

**Draft
2015-2019
Analysis of Impediments
To Fair Housing Choice
and
Fair Housing Action Plan**

City of Riverside

March 2015



CITY OF Riverside
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE
AND
FAIR HOUSING ACTION PLAN

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**SECTION I
INTRODUCTION AND
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SECTION I: INTRODUCTION AND EXECUTIVE SUMMARY

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A. INTRODUCTION

1. Format of the AI Report

The U.S. Department of Housing and Urban Development (HUD) has not issued regulations defining the scope of analysis and the format to be used by grantees when they prepare their *Analysis of Impediments to Fair Housing Choice (AI)*. In 1996, HUD published a *Fair Housing Planning Guide* which includes a “Suggested AI Format.” For two reasons, the organization of Riverside’s AI report conforms to the format suggested by HUD. First, the 1996 *Fair Housing Planning Guide* remains the only official guidance provided by HUD to grantees on how to prepare and present an AI. Second, the U.S. Government Accountability Office relied on the suggested format in its review of 441 AIs. Table I-1 shows the AI format used by the GAO in its review of grantee AIs.

**Table I-1
HUD Suggested AI Format**

Suggested Element	Description
Introduction and executive summary of the analysis	Explains who conducted the AI and identifies the participants and methodology used, funding source, and summaries of impediments found and actions to address them.
Jurisdictional background data	Includes demographic, income, employment, housing profile, maps, and other relevant data.
Evaluation of jurisdiction’s current fair housing legal status	Discusses fair housing complaints and compliance reviews that have resulted in a charge or finding of discrimination, fair housing discrimination suits filed by the Department of Justice or private plaintiffs, the reasons for any trends or patterns in complaints and enforcement, and other fair housing concerns.
Identification of impediments to fair housing choice	Identifies impediments to fair housing.
Conclusions and recommendations for overcoming impediments	Summarizes any impediments identified in the analysis and presents recommendations to overcome identified impediments.
Time frames for implementing actions to overcome impediments ¹	Sets out the time frame for completing each action or set of actions to serve as milestones toward achieving the actions.
Signature page	Includes the signature of a chief elected official, such as a mayor.

¹Please note that the GAO stated that while the suggested AI format does not include time frames for implementing recommendations to address identified impediments, time frames are discussed elsewhere in the *Fair Housing Planning Guide* as a component of fair housing planning.

Source: United States Government Accountability Office, *Housing and Community Grants: HUD Needs to Enhance Its Requirements and Oversight of Jurisdictions’ Fair Housing Plans*, September 2010, 48 pages

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The Riverside AI contains seven sections and one appendix:

Section I Introduction and Executive Summary: The Introduction presents the AI report format; Riverside’s regional setting, purpose of the report, fair housing definition and report preparation participants. The Executive Summary presents an overview of the AI including a brief description of the impediments found and actions to address impediments.

Section II 2015-2019 Fair Housing Action Plan: This Section describes the conclusions and recommendations resulting from the AI analysis. It identifies public and private sector impediments to fair housing choice and the actions which will be implemented during the FY 2015-2016 to FY 2019-2020 time period.

Section III Evaluation of Riverside’s Current Fair Housing Legal Status: This Section discusses fair housing complaints and compliance reviews and other information pertaining to Riverside’s fair housing legal status.

Section IV Description of Fair Housing Programs/Actions: This Section describes the progress made on implementing the prior AI and current programs and actions that promote fair housing. It also describes programs and actions supported by the City as well as those implemented by the private sector.

Section V Fair Housing Community Profile: This Section includes population, household and employment projections as well as the demographic and other characteristics of the fair housing protected groups such as their number and well-being in terms of household income, poverty and home ownership.

Section VI Identification of Public Sector Impediments to Fair Housing Choice: This Section presents information on the planning, Zoning Code and Building Code policies and practices that impact fair housing.

Section VII Identification of Private Sector Impediments to Fair Housing Choice: This Section presents an analysis of practices prohibited by the Federal Fair Housing Act (FHA) and the State’s Fair Employment and Housing Act (FEHA) and identifies which ones pose impediments to fair housing choice.

Appendix A: Lists the data sources and persons and organizations consulted during the course of completing the *AI and Fair Housing Action Plan*.

2. Riverside’s Regional Setting

Founded in the early 1870s, Riverside is now the most populous city in the Inland Empire and the 12th most populous city in California. It is located approximately 60 miles from the City of Los Angeles. Although the community’s residents take pride in their City as a whole, there are 28 distinct neighborhoods and are the fundamental building blocks of the community. With only a few exceptions, all of Riverside’s neighborhoods include areas for living, working, education and cultural activities, and personal attachments to neighborhoods are very evident.

3. Purpose of the Report

The City of Riverside annually receives funds from the Federal Community Development Block Grant (CDBG) program and HOME Investments Partnerships Program (HOME). An

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Affirmatively Furthering Fair Housing (AFFH) certification is required of cities and counties that receive funds from these programs. The AFFH certification states that the community receiving HUD funds:

...will affirmatively further fair housing ... by conducting an analysis to identify impediments to fair housing choice within its jurisdiction, taking appropriate actions to overcome the effects of any impediments identified through the analysis, and maintaining records reflecting the analysis and actions in this regard.

HUD interprets the broad objectives of the requirement to affirmatively further fair housing choice to mean that recipients must:

- Analyze and eliminate housing discrimination in the jurisdiction;
- Promote fair housing choice for all persons;
- Provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability, and national origin;
- Promote housing that is structurally accessible to, and usable by, persons with disabilities; and
- Foster compliance with the nondiscrimination provisions of the Federal Fair Housing Act.

Source: U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, Memorandum on *Compliance-Based Evaluations of a Recipient's Certifications that it has Affirmatively Furthered Fair Housing*, March 5, 2013, page 4

Therefore, the fundamental purpose of the AI Report is to maintain the City of Riverside's compliance with the AFFH certification. In so doing, the City will promote fair housing and remove or ameliorate the public and private sector impediments that have been identified through the analysis.

The time period of the AI is from FY 2015-2016 through FY 2019-2020. The AI time period is intended to remain aligned with the City's five-year Consolidated Plan.

4. Defining Fair Housing Choice

HUD defines fair housing as:

...a condition in which individuals of *similar income levels* in the same housing market have a like range of choices available to them regardless of race, color, national origin, religion, sex, handicap, or familial status.

HUD draws an important distinction between household income, affordability and fair housing. Economic factors that impact housing choice are not fair housing issues per se. Only when the relationship between household incomes combined with other factors - such as household type or race and ethnicity - create misconceptions and biases do they become a fair housing issue.

Tenant/landlord disputes are also not typically fair housing issues, generally resulting from inadequate understanding by the parties on their rights and responsibilities. Such disputes only become fair housing issues when they are based on factors protected by fair housing laws and result in differential treatment.

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Impediments to fair housing choice, according to HUD, are --

Any actions, omissions, or decisions taken *because of* race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices. (Intent)

Any actions, omissions, or decisions which *have the effect of* restricting housing choices or the availability of housing choices *because of* race, color, religion, sex, disability, familial status, or national origin. (Effect)

HUD has explained that policies, practices, or procedures that appear neutral on their face, but which operate to deny or adversely affect the availability of housing to persons because of race, ethnicity, disability, and families with children may constitute such impediments.

5. Participants and Funding for the AI

The lead agency for preparation of the *AI and Fair Housing Action Plan* is the Community Development Department. Valuable input to the AI was provided by the following:

- Community Development Department
- Fair Housing Council of Riverside County, Inc.(FHCRC)
- California Bureau of Real Estate (BRE)
- California Newspaper Publishers Association (CNPA)
- California Department of Insurance (DOI)
- U.S. Department of Housing and Urban Development - Fair Housing and Equal Opportunity (FHEO), San Francisco Regional Office

CDBG funds were expended to complete the *AI*. CDBG funds paid for consultant assistance on *AI* report preparation and for staff time expended on the project. In addition, the City uses CDBG funds to support the services of the FHCR. The FHCR compiled service and housing discrimination statistics for use in the *AI* and provides fair housing and tenant/landlord counseling services under contract to the City of Riverside.

B. EXECUTIVE SUMMARY

The scope and content of the *AI and Fair Housing Action Plan* are consistent with the format suggested by HUD in the 1996 *Fair Housing Planning Guide*. Two major components comprise the report:

- An Analysis of Impediments to Fair Housing Choice
- A description of the actions to be taken by the City and its fair housing provider to overcome the effects of the identified impediments (i.e., *Fair Housing Action Plan*)

Section II describes the *Fair Housing Action Plan* which seeks to ameliorate or eliminate both public and private sector impediments. There are only a few minor public sector impediments which will be addressed by Zoning Code Amendments.

The City and FHCR will implement actions to eliminate or ameliorate the identified private sector impediments which include, but are not limited, to:

- Processing housing discrimination complaints

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- Offering fair housing information and education to the Inland Valleys Association of REALTORS (IVAR)
- Include information on the issues pertaining to steering, appraisals, debt-to-income ratios, and homeowners insurance at free community workshops
- Continue to offer workshops and seminars to apartment managers
- Annually review print advertising to identify discriminatory words or phrases
- Prepare a directory of hate victim support services.

Section III demonstrates that the City is in compliance with the fair housing requirements. The City has a program to process housing discrimination complaints; has not been subject to a HUD-initiated complaint; has not been subject to a compliance review. The City, as explained below, is subject to a fair housing lawsuit.

The Fair Housing Council of Riverside County, Inc. has filed a suit against the City challenging the City's Room Rental Ordinance which restricts the number of persons who may lawfully occupy a dwelling as tenants in any of the City's single-family residential zoning districts. Plaintiffs contend that the City's adoption and enforcement of the Room Rental Ordinance violates the federal and state fair housing laws. The case has not yet been decided.

Section IV explains the public and private sector fair housing programs and actions. The City contracts with the FHCRRC to provide residents, property owners and landlords with the fair housing services and tenant/landlord counseling services.

Private sector fair housing programs are implemented by the California Bureau of Real Estate, IVAR, California Apartment Association (CAA), Apartment Owners Association (AOA), and Apartment Association Greater Inland Empire (AAGIE).

Section V presents a detailed analysis of demographic, housing, income, and employment data. Information also is presented on population and demographic characteristics of several fair housing protected groups (e.g., race, disability, families with children, etc.).

Riverside's residents will continue to have a need for fair housing services because of the following factors:

- Riverside's population is projected to reach almost 382,700 people by the year 2035.
- There are now almost 42,000 renter households residing in Riverside.
- The number of renter households will increase as housing is built to accommodate the projected population increase.
- In-place tenants and rental home seekers make the vast majority of all calls for service made to the FHCRRC.
- An increase in housing discrimination complaints is likely to occur due to the increase in the number of renter households combined with an increased knowledge by residents of fair housing rights.

Section VI contains the detailed analysis of potential and actual public sector impediments to fair housing choice.

Section VII contains the detailed analysis of potential and actual private sector impediments to fair housing choice.

As previously mentioned, Section II provides a summary of the identified impediments and the actions to be taken between FY 2015-2016 and FY 2019-2020.

SECTION II
2015-2019 FAIR HOUSING ACTION PLAN



SECTION II: 2015-2019 FAIR HOUSING ACTION PLAN

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A. INTRODUCTION

HUD's *Fair Housing Planning Guide* states:

Jurisdictions should summarize conclusions reached based on the AI, and describe in detail recommendations for resolution of the problems identified. This discussion is the link between the AI part of FHP [Fair Housing Planning] and the actions underway and proposed to promote fair housing choice.

Furthermore, the Affirmatively Furthering Fair Housing (AFFH) certification signed by the City obligates the City to:

Take appropriate actions to overcome the effects of any impediments identified through the AI.

Therefore, Section II - *Fair Housing Action Plan* (FHAP) - describes the actions to overcome the impediments identified through completion of the *Analysis of Impediments to Fair Housing Choice (AI)*. Section II is a summary of the more detailed analysis of the public sector impediments which are described in Section VI and private sector impediments which are described in Section VII.

HUD advises entitlement jurisdictions to develop the AI and FHAP through a process similar to the development of the Consolidated Plan. More specifically, HUD recommends that:

Before developing actions to eliminate the effects of any impediments identified through the AI (fair housing actions), the jurisdiction should:

- Ensure that diverse groups in the community are provided a real opportunity to take part in the development process
- Create the structure for the design and implementation of the actions

Source: U. S. Department of Housing and Urban Development, *Fair Housing Planning Guide - Volume 1*, March 1996, pages 2-21 and 2-22

Key elements of the process through which the recommended implementation actions were developed included public participation and consultation.

B. PUBLIC PARTICIPATION AND CONSULTATION

The City of Riverside provides numerous opportunities for community residents to provide input on fair housing concerns and issues. A summary of these opportunities is presented below.

1. Housing Element Update 2014-2021 Citizens' Advisory Committee

Members of the Citizens' Advisory Committee expressed the following fair housing issues and concerns.

- Housing needs of disabled veterans, seniors and homeless individuals
- Housing needs of single women heads of households
- Accessibility of transportation to residents of existing homes
- Accessibility of transportation to the elderly of the Eastside Neighborhood

- Making sure that homes have adequate ramps, and widened doors so that people with disabilities can live comfortably
- Housing needs of the visually impaired
- Educating seniors, people with disabilities or special needs to the best approach when seeking affordable housing
- Disability is the number one basis for housing discrimination complaints
- There are not enough homes ready for people with disabilities

Rose Mayes, Executive Director of the Fair Housing Council of Riverside County, Inc. was a member of the Citizens' Advisory Committee. Mike Teer of the Inland Valleys Association of REALTORS also was a member of the Committee.

2. 2015-2019 Consolidated Plan Housing and Community Development Survey

During the development of the Consolidated Plan, a survey of housing and community development needs was completed. Residents were asked to rank needs as "no need," "low need," "medium need," and "high need." Fair housing counseling services was ranked as a "high need" by respondents to the survey.

3. Fair Housing Concerns and Issues of Persons Making Housing Discrimination Complaints

Additional insights on the concerns of fair housing protected groups are garnered by a review of the acts alleged in housing discrimination complaints. The top five issues of concern to Riverside residents making a housing discrimination complaint were:

- Discrimination in the terms, conditions, and privileges relating to the rental of housing
- Refusal to rent to a protected group
- Discrimination in the terms, conditions, or privileges relating to the use of services and facilities in a rental housing complex
- Failure by an apartment manager to allow a reasonable accommodation
- Discriminatory advertising, statements and notices

4. Human Relations Commission

The Human Relations Commission is charged with fostering mutual understanding and respect between people; encouraging education and outreach; and developing and promoting programs which work to eliminate prejudice and discrimination. The Commission meets in various parts of the city on the third Thursday of each month.

The Commission also makes available a "Complaint of Discrimination Form" which allows residents to express a fair housing concern or issue through a formal complaint. The form allows residents to indicate if they were discriminated against in terms of employment, housing, access or other factor. The form also requests information on the protected group status (e.g., race, national origin, familial status, etc.)

5. Riverside Police Department Community Outreach Lecture Series

The Community Outreach Lecture Series is presented at high schools located in the Riverside and Alvord Unified School Districts. The fair housing issue of hate crimes is among the issues discussed during the Lecture Series.

6. Commission on Disabilities

The Commission on Disabilities was established to advise the City Council on all matters affecting persons with disabilities in the community; review community policies, programs, and actions which affect persons with disabilities; and help create a public awareness of the needs in areas such as housing, employment, and transportation. The Commission meets on the first Monday of every other month.

During the development of the *AI* and *Fair Housing Action Plan* the City also consulted with the Fair Housing Council of Riverside County, Inc., HUD-LA and HUD-San Francisco.

Additional public input will be obtained during the public review period for the *Draft AI* and *Fair Housing Action Plan*.

C. SUMMARY OF THE ANALYSIS OF PUBLIC SECTOR IMPEDIMENTS AND FAIR HOUSING ACTION PLAN

1. Introduction

For purposes of identifying potential public sector impediments, the City of Riverside responded to a *Survey of Planning Policies and Practices, Zoning Regulations and Building Code Standards That May Pose an Impediment to Fair Housing Choice*. HUD-LA has approved its use as a means of identifying public sector fair housing impediments caused by a jurisdiction's planning policies and practices, zoning regulations and building code.

The Survey has a particular focus on land use and zoning regulations, practices and procedures that can act as barriers to the situating, development, or use of housing for individuals with disabilities. However, it also touches on areas that may affect fair housing choice for families with children or otherwise serve as impediments to full fair housing choice. In identifying impediments to fair housing choice, the survey looks to distinguish between regulatory impediments based on specific code provisions and practice impediments, which arise from practices or implementing policies used by the City. The 26 questions comprising the Survey are organized into 12 categories:

- Family Definition
- Disability Definition
- Definition of Boarding or Rooming House or Hotel
- Housing for People with Disabilities
- Transitional and Supportive Housing
- Reasonable Accommodation Procedure
- City Management of Housing
- Affordable Housing Admission Preferences
- Special Needs Populations
- Accessibility Requirements
- Senior Housing
- Occupancy Standards

Attachment A in Section VI presents the details of the public sector impediments analysis. The review of Planning, Zoning Code and Building Code policies and practices found only three minor impediments.

2. Summary of AI Recommended Actions

The responses to the review questions clearly indicate that the vast majority of Riverside's practices are consistent with fair housing laws and affirmatively further fair housing. A summary of the recommended actions is presented below.

a. Update Zoning Code Disability Definition

The City should amend the current definition of disability to add a reference to State fair housing laws when the Zoning Code is next amended to incorporate the amended definition and any other necessary amendments caused by a Zoning Code update or new State laws. State fair housing law provides broader protection to disabled persons than the federal Fair Housing Act.

This recommendation can be incorporated as part of the Omnibus Zoning Code Amendment to address technical corrections. The time schedule is Fall/Winter 2015/2016.

b. Licensed Residential Care Facilities

The City should consider the following revisions to the Zoning Code for State licensed residential care facilities housing six or fewer persons:

- ✓ Revise the Group Housing definition to include the residential care facilities covered by the Lanterman-Petris Act, Community Care Facilities Act and Residential Care Facilities Act for the Elderly.
- ✓ State that the six or fewer occupants limit for residential care facilities excludes the operator and staff.
- ✓ Remove the additional filing requirements imposed by Section 19-315 of the Zoning Code.
- ✓ Remove the additional requirements pertaining to site location, operation and development standards imposed by Section 19-315.

The time schedule for implementation is PY 2016-2017.

c. Transitional and Supportive Housing

The City should consider the following Zoning Code amendments:

- ✓ Replacing the definitions of transitional and supportive housing with the more complete definitions which are now included in the Government Code Sections 65582(f) and 65582(h).
- ✓ Implement the *Draft 2014-2021 Housing Element* action program "To process an amendment to the Zoning Code (Title 19) to permit supportive and transitional housing in all zones where residential is permitted pursuant to the requirements of SB 2."

This recommendation can be incorporated as part of the Omnibus Zoning Code Amendment to address technical corrections. The time schedule is Fall/Winter 2015/2016.

d. Make the Community Aware of the Reasonable Accommodation Procedure

The DOJ-HUD Joint Statement encourages local governments to process requests for a reasonable accommodation without imposing "significant costs." Chapter 19.850 requires that a

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filing fee, in the amount established by City Council resolution, be paid at the time of filing an application. The fee is \$763.10 as of March 2015. The fee amount could be “significant” for low income disabled persons, especially the elderly and frail elderly on fixed incomes.

The DOJ-HUD Joint Statement also encourages local governments to insure that the availability of a reasonable accommodation procedure is well known within the community. A summary of the reasonable accommodation procedure could be posted on the Community Development Department’s webpage. Additionally, a brief flyer or brochure could be prepared to describe the reasonable accommodation procedure and it also could be made available at the Planning Division counter and at the Community Access Center office located on Magnolia Avenue in Riverside.

Staff will consider preparing a summary and/or brochure to describe the procedure and make it available for distribution at the public counters and libraries. The time table for implementation is Fall/Winter 2015/2016.

e. Management of Affordable Housing

The Housing Authority of the City of Riverside owns 116 apartment units, which Riverside Housing Development Corporation manages. When the City provides gap financing from HOME funds and former Redevelopment Housing funds, the City can consider determining fair housing compliance of affordable housing projects that have obtained gap financing from HOME funds, the Redevelopment Agency prior to its dissolution, and low income housing tax credits. The fair housing compliance could be limited to ensuring that the private management of the affordable housing developments is consistent with fair housing laws regarding:

- ✓ Occupancy limits
- ✓ Reasonable modifications
- ✓ Reasonable accommodations
- ✓ Service animals
- ✓ Companion animals

f. Senior Housing Age Threshold

The Zoning Code should be amended to acknowledge that senior housing - depending on the State and Federal program that may be involved - could be limited to occupancy by seniors 62 years of age or older. For example, the California Tax Credit Allocation Committee regulations state that -

...starting with projects allocated credits in 2015 all units shall be restricted to residents 62 years of age or older under applicable provisions of California Civil Code Section 51.3 and the federal Fair Housing Act...

According to HUD occupancy in Section 202 housing is open to any very low-income household comprised of at least one person who is at least 62 years old at the time of initial occupancy. Staff will consider amending the definition of “Senior Housing” to include language that acknowledges that there may be State and Federal programs that may restrict housing units to seniors 62 years of age or older. The time table for implementation is Fall/Winter 2015/2016.

D. SUMMARY OF THE ANALYSIS OF PRIVATE SECTOR IMPEDIMENTS AND FAIR HOUSING ACTION PLAN

1. Housing Discrimination

Based on past trends, 65 housing discrimination complaints may be filed by Riverside residents with HUD during the five year Consolidated Planning period between FY 2015-2016 and FY 2019-2020. During the same period, it is estimated that 630 housing discrimination complaints may be filed with the FHCRC.

With respect to the fair housing impediment of housing discrimination, the following actions should be taken:

- The City should continue to offer to its residents fair housing services which will include the processing of housing discrimination complaints and landlord/tenant counseling services. Often a landlord/tenant issue has as its basis a housing discrimination concern.
- The City should implement the FHCRC recommendation that it (the City) continue to investigate discriminatory practices in the housing industry. FHCRC states that identifying and combating discriminatory practices will ensure that all individuals are protected, as best they can be, from unfavorable practices in the housing industry and will ensure that if victimized, these individuals will have equal access to housing opportunities.
- The FHCRC should seek to identify the reasons why the Hispanic population files complaints at a much lower proportion than they represent of the City's total population. Outreach efforts may be appropriate to increase the Hispanic community's awareness of fair housing.
- The FHCRC should consider cooperative efforts with the Community Access Center and Regional Center in order to enhance the disabled community's fair housing awareness.
- Encourage the inclusion of housing for the disabled in new affordable housing developments.

2. Brokerage Services

Brokerage services as defined by the 1968 Federal Fair Housing Act pertain to having equal access to membership and participation in an Association of REALTORS and the MLS. The IVAR membership application does not inquire about the characteristics of the applicant other than license status and experience. Consequently, there are no overt actions to prevent membership by individuals who belong to one or more of the protected classes.

As no private sector impediment was found to exist, no recommendations are necessary concerning brokerage services. However, the City's fair housing provider - FHCRC - could offer the following services to IVAR:

- Provide fair housing articles for publication on the IVAR webpage.
- Participate in the meetings of IVAR's Fair Housing/Equal Opportunity Committee
- Offer to teach the 3-hour Fair Housing course that REALTORS and sales persons must complete when they renew their license every four years.

3. Steering

Steering is prohibited by Sections 804(a) and 804(f)(1) of the Federal 1968 Fair Housing Act. An example of steering is a REALTOR deliberately guiding potential purchasers toward or away from certain neighborhoods because of membership in a protected class (e.g., race, color, national origin).

Steering may adversely impact homebuyers in their search process and when they apply for a loan. Steering also may adversely impact in-place renters and rental apartment seekers. Corrective actions have been taken by the Federal and State governments regarding loan steering so that abuse may not happen in the future as frequently as it occurred in the early to mid-2000s. However, the steering of apartment seekers is likely to continue, although it is not possible to measure its frequency.

During the five-year period from FY 2015-2016 through FY 2019-2020, the City's fair housing provider - FHCRC - should:

- Offer as part of its home buyer counseling services examples of how to detect "steering" during the home search process and how to detect "loan steering."
- Provide information to renters attending workshops on how to detect steering behavior by resident property managers.
- Add a "steering" category to the categories of alleged housing discriminatory acts.

4. Appraisal Practices

Complaints regarding discriminatory appraisal practices are not routinely collected by the FHCRC, State or Federal agencies. Would-be homebuyers are in the best position to detect potentially discriminatory practices.

Appraisers have acknowledged that while subtle forms of discrimination in the appraisal process are clearly more difficult to identify, identification and prevention are certainly not impossible. Some recommended actions include:

- Train underwriters, processors and loan decision makers to identify the signs of discrimination such as large unsupported adjustments and vague, imprecise or stereotypical language.
- Include a fair lending appraisal component in a lenders quality control program.
- Periodically compare appraisal reports prepared by the same appraiser in minority and non-minority neighborhoods to determine if the properties were analyzed and adjustments applied in a consistent fashion.
- Periodically compare the work of different appraisers in minority neighborhoods to determine if they are analyzing properties and making adjustments in a similar and consistent fashion.

The following action should be taken:

- FHCRC should add "how to read an appraisal report" to its homebuyer counseling services in order to 1) inform borrowers of their right to request the appraisal report and 2) provide information on the contents of the report and how to detect possible discriminatory practices.

5. Lending Practices

The City's goal is to improve the loan approval rates of all racial and ethnic populations that want to buy a home located in Riverside. To improve even further the loan approval rates, borrowers can be helped to understand the loan approval process *before* they submit a loan application.

The number one known reason why borrowers are denied a loan approval is an excessive debt-to-income ratio. Many of these borrowers should not be making loan applications until after they have their debts under control. Loan denial rates can be reduced by providing all homebuyers, but especially first time homebuyers, with information of the loan application and approval process.

To address the issues, concerns and impediments, the following actions could be implemented:

- The City should continue to support the efforts of the FHCRC to secure funding for outreach to minority communities through HUD's Fair Housing Initiatives Program (FHIP).
- Annually monitor the disparity between the loan denial rates of White, Non-Hispanic and Black borrowers. If the disparity continues, lenders should be contacted to resolve any outstanding issues.
- Continue to offer first-time home buyer seminars to explain to borrowers the need to lower debt-to-income ratios to a level acceptable to lenders. Implementation of this recommended action should result in better prepared borrowers and cause an increase in loan approval rates of all loan applicants, regardless of race or ethnicity.
- Conduct a roundtable discussion with lenders on the role that FHCRC could play to increase the loan approval rates of minority borrowers.

6. Homeowners Insurance

When faced with a prospective insured, insurance providers use the CLUE database to find out information not only about the customer, but also about the residence to be covered. Often this will cause problems for homeowners who have recently purchased a property. If they assume they will be able to get insurance easily because they always have had coverage and have never made any claims, they may be surprised when they are turned down based on claims made on their new property by the previous owners.

When a home is sold in California, the seller is not obligated to provide the buyer with a CLUE report, according to the California Association of REALTORS (CAR). CAR recommends that buyers should seek insurance quotes during the inspection period so that there will be clear understanding of the cost of the insurance early in the transaction, and so that buyers will have an opportunity to evaluate this fact during the inspection period.

The State Department of Insurance 2013 homeowners' premium survey showed a very wide range of rates. The annual premiums in Riverside zip codes 92503 and 92506 ranged from a low of \$757 to a high of \$2,609.

According to a the California Department of Insurance Statistical Analysis Division report entitled 2011 Commissioner's Report on Underserved Communities, Riverside is not an underserved community. The underserved communities in Riverside County are Coachella (zip code 92236) and Mecca (zip code 92254).

The following actions should be taken:

- The City should request that the FHCRC add “homeowners insurance” and “CLUE Reports” to its homebuyer counseling services.
- The FHCRC should provide educational services to homebuyers/borrowers so they understand the impact of CLUE Reports and can compare homeowner’s premium rates.

7. Blockbusting/Panic Selling

There is no evidence to indicate that blockbusting/panic selling has occurred in Riverside in recent years. Consequently, there are no actions recommended for future implementation.

8. Property Management Practices

The results of the apartment and mobile home park/RVP surveys reveal a high degree of compliance with fair housing laws. In light of the survey findings, however, the City will take the following actions to affirmatively further fair housing:

The FHCRC should:

- When funding becomes available, contact the apartment and mobile home park managers surveyed in March 2015 who demonstrated a lack of knowledge on fair housing obligations such as the appropriate occupancy standard and the need for written policies.
- Annually conduct, when funding becomes available, a survey of 10-15 apartment communities to identify possible violations of fair housing laws.
- Continue to offer workshops and seminars to property managers.
- A focus of these workshops and seminars should be on policies and practices that impact in-place tenants.

9. Discriminatory Advertising

Ads containing discriminatory words or phrases are infrequently published. However, ads with discriminatory words or phrases may be published in the future. Additionally, ads stating “no pets” may discourage disabled persons from applying for the apartment housing advertised in print publications.

Based on the findings, the City should consider having the FHCRC implement the following actions:

- Support efforts to amend the Communications Decency Act to extend the FHA’s ban on discriminatory housing advertisements to online advertising.
- Annually review ads published in the Press Enterprise. Ads with discriminatory words or phrases should be investigated in more detail with follow-up enforcement actions, if necessary.

10. Hate Crimes

Based on past trends, it is estimated that 100 hate crime events may occur in Riverside during the five-year period from 2015 to 2020. It is estimated that the location of 30 of the events may happen at a residence/home/driveway. Information on victim support services is useful when Police Officers are helping hate crime victims.

The following actions should be considered:

- The Human Relations Commission, or other appropriate City entity, should prepare a directory of hate victim support services for use by the Police Department.
- The Community Services Bureau should continue to include hate crimes as a topic in the Community Outreach Lecture Series.

**SECTION III
CURRENT FAIR HOUSING LEGAL STATUS**



SECTION III: CURRENT FAIR HOUSING LEGAL STATUS

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A. INTRODUCTION

According to HUD, jurisdictions should include information in the AI about:

The number and types of complaints that have been filed alleging housing discrimination, including complaints in which the Secretary of HUD has issued a charge of discrimination or suit has been filed by the Department of Justice or private plaintiffs.

Source: United States Department of Housing and Urban Development, *Fair Housing Planning Guide*, Volume 1 (March 1996), page 2-28

B. FAIR HOUSING COMPLAINTS OR COMPLIANCE REVIEWS WHERE THE HUD SECRETARY HAS ISSUED A CHARGE OF OR MADE A FINDING OF DISCRIMINATION

1. Fair Housing Complaints

Housing discrimination complaints can be filed directly with HUD. In California the housing discrimination complaints are processed by HUD's San Francisco Office of Fair Housing and Equal Opportunity (FHEO).

The San Francisco Regional Office provided the City with housing discrimination complaint data for calendar years January 2000 through December 2014. During the 15 year period the complaints filed with HUD involved 236 bases. Three-fifths of the bases involved disability (29.2%) and race (29.2%). HUD's percentage of complaints involving national origin (14.8%) was considerably higher than that of the FHCRC (3.7%).

The FHCRC compiled housing discrimination complaint data for the period from FY 2009/2010 through FY 2013/2014. During this five-year period, 629 housing discrimination complaints were filed with the FHCRC by Riverside residents. An annual average of 126 complaints was filed during the five-year period. Three-fifths of the complaints are made on the basis of disability (44.5%) and race/color (16.7%).

Section VII discusses housing discrimination complaint data in greater detail.

2. Secretary-Initiated Complaints

According to HUD, it -

...files a Secretary-initiated complaint when a preliminary investigation has found evidence that a systemic discriminatory housing practice has occurred or is about to occur, though an aggrieved person may or may not have come forward. HUD may also file a Secretary-initiated complaint when it has received an individual complaint, but believes that there may be additional victims of the discriminatory actions, or wants to obtain broader relief in the public interest.

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Section III: Current Fair Housing Legal Status**

Between FY 2012 and 2013, HUD filed 36 Secretary-initiated complaints:

<input type="checkbox"/> 2013	20
<input type="checkbox"/> 2012	16

The bases of the complaints were as follows:

<input type="checkbox"/> Familial Status	13
<input type="checkbox"/> Disability	11
<input type="checkbox"/> National Origin	10
<input type="checkbox"/> Race	6
<input type="checkbox"/> Sex	4

The number of bases is 44 because a complaint may have more than one base.

None of these complaints involved the City of Riverside, however.

3. Compliance Reviews of Recipients of HUD Funds

According to HUD's *FY 2012-2013 Annual Report on Fair Housing*:

HUD conducts compliance reviews to determine whether a recipient of HUD funds is in compliance with applicable civil rights laws and their implementing regulations. HUD may initiate a compliance review whenever a report, complaint, or any other information indicates a possible failure to comply with applicable civil rights laws and regulations. HUD initiates most compliance reviews based on risk analyses, issues raised during a limited monitoring review, or when a civil rights problem is detected through HUD program monitoring.

After a review to assess whether the recipient of HUD funds has complied with civil rights laws, HUD issues written findings of its review. Typically, HUD issues a Letter of Findings to the recipient. A Letter of Findings contains the findings of fact and any findings of noncompliance, along with a description of an appropriate remedy.

In 2012 and 2013 HUD initiated 105 and 58 compliance reviews, respectively.

The City of Riverside was not subject to a compliance review.

At least two of the reviews resulted in significant Voluntary Compliance Agreements, which included significant AFFH requirements. The jurisdictions were Marin County, CA and Joliet, IL.

C. FAIR HOUSING DISCRIMINATION SUIT FILED BY THE DEPARTMENT OF JUSTICE OR PRIVATE PLAINTIFFS

According to HUD's *FY 2012-2013 Annual Report on Fair Housing*:

When HUD issues a charge of discrimination, the parties may choose to pursue the matter either in an administrative proceeding or in federal district court. In an administrative proceeding, HUD represents the government, bringing the case on behalf of the aggrieved person and the public interest. The aggrieved person, however, may intervene as a party in the proceeding in order to separately represent his or her own

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interests. If any party to the case elects to go to federal court, HUD transfers the case to DOJ, which prosecutes the case.

An administrative law judge (ALJ) presides over the administrative proceeding. Once before an ALJ, the parties may resolve the charge by entering into an initial decision and consent order signed by the ALJ. Otherwise, an ALJ will conduct an administrative hearing in the vicinity in which the discriminatory practice is alleged to have occurred. The Fair Housing Act requires that the hearing begin within 120 days of the issuance of a charge, unless it is impracticable to do so.

In 2011 29 cases were pending and in FY 2012 35 cases were docketed. A case can involve more than one protected class. None of these cases involved the City of Riverside.

The Federal Department of Justice (DOJ) can file suits against entitlement jurisdictions alleging housing discrimination and/or the failure to affirmatively further fair housing. The DOJ has not filed such a suit against Riverside as the City has been in compliance with HUD's fair housing requirements.

Private parties also can file a fair housing lawsuit against the City. The Fair Housing Council of Riverside County, Inc. on July 8, 2014 filed a suit against the City challenging the City's Room Rental Ordinance which restricts the number of persons who may lawfully occupy a dwelling as tenants in any of the City's single-family residential zoning districts. Plaintiffs contend that the City's adoption and enforcement of the Room Rental Ordinance have a discriminatory effect and perpetuate segregation on the basis of race, national origin, familial status, and age in violation of the federal and state fair housing laws. The case has not yet been decided.

D. REASONS FOR ANY TRENDS OR PATTERNS

Based on past trends, 65 housing discrimination complaints may be filed by Riverside residents with HUD during the five year period between FY 2015-2016 and FY 2019-2020. During the same period, it is estimated that 630 housing discrimination complaints may be filed with the FHCR.

In Riverside, disability, race and familial status are likely to continue to be the most frequent basis for a housing discrimination complaint. This trend is the same as experienced in California and the nation. The National Fair Housing Alliance in its *2013 Fair Housing Trends Report* states:

Disability complaints remain the greatest percentage of all complaints for the past several years....

Another trend is increased fair lending enforcement. The Federal Consumer Financial Protection Bureau (CFPB) has an Office of Fair Lending and Equal Opportunity. A major purpose of this Office is detecting unfair lending practices. The National Fair Housing Alliance believes that lending discrimination is difficult to detect because it is rarely overt. Consequently, the Alliance is recommending that CFPB collect information on the protected classes of all complainants not only those involving discrimination. The collection of this information will help to detect unfair lending practices that discriminate against one or more of the protected classes.

SECTION IV
DESCRIPTION OF FAIR HOUSING PROGRAMS/ACTIONS



SECTION IV: DESCRIPTION OF FAIR HOUSING PROGRAMS/ACTIONS

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A. INTRODUCTION

HUD's suggested format indicates that an AI should briefly describe fair housing actions recently completed and currently underway. The description should include both public and private actions. When data are available, specific accomplishments, actual or anticipated, that have promoted or will promote fair housing should be described.

B. FAIR HOUSING PROGRESS REPORT

In 2009 the City of Riverside adopted its *2010-2014 Five-Year Consolidated Plan*, including the *2010-2014 Analysis of Impediments to Fair Housing Choice*. The impediments included:

- Discrimination in Housing Opportunities Against Protected Classes
- Lack of Affordable Housing Opportunities for Families
- Lending Patterns: Discrimination Based on Race
- Lack of Awareness of Fair Housing Laws
- Discrimination Against Persons with Disabilities

Table IV-1 is a summary of the impediments to fair housing choice identified in the 2009 study, recommendations for implementation, and the implementation progress or accomplishments achieved through FY 2013-2014.

**City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
Section IV: Description of Fair Housing Programs/Actions**

**Table IV-1
City of Riverside
Fair Housing Impediments, Recommendations and Implementation Progress**

Impediments	Recommendations	Lead Agency	Timeframe
1.	<p>Discrimination in Housing Opportunities Against Protected Classes</p> <p>To address discrimination in housing opportunities against protected classes, it is recommended that the City of Riverside continue to fund a fair housing discrimination complaint program through its contracted fair housing service provider. The program should process housing discrimination complaints by persons within the federally protected classes, conduct audit testing on the rental and for-sale housing market and educate professionals and the public on fair housing issues.</p> <p>To address discrimination against persons in federally-protected classes in the rental housing market, the City should continue to fund a landlord tenant mediation program through its contracted fair housing service provider. This program processes rental housing discrimination complaints, mediates and resolves disputes between landlords and tenants and educates property owners and managers on fair housing laws.</p> <p>It is further recommended that the City's contracted fair housing service provider expand and conduct fair housing workshops to educate lenders, brokers, sellers, owners, managers, buyers, and tenants on fair housing laws. These expanded workshops will be conducted in Riverside and throughout the region.</p> <p>Further, the contracted fair housing service provider should conduct expanded testing, (a minimum of 15 tests), in Riverside to address issues of possible discrimination based on race, familial status, national origin, disability and other protected categories.</p>	City of Riverside Community Development Department, Development Division; Fair Housing Service Provider	Ongoing Audits Completed

**City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
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<p>2.</p>	<p>Lack of Affordable Housing Opportunities for Families</p>	<p>To address the lack of affordable rental housing opportunities for low-income families, it is recommended that the City's Community Development Department - Housing Authority partner with affordable housing developers to increase the number of affordable housing rental units for small and large families. This can be accomplished through new construction or rehabilitation of existing market rate units where in exchange, affordability covenants can be acquired.</p> <p>In FY 2013-14, the City entered into a HOME Agreement with Mercy House for the development of the Home Front at Camp Anza, a 30-unit affordable housing project for disabled veterans that includes on-site supportive services for veterans and their families.</p> <p>The City also entered into a Disposition and Development Agreement with the following CHDO's on September 26, 2013 to develop single-family homes to low income, first-time homebuyers on vacant NSP properties:</p> <ul style="list-style-type: none"> - Habitat for Humanity: 2792 Woodbine Street - RHDC: 4570 Sunnyside and 10280 Sunnyslope <p>The following affordable housing projects were completed in FY 2013-14:</p> <ul style="list-style-type: none"> - <i>2325 11th Street:</i> Completed construction of a new single-family residence and sold home to an income-qualified, first-time homebuyer. The Project was facilitated by Mary Erickson Community Housing. - <i>3349 Arapahoe Street:</i> Sold home to a low-income, first time homebuyer. The project was facilitated by Habitat for Humanity. <p>To further encourage the development of affordable housing units for families, the Housing Authority released the following Requests for Proposals during FY 2013/14:</p>	<p>City of Riverside Community Development Department</p>	<p>6/30/14</p>
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**City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
Section IV: Description of Fair Housing Programs/Actions**

		<ul style="list-style-type: none"> - <i>RFP 14-1/Development of Affordable Housing Units at 1705, 1725 and 1733 7th Street:</i> The Housing Authority released RFP 14-1 on June 17, 2014 for the development of approximately 30 affordable family apartment units in the Chicago-Linden neighborhood that will serve as an anchor for the larger revitalization of the subject neighborhood while providing a model for private development to replicate. Proposals were due September 26, 2014. The HA received two proposals, which provided the opportunity for two different developments. However, the first responder pulled their response and the HA is proceeding with the second proposal to develop a portion of 1733 7th Street and the adjacent properties that the developer owns. - <i>RFP 14-2/Development of Affordable Housing Units at 4350 La Sierra Avenue:</i> The Housing Authority released RFP 14-2 on May 9, 2014 to solicit proposals for the development of affordable housing units to serve families. Responses to this proposal were due on July 18, 2014. The City received three proposals, of which two were nonresponsive. The proposal was for an affordable rental development. When presented with the affordable rental development concept, the community was opposed to the concept and requested the development of a homeownership project. As a result, the HA will be releasing a RFP for the development of a homeownership project with an affordable component. 		
3.	Lending Patterns: Discrimination Based on Race	<p>To encourage homeownership for all residents, particularly Hispanics, African Americans and Asians, it is recommended that the City encourage lending institutions in the area to ensure that their staff works with the applicants in educating them about the home loan application process.</p> <p>The City should coordinate with its contracted fair housing service provider and other HUD-approved homebuyer education providers to expand accessibility to and knowledge of these HUD approved homebuyer education classes and workshops that are available to the public for free or at a nominal charge.</p>	City of Riverside Community Development Department	Ongoing

City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
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4.	Lack of Awareness of Fair Housing Laws	<p>It is recommended that the City's contracted fair housing service provider continue to provide fair housing technical assistance to real estate professionals with fair housing questions or concerns in Riverside and the region.</p> <p>The City will work with its contracted fair housing service provider in an effort to expand community participation including greater outreach efforts regarding fair housing workshops to renters and property managers/owners to make them aware that these workshops are available at no charge. These outreach efforts will serve to increase awareness of fair housing rights and responsibilities throughout Riverside and the region.</p>	City of Riverside Community Development Department, Development Division; Fair Housing Service Provider	Ongoing
5.	Discrimination Against Persons with Disabilities	<p>To address the increasing incidence of discrimination against persons with disabilities, it is recommended that the City's contracted fair housing service provider expand and conduct fair housing workshops that specifically address the disabled and their particular housing needs and rights. These workshops will inform landlords and housing industry stakeholders about reasonable accommodations and modifications. These expanded workshops will be conducted in Riverside and throughout the region.</p> <p>It is further recommended that the City of Riverside provide for expanded testing, (a minimum of 15 tests) in Riverside to address issues of possible discrimination based on disability in an effort to expand the base of knowledge surrounding specific types of housing discrimination against mentally and physically disabled persons.</p>	City of Riverside Community Development Department; Fair Housing Service Provider	Ongoing Audits Regarding Disability Completed

C. PUBLIC FAIR HOUSING PROGRAMS/ACTIONS

The City contracts with the Fair Housing Council of Riverside County, Inc. (FHCRC) to provide fair housing services. The mission of the Fair Housing Council is “to provide comprehensive services which affirmatively address and promote fair housing (antidiscrimination) rights and further other housing opportunities for all persons without regard to race, color, national origin, religion, sex, familial status presence of children, disability, ancestry, sexual preference, age, marital status, or other arbitrary factors.”

Services provided by the Fair Housing Council include housing discrimination complaint processing, tenant-landlord information and mediation, fair housing educational presentations, and community-wide outreach through the dissemination of literature.

Along with assisting households with discrimination and landlord/tenant complaints, the FHCRC conducts a wide range of education and outreach activities throughout the year. These services include: a Fair Housing Training Course for property owners and managers; Tenant Rights Workshops for renters; First-Time Homebuyer Workshops that include information on predatory lending practices; and Foreclosure Prevention Workshops.

All of the workshops/trainings conducted by the Fair Housing Council are conducted in English and Spanish. In addition to the workshops/trainings conducted by the Fair Housing Council, its staff provides presentations and participates in numerous community meetings and information fairs and provides fair housing literature throughout the City. All literature distributed by the Fair Housing Council is provided in English and Spanish.

The City and the FHCRC continue to work in partnership to address on-going concerns with housing discrimination and landlord/tenant issues in Riverside including the compiling information essential to the 2015-2020 AI/Fair Housing Action Plan.

D. PRIVATE FAIR HOUSING PROGRAMS/ACTIONS

1. California Bureau of Real Estate/Inland Valleys Association of REALTORS (IVAR)

As a condition of license renewal, the California Bureau of Real Estate requires sales persons and brokers to complete a 3-hour course on fair housing and ethics. These courses are periodically advertised by the IVAR. The fair housing course includes topics such as:

- Fair housing laws
- Real Estate Commissioners regulations
- Bureau of Real Estate regulations
- Types of properties exempt from the Fair Housing Act
- Prohibited practices
- Complaint procedures
- Penalties for violating the Fair Housing Act

Some members of IVAR also belong to the National Association of REALTORS (NAR). The term REALTOR® identifies a licensed professional in real estate who is a member of the NATIONAL ASSOCIATION OF REALTORS®. Not all licensed real estate brokers and salespersons are members of the National Association, and only those who are may identify themselves as REALTORS®. They conduct their business and activities in accordance with a Code of Ethics.

City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
Section IV: Description of Fair Housing Programs/Actions

NAR has developed a Fair Housing Program to provide resources and guidance to REALTORS® in ensuring equal professional services for all people. NAR has also entered into the Fair Housing Partnership with HUD in recognition that REALTORS® are committed to fair housing and will seek training to learn how to put that commitment into practice. This commitment, coupled with enforcement of the law, will work to help REALTORS® consistently provide equal housing opportunities. Through the Fair Housing Partnership, the organizations developed guidelines and examples to help professionals in the housing industry better serve America's communities.

Some IVAR members also belong to the California Association of REALTORS (CAR). CAR emphasizes education as an effective means of affirmatively furthering fair housing. For example, the *At Home With Diversity®* is an educational experience designed to present a picture of the changing face of the real estate industry. More importantly, the class teaches REALTORS® how to work effectively with - and within - a rapidly changing multicultural market. The class teaches real estate professionals how they can increase their sensitivity and adaptability to future market trends. It addresses issues of diversity, fair housing, and cultural differences. Participants will learn practical skills and tools to expand business and effectively service all cultural groups.

2. California Apartment Association (CAA)

The California Apartment Association (CAA) is a statewide trade association with a Division in the Inland Empire. The CAA strongly believes that education is at the heart of its mission as a trade association. CAA offers educational opportunities both in a traditional classroom setting throughout the state, as well as on the Internet.

The CAA has a course on Fair Housing which teaches the property manager's role in Fair Housing, the law as it applies to children and families, accommodating the disabled, policies and procedures, and proper leasing and rental procedures. The course topics include:

- Introduction - What is Fair Housing?
- Federal Fair Housing law
- California Fair Housing law
- Fair housing exemptions
- Compliance, enforcement and remedies
- Hiring and educating personnel
- Marketing and advertising practices
- Occupancy standards
- Avoiding discriminatory leasing practices
- Avoid discriminatory application and screening practices
- Denial of applications
- Avoid discrimination during tenancy
- ADA Compliance
- Reasonable accommodations
- Special reasonable accommodation issues
- Reasonable modifications
- California Department of Real Estate requirements

The CAA also makes available on its website *Renting: A User Manual*. The publication offers the following guidance to renters with special needs:

Residents with Special Needs: Individuals with physical and mental disabilities have the right to rent housing free from discrimination. A landlord must use the same criteria for the selection of disabled and non-disabled residents as they do for all other applicants. It is illegal for landlords to refuse to rent to an individual because the person has a disability or to claim that there are no vacancies when there actually are units available. Equal access to housing for disabled persons includes the right to keep a guide dog, service, or companion animal, even if animals are not ordinarily allowed on the property. You cannot be charged an extra security deposit for a service animal. You have the right to make reasonable modifications to the rental property (at your own expense) to accommodate your disability. You may be required by the landlord to restore the property to its pre-existing condition when you leave, if the modifications will create a problem for the next resident. Talk to your landlord first. A person who is discriminated against by a landlord because of his/her disability may contact the State Department of Fair Employment and Housing to file a complaint. The phone numbers are listed in the back of this brochure.

3. Apartment Owners Association (AOA)

The AOA is a 30-year old organization that provides California apartment owners with full service land lording services. It frequently holds seminars on fair housing issues. These seminars have the major purpose of helping owners avoid fair housing complaints. For instance, one recent seminar was conducted to help ensure that owners adhered to fair and professional marketing applications and pre-screening procedures. The owners were advised to establish written, objective criteria and policies that are both in compliance with fair housing laws and applied consistently for all people.

4. Apartment Association Greater Inland Empire (AAGIE)

The AAGIE is a division of the California Apartment Association and represents owners, investors, developers, managers and suppliers of the rental housing industry in San Bernardino, Riverside and Eastern Los Angeles counties. AAGIE represents more than 1,000 members that own or operate more 65,000 units in the region.

AAGIE's core services are governmental advocacy, professional education and training, and compliance assistance to ensure our members are up to date on the newest regulations, emerging trends and best practices in the rental housing industry.

SECTION V
FAIR HOUSING COMMUNITY PROFILE



SECTION V: FAIR HOUSING COMMUNITY PROFILE

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A. INTRODUCTION

HUD’s suggested AI format includes a section on jurisdictional (meaning the City) background data. Such data may include demographics, income, employment, housing and other data relevant to the AI. Section V presents information on the following:

- Population growth trends in Riverside County and City of Riverside
- Riverside’s housing, demographic and economic characteristics
- Characteristics of the community’s fair housing protected groups
- Comparison of the status and well-being of the fair housing protected groups

Most of the data tables in Section V are based on either the 2010 Census or 2013 American Community Survey (ACS). The 2013 ACS estimates, which are based on a sample survey, are almost the same as the estimates produced by the State Department of Finance (DOF). ACS estimates a 2013 population of 316,613 compared to the DOF estimate of 314,034 persons. ACS estimates a total of 89,596 households compared to the DOF estimate of 92,688 households. Because the estimates are very similar, no adjustments were made to the ACS population and household counts.

B. POPULATION GROWTH IN RIVERSIDE COUNTY AND CITY OF RIVERSIDE

1. Population Growth in Riverside County

Table V-1 shows that between 2010 and 2035, Riverside County will grow by approximately 1,100,000 people, according to the projections made by DOF. The Hispanic population (665,100) will account for the vast majority of the growth followed by the White (192,800) and Asian populations (123,600). Hispanics will comprise almost two-thirds of Riverside County’s growth during the 25-year period (665,132/1,062,274).

**Table V-1
Riverside County - Population Change by Race/Ethnicity: 2010-2035**

Race/Ethnicity	2010	2035	Numerical Increase	Percent Increase ¹	Percent Increase ²
Not Hispanic or Latino					
White	874,405	1,067,252	192,847	18.2%	22.1%
Black	133,791	175,520	41,729	3.9%	31.2%
American Indian/Alaska Native	10,951	13,355	2,404	0.2%	22.0%
Asian	127,558	251,159	123,601	11.7%	96.9%
Native Hawaiian or Other Pacific Islander	5,891	7,411	1,520	0.1%	25.8%
Multi-Race	45,361	80,403	35,042	3.3%	77.3%
Hispanic or Latino (any race)	993,930	1,659,062	665,132	62.6%	66.9%
Total	2,191,886	3,254,160	1,062,274	100.0%	48.5%

¹Expressed as a percentage of the total increase (e.g. 192,847/1,062,275 = 18.2%)

²Expressed as a percentage of each group’s increase (e.g. 192,847/874,405 = 22.1%)

Source: California Department of Finance, Demographic Research Unit, Report P-1 State and County Population Projections by Race/Ethnicity 2010-2060 (by decade)

Note: 2035 is the midpoint between 2030 and 2040; Table construction by Castañeda & Associates

Attachment A contains definitions of the different races. Ethnicity refers to being Hispanic or Latino or not being Hispanic or Latino. The definition of this population group is found in Attachment B.

2. Population Growth in Riverside

Between 2008 and 2035 Riverside is projected to grow by 87,200 persons, according to the Southern California Association of Governments (SCAG). During this period, the City's population will increase from a 2008 population estimate of 295,500 persons to a 2035 population projection of 382,700 persons. The composition of Riverside's future population will likely mirror the demographic shifts that happen within the County during the 2010-2025 time period.

C. RIVERSIDE'S HOUSING, DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

1. Existing Housing Stock

Table V-2 shows that almost 100,000 housing units comprise Riverside's housing stock. Single-family detached homes comprise almost two-thirds (64.1%) of the housing stock. Multi-family housing comprises almost one-fourth (23.2%) of the housing stock.

**Table V-2
City of Riverside
Housing Stock by Type of Unit: January 1, 2014**

Type of Unit	Number of Units	Percent
1 unit, detached	63,662	64.1%
1 unit, attached	3,915	3.9%
2 to 4 units	6,392	6.4%
5+ units	23,058	23.2%
Mobile homes, RV, Van, Etc.	2,227	2.2%
Total	99,254	99.8%

Note: does not sum to 100% due to rounding
State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State, 2014, with 2010 Benchmark* Sacramento, California, May 2014

Table construction by Castañeda & Associates

2. Homeownership

Homeownership is a key indicator of community and personal well being as owning a home is often a household's major asset and wealth contributor. Table V-3 shows the 2000, 2010 and 2013 homeownership rates for the City of Riverside, Riverside County, California and the Nation. In all three periods, Riverside had a somewhat lower home ownership rate than the County and the Nation and almost the same as the State.

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During the 2000-2013 period, the percentage of owner-occupied housing decreased to 53.5% from 56.6%. Two possible reasons for the decline are that 1) foreclosed upon homes became renter-occupied and 2) composition of the housing stock added since 2000 include a higher proportion of multi-family housing.

**Table V-3
Comparison of Homeownership Rates by Year**

Area	2000	2010	2013
Riverside	56.6%	55.7%	53.5%
Riverside County	68.9%	67.4%	63.8%
California	56.9%	55.9%	53.8%
Nation	66.2%	65.1%	63.5%

Source: 2000 Census Summary File 1, Table QT-H2: Tenure, Household Size and Age of Householder
2010 Census DP-1 Profile of Population and Housing Characteristics: 2010, Housing Tenure
2013 American Community Survey (ACS) 1-Year Estimates, Table DP04: Selected Housing Characteristics
Table construction by Castañeda & Associates

3. Household Income

'Fair housing choice', according to HUD, means the ability of persons of *similar income levels* regardless of race, color, religion, sex, national origin, handicap and familial status to have available to them the same housing choices. This means, for instance, those households of different races but with similar income levels should have available to them the same housing choices. Another example is that female householders, male householders and married couples with similar income levels should have available to them the same housing choices. A housing market that treats female and male householders with incomes of \$60,000 *differently* would not be providing fair housing choice.

Household income is the key determinant of ability to pay for housing. For many households, their income is too limited to afford existing housing. A larger number of households have incomes too low to afford new housing, as new housing is usually more expensive than existing housing.

Table V-4 shows the number and percentages of households in five income groups by tenure. Approximately 43% of the City's nearly 92,000 households have low- and moderate-incomes (=/ $<80\%$ of Area Median Income). Sixty percent of renters and 29% of owners have low and moderate incomes, respectively. The largest single group is owners with above moderate incomes.

Households with low- and moderate income are eligible to participate in the City's CDBG- and HOME-funded programs.

**Table V-4
City of Riverside
Household Income by Tenure: 2010**

Household Income	Owner	Percent	Renter	Percent	Total	Percent
Extremely Low	2,666	5.2%	8,288	20.3%	10,954	11.9%
Very Low	4,365	8.5%	7,425	18.2%	11,790	12.8%
Low	7,701	15.0%	8,755	21.5%	16,456	17.9%
Moderate ¹	5,304	10.4%	4,474	11.0%	9,778	10.6%
Above Moderate ²	31,149	60.9%	11,805	29.0%	42,954	46.7%
Total	51,185	100.0%	40,747	100.0%	91,932	100.0%

¹80-100% of Area Median Income

²>100% of Area Median Income

Sources: Comprehensive Housing Affordability Strategy (“CHAS”) Data, based on the 2007-2011 American Community Survey and Census 2010, Summary File 1, Table H1: Tenure CHAS/ACS income group and tenure percentages were applied to the 2010 owner and renter household counts

Table construction by Castañeda & Associates

4. Labor Force/Employment Characteristics

Riverside has fewer resident workers (126,100) located within the City limits than jobs (155,400) (Table V-5). Although the City is large, some workers would be expected to commute outside the City limits. The business sectors offering the most jobs within Riverside include educational, health and social services, 38,295; retail trade, 19,385; and professional, scientific, management, administrative and waste management services, 16,025. Additionally, there are almost 15,000 jobs each in the construction and manufacturing sectors.

Table V-6 shows that Riverside’s major employers are as follows:

- Education 14,950 jobs, 42.7% of the total
- Government 13,663 jobs, 39.0% of the total
- Health 6,386 jobs, 18.3% of the total

An estimated 28,159 residents are employed in the educational, health and social services sector. The manufacturing business sector employs 15,617 workers while 14,339 residents work in retail trade.

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**Table V-5
City of Riverside - Resident Workers and Local Jobs by Industry: 2005-2009**

Industry	Workers	Percent	Jobs	Percent	Difference
Agriculture forestry fishing and hunting and mining	766	0.6%	570	0.4%	196
Construction	11,327	9.0%	14,875	9.6%	-3,548
Manufacturing	15,617	12.4%	14,710	9.5%	907
Wholesale trade	4,895	3.9%	5,550	3.6%	-655
Retail trade	14,339	11.4%	19,385	12.5%	-5,046
Transportation and warehousing and utilities	6,959	5.5%	5,800	3.7%	1,159
Information	2,516	2.0%	3,850	2.5%	-1,334
Finance insurance real estate and rental and leasing	7,377	5.9%	9,400	6.0%	-2,023
Professional scientific management administrative and waste management services	12,484	9.9%	16,025	10.3%	-3,541
Educational health and social services	28,159	22.3%	38,295	24.6%	-10,136
Arts entertainment recreation accommodation and food services	9,696	7.7%	11,925	7.7%	-2,229
Other services except public administration	6,504	5.2%	6,915	4.4%	-411
Public administration	5,329	4.2%	8,015	5.2%	-2,686
Armed forces	123	0.1%	120	0.1%	3
Total	126,091	100.0%	155,435	100.0%	-29,344

Source: Southern California Association of Governments, *2005-2009 American Community Survey*, Worker Information by Place of Residence and Industry Affiliation and *2006-2008 Census Transportation Planning Package*, Jobs by Place of Work for Places with Population 20,000 or Above
Table construction by Castañeda & Associates

**Table V-6
City of Riverside: Major Employers as of June 30, 2014**

Employer	Employees	Rank	Percentage of Total City Employment
County of Riverside	11,187	1	7.6%
University of California	7,218	2	4.9%
Riverside Unified School District	3,461	3	2.4%
Kaiser	3,156	4	2.1%
City of Riverside	2,476	5	1.7%
Riverside Community Hospital	1,880	6	1.3%
Riverside County Office of Education	1,765	7	1.2%
Alvord Unified School District	1,445	8	1.0%
Parkview Community Hospital	1,350	9	0.9%
Riverside Community College District	1,061	10	0.7%
Total	34,999		23.8%

Source: City of Riverside, California Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2014 Table construction by Castañeda & Associates

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According to the ACS 2013 1-year estimates, Riverside's unemployment rate was 12.8%. Currently, the State Employment Development Department (EDD) reported that 168,600 Riverside residents were in the labor force (December 2014), with 156,000 residents employed. The City's unemployment rate - as of December 2014 - was 7.5%. Riverside's unemployment rate is almost the same as Riverside County's unemployment rate of 7.4%.

Housing choice for all racial and ethnic groups is diminished by high unemployment rates because they depress household income and increase the number of poverty income families. The City's unemployment rate, though, has been gradually decreasing in recent years.

D. PROFILE OF RIVERSIDE'S FAIR HOUSING PROTECTED CLASSES

1. Introduction

The Federal Fair Housing Act prohibits discriminatory practices which make housing unavailable because of a persons':

- Race
- Color
- Religion
- Sex
- National Origin
- Familial Status
- Handicap/Disability

In addition, California law prohibits discriminatory housing practices because of:

- Marital Status
- Ancestry
- Source of Income
- Age
- Arbitrary Characteristic

Definitions of the fair housing protected groups are found in Attachment C.

2. Race/Color

a. Race and Ethnic Categories

The Fair Housing Act does not define race. The racial categories included in the 2010 Census form generally reflect a *social definition* of race recognized in this country, and are not an attempt to define race biologically, anthropologically or genetically. In addition, the U.S. Census Bureau recognizes that the race categories include both racial and national origin or socio-cultural groups. Census 2010 and the American Community Survey provide for six race categories:

- White Alone
- Black, African American or Negro Alone
- American Indian or Alaska Native Alone
- Asian Alone
- Native Hawaiian or Other Pacific Islander Alone

Some Other Race Alone

Individuals who chose more than one of the six race categories are referred to as the *two or more races* population. All respondents who indicated more than one race can be collapsed into the *two or more races* category, which combined with the six *alone* categories, yields seven mutually exclusive and exhaustive categories. Thus, the six race *alone* categories and the *two or more races* category sum to the total population.

The 2000 and 2010 Census race and ethnic categories follow the Office of Management and Budget (OMB) Policy Directive No. 15 (May 12, 1977) and the 1997 revisions. The OMB's efforts are to standardize the racial and ethnic categories so that federal government agencies can monitor discrimination, as required by the Civil Rights Act of 1964, the Voting Rights Act of 1965, the Fair Housing Act of 1968, the Equal Credit Opportunity Act of 1974, and the Home Mortgage Disclosure Act of 1975.

Source: Victoria Hattam, "Ethnicity & the American Boundaries of Race: Rereading Directive 15," *Daedalus* - Journal of the American Academy of the Arts & Sciences, Winter 2005, pgs. 61-62

Ethnicity means being of Hispanic or Latino Origin or not being of such origin.

b. Definitions of Minority Populations

The populations comprising "minority" groups are defined in the same way by the OMB, Federal Department of Transportation (DOT), Federal Financial Institutions Examination Council (FFIEC), and Council on Environmental Quality (CEQ - environmental justice guidelines). The OMB and DOT both define the minority populations as Black, Hispanic (regardless of race), Asians (including Pacific Islanders) and American Indian and Alaskan Native. The FFIEC, for purposes of Home Mortgage Disclosure Act (HMDA) data collection, states that:

...the percentage minority population means, for a particular census tract, the percentage of persons of minority races and whites of Hispanic or Latino Origin, in relation to the census tract's total population.

The CEQ environmental justice guidelines provide the following definition:

Minority individuals - Individuals who are members of the following population groups: Hispanic or Latino, American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, multiracial minority (two or more races, at least one of which is a minority race).

The non-minority population is White, Non-Hispanic or Latino.

c. Riverside's Population by Race and Ethnicity

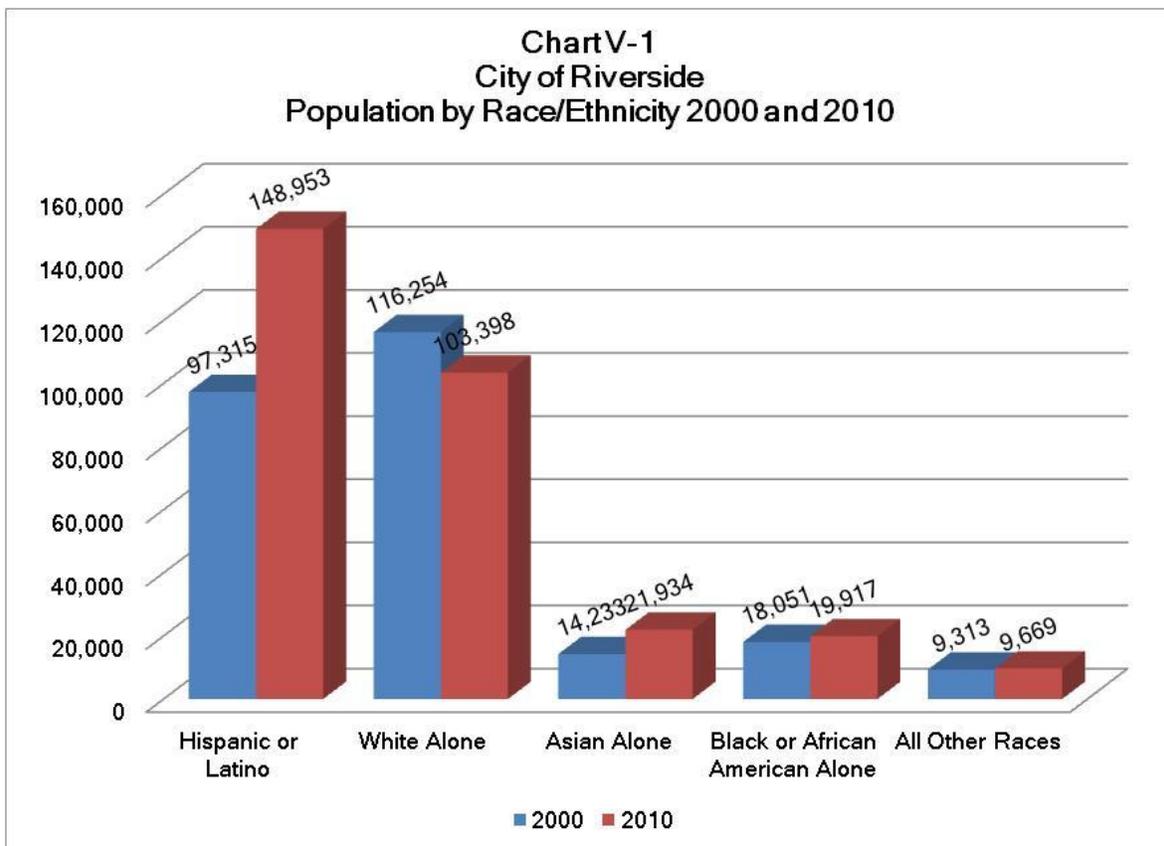
Table V-7 and Chart V-1 show the population growth by race and ethnicity between 2000 and 2010. During the decade, the White Alone population declined in both absolute (-12,856) and relative terms (45.6% to 34%). In contrast, the Hispanic population gained 51,638 persons and their share of the City's total population increased to 49% from 38.1%. The Asian and Black populations also had sizeable growth between 2000 and 2010.

**City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
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**Table V-7
City of Riverside
Population Growth by Race and Ethnicity: 2000 to 2010**

Race/Ethnicity	2000	2010	Increase/ Decrease
Hispanic or Latino	97,315	148,953	51,638
Not Hispanic or Latino			
White Alone	116,254	103,398	-12,856
Black or African American Alone	18,051	19,917	1,866
American Indian and Alaska Native Alone	1,415	1,297	-118
Asian Alone	14,233	21,934	7,701
Native Hawaiian and Other Pacific Islander Alone	848	1,019	171
Some Other Race Alone	492	617	125
Two or More Races	6,558	6,736	178
Total	255,166	303,871	48,705

Source: American FactFinder, Census 2000 Summary File 1, Table P004 Hispanic or Latino, and Not Hispanic or Latino by Race; Census 2010 Summary File 1, Table P9 Hispanic or Latino, and Not Hispanic or Latino by Race. Table construction by Castañeda & Associates



Note: All Other Races includes Two or More Races

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Table V-8 shows the 2013 population by Hispanic/Latino ethnicity and six race categories for both Riverside and the remainder of Riverside County. The City of Riverside and the balance of Riverside County (excluding the City) have different population compositions. The City has a higher percentage of Hispanic population (53.5%) compared to the balance of the County (45.9%). In contrast, the City's White alone, non-Hispanic population is nearly eight percentage points lower than the balance of the County.

**Table V-8
City of Riverside and Remainder of Riverside County
Population by Race and Ethnicity: 2013**

Category	City of Riverside		Remainder of Riverside County	
	# of Persons	% of Total	# of Persons	% of Total
Not Hispanic or Latino				
White	98,543	31.1%	769,663	39.0%
Black or African American	16,681	5.3%	117,711	6.0%
American Indian/Alaska Native	475	0.2%	9,129	0.5%
Asian	22,711	7.2%	113,992	5.8%
Native Hawaiian/Pacific Islander	777	0.2%	5,641	0.3%
Other Races or 2+ Races	8,099	2.6%	53,318	2.7%
Hispanic or Latino (any race)	169,327	53.5%	906,440	45.9%
Total	316,613	100.0%	1,975,894	100.0%

Source: American FactFinder, American Community Survey 2013 1-Year Estimates, Table DP05: ACS Demographic and Housing Estimates.

Table construction by Castañeda & Associates

According to the FHCRC, race and color was the basis for almost 17% of housing discrimination complaints filed by Riverside residents between 2009 and 2014. Although Hispanics comprise 53.5% of the City's population, only 24% of the housing discrimination complaints filed with the FHCRC were made by this population group. By comparison, the White Alone population filed almost 39% and the Black population 31% of the housing discrimination complaints, respectively.

According to HUD, race was the basis for 29% of the housing discrimination complaints filed by Riverside residents between 2000 and 2014.

Complaints may be filed with the FHCRC, HUD or the State Department of Fair Employment and Housing (DFEH). Data are unavailable from the DFEH.

d. Race of Hispanic or Latino and Not Hispanic or Latino Populations

Table V-9 shows that in 2013 approximately 169,300 persons identified themselves as being of Hispanic or Latino Origin. With respect to race -

- Almost 71% of the Hispanic population said that their race was White Alone
- Almost 23% said they belonged to Some Other Race
- Just over 5% identified themselves as having Two or More Races

Table V-9

**City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
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**City of Riverside
Race of Hispanic or Latino and Non Hispanic or Latino Populations: 2013**

Race	Hispanic or Latino	Percent Distribution	Not Hispanic or Latino	Percent Distribution	Total	Percent Distribution
White Alone	119,306	70.5%	98,543	66.9%	217,849	68.8%
Black or African American Alone	454	0.3%	16,681	11.3%	17,135	5.4%
Asian Alone	473	0.3%	22,711	15.4%	23,184	7.3%
American Indian or Alaska Native Alone	1,404	0.8%	475	0.3%	1,879	0.6%
Hawaiian or Other Pacific Islander Alone	39	0.0%	777	0.5%	816	0.3%
Some Other Race Alone	38,697	22.9%	474	0.3%	39,171	12.4%
Two or More Races	8,954	5.3%	7,625	5.2%	16,579	5.2%
Total	169,327	100.0%	147,286	100.0%	316,613	100.0%

Source: American FactFinder, American Community Survey 2013 1-Year Estimates, Table B03002: Hispanic or Latino Origin by Race.

Table construction by Castañeda & Associates

Thus, many Hispanic or Latino people do not identify with the White Alone Race Category but rather consider themselves as belonging to Some Other Race. Indeed, 98.8% (38,697/39,171) of the Some Other Race population is Hispanic or Latino. Riverside is not unusual in terms of the racial identification of the Hispanic or Latino population.

A research study of the 2000 Census found:

Almost 6 million Californians departed from the federal government’s racial categories by selecting “some other race.” Of these respondents, 99 percent were Latinos. In effect, this pattern of response converted the residual “some other race” category into a de facto Latino racial category. This conversion occurred not because of administrative need; indeed, the Hispanic ethnicity question satisfies all legal mandates. Nor did it take place because Latinos petitioned the government for change. Rather, it emerged spontaneously from a subset of Americans whose racial perceptions differed from those codified by the federal government. In the long run, this pattern of response may lead to changes in the federal government’s racial and ethnic classification system.

Source: Sonya M. Tafoya, *Latinos and Racial Identification in California*, Public Policy Institute of California. Volume 4, Number 4, May 2003, page 12

e. Origins of the Hispanic or Latino Population

Approximately 169,300 Hispanic or Latino persons reside in Riverside. Table V-10 shows that almost 91% of the Hispanic or Latino population is of Mexican origin.

**Table V-10
City of Riverside
Persons of Hispanic Origin: 2000 and 2013**

Hispanic Origin	2000		2013	
	Number	Percent	Number	Percent
Mexican	79,041	81.2%	153,480	90.6%
Puerto Rican	1,562	1.6%	2,662	1.6%
Cuban	608	0.6%	1,966	1.2%
Other Spanish/Hispanic*	16,104	16.5%	11,219	6.6%
Total	97,315	100.0%	169,327	100.0%

*The Census 2000 category is “Other Hispanic or Latino”
Source: Census 2000, Table DP-1, Profile of General Demographic Characteristics, Hispanic or Latino and Race
American FactFinder, American Community Survey 2013 1-Year Estimates, Table DP05: ACS Demographic and Housing Estimates.
Table construction by Castañeda & Associates

3. Sex (of Householder)

In the sale and rental of housing, fair housing laws protect several “classes” from discrimination. Federal and State fair housing laws prohibit discrimination based on a person’s sex. The United States Department of Justice (DOJ) has stated:

The Fair Housing Act makes it unlawful to discriminate in housing on the basis of sex. In recent years, the Department’s focus in this area has been to challenge *sexual harassment* in housing. Women, particularly those who are *poor*, and with limited housing options, often have little recourse but to tolerate the humiliation and degradation of sexual harassment or risk having their families and themselves removed from their homes.

In addition, *pricing discrimination* in mortgage lending may also adversely affect women, particularly minority women. This type of discrimination is unlawful under both the Fair Housing Act and the Equal Credit Opportunity Act. [Emphasis added]

Source: United States Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, *The Fair Housing Act*, July 25, 2008, pages 2 and 3

According to the FHCRC, sex/gender was the basis of almost 4% of housing discrimination complaints filed by Riverside residents between 2009 and 2014. HUD data indicate that sex was the basis for approximately 4% of the housing discrimination complaints filed between 2000 and 2014.

Table V-11 presents data on the number of male and female householders. The counts *exclude* married couple families as homes are typically owned or rented in both spouses’ names. Excluding married couples, there are almost 42,000 householders of whom almost 55% (22,768) are female and 45% (18,906) are male. Almost 5,400 female householders live alone.

**Table V-11
City of Riverside
Sex of Householder: 2010**

Sex of Householder	Owner	Renter	Total	Percentage
Male Householder, No Wife Present	2,865	3,507	6,372	15.3%
Male Householder Living Alone	3,204	4,851	8,055	19.3%
Male Householder Living with Others	1,340	3,139	4,479	10.7%
Subtotal	7,409	11,497	18,906	45.4%
Female Householder, No Husband Present	5,868	7,977	13,845	33.2%
Female Householder Living Alone	4,836	533	5,369	12.9%
Female Householder Living with Others	1,004	2,550	3,554	8.5%
Subtotal	11,708	11,060	22,768	54.6%
Total	19,117	22,557	41,674	100.0%

Source: Census 2010, Summary File 1 (SF1) Table QT-H3: Tenure, Household Size and Age of Householder

Table construction by Castañeda & Associates

Poor women, as noted above by the DOJ, are often the victims of sexual harassment. Approximately 34% of female householders with children have poverty incomes.

4. National Origin/Ancestry

The Fair Housing Act and California Fair Employment and Housing Act prohibit discrimination based upon national origin. According to the United States Department of Justice, such discrimination can be based either upon the country of an individual's birth or where his or her ancestors originated.

According to the FHCRC, national origin was the basis of almost 4% of housing discrimination complaints filed by Riverside residents between 2009 and 2014. Almost 15% of the complaints filed with HUD between 2000 and 2014 had national origin as the basis.

According to 2009-2013 ACS 5-Year estimates, the foreign born population consisted of approximately 71,100 persons or 23.0% of the City's total population. Table V-12 shows the place of birth of the foreign born population. Of the foreign born population -

- 74.6% were born in Latin America
- 19.0% were born in Asia
- 3.7% were born in Europe

Table V-13 shows that the race and ethnicity of the foreign born population. Although almost 75% of the foreign born population was born in Latin America just over 50% stated they were Hispanic. However, almost 14% of the foreign born population stated they were Some Other Race. The vast majority of these persons are likely Hispanic.

**Table V-12
City of Riverside
Place of Birth of the
Foreign Born Population: 2013**

Place of Birth	Number	Percent
Europe	2,631	3.7%
Asia	13,508	19.0%
Africa	853	1.2%
Oceania	355	0.5%
Latin America	53,038	74.6%
North America	711	1.0%
Total	71,097	100.0%

Source: American FactFinder, American Community Survey 2009-2013 5-Year Estimates. Table S0502: Selected Characteristics of the Foreign-Born Population by Period of Entry into the United States
Table construction by Castañeda & Associates

**Table V-13
City of Riverside
Race of the Foreign-Born Population: 2013**

Race	Number	Percent
One Race		
White	47,635	67.0%
Black or African American	4,621	6.5%
American Indian and Alaska Native	711	1.0%
Asian	4,692	6.6%
Native Hawaiian and Other Pacific Islander	142	0.2%
Some Other Race	9,882	13.9%
Two or More Races	3,413	4.8%
Total	71,097	100.0%
Hispanic or Latino of Any Race	36,473	51.3%
White Alone, Not Hispanic or Latino	23,107	32.5%

Source: American Fact Finder, American Community Survey 2009-2013 5-Year Estimates. Table S0501: Selected Characteristics of the Native and Foreign-Born Populations
Table construction by Castañeda & Associates

5. Familial Status

The Fair Housing Amendments Act of 1988 prohibits discriminatory housing practices based on familial status. In most instances, according to the United States Department of Justice, the Act prohibits a housing provider from refusing to rent or sell to families with children. However, housing may be designated as housing for older persons (55 years + of age). This type of housing, which meets the standards set forth in the Housing for Older Persons Act of 1995, may operate as “senior housing” and exclude families with children.

The Act protects families with children less than 18 years of age, pregnant women, or families in the process of securing custody of a child under 18 years of age. The Department of Justice has stated:

In addition to prohibiting the outright denial of housing to families with children, the Act also prevents housing providers from imposing any special requirements or conditions on tenants with children. For example, landlords may not locate families with children in any single portion of a complex, place an unreasonable restriction on the number of persons who may reside in a dwelling, or limit their access to recreational services provided to other tenants.

Source: United States Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, *The Fair Housing Act*, July 25, 2008, page 3

The DOJ points out that would be renters can be denied access to housing because of prohibited discriminatory practices while in-place renters can face housing discrimination due to the practices of housing providers.

According to the FHCRC, familial status was the basis of approximately 9% of housing discrimination complaints filed by Riverside residents between 2009 and 2014. HUD data indicate that familial status was the basis for 11% of the complaints filed by Riverside residents between 2000 and 2014.

Table V-14 shows the data on family households with and without children <18 years old. A family consists of a householder and one or more other people living in the same household who are related to the householder by birth, marriage, or adoption. All people in a household who are related to the householder are regarded as members of his or her family.

According to the 2013 ACS, the City has a total of 89,596 households (occupied housing units). There are an estimated 65,292 family households which represents 73% of all households (65,292/89,596). Approximately 33,300 of the 65,292 family households have children; therefore, 51% of all families have *children less than 18 years of age* (33,307/65,292). Of all the households residing in the City, 37% have children less than 18 years of age (33,307/89,596).

**Table V-14
City of Riverside
Families With and Without Children: 2013**

Type of Family	With Children <18 Years	Percent	Without Children <18 Years	Percent	Total	Percent
Husband-Wife Families	22,940	51.4%	21,690	48.6%	44,630	68.4%
Female Householder No Husband Present	7,407	51.2%	7,062	48.8%	14,469	22.2%
Male Householder No Wife Present	2,960	47.8%	3,233	52.2%	6,193	9.5%
Total	33,307	51.0%	31,985	49.0%	65,292	100.0%

American FactFinder, American Community Survey 2013 1-Year Estimates, Table B11003: Family Type by Presence and Age of Own Children Under 18 Years.

Table construction by Castañeda & Associates

6. Handicap/Disability

a. Background

The Fair Housing Amendments Act of 1988 prohibits discriminatory housing practices based on handicap/disability status in all types of housing transactions. Among other prohibitions, the Act is intended to prohibit the application of special restrictive covenants and conditional or special use permits that have the effect of limiting the ability of such individuals to live in the residence of their choice. Fair housing laws, therefore, make it illegal to deny a housing opportunity on the basis of disabilities.

In addition, the law prohibits applying one standard to one class of individuals while applying a different standard to another class of individuals. For example, it would be illegal to ask a disabled individual applying for an apartment to provide a credit report if non-disabled applicants do not have to provide one.

Housing opportunities for disabled persons are impeded by practices in both the private and public sectors. For instance, “denied reasonable modification/accommodation” is often cited as an alleged act in housing discrimination complaints. Additionally, apartment rental ads often state “no pets allowed,” even though disabled persons may have service or companion animals. In the public sector, housing opportunities can be impeded because a community has not adopted a reasonable accommodation procedure, or if adopted has not made the procedure widely known in the community.

The United States Department of Justice has indicated a major focus of its efforts is on public sector impediments that may restrict housing opportunities for disabled persons. The Department has stated:

The Division’s enforcement of the Fair Housing Act’s protections for persons with disabilities has concentrated on two major areas. One is insuring that zoning and other regulations concerning land use are not employed to hinder the residential choices of these individuals, including unnecessarily restricting communal, or congregate, residential arrangements, such as group homes. The second area is insuring that newly constructed multifamily housing is built in accordance with the Fair Housing Act’s

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accessibility requirements so that it is accessible to and usable by people with disabilities, and, in particular, those who use wheelchairs.

Source: United States Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, *The Fair Housing Act*, July 25, 2008, page 4

According to the FHCRC, disability was the basis for almost 45% of all housing discrimination complaints filed by Riverside residents between 2009 and 2014. HUD data indicate that disability was the basis for 29% of the discrimination complaints filed between 2000 and 2014.

b. Estimates of People with Disabilities

Almost 29,000 residents have one or more disabilities. Table V-15 shows that the elderly have the highest disability rates. Almost 10,100 seniors who are 65 years of age or older have one or more disability.

**Table V-15
City of Riverside
Disability Status of Civilian Non-institutionalized
Population by Age Group: 2013**

Age Group	Total Population	Disabled Population	Percent Disabled
< 5 years	23,454	0	0.0%
5-17 years	59,331	1,933	3.3%
18-64 years	202,818	16,952	8.4%
65-74 years	14,498	3,317	22.9%
75 years +	13,905	6,771	48.7%
Total	314,006	28,973	9.2%

Source: American FactFinder, American Community Survey 2013 1-Year Estimates, Table B18101: Sex by Age by Disability Status for Civilian Noninstitutionalized Population
Table construction by Castañeda & Associates

c. Disabled Elderly Households

Table V-16 estimates that approximately 5,800 elderly households are disabled. Almost 67% of the disabled elderly households are homeowners. Elderly disabled owners may need home modifications as they age in place and permission from the City to make exterior modifications such as constructing ramps in the side yard. Elderly disabled renters may need permission for reasonable physical modifications and reasonable accommodations from their apartment manager.

**Table V-16
City of Riverside
Estimated Number of Elderly Households
By Tenure with a Disabled Person: 2013**

Tenure	Number of Householders 65-74	Percent Disabled	Number Disabled	Number of Householders 75+	Percent Disabled	Number Disabled	Total Disabled
Owners	6,521	22.9%	1,493	4,913	48.7%	2,392	3,885
Renters	2,769	22.9%	634	2,656	48.7%	1,293	1,927
Total	9,290	22.9%	2,127	7,569	48.7%	3,685	5,812

Source: Table V-15 and American Community Survey (ACS) 2013 1-Year Estimates, Table B25007: Tenure by Age of Householder.

Note: Estimate assumes there is only one disabled person living in the household. The number of elderly households with a disabled member would be fewer if there is more than one disabled person in a household.

Table construction by Castañeda & Associates

d. Developmentally Disabled

SB 812, which took effect January 2011, amended State Housing Element Law to require the analysis of the disabled to include an evaluation of the special housing needs of persons with developmental disabilities. A "developmental disability" is defined as a disability that originates before an individual becomes 18 years old, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. This includes Intellectual Disability, Cerebral Palsy, Epilepsy, and Autism.

The U.S. Census does not have specific information regarding persons with developmental disabilities. However, each nonprofit regional center contracted with the California Department of Developmental Services maintains an accounting of the number of persons served. The Inland Regional Center serves persons in the City of Riverside, as well as other cities in the Inland Empire. The Inland Regional Center currently serves 2,741 persons with developmental disabilities who live in Riverside.

7. Marital Status

The California Fair Employment and Housing Act prohibits discrimination based on marital status. The applicable state regulation defines marital status as -

- (a) an individual's state of marriage, non-marriage, divorce or dissolution, separation, widowhood, annulment, or other marital status.

Essentially, this means that all persons in a household or establishing a household fall within the meaning of this fair housing protected group. People are covered regardless of marital status or the state of marriage or non-marriage.

According to the FHCR, marital basis was the basis for almost 1% of the housing discrimination complaints filed by Riverside residents between 2009 and 2014. HUD data did not report housing discrimination complaints separately for the marital status basis. There was an "Other" category which was the basis for 2% of the complaints filed by Riverside residents between 2000 and 2014.

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The 2013 *American Community Survey* has five “marital status” categories:

- Never married
- Now married
- Separated
- Widowed
- Divorced

These terms refer to the marital status at the time of the survey. A married couple includes a family in which the householder and his or her spouse are enumerated as members of the same household. Table V-17 shows that 41.7% of the population 15 years of age or older are married and 41.9% have never married. The “now married” category includes all married people except those who are legally married but separated

**Table V-17
City of Riverside
Marital Status of the Population 15 Years and Over: 2013**

Marital Status	Females	Percent	Males	Percent	Total	Percent
Never Married	47,091	37.4%	56,449	46.5%	103,540	41.9%
Now Married	51,266	40.7%	51,967	42.8%	103,233	41.7%
Separated	3,981	3.2%	1,996	1.6%	5,977	2.4%
Widowed	10,260	8.1%	1,715	1.4%	11,975	4.8%
Divorced	13,454	10.7%	9,196	7.6%	22,650	9.2%
Total	126,052	100.0%	121,323	100.0%	247,375	100.0%

Sources: American FactFinder, American Community Survey 2013 1-Year Estimates, Table DP02, Selected Social Characteristics, Marital Status.

Table construction by Castañeda & Associates

E. COMPARISON OF THE STATUS AND WELL-BEING OF FAIR HOUSING PROTECTED GROUPS

Part E compares the relative well-being of the fair housing protected groups in terms of poverty status and homeownership.

1. Poverty Income by Race and Ethnicity

Approximately 19% of the total population has incomes below the poverty level. Table V-18 shows the poverty rates by race and ethnicity. All groups except the White Alone (11.4%) and American Indian/Alaskan Native (16%) experience poverty rates greater than 20%. Chart V-2 on page V-20 shows the differences in poverty rates by race and ethnicity.

Although poverty rates differ, any household with such low incomes - regardless of race or ethnicity - would be unable to afford market rate housing. Their freedom to attain their housing of choice is severely restricted by their poverty incomes.

As noted in the table footnote, the margin of error for the Native Hawaiian or Other Pacific Islander population is very large.

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**Table V-18
City of Riverside
Poverty Status by Race and Ethnicity: 2013**

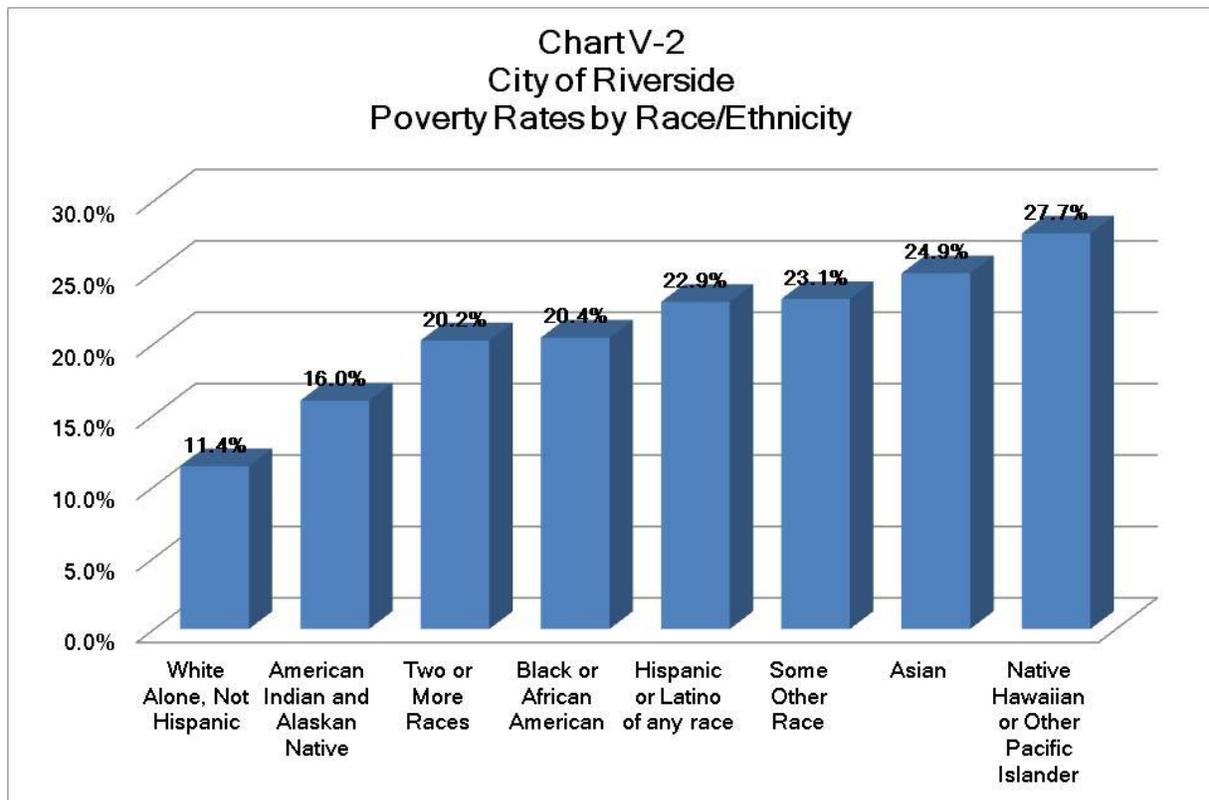
Race/Ethnicity	Population	Number Below Poverty Level	Percent Below Poverty Level¹
One Race			
White	202,032	35,412	17.5%
Black or African American	19,154	3,904	20.4%
American Indian and Alaskan Native	2,757	442	16.0%
Asian	18,250	4,539	24.9%
Native Hawaiian or Other Pacific Islander	730	202	27.7%
Some Other Race	42,075	9,733	23.1%
Two or More Races	14,423	2,912	20.2%
Total	299,421	57,144	19.1%
Hispanic or Latino of any race	155,161	35,606	22.9%
White Alone, Not Hispanic	97,774	11,110	11.4%

Source: 2009-2013 American Community Survey (ACS) 5-Year Estimates, Table S1701 Poverty Status in the Past 12 Months.

Note:

¹Margin of error for White is +/- 1.2%; Black or African American is +/-3.3%; American Indian/Alaska Native is +/-7.4%; Asian is +/- 3.9%; Native Hawaiian or Other Pacific Islander is +/-22.1%; Some Other Race is +/-2.8% and Two or More Races is +/-4.5%. For Hispanic or Latino the margin for error is +/-1.7% and for White Alone is +/- 1.5%.

Table construction by Castañeda & Associates



2. Poverty Income by Familial Status and Presence of Children

Poverty by family type offers another indicator of the well-being of the fair housing protected groups. Female householders with children often confront bias in the rental housing market. Their access to decent housing also is made more difficult by poverty. Table V-19 shows that female heads of households both with and without children under 18 years of age experience the highest poverty income rates.

**Table V-19
City of Riverside
Poverty Status by Familial Status and Presence of Children-2013**

Family Type	Total Number of Families	Number Below Poverty Level	Percent Below Poverty Level
Married Couple Families	44,630	4,463	10.0%
With related children under 18 years	25,084	3,963	15.8%
Female Householder, no husband present	14,469	4,037	27.9%
With related children under 18 years	8,808	3,012	34.2%
All Families	65,292	9,990	15.3%
With related children under 18 years	37,753	8,155	21.6%

Source: American FactFinder, American Community Survey (ACS) 2013 1-Year Estimates, Table S1702
Poverty Status in the Past 12 Months of Families
Table construction by Castañeda & Associates

3. Tenure by Race and Ethnicity

Existing and would be homeowners may experience housing discrimination during the process of buying a home. For instance, discriminatory behavior could be made by real estate agents, appraisers, lenders, and home insurance agents. Renters, on the other hand, could be denied access to housing while in-place tenants could be discriminated against by landlords. Most housing discrimination complaints are made by renters.

According to the 2011-2013 ACS data almost 55% of all householders owned a home. Table V-20 shows the homeownership rates by race and ethnicity. The population groups with a homeownership percentage exceeding 50% include the White Alone, Native Hawaiian or Other Pacific Islander, Asian and Some Other Race. All other groups have a homeownership percentage of less than 50%.

There is a high correlation between the number and percentage of renter households and the need for fair housing services. The overwhelming majority of the alleged housing discriminatory acts reported to HUD and the Fair Housing Council of Riverside County, Inc. were made by renter householders.

**Table V-20
City of Riverside
Homeownership Rates by Race and Ethnicity: 2013**

Race/Ethnicity	Owners	Renters
White	65.2%	34.8%
Black or African American	35.2%	64.8%
American Indian/Alaska Native	46.8%	53.2%
Asian	52.7%	47.3%
Native Hawaiian or Other Pacific Islander	63.0%	37.0%
Some Other Race	50.7%	49.3%
Two or More Races	44.3%	55.7%
Hispanic or Latino	49.3%	50.7%
Total	54.6%	45.4%

Note: Because of different data sources, the total homeownership rate is slightly higher than the one reported in Table V-3

Sources: 2011-2013 American Community Survey (ACS) 3-Year

Estimates, Table B25003B-I Tenure by Race/Ethnicity

Table construction by Castañeda & Associates

4. Tenure by Familial Status

The need for fair housing services is directly correlated to size of the fair housing protected groups against whom housing discrimination is practiced. In-place renters are the group that makes the majority of housing discrimination complaints. As noted earlier familial status is the basis for approximately 9% of all housing discrimination complaints filed by Riverside residents.

Table V-21 shows the number of families with and without children by tenure. Almost 70% of renters have children less than 18 years of age.

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**Table V-21
City of Riverside
Tenure by Presence of Children: 2013**

Presence of Children	Owner	Percent	Renter	Percent	Total	Percent
With Own Children Under 18 Years	14,955	38.5%	18,352	69.3%	33,307	51.0%
No Own Children Under 18 Years	23,846	61.5%	8,139	30.7%	31,985	49.0%
Total	38,801	100.0%	26,491	100.0%	65,292	100.0%

Source: American FactFinder, American Community Survey (ACS) 2013 1-Year Estimates, Table B25115: Tenure by Household Type and Presences and Age of Own Children.
Table construction by Castañeda & Associates

5. Tenure by Household Type and Sex of Householder

Table V-22 provides information on the owner-renter status of different types of households. Husband-wife families are the largest household type and the only group that is predominantly homeowners. The second largest household type is persons living alone, which has a homeownership rate of almost 41%. Female households are the third largest household type and have a homeownership rate of 42.5%

**Table V-22
City of Riverside
Tenure by Household Type: 2013**

Household Type	Owner	Percent	Renter	Percent	Total	Percent
Husband-Wife Families	29,539	66.2%	15,091	33.8%	44,630	49.8%
Male Householder, No Wife Present	3,113	50.3%	3,080	49.7%	6,193	6.9%
Female Householder, No Husband Present	6,149	42.5%	8,320	57.5%	14,469	16.1%
Householder Living Alone	7,479	40.9%	10,824	59.1%	18,303	20.4%
Householder Living With Others	1636	27.3%	4365	72.7%	6,001	6.7%
Total	47,916	53.5%	41,680	46.5%	89,596	100.0%

Source: 2013 American Community Survey (ACS) 1-Year Estimates, Table B25011: Tenure by Household Type (Including Living Alone) and Age of Householder.
Table construction by Castañeda & Associates

Attachment A
2010 Census Definitions of Race

The data on race were derived from answers to the question on race that was asked of all people. The U.S. Census Bureau collects race data in accordance with guidelines provided by the U.S. Office of Management and Budget (OMB), and these data are based on self-identification. The racial categories included in the census questionnaire generally reflect a social definition of race recognized in this country and not an attempt to define race biologically, anthropologically, or genetically. In addition, it is recognized that the categories of the race item include racial and national origin or sociocultural groups. People may choose to report more than one race to indicate their racial mixture, such as “American Indian” *and* “White.” People who identify their origin as Hispanic, Latino, or Spanish may be of any race.

The racial classifications used by the Census Bureau adhere to the October 30, 1997, *Federal Register* notice entitled, “Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity” issued by OMB. These standards govern the categories used to collect and present federal data on race and ethnicity. OMB requires five minimum categories (White, Black or African American, American Indian or Alaska Native, Asian, and Native Hawaiian or Other Pacific Islander) for race. The race categories are described below with a sixth category, “Some Other Race,” added with OMB approval. In addition to the five race groups, OMB also states that respondents should be offered the option of selecting one or more races.

If an individual did not provide a race response, the race or races of the householder or other household members were allocated using specific rules of precedence of household relationship. For example, if race was missing for a natural-born child in the household, then either the race or races of the householder, another natural-born child, or spouse of the householder were allocated.

If race was not reported for anyone in the household, then their race was assigned based on their prior Census record (either from Census 2000 or the American Community Survey), if available. If not, then the race or races of a householder in a previously processed household were allocated.

Definitions from OMB guide the Census Bureau in classifying written responses to the race question:

White. A person having origins in any of the original peoples of Europe, the Middle East, or North Africa. It includes people who indicate their race as “White” or report entries such as Irish, German, Italian, Lebanese, Arab, Moroccan, or Caucasian.

Black or African American. A person having origins in any of the Black racial groups of Africa. It includes people who indicate their race as “Black, African Am., or Negro” or report entries such as African American, Kenyan, Nigerian, or Haitian.

American Indian or Alaska Native. A person having origins in any of the original peoples of North and South America (including Central America) and who maintains tribal affiliation or community attachment. This category includes people who indicate their race as “American Indian or Alaska Native” or report entries such as Navajo, Blackfeet, Inupiat, Yup’ik, or Central American Indian groups or South American Indian groups.

Respondents who identified themselves as “American Indian or Alaska Native” were asked to report their enrolled or principal tribe. Therefore, tribal data in tabulations reflect the written

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entries reported on the questionnaires. Some of the entries (for example, Metlakatla Indian Community and Umatilla) represent reservations or a confederation of tribes on a reservation.

The information on tribe is based on self-identification and therefore does not reflect any designation of federally or state-recognized tribe. The information for the 2010 Census was derived from the American Indian and Alaska Native Tribal Classification List for Census 2000 and updated from 2002 to 2009 based on the annual *Federal Register* notice entitled “Indian Entities Recognized and Eligible to Receive Services From the United States Bureau of Indian Affairs,” Department of the Interior, Bureau of Indian Affairs, issued by OMB, and through consultation with American Indian and Alaska Native communities and leaders.

Asian. A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. It includes people who indicate their race as “Asian Indian,” “Chinese,” “Filipino,” “Korean,” “Japanese,” “Vietnamese,” and “Other Asian” or provide other detailed Asian responses.

Native Hawaiian or Other Pacific Islander. A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands. It includes people who indicate their race as “Native Hawaiian,” “Guamanian or Chamorro,” “Samoan,” and “Other Pacific Islander” or provide other detailed Pacific Islander responses.

Some Other Race. Includes all other responses not included in the “White,” “Black or African American,” “American Indian or Alaska Native,” “Asian,” and “Native Hawaiian or Other Pacific Islander” race categories described above. Respondents reporting entries such as multiracial, mixed, interracial, or a Hispanic, Latino, or Spanish group (for example, Mexican, Puerto Rican, Cuban, or Spanish) in response to the race question are included in this category.

Two or More Races. People may choose to provide two or more races either by checking two or more race response check boxes, by providing multiple responses, or by some combination of check boxes and other responses. The race response categories shown on the questionnaire are collapsed into the five minimum race groups identified by OMB and the Census Bureau’s “Some Other Race” category. For data product purposes, “Two or More Races” refers to combinations of two or more of the following race categories:

1. White
2. Black or African American
3. American Indian or Alaska Native
4. Asian
5. Native Hawaiian or Other Pacific Islander
6. Some Other Race

There are 57 possible combinations involving the race categories shown above. Thus, according to this approach, a response of “White” and “Asian” was tallied as Two or More Races, while a response of “Japanese” and “Chinese” was not because “Japanese” and “Chinese” are both Asian responses.

Attachment B 2010 Census Definitions of Hispanic or Latino Origin

The data on the Hispanic or Latino population were derived from answers to a question that was asked of all people. The terms “Hispanic,” “Latino,” and “Spanish” are used interchangeably. Some respondents identify with all three terms, while others may identify with only one of these three specific terms. People who identify with the terms “Hispanic,” “Latino,” or “Spanish” are those who classify themselves in one of the specific Hispanic, Latino, or Spanish categories listed on the questionnaire (“Mexican,” “Puerto Rican,” or “Cuban”) as well as those who indicate that they are “another Hispanic, Latino, or Spanish origin.” People who do not identify with one of the specific origins listed on the questionnaire but indicate that they are “another Hispanic, Latino, or Spanish origin” are those whose origins are from Spain, the Spanish-speaking countries of Central or South America, or the Dominican Republic. Up to two write-in responses to the “another Hispanic, Latino, or Spanish origin” category are coded.

Origin can be viewed as the heritage, nationality group, lineage, or country of birth of the person or the person’s parents or ancestors before their arrival in the United States. People who identify their origin as Hispanic, Latino, or Spanish may be of any race.

Some tabulations are shown by the origin of the householder. In all cases where the origin of households, families, or occupied housing units is classified as Hispanic, Latino, or Spanish, the origin of the householder is used. If an individual did not provide a Hispanic origin response, their origin was allocated using specific rules of precedence of household relationship. For example, if origin was missing for a natural-born child in the household, then either the origin of the householder, another natural-born child, or spouse of the householder was allocated.

If Hispanic origin was not reported for anyone in the household and origin could not be obtained from a response to the race question, then their origin was assigned based on their prior census record (either from Census 2000 or the American Community Survey), if available. If not, then the Hispanic origin of a householder in a previously processed household with the same race was allocated. As in Census 2000, surnames (Spanish and non-Spanish) were used to assist in allocating an origin or race.

Comparability. There are four changes to the Hispanic origin question for the 2010 Census. First, the wording of the question differs from that in 2000. In 2000, the question asked if the person was “Spanish/Hispanic/Latino.” In 2010, the question asks if the person is “of Hispanic, Latino, or Spanish origin.” Second, in 2000, the question provided an instruction, “Mark the ‘No’ box if **not** Spanish/Hispanic/ Latino.” The 2010 Census question provided no specific instruction for non-Hispanics. Third, in 2010, the “Yes, another Hispanic, Latino, or Spanish origin” category provided examples of six Hispanic origin groups (Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on) and instructed respondents to “print origin.” In 2000, no Hispanic origin examples were given. Finally, the fourth change was the addition of a new instruction in the 2010 Census that was not used in Census 2000. The instruction is stated as follows: “NOTE: Please answer BOTH Question 8 about Hispanic origin and Question 9 about race. For this census, Hispanic origins are not races.”

There were two changes to the Hispanic origin question for Census 2000. First, the sequence of the race and Hispanic origin questions for Census 2000 differed from that in 1990; in 1990, the race question preceded the Hispanic origin question. Testing prior to Census 2000 indicated that response to the Hispanic origin question could be improved by placing it before the race question without affecting the response to the race question. Second, there was an instruction preceding the Hispanic origin question indicating that respondents should answer both the

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Hispanic origin and the race questions. This instruction was added to give emphasis to the distinct concepts of the Hispanic origin and race questions, and emphasized the need for both pieces of information.

Furthermore, there was a change in the processing of the Hispanic origin and race responses. In the 1990 census, respondents provided Hispanic origin responses in the race question and race responses in the Hispanic origin question. In 1990, the Hispanic origin question and the race question had separate edits; therefore, although information may have been present on the questionnaire, it was not fully utilized due to the discrete nature of the edits. However, for Census 2000, there was a joint race and Hispanic origin edit that utilized Hispanic origin and race information, regardless of the location.

Source: 2010 Census Redistricting Data (Public Law 94-171) *Summary File: Technical Documentation, Appendix B - Definitions of Subject Characteristics*, January 2011

Attachment C
Fair Housing Protected Classes

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). These categories of persons are “protected classes” under the provisions of the Fair Housing Act.

Race: The Fair Housing Act does not define race. Data on race is required for many federal programs and the Census Bureau collects race data in accordance with guidelines provided by the U.S. Office of Management and Budget (OMB) and these data are based on self-identification. The racial categories included in the census form generally reflect a *social definition* of race recognized in this country, and are not an attempt to define race biologically, anthropologically or genetically. In addition, the Census Bureau recognizes that the categories of the race item include both racial and national origin or socio-cultural groups. Census 2010 and the American Community Survey provide for six race categories: White; Black, African American or Negro; American Indian or Alaska Native; Asian; Native Hawaiian or Other Pacific Islander; and Some Other Race.

Sex: This basis refers to gender identity. California’s Fair Employment and Housing Act defines “sex” as including, but not limited to, pregnancy, childbirth, medical conditions related to pregnancy or childbirth and a person’s gender, as defined in Section 422.56 of the Penal Code. Government Code Section 12926(p)

National Origin: This basis refers to the real or perceived country of an individual’s birth, ancestry, language and/or customs.

Color: The Fair Housing Act does not define color. However, it must refer to the complexion of a person’s skin color or pigmentation. The 2010 racial categories can be traced to Statistical Policy Directive No.15, promulgated by the OMB on May 12, 1977. “The four racial categories stipulated in the (1977) directive parallel the classic nineteenth-century color designations of black, white, red (American Indian or Alaska native), and yellow (Asian or Pacific Islander); there is no brown race in the American ethnoracial taxonomy.” [Victoria Hattam, “Ethnicity & the Boundaries of Race: Re-reading Directive 15,” *Daedalus*, Winter 2005, page 63]

Religion: According to the United States Department of Justice, this prohibition covers instances of overt discrimination against members of a particular religion as well as less direct actions, such as zoning ordinances designed to limit the use of private homes as places of worship.

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Familial Status: According to Section 802(k) of the Fair Housing Act, as amended, means one or more individuals (who have not attained the age of 18 years) being domiciled with--

- (1) a parent or another person having legal custody of such individual or individuals;
or
- (2) the designee of such parent or other person having such custody, with the written permission of such parent or other person.

The protections afforded against discrimination on the basis of familial status shall apply to any person who is pregnant or is in the process of securing legal custody of any individual who has not attained the age of 18 years.

Handicap (Disability): According to Section 802(h) of the Fair Housing Act, as amended, handicap/disability means -

- (1) a physical or mental impairment which substantially limits one or more of such person's major life activities,
- (2) a record of having such an impairment, or
- (3) being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

California's Fair Employment and Housing Act (FEHA) is the primary state law which prohibits discrimination in the sale, rental, lease negotiation, or financing of housing. The FEHA has five additional protected classes: sexual orientation, marital status, ancestry, source of income and age.

Sexual Orientation: The FEHA defines this basis as heterosexuality, homosexuality, and bisexuality. Government Code Section 12926(q)

Marital Status: The applicable state regulation defines marital status as "(a)n individual's state of marriage, non-marriage, divorce or dissolution, separation, widowhood, annulment, or other marital status."

Source of Income: Source of income means lawful, verifiable income paid directly to tenant or paid to a representative of a tenant. A landlord is not considered a representative of a tenant. For purposes of the FEHA, it shall not constitute discrimination based on source of income to make a written or oral inquiry concerning the level or source of income.

**SECTION VI
IDENTIFICATION OF
PUBLIC SECTOR IMPEDIMENTS
TO FAIR HOUSING CHOICE**



SECTION VI: PUBLIC SECTOR IMPEDIMENTS ANALYSIS

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A. INTRODUCTION

The United States Department of Justice has indicated that a major focus of its efforts is on public sector impediments that may restrict housing opportunities for disabled persons. The Department has stated:

The Division's enforcement of the Fair Housing Act's protections for persons with disabilities has concentrated on two major areas. One is insuring that zoning and other regulations concerning land use are not employed to hinder the residential choices of these individuals, including unnecessarily restricting communal, or congregate, residential arrangements, such as group homes. The second area is insuring that newly constructed multifamily housing is built in accordance with the Fair Housing Act's accessibility requirements so that it is accessible to and usable by people with disabilities, and, in particular, those who use wheelchairs.

Source: United States Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, *The Fair Housing Act*, July 25, 2008, page 4

California's Fair Employment and Housing Act states that it is unlawful:

To discriminate through *public or private land use practices, decisions, and authorizations* because of race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income, or ancestry. Discrimination includes, but is not limited to, restrictive covenants, *zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law* (Title 7 (commencing with Section 65000)), that make housing opportunities unavailable. [Emphasis added]

For purposes of identifying potential public sector impediments, the City of Riverside responded to a *Survey of Planning Policies and Practices, Zoning Regulations and Building Code Standards That May Pose an Impediment to Fair Housing Choice*. HUD-LA has approved its use as a means of identifying public sector fair housing impediments caused by a jurisdiction's planning policies and practices, zoning regulations and building code.

The Survey has a particular focus on land use and zoning regulations, practices and procedures that can act as barriers to the situating, development, or use of housing for individuals with disabilities. However, it also touches on areas that may affect fair housing choice for families with children or otherwise serve as impediments to full fair housing choice. In identifying impediments to fair housing choice, the Survey looks to distinguish between regulatory impediments based on specific code provisions and practice impediments, which arise from practices or implementing policies used by the City. The 26 questions comprising the Survey are organized into 12 categories:

- Family Definition
- Disability Definition
- Definition of Boarding or Rooming House or Hotel
- Housing for People with Disabilities
- Transitional and Supportive Housing
- Reasonable Accommodation Procedure
- City Management of Housing
- Affordable Housing Admission Preferences
- Special Needs Populations
- Accessibility Requirements

- Senior Housing
- Occupancy Standards

B. SUMMARY OF AI RECOMMENDED ACTIONS

Attachment A includes the complete responses to each of the 26 Survey questions. The responses to the review questions indicate that a few revisions and updates are appropriate to fully address federal and State laws that promote fair housing.

1. Disability Definition

The City should amend the current definition of disability to add a reference to State fair housing laws when the Zoning Code is next amended to incorporate the amended definition and any other necessary amendments caused by a Zoning Code update or new State laws. State fair housing law provides broader protection to disabled persons than the federal Fair Housing Act.

2. Licensed Residential Care Facilities

The City should consider the following revisions to the Zoning Code for State licensed residential care facilities housing six or fewer persons:

- Revise the Group Housing definition to include the residential care facilities covered by the *Lanternman-Petris Act*, *Community Care Facilities Act* and *Residential Care Facilities Act for the Elderly*.
- State that the six or fewer occupants limit for residential care facilities excludes the operator and staff.
- Remove the additional filing requirements imposed by Section 19-315 of the Zoning Code.
- Remove the additional requirements pertaining to site location, operation and development standards imposed by Section 19-315.

3. Transitional and Supportive Housing

The City should consider the following Zoning Code amendments:

- Replacing the definitions of transitional and supportive housing with the more complete definitions which are now included in the Government Code Sections 65582(f) and 65582(h).
- Implement the *Draft 2014-2021 Housing Element* action program “To process an amendment to the Zoning Code (Tile 19) to permit supportive and transitional housing in all zones where residential is permitted pursuant to the requirements of SB 2.”

4. Reasonable Accommodation Procedure

The DOJ-HUD Joint Statement encourages local governments to process requests for a reasonable accommodation without imposing “significant costs.” Chapter 19.850 requires that a filing fee, in the amount established by City Council resolution, be paid at the time of filing an application. The fee is \$763.10 as of March 2015. The fee amount could be “significant” for low income disabled persons, especially the elderly and frail elderly on fixed incomes.

The DOJ-HUD Joint Statement also encourages local governments to insure that the availability of a reasonable accommodation procedure is well known within the community. A summary of the reasonable accommodation procedure could be posted on the Community Development Department’s webpage. Additionally, a brief flyer or brochure could be prepared to describe the reasonable accommodation procedure and it also could be made available at the Planning Division counter and at the Community Access Center office located on Magnolia Avenue in Riverside.

The City of Riverside offers a Housing Rehabilitation Program to provide low income seniors with grants of up to \$5,000 to address health and safety issues and code violations on owner occupied single-family properties; \$8,000 for owner occupied mobile homes; and up to \$50,000 in regular and deferred loans.

5. Management of Affordable Housing

The City of Riverside Housing Authority owns 116 apartment units in the city. The City could consider determining fair housing compliance of affordable housing projects that have obtained gap financing from HOME funds, the Redevelopment Agency prior to its dissolution, and low income housing tax credits. The fair housing compliance could be limited to ensuring that the private management of the affordable housing developments is consistent with fair housing laws regarding:

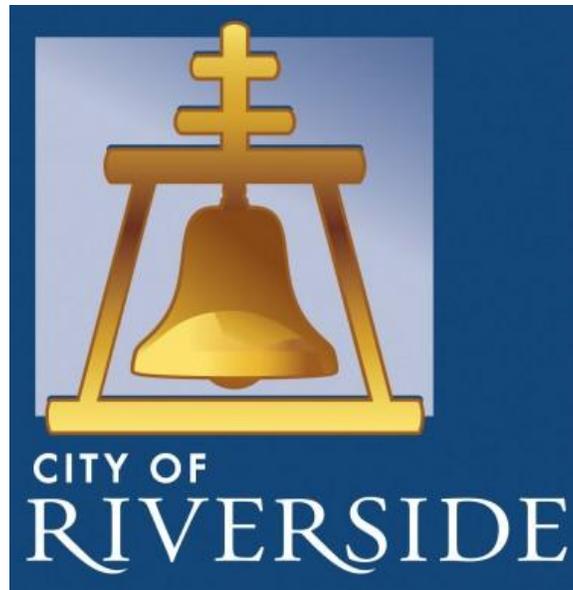
- Occupancy limits
- Reasonable modifications
- Reasonable accommodations
- Service animals
- Companion animals

6. Senior Housing

The Zoning Code should be amended to acknowledge that senior housing - depending on the State and Federal program that may be involved - could be limited to occupancy by seniors 62 years of age or older. For example, the California Tax Credit Allocation Committee regulations state that -

...starting with projects allocated credits in 2015 all units shall be restricted to residents 62 years of age or older under applicable provisions of California Civil Code Section 51.3 and the federal Fair Housing Act...

According to HUD occupancy in Section 202 housing is open to any very low-income household comprised of at least one person who is at least 62 years old at the time of initial occupancy.



Attachment A
City of Riverside
Survey of Planning Policies and Practices, Zoning Regulations
And Building Code Standards That May Pose an
Impediment to Fair Housing Choice

Family Definition

1. *Does the Zoning Code include a definition of “family”?*

Yes No

2. *If yes, does the family definition refer only to related persons as constituting a family?*

Yes No

3. *If yes, does the family definition set forth a limit on the number of persons comprising a family?*

Yes No

a. **Background**

Traditionally, many cities and counties in their zoning ordinance have defined “family” as “. . . persons related by blood, marriage or adoption or not more than five unrelated persons, excluding servants.” This definition establishes no occupancy limit if the persons residing in a dwelling are related. But if the persons occupying a dwelling are unrelated, then the zoning regulations impose a maximum occupancy limit of five persons.

In 1980, the California Supreme Court in *City of Santa Barbara v. Adamson* struck down a municipal code that permitted any number of related people to live in a house in a R1 zone but limited the number of unrelated people who were allowed to do so to five. The Court held that the residents of the Adamson household were a single housekeeping unit that could be termed

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an alternative family because they shared expenses, rotated chores, ate evening meals together, participated in recreational activities together, and became a close group with social, economic, and psychological commitments to each other. As a single housekeeping unit or, alternative family, the Adamson household could not be excluded from the single family zone nor made to apply for a conditional use permit.

To comply with fair housing laws, a definition of “family” must emphasize the functioning of the members as a cohesive household:

- A definition should not distinguish between related and unrelated persons.
- A definition should not impose numerical limitations on the number of persons that may constitute a family.

Source: Kim Savage, Mental Health Advocacy Services, Inc., *Fair Housing Law Issues in Land Use and Zoning - Definition of Family and Occupancy Standards*, September 1998, pages 1-5

b. Zoning Code Regulations

The Zoning Code defines “family” and “single housekeeping unit” as follows:

Family

Any individual or group of individuals living together, in a dwelling unit as a single housekeeping unit. Family does not include larger institutional group living situations, such as in a boarding house or hotel/motel/long-term stay.

Single housekeeping unit

One household where all the members have common access to and common use of all living, kitchen, and eating areas within the dwelling unit, and household activities and responsibilities such as meals, chores, expenses, and maintenance of the premises are shared or carried out according to a household plan or other customary method. If all or part of the dwelling unit is rented, the lessees must jointly occupy the unit under a single rental agreement or lease, either written or oral, or implied with an owner; an owner’s agent, representative or manager or family thereof is in residence.

c. Conclusion

The Zoning Code “family” definition does not restrict the meaning of family to only related persons occupying a dwelling. The Zoning Code does not establish an occupancy limit on the number of unrelated persons who may occupy a dwelling unit. Therefore, the definition is consistent with fair housing laws.

Disability Definition

4. *Does the Zoning Code define “disability”?*

Yes No

5. *If yes, does the definition conform to the definition included in the California Fair Employment and Housing Act?*

Yes No

a. Background

The Fair Housing Act (FHA) prohibits discrimination on the basis of handicap. “Handicap” has the same legal meaning as the term “disability.” Federal laws define a person with a disability as:

Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment.

The term “physical or mental impairments” may include conditions such as blindness, hearing impairment, mobility impairment, HIV infections, AIDS, AIDS Related Complex, intellectual disability, chronic alcoholism, drug addiction, chronic fatigue, learning disability, head injury, and mental illness.

The term “major life activities” may include walking, talking, hearing, seeing, breathing, learning, performing manual tasks, and caring for oneself.

b. Zoning Code Regulations

Chapter 19.910 - Definitions - of the Municipal Code does not contain a “disability” definition. Disability, however, is defined in Chapter 19.850 - Fair Housing and Reasonable Accommodation - of the Municipal Code:

“Disability or Handicap” means physical or mental impairment that substantially limits one or more of a person’s major life activities or a record of having such an impairment, but such term does not include current, illegal use of or an addiction to a controlled substance.

The City obtained advice on the most appropriate “disability” definition from the HUD-LA office and the Fair Housing Council of Riverside County, Inc. (FHCRC). HUD-LA Staff advised the City that the disability definition should mirror the State fair housing laws because they provide broader protection than the federal FHA. One example is that the FHA states “substantially limits” whereas state law references “limits.” The FHCRC reviewed preliminary drafts of the “disability” definition and its input is included in the definition below:

Disability means physical disability, mental disability, and medical condition as broadly defined by state law in the Fair Employment and Housing Act [Government Code, Title 2, Division 3, Part 2.8]; specifically Section 12926 (h) [medical condition]; (i) [mental disability]; and (k) [physical disability] and Section 12926.1 (b)(c) and (d).

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In accordance with Section 12926(h), "medical condition" means either of the following:

- (1) Any health impairment related to or associated with a diagnosis of cancer or a record or history of cancer or
- (2) Genetic characteristics.

In accordance with Section 12926.1(i), "mental disability" includes, but is not limited to, all of the following: (1) Having any mental or psychological disorder or condition, such as intellectual disability, organic brain syndrome, emotional or mental illness, or specific learning disabilities, that limits a major life activity or (2) Any other mental or psychological disorder or condition not described in paragraph (1) that requires special education or related services.

In accordance with Section 12926.1(k), "physical disability" includes, but is not limited to, all of the following: Having any physiological disease, disorder, condition, cosmetic disfigurement, or anatomical loss that does both of the following: (A) Affects one or more of the following body systems: neurological, immunological, musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular, reproductive, digestive, genitourinary, hemic and lymphatic, skin, and endocrine and (B) Limits a major life activity.

A disability under State law requires a "limitation" rather than a "substantial limitation" which is required by federal law.

c. Conclusion

The City should amend the current definition of disability to add a reference to State fair housing laws when the Zoning Code is next amended to incorporate the amended definition and any other necessary amendments caused by a Zoning Code update or new State laws.

Definition of Boarding or Rooming House or Hotel

6. *Does the Zoning Code include housing for the disabled within its definition of "boarding or rooming house" or "hotel"; that is, a business run for profit?*

Yes No

7. *If yes, what is the timeline for conforming to State law? Not applicable*

a. Background

State law requires that licensed residential care facilities not be defined within the meaning of boarding house, rooming house, institution or home for the care of minors, the aged, or the mentally infirm, foster care home, guest home, rest home, sanitarium, mental hygiene home, or other similar term which implies that a residential facility is *a business run for profit*.

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b. Zoning Code Definitions

The Zoning Code defines “boardinghouse” and “lodging house” as follows:

Boardinghouse

The rental of a residence/dwelling, other than a hotel/motel/long-term stay, wherein a room or rooms, with or without individual or group cooking facilities, are rented to five or more individuals under separate rental agreements or leases, either written or oral, or implied, with an owner; an owner’s agent, representative or manager; a tenant; resident; or occupant; whether or not an owner, an owner’s agent, representative or manager, or family thereof is in residence. The definition does not include assisted living facility where medical services are involved or group housing or homes.

Institution or Home for the Aged

An assisted living facility may be comparable to an institution or home for the aged. An assisted living facility is defined as:

A special combination of housing, supportive services, personalized assistance and health care designed to respond to the individual needs of persons who need help with activities of daily living. A facility with a central or private kitchen, dining, recreational and other facilities with separate bedrooms or living quarters, where the emphasis of the facility remains residential.

Guest House

Defined as an accessory dwelling unit which is “Living quarters within an accessory building located on the same premises with the main building, such quarters having no kitchen facilities and not rented or otherwise used as a separate dwelling.

Rest Home

Defined as a convalescent home which is “A facility that provides nursing services and custodial care on a 24-hour basis for individuals who for reasons of illness, physical infirmity or advance age, require such services.”

The Zoning Code does not define the other terms mentioned by the State law.

c. Conclusion

Licensed residential care facilities are not defined as a business run for profit. Therefore, the Zoning Code definitions are consistent with fair housing laws.

Housing for People with Disabilities

8. *Does the Zoning Code permit housing for people with disabilities consistent with the requirements of the Welfare and Institutions Code (Lanterman-Petris Act) and the Health and Safety Code (Community Care Facilities Act and Residential Care Facilities Act for the Elderly)?*

Yes No

a. Background

1) Federal Law. Two federal laws impact local land use practices with respect to residential care facilities. The Fair Housing Act, as amended in 1988, promotes the integration of individuals with disabilities into the community. The broad protections of this act apply to residential care facilities because most residents have disabilities of some kind. In addition, group homes for children are protected under the Act's "familial status" provision. While the Act does not pre-empt local authority over zoning laws, it applies to local government entities and prohibits zoning or land use decisions or policies that exclude or otherwise discriminate against individuals with disabilities and other protected classes. The Act also requires that that local government make reasonable accommodations in policies and practices when accommodations are necessary to provide equal housing opportunities.

The 1990 federal Americans with Disabilities Act (ADA) prohibits discrimination against individuals with disabilities. The subsequent Supreme Court "Olmstead" decision clarified that the ADA requires states to place individuals in community settings rather than institutions.

Source: California Research Bureau, *Residential Care Facilities in the Neighborhood: Federal, State and Local Requirements*, authored by Lisa K. Foster, M.S.W, M.P.A., page 11

2) State Law. The Lanterman-Petris Act, Community Care Facilities Act and Residential Care Facilities Act for the Elderly establish the following types of group homes or residential care facilities which are licensed by three State agencies:

- Community Care Licensing Division of the California Department of Social Services (DSS) as defined in the Community Care Facilities Act and SB 962.
 - ✓ Group Homes
 - ✓ Small Family Homes
 - ✓ Adult Residential Care Facilities
 - ✓ Social Rehabilitation Facilities
 - ✓ Residential Care Facilities for the Elderly
 - ✓ Residential Facilities for the Chronically Ill
 - ✓ Adult Residential Facilities for Persons with Special Care Needs

- California Department of Alcohol and Drug Abuse Programs (DAPD):
 - ✓ Alcohol and Drug Abuse Treatment Facilities

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- California Department of Public Health (DPH):
 - ✓ Congregate Health Living Facilities
 - ✓ Intermediate Care Facilities/Developmentally Disabled
 - ✓ Intermediate Care Facilities/Developmentally Disabled-Habilitative
 - ✓ Intermediate Care Facilities/Developmentally Disabled -Nursing

State law establishes the following provisions that must be adhered to by local zoning:

- Residential care facilities housing six or fewer persons are considered a residential use of property.
- Six or fewer persons refer to the residents and exclude the operator and staff.
- Residential care facilities must be treated the same as a single family home.
- Residential care facilities are exempt from restrictions, fees, taxes, and permits that do not apply to single family homes in the same zone.
- Local government can request that an application for licensure be denied on the basis of overconcentration. State laws set forth standards for the minimum distances separating residential care facilities.

If single-family homes are permitted in the multi-family zones, then residential care facilities also need to be permitted.

...a licensed group home serving six or fewer residents must be a permitted use in all residential zones in which a single-family home is permitted with the same parking requirements, setbacks, design standards, and the like. No conditional use permit, variance, or special permit can be required for these small group homes unless the same permit is required for single-family homes, nor can parking standards be higher, nor can special design standards be imposed.

Source: Barbara Kautz, Goldfarb & Lipman LLP, *Select California Laws Relating to Residential Recovery Facilities and Group Homes*, pg. 2, (presented at the Residential Recovery Facilities Conference, Newport Beach, March 2, 2007)

The State laws describing the various types of residential and community care facilities include the following zoning prohibitions:

No conditional use permit, zoning variance, or other zoning clearance shall be required of an intermediate care facility/developmentally disabled habilitative which serves six or fewer persons or an intermediate care facility/developmentally disabled--nursing which serves six or fewer persons or a congregate living health facility which is not required of a single-family residence in the same zone.

This section does not forbid any city, county, or other local public entity from placing restrictions on building heights, setback, lot dimensions, or placement of signs of an intermediate care facility/developmentally disabled habilitative which serves six or fewer persons or an intermediate care facility/developmentally disabled--nursing which serves six or fewer persons or a congregate living health facility as long as such restrictions are identical to those applied to other single-family residences.

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Source: California Research Bureau, *Residential Care Facilities in the Neighborhood: Federal, State and Local Requirements*, authored by Lisa K. Foster, M.S.W, M.P.A., page 11

Source: Assembly Committee on Human Services, *Informational Hearing: Working Together to Ensure Housing Opportunities for People with Disabilities and Children*, February 18, 2009, pages 9-11

Sober Living Homes are alcohol- and drug-free residences that allow residents to live in a supportive environment. Although residents generally receive services from a licensed recovery or treatment program, Sober Living Homes are cooperative living arrangements, not residential care facilities. They are not required (or eligible) to be licensed, and are not subject to Department of Alcohol and Drug Program oversight and regulatory requirements. Residents of Sober Living Homes must comply with State landlord/tenant and eviction laws and all local ordinances that apply to other similar residences.

Attachment B describes the various community care and residential care facilities.

b. Zoning Code Regulations

The Zoning Code probably permits the residential care facilities, as defined above, under the “group or group home” definition:

Group housing or home: Any living situation including motels and hotel buildings that are not for temporary use, that accommodates unrelated individuals, and may include but not be limited to the following types of facilities: (1) licensed alcohol and drug treatment facilities; (2) licensed board and care homes for the elderly including convalescent or rest homes and nursing homes; (3) licensed homes for minor children; (4) licensed homes for mental patients; (5) licensed homes for the developmentally disabled; and (6) single-room occupancy (SRO) projects. Group housing would typically involve a living arrangement where either support services are provided to the occupants, where cooking, living or support sanitary facilities are shared in common between the occupants or where there is a formal program establishing rules of conduct and purpose of the facility. See definition in the General Plan.

Article V - Permitted Uses Table (Section 19.150.020(A) of the Zoning Code refers to Group Housing with six or fewer occupants. The term “occupants” would seem to include the operator and staff of a group home, contrary to State law.

Group housing or home for six or fewer occupants are permitted in the following five residential zones and one mixed-use zone subject to Section 19-315 of the Zoning Code: RC, RA-5, RR, RE, R-1 and MU-N. Single family detached housing is permitted in these five zones. Multiple family dwellings are prohibited in these six zones.

Group housing or home for six or fewer occupants are permitted in the following two residential zones and two mixed-use zones subject to Section 19-315 of the Zoning Code and Site Plan Review Permit, Chapter 19.770: R-3, R-4, MU-V and MU-U.

Section 19-315 of the Zoning Code requires group housing, as defined in Article X (Definitions), to complete additional application filing requirements and other requirements (e.g., site location, operation and development standards) that are not also required of single family homes located in the R Zones.

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The Site Plan Review Permit is a discretionary permit and may require conditions of approval. It is required of all housing in those zones including group housing, sober living homes, and multiple family dwellings.

c. Conclusion

The City should consider the following revisions to the Zoning Code for State licensed residential care facilities housing six or fewer persons:

- Revise the Group Housing definition to include the residential care facilities covered by the *Lanterman-Petris Act*, *Community Care Facilities Act* and *Residential Care Facilities Act for the Elderly*.
- State that the six or fewer occupants limit for residential care facilities excludes the operator and staff.
- Remove the additional filing requirements imposed by Section 19-315 of the Zoning Code.
- Remove the additional requirements pertaining to site location, operation and development standards imposed by Section 19-315

Transitional and Supportive Housing

9. *Does the Zoning Code define “transitional housing” and “supportive housing” and “target population” in conformance with the requirements of SB 2 (Government Code Section 65582(f) and (g))?*

Yes No

If no, what is the timeline for conforming to State law? Updated definitions can be incorporated as part of the Omnibus Zoning Code Amendment to address technical corrections. The time schedule is Fall/Winter 2015/2016.

10. *Does the Zoning Code permit “transitional housing” and “supportive housing” in all residential zones as required by Government Code Section 65583(a)(5)?*

Yes No

11. *If no, what is the timeline for conforming to State law?* Zoning Code can be updated as part of the Omnibus Zoning Code Amendment to address technical corrections. The time schedule is Fall/Winter 2015/2016.

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a. Background

Government Code Section 65583(a)(5) states:

Transitional housing and supportive housing shall be considered a residential use of property, and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

Guidance from the State of California Department of Housing and Community Development (HCD) states that a city:

... must demonstrate that transitional housing and supportive housing are permitted as a residential use and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. In other words, transitional housing and supportive housing are permitted in all zones allowing residential uses and are not subject to any restrictions (e.g., occupancy limit) not imposed on similar dwellings (e.g., single family home, apartments) in the same zone in which the transitional housing and supportive housing is located. For example, transitional housing located in an apartment building in a multifamily zone is permitted in the same manner as an apartment building in the same zone and supportive housing located in a single family home in a single family zone is permitted in the same manner as a single family home in the same zone.

Source: State of California, Department of Housing and Community Development, Division of Housing Policy Development, *Memorandum: Transitional and Supportive Housing, Chapter 183, Statutes of 2013 (SB 745)*, page 2, April 24, 2014

:

Government Code Section 65582(f) defines “supportive housing” as follows:

...housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

Government Code Section 65582(h) defines “transitional housing” as follows:

...buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at some predetermined future point in time that shall be no less than six months from the beginning of the assistance.

SB 745, which took effect on January 1, 2014, generally amends Section 65582 of the Government Code to remove cross references to the Health and Safety Code definitions and replace the latter with definitions that are used for the purposes of zoning applicable at the time SB 2 (Cedillo, Chapter 633, Statutes of 2007) passed.

b. Zoning Code Regulations

The Zoning Code defines “transitional housing” and “transitional housing development” development as follows:

Has the same meaning as defined in subdivision (h) of Section 50675.2 of the Health and Safety Code.

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The Zoning Code defines “supportive housing” as follows:

Has the same meaning as defined in subdivision (b) of Section 50675.14 of the Health and Safety Code.

Article V - Permitted Uses Table - Section 19.150.020(A) prohibits supportive housing, transitional housing and transitional housing development in the RC, RA-5, R-3, R-4, MU-N, MU-V and MU-U Zones.

Subject to the granting of a Minor Conditional Use Permit (MC), supportive housing, transitional housing and transitional housing development are permitted in the RR, RE, and R-1 Residential Zones and the O, CR and CG Office and Commercial Zones.

Supportive housing, transitional housing and transitional housing development are also subject to Chapter 19.400 of the Zoning Code. Chapter 19.400 requires additional application requirements; site location, operations and development standards; and special noticing requirements all of which are not required of other residential uses in the same zones.

c. Conclusions

The City should consider the following Zoning Code amendments:

- Replacing the definitions of transitional and supportive housing with the more complete definitions which are now included in the Government Code Sections 65582(f) and 65582(h).
- Implement the *Draft 2014-2021 Housing Element* action program “To process an amendment to the Zoning Code (Tile 19) to permit supportive and transitional housing in all zones where residential is permitted pursuant to the requirements of SB 2. The time frame for implementation is within one-year of certification of the Housing Element.

Reasonable Accommodation Procedure

12. Has the City adopted a reasonable accommodation procedure?

Yes No

13. If no, what is the time line for establishing a reasonable accommodation procedure?

Not applicable - Reasonable Accommodation Procedure adopted in 2003

15. If yes, describe the process for approval or denial of a request for a reasonable accommodation.

16. If yes, under what circumstances is a public hearing required (if any) prior to approval or denial of a reasonable accommodation request?

17. If yes, how has the City informed the community of the availability of the reasonable accommodation procedure as a means to request exceptions to the standards of the Zoning Code?

**City of Riverside Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
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a. Background

A joint statement by federal Departments of Justice and Housing and Urban Development explains this issue as follows:

As a general rule, the Fair Housing Act makes it unlawful to refuse to make 'reasonable accommodations' (modifications or exceptions) to rules, policies, practices, or services, when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use or enjoy a dwelling.

Even though a zoning ordinance imposes on group homes the same restrictions it imposes on other groups of unrelated people, a local government may be required, in individual cases and when requested to do so, to grant a reasonable accommodation to a group home for persons with disabilities. For example, it may be a reasonable accommodation to waive a setback required so that a paved path of travel can be provided to residents who have mobility impairments. A similar waiver might not be required for a different type of group home where residents do not have difficulty negotiating steps and do not need a setback in order to have an equal opportunity to use and enjoy a dwelling.

Where a local zoning scheme specifies procedures for seeking a departure from the general rule, courts have decided, and the Department of Justice and HUD agree, that these procedures must ordinarily be followed. If no procedure is specified, persons with disabilities may, nevertheless, request a reasonable accommodation in some other way, and a local government is obligated to grant it if it meets the criteria discussed above. A local government's failure to respond to a request for reasonable accommodation or an inordinate delay in responding could also violate the Act.

Local governments are encouraged to provide mechanisms for requesting reasonable accommodations that operate promptly and efficiently, without imposing significant costs or delays. The local government should also make efforts to insure that the availability of such mechanisms is well known within the community.

Joint Statement of the Department of Justice and the Department of Housing and Urban Development, *Group Homes, Local Land Use, and the Fair Housing Act*, August 18, 1999, pages 3 and 4.

On May 15, 2001 the State Attorney General transmitted a letter to all local governments advising the localities to consider adoption of a reasonable accommodation procedure. In that letter, the Attorney General stated:

Both the federal Fair Housing Act (FHA) and the California Fair Employment and Housing Act (FEHA) impose an affirmative duty on local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws and other land use regulations and practices when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling.

The Office of Attorney General pointed out that while a city may deny a disabled applicant's request from relief under variance or conditional use permit procedures, the procedures may be insufficient to justify the denial when judged in light of the fair housing laws' reasonable accommodations mandate.

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b. Zoning Code Regulations

In 2003, Riverside adopted a "Fair Housing Reasonable Accommodation" process codified under Chapter 19.850 of the Zoning Code. The code provides a procedure to evaluate requests for reasonable accommodation related to specific applications of the zoning law in order to assure that no person is discriminated against because of protected status by being denied an equal opportunity to use and enjoy a dwelling and to authorize the application of exceptions to the zoning law if warranted.

An application for a reasonable accommodation follows the same process and timeline as a variance requesting deviations from the Zoning Code (e.g. setbacks, parking, etc.). A Notice of Decision is provided within 45 days of the Zoning Administrator's acceptance of a complete application. The Zoning Administrator may deny, approve, or conditionally approve the request for reasonable accommodation.

The Zoning Administrator may also refer the application to the Planning Commission for the next regularly scheduled meeting. In this case, a Notice of Decision is provided within 10 days. The Planning Commission shall act in the capacity of the zoning Administrator in such cases.

In addition to standard variance findings, the Zoning Administrator must make the following additional findings:

- The persons who will use the subject property are protected under Fair Housing Laws;
- The requested exception to zoning law is necessary to make specific housing available;
- Such exception will not impose an undue financial/administrative burden on the City; and
- The requested exception will be in compliance with all applicable Building and Fire Codes and will not require a fundamental alteration of the zoning laws and procedures.

Any person aggrieved or affected by a decision of the Planning Commission or Zoning Administrator in granting or denying a request for reasonable accommodations may appeal the decision to the City Council pursuant to the procedures contained in Chapter 19.680 of the Zoning Code regarding appeals.

A public hearing is not required to process an application for a reasonable accommodation. Prior to the Zoning Administrator's consideration of the application, a public notice is given to the adjacent property owners. No public notice (or comment and appeal period) is required when the applicant has obtained the written approval of the adjacent property owners.

c. Conclusion

The DOJ-HUD Joint Statement encourages local governments to process requests for a reasonable accommodation without imposing "significant costs." Chapter 19.850 requires that a filing fee, in the amount established by City Council resolution, be paid at the time of filing an application. The fee is \$763.10 as of March 2015. The fee amount could be "significant" for low income disabled persons, especially the elderly and frail elderly on fixed incomes.

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The DOJ-HUD Joint Statement also encourages local governments to insure that the availability of a reasonable accommodation procedure is well known within the community. A summary of the reasonable accommodation procedure could be posted on the Community Development Department's webpage. Additionally, a brief flyer or brochure could be prepared to describe the reasonable accommodation procedure and it also could be made available at the Planning Division counter and at the Community Access Center office located on Magnolia Avenue in Riverside.

City Management of Housing

18. If the City supplies or manages housing, is there a written policy to allow disabled persons residing in or seeking to reside in the housing to request or make reasonable physical modifications or to request reasonable accommodations?

Yes No Not applicable

Affordable housing is managed by the County of Riverside Housing Authority, Riverside Housing Development Corporation, other non-profits, and private owners.

19. If 'Yes', how is the written policy communicated to applicants or residents?

20. If the City supplies or manages housing, are there written policies regarding "service" and "companion" animals?

Yes No Not applicable

a. Background

The Fair Housing Act includes in its definition of discrimination against disabled people:

- The refusal by a housing provider covered under the Act to permit a disabled person, at his or her own expense, "reasonable modifications of existing premises occupied or to be occupied by such person if such modification may be necessary to afford such person full enjoyment of the premises. . . ." 42 U.S.C. §3604(f)(3)(A).
- The refusal by a housing provider covered under the Act "to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling. . . ." 42 U.S.C. §3604(f)(3)(B).

A request for a reasonable modification is appropriate where a tenant or applicant for housing faces an actual physical barrier to the use and enjoyment of a dwelling. A reasonable modification is a structural change made to existing premises, occupied or to be occupied by a person with a disability, in order to afford such person full enjoyment of the premises. Upon approval by the housing provider, the modification usually must be completed at the tenant's expense.

A request for a reasonable accommodation is appropriate where a handicapped person needs a housing provider to alter its rules, policies, practices, or services in order to afford the tenant the opportunity to use and enjoy a dwelling. Federal fair housing regulations set forth examples of what would constitute a reasonable accommodation. A housing provider may not insist on compliance with a "no pets" policy by a blind tenant with a Seeing Eye dog, for example. Likewise, a housing provider must, upon request, provide a designated parking space to a

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mobility impaired tenant in order to reduce the distance the tenant must travel from the vehicle to the apartment unit. 24 C.F.R. §100.204(b).

The City of Riverside does not own or manage affordable housing. The Housing Authority of the County of Riverside administers 2,110 Section 8 rental assistance vouchers in Riverside. The Section 8 program assists 859 elderly families and 1,165 disabled families. The application for Section 8 rental assistance includes the following two questions:

- Is the head of the household/spouse/co-head disabled?
- Does your household require a handicapped accessible unit?

A family is considered elderly or disabled when the head of household is elderly or disabled. Some families may be both elderly and disabled.

On its website, the Housing Authority publishes “Information for those with Disabilities” and refers the disabled to the Community Access Center (a State Independent Living Center) and to HUD’s Accessibility Notice as well as other sources.

The Housing Authority of the County of Riverside complies with all laws and implementing regulations which provide for non-discrimination and accessibility in federally funded housing and non-housing programs for people with disabilities. This includes Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

The Housing Authority has adopted a reasonable accommodation procedure, which is described below:

In order to grant equal access and/or an equal opportunity to participate in the HCVP, the PHA will consider requests for reasonable accommodation (reasonable adjustments to the rules, policies, practices, procedures which do not reduce or waive the essential requirements of the program) by persons with disabilities.

Accommodations are not reasonable if they require fundamental alterations in the nature of the program, or impose undue financial burdens on the PHA. Requests for reasonable accommodation will be considered on a case-by-case basis.

The Housing Authority Administrative Plan also includes a plan to affirmatively further fair housing. The plan objectives are:

- Overcome the effects of impediments to fair housing choice;
- Remedy discrimination in housing; and
- Promote fair housing rights and fair housing choice.

c. Conclusion

Although the City does not own and manage affordable housing, it could consider determining fair housing compliance of affordable housing projects that have obtained gap financing from HOME funds, the Redevelopment Agency prior to its dissolution, and low income housing tax credits. The fair housing compliance could be limited to ensuring that the private management of the affordable housing developments is consistent with fair housing laws regarding:

- Occupancy limits

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- Reasonable modifications
- Reasonable accommodations
- Service animals
- Companion animals
- Advertising

Affordable Housing Admission Preferences

21. Does the City encourage or require affordable housing developments to give an admission preference to individuals already residing within the jurisdiction?

Yes No

If 'Yes', is it a requirement?

a. Background

Admission preferences may have fair housing implications if the population of the jurisdiction lacks diversity or does not reflect the demographic makeup of the larger region in which it is located. There may be a barrier to fair housing choice, in that the policy can have a discriminatory affect on the basis of characteristics considered by fair housing laws.

For example if a jurisdiction already lacks housing suitable to people with mobility-related disabilities, the local population may have an under representation of such individuals, when compared to the population generally. Newly developed accessible housing that could meet the needs of such individuals, but which has a local resident admission preference, would be less likely to improve the ability of people with mobility-related disabilities to live in the jurisdiction. Likewise, a jurisdiction with an under representation of minority residents is likely to perpetuate that situation if a local resident admission preference is implemented for new affordable housing development.

According to a newspaper article in the Desert Sun, Indian Wells leaders are reviewing their affordable housing guidelines after two attorneys warned the policy 'likely' meant the City was 'excluding minorities.' The City's selection process for Indian Wells Villas and Mountain View Villas, the two income-restricted housing units, gives first preference to Indian Wells residents, family of residents and City staff. Residents of the Coachella Valley and then other parts of Riverside County are considered after that.

The attorneys state that it is likely the residency preference has a disparate impact on minorities, excluding minorities from the affordable housing offered by the City in far greater percentages than non-minorities.

b. City Policies

The City does not have admission preference policies for affordable housing developments.

c. Conclusion

No impediment to fair housing choice is created because admission preferences are not implemented.

Special Needs Populations

22. Does the Zoning Code or other planning policy document address housing for “special needs” populations?

Yes No

a. Background

The Federal Fair Housing Act prohibits discriminatory practices on the basis of race, color, religion, sex, national origin, familial status and handicap/disability. In addition, California law prohibits discriminatory housing practices because of marital status, ancestry, source of income, age and arbitrary characteristic.

In the context of fair housing, special needs populations would include persons with disabilities, families with children and special needs based on age (e.g., frail elderly).

b. Planning Policy Documents

The City’s Consolidated Plan examines the special needs of the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with HIV/AIDS, and persons with alcohol and drug addiction.

Pursuant to Government Code Section 65583(a)(7) the City’s *2014-2021 Draft Housing Element* estimates the housing needs of the following fair housing protected groups: the elderly, persons with disabilities and families with female heads of households.

1) *Housing for the Disabled*: The City of Riverside is home to a number of people who have personal disabilities that prevent them from working, restrict their mobility, or make it difficult to care for themselves or live fully independent lives. The City of Riverside has established a Commission on Disabilities to advise the City Council on policy, programs, and actions affecting persons with disabilities in the City and help create a public awareness of the needs in areas such as housing, employment, and transportation. Other organizations providing services to people with disabilities include the Community Access Center, Inland Regional Center, County of Riverside, and other nonprofit organizations.

Table VI-1 shows the range of housing types available in Riverside to people with disabilities.

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**Table VI- 1
City of Riverside
Inventory of Housing for the Disabled**

Type of Facility	Clientele	Facilities with six or fewer residents		Large facilities serving 7 or more	
		Number	Capacity	Number	Capacity
Family/Group Home	Children	13	56	1	17
Adult Day Care	Adults	0	0	13	760
Adult Residential	Adults	74	406	4	164
Elderly Residential	Adults	43	240	18	1,047
Alcohol/Drug Rehab	All Ages	9	36	6	146
Total		139	738	42	2,134

Source: California Community Care Licensing Division, California Office of Alcohol and Drug Programs; varied other sources, Second Quarter 2013

These housing types are described below:

- Family/Group Home: These include small family homes and group homes for disabled children and youth. This includes children with a developmental disability.
- Adult Day Care: Day care for persons 18 and older.
- Adult Residential: Facilities that provide 24-hour nonmedical care for adults ages 18-59 who are unable to provide for their own daily needs. Adults may be physically handicapped, developmentally disabled, and/or mentally disabled.
- Residential Care for the Elderly (RCFE): Facilities that serve persons 60 years of age and over and persons under 60 with compatible needs. RCFEs may also be known as assisted living facilities, retirement homes, and board and care homes.
- Alcohol/Drug Rehab: The State Department of Alcohol and Drug Programs licenses residential facilities that provide nonmedical recovery, treatment, and detoxification services for users of alcohol and other drugs. Such a treatment facility is defined as “any premises, place, or building that provides 24-hour residential nonmedical services to adults who are recovering from problems related to alcohol, drug, or alcohol and drug misuse or abuse, and who need alcohol, drug, or alcohol and drug recovery treatment or detoxification services.”

These treatment facilities are different from residential care facilities that are subject to the California Community Care Facilities Act and from facilities that provide a cooperative living arrangement for persons recovering from alcohol and other drug problems. The latter “sober living environments” are not subject to licensing by the Department.

Source: Office of the Attorney General, State of California, Opinion No. 07-601, December 18, 2007 regarding alcoholism and drug treatment facilities

In addition, as of August 2013, Riverside has an estimated 22 sober living facilities.

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The *Draft 2014-2021 Housing Element* includes the following action program:

H-60: Support the ability of persons with developmental disabilities to live in integrated community settings. The City will work with the Inland Regional Center and other appropriate non-profit organizations and service agencies to identify the housing needs of Riverside residents with developmental disabilities promote opportunities for supportive living services and support efforts to eliminate barriers to housing for persons with developmental disabilities.

2) *Housing for the Elderly*. The City's Commission on Aging was established to make recommendations to the City Council that will enhance the quality of life for seniors. In 2004, the Commission made a number of specific recommendations, including the construction of new senior units. Four projects (TELACU Las Fuentes, TELACU El Paseo, Raincross, and Madison Villas) have been built, and several hundred entitled units are on hold until the housing market improves. The Commission also recommended flexible zoning standards, the provision of services, and implementation of universal design standards in new housing.

On August 23, 2005, the City Council authorized a 60% reduction in all City Permit, Plan Check, and City Impact Mitigation Fees for age restricted senior housing projects in order to promote such development.

The City's housing stock contains four types of senior housing:

- Age Restricted Apartments: The City has 1,586 units of publicly assisted and deed restricted apartments affordable to seniors. Several are at-risk of conversion to market rates.
- Assisted Living: The City has approximately 61 facilities serving 1,287 elderly residents living in an assisted residential facility, often called a residential care facility for the elderly, licensed by the State of California.
- Continuing Care: These projects offer progressively higher levels of care for seniors. The Raincross project is one example that offers housing ranging from independent units to skilled nursing on the same campus.
- Mobile Homes: Three mobile home parks (Villa Magnolia (190 units), Riverside Meadows (353 units), and Mission Village (217 units) provide 760 mobile home units restricted to occupancy by persons older than 55 years of age.

Table VI-2 shows senior housing located in Riverside.

**Table VI-2
Senior Housing in Riverside**

Housing Type	Number of Projects	Units Available
Apartments	12	1,586
Assisted Living	61	1,287
Mobile Homes	3	760
Projects/Units Available	76	3,633

City of Riverside, 2014-2021 Draft Housing Element

3) *Housing for Families*: Riverside has been awarded the distinction of being in the top 100 best communities nationwide for children. Led by the National League of Cities, the 2008 Mayors’ Action Challenge for Children and Families focuses on four priorities every child needs: “Opportunities to learn and grow; a safe neighborhood to call home; a healthy lifestyle and environment; and a financially fit family in which to thrive.”

Providing decent and affordable housing for families (e.g., female headed families, single parents, and large families) is an important goal for Riverside. Their special needs status is due to lower incomes, the presence of children and need for financial assistance, and the lack of adequately sized housing. Table VI-3 summarizes the number of deed-restricted units affordable to lower income families.

**Table VI-3
Family Housing in Riverside**

Housing Type	Number of Projects	Total Units Affordable to Lower Income Families
Apartments	31	1,712
Market Rate Mobile Homes	15	2,040
Housing Vouchers	-	1,961
Projects/Available Housing Units	46	5,713

Source: City of Riverside.

Housing voucher totals are estimated and may overlap with some of the other projects.

c. Conclusion

The City addresses and accommodates the needs of special populations that also are fair housing protected groups. The City’s policies, programs and housing inventory affirmatively further fair housing choice.

Accessibility Requirements

23. How does the Building and Safety Department ensure compliance of residential projects with the accessibility requirements of Federal and State laws?

a. Background

The Fair Housing Act establishes accessibility requirements for new and rehabilitated housing. The *Final Fair Housing Accessibility Guidelines* (March 6, 1991) list seven requirements:

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- Requirement 1: Accessible building entrances on an accessible route.
- Requirement 2: Accessible and usable public and common use areas.
- Requirement 3: Usable doors.
- Requirement 4: Accessible route into and through the covered dwelling.
- Requirement 5: Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.
- Requirement 6: Reinforced walls for grab bars.
- Requirement 7: Usable kitchens and bathrooms.

The Fair Housing Council of Riverside County, Inc. has prepared a brochure that explains the seven accessibility requirements.

The HUD/DOJ Joint Statement makes the observation that housing could be subject to other accessibility requirements that exceed those contained in the Fair Housing Act:

However, any housing (including single family detached homes) constructed by federal, state, or local government entities or constructed using any federal, state, or local funds may be subject to accessibility requirements under laws other than the Fair Housing Act. These laws -- particularly Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and the Architectural Barriers Act -- have requirements for accessibility that **exceed** those contained in the Fair Housing Act. In addition, state and local building codes may contain accessibility requirements for detached single family homes and/or other housing. Housing subject to the requirements of more than one federal, state, or local law must comply with the requirements of each such law. Where federal, state, or local laws differ, the more stringent requirements apply. *See* Preamble to the Guidelines, 56 Fed. Reg. at 9,477. In other words, state or local laws may increase accessibility beyond what is required by federal law but may not decrease the accessibility required by federal law. [Emphasis added]

Source: U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity and U.S. Department of Justice, Civil Rights Division, *Joint Statement on Accessibility (Design and Construction) Requirements for Covered Multifamily Dwellings Under the Fair Housing Act*, April 30, 2013

b. Building Code

The Building Division provides expert analysis of the disabled access requirements of the Building Code during the plan review process so that developers will have clear directions on how to construct their projects. Such expert analysis of disabled access requirements, provided early in the development process, limits conflicts in the field during construction, saving the developer time, money, and resources by avoiding unnecessary changes to building plans.

c. Conclusion

The efforts of the Building Division to ensure compliance with federal and State accessibility contribute to affirmatively furthering fair housing.

Senior Housing

24. Does the Zoning Code permit senior housing in one or more residential zones?

Yes No

a. Background

The 1988 amendments to the federal Fair Housing Act exempt "housing for older persons" from the prohibitions against familial discrimination. All residents in the senior housing must be 62 years of age or at least 80% of the occupied units must have at least one person who is 55 years of age or older.

Generally, California law states that a housing provider using the lower age limitation of 55 years must have at least 35 units to use the familial status discrimination exemption. Also, California law, with narrow exceptions, requires all residents to be "senior citizens" or "qualified permanent residents", pursuant to Civil Code §51.3.

Senior housing meeting the criteria of California law and the federal Housing for Older Persons Act (HOPA) may legally exclude families with children. Such housing is still bound by all other aspects of fair housing law (such as prohibition of discrimination based on race, national origin or disability).

Section 3607(b)(2) of HOPA defines "housing for older persons" as housing:

- (A) provided under any State or Federal program that the Secretary determines is specifically designed and operated to assist elderly persons (as defined in the State of Federal program); or
- (B) intended for, and solely occupied by, persons 62 years of age or older; or
- (C) intended and operated for occupancy by persons 55 years of age or older and -
 - (i) at least 80 percent of the occupied units are occupied by at least one person who is 55 years of age or older;
 - (ii) the housing facility or community publishes and adheres to policies and procedures that demonstrate the intent required under this subparagraph; and
 - (iii) the housing facility or community complies with rules issued by the Secretary for verification of occupancy, which shall -
 - (I) provide for verification by reliable surveys and affidavits, and
 - (II) include examples of the types of policies and procedures relevant to a determination of compliance with the requirement of clause (ii). Such surveys and affidavits shall be admissible in administrative and judicial proceedings for the purposes of such verification.

Subsection (C) was changed by the Housing for Older Persons Act of 1995 (HOPA) to remove some of the uncertainties created by a provision in the 1988 Amendments that required the "existence of significant facilities and services specifically designed to meet the physical and

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social needs of older persons." The HOPA also provides for a good faith defense in an action for monetary damages under this subsection.

b. Zoning Code Regulations

The Zoning Code defines senior housing as follows:

Senior housing: A housing facility consisting of 3 or more dwelling units the occupancy of which is limited to persons 55 years of age or older.

The Density Bonus Ordinance (Chapter 19.545 of the Municipal Code) defines seniors by referring to Civil Code Section 51.3 which states:

"senior citizen" means a person 62 years of age or older, or 55 years of age or older in a senior citizen housing development.

"Senior citizen housing development" means a residential development developed, substantially rehabilitated, or substantially renovated for, senior citizens that has at least 35 dwelling units.

Civil Code Section 51.3(j) states that the requirements of Civil Code Section 51.3 shall not apply to the County of Riverside. This statement may refer only to the County of Riverside as a unit of local government or may also include all cities located within the County.

c. Conclusion

The Zoning Code should be amended to acknowledge that senior housing - depending on the State and Federal program that may be involved - could be limited to occupancy by seniors 62 years of age or older. For example, the California Tax Credit Allocation Committee regulations state that -

...starting with projects allocated credits in 2015 all units shall be restricted to residents 62 years of age or older under applicable provisions of California Civil Code Section 51.3 and the federal Fair Housing Act..."

According to HUD occupancy in Section 202 housing is open to any very low-income household comprised of at least one person who is at least 62 years old at the time of initial occupancy.

Occupancy Standards

24. Does the Zoning Code or Building Code establish occupancy standards or maximum occupancy limits that are more restrictive than state law, which incorporates the Uniform Housing Code (UHC)?

Yes No

25. If yes, describe the occupancy standards or maximum occupancy limits established by the City.

a. Background

Occupancy standards sometimes can impede housing choice for families with children or for disabled persons. For example, some jurisdiction's zoning regulations have attempted to limit occupancy to five related persons occupying a single family home, or to strictly establish an occupancy standard of no more than two persons per bedroom. Such regulations can limit housing availability for some families with children, or prevent the development of housing for disabled persons.

The federal Fair Housing Act (FHA) also provides that nothing in the Act "limits the applicability of any reasonable local, State or Federal restrictions regarding the maximum number of occupants permitted to occupy a dwelling." [Section 807(b)(1)]

HUD implements section 589 of the Quality Housing and Work Responsibility Act (QHWRA) of 1988 by adopting as its policy on occupancy standards for purposes of enforcement actions under the FHA, the standards provided in the Memorandum of General Counsel Frank Keating to Regional Counsel dated March 20, 1991. The purpose of that Memorandum was "to articulate more fully the Department's position on reasonable occupancy policies and to describe the approach that the Department takes on its review of occupancy cases." The Memorandum states the following:

Specifically, the Department believes that an occupancy policy of two persons in a bedroom, as a general rule, is reasonable under the Fair Housing Act. [. . .] However, the reasonableness of any occupancy policy is rebuttable, and neither the February 21 [1991] memorandum nor this memorandum implies that Department will determine compliance with the Fair Housing Act based solely on the number of people permitted in each bedroom. [Emphasis added]

The memorandum goes on to reiterate statements taken from the final rule implementing the Fair Housing Amendments Act of 1988 as follows:

- [T]here is nothing in the legislative history that indicates any intent on the part of Congress to provide for the development of a national occupancy code"
- Thus, the Department believes that in appropriate circumstances, owners and managers may develop and implement reasonable occupancy requirements based on factors such as the number and size of sleeping areas or bedrooms and the overall size of the dwelling unit. In this regard, it must be noted that, in connection with a complaint alleging discrimination on the basis of familial status, the Department will carefully examine any such nongovernmental restriction to determine whether it operates unreasonably to limit or exclude families with children.

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Source: U.S. Department of Housing and Urban Development, Memorandum to All Regional Counsel from Frank Keating on the subject of *Fair Housing Enforcement Policy: Occupancy Cases*, March 20, 1991.

Essentially, HUD has established a starting point for assessing the reasonableness of occupancy restrictions, but has stated that the specific facts of each living situation must inform the final determination of reasonableness. While the above discussion relates to matters of discrimination affecting families with children, a similar analysis applies to standards that may limit housing choice for persons with disabilities.

b. Building Code Regulations

The Zoning Code does not establish occupancy limits. The Uniform Housing Code -- on the basis of square footage -- establishes occupancy limits for all housing.

California's occupancy standard for residential dwellings is an example of a permissible neutral standard:

Room dimensions (b) Floor Area: Dwelling units and congregate residences shall have at least one room which shall have not less than 120 square feet of floor area. Other habitable rooms, except kitchens, shall have an area of not less than 70 square feet. Where more than two persons occupy a room used for sleeping purposes, the required floor area shall be increased at the rate of 50 square feet for each occupant in excess of two.

According to an analysis of occupancy standards:

The Legislature, by adopting this Uniform Housing Code standard, intends to pre-empt local occupancy standards generally. Municipalities may deviate from the uniform occupancy standard only if, pursuant to specific state provisions, they make express findings that a deviation is reasonably necessary due to "climatic, geological or topographical conditions." Local governments should adopt the foregoing Uniform Housing Code standard for compliance with fair housing laws and to address health and safety concerns in the community.

Source: Mental Health Advocacy Services, Inc., *Fair Housing Issues in Land Use and Zoning: Definitions of Family and Occupancy Standards*, September 1998, page 7

c. Conclusion

The City follows the standards of the Uniform Housing Code. Consequently, the City's regulations do not impede housing opportunities as occupancy standards different from the State requirements have not been established.

Location of Affordable Housing

26. Does the City have policies concerning the location of affordable housing?

Yes No

a. Background

A lack of affordable housing in and of itself, HUD has pointed out, is not an impediment to fair housing choice, unless it creates an impediment to housing choice *because* of membership in a protected class. HUD regards the location of affordable housing, however, as a means to AFFH. For example, as the result of a court settlement, Westchester County (New York) must adopt a policy statement providing that “the location of affordable housing is central to fulfilling the commitment to AFFH because it determines whether such housing will reduce or perpetuate residential segregation.” (*United States of America ex rel. Anti-Discrimination Center of Metro New York, Inc. v. County of Westchester, New York*)

In order to meet the requirements of the settlement agreement, Westchester County must develop an implementation plan. Housing developed pursuant to the plan:

- Must be located predominantly in municipalities where the African American and Hispanic population comprise less than 3% and 7% of the population, respectively.
- Not* be developed in any census block which has an African American population of more than 10% and a total population of 20 or more.
- Not* be developed in any census block which has a Hispanic population of more than 10% and total population of 20 or more.

The Westchester County settlement agreement demonstrates that a means to AFFH is by the development of affordable housing outside of areas with concentrations of minority populations.

In California, Government Code Section 65008 expressly prohibits localities from discriminating against residential development or emergency shelters if the intended occupants are low-income or if the development is subsidized (i.e., the method of financing).

b. Planning Policies

The City’s housing stock includes 43 affordable multi-family housing developments that provide housing to 3,300 families and seniors. The affordable housing inventory equals 8% of Riverside’s rental housing stock. The 43 developments vary in size and are located throughout City. The majority of the 43 developments is not at-risk of conversion to market rate and, thus, will continue to provide affordable housing for the foreseeable future.

The location of future affordable housing developments is guided by the Downtown Specific Plan, Orangecrest Specific Plan, and the Smart Code Specific Plan. The Smart Code Specific Plan aims to include approximately 5,000 to 6,000 acres of non-residential property that is largely concentrated around the City’s major corridors and activity nodes. Additionally, this Smart Code Specific Plan is focused on a 5,000-unit housing goal for Downtown Riverside that the City Council embraced in August 2012. The Smart Code Specific Plan will ultimately provide the units that would accommodate the City’s share of the regional housing need for lower income housing.

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c. Conclusion

The City should:

- Continue to implement the housing diversity and site location policies contained in the *2014-2021 Draft Housing Element*.
- Implement *2014-2021 Draft Housing Element Program H-21 Smart Growth/Rezoning Program*.
- Adopt as planned the Smart Code Specific Plan.

Attachment B
Description of State Licensed Community Care and Residential Care Facilities

Department of Social Services (DSS)

The Community Care Licensing Division of DSS licenses a range of housing types pursuant to the Community Care Facilities Act (CCF Act) and the Residential Care Facilities for the Elderly Act (RCFE Act). These homes provide 24-hour non-medical care and supervision for adults and children. The CCF Act is intended to meet the "urgent need to establish a coordinated and comprehensive statewide service system of quality community care for mentally ill, developmentally and physically disabled, and children and adults who require care or services" by licensed facilities and as alternatives to state institutionalization." Homes licensed under the RCFE Act are intended to "represent a humane approach to meeting the housing, social and service needs of older persons, and can provide a homelike environment for older persons with a variety of care needs."

- Group Homes* are homes of any capacity that provide 24-hour nonmedical care and supervision in a structured environment, primarily to children and youth who are in the foster care system, who have developmental and emotional disabilities, or who are participating in alcohol and drug treatment or other programs. In addition, Group Homes provide social, psychological, and behavioral programs for lower risk juvenile offenders.
- Small Family Homes* provide 24-hour care in the licensee's family residence for six or fewer children who have emotional, developmental, or physical disabilities, and who require special care and supervision as a result of such disabilities.
- Adult Residential Facilities* are homes of any capacity that provide 24-hour non-medical care for adults ages 18 through 59, who are unable to provide for their own daily needs. Adults may have physical, developmental, and/or mental disabilities.
- Residential Care Facilities for the Elderly (RCFE)* provide care, supervision and assistance with activities of daily living, such as bathing and grooming. They may also provide incidental medical services under special care plans. The facilities provide services to persons 60 years of age and over and persons under 60 with compatible needs. RCFEs may also be known as assisted living facilities, retirement homes and board and care homes. The homes can range in size from six beds or fewer to over 100 beds. The residents in these facilities require varying levels of personal care and protective supervision.
- Social Rehabilitation Facilities* provide 24-hour non-medical care and supervision in a group setting to adults recovering from psychiatric disabilities, who temporarily need assistance, guidance, or counseling.
- Residential Facilities for the Chronically Ill* are homes with a maximum licensed capacity of 25. Care and supervision is provided to adults who have Acquired Immune Deficiency Syndrome (AIDS) or the Human Immunodeficiency Virus (HIV).
- Adult Residential Facilities for Persons with Special Health Care Needs (ARFPSHN)*. SB 962 (Chesbro 2005) created a pilot program authorizing the Community Care Licensing Division to license and monitor what are often referred to as SB 962 Homes to provide 24-hour services for up to five adults with developmental disabilities, who are moving to

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Section VI: Public Sector Impediments Analysis

the community from Agnews Developmental Center, and who have special health care and intensive support needs.

Department of Alcohol and Drug Programs (DADP)

- ❑ *Alcohol or Drug Abuse Recovery or Treatment Facilities* provide non-medical recovery or treatment services in a supportive environment for adults who are addicted to alcohol or drugs.

DADP does not license *Sober Living Homes*, which are unlicensed cooperative living arrangements (sometimes referred to as a sober living environment, transitional housing, or alcohol and drug free housing) for persons recovering from alcohol and/or other drug problems. Because the residents of such homes are people with disabilities under state and federal antidiscrimination statutes, the same fair housing protections apply as to DADP-licensed facilities.

A bill introduced in the 2007-08 legislative session (SB 992 (Wiggins» would have created a licensing category that would apply to approximately 900 sober living homes, referred to in the bill as "adult recovery maintenance facilities," with oversight by DADP. SB 992 was vetoed on September 30, 2008.

Department of Public Health (DPH)

The Department of Public Health's Licensing and Certification Program licenses a range of residential health facilities under the Health & Safety Code.⁴³ Residential health facilities include the following:

- ❑ *Congregate Living Health Facilities*, provide home-like settings, usually for no more than 12 residents who need the availability of skilled nursing care on an intermittent, recurring, extended or continuous basis. They provide services for people with physical disabilities, who may be ventilator dependent, persons with a diagnosis of a terminal or life-threatening illness, or people who are "catastrophically and severely disabled."
- ❑ *Intermediate Care Facilities/Developmentally Disabled* are facilities for 16 or more individuals that provide 24-hour personal care, habilitation, developmental, and supportive health services to persons with developmental disabilities whose primary need is for developmental services and who have a recurring but intermittent need for skilled nursing services.
- ❑ *Intermediate Care Facilities/Developmentally Disabled-Habilitative* have a capacity of 4 to 15 beds and provide 24-hour personal care, habilitation, developmental, and supportive health services to 15 or fewer persons with developmental disabilities who have intermittent recurring needs for nursing services, but have been certified by a medical doctor as not requiring availability of continuous skilled nursing care.
- ❑ *Intermediate Care Facilities/Developmentally Disabled-Nursing* have a capacity of 4 to 15 beds and provide 24-hour personal care, developmental services, and nursing supervision for persons with developmental disabilities who have intermittent recurring needs for skilled nursing care but have been certified by a physician as not requiring continuous skilled nursing care. They serve medically fragile persons who have developmental disabilities or demonstrate significant developmental delay that may lead to a developmental disability if not treated.

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- Nursing Facilities* are licensed health facilities that are certified to participate as a provider of care either as a skilled nursing facility in the federal Medicare Program or as a nursing facility in the federal Medicaid Program, or as both.

- Skilled Nursing Facilities* provide skilled nursing care and supportive care to persons whose primary need is for availability of skilled nursing care on an extended basis.

**SECTION VII
IDENTIFICATION OF
PRIVATE SECTOR IMPEDIMENTS
TO FAIR HOUSING CHOICE**



**SECTION VII: ANALYSIS OF PRIVATE SECTOR IMPEDIMENTS
TO FAIR HOUSING CHOICE**

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A. INTRODUCTION

Section VII of the AI presents a discussion of 10 private sector practices that can create impediments to fair housing choice. Table VII-1 lists the pages which discuss each prohibited practice and the actual or potential impediments to fair housing choice.

Table VII-1
City of Riverside
Analysis of Impediments to Fair Housing Choice
Page References for Discussion of Private Sector Fair Housing Impediments

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<input type="checkbox"/> Housing Discrimination	VII-1 to VII-5
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<input type="checkbox"/> Steering	VII-7 to VII-8
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The private sector impediments are practices prohibited by the 1968 Federal Fair Housing Act, as amended, and the California Fair Employment and Housing Act. The format for presenting the information on each potential impediment includes:

- Background - an explanation of why a specific practice is prohibited and how it creates an impediment to fair housing choice.
- Analysis - a discussion of data, to the extent it is available, on the prohibited practice
- Conclusions and Recommendations - based on the available data, a brief explanation of whether an impediment to fair housing choice exists and, if appropriate, recommended actions that could be implemented by the City and the Fair Housing Council of Riverside County, Inc. (FHCR) during the five-year period from FY 2015-2016 through FY 2019-2020.

B. HOUSING DISCRIMINATION

1. Background - Prohibited Housing Discriminatory Practices

Sections 804 (a), (b), and (d) of the 1968 Fair Housing Act, as amended, describes several prohibited housing discriminatory practices such as the following:

- (a) To refuse to *sell or rent* after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin. [Emphasis added]
- (b) To discriminate against any person in the *terms, conditions, or privileges* of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, sex, familial status, or national origin. [Emphasis added]

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(d) To represent to any person because of race, color, religion, sex, handicap, familial status, or national origin that any dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available.

The 1988 amendments to the Fair Housing Act added familial status and disabled to the list of protected groups.

The California Fair Employment and Housing Act (FEHA) prohibits unlawful practices similar to those that are described in the 1968 Federal Fair Housing Act, as amended. The State law expands the description of prohibited practices to “harassment,” and to “harass, evict, or otherwise discriminate” for the purpose of “retaliation” against a protected class. Moreover, the State law expands the protected classes to include sexual orientation, marital status, ancestry, age, and source of income.

2. Housing Discrimination Complaints

Housing discrimination complaint data was compiled by the FHCRC for the period from FY 2009/2010 through FY 2013/2014. During this five-year period, 629 housing discrimination complaints were filed with the FHCRC by Riverside residents. An annual average of 126 complaints was filed during the five-year period.

Table VII-2 shows that three-fifths of the complaints are made on the basis of disability (44.5%) and race/color (16.7%). As noted, race and color was the basis for almost 17% of housing discrimination complaints filed by Riverside residents between 2009 and 2014.

Table VII-3 shows the race and ethnicity of the persons who filed complaints with the FHCRC. Although Hispanics comprise 53.5% of the City’s population, only 24% of the housing discrimination complaints filed with the FHCRC were made by this population group. By comparison, the White Alone population filed almost 39% and the Black population 31% of the housing discrimination complaints, respectively.

During the preparation of the *2014-2021 Draft Housing Element*, Rose Mayes, Executive Director of the FHCRC, explained to the Citizens Advisory Committee, that their number one discrimination complaint is dealing with disability. She also made the observation that there are not enough homes that are ready for people with disabilities.

The FHCRC also conducted audit tests for the City of Riverside in 2010-2011, 2012-2013, and 2013-2014. The audits test involved the groups protected on the basis of disability, national origin and familial status. The audits found discrimination in all three sectors test - rental, lending and sales. The most frequent instances of discrimination were found in the rental sector.

It must be noted that most housing discrimination complaints - upon investigation - are dismissed because of insufficient evidence or there is no probable cause to prove a violation of fair housing laws. Because of this fact, neither the number of complaints nor the number of proven complaints is an accurate indicator of the incidence of discrimination in the housing market.

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**Table VII-2
City of Riverside
Housing Discrimination Complaints by Protected Class
FY 2009-2010 to FY 2013-2014
(filed with Fair Housing Council of Riverside County, Inc.)**

Protected Class	Number of Bases	Percentage Distribution
Disability	280	44.5%
Race	103	16.4%
Family	58	9.2%
Arbitrary	51	8.1%
Source of income	34	5.4%
Age	31	4.9%
Sex/Gender	24	3.8%
National Origin	23	3.7%
Sexual Orientation	15	2.4%
Marital Status	5	0.8%
Religion	3	0.5%
Color	2	0.3%
Total	629	100.0%

Source: Housing discrimination complaint records of the Fair Housing Council of Riverside County
Table construction by Castañeda & Associates

**Table VII-3
City of Riverside
Housing Discrimination Complaints by Race and Ethnicity
FY 2009-2010 to FY 2013-2014**

Race/Ethnicity	Number	Percentage Distribution
White	246	39.1%
Black	197	31.3%
Hispanic	152	24.2%
Other	34	5.4%
Total	629	100.0%

Source: Housing discrimination complaint records of the Fair Housing Council of Riverside County
Table construction by Castañeda & Associates

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The San Francisco Regional Office of the U.S. Department of Housing and Urban Development (HUD) provided the City with housing discrimination complaint data for calendar years January 2000 through December 2014. Table VII-4 shows that during the 15 year period the complaints filed with HUD involved 236 bases. Three-fifths of the bases involved disability (29.2%) and race (29.2%). HUD's percentage of complaints involving national origin (14.8%) was considerably higher than that of the FHCRC (3.7%).

**Table VII-4
City of Riverside
Housing Discrimination Complaints by Protected Class
January 2000 through December 2014
(filed with the U.S. Department of Housing and Urban Development (HUD))**

Bases	Number	Percent
Disability	69	29.2%
Race	69	29.2%
Sex	10	4.2%
Retaliation	22	9.3%
National Origin	35	14.8%
Familial Status	26	11.0%
Other	5	2.1%
Total	236	99.8

Note: Does not sum to 100% due to rounding

Source: U.S. Department of Housing and Urban Development, Fair Housing and Equal Opportunity (FHEO), San Francisco

HUD advised the City that -

...the number of complaints filed at HUD does not necessarily reflect the actual occurrences of discrimination within the city. Studies have indicated that a very small fraction of people who believe they've been a victim of housing discrimination actually contact HUD to file a complaint.

Chloé Coe, Equal Opportunity Specialist, Fair Housing and Equal Opportunity (FHEO) - San Francisco, February 19, 2015

3. Conclusions and Recommendations

Based on past trends, 65 housing discrimination complaints may be filed by Riverside residents with HUD during the five year period between FY 2015-2016 and FY 2019-2020. During the same period, it is estimated that 630 housing discrimination complaints may be filed with the FHCRC.

With respect to the fair housing impediment of housing discrimination, the following actions should be taken:

- The City should continue to offer to its residents fair housing services which will include the processing of housing discrimination complaints and landlord/tenant counseling services. Often a landlord/tenant issue has as its basis a housing discrimination concern.

- The City should implement the FHCRC recommendation that it (the City) continue to investigate discriminatory practices in the housing industry. FHCRC states that identifying and combating discriminatory practices will ensure that all individuals are protected, as best they can be, from unfavorable practices in the housing industry and will ensure that if victimized, these individuals will have equal access to housing opportunities.
- The FHCRC should seek to identify the reasons why the Hispanic population files complaints at a much lower proportion than they represent of the City's total population. Outreach efforts may be appropriate to increase the Hispanic community's awareness of fair housing.
- The FHCRC should consider cooperative efforts with the Community Access Center and Regional Center in order to enhance the disabled community's fair housing awareness.
- Encourage the inclusion of housing for the disabled in new affordable housing developments.

C. BROKERAGE SERVICES

1. Background - Denial of Access to Real Estate Organizations

Section 3606 of the 1968 Federal Fair Housing Act prohibits discrimination in the provision of brokerage services:

After December 31, 1968, it shall be unlawful to *deny* any person access to or *membership* or participation in any *multiple-listing service, real estate brokers' organization* or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against him in the terms or conditions of such *access, membership, or participation*, on account of race, color, religion, sex, handicap, familial status, or national origin. [Emphasis added]

2. Inland Valleys Association of REALTORS

Real estate professionals whose business is located in the City of Riverside most likely belong to the Inland Valleys Association of REALTORS (IVAR). IVAR has more than 4,000 members and its office is located on Elizabeth Street in the City of Riverside. Mark Dowling is the Chief Executive Officer of IVAR. Paul Herrera is the Governmental Affairs Director.

According to a membership profile, the race and ethnicity of California REALTORS is as follows:

<input type="checkbox"/> White	77%
<input type="checkbox"/> Asian/Pacific Islander	11%
<input type="checkbox"/> Hispanic/Latino	9%
<input type="checkbox"/> Black/African American	3%
<input type="checkbox"/> Other/American Indian/Eskimo/Aleut	4%

Source: California Association of REALTORS, *2013 Member Profile - California Report*.

An overlap between the White and Hispanic/Latino groups results in the total exceeding 100%. There are no comparable figures on the race and ethnicity of the 4,000 plus real estate professionals who belong to IVAR. Because of the demographic make-up of the City, it is

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assumed that more than 9% of the local real estate professionals identify with the Hispanic/Latino ethnicity group.

IVAR's "application for membership" does not inquire about the race or ethnicity of the applicant. One of the 24 application questions asks the applicant to "certify that I have no record of official sanctions rendered by the courts or other lawful authorities for violations of civil rights laws." If an applicant is unable to certify, additional information must be provided as part of the member review process.

Like all associations, IVAR has a Multiple Listing Service (MLS). The California Regional Multiple Listing Service, Inc. has established rules and regulations. When entering a new listing on the MLS, according to these rules and regulations, the "property description" field may only contain a description of the property, its features, its location or community, specific terms to or exclusions from a sale (or lease), or legally required statements. All text must be entered in the English language only. Among the items not allowed to appear in the property description is any language that violates Fair Housing/HUD Guidelines. Further, Section VI Public Remarks Sub Part C9 "What is Not Allowed", of the CRMLS Rules and Regulations Reference Guide states the following: "Language that violates applicable fair housing laws and guidelines."

The California law requires brokers and real estate agents to complete a fair housing course at the time of license renewal, which happens every four years.

3. Conclusions and Recommendations

Brokerage services as defined by the 1968 Federal Fair Housing Act pertain to having equal access to membership and participation in an Association of REALTORS and the MLS. The IVAR membership application does not inquire about the characteristics of the applicant other than license status and experience. Consequently, there are no overt actions to prevent membership by individuals who belong to one or more of the protected classes.

As no private sector impediment was found to exist, no recommendations are necessary concerning brokerage services. However, the City's fair housing provider - FHCRC - could offer the following services to IVAR:

- Provide fair housing articles for publication on the IVAR webpage.
- Participate in the meetings of IVAR's Fair Housing/Equal Opportunity Committee.
- Offer to teach the 3-hour Fair Housing course that REALTORS and sales persons must complete when they renew their license every four years.

D. STEERING

1. Background - Prohibited Steering Practices

According to HUD's *FY 2012-2013 Annual Fair Housing Report*, steering is prohibited by Sections 804(a) and 804(f)(1) of the Federal 1968 Fair Housing Act:

...it shall be unlawful--

- (a) To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or *otherwise make unavailable or deny*, a dwelling to any person because of race, color, religion, sex, familial status, or national origin.

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(f)(1) To discriminate in the sale or rental, or to *otherwise make unavailable or deny*, a dwelling to any buyer or renter because of a handicap of (A) that buyer or renter, (B) a person residing in that dwelling after it is sold, rented, or made available; or (C) any person associated with that person.

Examples of prohibited steering practices include:

- A REALTOR deliberately guiding potential purchasers toward or away from certain neighborhoods because of membership in a protected class.
- A lender who deliberately guides loan applicants toward or away from certain types of loans because of membership in a protected class.
- Limiting a renter's housing choices by guiding or encouraging the person to look elsewhere, based on a fair housing protected characteristic. This type of steering mostly affects apartment seekers as opposed to in-place tenants.

2. Analysis of Steering

Nationally, between 2010 and 2013, 307 housing discrimination complaints filed with HUD and Fair Housing Assistance Program (FHAP) agencies alleged steering. This number represents 1% of all the complaints filed with HUD and FHAP agencies. No comparable figures are available for the City of Riverside.

The steering of home buyers, however, probably happens infrequently because the internet enables home buyers to be more active in the search process and less reliant on real estate agents. According to the California Association of REALTORS *2013 Home Buyer Survey*:

Virtually all home buyers use the internet in the home buying process and seven out of 10 access the internet on their phones. Buyers use their Smartphones to look for comparable house prices, search for properties, take photos and create videos of homes and amenities, research communities and real estate agents.

While the majority of buyers (61 percent) found their home through an agent, the percentage who found their home online more than doubled from 16 percent in 2012 to a record high 37 percent in 2013. Furthermore, they are taking their time investigating homes and neighborhoods *before contacting an agent*, spending a little over seven months on this compared to about 1.5 months last year. [Emphasis added]

Steering may adversely impact homebuyers in their search process and when they apply for a loan. Steering also may adversely impact in-place renters and rental apartment seekers. Corrective actions have been taken by the Federal and State governments regarding loan steering so that abuse may not happen in the future as frequently as it occurred in the early to mid-2000s. However, the steering of apartment seekers is likely to continue, although it is not possible to measure its frequency.

3. Conclusions and Recommendations

During the five-year period from FY 2015-2016 through FY 2019-2020, the City's fair housing provider - FHCRC - should:

- Offer as part of its home buyer counseling services examples of how to detect "steering" during the home search process and how to detect "loan steering."

- Provide information to renters attending workshops on how to detect steering behavior by resident property managers.
- Add a “steering” category to the categories of alleged housing discriminatory acts.

E. APPRAISAL PRACTICES

1. Background - Prohibited Appraisal Practices

The 1968 Federal Fair Housing Act, as amended, makes it unlawful to discriminate against a protected class in appraising property. An appraisal is a written assessment of market value and is used by mortgage underwriters to determine whether there is sufficient collateral to lend money to a homebuyer. Unlawful discriminatory appraisal practices, for example, may include:

- Taking into account the race and ethnic make-up of a neighborhood
- Taking into the account the race and ethnicity of the seller and/or buyer

Appraisal practices that may result in disparate impacts include:

- Prohibiting loans secured by homes not having a minimum square footage (e.g., 750 SF).
- Prohibiting the use of comparable sales completed more than six months from the date of the appraisal.
- Placing an artificial cap on the value of improvements based on the average value of homes in the neighborhood.
- Allowing a non-minority applicant to have an “evaluation” while requiring a full appraisal on loan applications made by minority borrowers.

Source: William L. Pittenger, MAI, SRA *Managing the Appraisal Component of Fair Lending*, 9 pages

A bank cannot shift its fair housing or fair lending responsibility to a third party appraiser. Indeed, if it denies a loan on the basis of an appraisal which is later found to be discriminatory, the bank may be held responsible under the theory that it knew, or should have known, that the appraisal report did not reliably represent the value of the prospective loan security or its competitive marketplace.

2. Analysis of Appraisal Practices

According to the Multiple Listing Service for the Pacific West Association of Realtors, in the past five years (1/1/2010-12/31/2014), there were 20,955 transactions for single-family homes or condominiums/townhomes located in Riverside. Although some buyers purchased their home “all-cash” a significant number would have had an opportunity to review an appraisal. It is likely that most borrowers did not request a copy of the appraisal because they were unaware they could request one.

The Uniform Residential Appraisal Report is a six page form used by appraisers to determine the value of a home. In bold letters, the form states:

Note: Race and the racial composition of the neighborhood are not appraisal factors. At the end of the report, there are “appraiser’s certifications” which include certification #17:

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I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

Contained in the Standards section is Standard Rule 6-3 which deals with neighborhood trends when appraising a property and encourages appraisers to avoid stereotyped or biased assumptions relating to race, age, color, gender, or national origin or an assumption that race, ethnic, or religious *homogeneity* is necessary to maximize value in a neighborhood. [Emphasis added]

Under both federal law (the Equal Credit Opportunity Act of 1976 and its implementing regulations) and California law (Business & Professions Code Section 11423), a lender is generally obligated to inform a credit applicant of the right to receive a copy of the appraisal used in connection with an application, and to honor the applicant's written request for a copy of the appraisal report.

The California Association of REALTORS (CAR) explains that one of the reasons a buyer should obtain an appraisal is -

To make sure the lender has not engaged in any discriminatory practices.

Consequently, a homebuyer/borrower is entitled to a copy of the appraisal. But a homebuyer and borrower during the purchase process has a bewildering array of documents to review and sign. Additionally, given an appraisal to review, they may not have the knowledge to review an appraisal report to determine, for example, if their race or ethnicity were considered in making the appraisal.

It is possible that some loan applications were denied because of improper appraisals. In 2013, 14% of the denied loan applications were denied because the "collateral" was insufficient for the loan amount. According to HMDA when a loan application is denied because of "collateral" it means that the "value or type of collateral is not sufficient" for the loan amount requested. An improper appraisal could lead to the value of the home being lower than what market conditions reflect and, thus, lead to a loan denial because the value is insufficient to support the loan amount requested.

3. Conclusions and Recommendations

Appraisers have acknowledged that while subtle forms of discrimination in the appraisal process are clearly more difficult to identify, identification and prevention are certainly not impossible. Some recommended actions include:

- Train underwriters, processors and loan decision makers to identify the signs of discrimination such as large unsupported adjustments and vague, imprecise or stereotypical language.
- Include a fair lending appraisal component in a lenders quality control program.
- Periodically compare appraisal reports prepared by the same appraiser in minority and non-minority neighborhoods to determine if the properties were analyzed and adjustments applied in a consistent fashion.

- Periodically compare the work of different appraisers in minority neighborhoods to determine if they are analyzing properties and making adjustments in a similar and consistent fashion.

Complaints regarding discriminatory appraisal practices are not routinely collected by the FHCRC, State or Federal agencies. Would-be homebuyers are in the best position to detect potentially discriminatory practices.

The following action should be taken:

- FHCRC should add “how to read an appraisal report” to its homebuyer counseling services in order to 1) inform borrowers of their right to request the appraisal report and 2) provide information on the contents of the report and how to detect possible discriminatory practices.

F. MORTGAGE LENDING PRACTICES

1. Background - Fair Housing Act, Equal Credit Opportunity Act and Home Mortgage Disclosure Act

Equal access to credit so that borrowers can purchase a home is a fundamental goal of fair housing. Section 805 of the 1968 Federal Fair Housing Act, as amended, and the Equal Credit Opportunity Act of 1976 prohibit the denial of access to credit because of a loan applicant's race, color, religion, sex, handicap, familial status, or national origin.

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and was implemented by the Federal Reserve Board's Regulation C. On July 21, 2011, the rule-writing authority of Regulation C was transferred to the Consumer Financial Protection Bureau (CFPB). This regulation provides to the public loan data that can be used to:

- Determine whether financial institutions are serving the housing needs of their communities and treating their borrowers and loan applicants fairly.
- Provide information that could facilitate efforts of public entities to distribute funds to local communities for the purpose of attracting private investment.
- Help households decide where they may want to deposit their savings.

Source: Federal Reserve Board, *The 2013 Home Mortgage Disclosure Act Data*, page 1 [prepared by Neil Bhutta and Daniel R. Ringo of the Division of Research and Statistics]

For calendar year 2013, 7,063 institutions reported on their home lending activity under HMDA including 4,216 banking institutions; 2,015 credit unions; and 832 mortgage companies.

The HMDA Loan Application Register (LAR) data includes the disposition of *each* loan application (e.g. originated, denied). The race, ethnicity and income of the applicant also are noted by the lender as well as the census tract location of the home to be purchased. The HMDA data can be used to calculate loan denial rates by race, ethnicity, income and census tract.

2. Background - Disparities in Loan Denial Rates

The 2013 HMDA data provide a snapshot of disparities in loan denial rates by race, ethnicity, income and census tract. Although the disparities do not support definitive conclusions regarding discrimination on the bases of race or ethnicity, they are a useful screen to identify disparities in loan approval rates by the race and ethnicity of applicants and in neighborhoods where differences in denial rates warrant further investigation.

The Federal Reserve Board made the following observations regarding denial rates based on the *national* 2013 HMDA data:

As in past years, black, Hispanic white, and "other minority" borrowers had notably higher denial rates in 2013 than non-Hispanic whites, while denial rates for Asian borrowers were more similar to those for non-Hispanic white borrowers. For example, the denial rates for conventional home-purchase loans were about 29 percent for blacks, 22 percent for Hispanic whites, 23 percent for other minorities, 14 percent for Asians, and 11 percent for non-Hispanic whites.

Previous research and experience gained in the fair lending enforcement process show that differences in denial rates and in the incidence of higher-priced lending ... among racial or ethnic groups stem, at least in part, from credit-risk-related factors not available in the HMDA data, such as credit history (including credit scores) and LTV ratios. Differential costs of loan origination and the competitive environment also may bear on the differences in pricing, as may differences across populations in credit-shopping activities.

Despite these limitations, the HMDA data play an important role in fair lending enforcement. The data are regularly used by bank examiners to facilitate the fair lending examination and enforcement processes. When examiners for the federal banking agencies evaluate an institution's fair lending risk, they analyze HMDA price data and loan application outcomes in conjunction with other information and risk factors that can be drawn directly from loan files or electronic records maintained by lenders, as directed by the Interagency Fair Lending Examination Procedures. The availability of broader information allows the examiners to draw stronger conclusions about institution compliance with the fair lending laws.

Lenders can, but are not required to, report up to three reasons for denying a mortgage application, selecting from nine potential denial reasons. Among denied first-lien applications for one- to four-family, owner-occupied, site-built properties in 2013, 79 percent of home-purchase applications and about 77 percent of refinance applications had at least one reported denial reason. The most frequently cited denial reason for both home-purchase and refinance loans are the applicant's credit history.... For home-purchase applications, the second-most-cited denial reason was the debt-to-income ratio, while, for refinance applications, the second-most-cited denial reason was collateral. For both home-purchase and refinance applications, collateral is more likely to be cited as a denial reason on conventional than nonconventional applications.

Denial reasons vary across racial and ethnic groups to some degree. For example, among denied home-purchase loan applications in 2013, credit history was cited as a denial reason for 30 percent of black applicants, 21 percent of Hispanic white applicants, 23 percent of non-Hispanic white applicants, and just 13 percent of Asian applicants. The

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debt-to-income ratio was cited most often as a denial reason for Asian home-purchase applicants at 27 percent, compared with 21 percent for non-Hispanic white applicants at the lower end. Finally, collateral was cited most often as a denial reason on home-purchase applications for non-Hispanic whites at 15 percent, compared with 10 percent for black applicants.

Source: Federal Reserve Board, *The 2013 Home Mortgage Disclosure Act Data* [prepared by Neil Bhutta and Daniel R. Ringo of the Division of Research and Statistics] pages 13-14

The Mortgage Bankers Association has stated:

...lenders should not lose sight of the importance of analyzing denial disparities – the difference in the rates at which minority customers are declined, compared with White customers. For example, a lender whose Black declination rate is 40% and whose White declination rate is 10% would have a denial disparity ratio of 4 to 1. And while there is no “safe harbor,” regulators have historically focused their investigative efforts on lenders whose denial disparity ratios have exceeded 2 to 1.

Source: Mortgage Bankers Association, MBA Handbook Series, *Handbook 2008-01: Fair Lending and Home Mortgage Disclosure Act Guide*, page 27

Thus, when the disparity in loan denial rates exceeds a ratio of 2:1, it signals a problem for a particular race or ethnicity or neighborhood.

3. Analysis of 2013 City of Riverside Home Mortgage Disclosure Act Data

HMDA is available at the census tract level but not at the block group or block level. The calendar year 2013 HMDA data are reported by lenders according to the 2010 census tract boundaries. For purposes of the analysis, the City of Riverside is an aggregation of the census tracts which are entirely within the city limits plus those census tracts where 70% or more of population resides within its boundaries.

According to HMDA data, lending institutions can take up to eight actions on a loan application. The actions are coded in to the Loan Application Registration System (LARS) as follows:

1. Loan Originated
2. Application approved but not accepted (by applicant)
3. Application denied by financial institution
4. Application withdrawn by applicant
5. File closed for incompleteness
6. Loan purchased by the institution
7. Preapproval denied by financial institution
8. Preapproval approved but not accepted (by applicant)

In order to determine a “denial rate” for loan applications, only the first three actions are considered. The reason for limiting to the first three actions is because those actions represent applications that were completely processed and either were approved or denied.

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a. 2013 FHA/VA/FSA and Conventional Loan Volumes and Loan Dispositions

The 2013 HMDA LARS data reported a total of 2,365 FHA/VA and conventional loan applications to purchase homes located in Riverside:

<input type="checkbox"/> FHA/VA/FSA Loans	1,257	53.2%
<input type="checkbox"/> Conventional Loans	1,108	46.8%
Total	2,365	100.0%

A conventional loan is secured by investors, but neither insured by the FHA nor guaranteed by VA. Both fixed rate and adjustable rate loans are available with conventional financing.

The final disposition of the 2,365 loan applications was as follows:

<input type="checkbox"/> Approved	1,993	84.3%
<input type="checkbox"/> Denied	372	15.7%
Total	2,365	100.0%

Approved loans include loans originated and loan applications approved by the lender but not accepted by the borrower.

b. Loan Denial Rates by Type of Financing

Table VII-5 also shows the FHA/VA/FSA and conventional loan denial rates. In 2013, the 1,257 FHA/VA/FSA loan applications comprised 53.2% of all 2,365 loan applications. Of the 1,257 applications, 16.5% were denied.

In 2013, the 1,108 conventional loan applications comprised 46.8% of all 2,365 loan applications. Of the 1,108 applications, 14.8% were denied.

**Table VII-5
City of Riverside
FHA/VA/FSA and Conventional
Loan Applications and Denial Rates: 2013**

Type of Application	Riverside Applications
FHA/VA/FSA	
Total Applications	1,257
Number Denied	208
Percent Denied	16.5%
Conventional Loans	
Total Applications	1,108
Number Denied	164
Percent Denied	14.8%
All Loans	
Total Applications	2,365
Number Denied	372
Percent Denied	15.7%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2013

Table construction by Castañeda & Associates

c. Loan Denial Rates by Household Income and Type of Financing

Table VII-6 shows the denial rates by nine income categories and type of financing. Household income can be a key determinant in whether a borrower has a loan application approved. Higher incomes, however, do not always correlate with low denial rates and vice versa.

Among the FHA/VA/FSA borrowers, applicants with incomes between \$60,000 and \$79,999 had the lowest denial rate at 11.8%. Loan applicants with yearly incomes below \$40,000 had the highest loan denial rate at 28.5%.

Conventional loan applicants, for the most part, mirrored the denial rates of FHA/VA/FSA loan applicants. The borrowers with incomes less than \$40,000 had the highest denial rate (25.4%) and the loan applicants with incomes between \$60,000 and \$79,999 had the lowest denial rates (11.2%). The conventional loan applicants with incomes of more \$100,000 had denial rates almost four percentage points lower than FHA/VA/FSA applicants (12.0% versus 15.7%).

Overall, would-be borrowers with yearly incomes of less than \$40,000 comprised 10.3% of all the 2013 loan applicants. The loan applicants in the <\$40,000 annual income group had a 27% loan denial rate, a rate considerably higher than borrowers with higher incomes.

Table VII-6
City of Riverside
FHAVA and Conventional Loan Denial Rates
by Household Income: 2013

Loan Type and Income	Number of Applications	Number Denied	Percent Denied
FHAVA/FSA Loans			
<\$40,000	130	37	28.5%
\$40,000-\$59,999	352	60	17.0%
\$60,000-\$79,999	340	40	11.8%
\$80,000-\$99,999	195	29	14.9%
\$100,000+	230	36	15.7%
Income Not Available	10	6	60.0%
Total	1,257	208	16.5%
Conventional Loans			
<\$40,000	114	29	25.4%
\$40,000-\$59,999	276	47	17.0%
\$60,000-\$79,999	214	24	11.2%
\$80,000-\$99,999	161	21	13.0%
\$100,000+	333	40	12.0%
Income Not Available	10	3	30.0%
Total	1,108	164	14.8%
All Loans			
<\$40,000	244	66	27.0%
\$40,000-\$59,999	628	107	17.0%
\$60,000-\$79,999	554	64	11.6%
\$80,000-\$99,999	356	50	14.0%
\$100,000+	563	76	13.5%
Income Not Available	20	9	45.0%
Total	2,365	372	15.7%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2013
Table construction by Castañeda & Associates

d. Loan Denial Rates by Race and Ethnicity

Table VII-7 shows the breakdown of loan applications by race and ethnicity. For comparison purposes, the table also shows the citywide 2013 American Community Survey percentage distribution by race and ethnicity.

The overwhelming majority of loan applications were made by White and Hispanic borrowers. Together these two groups comprised nearly four out of every five loan applications. They also comprise approximately 80% of Riverside's population. Therefore, based on the City's population characteristics, it would be expected that Whites and Hispanics would encompass the majority of loan applicants. But it should be noted that HMDA does not provide data on the

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city in which the loan applicants currently reside. Thus, the loan applicants could live in Riverside or a different city.

**Table VII-7
City of Riverside
Total Loan Applicants by Race/Ethnicity: 2013**

Race/Ethnicity	Number of Loan Applicants	Percentage Distribution	Citywide Percentage Distribution
White, Non-Hispanic	949	40.1%	31.1%
Hispanic	932	39.4%	53.5%
All Other ¹	229	9.7%	2.9%
Asian	156	6.6%	7.2%
Black	99	4.2%	5.3%
Total	2,365	100.0%	100.0%

¹For the loan data, All Other also includes application where the race or ethnicity was unavailable.

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2013. American FactFinder, American Community Survey ACS 2013 1-year Estimates, Table DP05: Demographic and Housing Estimates Hispanic or Latino by Race.
Table construction by Castañeda & Associates

Black loan applicants comprised 4.2% of all applicants or slightly less than they represent of Riverside’s total population. If loan applications had been made by the Black population in the same proportion that they represent of the City’s population, then 26 more applications would have been submitted.

According to the FHCRC, the reason why there are so few Black and other minority loan applicants is the differential treatment of minorities or low-income individuals in the lending process. A lending audit completed by FHCRC found the following:

...when a non-minority or non-low-income individual begins the lending process, the loan officer is very open and informative. Even before receiving any paperwork from the potential borrower, the loan officer will typically discuss the current interest rates, the APR for the loan, the closing costs and fees, what the reserve accounts will be (if necessary), and what the timelines will be for the entire process. The non-minority or non-low-income individual is able to leave the first meeting with a great deal of information and gets a good start to the process.

However, when a minority or low-income individual begins the lending process, that individual is often met with a different scenario. The loan officer will be difficult to work with, and often times will refuse to provide any information without proof of income, bank statements, and so forth, from the potential borrower. Where the non-minority received all of that information just by asking, the minority is forced to prove themselves a worthy borrower before being able to learn that information.

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This practice places a hurdle in front of the minorities and low-income individuals that simply does not need to be there. The loan officers are using differential treatment for no reason other than an often incorrect assumption that the minority or low-income individual is wasting their time. This is an impediment to Fair Housing that needs to be addressed, as it is a practice that is plainly discriminatory.

Source: Fair Housing Council of Riverside County, Inc., *Riverside County: 2013 Rental, Sales and Lending Audit Analysis*, pages 26 and 27

Table VII-8 reports on loan denial rates by race and ethnicity. The one large disparity in loan denial rates is between White, Non-Hispanic and Black borrowers. The disparities are listed below:

- ❑ FHA/VA: Black @ 25.9%/White @ 13.7% = a ratio of 1.89
- ❑ Conventional: Black @ 26.8%/White @ 10.6% = a ratio of 2.52
- ❑ Total: Black @ 26.3%/White 12.0% = a ratio of 2.19

The Mortgage Bankers Association has stated the disparity ratios exceeding 2 to 1 are an indicator of a problem.

**Table VII-8
City of Riverside
FHA/VA and Conventional Loan Denial Rates
by Race and Ethnicity: 2013**

Race/Ethnicity	FHA/VA/FSA Loans			Conventional Loans		
	Number of Loans	Number Denied	Percent Denied	Number of Loans	Number Denied	Percent Denied
Hispanic	623	114	18.3%	309	57	18.4%
White, Non-Hispanic	431	59	13.7%	518	55	10.6%
Black	58	15	25.9%	41	11	26.8%
Asian	42	6	14.3%	114	17	14.9%
All Other ¹	103	14	13.6%	126	24	19.0%
Total	1,257	208	16.5%	1,108	164	14.8%

¹Includes all other races and applications where race and/or ethnicity were not available
Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2013
Table construction by Castañeda & Associates

e. Loan Denial Rates by Census Tract

According to HUD, the analysis of loan denial rates by census tract will help to identify if there are underserved neighborhoods. More specifically, the census tract analysis compares unusually high denial rates in minority and non-minority neighborhoods.

On a census tract basis, the number of loan applications ranged from a low of three (465.00) to a high of 129 (414.03). The denial rates on a census tract basis ranged from a low of 0.0% (465.00) to a high of 41.4% (414.05). Table VII-9 lists nine and four census tracts, respectively, with denial rates 1.5 and 2.0+ times the citywide average denial rate of 15.7%. The denial rates in these 13 census tracts ranged from a low of 23.5% to 41.4%.

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One of every six loan applications was made to purchase a home in the 13 census tracts (390/2,365). Three of the every 10 denied loan applications were denied in the 13 census tracts. Table VII-9 also lists the minority population as a percentage of the total population living in the 13 census tracts, which ranged from a low of 27.0% to a high of 86.4%. Minorities comprise 68.9% of the City’s total population. Thus, a “minority neighborhood” could be considered one where 79% of the population belongs to a minority population group (roughly 10% more than the city average). Two census tracts - 410.01 and 413.01 - exceed the 79% threshold.

**Table VII-9
City of Riverside
Census Tracts with Loan Denial Rates 1.5 Times
the Citywide Loan Denial Rate**

Census Tract	Total Loan Applications	Total Denied	Percent Denied	Percent Minority
414.05	29	12	41.4%	67.9%
422.09	17	7	41.2%	70.6%
410.01	5	2	40.0%	84.0%
317.01	22	7	31.8%	67.8%
422.06	37	11	29.7%	59.8%
306.02	42	12	28.6%	27.0%
315.01	47	13	27.7%	66.1%
303.00	26	7	26.9%	61.6%
316.01	30	8	26.7%	72.7%
409.03	19	5	26.3%	58.0%
413.01	28	7	25.0%	86.4%
309.00	37	9	24.3%	77.8%
314.01	51	12	23.5%	66.7%
Total	390	112	28.7%	66.8%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2013. American FactFinder American Community Survey (ACS) 2009-2013 5-Year Estimates Table DP05: Hispanic or Latino and Race
Table construction by Castañeda & Associates

Exhibit 1 shows the boundaries of the four census tracts with the highest loan denial rates. The boundaries generally correspond to following neighborhoods:

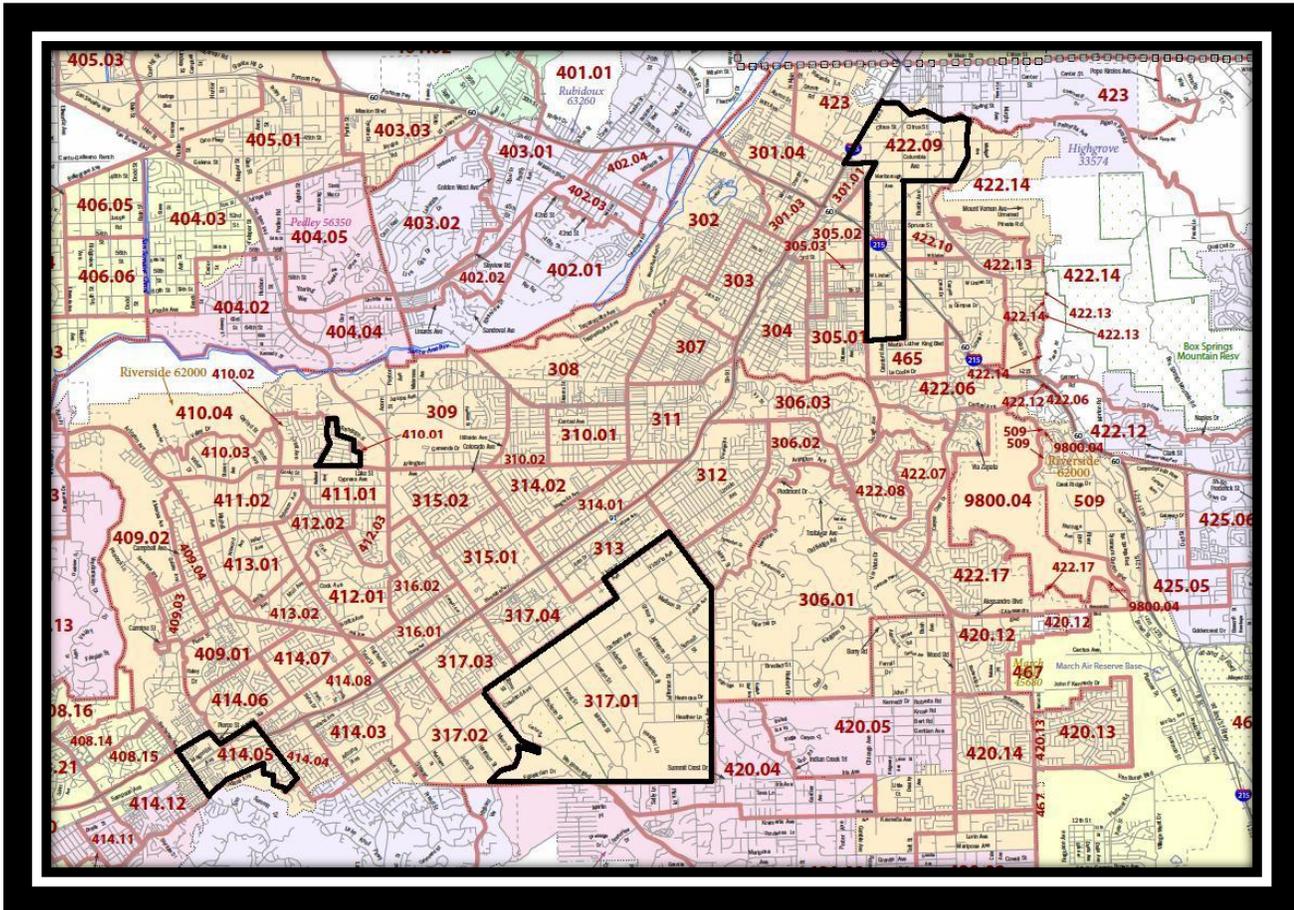
- 414.05 (41.4% Denial Rate) La Sierra South Neighborhood
- 422.09 (41.2% Denial Rate) Residential includes some University Neighborhoods
- 410.01 (40.0% Denial Rate) Arlanza Neighborhood
- 317.01 (31.8% Denial Rate) Arlington Heights Neighborhood

Exhibit 2 shows the boundaries of the two census tracts with high denial rates and high percent minority. The boundaries generally correspond to following neighborhoods:

- 413.01 (25.0% Denial Rate) Southern Portion of La Sierra Acres and Southeastern Portion of La Sierra Hills Neighborhoods: 86.4% Minority
- 410.01 (40.0% Denial Rate) Arlanza Neighborhood: 84.0% Minority

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Exhibit 1
Four Census Tracts with the Highest Loan Denial Rates



Note: Census Tract 410.01 Had a Total of Only Five Loan Applications

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**Table VII-10
City of Riverside
Number of Loans, Market Share and Denial Rates
For the Top 15 Lenders-2013**

Lender/Bank	Percent of All Loans (Market Share)	Total Number of Loans	Number of Loans Denied	Percent Denied
Provident Savings Bank, F.S.B. (CA)	8.8%	209	24	11.5%
Wells Fargo Bank, NA (SD)	7.4%	176	31	17.6%
Mountain West Financial, Inc. (CA)	3.9%	92	10	10.9%
IMortgage.Com, Inc. (AZ)	3.8%	91	1	1.1%
First Mortgage Corp. (CA)	3.3%	78	3	3.8%
Golden Empire Mortgage Inc. (CA)	3.1%	73	1	1.4%
Paramount Residential Mortgage (CA)	2.6%	62	10	16.1%
Primary Residential Mortgage (UT)	2.6%	62	9	14.5%
Pacific Union Financial, LLC (CA)	2.5%	60	25	41.7%
Broker Solutions, Inc. (CA)	2.5%	60	9	15.0%
JP Morgan Chase Bank, NA (OH)	2.5%	59	19	32.2%
Stearns Lending (CA)	2.4%	56	8	14.3%
Bank of America, N.A. (NC)	1.9%	44	12	27.3%
South Pacific Financial Corporation (CA)	1.9%	44	9	20.5%
Flagstar Bank (MI)	1.9%	44	4	9.1%
Total	51.2%	1,210	175	14.5%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2013
Table construction by Castañeda & Associates

Table VII-11 presents the characteristics of the four lenders with the largest market share in Riverside. Each lender has multiple branches located in the City. While each lender processed all loan types (Conventional, FHA and VA), Wells Fargo had the lowest percentage of FHA loan applications. These types of loans are most frequently used by first-time buyers due to the low down payment. In contrast, FHA loan applications represented more than one-half of the applications processed by IMortgage.Com.

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**Table VII-11
City of Riverside
Characteristics of Lenders with Largest Market Share: 2013**

Bank Name	Corporate Head Quarters ¹	NMLS Number ²	Riverside Branches	Riverside % Conv'l. Loans	Riverside % FHA Loans	Riverside % VA Loans
Provident Savings Bank	3756 Central Ave. Riverside, CA 92506	449980	5	48.8%	48.3%	2.9%
Wells Fargo	101 N. Phillips Ave. Sioux Falls, SD 87104	399801	7	56.2%	35.8%	8.0%
Mountain West Financial, Inc.	1209 Nevada St., Suite 200 Redlands, CA 92374	164497	3	42.4%	46.7%	10.9%
IMortgage.Com	22642 Towne Center Dr. Foothill Ranch, CA 92610	174457	2	41.8%	50.4%	7.8%

¹Source: www.nmlsconsumeraccess.org

²The NMLS Unique Identifier is the number permanently assigned by the Nationwide Mortgage Licensing System & Registry (NMLS) for each company, branch, and individual that maintains a single account on NMLS. The NMLS Unique Identifier ("NMLS ID") improves supervision and transparency in the residential mortgage markets by providing regulators, the industry and the public with a tool that tracks companies and individuals across state lines and over time.

Table construction by Castañeda & Associates

g. Reasons for Loan Denial

HMDA requests that lenders list one or more reasons for a loan denial. In 2013, a total of 164 conventional loans and 208 FHA/VA/FSA loans were denied. Table VII-12 provides data on the reasons for loan denials the majority of which pertain to:

- Other - "length of residency, temporary residence and other reasons."
- Debt-to-income ratio - "income insufficient for amount of credit requested and excessive obligations in relation to income."
- Credit history - "insufficient number of credit references; unacceptable types of credit references; no credit files; and other similar reasons."
- Collateral- "value or type of collateral is not sufficient" for the loan amount requested.

For all loan types, the most common *known* reason for loan denial is debt-to-income ratio. Credit history and collateral are other major reasons for loan denials.

**Table VII-12
City of Riverside
Reasons for Loan Denial-2013**

Reason for Denial	FHAVA/FSA/FSA Loans		Conventional Loans		All Loans	
	Number	Percent	Number	Percent	Number	Percent
Debt-to-income ratio	46	22.1%	42	25.6%	88	23.7%
Employment History	2	1.0%	3	1.8%	5	1.3%
Credit History	40	19.2%	17	10.4%	57	15.3%
Collateral	29	13.9%	23	14.0%	52	14.0%
Insufficient Cash	4	1.9%	5	3.0%	9	2.4%
Unverifiable Information	9	4.3%	1	0.6%	10	2.7%
Credit App. Incomplete	15	7.2%	13	7.9%	28	7.5%
Mortgage Insurance Denied	0	0.0%	0	0.0%	0	0.0%
Other	63	30.3%	60	36.6%	123	33.1%
Total	208	99.9%	164	99.9%	372	100.0%

Note: Does not sum to 100% due to rounding

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2013

Table construction by Castañeda & Associates

3. Conclusions and Recommendations

The City's goal is to improve the loan approval rates of all racial and ethnic populations that want to buy a home located in Riverside. To improve their loan approval rates, borrowers should fully understand the loan approval process *before* they submit a loan application.

As noted, the number one known reason why borrowers are denied a loan approval is an excessive debt-to-income ratio. Many of these borrowers should not be making loan applications until after they have their debts under control. Loan denial rates can be reduced by providing all homebuyers, but especially first time homebuyers, with information of the loan application and approval process.

To address the issues, concerns and impediments, the following actions could be implemented:

- The City should continue to support the efforts of the FHCRC to secure funding for outreach to minority communities through HUD's Fair Housing Initiatives Program (FHIP).
- Annually monitor the disparity between the loan denial rates of White, Non-Hispanic and Black borrowers. If the disparity continues, lenders should be contacted to resolve any outstanding issues.
- Continue to offer first-time home buyer seminars to explain to borrowers the need to lower debt-to-income ratios to a level acceptable to lenders. Implementation of this recommended action should result in better prepared borrowers and cause an increase in loan approval rates of all loan applicants, regardless of race or ethnicity.
- Conduct a roundtable discussion with lenders on the role that FHCRC could play to increase the loan approval rates of minority borrowers.

G. HOMEOWNER'S INSURANCE

1. Background - Discriminatory Homeowner's Insurance Practices

On February 15, 2013, HUD issued a final rule regarding *Implementation of the Fair Housing Act's Discriminatory Effects Standard*. Under the final rule, a -

'discriminatory effect' occurs where a facially neutral housing practice actually or predictably results in a discriminatory effect on a group of persons (that is, disparate impact), or on the community as a whole (perpetuation of segregation).

An example of a housing policy or practice that may have a disparate impact on a class of persons delineated by characteristics protected by the 1968 Fair Housing Act, as amended, is the provision and pricing of homeowner's insurance. The final rule states:

HUD has long interpreted the Fair Housing Act to prohibit discriminatory practices in connection with homeowners insurance.

HUD referred interested parties to:

24 CFR 100.70 (d)(4) [March 15, 1989]{defining "other prohibited sale and rental conduct" to include refusing to provide ...property or hazard insurance for dwellings or providing such ... insurance" differently because of a protected class.

Source: Federal Register, Vol. 78, No. 32/Friday 15, 2013, page 11475

2. Availability and Cost of Homeowners Insurance

a. Availability Based on CLUE (Comprehensive Loss Underwriting Exchange) Reports

Homeowners insurance can be made unavailable due to the claims history of a property or of the buyer seeking coverage.

When faced with a prospective insured, insurance providers use the CLUE database to find out information not only about the customer, but also about the residence to be covered. Often this will cause problems for homeowners who have recently purchased a property. If they assume they will be able to get insurance easily because they always have had coverage and have never made any claims, they may be surprised when they are turned down based on claims made on their new property by the previous owners.

Source: Eric R. Jaworski, Esq. and Jonathan A. Goodman, Esq., Colorado REALTOR News, *CLUE Reports Comprehensive Loss Underwriting Exchange Reports*, page 2

CLUE is a claims-information report generated by LexisNexis®, a consumer-reporting agency. The report generally contains up to seven years of personal-auto and personal-property claims history.

An insurer may request a CLUE report when an application is made for coverage or request is made for a quote. The company uses the applicant's claims history or the history of claims at a specific property, to decide if it will offer coverage and the premium amount. Insurance company studies show a relationship between past and future claims.

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When a home is sold in California, the seller is not obligated to provide the buyer with a CLUE report. According to the California Association of REALTORS (CAR), the standard residential purchase agreement -

...simply requires the seller to disclose known material facts and defects including "known insurance claims within the past five years." In other words, if the seller had a fire in the kitchen 2 years ago and made an insurance claim, then the seller must disclose this fact to the buyer. *The C.A.R. purchase contract does not require purchase of a third-party report, such as C.L.U.E.* Sellers may make the disclosures of known insurance claims by using the C.A.R. Standard Form "Supplemental Statutory and Contractual Disclosures" (Form SSD), which allows a seller to disclose his or her awareness of insurance claims via a simple yes/no checkbox format. [Emphasis added]

A seller must disclose only known insurance claims; C.A.R. purchase agreements *do not require sellers* to discover unknown claims, or *to purchase reports or other third-party information to make this disclosure.* Although sellers may choose to provide and pay for a third-party report to provide this optional third-party information to buyers, *neither the law nor C.A.R.'s purchase agreement require that they do so.* [Emphasis added]

CAR points out, however -

Given the increased difficulty of obtaining affordable homeowners' insurance in recent years, buyers should obtain quotes as early as possible in the home buying process. In the process of obtaining insurance, the insurance agent or underwriter will most likely be checking the insurance database, as a matter of course, without charge. Buyers should seek insurance quotes during the inspection period so that there will be clear understanding of the cost of the insurance early in the transaction, and so that buyers will have an opportunity to evaluate this fact during the inspection period.

b. Analysis of Homeowner's Insurance Rates

Annually, the Statistical Analysis Division (SAD) of the California Department of Insurance (DOI) conducts a survey of premiums of insurers offering homeowners insurance in California. Due to the great diversity of homes, limits, locations and coverages available, it is impossible to publish a comparison for every risk. Therefore, companies are asked to supply their annual premium, based on rates for new business, for specific hypothetical risks located in various zip codes throughout the state. Zip codes are selected from various regions within the state, based on census home density data. Hypothetical examples are developed in order to provide premiums for a wide variety of risk types.

The DOI *2013 Homeowners Premium Survey* was consulted to estimate insurance rates. Homeowners insurance is a package policy consisting of different types of coverage for the house, its contents, additional living expenses, personal liability claims against the policyholder and other members of the household, and medical payments to others. The policyholder pays a single premium amount for the combination of these coverages. The premiums were obtained for a home 26-40 years of age with \$300,000 being the amount of coverage. The homeowners' premium survey showed a very wide range of rates. The annual premiums in Riverside zip codes 92503 and 92506 ranged from a low of \$757 to a high of \$2,609.

The DOI explained the wide range in premiums as follows:

Insurance companies develop homeowners insurance premiums based on various rating factors. Some of the rating factors that insurance companies may take into

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consideration are the residential property's distance to fire hydrants, fire departments, or brush area. When you compare homeowners premiums within a county (i.e. Riverside County), you will need to understand that certain areas (i.e. ZIP codes) may be deemed as a high fire risk due to the property's distance to a water source, brush, etc. Stricter underwriting guidelines or platinum-type services that are part of the package also affect rates charged.

The department publishes the Homeowners Premium Survey to provide the public with a sample "picture" of homeowner's insurance rates reported by insurance companies for a specific area (ZIP code) and profile. The sample rates are to be used as a comparison tool and are not to be construed as an official homeowner's insurance quote.

Dairyn Valencia, RPSI/Project Manager, CA Department of Insurance, Statistical Analysis Division, February 20, 2015

The DOI also has stated:

Overall, the total written premiums have been generally increasing. This can be attributed to the rising cost of building/rebuilding a structure and/or the growing replacement cost for personal property contents. Consequently, average premiums are rising from year to year. In addition, California is experiencing a shift from lower amounts of insurance to higher amounts. This substantiates the realization of the importance and the increasing need for sufficient insurance protection. With the number of unexpected perils that can jeopardize one of our biggest investments, our homes, knowing that sufficient insurance coverage is in place to cover the negative financial consequences of a loss, is reassuring.

According to a the DOI Statistical Analysis Division report entitled 2011 Commissioner's Report on Underserved Communities, Riverside is not an underserved community. Per Section (c) of CCR code 2646.6, a community shall be deemed to be "underserved" by the insurance industry if the Commissioner finds:

- The proportion of uninsured motorists is ten percentage points above the statewide average as reflected in the most recent Department of Insurance statistics regarding the statewide average of uninsured motorists; and
- The per capita income of the community, as measured in the most recent U.S. Census, is below the fiftieth (50th) percentile for California; and
- The community, as measured in the most recent U.S. Census, is predominantly minority. Predominantly minority community can be qualified as any community that is composed of two-thirds or more minorities as those groups are defined in subsection (b) (6) (A) through (D) of CCR Code 2646.6.

The underserved communities in Riverside County are Mecca (zip code 92254) and Coachella (zip code 92236).

3. Conclusions and Recommendations

The following actions should be taken:

- The City should request that the FHCRC add "homeowners insurance" and "CLUE Reports" to its homebuyer counseling services.

- The FHCRC should provide educational services to home buyers/borrowers so they understand the impact of CLUE Reports and can compare homeowner's premium rates.

H. BLOCKBUSTING/PANIC SELLING

1. Background - Inducing Sales by Misrepresentations

The Federal Fair Housing Act of 1968, as amended, declared it an illegal practice:

...for profit, to induce or attempt to induce sales and rentals by representations regarding the entry or prospective entry into the neighborhood of [a] person or persons of a particular race, color, religion, etc.

Section 10177(l)(1) of the California Business and Professions Code states that the Real Estate Commissioner may revoke or suspend the license of a real estate licensee if he/she has done the following:

Solicited or induced the sale, lease, or listing for sale or lease of residential property on the ground, wholly or in part, of loss of value, increase in crime, or decline of the quality of the schools due to the present or prospective entry into the neighborhood of a person or persons having a characteristic protected by fair housing laws (e.g., race, color, national origin, etc.

2. Analysis of Blockbusting/Panic Selling

Data on housing discrimination complaints based on the alleged acts of blockbusting and/or panic selling are not routinely collected by the State Department of Fair Employment and Housing or HUD. The California Bureau of Real Estate website was researched to obtain data on violations of Business and Professions Code 10177(l)(1). The BRE has explained that violations cannot be filtered by this code. However, the BRE has stated there has been "no disciplinary action against a real estate licensee because of violation of 10177(l)(1)" in recent years.

3. Conclusions and Recommendations

There is no evidence to indicate that blockbusting/panic selling has occurred in Riverside in recent years. Consequently, there are no actions recommended for future implementation.

I. PROPERTY MANAGEMENT PRACTICES

1. Background

As written, the FHA covers most – but not all – housing. Some exemptions to coverage under the FHA include: (a) owner-occupied buildings with no more than four units (which is commonly known as the Mrs. Murphy exemption); (b) single family housing sold or rented without the use of a broker if the private individual owner does not own more than three such single family homes at one time; or (c) housing operated by organizations and private clubs that limit occupancy to members.

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Under California law, the owners of apartment buildings with 16 or more housing units must provide for *on-site* property management. The owners and managers of apartment buildings must comply with a variety of fair housing laws such as:

- Occupancy limits
- Reasonable physical modifications
- Reasonable accommodations
- Service animals
- Companion animals
- ADA/accessibility compliance
- Written policies

In March 2015 a survey of 10 large apartment communities was completed in order to obtain information on property management practices. The apartment communities ranged in size from 256 to 714 housing units and have a combined total of 3,351 housing units.

Also, in March 2015, a survey of five large mobile home parks was conducted. The mobile home parks ranged in size from 194 to 354 mobile home spaces and have a combined total of 1,211 mobile home spaces.

2. Occupancy Limits, Reasonable Physical Modifications, Reasonable Accommodations, Service and Companion Animals, ADA/Accessibility Compliance, and Written Policies

a. Occupancy Limits

1) *Background.* Occupancy limits refer to the number of persons who can occupy an apartment unit. Often, strict occupancy limits have the intent of excluding families with children from renting an apartment. HUD has stated that Congress did not intend to provide for a national occupancy standard:

The Department believes that in appropriate circumstances, owners and managers may develop and implement reasonable occupancy requirements based on factors such as the number and size of sleeping areas or bedrooms and the overall size of the dwelling unit. In this regard, it must be noted that, in connection with a complaint alleging discrimination on the basis of familial status, the Department will carefully examine any such nongovernmental restriction to determine whether it operates unreasonably to limit or exclude families with children.

Further, HUD believed that the occupancy standard it had set for HUD assisted housing (generally two persons per bedroom) would not be an appropriate basis for guiding private housing providers because -

These guidelines are designed to apply to the types and sizes of dwellings in HUD programs and they may not be reasonable for dwellings with more available space and other dwelling configurations than those found in HUD-assisted housing.

Source: 54 CFR 3232 - Implementation of the Fair Housing Amendments Act of 1988, Subpart A, Section 110.10 Exemptions, January 23, 1989

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The California Department of Fair Employment and Housing in 1988 established an “intake guideline” of accepting complaints for investigation of the potential of an “adverse impact” where the occupancy limitations per unit are *more* restrictive than two persons per bedroom plus one, or five persons in a two bedroom unit. The intake guideline had two results:

- ❑ DFEH was able to save resources for significant cases by not investigating cases where the landlord policy was consistent with the guideline.
- ❑ Landlords adopted the standard of 2+1 to protect themselves from DFEH investigations.

In 1993, the California legislature enacted legislation that essentially prohibits the application of “intake guidelines” and requires the DFEH to investigate all complaints unless the complainant withdraws it or “after a thorough investigation” DFEH determines the cases lack merit on the facts. Thus, the two per bedroom plus one standard lacks legal support by law or regulation.

An article on occupancy standards concludes:

Two persons per bedroom is presumed to be a reasonable occupancy standard under federal law, subject to rebuttal by the facts of the case and the specific configuration of the rental unit. Since the California Legislature repudiated DFEH’s “intake guideline” of two persons per bedroom plus one, the only official or semi-official policy on occupancy standards is the Keating Memorandum as now published by HUD.

Source: Martin S. Snitnow, Attorney at Law, *Overcrowding and Occupancy Standards*, 2008, page 4

2) *Apartment and MHP Survey Findings*: Nine of the 10 apartment communities apply an occupancy limit of 2 +1, meaning two persons per bedroom plus one additional person. One apartment community that is comprised of 268 housing units applies a stricter standard; that is, two persons per bedroom.

Four of the five mobile parks apply the 2+1 occupancy standard. One mobile park enforces an occupancy limit of two persons per bedroom

b. Reasonable Physical Modifications

1) *Background*. According to HUD:

A reasonable modification is a structural change made to existing premises, occupied or to be occupied by a person with a disability, in order to afford such person full enjoyment of the premises. Reasonable modifications can include structural changes to interiors and exteriors of dwellings and to common and public use areas. A request for a reasonable modification may be made at any time during the tenancy. The Act makes it unlawful for a housing provider or homeowners’ association to refuse to allow a reasonable modification to the premises when such a modification may be necessary to afford persons with disabilities *full enjoyment* of the premises. [Emphasis added]

Source: U.S. Department of Justice, Civil Rights Division and U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Joint Statement on Reasonable Modifications Under the Fair Housing Act*, March 5, 2008, page 3

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2) *Apartment and MHP Survey Findings:* Eight of 10 apartment communities permit reasonable physical modifications. One manager stated “no” and one was “not sure.”

All five mobile home park managers stated reasonable physical modifications are allowed.

c. Reasonable Accommodations

1) *Background.* HUD and the DOJ describe a reasonable accommodation for purposes of the Act as follows:

A “reasonable accommodation” is a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since rules, policies, practices, and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. The Act makes it unlawful to refuse to make reasonable accommodations to rules, policies, practices, or services when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling.

To show that a requested accommodation may be necessary, there must be an identifiable relationship, or nexus, between the requested accommodation and the individual’s disability.

Example 1: A housing provider has a policy of providing unassigned parking spaces to residents. A resident with mobility impairment, who is substantially limited in the ability to walk, requests an assigned accessible parking space close to the entrance to her unit as a reasonable accommodation. There are available parking spaces near the entrance to her unit that are accessible, but those spaces are available to all residents on a first come, first served basis. The provider must make an exception to its policy of not providing assigned parking spaces to accommodate this resident.

Example 2: A housing provider has a policy of requiring tenants to come to the rental office in person to pay their rent. A tenant has a mental disability that makes her afraid to leave her unit. Because of her disability, she requests that she be permitted to have a friend mail her rent payment to the rental office as a reasonable accommodation. The provider must make an exception to its payment policy to accommodate this tenant.

Source: U.S. Department of Justice, Civil Rights Division and U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Joint Statement on Reasonable Accommodations Under the Fair Housing Act*, May 17, 2004, page 6

2) *Apartment and MHP Survey Findings:* Eight of 10 apartment communities permit reasonable accommodations. One manager stated “no” and one was “not sure.”

All five mobile home park managers stated that reasonable accommodations are permitted.

d. Service and Companion Animals

1) *Background.* Under Federal and State fair housing laws, individuals with disabilities may ask their housing provider to make reasonable accommodations in the “no pets” policy to allow

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for their use of a service and/or companion animal. Under the law, such animals are not considered pets. The housing provider may ask the disabled applicant/tenant to provide verification of the need for the animal from a qualified professional. Once that need is verified, the housing provider must generally allow the accommodation.

24 CFR 100.204(b)(1) provides an example that applies to all housing providers and concerns a guide dog:

A blind applicant for rental housing wants to live in a dwelling unit with a seeing-eye dog. The building has a *no pets policy*. It is a violation of Section 100.204 for the owner or manager of the apartment complex to refuse to permit the applicant to live in the apartment with a Seeing Eye dog because, without the Seeing Eye dog, the blind person will not have an *equal opportunity* to use and enjoy a dwelling. [Emphasis added]

Another example is given below:

A housing provider has a "no pets" policy. A tenant who is deaf requests that the provider allow him to keep a dog in his unit as a reasonable accommodation. The tenant explains that the dog is an assistance animal that will alert him to several sounds, including knocks at the door, sounding of the smoke detector, the telephone ringing, and cars coming into the driveway. The housing provider must make an exception to its "no pets" policy to accommodate this tenant.

Source: U.S. Department of Justice, Civil Rights Division and U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Joint Statement on Reasonable Accommodations Under the Fair Housing Act*, May 17, 2004, pages 6-7

2) *Apartment and MHP Survey Findings:* All 10 apartment communities allow service and companion animals.

Likewise, all five mobile home park managers stated that service and companion animals are allowed.

e. Accessible Multifamily Dwellings

1) *Background:* The Fair Housing Act establishes accessibility requirements which apply to the construction of multifamily dwellings containing four or more units and built for first occupancy after March 13, 1991. The list below summarizes the seven requirements.

- Requirement 1: Accessible building entrances on an accessible route.
- Requirement 2: Accessible and usable public and common use areas.
- Requirement 3: Usable doors.
- Requirement 4: Accessible route into and through the covered dwelling.
- Requirement 5: Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.
- Requirement 6: Reinforced walls for grab bars.
- Requirement 7: Usable kitchens and bathrooms.

2) *Apartment Survey Findings:* Five of the 10 apartment managers stated that some of the apartments were accessible to the disabled. The total number of accessible units was 76, although 60 are located in one apartment community. Three apartment managers stated they

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were ‘not sure’ if accessible units were located in the complex. And two stated “not specifically” in response to the question on the number of accessible units, if any.

When asked about specific accessible features, five of the 10 apartment managers stated some units had “wide doorways for wheelchair users.” And seven of 10 apartment managers stated that some units had “usable kitchens and bathrooms.”

Most of the apartment managers were uncertain if units had grab bars. But the managers stated tenants were allowed to install grab bars.

f. Written Policies and Procedures

1) *Background.* Written policies and procedures for responding to disabled resident requests are important. The Fair Housing Institute (FHI) recommends that all apartment communities should have written policies and procedures to adequately respond to disabled resident’s requests. The FHI explains:

...all housing providers should have a written fair housing policy that describes the equal housing opportunity goals of management. In addition, because the number of fair housing complaints alleging failure to reasonably accommodate the needs of residents with disabilities continues to rise, we also recommend that all housing providers develop a reasonable accommodations policy. The purpose of a reasonable accommodations policy is to ensure that the provider succinctly states its policy and develops a procedure to address requests for reasonable accommodations by persons with disabilities

A reasonable accommodations policy has two components. The first is the public statement of the company's priorities and intentions when working with applicants and residents with disabilities. For example:

All requests for reasonable accommodations should be submitted in writing to the property manager. Upon request the applicant/resident will also need to provide the name, address, and telephone number of a third party professional who will verify that the applicant/resident is disabled and needs the accommodation requested because of the disability. Management will respond to the request as quickly as possible.

The second component of a reasonable accommodations policy is a written list of steps describing each step to be taken by the applicant/resident and the staff when a request is made for a reasonable accommodation. Careful development and consistent use of this list will insure that each request is handled properly with adequate documentation.

2) *Apartment and MHP Survey Findings.* Eight of the apartment communities have written policies regarding reasonable physical modifications and reasonable accommodations. One apartment manager stated “no” and another one “did not know.” These latter apartment complexes have a total of 1,010 housing units.

Nine of the 10 apartment managers stated the apartment management has written policies for service and companion animals. One apartment community - comprised of 273 housing units - did not have written policies regarding service and companion animals.

All five mobile home park managers stated that written policies have been prepared for reasonable modifications and reasonable accommodations. Four of the five managers stated

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that written policies have been prepared for service animals and companion animals. One manager stated that written policies have not been prepared for service and companion animals.

g. Section 8 Voucher Holders

Eight of the 10 apartment managers stated they have zero tenants receiving Section 8 rental assistance. Two apartment complexes had a total of 95 tenants who receive Section 8 rental assistance. Thus, Section 8 Voucher Holders comprised 2.8% of all the renter households living in the 10 apartment complexes that were surveyed in March 2015.

None of the mobile home parks had residents receiving Section 8 rental assistance.

h. Familiarity with Fair Housing Laws

Nine of 10 apartment managers stated that they are “very familiar” with fair housing laws. Two explained that they complete a fair housing certification annually; another stated fair housing training is completed quarterly; and another manager stated she has 21 years of property management experience and is scheduled for a fair housing training class. One apartment manager stated she was “somewhat familiar” with fair housing laws. She opined that occasionally the fair housing information she receives is inconsistent.

Three of the five mobile home park managers stated they are “very familiar” with fair housing laws. Two managers indicated they were “somewhat familiar” with fair housing laws. All five managers stated that management displays the fair housing poster in the office and/or the premises.

3. Conclusions and Recommendations

The FHCRC should:

- When funding becomes available, contact the apartment and mobile home park managers surveyed in March 2015 who demonstrated a lack of knowledge on fair housing obligations such as the appropriate occupancy standard and the need for written policies.
- Annually conduct, when funding becomes available, a survey of 10-15 apartment communities to identify possible violations of fair housing laws.
- Continue to offer workshops and seminars to property managers.
- A focus of these workshops and seminars should be on policies and practices that impact in-place tenants.

J. DISCRIMINATORY ADVERTISING

1. Background - Prohibitions Against Preferences and Limitations

Section 804(c) of the 1968 Federal Fair Housing Act, as amended, prohibits discriminatory advertising; it is unlawful:

To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap,

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familial status, or national origin, or an intention to make any such preference, limitation, or discrimination.

Section 12955(c) of the California Fair Employment and Housing Act contains similar language prohibiting discriminatory advertising. That Section, however, also includes the State's additionally protected classes of sexual orientation, marital status, ancestry, and source of income.

Guidance on specific words and phrases that are or could be interpreted as discriminatory was obtained from the following:

- Roberta Achtenberg, Assistant Secretary for Fair Housing and Equal Opportunity, HUD, "Guidance Regarding Advertisements under Section 804 (c) of the Fair Housing Act," January 9, 1995
- California Newspaper Publishers Association, Fair Housing Advertising Manual, Fourth Edition, Copyright, 2009
- 24 CFR 109.30 Appendix I to Part 109 - Fair Housing Advertising. Part 109 is no longer officially part of the Code of Regulations having been withdrawn effective May 1, 1996. However, it is still published on HUD's website
- State Department of Fair Employment and Housing, Guidance Memorandum
- Bryan Green, Deputy Assistant Secretary for Enforcement, ED, Fair Housing Act Application to Internet Advertising, September 20, 2006 [memorandum to FHEO Regional Directors]

These sources provide guidance on the specific words and phrases that are or could be considered discriminatory with respect the following:

- Race/Color/National Origin/Ancestry
- Sex
- Disability
- Familial/Marital Status
- Religion
- Source of Income
- Sexual Orientation
- Senior Housing

Attachment A gives examples of discriminatory words and phrases.

2. Analysis of Advertisements

a. Analysis of Newspaper/Print Advertising

Newspaper and print advertising is not used as often as it was in the past. According to the California Newspaper Publishers Association (CNPA), two important factors causing the decline have been a poor economy and lower cost alternatives such as Craigslist. (Jim Ewert, General Counsel, CNPA, February 26, 2015) None of 10 large apartment communities surveyed in March 2015 used newspapers to advertise vacant units.

Apartment managers use a variety of methods to advertise their apartments. One recent study found that 29% of Los Angeles-area renters found their apartment by calling a telephone

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number on a sign in front of the apartment building. Another study found that 44% of millennial renters found their apartments via a Smartphone.

Real estate ads published in the Press Enterprise during the months of December 2014 and January 2015 were reviewed for discriminatory words and phrases. Homes for sale ads are published in several sections of the Press Enterprise:

- "Riverside Homes, Townhomes & Condos"
- "New Homes Directory"
- "New Listings"
- "Open Houses"
- "Homes with Price Reductions"
- Large color display ads
- Individual companies such as Century 21, First Team, Prudential Realty, Tarbell Realtors, and Westco

The for-sale ads usually include the following information: price, number of bedrooms, number of bathrooms, lot size, home square footage, number of stories, amenities, upgrades, and location. Often the locations are specific such as: Canyon Crest, Jurupa Hills, La Sierra, Victoria Country Club, Canyon Hills, Woodcrest, Mockingbird Estates, Hawarden Hills, Orange Crest, historic neighborhood, and Wood Streets. Rarely did the ads include information other than the physical description and location. A few ads offered additional information such as "gated community," "near UCR," and "centrally located to schools."

None of the homes for sale ads indicated any preference, limitation, or discrimination based on a protected class.

A few apartment ads also were published in December 2014 and January 2015. The ads were placed for the Quail Creek Apartments and Bridgeport Apartments and three other unnamed apartment communities. The ads provided information on number of bedrooms, number of baths, monthly rent, utilities and move-in specials. The only departures from this information were "se habla español," "no smoking, drugs, pets" and "credit check."

It is possible that "'se habla español" infers a preference on the basis of national origin. Ads with "no pets" could discourage disabled persons who need a service or companion animal from submitting a rental application to the apartment manager. Some disabled persons are unaware of their fair housing rights and, as a consequence, may not consider as available to them apartments with ads that state "no pets."

b. Analysis of On-line Rental Ads

On January 13, 2015 a review was made of the following websites to determine if any questionable language was present in on-line apartment complex advertising:

- Forrent.com
- Rent.com
- Apartments.com
- Apartmentguide.com
- Apartmentfinder.com

The review consisted of five unduplicated apartment complexes/projects on each site for a total of 25 properties reviewed. The complexes also included two senior apartment complexes.

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In general there was no questionable language in the ads. Nearly all of the complexes had descriptions on pet policies regarding deposits, sizes and stating breed restrictions. One complex stated a “pet interview required” and one senior complex stated “no dogs allowed”. Some of the other words and phrases included:

- Housing vouchers welcome
- We do not participate in HUD or Section 8
- Smoke free community
- No medical marijuana accepted

Source of income is a protected class under California’s fair housing law. Thus, it is unlawful to print or publish an advertisement that prefers limits or discriminates on the basis of the source of the tenant’s income. However, according to the California Newspaper Publishers Association, an ad referring to a government program in which an agency makes payments directly to landlords, e.g. the federal government’s Section 8 housing program, would probably not be unlawful so long as the tenant’s benefit or “income” is not paid directly to the “tenant or the tenant’s representative”. Thus, unless an ad taker knows the term is being used as a code word for unlawful discrimination, an ad that says “Section 8 ok”, or “No Section 8” would probably not expose the newspaper to liability under the new law’s definition.

In the description of one complex (near the University of California, Riverside) the narrative seemed to indicate that it was student housing with comments like “walk to the university” and lease terms available for 10 months so students could go home for the summer. A call to the complex stated that they were open to all applicants.

c. Craigslist

Craigslist states that all ads must adhere to fair housing law (Section 3604(c) of the Federal Fair Housing Act). Ads/posts for 68 unduplicated ads posted between January 16, 2015 and March 2, 2015 were reviewed for words or phrases that could violate fair housing laws. The breakdown, with respect to the “poster” of the ads, was as follows:

<input type="checkbox"/> Private Party	21
<input type="checkbox"/> Brokerage/Leasing Company	18
<input type="checkbox"/> Apartment Complex	22
<input type="checkbox"/> Room for Rent	1
<input type="checkbox"/> Student Housing	3
<input type="checkbox"/> Not an ad for an available rental	3
Total	68

Two separate ads were in Spanish. The poster of these ads could be indicating a preference on the basis of national origin.

Three ads seemed to express a preference for families: “Looking for LONG term family to rent my house”; “Great for small family”; and a “great community environment for families”.

One ad seemed to indicate differential treatment for families with children: “Additional deposit for pets or out-of-control kids.”

Craigslist provides a link at the bottom of each individual ad to allow readers to “flag” ads as discriminatory. The link takes the reader to Craigslist’s fair housing information page. The page

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is entitled “Fair Housing is Everyone’s Right!” The page provides questions and answers as well contact numbers and additional links to fair housing advocates.

According to the National Fair Housing Alliance:

Craigslist, the source of the overwhelming majority of housing advertising in today’s market, and other Internet sites provide a convenient forum for illegal housing discrimination. Under current court decisions, these websites are not considered to be publishers and thus can neither be held liable under the Fair Housing Act nor be required to screen out illegal housing advertisements. Only the individual landlords who create and post discriminatory ads online can be held responsible.

The Communications Decency Act (CDA) is Title V of the Telecommunications Act of 1996, and was intended to protect families from online pornography and other forms of indecency. It states that operators of Internet services are not to be construed as publishers, and thus are not legally liable for the words of third parties who use their services. The CDA makes exceptions to this rule as it relates to federal criminal statutes and intellectual property law, but does not make explicit exceptions for civil rights laws like the Fair Housing Act.

Source: National Fair Housing Alliance, *For Rent: No Kids! How Internet Housing Advertisements Perpetuate Discrimination*, April 11, 2009, page 6

A law study concluded:

The sheer number of discriminatory advertisements on the Internet and the inefficiency of individually prosecuting the people who take out the ads lead to the conclusion that the CDA should be amended to take the FHA into account.

Meanwhile, this same law study suggested that -

Website operators could employ filtering software that searches for hotbutton words like “minorities,” “kids,” and “Christian” and automatically embargoes ads that contain those words until they can be reviewed further. Similarly, a relatively simple program could cause a “warning” message to pop up if a user attempts to submit an ad containing potentially problematic language. This would give the user the opportunity to remove the language. If the user chooses to leave the language, the ad would be filtered for individualized review. Using such techniques would relieve website operators of the burden of reviewing every single ad posted to the site. Instead, they would only have to arrange for a staff person to review the ads that are filtered. Ads that contain suspect words but which turn out to be harmless could be cleared for posting after a brief review.

Source: Rigel Christine Oliveri, *Discriminatory Housing Advertisements On-Line: Lessons from Craigslist*, Indiana Law Review, page 1176

Another law study also suggested amending the CDA:

In order to curb discriminatory housing advertisements, the FHA’s ban on discriminatory housing advertisements should extend to online advertising. The most sensible way to achieve this is to amend the CDA.165 A.

Source: Stephen Collins, *Saving Fair Housing on the Internet: The Case for Amending the Communications Decency Act*, Northwestern University Law Review, Vol. 102, No. 3, pages 1471-1493

3. Conclusions and Recommendations

The current law makes it impractical to locate the individuals who post discriminatory ads on Craigslist and other Internet providers. At the same time, the use of newspaper and other print media to advertise rentals has experienced a steep decline. Consequently, ads containing discriminatory words or phrases are infrequently published. However, ads with discriminatory words or phrases may be published in the future. Additionally, ads stating “no pets” may discourage disabled persons from applying for the apartment housing advertised in print publications.

Based on the above findings, the City should consider having the FHCRC implement the following actions:

- Support efforts to amend the Communications Decency Act to extend the FHA’s ban on discriminatory housing advertisements to online advertising.
- Annually review ads published in the Press Enterprise. Ads with discriminatory words or phrases should be investigated in more detail with follow-up enforcement actions, if necessary.

K. HATE CRIMES

1. Background - Hate Crimes at a Residential Location

According to HUD, the AI should analyze *housing* related hate crimes; that is; where an event takes place at a residence, home or driveway. When hate crimes occur at a home, the victims can feel unwelcomed and threatened. The victims may feel that they have no recourse other than to move from the home and neighborhood of their choice. Hate crime means -

“a criminal act committed, in whole or in part, because of one or more of the following actual or perceived characteristics of the victim: (1) disability, (2) gender, (3) nationality, (4) race or ethnicity, (5) religion, (6) sexual orientation, (7) association with a person or group with one or more of these actual or perceived characteristics.” [Source: California Penal Code section 422.55]

According to the California Department of Justice (DOJ), *hate crimes are not separate distinct crimes but rather traditional offenses motivated by the offender’s bias.* A bias is -

A preformed negative opinion or attitude toward a group of persons based on their race, ethnicity, national origin, religion, gender, sexual orientation and/or physical/mental disability.

2. Analysis of Hate Crime Data

Table VII-13 shows that in the 10-year period between 2004 and 2013 196 hate crime events occurred in Riverside. Based on the statewide percentage it is estimated that 56 of the 196 hate crime events occurred at a residence, home or driveway. This number translates to 5 to 6 hate crime events annually occurring at residence, home or driveway.

**Table VII-13
City of Riverside
Hate Crimes 2004-2013**

Year	Number of Riverside Hate Crimes	Statewide % at Residence	City Estimate
2004	21	30.1%	6
2005	22	29.5%	6
2006	26	30.2%	8
2007	20	28.5%	6
2008	21	27.2%	6
2009	12	28.5%	3
2010	21	28.9%	6
2011	25	29.0%	7
2012	12	25.4%	3
2013	16	25.7%	4
Total	196	28.6%	55

Source: California Office of the Attorney General Reports Hate Crime in California 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012 and 2013, Table 6 Hate Crimes, Events, Offenses, Victims and Known

The Police Department is generally the first responders to the needs of hate crime victims. A recent study suggested the following:

Hate-crime incidents should be responded to quickly and thoroughly. Doing so conveys to the victim and the community that police take hate crimes seriously, which also encourages others to report their victimization to the police. The quality of the police response is important for building trust between the agency and the offended community. Hate-crime victims may require special responses. A professional translator may be needed to communicate effectively with the victim. Relying on community translators (e.g., the victim's friend or family member) might not be effective if the victim is hesitant to discuss their victimization within their community. The investigating officer should explain the process to the victim, and assist them in *accessing victim support services* and community advocacy (by providing *packets or contact information*). The officer should also convey verbal support and understanding to the victim and allow the victim to express their thoughts and anxieties. Officers must be aware of possible special fears that the victim may have of the police or of their victimization or status being publicized. Importantly, the officer should provide the victim a specific point of contact so they can follow up and receive updates about this incident and assistance with their other needs. In addition, officers need to be *aware of community resources* that might help victims. In San Diego, for example, a victim assistance volunteer is brought in to assist victims, make them aware of resources, and keep them informed about the status of their case. Such relationships are important since the police are not always able to meet all victim needs on their own. [Emphasis added]

Source: Joshua D. Freilich and Steven M. Chermak, Center for Problem-Solving Policing, *Hate Crimes*, page 28

3. Conclusions and Recommendations

The following action should be considered:

- The Human Relations Commission, or other appropriate City entity, should prepare a directory of hate victim support services for use by the Police Department.
- The Community Services Bureau should continue to include hate crimes as a topic in the Community Outreach Lecture Series.

Attachment A Examples of Discriminatory Words and Phrases

1. Race / Color / National Origin / Ancestry

These four classes are generally discussed together. Race and color refer to a person's skin color and to ethnological (e.g. Asian, African American) as well as unscientific distinctions (e.g. "Middle Eastern"). National origin and ancestry refer to one's country of origin and ethnic heritage.

The following are some words and terms that state and federal regulators discourage because they discriminate based on race, color, ancestry, or national origin: *white, black, asian, integrated, restricted, private, board approval, ethnic landmarks, executive, exclusive, membership approval, a specific nationality such as Chinese and any specific race.*

Federal and state regulations and guidelines discourage words and terms such as "membership approval," "restricted," "integrated," and "exclusive." These and other words and phrases may be discriminatory, according to regulators, because someone reading the advertisement is likely to believe that people of a certain race or national origin will be preferred over others in the sale or rental of the advertised housing.

2. Sex

Discrimination on the basis of sex protects both men and women. It is illegal to specify either "male preferred" or "female preferred." No preference on the basis of sex should be stated in an advertisement. The State Department of Fair Employment and Housing (DFEH) states that terms such as "bachelor pad," "granny flat," "mother-in-law suite" and others are commonly used as physical descriptions of housing units do not violate the Act.

3. Disability

The following are a few of the words and phrases that federal regulations state convey and overt or tacit discriminatory preference and should be avoided: *crippled, blind, deaf, mentally ill, retarded, impaired, alcoholic, handicapped, able-bodied, and physically fit.*

Physical descriptions of property (e.g. "great view," "walk-in closet" and second floor walk-up") or descriptions of services or facilities (e.g. "jogging trails") are not facially discriminatory

4. Marital Status

Marital status, as the term suggests, protects people from discrimination based on whether or not they are married. Familial status refers to whether or not an individual has minor children living with them.

Words and phrases that according to state and federal regulators, bring up the issue of discrimination on the basis of marital or familial status: *retired, one child, one person, number of people, family, ("great for family," etc.) family park, adult, adults only, children, single, single person, student, two people, seniors, senior discount, couples (e.g. "ideal for couples"), and older person.*

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Advertisements which describe the property being advertised or the services or facilities available at the property are generally considered to be acceptable. Examples include “family room” and “playground”.

It may be unlawful to limit the number of persons who can live in a housing unit if it would have the effect of discriminating on the basis of familial or marital status.

CNPA recommends rejecting any advertisement that limits the number of occupants, even where the owner specifies that the limitation is required by local law. The reason is that a newspaper publisher cannot investigate the facts surrounding every proposed advertisement to determine if the advertiser’s claim is correct.

5. Religion

Discrimination in housing on the basis of religion is prohibited under both state and federal law. According to the state Guidance Memorandum, “advertisement should not contain an explicit preference, limitation or discrimination on account of religion (i.e. “no Jews,” “Christian home”).” Some of the words and phrases that regulators say may draw a complaint based on religious discrimination include *Jewish, Mormon Temple, Catholic Church, Christian home, religious name, any religious landmark.*

6. Sexual Orientation

Any reference to an individual’s sexual orientation, e.g. lesbian, gay, and straight, etc. should be eliminated from housing ads.

Publishing an ad that says, “lesbian, vegetarian seeking roommate,” would expressly indicate a preference for a person on the basis of her sexual orientation.

7. Senior Housing

Federal regulations specify that unless the housing being offered meets government requirements for “senior” or “senior only” housing, advertisers may not express a preference or limitation on the basis of age.

Federal and state guidance memorandums specifying that if an advertiser represents to the newspaper that the housing meets requirements of “senior housing,” the newspaper is allowed to rely on the representation.

**APPENDIX A
DATA SOURCES AND PERSONS
AND ORGANIZATIONS CONSULTED**



**APPENDIX A
DATA SOURCES AND PERSONS AND ORGANIZATIONS CONSULTED**

Data Sources Section V Fair Housing Community Profile.....	A-1
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Data Sources Section VII Private Sector Impediments Analysis.....	A-4
Persons and Organizations Consulted.....	A-6

Data Sources
Section V Fair Housing Community Profile

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Persons and Organizations Consulted

- California Department of Insurance, Statistical Analysis Division
 - ✓ Dairyn Valencia, RPSI/Project Manager
- California Newspaper Publishers Association
 - ✓ Jim Ewert, General Counsel
- Fair Housing Council of Riverside County, Inc.
 - ✓ Monica Lopez, Program Manager
- U.S. Department of Housing and Urban Development, Fair Housing and Equal Opportunity (FHEO) - San Francisco
 - ✓ Chloé Coe, Equal Opportunity Specialist