IMMIGRATION AND HOUSING IN RURAL AMERICA
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EXECUTIVE SUMMARY

Over the past few decades, much has been reported about the marked increase in the immigrant population throughout the United States. (Pew Hispanic Center 2005a; Martin and Midgley 2003; U.S. Census Bureau 2003; Pitkin 2002). The number of people immigrating to this country has increased dramatically, from just over 3 million during the 1960s to nearly 10 million in the 1990s (Martin and Midgley 2003). According to the 2000 U.S. Census, 11 percent of the nation’s population is foreign-born (more than 31 million people) and this population is growing. The Current Population Survey (CPS) estimated that by March 2003, the foreign-born population had increased by 2.3 million to 33.5 million, accounting for nearly 12 percent of the nation’s total population (CPS 2003). While typical ports of entry such as Miami and Los Angeles continue to attract a significant portion of newly arriving immigrants, rural America is becoming the destination for an increasing number of immigrants.

Changes in the geographic distribution of the immigrant population over the past decade have been modest and spatially uneven; still, there has been a marked increase in the immigrant population in rural communities (Lichter and Johnson 2006). Across the country, many rural communities have experienced foreign-born population increases of 500 and even 1,000 percent.1 Traditionally, nonmetro areas tend to be more homogenous than urban areas, so the significant increase in the number of foreign-born persons in many rural communities has created the potential for cultural discord (HAC 2002). Furthermore, a number of characteristics common to rural America, such as concentrations of persistent poverty, substandard housing, and a decreased community capacity, make the absorption of a population surge difficult (HAC 2002).

This research examines rural immigration trends and assesses the impact of a growing rural foreign-born population on housing conditions in rural communities. The report provides an overview of foreign-born population change throughout rural America, as well as an analysis of the current housing conditions for foreign-born rural residents. Finally, this study provides profiles of counties in three states: one that had a large existing immigrant population before 1990 and continuing growth, one that has seen a gradual rise in its immigrant population, and one that has experienced a more recent surge in immigrant growth. These profiles will examine the immigrant population growth in these communities, the impact this growth has had on housing conditions, and how communities have responded to the housing needs of this growing population.

Findings

While cities continue to be the destination of choice for most immigrants, rural America is becoming home for an increasing number of foreign-born residents. With more than 1.4 million foreign-born persons residing in rural areas, understanding the trends related to the geographic dispersion of this population and their housing and community development needs is critical for local communities.

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1 The percent increases in the immigrant populations of many rural communities are particularly high due to the small initial immigrant populations of these communities. A county with only 20 immigrant residents can experience a 100 percent increase with the addition of only a few families.
Immigrant Growth in Rural Communities

Analysis of the 1990 and 2000 U.S. Census data reveal significant increases in the rural foreign-born population.

- Between 1990 and 2000, the immigrant population grew faster in nonmetro counties (76 percent growth) than in metro counties (58 percent). By 2000, more than 1.4 million foreign-born persons lived in rural America.

- While the number of new foreign-born residents may not be as sizable in rural areas as in urban areas, the growth of their population share in many rural communities has been tremendous. Many nonmetro counties have experienced foreign-born growth rates of more than 100 percent throughout the 1990s.

- Counties that had the highest percentages of foreign-born residents in 1990 maintained their top rankings in 2000; however, they were joined by a number of counties throughout the South and Midwest regions where immigrant populations have grown to between 4 and 21 percent of the total county populations. Many of the counties that have experienced tremendous growth in their immigrant populations are small rural areas that have traditionally had very limited or nonexistent immigrant population growth.

- Most of the rural foreign-born growth (66 percent) has occurred in counties that are adjacent to metropolitan areas; however, counties that are not adjacent to metro communities have reported significant growth as well.

- The dominant economic sector in the nonmetro counties experiencing the highest foreign-born population growth rates is manufacturing. This sector includes food processing plants, which have been linked to increases in the immigrant populations of several states.

Housing Needs of Rural Immigrants

The significant increase in rural America's foreign-born population has placed additional stress on an already strained infrastructure and limited housing stock. Analysis of 2005 American Housing Survey (AHS) data provides several insights into the specific housing needs of the rural immigrant population.

- Echoing the differences between rural and urban populations, rural immigrants have higher poverty rates, lower incomes, and higher homeownership rates than their urban counterparts.

- Among nonmetro residents, immigrants have a significantly lower homeownership rate (56 percent), have a greater cost burden rate (39 percent), and are more likely to live in crowded conditions (10 percent) than those who are native-born.
While nonmetro foreign-born households are more likely to use public water sources than their native-born counterparts, they are also more likely to be living without safe water for cooking and drinking.

While the U.S. immigrant population has been growing for decades, many rural communities have been somewhat surprised by the rapid and sizeable increase in their foreign-born populations. The profiles in this report reveal that these communities were often unprepared for such significant population growth, particularly with regard to their available housing stock and community services. Even in an established immigrant state like California, where one in four residents is foreign-born, counties have been overwhelmed by the ongoing population influx. The impacts on the foreign-born population and the communities in which they reside have varied.

**Housing Mismatch.** In Iowa, where growth in the foreign-born population is connected largely to the food processing industry, communities lack the variety of housing types needed by the incoming population. Immigrants tend to have larger households than the native-born population there, contributing to a marked increase in the region’s crowding rates. Much of the region’s current stock of units that could accommodate these larger families is occupied by aging residents who may no longer need the space, but who have nowhere else to go.

**Rapid Growth, Rapid Development.** Rural communities in North Carolina, the state with the fastest growing immigrant population, are reporting the same colonia conditions that have plagued the U.S.-Mexico border region for decades. The rapid influx of large numbers of recent immigrants has led to abusive practices that have left many new residents living in poor quality housing. These conditions, which include contracts-for-deed and settlements placed on plots of land with no water/sewer infrastructure and no access to state-maintained roads, are quickly becoming a problem for officials in the counties studied.

**Assimilation of Need.** In California, a state with a large and long-term foreign-born population, the housing needs of the foreign-born population are not specific to the immigrant population. In the California communities studied, issues of high land and housing costs, environmental law, and community resistance to both multifamily and low-income housing were the challenges to affordable housing most often cited by community planners and nonprofit housing developers as they attempted to provide housing to foreign-born residents.
INTRODUCTION

Over the past few decades, much has been reported about the marked increase in the immigrant population throughout the United States. (Pew Hispanic Center 2005a; Martin and Midgley 2003; U.S. Census Bureau 2003; Pitkin 2002). The number of people immigrating to this country has increased dramatically, from just over 3 million during the 1960s to nearly 10 million in the 1990s (Martin and Midgley 2003). According to the 2000 U.S. Census, 11 percent of the nation’s population is foreign-born (more than 31 million people) and this population is growing. The Current Population Survey (CPS) estimated that by March 2003, the foreign-born population had increased by 2.3 million to 33.5 million, accounting for nearly 12 percent of the nation’s total population (CPS 2003). While typical ports of entry such as Miami and Los Angeles continue to attract a significant portion of newly arriving immigrants, rural America is becoming the destination for an increasing number of immigrants.

Changes in the geographic distribution of the immigrant population over the past decade have been modest and spatially uneven; still, there has been a marked increase in the immigrant population in rural communities (Lichter and Johnson 2006). Across the country, many rural communities have experienced foreign-born population increases of 500 and even 1,000 percent. Traditionally, nonmetro areas tend to be more homogenous than urban areas, so the significant increase in the number of foreign-born persons in many rural communities has created the potential for cultural discord (HAC 2002). Furthermore, a number of characteristics common to rural America, such as concentrations of persistent poverty, substandard housing, and a decreased community capacity, make the absorption of a population surge difficult (HAC 2002).

This research examines rural immigration trends and assesses the impact of a growing rural foreign-born population on housing conditions in rural communities. The report provides an overview of foreign-born population change throughout rural America, as well as an analysis of the current housing conditions for foreign-born rural residents. Finally, this study provides profiles of counties in three states: one that had a large existing immigrant population before 1990 and continuing growth, one that has seen a gradual rise in its immigrant population, and one that has experienced a more recent surge in immigrant growth. These profiles will examine the immigrant population growth in these communities, the impact this growth has had on housing conditions, and how communities have responded to the housing needs of this growing population.

Defining the Immigrant Population

To examine rural immigration trends, this report relies on the foreign-born variable as defined by the U.S. Census, a commonly used proxy for immigrants. It must be noted, however, that this variable does not indicate the immigration status of foreign-born persons. Foreign-born persons

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2 The percent increases in the immigrant populations of many rural communities are particularly high due to the small existing immigrant populations of these communities. A county with only 20 immigrant residents can experience a 100 percent increase with the addition of only a few families.

3 Throughout this report, the terms “rural” and “nonmetropolitan” or “nonmetro” are used interchangeably and refer to places outside of metropolitan areas. For more information on the nonmetro definition, please see Appendix A.
are those living in the United States who were not U.S. citizens at birth. This includes persons who are naturalized American citizens, legal permanent residents (green card holders), illegal aliens, and people living in the United States on long-term temporary visas such as students or guest workers. It does not include those born abroad to American citizen parents (Camarota 2002).

Most population data collection instruments, including the Census, do not account for the large number of undocumented individuals living in the United States. As a result, this analysis does not include this significant portion of the foreign-born population, which, according to the Pew Hispanic Center (2006), reached between 11.5 and 12 million as of March 2006.

**Methodology**

This research examines the current rural immigrant population. It includes analyses of 1990 and 2000 U.S. Census and 2005 American Housing Survey (AHS) data, as well as other available immigration data, to provide an illustration of current immigrant populations across rural counties. HAC’s tabulations of Census data provide an overview of the distribution of the nation’s foreign-born population, as well as an analysis of the increased migration of this population into rural areas. HAC’s analysis of recent AHS data illustrates the housing trends and needs of the growing rural immigrant population.

In addition, the research presents case studies of communities in three states that have experienced significant immigrant growth. The case studies illustrate the housing and community development challenges presented by rapid immigrant growth in rural areas and the strategies these communities have implemented to address these needs. The communities selected for further review are:

- **California**: Nevada and Tehama counties,
- **North Carolina**: Duplin and Sampson counties, and
- **Iowa**: Marshalltown and Storm Lake.

These communities were selected based on both the changes in their foreign populations between 1990 and 2000, and also on the dominant economic sectors of each county. The U.S. Department of Agriculture’s Economic Research Service (ERS) developed a typology to analyze counties based on their dominant economic sectors. The ERS’s 2004 County Typology classifies all U.S. counties according to six non-overlapping categories of economic dependence:

- **Farming-dependent counties**: either 15 percent or more of average annual labor and proprietors’ earnings derived from farming during 1998-2000 or 15 percent or more of employed residents worked in farm occupations in 2000.
- **Mining-dependent counties**: 15 percent or more of average annual labor and proprietors’ earnings derived from mining during 1998-2000.
- **Manufacturing-dependent counties**: 25 percent or more of average annual labor and proprietors’ earnings derived from manufacturing during 1998-2000.

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4 See Appendix A for more information on the use and analysis of 1990 and 2000 Census and 2005 AHS data.
Federal/State government-dependent counties: 15 percent or more of average annual labor and proprietors' earnings derived from federal and state government during 1998-2000.

Services-dependent counties: 45 percent or more of average annual labor and proprietors' earnings derived from services (Standard Industrial Classification categories of retail trade; finance, insurance, and real estate; and services) during 1998-2000.

Nonspecialized counties: did not meet the dependence threshold for any one of the above industries.5

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5 Information on the ERS 2004 County Typology data is available online at http://www.ers.usda.gov/Briefing/Rurality/Typology/.
IMMIGRATION: NATIONAL AND RURAL TRENDS

The foreign-born population is growing at a considerably faster rate than the nation as a whole. According to U.S. Census Bureau data, there was a 59 percent increase in the number of foreign-born persons living in the United States between 1990 and 2000, far exceeding the total U.S. population change of 10 percent during that same time period. Similar to the national growth rate, the native-born population experienced a population increase of 9 percent. In 1990, the United States had a foreign-born population of just under 19 million, accounting for less than 8 percent of the country’s total population. By 2000, the number of foreign-born persons residing in the United States had grown to more than 31 million, accounting for 11 percent of the population. Current Population Survey (CPS) estimates place the total number of foreign-born individuals at 33.5 million as of early 2003, accounting for close to 12 percent of the nation’s total population (CPS 2003). In rural America, immigrants accounted for only about 3 percent of the total population in 2000, yet the foreign-born growth rate in nonmetro counties (76 percent) far exceeded that of metropolitan areas (58 percent). By 2003, CPS estimates had raised the rural foreign-born population to 5 percent of the total (CPS 2003).

While immigrants to the United States arrive from countries all over the world, the number of immigrants from Mexico and Central and South America is increasing at a faster pace than immigrants from other regions. Immigrants from Mexico and Central America are in the majority, but do not account for the entire foreign-born population, and there are a number of significant demographic differences between Hispanic and non-Hispanic immigrants that greatly impact the lives of immigrants in their adopted country. Income, employment type, household size, and education have been found to vary significantly depending on an individual's country of origin.

- **Education.** Educational attainment is a key factor in determining an individual's employment and income, which in turn has a significant effect on one's housing situation and overall quality of life. According to a recent Congressional Budget Office (CBO) study of the United States’ immigrant labor force, there are considerable differences in education among working immigrants related to their country of origin. Workers who have immigrated from Mexico and Central America typically have completed only about nine years of education; working immigrants from other countries average 14 years of education, somewhat higher than the average educational attainment of native-born workers (CBO 2005, 3). This seems to be a result of who has been admitted into the United States, rather than of the average education level of the countries of origin. India, for example, has an adult education level well below high school; however, the average educational attainment of Indian immigrants in the United States is 16 years (CBO 2005). These varying educational achievement levels among immigrants reflect the equally diverse jobs held by immigrants in the labor force.

- **Employment.** Type of employment and rates of unemployment vary greatly among the immigrant population and likely correlate with countries of origin. As shown in

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6 According to an analysis of 2002 Current Population Survey (CPS) data, 30 percent of the U.S. immigrant population is originally from Mexico, and another 13 percent from Central America (7 percent) and South America (6 percent) (Camarota 2002). Nearly one-quarter of U.S. immigrants are originally from East Asia (18 percent) and South Asia (5 percent) (Camarota 2002).
Figure 1, occupation types vary greatly between immigrants from Mexico and Central America and those from other countries. While Mexican and Central American immigrants are likely to be employed in the construction and production industries (17.3 percent and 15.6 percent, respectively), immigrants from other countries are much more likely to be employed in sales and management positions (10.7 percent and 10 percent, respectively). Overall unemployment rates for immigrants tend to be consistent with rates for native-born workers. For male immigrants from Mexico and Central America, the unemployment rate is as low (5.6 percent in 2004) as it is for native-born men (5.7 percent); while male immigrants from other countries have a slightly lower unemployment rate than native-born males (CBO 2005).

![Immigrant Occupations, 2005](image)

Source: CBO 2005, Table 7

- **Income.** As a whole, foreign-born workers earn less than their native-born counterparts but, again, there are differences among immigrant groups. On average, foreign-born men working full time earn 78 percent of their native-born counterparts’ earnings; foreign-born women working full time fare slightly better, earning 87 percent of what native-born women earn (CBO 2005). Immigrants from Mexico and Central America, however, earn roughly half of what native-born workers do (53 percent for males, 60 percent for females). In contrast, earnings of immigrants from the rest of the world are almost equal to those of their native-born counterparts (97 percent for males, 99 percent for females) (CBO 2005). This is due, in large part, to the considerably higher levels of educational attainment among immigrants from countries other than Mexico and Central America (CBO 2005).
**Rural Immigration**

Since the release of the 2000 Census data, and fueled by the ongoing congressional debate over immigration, academics and think tanks have published numerous reports on the growing immigrant population. Despite this interest, very little attention has been focused on rural immigration and immigrants residing in rural communities. This section presents an overview of the geographic distribution of the growing immigrant population, followed by an analysis of the housing needs of this population.

**Overview of Immigrant Population Growth**

In 1990, nearly 19 million immigrants lived in the United States, accounting for less than 8 percent of the total population. The majority of foreign-born residents lived in six states: California, Florida, Illinois, New Jersey, New York, and Texas (Miller 2005). As illustrated in Figure 2, the counties with the highest percentages of foreign-born residents in 1990 were located primarily along the U.S.-Mexico border, throughout California and the Pacific Northwest, in Florida, and throughout the Northeast, particularly along the coast and the Canadian border.

![Figure 2: Percent of Total Foreign Born Population 1990](image)

*Source: HAC tabulation of 2000 U.S. Census Data*
While the total U.S. population increased at a rate of about 10 percent from 1990 to 2000, the foreign-born population grew by a staggering 59 percent to more than 31 million. The same counties that had the highest percentages of foreign-born residents in 1990 maintained their top rankings in 2000; however, they were joined by a number of counties throughout the South and Midwest regions where immigrant populations grew to between 4 and 21 percent of the total county populations (see Figure 3). North Carolina has seen a particularly strong surge in immigrant population growth, with all but one of the state’s 100 counties experiencing high foreign-born growth. Many of the counties that have experienced a tremendous growth in the immigrant population are small rural areas that have traditionally had very limited or nonexistent immigrant population growth.

**Figure 3**

*Source: HAC tabulation of 2000 U.S. Census Data*

**Immigrant Population Growth in Rural Communities**

Since 1990, many rural communities have seen a dramatic increase in both the numbers and proportions of their immigrant populations. The changing migration patterns of foreign-born residents can be seen clearly when comparing growth rates among metropolitan and nonmetropolitan counties. The total number of foreign-born residents in nonmetro counties as of 2000 was 1.4 million, accounting for 3 percent of those counties’ 48.9 million residents. Over the previous decade, the nonmetro foreign-born population grew by more than 623,000 people, a figure that may seem insignificant compared to the increase of 10.4 million immigrants that metro counties recorded during that same time period.
The significance is evident, however, when comparing the 58 percent foreign-born growth rate experienced in metro counties to the 76 percent growth in nonmetro areas. So while the foreign-born population remains relatively small in nonmetro counties, it is currently growing at a faster rate in nonmetro counties than in metro counties. Current Population Survey estimates report a significant foreign-born increase between 2000 and 2003, with the percent of immigrants living in rural communities growing from 3 percent (according to the U.S. Census) to 5 percent (CPS estimate) (CPS 2003). This would represent an increase of more than 2 million people in just three years.

Newly arriving immigrants continue to be drawn to the traditional gateway states and communities in California, Texas, New York, Florida, and Illinois. These states have the greatest numbers of foreign-born residents, the highest percentages of foreign-born population, and the highest increases in the number of foreign-born residents between 1990 and 2000 (see Table 1). The growth in rural immigration, however, has been focused more heavily in several other more rural states. When nonmetropolitan counties are analyzed separately, California, Illinois, and Florida are not in the top foreign-born population growth states, and are replaced by North Carolina, Washington, and New Mexico. This change is related, in large part, to the size of each state’s nonmetro population.

### Table 1

**States with the Highest Foreign-Born Population Growth between 1990 and 2000**

<table>
<thead>
<tr>
<th>Rank</th>
<th>U.S. Total</th>
<th>Metro Counties</th>
<th>Nonmetro Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>California</td>
<td>2.4 million</td>
<td>California</td>
</tr>
<tr>
<td>2</td>
<td>Texas</td>
<td>1.5 million</td>
<td>Texas</td>
</tr>
<tr>
<td>3</td>
<td>New York</td>
<td>1.1 million</td>
<td>New York</td>
</tr>
<tr>
<td>4</td>
<td>Florida</td>
<td>735,031</td>
<td>Florida</td>
</tr>
<tr>
<td>5</td>
<td>Illinois</td>
<td>576,786</td>
<td>Illinois</td>
</tr>
</tbody>
</table>

*Source: HAC tabulations of 1990 and 2000 U.S. Census Data*

The nonmetro counties with the greatest increases in the number of foreign-born residents between 1990 and 2000 are scattered across the country (see Figure 4). Grant County, Washington; Eagle County, Colorado; Finney County, Kansas; Mohave County, Arizona; and Beaufort County, South Carolina have all recorded increases in their immigrant populations of more than 5,000 people. These numbers may seem insignificant compared to the increases experienced by many metro counties, but become meaningful when the population size of these nonmetro counties is taken into account. For example, the immigrant population in Wayne County, Kentucky grew by 252 people between 1990 and 2000, less than 1 percent of the immigrant growth in New York County, New York during that time. Still, the additional 252 people increased Wayne County’s immigrant population by 360 percent, while the growth in New York County was only 18 percent.
The distribution of immigrants is changing dramatically, with foreign-born populations more than doubling in states that did not attract immigrant populations in previous decades. A number of states reported increases of more than 100 percent in their foreign-born populations. For example, North Carolina’s foreign-born population grew from 1.7 percent of the state’s total population in 1990 to more than 5.3 percent in 2000. While still accounting for a relatively small portion of the state’s residents, North Carolina’s immigrant population grew by more than 270 percent in just 10 years.

Most of the counties that have experienced increases of more than 50 percent in the immigrant proportions of their populations are nonmetro counties (see Figure 5). Rural counties throughout the South and Appalachia, as well as scattered across the Midwest, have recorded foreign-born growth rates exceeding 250 percent. Almost all the counties that have experienced a foreign-born population change of greater than 1,000 percent are nonmetro counties. The arrival of significant immigrant populations caught many rural communities by surprise, as they were unprepared for the population influx and its impact on local services, including the housing market (Miller 2005).
Rurality and Immigration Growth

As discussed above, the rural foreign-born population grew by 76 percent between 1990 and 2000. The growth rate is not consistent across varying degrees of rurality, however, as demonstrated by an analysis of rural immigration rates that uses Rural-Urban Continuum Codes (commonly called Beale Codes) to take into account adjacency to metro areas. One-third of all rural foreign-born population growth occurred in counties with significant urban populations that are adjacent to metro areas (Beale Code 4). Less than 5 percent of all rural immigrant growth occurred in the most remote rural counties (Beale Codes 8-9).

Over the decade, the foreign-born population grew by 82 percent in metro-adjacent rural counties (Beale Codes 4, 6, 8) and by 67 percent in rural counties that are not adjacent to metro counties (Beale Codes 5, 7, 9) (see Figure 6). In general, nonmetro counties that are adjacent to

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7 Rurality is based on the U.S. Department of Agriculture Economic Research Service's (ERS) Rural-Urban Continuum Codes, or Beale Codes, a classification scheme that distinguishes metro counties by the population size of their metro area, and nonmetro counties by degree of urbanization and adjacency to a metro area or areas. For more information, see Appendix A.
metro areas tend to grow somewhat faster than counties that are not metro-adjacent. Between 1990 and 2000, metro-adjacent rural counties experienced a total population growth of nearly 11 percent, while rural counties that are not adjacent to metro areas recorded a growth rate of less than 7 percent.

Figure 6

Source: HAC tabulations of 1990 and 2000 U.S. Census Data

Economic Type and Immigration Growth

Rural immigration growth has been highest in those counties that report manufacturing as the dominant industry. More than half of the 100 nonmetro counties that have experienced the highest rates of immigration growth are manufacturing dependent. Another quarter are farming dependent and 16 percent have nonspecific economies. The remaining high foreign-born growth rate counties are either government or service dependent. Of all nonmetro counties, 28 percent have manufacturing dependent economies. The vast majority (90 percent) of all nonmetro manufacturing dependent counties experienced growth in their foreign-born populations during the 1990s, and 65 percent of them recorded immigrant growth rates higher than the national rate of 59 percent.
Rural Immigrants and Housing Conditions

The nation’s immigrant population is extremely diverse and housing accessibility and conditions vary depending on region and resident population. Nevertheless, a number of housing trends remain fairly consistent for immigrants across the country, including rural communities. A review of current research and an analysis of the 2005 American Housing Survey data provide an overview of the housing conditions for immigrants in nonmetro areas.8

Income and Poverty

Housing and income are inextricably linked; for foreign-born residents, low incomes contribute to a number of housing problems. Overall, incomes are lower and poverty rates are higher for foreign-born residents in both metropolitan and nonmetropolitan areas than for their native-born counterparts. Nearly 23 percent of all rural foreign-born households live in poverty, as compared to 16 percent of rural native-born households (see Figure 7).9 Nonmetro immigrants are not only more likely to be living in poverty than other nonmetro residents; they are also more likely to fall below the poverty line than immigrants in metro areas.

Figure 7

Households Living Below Poverty Level

Additionally, foreign-born households are more likely to have low incomes, earning less than 80 percent of the area median income (AMI), than all other households (see Figure 8). While 46 percent of native-born nonmetro households report incomes lower than 80 percent of AMI, 58 percent of rural foreign-born households are low-income. These economic disparities, which are evident among both metro and nonmetro immigrants, contribute to the numerous disparities in housing.

8 For the analysis of AHS data, an individual is considered to be an immigrant/foreign-born if s/he reported his/her nativity as either non-U.S. citizen or naturalized U.S. citizen.
9 U.S. poverty guidelines are released by the U.S. Department of Health and Human Services and are available online at [http://aspe.hhs.gov/poverty](http://aspe.hhs.gov/poverty).
Household Size and Composition

Immigrant-headed households tend to be larger than native-headed households, and they are also more likely to be family households of married couples with children (McArdle 2001). Latin American immigrants are the most likely of all immigrant households to be married couples with children, while immigrants hailing from Asia and Europe are more likely to be single-person households than other immigrants, possibly indicating more students and young professionals in those groups (McArdle 2001). Another contributing factor to the size of immigrant households is the inclusion of additional adults. One-third of immigrant households include at least one additional adult, beyond a spouse, compared to just 23 percent of native households (McArdle 2001). The additional adults in immigrant households are most often members of an extended family.\(^\text{10}\)

Immigrant-headed households in nonmetro communities tend to be larger than their native-born neighbors. Analysis of 2005 American Housing Survey (AHS) data reveals that rural foreign-born households have an average of 3.2 persons, compared to their native-born counterparts who average 2.4 people per household. Average size of all households is about the same in both rural and urban places, and this holds true for immigrant households, which average 3.2 persons in both rural and urban areas.

\(^{10}\) While native households are slightly more likely to contain an adult who is not related, most often an unmarried partner, immigrant households are twice as likely to include an additional adult relative (McArdle 2001). The relation of this additional adult varies among immigrants depending on country of origin. Asian immigrant households are far more likely to include a parent of the head of household, while Latino immigrants are the most likely to include adult children of the head (McArdle 2001).
Tenure

While homeownership is often considered to be the ideal for both foreign- and native-born alike, homeownership rates are lower for immigrants than for their native-born counterparts (Miller 2005; Pitkin 2002). According to 2005 AHS data, more than half (54 percent) of immigrant households own their homes; this is considerably lower than the 71 percent homeownership rate for native-born households. Despite recent increases in the homeownership rates for all foreign-born households, immigrant homeownership rates are growing more slowly than those of native-born people (Pitkin 2002). This could indicate that the potential exists for a surge of homeownership as the vast post-1990 immigrant population accumulates wealth and moves into homeownership.

In general, nonmetro residents are more likely to be homeowners than metro residents, which is related to the lack of rental housing and lower housing prices in many rural areas (HAC 2002). This holds true for immigrant-headed households as well. Rural foreign-born residents are more likely to own their homes than metropolitan foreign-born residents, 62 and 53 percent, respectively. Rural immigrant households are significantly less likely than their native-born counterparts to be homeowners; native-born rural households have a homeownership rate of 77 percent.

Housing Needs

Given the characteristics of rural immigrant households, their housing needs differ in some ways from those of other groups. Analysis of 2005 AHS data illustrates the housing needs of rural immigrant households.

- **Crowding.** As noted above, immigrant households are larger than native households; also, cultural differences regarding desired personal living space and economic factors contribute to crowded living conditions among this population (McArdle 2001). According to the 2005 AHS, more than 10 percent of nonmetro immigrant families are living in crowded conditions.\(^{11}\) This number is particularly disconcerting when compared to the 1 percent of nonmetro native-born families experiencing such crowding. Immigrant households in both metro and nonmetro areas are equally likely to experience crowding and, nationwide, immigrant households are more likely to be crowded than native-born households.

- **Cost Burden.** Foreign-born households in nonmetro areas are considerably more likely (42 percent) to experience housing cost burden – spending more than 30 percent of the household income on housing costs – than native-born households (28 percent). As is true for all nonmetro households, cost burden rates are lower for foreign-born households in nonmetro areas (29 percent) than for their metro counterparts (43 percent). However, within nonmetro communities, immigrant-

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\(^{11}\) Crowded units are defined as those with a mean of more than one person per room, excluding bathrooms.

\(^{12}\) Analyses involving cost burden were run on the 2003 American Housing Survey data due to a discrepancy in the tabulations for cost burden in the 2005 AHS data.
headed households (29 percent) remain somewhat more likely to be cost burdened than their native-born neighbors (23 percent).

- **Substandard Quality.** Foreign-born households (7 percent) seem to be no more likely to live in substandard units than are native-born households (6 percent), but the sample size is too small for an accurate determination.

- **Critical Housing Need.** A 2003 report published by the Center for Housing Policy found that 2.2 million immigrant households had critical housing needs, meaning they paid more than 50 percent of their household income for housing and/or were living in severely substandard conditions. The report found that 6 percent of immigrants with critical housing needs (64,000 households) lived in nonmetro areas and another 45 percent lived in the suburbs. (Lipman 2003)

There are housing disparities between immigrants living in rural communities and those who reside in urban areas. The infrastructure in rural communities is often not as advanced or widespread as it is in urban areas, leading many households to provide their own water and sewer systems. Additionally, local rural governments are often unable to address housing issues, and at the same time many rural communities lack nonprofit housing organizations with the capabilities needed. Decreases in funding, limited staff, and increasing development costs are all straining the resources of rural communities, making it difficult to meet the needs of growing immigrant populations. Furthermore, as the following case studies illustrate, the housing challenges facing rural communities tend to differ between emerging, new, and established immigrant counties.
CASE STUDIES

To better examine the local impact of immigration on rural communities, the research team conducted case studies of six rural communities in three states. These states and communities were selected based on their patterns of foreign-born population growth, as well as the dominant economic sector in each community.

HAC modified a classification system developed by the Pew Hispanic Center (2005a) to examine Hispanic immigration growth. This system was adapted to analyze rural immigrant population rates in 1990 and 2000 and to select case states and communities.

△ **Emerging Immigration States** have experienced a relatively small foreign-born population growth in size (less than 100,000), but a high growth rate (greater than 67 percent). Iowa was selected as an example of an Emerging Immigration State.

△ **New Immigration States** are those states that had high foreign-born population growth both in number (more than 100,000 persons) and in terms of the growth rate (a growth rate of more than 67 percent). North Carolina qualifies as a New Immigration State.

△ **Established Immigration States** have had a substantial foreign-born population growth in number, but a slower growth rate due to a large existing foreign-born population (foreign-born population growth of more than 100,000 people and a population growth rate increase of less than 67 percent). California was selected as an Established Immigration State.13

Nonmetro counties in each selected state were identified based on the extent to which they experienced patterns of immigration growth similar to the patterns of their states (e.g., similar increased growth rates between 1990 and 2000). The counties were then categorized by the dominant industries fueling their economies to understand the connection between industry and immigration. Interviews were conducted with local government officials and housing and community development organizations to determine how these communities have responded to the housing and community development needs of their growing immigrant populations.

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13 A complete list of the states that qualified as each immigrant population type is included in Appendix B. Foreign-born population data comes from U.S. Census, 1990 and 2000.
Iowa: Emerging Immigration State

Iowa’s foreign-born population grew by more than 110 percent throughout the 1990s. In 1990, it was a little over 43,300, or just 1.6 percent of the state’s population. Within ten years, it had grown to 91,000 people, representing 3.1 percent of all Iowans. Their growth has contributed to increased diversity among the state’s population, specifically in regard to the state’s increased Hispanic population. Iowa experienced a 153 percent growth in Hispanic population between 1990 and 2000. Most of Iowa’s Hispanic population is of Mexican descent. Hispanics are now Iowa’s largest minority population, and outnumber African Americans by more than 40,000.

Immigration growth in Iowa is largely attributed to the increasing number of agricultural processing plants throughout the state (Kandel and Cromartie 2004; Grey and Woodrick 2002). As the processing industry has continued to concentrate production in rural areas, rural communities have experienced profound economic and social changes that affect the population and community resources (Kandel and Cromartie 2004).15 Recent research has illustrated the impact of processing plants on rural areas, specifically as they have contributed to foreign-born population growth, increased diversity, and the need for expanded social services (HAC forthcoming-a).

The communities of Marshalltown and Storm Lake, Iowa have experienced significant increases in their foreign-born populations over recent years. Each community has at least one food processing plant, which has contributed to the growth in the foreign-born population. These formerly small, homogenous communities have been transformed by increasing immigration and the incoming populations have demonstrated specific housing and community development needs. Storm Lake, which is far more rural and less economically diverse than Marshalltown, illustrates the effect rurality has on a community’s response to this growing population.

Marshalltown and Storm Lake, Iowa

Marshalltown and Storm Lake are both small communities in rural Iowa, though Marshalltown is considerably larger, with a total population of 25,860 compared to Storm Lake’s 10,076. Like many other communities throughout the Midwest, both communities have experienced declines in their native-born populations since the 1980s. Over the 1990s, half of Iowa’s 99 counties lost population, and all of the counties reporting such depopulation were nonmetro. Between 1990 and 2000, both Marshall County, for which Marshalltown is the county seat, and Buena Vista County, home to Storm Lake, would have lost population if it had not been for the immigration of foreign-born residents. During that time, Marshall County lost about 1,100 native-born residents and simultaneously gained nearly twice that number of foreign-born residents. Buena

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14 Unless otherwise noted, all population data are derived from the 1990 and 2000 Censuses.
15 The ruralization of the food processing industry has occurred in response to a number of factors that have made rural areas more attractive to processing plants and have facilitated the move there, including but not limited to the proximity to animal production, low wages, and decreased union activity and formation. In addition, the shift from urban to rural locations has been encouraged by many communities, as small towns and rural counties have actively sought to attract the processing industry to build local economies (HAC forthcoming-a).
Vista County experienced the same population shift, losing nearly 1,700 native-born persons during the 1990s and gaining more than 2,100 recent immigrants.

This trend was also witnessed on the local community level, as both Marshalltown and Storm Lake would have experienced population loss from 1990 to 2000 without the influx of immigrants over the decade (see Table 2). There was a more than 500 percent increase in the foreign-born population in both Storm Lake and Marshalltown from 1990 to 2000.

| Table 2 | Population Change in Marshalltown and Storm Lake, 1990-2000 |
|----------------------------------|----------------------------------|----------------------------------|
| Marshalltown | -1,139 (-5%) | 1,993 (506%) | 854 (3%) |
| Storm Lake | -466 (-6%) | 1,847 (545%) | 1,381 (16%) |

Source: HAC tabulations of 1990 and 2000 U.S. Census Data

According to local stakeholders, since the late 1980s both Marshalltown and Storm Lake have experienced increased immigration because of the need for workers in the local food processing industry (Spohnheimer 2006; Spooner 2006). Nationally, processing plants are increasingly moving away from the urban areas, where they once operated, to more rural locales. Small rural communities with dwindling populations are often unable to produce the workforce needed for these large plants. In order to fill their labor needs, processing companies have actively recruited workers from beyond the city, state, and, sometimes, international borders. Many processors have been known to go to Mexico and Central America actively recruiting immigrants to work in their U.S. plants (Grey and Woodrick 2005). These national trends have dramatically changed small towns across Iowa.

The Swift and Company pork processing plant is the largest employer in Marshalltown and is one of the primary forces fueling immigration into this community (Grey and Woodrick 2002; Spohnheimer 2006). In 1989, Swift representatives traveled to Mexico to recruit and hire workers from a specific sending community in Mexico (Grey and Woodrick 2005). Before 1990, there were few foreign-born persons living in Marshalltown, with the population being almost all non-Hispanic whites. According to Grey and Woodrick (2005), the majority of immigrant growth occurred during the 1990s, as friends and relatives of the initial wave of Mexican immigrants learned of employment opportunities in Marshalltown. As of 2000, the vast majority of immigrants living in Marshalltown (83 percent) were of Hispanic origin. Although the size of the immigrant workforce at the Swift plant was small at first, by early 1997 there were more Hispanic than Anglo workers (Grey and Woodrick 2005). At the end of 2002, Hispanics made up 75 percent of the Swift workforce (Grey and Woodrick 2005). Increased immigrant growth has greatly increased Marshalltown’s racial and ethnic diversity.

Similar to Marshalltown, Storm Lake has experienced a large influx of immigrants due to the meat processing industry. Storm Lake is home to two large meat processing plants: Tyson Foods, Inc. (pork processing) and Sara Lee Foods, Inc. (turkey processing). Both plants employ a
significant number of immigrants, the majority of whom are Hispanic persons from Mexico, along with refugees from Laos, and a small number from Sudan (Grey 1995). In the mid-1990s, Iowa Beef Processors, Inc. (IBP) began recruiting Latinos living in Texas, southern California, and Mexico due to labor shortages. This was the beginning of a significant Hispanic immigration into Storm Lake (Grey 1995). In addition, Laotian refugees fleeing political instability in their home country began arriving in Storm Lake in the late 1970s and early 1980s. According to Grey (1995), most of these political refugees were employed at IBP, which is now Tyson Foods. According to the 2000 Census, 64 percent of Storm Lake’s foreign-born population is Hispanic, and 30 percent are of Asian decent.

The large increases in the Asian and Hispanic immigrant populations in both Storm Lake and Marshalltown have occurred relatively quickly. Sixty percent of the foreign-born population that lived in Storm Lake as of 2000 entered the United States between 1990 and 2000 (see Table 3).

### Table 3

<table>
<thead>
<tr>
<th>Year of Entry</th>
<th>Marshalltown</th>
<th>Storm Lake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1965</td>
<td>96</td>
<td>27</td>
</tr>
<tr>
<td>1965 to 1969</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>1970 to 1974</td>
<td>41</td>
<td>76</td>
</tr>
<tr>
<td>1975 to 1979</td>
<td>161</td>
<td>53</td>
</tr>
<tr>
<td>1980 to 1984</td>
<td>178</td>
<td>268</td>
</tr>
<tr>
<td>1985 to 1989</td>
<td>513</td>
<td>425</td>
</tr>
<tr>
<td>1990 to 1994</td>
<td>522</td>
<td>477</td>
</tr>
<tr>
<td>1995 to March 2000</td>
<td>852</td>
<td>844</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,387</strong></td>
<td><strong>2,186</strong></td>
</tr>
</tbody>
</table>

Source: HAC tabulations of 1990 and 2000 U.S. Census Data

The rapid increase in the number of foreign-born residents in each community has also served to increase diversity in these formerly homogenous small towns. Prior to the mid-1980s, Storm Lake’s population was almost all non-Hispanic white. In 1990, Storm Lake had 102 Hispanic residents, or 1.1 percent of the total population. In 2000, there were 2,121 Hispanic residents, an increase of 2,019, representing 21.1 percent of the population. According to the 1990 and 2000 U.S. Censuses, Asians represented 3.4 of the total Storm Lake population in 1990, with most Asian residents hailing from Laos. In 2000, 7.8 percent of the population was Asian.

Although recent research has documented how many immigrants have regarded processing work as seasonal (Grey 2000; Grey and Woodrick 2002; Grey and Woodrick 2005), recent findings suggest that some immigrants are beginning to settle into their host communities (Grey 2000). Immigrants in Marshalltown and Storm Lake are establishing permanent residence in these communities, as evidenced by their movement into other industrial sectors and entrepreneurial pursuits. A recent report commissioned by the Marshalltown Hispanic Business Development Project, with funding from the Marshalltown Area Chamber of Commerce, found that Hispanic residents are showing steady movement into other employment sectors, including:
restaurant and hospitality,
- construction and landscaping,
- janitorial,
- nursing homes, and
- other services (Cardenas 2006).

The 2006 report also found 55 Hispanic small businesses in the City of Marshalltown. A majority of Hispanic-owned small businesses in Marshalltown were in the retail (29 percent), automotive (18 percent), and restaurant (16 percent) sectors.

### Housing Challenge: Housing Mismatch

In both Marshalltown and Storm Lake, community stakeholders have identified a housing mismatch between the number and type of available housing units and the needs of the growing immigrant population. Local informants report that both communities lack the stock and the variety of housing types needed to house incoming immigrant populations (Spohnheimer 2006; Spooner 2006). For instance, rental homes, a more economically feasible and appropriate housing type for newly arriving immigrants with little savings, may not be large enough to accommodate large families (see Table 4). While the majority of the owner-occupied units in each community have three or more bedrooms, less than 20 percent of the rental housing units in both communities have three or more bedrooms.

| Table 4 |
|------------------|--------------------------|
| **Number of Bedrooms by Unit Tenure** |                   |
| Marshalltown | Storm Lake |
| Renter-Occupied Housing Units with 3 or More Bedrooms | 18.7% | 17.2% |
| Owner-Occupied Housing Units with 3 or More Bedrooms | 69% | 72.5% |

*Source: 2000 U.S. Census Data*

As noted above, both communities would have lost population from 1990 to 2000 if not for the growth in the foreign-born population. In Storm Lake, specifically, the city's population grew by over 1,300 people from 1990 to 2000; however, new housing construction did not match the population growth. According to city officials, Storm Lake has very few building lots available and the housing market is tight with very few homes for sale. According to the 2000 Census, the rental vacancy rate in Marshalltown was 7.8 percent; homeowner vacancy was 1.7 percent, while in Storm Lake the rental vacancy rate was 7.6 percent and homeowner vacancy was 1.2 percent.

The limited rental housing stock and specifically the paucity of larger rental units leads to two interrelated housing problems that impact the immigrant population in these New Immigrant communities:

- **Crowding.** Community leaders in both communities note that crowding is much more prevalent among foreign-born persons in the community because of larger household sizes and other factors related to affordability. As discussed above, immigrant households tend to be larger than their native-born counterparts. The average household
size for Hispanic persons in Marshalltown is 4.5 persons, compared to 2.4 persons for the city’s total population. Hispanic immigrants living in Storm Lake also have larger households than the non-Hispanic white population (Lutz et al. 2005).

According to the 2000 Census, 4.8 percent of all housing units in Marshalltown are crowded and 10.6 percent of all occupied housing units in Storm Lake are crowded, compared to Iowa’s overall crowding rate of 2 percent. In fact, crowding rates in both communities increased greatly from 1990 to 2000 due to the recent influx of foreign-born persons. For instance, Marshalltown’s overcrowding rate was 1.3 percent in 1990, increasing by 3.5 percentage points in 2000. Storm Lake’s overcrowding rate grew even faster, increasing 9.0 percentage points from 1990. Community stakeholders stated that it is common for foreign-born single males to enter the community first to work at the Swift pork plant. These single males often live together in crowded housing in order to save money to send to family in Mexico or to save for rental unit deposits.

Cost burden. While overall housing costs are lower in both Marshalltown and Storm Lake than in Iowa as a whole, housing, specifically rental housing, is unaffordable for many residents in these rural communities. A recent needs assessment performed by the University of Northern Iowa (Grey 2005) found that over 40 percent of Buena Vista County residents reported having problems finding affordable housing. In Marshalltown, cost burden rates are high, specifically among renters; 38.9 percent of all renters are cost burdened in the city. These problems are compounded for the immigrant population, as they are more likely to be living below the poverty level than native-born residents. In Marshalltown, nearly one-quarter of the foreign-born population are in poverty, and in Storm Lake, roughly one in five immigrants lives in poverty.16

Community leaders in both towns agree that a better mix of housing types is necessary to accommodate new housing needs. The ability to build new affordable housing units is limited, however. As noted above, Storm Lake has few developable lots and both communities lack nonprofit housing organizations to undertake these projects. In addition, neither community has any plans to change existing zoning to encourage or accommodate additional multifamily units or density. Community action agencies in both cities do provide housing-related programs, such as weatherization and emergency assistance with utilities.

Additionally, many native-born elderly residents continue to occupy larger homes and lack housing alternatives (e.g., assisted living facilities) that could create larger housing options for the incoming immigrant population.

Community Response

According to community leaders interviewed in both communities, neither of the processing companies offers any form of employer assisted housing. Stakeholders in Marshalltown report that Swift and Company is not actively engaged in civic activities to support or provide housing or social service resources for its workers. Community leaders interviewed in Storm Lake noted that neither Sara Lee nor Tyson Foods offers any housing assistance programs to its employees.

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16 Poverty numbers based on 2000 U.S. Census data.
Sara Lee does donate some resources to the local community action agency each year, and Tyson Foods has done so on occasion in the past.

Without support from the business sector, local communities have had to develop responses to meet the needs of the incoming population. In Marshalltown, local leaders cited high levels of coordination among public and private entities and a general acceptance of Hispanic immigrants among community residents. Through the city’s Housing and Community Development Department, Marshalltown has applied for and received a number of federal housing assistance resources that have been helpful in meeting the needs of the immigrant and low-income population.

- **First Month’s Rent and Security Deposit Assistance.** The city utilizes resources from HUD’s HOME program to provide income qualified individuals and families with $1,000 grants to cover security deposits and first month’s rent.

- **Rental Assistance.** The Housing and Community Development Department manages the Section 8 Housing Choice Voucher program for Marshall, Tama, and Hardin counties. Of the 449 vouchers administered, 25 (5.5 percent) are utilized by households with a Hispanic family member. The city attributes the low usage of the Section 8 program by Hispanic residents to income guidelines. City staff believe that the relatively high wages workers receive from the Swift plant, specifically, make them ineligible for vouchers.

- **Lead Abatement Resources.** The City of Marshalltown was awarded a three-year $2.27 million Lead Hazard Control grant from HUD to eliminate lead hazards in low-income housing units. These resources were used to provide $14,000 per home in lead abatement services for 156 housing units. Twenty-five percent of the grantees were for units occupied by Hispanic persons. The city attributes the high level of use by Hispanic families to their occupancy of the older housing stock, which has greater lead hazard concerns.

While city officials in Storm Lake reported positive relationships with immigrant residents, as of 2006 the City of Storm Lake did not provide any housing assistance programs. In the past, the city applied for and received federal HOME funds to do rehabilitation work on housing units in the city. The city does not have any future plans to apply for HOME funds, since it states that most housing units in the city are in good condition. In addition, the lack of a local housing nonprofit organization limits the ability to deliver housing assistance programs in Storm Lake.

17 Continued research and involvement by Professor Mark Grey of the University of Northern Iowa (2005) has facilitated travel by Anglo leaders in Marshalltown to Villachuato, Mexico, the predominant sending community of most immigrants in Marshalltown. These trips are meant to create greater understanding and context of the forces behind immigration. In addition, Grey helped start the “New Iowans” project, which creates opportunities to share lessons and best practices from across the state that facilitate connections between immigrants and their new communities (Grey 2005). More information can be found at [http://www.newiowans.com](http://www.newiowans.com).

18 Again, it must be noted that while not all Hispanic residents are foreign-born, a significant proportion of the area’s Hispanic population is foreign-born. Community stakeholders often responded to specific questions about the county’s immigrant population with statistics and references to the region’s Hispanic population.
**North Carolina: New Immigration State**\(^{19}\)

With one of the fastest growing immigrant populations in the country, North Carolina qualifies as a New Immigration State. Between 1990 and 2000, the foreign-born population grew at a rate of 273 percent, from just over 115,000 to more than 430,000 persons. According to one report, three of the five U.S. cities that experienced the greatest immigrant population expansion in the past decade were in North Carolina – Charlotte, Greensboro, and Raleigh (Jacoby 2004). While most of the foreign-born growth has been in metro counties, 21 percent of the state’s foreign-born growth occurred in nonmetro counties. As of 2000, one in five immigrants in North Carolina was living in rural parts of the state. North Carolina is a part of what is being referred to as the “New Latino South” with multiple economic factors making it a destination for migrating and immigrating populations (Pew Hispanic Center 2005b).

North Carolina experienced an economic boom between 1990 and 2000, with only eight states performing better economically during that time (Graves 2000). This economic upswing, particularly in the manufacturing sector, created many low-skill, low-wage jobs and likely fueled much of the state’s immigration in the 1990s. Additionally, immigrant growth is fueled by employment recruiting practices as many employers, particularly those in agriculture and food processing, are reliant on foreign-born, Hispanic workers (Mooneyham 2005). Since 2000, North Carolina’s economy has been in a downturn, shifting away from manufacturing toward a service dependent economy; this has not deterred migration to the state, however (Graves 2000).

The record immigrant growth occurring in North Carolina has been a source of conflict in the state. Numerous immigration reform bills have been introduced in the state legislature.\(^{20}\) Public opinion in the state is somewhat divided. A study of the Raleigh-Durham metro area found that more than one-third of all residents believe North Carolina’s growing immigrant population is having a negative effect on government services, and more than one-quarter see immigration as a very big social problem (Pew Research Center 2006). Another study revealed that North Carolinians harbor negative feelings about the influx of Hispanics, both foreign- and native-born, with nearly half of all respondents stating that they were uncomfortable with the increasing presence of Hispanics and two-thirds disapproving of the idea of Hispanics moving into their neighborhood.\(^{21}\) North Carolinians in nonmetro areas were more likely than those in metro areas to display negative attitudes about the growing Hispanic population, including Hispanic immigrant population, in their state (Johnson et al. 1999).

Sampson and Duplin counties, North Carolina were selected for closer examination based on the dominant economic sectors and the foreign-born population growth in these areas. Sampson County is a farming dependent county and Duplin County has a manufacturing-based economy.

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19 Unless otherwise noted, all population data are derived from the 1990 and 2000 Censuses.
20 Information on current immigration reform legislation in North Carolina is available online through the North Carolina General Assembly website at [http://www.ncga.state.nc.us/homePage.pl](http://www.ncga.state.nc.us/homePage.pl).
21 While this study did not separate foreign-born and native-born Hispanics, more than half (53 percent) of the state’s immigrant population is of Hispanic origins.
Sampson and Duplin Counties, North Carolina

Sampson and Duplin counties are located in North Carolina’s Inner Coastal Plain region. Both counties have modest populations (Sampson 63,063 and Duplin 51,985) with average median household incomes of $31,000. These two rural counties have experienced some of the highest foreign-born growth rates, not only in the state of North Carolina, but in the entire country. Based on 1990 and 2000 U.S. Census data, Sampson County ranks 39th and Duplin County ranks 95th in the rate of foreign-born population growth out of the more than 3,100 counties in the United States.

During the 1990s, the foreign-born population in Sampson County grew at a rate of 1,146 percent, which was the second highest growth rate in the state. In 1990, the county’s foreign-born population was only 343, accounting for less than 1 percent of the total population; by 2000, that number had grown to 4,275, accounting for more than 7 percent of the county’s population. Duplin County experienced similar growth in its foreign-born population, increasing from 656 in 1990 to 5,521 in 2000, a rate of 742 percent. Duplin County, where less than 2 percent of residents in 1990 were foreign-born, now has a population that is more than 11 percent foreign-born.

The dramatic increases in the foreign-born population began in the 1980s (see Table 5). Between 1985 and 1989, both Duplin (133 percent) and Sampson (193 percent) counties experienced foreign-born growth rates of well over 100 percent. Since that time, the immigrant population of each county has grown at a rate of about 80 percent or more every five years. If this rate of increase continues, by 2010 Duplin County could be approaching 18,000 foreign-born residents, and Sampson County could have an immigrant population of nearly 14,000.

### Table 5
Year of Entry for Foreign-Born Population

<table>
<thead>
<tr>
<th>Year of Entry</th>
<th>Duplin County</th>
<th>Sampson County</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995 to March 2000</td>
<td>2,734</td>
<td>2,040</td>
</tr>
<tr>
<td>1990 to 1994</td>
<td>1,534</td>
<td>1,098</td>
</tr>
<tr>
<td>1985 to 1989</td>
<td>679</td>
<td>584</td>
</tr>
<tr>
<td>1980 to 1984</td>
<td>291</td>
<td>199</td>
</tr>
<tr>
<td>1975 to 1979</td>
<td>151</td>
<td>166</td>
</tr>
<tr>
<td>1970 to 1974</td>
<td>82</td>
<td>62</td>
</tr>
<tr>
<td>1965 to 1969</td>
<td>25</td>
<td>52</td>
</tr>
<tr>
<td>Before 1965</td>
<td>25</td>
<td>74</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,521</strong></td>
<td><strong>4,275</strong></td>
</tr>
</tbody>
</table>

*Source: 2000 U.S. Census Data*

The foreign-born populations in both Duplin and Sampson counties are predominantly Hispanic. More than 90 percent of Duplin County’s foreign-born population in 2000 hailed from Mexico and Central America (see Table 6). In Sampson County, just over 90 percent of the immigrant population in 2000 was born in Mexico and Central America.
North Carolina’s Inner Coastal Plain is economically dominated by commercial agriculture, specifically hogs and tobacco. Similar to trends across the country, agriculture in the region is changing as technological advances lengthen growing seasons for some crops while reducing the labor needs of others. County officials describe a decrease in the number of migrant farmworkers who pass through these communities and an increase of farm laborers who have settled into the community (Rose 2006; Tyndall 2006). Migrant farmworkers are traditionally single men, while farmworkers who choose to settle in are more likely to have spouses and children. Thus, the shift away from migrant work has led to an increase in the number of farmworker families in the communities, often immigrants (HAC 2006; Tyndall 2006).

**Housing Challenge: Rapid Growth, Rapid Development**

As noted above, the foreign-born population increased dramatically in both Duplin and Sampson counties. The growth has occurred very quickly, with more than 90 percent of the foreign-born population in both counties having arrived since 1980. Unlike Iowa and many other Midwestern states, North Carolina has not seen a strong out-migration of native-born residents, resulting in a total population increase of more than 21 percent, considerably higher than the national rate of growth (13 percent). The dramatic increase in the foreign-born population over a relatively short period of time, along with the steady increase in the native-born population, has made it difficult for the housing market to keep pace.

As is true of many rural communities, the lack of affordable housing options is a significant challenge to community development in Sampson and Duplin counties. According to community planners, there are few alternatives between the limited stock of government subsidized rental apartments and single-family owner-occupied units that are often out of reach for those with poor credit histories and low incomes (Tyndall 2006).

According to 2000 U.S. Census data, manufactured homes account for one-third of all housing units in both Duplin and Sampson counties. In Sampson County, most low-income families live in low-cost manufactured housing, which tends to be confined to the poorest areas in the county (Rose 2006). This segregation is, in part, a result of other residents’ unwillingness to live near manufactured housing. Residents of Duplin County attempted to block the development of affordable housing in 2004 by arguing that the county had a surplus of affordable units. The local government was able to show, however, that considerable housing needs exist and many families lack decent, affordable housing (Tyndall 2006).

According to local stakeholders, the lack of affordable housing options in both Duplin and Sampson counties has contributed greatly to the burgeoning development of colonia-type communities that are occupied largely by recent immigrants. Colonias are rural, unincorporated

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Table 6

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<th>Birth Place of Foreign-Born Population in 2000</th>
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<tr>
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<tr>
<td><strong>Duplin County</strong></td>
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<tr>
<td>Mexico</td>
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<tr>
<td>Central America</td>
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<tr>
<td><strong>Sampson County</strong></td>
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<tr>
<td>Mexico</td>
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<tr>
<td>Central America</td>
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<tr>
<td><strong>Total</strong></td>
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</table>

Source: 2000 U.S. Census Data
subdivisions that are characterized by substandard housing, inaccessible dirt roads, and no infrastructure (HAC 2002). For years, communities of this type have existed along the U.S.-Mexico border, occupied primarily by immigrants and native-born Hispanics.

County officials in both Sampson and Duplin counties have seen evidence of colonia-like communities in rural North Carolina. It is important to note that, while neither stakeholder had heard of colonias or used the term to describe the emerging housing conditions impacting incoming immigrant groups, the conditions they reported fit the description of colonias.

- **Contract-for-deed.** Large plots of land, often unused farm land, are being purchased by developers at a low cost, only to be divided up and resold for profit. According to officials in both counties, unscrupulous developers buy the land and then divide it into dozens of smaller lots, typically 100 by 150 feet in size. The lots are then sold through a contract-for-deed arrangement instead of a standard mortgage. In a contract-for-deed, the buyer provides a relatively small downpayment, and then the seller will often dramatically increase the subsequent monthly payments. The seller/lender retains the title to the property until the debt is fully paid, thereby maintaining the right to repossess the lot, along with whatever the purchaser has built on it, if even a single payment is missed. Sellers have been known to resell and repossess the same plot of land repeatedly (Rose 2006). As this type of financing typically does not provide any public record of the buyer's purchase, and because the land is usually unincorporated, the seller/lender can easily ignore laws regarding infrastructure requirements. Furthermore, since the “homeowner” does not have any equity in the property it cannot be used to secure a loan.

- **Lack of infrastructure.** Generally, colonia-type subdivisions are not within reach of existing water and sewer lines. In Sampson and Duplin counties combined there were nearly 600 homes lacking plumbing facilities as of 2000, a number that is likely to have increased since then. The lack of public sewer systems leaves residents to rely on alternative and generally insufficient wastewater disposal systems, such as septic tanks and cesspools.

A major concern regarding the location of these subdivisions is the lack of paved roads and their proximity to state-maintained roads. Roads leading to these subdivisions are typically unpaved and become impassable during heavy rains, cutting these communities off from work, school, healthcare, and emergency services. This is particularly dangerous in the tidewater and coastal plain regions of the state that are vulnerable to hurricanes and tropical storms that carry heavy rains.

Officials in both Sampson and Duplin counties point out that the region’s increasing numbers of immigrant residents are living in these colonia-type conditions. The predatory nature of these arrangements leaves families vulnerable to a host of health-, economic-, and housing-related problems. Additionally, emergency and other public services have been overwhelmed by these developments, which can dramatically increase a community’s population in a very short amount of time, without increasing the compensating tax base. Sampson County officials report that the county is in debt and its schools are overwhelmed by the population increase.
Community Response

The colonia-like conditions currently emerging in North Carolina have plagued the border region for decades. The good news in North Carolina, however, is that some counties have already enacted zoning ordinances to combat many of the problems associated with these subdivisions. In Sampson County, zoning laws now prohibit the sale of land for residential use that is not on or connected to a state-administered road (Rose 2006). If the land is not connected to a state road, the developer must build a connecting service road. Also, in an attempt to slow and manage development, tracts of land can be divided into five or fewer parcels for sale only once every five years. In order to improve the quality of structures on the land, further zoning ordinances prohibit the sale of manufactured homes built before 1976.22

While these important zoning laws are needed to combat colonia-type developments, they do not address the issues of land tenure or poor infrastructure. Even more problematic is that Sampson County’s regulations do not apply to neighboring Duplin County, and predatory developers looking for loopholes are taking advantage of the proximity of these two communities. According to local stakeholders, recent immigrants have been encouraged to move to Duplin County when zoning laws made it impossible for them to find housing in Sampson County (Rose 2006). According to one Sampson County official, a family was told they could not purchase a mobile home that was within their price range because it was more than 30 years old; the family was also told that Duplin County does not have this rule and was encouraged to purchase the unit and live in Duplin. While information on these practices is only anecdotal, if such steering does exist it would simply relocate housing problems from one county to another.

In some instances, employers are working to provide housing for the largely immigrant workforce. A number of growers provide on-farm housing to those working in farm labor, and at least one turkey processing plant in Duplin County has developed a mobile home park to house its employees and their families. The Carolina Turkey processing plant works to maintain a quality mobile home park by replacing aging units with new ones. On more than one occasion, the plant has given employees the opportunity to purchase the older units that are still in good condition in order to make room for the new ones. Again, such occurrences are merely a drop in the bucket in terms of providing affordable housing options to all of the counties’ foreign-born population, and there are concerns about employers being in control of their employees’ housing. Still, increasing employer-provided housing is an important step in achieving that goal.

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California: Established Immigration State

With a foreign-born population of nearly 9 million people, California has by far the largest immigrant population, both in size and percentage, of any other state, and is an Established Immigration state. Over the past several decades, California’s foreign-born population has grown steadily, and currently more than a quarter of all Californians are foreign-born. California experienced a total population increase of more than 4.1 million between 1990 and 2000 and foreign-born residents accounted for more than half of that growth (2.4 million). During that time, the state’s foreign-born population increased by more than 37 percent. Immigrants accounted for nearly 17 percent of the total population growth experienced by California’s nonmetro counties.

While the vast majority of the state’s foreign-born residents live in metropolitan counties, the number of immigrants in nonmetro areas grew to nearly 800,000 by 2000. Nonmetro California’s foreign-born population represents slightly more than 6 percent of the state’s total population. The 37 percent increase in California’s foreign-born population growth recorded between 1990 and 2000 has been evenly distributed between metro and nonmetro counties, as both experienced a 37 percent increase in immigrants during the 1990s.

The country of origin for the majority of California’s foreign-born population is Mexico, with five times more immigrants born in Mexico than in any other country (Johnson 2001). California also has a number of “multiple melting pot” communities that are comprised of significant Hispanic and Asian immigrant populations (RapidImmigration.com n.d.). While Mexico and Central and South American countries are the countries of origin for most of the state’s foreign-born residents, there is also a significant Filipino population; nearly half of all Filipinos living in the United States reside in California (Grieco 2003).

In addition to the state’s proximity to the U.S.-Mexico border, multiple economic factors fuel immigration in California (CCSCE 2005). California has an extremely diverse and enormously productive economy, which – if the state were a nation – would be one of the ten largest in the world (CCSCE 2005). The state leads the country in the production of fruits and vegetables, although agriculture is gradually yielding to industry as the core of the state's economy. California’s economy continues to grow in most employment sectors and the state's job growth rate has outpaced the national rate every year since 1994 (CCSCE 2005).

Foreign-born workers in California are concentrated in the service, construction, and production industries, and are underrepresented in the management, professional, and sales fields. This is particularly true for immigrants from Mexico and Central America, as less than 13 percent of immigrants from those regions hold management or professional positions. Asian immigrants, on the other hand, are far better represented in the management and professional sector and considerably less likely to work in service, construction, or production than their Mexican and Central American counterparts. While nationally there are a number of industries where low-wage immigrants are concentrated, California does not have a significantly high number of jobs in these immigrant-heavy industries. (CCSCE 2005)

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23 Unless otherwise noted, all population data are derived from the 1990 and 2000 Censuses.
24 California has experienced two economic downturns since 1990, one in the field of aerospace and one in the internet/technology industry (CCSCE 2005).
Two rural counties were chosen to examine housing conditions and needs among the state’s continuously growing foreign-born population. In California, where industries are greatly diversified throughout the state, one service dependent county and one non-specified economy county were selected for further examination.

**Nevada and Tehama Counties, California**

Nevada and Tehama counties are two rural California communities that have experienced steady yet significant, growth in their foreign-born populations over the past 15 years. The U.S. Census estimates the 2000 population of Nevada County is more than 98,000, while Tehama County is somewhat smaller with a total population of 61,000. Between 1990 and 2000, both counties experienced a total population growth similar to that of the state as a whole (14 percent), with Nevada growing by 17 percent and Tehama by 13 percent. The foreign-born populations of these counties, however, experienced much higher increases during that time (see Table 7). The immigrant population of Nevada County grew by 46 percent, while Tehama County reported somewhat greater immigrant growth, more than 57 percent.

**Table 7**

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<tbody>
<tr>
<td>Nevada County</td>
<td>1,280 (46%)</td>
<td>13,523 (17%)</td>
</tr>
<tr>
<td>Tehama County</td>
<td>1,612 (57%)</td>
<td>6,414 (13%)</td>
</tr>
</tbody>
</table>

*Source: HAC tabulations of 1990 and 2000 U.S. Census Data*

While similar in their foreign-born population growth, Nevada and Tehama counties have somewhat different economic bases. Nevada County has a service-based economy and many of its towns were born of the California Gold Rush in the late 1840s. Cities like Grass Valley and Truckee developed around the gold mines and have since come to rely on commerce and tourism to support their economies. Grass Valley, for example, has become an economic hub in the county, averaging 1.7 jobs per household (Grass Valley Chamber of Commerce n.d.). The city’s top three industries are service, retail, and government, with more than 22,390 people employed in the service industry, 12,267 in the retail trade, and 5,389 working for the government (Grass Valley Chamber of Commerce n.d.).

Much of what drives this predominately service sector economy is shaped by recent urban sprawl. Many former residents of nearby San Francisco and other larger urban areas have sold their homes and resettled in more rural communities, including Nevada County. The gentrification in the region is like that occurring in high amenity rural communities across the country and has been associated with the declining affordability of housing for many who have long lived in these communities (HAC 2005). In Nevada County, in particular, these new and often more affluent residents are creating numerous service positions, as well as construction...
work for the new housing units they are building (Heckel 2006). As mentioned above, service and construction are two fields that are more likely to employ foreign-born Californians.

Tehama County’s economy is extremely diverse, so much so that neither county officials nor nonprofit developers could identify the driving economic factors behind immigration in the county. While farm labor jobs are available in parts of the county, agriculture is not the dominant field for the county’s foreign-born residents (Ferrier et al. 2006). According to the Center for Continuing Study of the California Economy, the production and transportation sectors in California employ a higher percentage of foreign-born workers than native-born (CCSCE 2005). Nonprofit housing developers explain that the local logging and trucking industries offer some employment opportunities for immigrants in Tehama County (Ferrier et al. 2006), as does a Wal-Mart Distribution Center (Robson and Halpin 2006). The service sector is also a significant employer of immigrants, particularly along the Interstate-5 corridor that runs through the county. Many small towns are located just off this road, which originates in Mexico, runs the length of the state, and is a major transport road for the trucking industry. Small towns along the I-5 corridor typically have a number of inexpensive hotels, restaurants, and gas stations to service these trucks as they pass through; such businesses offer a number of low-wage service positions to local immigrants.

The different economic bases most likely contribute to the significant difference in poverty rates between these two counties. Nevada County, which has reported an economic surge, has a much lower poverty rate (8 percent) than Tehama County (17 percent). While poverty is evenly distributed between native- (8 percent) and foreign-born (10 percent) residents in Nevada County, more than 30 percent of immigrants in Tehama County are living in poverty, compared to just 16 percent of native-born county residents. The high incidence of poverty makes it increasingly difficult for immigrants to become homeowners in a skyrocketing housing market. Both Nevada and Tehama counties have also experienced significant increases in housing costs, discussed further below.

**Housing Challenge: Assimilation of Need**

Local government officials in both Nevada and Tehama counties report that the current housing challenges are not unique to the foreign-born population or these communities, and attempts to meet the housing needs of foreign-born residents are no different from those to meet the needs of any other population (Robson and Halpin 2006; Ferrier et al. 2006; Heckel 2006). California has experienced steady growth in its immigrant population for the past several decades and, while there has been a stronger surge in this growth since 1990, local stakeholders have a long history and experience in meeting the housing and community development needs of the incoming foreign-born population.

While government and nonprofit representatives are aware of a number of barriers that may limit the ability of the incoming immigrant population to secure decent and affordable housing, they also acknowledge that these barriers are specific to the counties and state and are faced by all lower-income individuals, regardless of immigrant status.

- **High cost of land and housing.** Since the early 2000s, land and housing costs in Nevada and Tehama counties have skyrocketed. According to local officials, the median housing price doubled from 2003 or 2004 to 2006. Housing prices in both
counts, however, are still lower than in the surrounding metro areas, a fact that has
drawn many urbanites to these more rural communities. As of the 2000 Census, the
median housing value in Nevada County was $205,700 and from 2000 to 2006
housing prices more than doubled. According to one local newspaper report, average
housing costs in the county were $482,000 in June 2006 (Kleist 2006). Community
planners in Tehama County also estimate that local housing values have doubled and
that land costs have as much as tripled in some parts of the county.

The housing affordability problem is exacerbated by the higher poverty levels among
immigrants. In Tehama County, nearly one-third (30 percent) of all foreign-born
county residents are living in poverty, and the poverty rate for immigrants is twice as
high as it is for native-born county residents (15 percent). While the poverty rates in
Nevada County are considerably lower than Tehama County, immigrants (10 percent)
are somewhat more likely to be living in poverty than their native-born neighbors (7
percent).

- Lack of infrastructure. The lack of infrastructure in many local communities
  significantly hampers the development of new affordable housing to meet the needs
  of incoming residents. Much of the developable land in Tehama County is farm land,
  which is particularly expensive to develop due to irrigation issues. According to local
developers, available water and sewer lines are at capacity in some parts of the
county and simply nonexistent in other areas (Robson and Halpin 2006; Ferrier et al.
2006). Nevada County’s rather mountainous terrain provides a different kind of
geographical barrier to infrastructure development. County planners and nonprofit
developers both consider the lack of infrastructure in these counties to be a major
barrier to the development of affordable housing.

- Strict environmental law. California has among the most rigorous environmental
  regulations in the country (Heckel 2006). The California Environmental Quality Act
(CEQA), which was signed into law in 1970, is the state level equivalent of the
National Environmental Policy Act (NEPA) and its purpose is to evaluate and mitigate
the environmental impacts of state-sponsored development projects (Barbour and
Teitz 2005). Since inception, however, there have been complaints that the
regulations are arduous and thus inhibit development, particularly for small
communities and organizations developing affordable housing. Additionally, there
have been numerous accusations of homeowner associations and others using CEQA
to mount legal challenges that stall projects, often indefinitely, for reasons such as
protecting property values and excluding new residents (Barbour and Teitz 2005).
Developers, planners, and even some environmentalists agree that CEQA is no longer
functioning as originally intended and legislators are currently working to address
some of the complaints through CEQA reform (Barbour and Teitz 2005).

- Opposition to multifamily development. CEQA has reportedly been used to fight the
development of multifamily rental housing that is often the only real option for low-
income households (Barbour and Teitz 2005). While community officials in Nevada
County admit that multifamily rental housing has been beneficial to low- and very
low-income residents, including those who are immigrants, there is still a great deal
of resistance to this type of development. Currently, Nevada County planners are not
encouraging multi-unit rental development and prefer, instead, single-unit infill development (Heckel 2006). Nonprofit housing staff also point out that many small rural communities are not properly zoned for rental housing and lack adequate infrastructure to support such development.

Both the residents and local government in Tehama County have proven resistant to the development of larger multifamily housing projects, expressing concerns over lowered property values and increased traffic. Former city council members in Corning, a small town in Tehama County with a large immigrant population, went so far as to oppose multifamily development stating that they did not want to develop “barrios” (Ferrier et al. 2006; Ory 2006).

Homeowner associations (Heckel 2006). According to both local planners and housing developers, homeowner associations (HOAs) have a great deal of power when it comes to development in rural California counties like Nevada and Tehama. There is a perception among planners and developers that HOAs, which by law must be created for each residential development project, readily file complaints and initiate lawsuits against contractors in opposition to housing development. Community planners report that the California state legislature does not provide enough protection to contractors from these HOAs, and frequent suits and subsequent work stoppages make insurance companies and financial institutions less interested in working with HOA-attached housing projects.

Community Response

While the current challenges to affordable housing in Nevada and Tehama counties are not the result of the immigrant status of low-income residents, the shortage of affordable units has been impacted by increased immigration in these communities. The foreign-born population in California has grown steadily for several decades, and while some rural communities may experience slightly more growth than others, the average rates are consistent across the state. Still, counties have been unable to keep up with the increasing demand for affordable housing. Nevada and Tehama counties are trying to address the overall problem of limited affordable housing by going to the source of many of the affordable housing barriers: the legislature.

High land costs and the lack of infrastructure in unincorporated areas are problems that exist throughout the state of California and are somewhat out of the control of local planners and developers. The problems created by stringent environmental policies and the HOAs are issues best dealt with through policy changes. As of the 2005-2006 California legislative session, several CEQA reform bills were being debated in the legislature.

According to Tehama County officials, programmatic responses to the lack of affordable housing have come, for the most part, from grassroots housing advocates. Self-Help Home Improvement Project, Inc. (SHHIP) and Community Housing Improvement Program (CHIP) are two nonprofit housing developers working in counties throughout Northern California, including Tehama. Both organizations have had success with the Department of Housing and Urban Development (HUD) funded Self-Help Homeownership Opportunity Program (SHOP), which is used to help very low- and low-income households construct their own homes. CHIP and SHHIP have helped families build their own self-help units throughout Tehama County. For most immigrants
earning well below the area median income of about $33,000, self-help housing is the only available path to homeownership.

Despite resistance by some residents and politicians in both Nevada and Tehama counties, community planners continue to advocate for the development of multifamily housing. Tehama County is working with developers to subsidize multifamily housing development using USDA Rural Development funding. Planners feel that multifamily housing is the only affordable housing option truly available to low-income immigrants in the county. In towns such as Corning, Tehama County where opposition to multifamily development has been most fierce, the city councils are experiencing some turnover and are becoming more open to considering this housing option. County planners and nonprofit developers are hopeful that this trend will continue and multifamily housing will become more accepted in Tehama County (Ferrier et al. 2006; Ory 2006; Robson and Halpin 2006).

The state of California has been experiencing an influx of immigrants and adjusting to this growing population for decades longer than most other states, including North Carolina and Iowa. As a result, the housing needs of the foreign-born population are better assimilated, and according to local stakeholders are really no different than the needs of the larger low-income population. For California, addressing the problems associated with affordable housing development is often the same as addressing the housing needs of immigrants.
**FINDINGS**

While cities continue to be the destination of choice for most immigrants, rural America is becoming home for an increasing number of foreign-born residents. With more than 1.4 million foreign-born persons residing in rural areas, understanding the trends related to the geographic dispersion of this population and their housing and community development needs is critical for local communities.

**Immigrant Growth in Rural Communities**

Analysis of the 1990 and 2000 U.S. Census data reveal significant increases in the rural foreign-born population.

- Between 1990 and 2000, the immigrant population grew faster in nonmetro counties (76 percent growth) than in metro counties (58 percent). By 2000, more than 1.4 million foreign-born persons lived in rural America.

- While the number of new foreign-born residents may not be as sizable in rural areas as in urban areas, the growth of their population share in many rural communities has been tremendous. Many nonmetro counties have experienced foreign-born growth rates of more than 100 percent throughout the 1990s.

- Counties that had the highest percentages of foreign-born residents in 1990 maintained their top rankings in 2000; however, they were joined by a number of counties throughout the South and Midwest regions where immigrant populations have grown to between 4 and 21 percent of the total county populations. Many of the counties that have experienced a tremendous growth in their immigrant populations are small rural areas that have traditionally had very limited or nonexistent immigrant population growth.

- Most of the rural foreign-born growth (66 percent) has occurred in counties that are adjacent to metropolitan areas; however, counties that are not adjacent to metro communities have reported significant growth as well.

- The dominant economic sector in the nonmetro counties experiencing the highest foreign-born population growth rates is manufacturing. This sector includes food processing plants, which have been linked to increases in the immigrant populations of several states.

**Housing Challenges for Rural Immigrants**

The significant increase in rural America’s foreign-born population has placed additional stress on an already strained infrastructure and limited housing stock. Analysis of 2005 American Housing Survey (AHS) data provides several insights into the specific housing needs of the rural immigrant population.
Echoing the differences among rural and urban populations, rural immigrants have increased poverty, lower incomes, and higher homeownership rates than their urban counterparts.

Among nonmetro residents, immigrants have significantly lower homeownership rates (56 percent), have a greater cost burden rate (39 percent), and are more likely to live in crowded conditions (10 percent) than those who are native-born.

While nonmetro foreign-born households are more likely to use public water sources than their native-born counterparts, they are also more likely to be living without safe water for cooking and drinking.

While the U.S. immigrant population has been growing for decades, many rural communities have been somewhat surprised by the rapid and sizeable increase in their foreign-born populations. The profiles in this report reveal that these communities were often unprepared for such significant population growth, particularly with regard to their available housing stock and community services. Even in an established immigrant state like California, where one in four residents is foreign-born, counties have been overwhelmed by the ongoing population influx. The impacts on the foreign-born population and the communities in which they reside have varied.

**Housing Mismatch.** In Iowa, where growth in the foreign-born population is connected largely to the food processing industry, the communities lack the variety of housing types needed by the incoming population. Immigrants tend to have larger households than the native-born population there, contributing to a marked increase in the region’s crowding rates. Much of the region’s current stock of units that could accommodate these larger families is occupied by aging residents who may no longer need the space, but who have nowhere else to go.

**Rapid Growth, Rapid Development.** Rural communities in North Carolina, the state with the fastest growing immigrant population, are reporting the same colonia conditions that have plagued the U.S.-Mexico border region for decades. The rapid influx of large numbers of recent immigrants has led to abusive practices that have left many new residents living in poor quality housing. These conditions, which include contracts-for-deed and settlements placed on plots of land with no water/sewer infrastructure and no access to state-maintained roads, are quickly becoming a problem for officials in the counties studied.

**Assimilation of Need.** In California, a state with a large and long-term foreign-born population, the housing needs of the foreign-born population are not specific to the immigrant population. In the California communities studied, issues of high land and housing costs, environmental law, and community resistance to both multifamily and low-income housing were the challenges to affordable housing most often cited by community planners and nonprofit housing developers as they attempted to provide housing to foreign-born residents.
Recommendations

In response to the housing needs of the growing rural immigrant population, HAC has the following recommendations:

- **Understand Local Immigration Trends and Dynamics.** The current available housing stock in many rural communities does not match the needs of the emerging population. In North Carolina, for example, the migrant farmworker population is decreasing and more immigrant workers are settling into rural communities; much of the available affordable housing is more suitable for temporary shelter, however, than permanent residences. Local developers and county officials should fully assess the needs of the growing immigrant populations and develop appropriate housing resources.

- **Engage in Public Education Campaigns to Educate Communities.** The housing development challenges associated with NIMBYism would be best addressed at the local level through public education campaigns, proper marketing, and coalition building to gain community support. For example, continued research and involvement by Professor Mark Grey of the University of Northern Iowa (2005) has facilitated Anglo leaders in Marshalltown to travel to Villachuoato, Mexico, the predominant sending community of most immigrants in Marshalltown. These trips are meant to create greater understanding and context of the forces behind immigration. In addition, Grey helped start the “New Iowans” project, which creates opportunities to share lessons and best practices from across the state that facilitate connections between immigrants and their new communities (Grey 2005).25

- **Promote Collaboration Among Stakeholders.** It is important to engage the full range of stakeholders when addressing the impact of the new immigrant population on a community. The focus of these stakeholders should be to identify resources and take a more proactive approach to problem solving. In California, for example, community planners acknowledge the significant contributions of grassroots housing advocates in the development of affordable housing. In turn, these nonprofit developers recognize the importance of working with the local government and supporting county officials that back affordable housing projects.

- **Identify and Promote Rural-Sensitive Multifamily Housing Designs.** While some of the housing needs of rural immigrants could be served by developing multifamily housing, several communities reported having difficulty overcoming the negative stereotypes surrounding density, particularly in rural communities. There are models of “denser” rural development that could be shared and design lessons that could be learned to sell these types of projects.

- **Encourage Employer-Assisted Housing.** While employer-assisted housing can be difficult to execute, in communities where immigration is tied to specific industries or employers, local stakeholders should encourage these companies to invest in housing. There are a range of employer assisted housing strategies that have been successful in

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25 More information can be found at [http://www.newiowans.com](http://www.newiowans.com).
rural communities throughout the country. For example, in Arkansas, poultry processors were experiencing high employee turnover that was costing them thousands of dollars in recruitment and training costs. To combat this problem, plant owners teamed with a financial institution to create a homeownership program for their employees that included credit and homeownership counseling, as well as small loans to help immigrants establish credit histories. The results were nearly 600 new home purchased by the largely immigrant workforce and a significant drop in employee turnover. (NCSL 2004)
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APPENDIX A: DATA SOURCES

United States Census Data

A majority of the information in this report derives from HAC tabulations of public use microdata from the 2000 Censuses of Population and Housing. Census 2000 was conducted by the U.S. Department of Commerce’s Bureau of the Census, which collected information on 281.4 million people and 115.9 million housing units across the United States between March and August 2000. Most of the Census 2000 information utilized in this report derives from one of two data sets. The first is Summary File 1, commonly referred to as the “short form,” on which a limited number of questions were asked about every person and every housing unit in the United States. Secondly, Summary File 3 or “long form” data provide more detailed information on population and housing characteristics. These data came from a sample (generally one in six) of persons and housing units. Population growth tabulations utilized both the 2000 Census and the 1990 Census.

American Housing Survey Data

Various data in this report derive from Housing Assistance Council (HAC) calculations of data collected by the 2005 American Housing Survey (AHS). The AHS is conducted every two years by the Bureau of the Census for the Department of Housing and Urban Development (HUD). In 2005, interviewers obtained information for a nationwide sample of about 56,650 housing units occupied year round. The AHS is the most comprehensive survey of U.S. housing between decennial censuses. The Census Bureau has been conducting this longitudinal survey for HUD since 1973.

Like any sample, the AHS is subject to errors from sampling and errors from other causes (such as incomplete data and wrong answers). Because of the errors inherent in the AHS, readers are cautioned not to rely on small differences in percentages or numbers presented in this report. The reliability of the data decreases as the sample size decreases.

The AHS is intended to count occupied housing units, and therefore households, so most of the data presented in this report relates to households rather than families. This housing-unit-focused methodology also means that the AHS does not include homeless persons. AHS data is known to differ from information collected by other surveys. For example, AHS income and poverty data differ from those reported by the Current Population Survey, tax returns, and national income accounts.

Defining Rural

Establishing a definition of rural poses many challenges. In general, rural areas share the common characteristics of comparatively few people living in large geographic areas, and limited access to large cities and market areas for work or everyday-living activities. Rurality exists on a continuum, however, and varies based on proximity to a central place, community size, population density, total population, and social and economic factors. Over the years, public

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26 Unless otherwise noted, all of the information in Appendix A is taken from HAC’s 2002 report, Taking Stock: Rural People, Poverty, and Housing at the Turn of the 21st Century.
agencies and researchers have used combinations of these factors to define rural and to designate geographic areas as rural.

In this report, unless otherwise noted, the terms “nonmetro” and “rural” are used interchangeably and refer to places defined by the Office of Management and Budget (OMB) as nonmetropolitan in 1999. Nonmetropolitan areas are those counties that lie outside metropolitan areas. Each metropolitan area (MA) consists of one or more counties and contains a central city of at least 50,000 residents and a total MA population of at least 100,000 (75,000 in New England). It is important to note that this is not the same definition of rural used by the Census Bureau.

While nonmetropolitan areas generally consist of rural population and territory, the OMB definition of nonmetro and Census’s definition of rural do not overlap exactly. Slightly more than 40 percent of the nonmetro population lives in urban places. Likewise approximately 11 percent of metro residents live in Census-defined rural places.

**Rural-Urban Continuum Codes**

Rural-Urban Continuum Codes (often called Beale Codes), developed by the U.S. Department of Agriculture’s Economic Research Service, form a classification scheme that distinguishes metropolitan (metro) counties by the population size of their metro area, and nonmetropolitan (nonmetro) counties by degree of urbanization and adjacency to a metro area or areas. The metro and nonmetro categories have been subdivided into three metro and six nonmetro groupings, resulting in a nine-part county codification. The codes allow researchers working with county data to break such data into finer residential groups beyond a simple metro-nonmetro dichotomy, particularly for the analysis of trends in nonmetro areas that may be related to degree of rurality and metro proximity.

All U.S. counties and county equivalents are grouped according to their official metro-nonmetro status announced by the Office of Management and Budget (OMB) in June 2003, when the population and worker commuting criteria used to identify metro counties were applied to results of the 2000 Census. Metro counties are distinguished by population size of the Metropolitan Statistical Area of which they are part. Nonmetro counties are classified according to the aggregate size of their urban population. Within the three urban size categories, nonmetro counties are further identified by whether or not they have some functional adjacency to a metro area or areas. A nonmetro county is defined as adjacent if it physically adjoins one or more metro areas, and has at least 2 percent of its employed labor force commuting to central metro counties. Nonmetro counties that do not meet these criteria are classed as nonadjacent.

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Table 8
2003 Rural-Urban Continuum Codes

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td><strong>Metro Counties</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Counties in metro areas of 1 million population or more</td>
</tr>
<tr>
<td>2</td>
<td>Counties in metro areas of 250,000 to 1 million population</td>
</tr>
<tr>
<td>3</td>
<td>Counties in metro areas of fewer than 250,000 population</td>
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<tr>
<td><strong>Nonmetro Counties</strong></td>
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<tr>
<td>4</td>
<td>Urban population of 20,000 or more, adjacent to a metro area</td>
</tr>
<tr>
<td>5</td>
<td>Urban population of 20,000 or more, not adjacent to a metro area</td>
</tr>
<tr>
<td>6</td>
<td>Urban population of 2,500 to 19,999, adjacent to a metro area</td>
</tr>
<tr>
<td>7</td>
<td>Urban population of 2,500 to 19,999, not adjacent to a metro area</td>
</tr>
<tr>
<td>8</td>
<td>Completely rural or less than 2,500 urban population, adjacent to a metro area</td>
</tr>
<tr>
<td>9</td>
<td>Completely rural or less than 2,500 urban population, not adjacent to a metro area</td>
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### APPENDIX B: STATE IMMIGRATION CATEGORIES

<table>
<thead>
<tr>
<th>Emerging Immigration States (foreign-born population growth &lt; 100,000 people and &gt; 67 percent)</th>
<th>New Immigration States (foreign-born population growth &gt; 100,000 people and &gt; 67 percent)</th>
<th>Established Immigration States (foreign-born population growth &gt; 100,000 people and &lt; 67 percent)</th>
<th>Negative Immigration Growth States (foreign-born population growth &lt; 0 people and &lt; 0 percent)</th>
<th>Other States (foreign-born population growth &lt; 100,000 &gt; 0 people and &lt; 67 &gt; 0 percent)</th>
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<td>Wisconsin</td>
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The immigrant population in rural communities has increased markedly since 1990. This report examines rural immigration trends and assesses the impact of a growing rural foreign-born population on housing conditions in rural communities. A data analysis provides an overview of changes in the foreign-born population throughout rural America, as well as a description of the current housing conditions for foreign-born rural residents. The statistics are brought to life through profiles of counties in three states: one that had a large existing immigrant population before 1990 and continuing growth, one that has seen a gradual rise in its immigrant population, and one that has experienced a more recent surge in immigrant growth.