/or seniors in substandard housing.
8. There is a lack of funding to fair housing education and outreach programs in all parts of Greenville County.
9. The lack of affordable housing stock for people with disabilities and the inability of people with disabilities to financially afford to make accessibility/visitability improvements to owner or renter-occupied housing.
10. A disproportionate number of persons receiving public housing assistance are minority, which contributes to segregated housing patterns. Since 18.3 percent of the Greenville County population is African American, the percentage of public housing occupants should be about the same. However, the percentage is approximately 93 percent African American.

11. Some people are resistant when minorities, low-income and/or special needs persons first move into predominantly white and/or higher income areas. This “not in my backyard” (NIMBY) attitude can be seen in this area recently when some traditionally middle class apartment complexes began to accept Section 8 certificates.
12. Individuals and families seeking fair housing are not always given every affordable option. African Americans, for example, are often “steered” toward traditionally African American neighborhoods instead of toward the full spectrum of housing they can afford.
13. Minorities/those of low-incomes often have apprehensions about moving beyond their minority community and into more traditionally white or middle-income areas. These fears, whether real or imagined, often keep them from otherwise safe, decent and affordable housing.
14. Many owner-occupied and renter-occupied units are not properly weatherized, are not energy efficient and do not have a safe and decent heating source. While making these changes would mean long-term savings, many homeowners do not have the funds to make these renderings. Also, making these changes is beyond the means of most renters. Owners of rental property state that it would be necessary to greatly increase the monthly rent if renderings were made – thus decreasing the affordability.
15. Some affordable housing opportunities in traditionally white or middle-to-high income areas are never made available to the larger population.
16. Lead paint in housing units creates an access barrier to low-income/minority individuals and families. The cost for abatement is oftentimes beyond the means of owners/renters.
17. No multi-discipline fair housing review board exists to examine the wide range of fair housing activity in Greenville County.
18. The cost associated with developing affordable housing is often high due to delays in the permit approval process.
19. The reluctance/inability of developers to invest in urbanized low-income/minority areas (due to costs of demolition and clean up of decaying, unsalvageable structures, regulatory barriers, environmental protection concerns, acquisition costs) severely limits the affordable housing opportunities.

20. Urban areas have some of the highest property taxes, which causes many low-income owner-occupied households to become tax-delinquent and sometimes lose their homes to foreclosure.

21. Those who live in minority or low-to-moderate income areas find it difficult to obtain gainful employment and conduct business in their own community.”

Source: (Greenville County Human Relations Commission’s *Analysis of Impediments to Fair Housing Choice*, 2001)

OTHER IMPEDIMENTS

Other impediments and their effects on residents exist that should be addressed in more detail.

Predatory Lending

Many factors may keep an individual from obtaining fair and affordable housing. According to an educational Predatory Lending Pamphlet (John Merrill, University of Wisconsin) provided by the HRC, when “lenders or mortgage brokers take advantage of consumers, who want to buy a house, refinance or get a home-equity loan.” Predatory lenders will often target their victims, and many people may not be aware that they have been victims of abusive lending practices. The pamphlet states that people may become a target if they:

- Have a large percentage of equity in their home.
- Have trouble qualifying for conventional loans.
- Are elderly homeowners with equity and fixed incomes.
- Have large credit card or other debt that could be consolidated.
- Live in areas targeted by home repair contractors or mortgage brokers.
- Are low income.
- Are racial minority borrowers.
- Are female.
- Have experienced a recent death, divorce, or bankruptcy.

A predatory lender will typically offer high interest rates (above 10%), high fees, and closing costs. Further, the loan might have a balloon payment, inflated appraisal costs, fake broker fees, loans based on inflated property values, rushed closing, excessive late fees, and excessive prepayment penalties (Predatory Lending Pamphlet).

In June 2003, South Carolina Consumer Affairs passed the High Cost Loan Act, which went into effect January 2004. This act requires high cost lenders to mandate consumers go to counseling to fully understand the terms of the loan. According to Jessica Adamson, from the State Housing Finance and Development Authority, 200 people state-wide were counseled during 2004. In Greenville County, 21 people were counseled, making it one of the top 5 counties in the state for number of people counseled for high cost loans.

There is currently a new bill that United States Congress is proposing that would cover all states nationwide on predatory lending practices. While this may be positive for states that do not currently have laws regarding predatory lending, this news is not as beneficial for states that currently have

laws enacted. A new law from Congress would supersede any state legislation on the issue. Congress's bill is also less stringent than existing bills in South Carolina, North Carolina, and Georgia. There are two versions of the proposed bill that are being discussed currently. One of the bills, proposed by Representative Ney of Ohio and Kanjorski of Pennsylvania, includes several loopholes that would still allow for predatory lending practices:

- It does not include prepayment penalties or kickbacks to brokers.
- It fails to stop abusive loan flipping.
- It permits financing of fees in high-cost loans.
- It permits mandatory arbitration on loans not designated as "high cost."
- It fails to prevent abusive prepayment penalties.
- It would wipe out strong state laws, while weakening some protections in existing federal law.

The other bill, however, proposed by Representatives Miller and Watt of North Carolina and Frank of Massachusetts is more protective against predatory lending practices. The proposed bill is "based on North Carolina's existing anti-predatory lending law, passed in 1999, which has been proved to be effective in curbing bad lending while preserving credit for borrowers" (www.responsiblelending.org).

South Carolina enacted the "High Cost Mortgage and Consumer Home Act of 2003," which was modeled after the North Carolina law. The act took four years to set in place. Until 2004, "it was legal to repeatedly refinance a mortgage even if the loans were designed to generate fees for lenders without benefiting the homeowners." This practice is called flipping and is no longer allowed in South Carolina.

Foreclosure

From 2000 to 2004, the number of foreclosures in Greenville County more than tripled from 507 to 1,947 (Greenville County Human Relations Commission 2005 Annual Report). Home foreclosures can occur due to many reasons: losing a spouse/financial support from a spouse, increased medical bills, sudden unemployment, etc. All of these factors can eventually result in missing mortgage payments, which in turn, may result in the loss of the home. During the foreclosure process, the lender may take the home and place it on the market in order to have the loans repaid; the homeowner ultimately loses the home. Several things can be done to prevent foreclosure, however, often times it is too late. Getting legal advice, continually making house payments, and attempting to negotiate the restructuring of the loan

are just a few of the options that individuals in this type of situation are encouraged to use (www.nclc.org/initiatives/seniors_initiative/advforcl.shtml).

According to the HRC's updated website, "staff members have been trained and certified by HUD to counsel those considering HECM (reverse mortgages), those in danger of being foreclosed on (Loss Mitigation/Foreclosure Prevention), those considering high interest loans (High Cost Loans) and those that were taken advantage of through predatory lending."

Homelessness

According to the state's Blueprint to End Homelessness in South Carolina, "homelessness is a complex problem that is rooted in the persistent poverty and deep disparities in development and access to opportunity in SC." HUD defines "homeless" as: 1) "an individual who lacks a fixed, regular, and adequate nighttime residence; and 2) an individual who has a primary nighttime residence that is A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations; B) an institution that provides a temporary residence for individuals intended to be institutionalized; or C) a public or private place not designed for or ordinarily used as, a regular sleeping accommodation for humans" (Blueprint to End Homelessness in SC, 2004).

Homelessness can be a direct result of a lack of affordable housing units available. In March of 2003, the American Planning Association (APA) developed a Policy Guide on Homelessness. According to APA Policy Guide on Homelessness (2003), "before 1980 the United States did not experience widespread homelessness. Tonight, approximately 800,000 people will be homeless [...and] over the course of a year between 2.3 million and 3.5 million people will experience homelessness." The APA Policy Guide attributes several factors to homelessness:

1. Escalating housing costs since the 1980's that have outstripped personal income growth.
2. Accelerated loss of affordable housing stock.
3. Declining rental assistance.
4. Decreased affordability and availability of family support services.
5. Deindustrialization of central cities.
6. Suburbanization and resulting concentration of urban poverty.
7. Neighborhood disinvestments.

Local government agencies, especially the planning departments, can aid in the reduction of homeless people in their communities. APA suggests that

planners can reduce “homelessness by determining local housing needs through their comprehensive plans, removing regulatory and legal barriers to the development of affordable and supportive housing, and fostering community support for permanent housing for the homeless” (APA Policy Guide).

In order to determine the correct route of action it is important to acknowledge the factors that contribute to homelessness. The APA Policy Guide also lists the main factors:

1. Poverty – People lack adequate incomes because of eroding work opportunities and declining income for lower-level workers along with decreasing welfare benefits and rental assistance funding.
2. Unemployment or underemployment - Even when people are employed, their salaries may not be adequate to afford decent housing or to allow accumulation of savings.
3. Lack of affordable housing - Low rent units are disappearing from the market; they have been abandoned, demolished, or converted into more expensive housing. Costs of new construction continue to escalate, while deep subsidies that provide direct rental assistance to the poor are declining.
4. Other factors - Domestic violence, lack of affordable health care, mental illness, and substance abuse can also contribute to the problem of homelessness.

The overall aim of this study is to identify impediments to fair and affordable housing. Frequently, development and zoning regulations enforce very strict requirements, such as “unrealistic parking requirements and unnecessary transportation impact fees,” which “may create financial burdens for developers of supportive housing” (Policy Guide). It is necessary to work closely with the local planners to create a comprehensive plan that allows for multi-family and affordable housing units.