

**City of Riverside**  
**Analysis of Impediments to**  
**Fair Housing Choice**  
**FY 2010 - 2014**

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**DRAFT**

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## **I. Executive Summary**

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## A. Background

Fair housing is a condition in which individuals of similar income levels in the same housing market have like ranges of choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor. The Analysis of Impediments to Fair Housing Choice (A.I.) provides an overview of laws, regulations, conditions or other possible obstacles that may affect an individual or household's access to housing.

Equal access to housing for all is fundamental to each person in meeting essential needs and pursuing personal, educational, employment, or other goals. Recognizing this fundamental right, the federal and State of California governments have both established fair housing as a right protected by law.

### *Fair Housing Laws*

The Civil Rights Act of 1968 and Fair Housing Amendments Act of 1988<sup>1</sup> are the primary federal laws that prohibit discrimination in the sale, rental, lease, or negotiation for property based on race, color, religion, sex, or national origin. Whereas the Civil Rights Act contained provisions protecting people from housing discrimination, amendments enacted in 1988 extended protection to families with children and people with disabilities. The Fair Housing Act also sets accessibility standards for new multi-family units and requires “reasonable accommodations” for people with disabilities.

The State of California has enacted a number of statutes that mirror and, in certain cases, extend fair housing protections in federal law. The Unruh Civil Rights Act of 1959<sup>2</sup> and subsequent court decisions require equal access to the accommodations, advantages, facilities, privileges or services of all business establishments regardless of protected status. The courts have interpreted this Act to prohibit any arbitrary discrimination based in any class distinction, regardless of whether or not that basis is enumerated in the Act.

The Fair Employment and Housing Act of 1963<sup>3</sup> is the primary state law that prohibits discrimination in the sale, rental, lease negotiation, or financing of housing based on race, color, religion, sex, marital status, national origin, and ancestry. The California Fair Housing Act of 1992 brought state laws into conformity with the Federal Fair Housing Act of 1988 and added protections for people with a “mental and physical disability” and “familial status.” The Act also requires that housing providers allow disabled persons to modify their premises to meet their needs.

The Ralph Civil Rights Act of 1976 provides that all persons have the right to be free from any violence, or intimidation by threat of violence, committed against their persons or property because of their race, color, religion, ancestry, national origin, political affiliation, sexual orientation, sex, age, disability, or position in a labor dispute. The Act prohibits violence or threat of the same in rental housing situations. The Banes Civil Rights Act also forbids interference by force or threat with an individual's constitutional or statutory rights in places of worship, housing, and private property.

### *Defining Fair Housing and Impediments*

In light of fair housing legislation passed at the federal and state levels as well as consultation with the U.S. Department of Housing and Urban Development (HUD) and professionals providing fair housing services, the following definition of fair housing is used for this report:

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<sup>1</sup> 43 U.S. Code §§ 3601 et. seq.

<sup>2</sup> California Civil Code, §§ 51 and 52

<sup>3</sup> California Government Code §§ 12900-12906

*Fair housing is a condition in which individuals of similar income levels in the same housing market having a like range of housing choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor.*

Within the legal framework of federal and state laws and based on the guidance provided by the U.S. Department of Housing and Urban Development (HUD) Fair Housing Planning Guide, impediments to fair housing choice can be defined as:

*Any actions, omissions, or decisions taken because of age, race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or*

*Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of age, race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, source of income, sexual orientation or any other arbitrary factor.*

To affirmatively promote equal housing opportunity, a community must work to remove or mitigate impediments to fair housing choice. Furthermore, eligibility for certain federal funds requires the compliance with federal fair housing laws. Specifically, to receive HUD Community Planning and Development (CPD) formula grants, a jurisdiction must:

- Certify its commitment to actively further fair housing choice;
- Maintain fair housing records; and
- Conduct an analysis of impediments to fair housing.

The City of Riverside is dedicated to providing fair housing opportunities to all residents, and ensuring compliance with all applicable laws.

## **B. Methodology and Citizen Participation**

The scope of this A.I. adheres to the recommended content and format included in Volumes 1 and 2 of the “Fair Housing Planning Guide” published by the U.S. Department of Housing and Urban Development’s Office of Fair Housing and Equal Opportunity.

### *Methodology*

HUD requires jurisdictions that receive federal funding for community development activities to assess the status of fair housing in their community. As a recipient of Community Development Block Grant (CDBG), Home Investment Partnership Act (HOME), Emergency Shelter Grant (ESG) and Housing Opportunities for People with Aids (HOPWA), Riverside should update its Analysis of Impediments to Fair Housing (last updated in 2002) and report the findings and progress in the Consolidated and Performance Evaluation Report (CAPER) submitted to HUD.

The purpose of this report is to identify impediments to fair and equal housing opportunities in Riverside. This Analysis of Impediments to Fair Housing (A.I.) provides an overview of the laws, regulations, conditions or other possible obstacles that may affect access to housing and other services in Riverside. The scope, analysis, and format used in this A.I. report adheres to recommendations of the *Fair Housing Planning Guide* published by HUD.

The AI contains these six (6) chapters:

1. *Executive Summary.* This chapter provides background on “fair housing,” methodology, citizen participation, and a summary of the findings and recommendations identified within the report.
2. *Community Characteristics.* This chapter provides a brief history of the City, a demographic profile, income profile, employment profile, housing profile, special needs housing profile and key maps to provide the baseline information necessary to form a complete understanding of the City. This chapter provides a broad overview and understanding of the community so that housing needs are clearly defined.
3. *Analysis of Private Sector Impediments.* This chapter provides an overview of the private owner-occupied housing market and the renter-occupied housing market. It examines the private-sector impediments to fair housing.
4. *Analysis of Public Policy Impediments.* This chapter identifies and analyzes a range of public activities that may impede fair housing choice, including governmental land use, development regulations, and community development activities. Potential impediments to fair housing choice are discussed.
5. *Analysis of Current Fair Housing Activity.* This chapter includes the current fair housing education, enforcement and legal status of any pending cases currently underway in the City.
6. *Conclusions and Recommendations.* This chapter provides a summary of major issues and recommendations to further fair housing. This chapter also reports on progress made in implementing the prior AI. These actions are specific, with implementing timeframes.

### *Citizen Participation*

The City values citizen input on how well city government serves its residents. The public participation effort for the 2010 Analysis of Impediments to Fair Housing Choice (A.I.) adheres to the City’s adopted Citizen Participation Plan.

To solicit public participation in the A.I., the City held seven (7) Community Meetings – one (1) in each City Ward as follows:

- Ward 1: November 18, 2009
- Ward 2: October 28, 2009
- Ward 3: November 4, 2009
- Ward 4: November 19, 2009
- Ward 5: November 12, 2009
- Ward 6: October 29, 2009
- Ward 7: November 5, 2009

The purpose of these meetings was to provide the community with background on the scope of the study and to solicit input on the most pressing issues affecting housing opportunities in Riverside. The City also distributed Resident Surveys at various locations that included questions related to problems that citizens may have experienced in seeking or retaining housing.

Following the Community Meetings, a draft copy of the A.I. was prepared. The Draft A.I. was then finalized and made available for a 30-day public review.

The City Council convened a Public Hearing to solicit feedback from the public and then formally adopted the A.I. during the City Council Meeting held on April 13, 2010. Comments received on the Draft A.I. during the public review period or during the Public Hearing were incorporated into the Conclusions and Recommendations section of the A.I.

### C. Summary of Findings and Recommendations

The A.I. revealed the following five (5) findings and Recommendations:

1. **Discrimination in Housing Opportunities Against Protected Classes.** Discrimination against persons, or other actions which otherwise make unavailable or deny, the sale or rental of a dwelling to any person because of race, color, religion, sex, disability, familial status, sexual orientation, or national origin continues to occur. The Fair Housing Council of Riverside County, Inc. (FHCRC) reports that discrimination based on disability (37%), Race/color/national origin (30%), age (9%), familial status (17%) and sex/gender (8%) occurred from 2006-2008.

**Recommendation:** Continue funding the Fair Housing Discrimination Complaint program and the Landlord Tenant Mediation Program through FHCRC. Expand and conduct fair housing workshops to educate lenders, brokers, sellers, owners, managers, buyers and tenants on fair housing laws. Conduct expanded testing in Riverside to address discrimination based on race, familial status, national origin, disability and other protected classes.

2. **Lack of Affordable Rental Housing Opportunities for Low-Income Families.** Of the 2,666 affordable rental housing units in Riverside, 1,302 are units for families and 1,364 are units that are age-restricted for senior citizens. Based on this information, more than half of the affordable rental properties in Riverside are age-restricted for senior citizens.

**Recommendation:** Work 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 in exchange for the imposition of affordability covenants.

3. **Lending Discrimination Based on Race.** Current Home Mortgage Disclosure Act (HMDA) statistics show that Hispanics experience higher loan denial rates than Whites when purchasing a home. Hispanics applied for nearly the same number of home purchase loans in 2008; however, 68% of these loans were approved versus 78% of Whites. Further, middle and upper-income African American and Asian homebuyers had approval rates at least 10% below that of Whites.

**Recommendation:** To encourage homeownership for all residents, particularly Hispanics, African Americans and Asians. The City can work with FHCRC and other HUD-approved homebuyer counseling agencies to make homebuyer education classes more accessible to the community.

4. **Lack of Awareness of Fair Housing Laws.** A general lack of knowledge of fair housing rights and responsibilities continues to exist. Increased fair housing complaint intake by FHCRC and interaction with housing providers and housing seekers during workshops demonstrates a lack of understanding of both Federal and State fair housing laws.

**Recommendation:** Continue to provide fair housing technical assistance to real estate professionals with fair housing questions or concerns in Riverside and the region. Expand

community participation in fair housing workshops that are free of charge in an effort to promote greater awareness of fair housing laws.

5. **Discrimination against Persons with Disabilities.** An increase in disability complaints to FHCRC throughout Riverside and the region demonstrates a lack of understanding and sensitivity of the fair housing rights of the disabled by the housing industry. Disabled persons are experiencing difficulties when requesting reasonable accommodations or modifications. In particular, persons with cognitive disabilities experience significantly more problems with these accommodations and are experiencing discrimination in obtaining rental housing.

**Recommendation:** Expand and conduct fair housing workshops that specifically address discrimination against disabled persons in the provision of housing to inform housing industry stakeholders about issues such as reasonable accommodation and accessibility modifications. 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.

## **II. Community Characteristics**

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## A. Historical Profile

Founded in 1870 by John North and a group of Easterners who wished to establish a colony dedicated to furthering education and culture, Riverside was built on land that was once a Spanish rancho. Investors from England and Canada transplanted traditions and activities adopted by prosperous citizens: the first golf course and polo field in Southern California were built in Riverside.

The first orange trees were planted in 1871, but the citrus industry in Riverside began two (2) years later when Eliza Tibbets received two Brazilian navel orange trees sent to her by a friend at the Department of Agriculture in Washington. The trees thrived in the Southern California climate and the navel orange industry grew rapidly.

Within a few years, the successful cultivation of the newly discovered navel orange led to a California Gold Rush of a different kind: the establishment of the citrus industry, which is commemorated in the landscapes and exhibits of the California Citrus State Historic Park and the restored packing houses in the Downtown's Marketplace district. By 1882, there were more than half a million citrus trees in California, almost half of which were in Riverside. The development of refrigerated railroad cars and innovative irrigation systems established Riverside as the wealthiest city per capita by 1895.

As the city prospered, a small guest hotel designed in the popular Mission Revival style grew to become the world famous Mission Inn, favored by presidents, royalty and movie stars. Postcards of lush orange groves, swimming pools and magnificent homes have attracted vacationers and entrepreneurs throughout the years. Many relocated to the warm, dry climate for reasons of health and to escape Eastern winters. Victoria Avenue with its landmark homes serves as a reminder of European investors who settled here.

Through the City's Office of Historic Preservation, the City is committed to preserving the past as a firm foundation for the future. Over 100 City Landmarks, 20 National Register Sites and two (2) National Landmarks have been designated by the City Council, all offering enjoyment and education to city residents and visitors.

Riverside is fortunate to have a wealth of sites and buildings that provide a link to the city's past and a strong sense of place. This is the result of the hard work and careful planning of the city's Historic Preservation Program, which identifies and advances the preservation of Riverside's historic neighborhoods and civic resources. Examples include the Mission Inn, the Chinatown site, the National Packing House, Citrus Experiment Station and engineering feats like the Gage Canal. Many of these landmarks are found in the Downtown's Mission Inn Historic District. California's Mission Revival style, born in Riverside, can be seen throughout the City, most notably in the Mission Inn, the Municipal Auditorium, First Church of Christ Scientist, and the Fox Performing Arts Center, home of the Riverside Film Festival.

Many of Riverside's historic buildings are open to the public including the Catherine Bettner home, restored and renamed the Heritage House, which is open for tours. The Riverside Art Museum was designed by America's most successful female architect, Julia Morgan, famous for William Randolph Hearst's Castle in San Simeon. It was originally constructed for the YWCA on land donated by Frank Miller. Benedict Castle was built as a private residence by Henry Jekel and is now occupied by Teen Challenge. It is available for special events and filming as are many of Riverside's historic homes and neighborhoods.

Riverside is governed by a Mayor and City Council Members from seven (7) geographically defined wards. The City employs a professional staff led by the City Manager and various department heads. The City provides its own Police and Fire services to residents. Today, Riverside is still growing with a population that surpassed 300,000 residents last year.

## B. Demographic Profile

### *Population Trends*

The population of the City of Riverside has undergone steadily increasing growth over the last 20 years. Riverside County has grown at twice the rate of the City of Riverside largely due to the growth of faster growing Cities such as Corona, Temecula and Moreno Valley. From 2000-2009, the City of Riverside's population growth increased by 18% while countywide growth was 36% (Table II-1).

**Table II-1**  
**Population Growth Trends, 1990-2009**

Community	1990	2000	2009	Percentage Change	
				90-00	00-09
Corona	76,095	124,966	148,597	64%	19%
Moreno Valley	118,779	142,381	186,301	20%	31%
<b>Riverside</b>	<b>226,505</b>	<b>255,166</b>	<b>300,430</b>	13%	18%
Temecula	27,099	57,716	102,604	113%	78%
County	1,170,413	1,545,387	2,107,653	32%	36%

Source: U.S. Census, 1990 and 2000; California Department of Finance, 2009.

### *Age Characteristics*

The age distribution of Riverside residents remained stable between 1990 and 2000 despite a 13% increase in the City's population over the ten year period. Adults age 25-54 remained the largest portion (42%) of the City population in 2000, while seniors comprised 9% of the population. The fastest growing age groups were children age 17 and under, adults 55-64, and seniors (Table II-2).

**Table II-2**  
**Age Characteristics and Trends**

Age Group	1990		2000		Percent Change in Persons
	Persons	Percent	Persons	Percent	
<18	65,666	29.0%	76,704	30%	17%
18-24	30,133	13.3%	33,030	13%	7%
25-54	95,936	42.4%	106,029	42%	11%
55-64	14,504	6.4%	16,349	6%	13%
65+	20,266	8.9%	23,054	9%	13%
<b>Total:</b>	<b>226,505</b>	<b>100%</b>	<b>255,166</b>	<b>100%</b>	<b>13%</b>

Source: U.S. Census, 1990 and 2000.

### *Race and Ethnicity*

From 1990 to 2000, Census respondents identifying themselves as "Hispanic" in terms of ethnicity increased 65.4%. In terms of race, whites declined 5.6% while all other racial categories increased, led by "some other race / multiracial" with an 86.6% increase (Table II-3). According to the 2000 Census, Whites are the largest group within the City population, comprising 59.3% of the population.

**Table II-3  
Race and Ethnicity Trends**

Race	1990 Population		2000 Population		Change	
	No.	%	No.	%	No.	%
White	160,344	70.7%	151,377	59.3%	(8,967)	(5.6%)
Black or African American	16,740	7.5%	18,906	7.4%	2,166	12.9%
Native American	1,910	0.8%	2,779	1.1%	869	45.5%
Asian	10,920	4.8%	14,501	5.7%	3,581	32.8%
Pacific Islander	901	0.4%	991	0.4%	90	9.9%
Some other race	35,690	15.8%	53,591	21.0%	30,922	86.6%
Multiracial			13,021	5.1%		
<b>Total:</b>	<b>226,505</b>	<b>100%</b>	<b>255,166</b>	<b>100%</b>	<b>28,661</b>	<b>13.0%</b>
Ethnicity	1990 Population		2000 Population		Change	
	No.	%	No.	%	No.	%
Hispanic or Latino	58,826	25.9%	97,315	38.1%	38,489	65.4%
Not Hispanic or Latino:	167,679	74.1%	157,851	61.9%	(9,828)	(5.8%)

Source (1990 U.S. Census (SF1: P007, P009) , 2000 U.S. Census (SF1: P3, P4)

### *Racial Integration*

Historically, some researchers have evaluated the degree of racial and ethnic integration as an important measure or evidence of fair housing opportunity. Whereas the separation of different race and ethnic groups has historically been associated with segregation, people's choice of residence today is complex. The quality of local schools, housing prices, access to transportation alternatives, and affiliation with people or friends of similar values are all important reasons which affect where people choose to live. **Map 1** shows the Minority Population by block group.

Different statistical techniques, such as the dissimilarity or exposure index, can aid in evaluating the degree of integration among different race/ethnic groups. The dissimilarity index represents the percentage of one group that would have to move to a new neighborhood to achieve perfect integration with another group. An index score can range in value from 0, indicating complete integration, to 100, indicating complete segregation. As an example, Gary, Indiana was the nation's most segregated city (between Whites and African Americans), with an 87.9 rating.<sup>1</sup>

The degree of racial integration in Riverside between Whites and other ethnic groups is shown in **Table II-4**. People of different race and ethnic backgrounds live in close proximity to one another in Riverside. With respect to integration with Whites, the overall level of integration is relatively high.

<sup>1</sup> <http://www.censusscope.org/segregation.html>

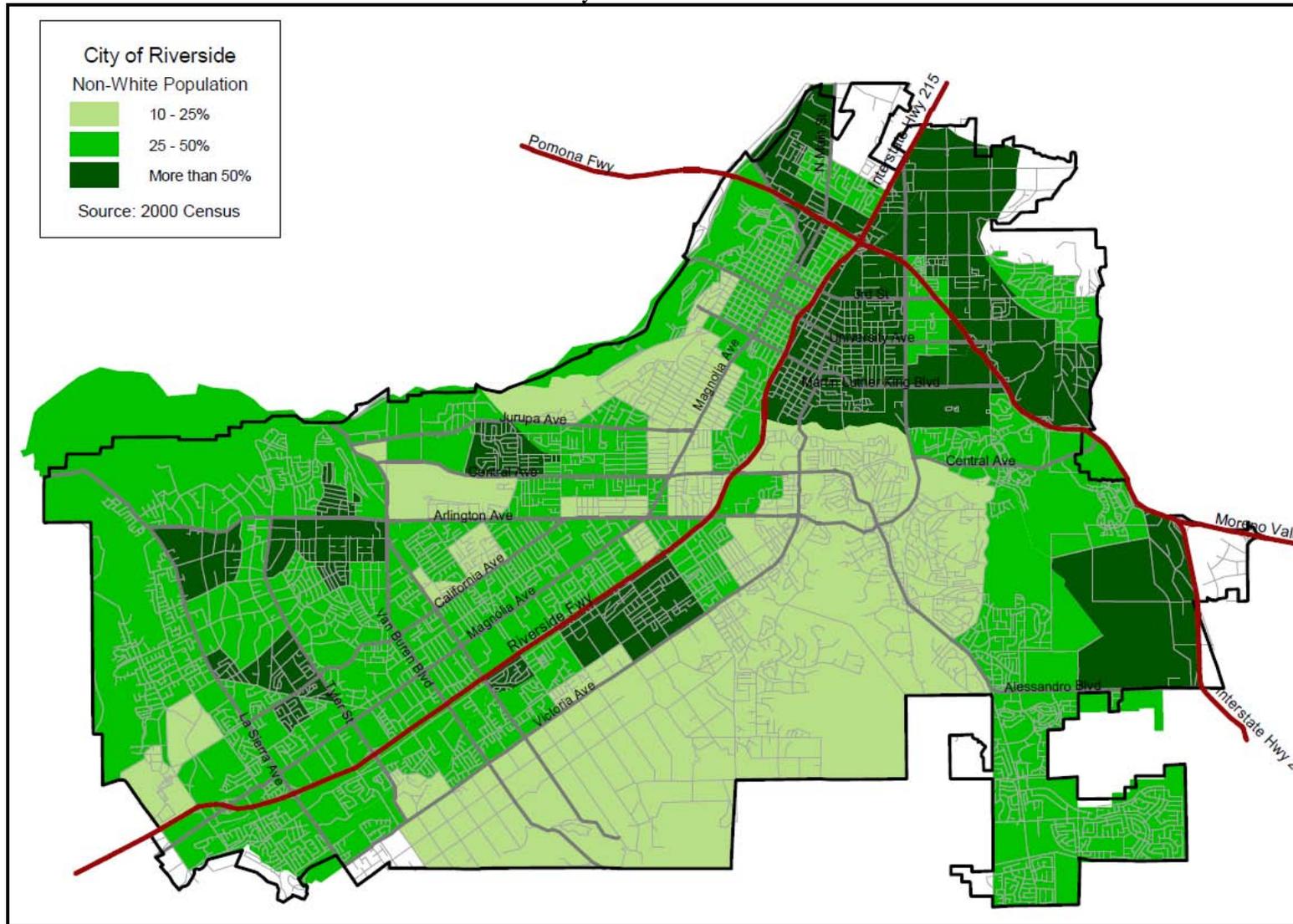
**Table II-4  
Riverside Racial Integration – Census 2000**

Race/Ethnic Group	Percent of Total Population	Index with Whites
White*	45.56%	--
Hispanic	38.14%	36.9
African American*	7.07%	33.7
Asians*	5.58%	35.1
Two or more races	2.57%	18.9

Source: 2000 U.S. Census; <http://www.censusscope.org/segregation.html>.

\*When a group's population is small, its dissimilarity index may be high even if the group's members are evenly distributed throughout the area. When a group's population is less than 1,000, exercise caution in interpreting its dissimilarity indices.

Map 1  
Minority Concentrations



Source: 2000 U.S. Census

*Household Profile*

Information on household characteristics aids in understanding changing housing needs. The Bureau of the Census defines a household as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood, and unrelated individuals living together. Person living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

**Table II-5** compares various household trends in Riverside. Reflective of the age distribution of the City population, 71% of the households were families at the time of the 2000 Census. According to the 2006-2008 American Community Survey, the proportion of family households increased slightly to 71.2%. Perhaps the most significant change since 2000 was the percent change in the number of non-family households (20.4% Change). Non-family households include single persons and unrelated individuals sharing housing accommodations. During the period studied, Riverside also experienced steady growth amongst all types of households as the number of households increased by 8,742 over eight (8) years.

Household size identifies sources of population growth and/or overcrowding in individual housing units. A city’s average household size will increase over time with an increase in larger families or may decline where the population is aging. In 2006-2008, it was estimated that the City’s average household size increased slightly from 3.02 to 3.24 persons per household. This modest increase is likely attributable to population growth outpacing housing supply as well as other economic factors because the data in Table II-5 shows that the City’s Household Characteristics did not change disproportionately as the number of households increased by over 10%.

**Table II-5  
Household Characteristics and Trends**

Household Type	2000		2006-2008		Percent Change
	Number	Percent	Number	Percent	
<b>Family Households</b>					
- Married With Children	22,676	27.7%	25,499	28.1%	12.4%
- Married Without children	18,538	22.6%	20,585	22.6%	11.1%
- Other Families	16,941	20.7%	18,579	20.5%	9.6%
<b>Non-Family Households</b>					
- Single Persons	17,615	21.5%	18,575	20.5%	5.4%
- Non-families	6,235	7.5%	7,509	8.3%	20.4%
<b>Total</b>	<b>82,005</b>	<b>100%</b>	<b>90,747</b>	<b>100%</b>	<b>10.6%</b>
<b>Average Household Size</b>	3.02		3.24		

Source: U.S. Census 2000 & 2006-08 American Community Survey 3-Year Estimate.

**C. Income Profile**

Over the 1990s, Riverside’s median household income decreased from \$56,580 to \$50,395 in 2000 when adjusted for inflation.

In evaluating changes in household income, households are oftentimes grouped into different income groups in relation to the County Median Family Income (MFI) and adjusted for household size.<sup>2</sup> This provides a useful comparison of changes in the City’s household income distribution over time. The four (4) income categories are shown below:

- Extremely Low Income (0-30 percent of County MFI)
- Low Income (31-50 percent of County MFI)
- Moderate Income (51-80 percent of County MFI)
- Middle/Upper Income (>81 percent of County MFI)

As shown in **Table II-6**, Riverside recorded a significant increase in the number and proportion of extremely-low, low and moderate income groups while experiencing minimal growth in those households that are middle income during the 1990s. These changes were partly due to the influx of new households to Riverside seeking affordable housing in the late 1990s.

**Table II-6  
Household Income Trends**

Income Groups	1990		2000		Percent Change
	Households	Percent	Households	Percent	
Median Income*	\$56,580		\$50,395		(10.9%)
Extremely Low	8,022	10.5%	10,178	12.4%	26.9%
Low Income	7,677	10.2%	8,787	10.7%	14.5%
Moderate Income	11,805	15.6%	14,114	17.2%	19.5%
Middle Income +	48,259	63.7%	48,926	59.7%	1.4%
<b>Total:</b>	<b>75,763</b>	<b>100%</b>	<b>82,005</b>	<b>100%</b>	<b>8.2%</b>

Source: Comprehensive Housing Affordability Strategy, 1990 and 2000.

<http://socds.huduser.org/scripts/odbc.exe/chas/reports.htm>

\*2006 Dollars - Median Income adjusted for inflation.

The Consolidated Plan database provides a useful comparison of household income by race/ethnicity and household type. Approximately 18% of White households earned extremely low and low incomes. This statistic contrasts sharply to 28.6% of Hispanic households, 31.4% of African American households, and 38.1 % of Asian households who earned extremely low and low incomes. Citywide, Hispanics were the largest minority group but were overrepresented among low and moderate income households in Riverside.

Among household types, 49.3% of elderly households earned low and moderate incomes, presumably due to their limited retirement income. However, 41.3% of all large families also earned low and moderate incomes, which is problematic due to the higher living expenses, including child care and medical care, incurred by larger families. **Table II-7** summarizes the household income characteristics of Riverside residents.

<sup>2</sup> The Department of Housing and Urban Development uses Census data to develop special tabulations by federal income group and special needs category for the Consolidated Plan. The City’s income distribution is indexed to the County median family income to provide a comparison of changes in Riverside over time and relative to the larger County area.

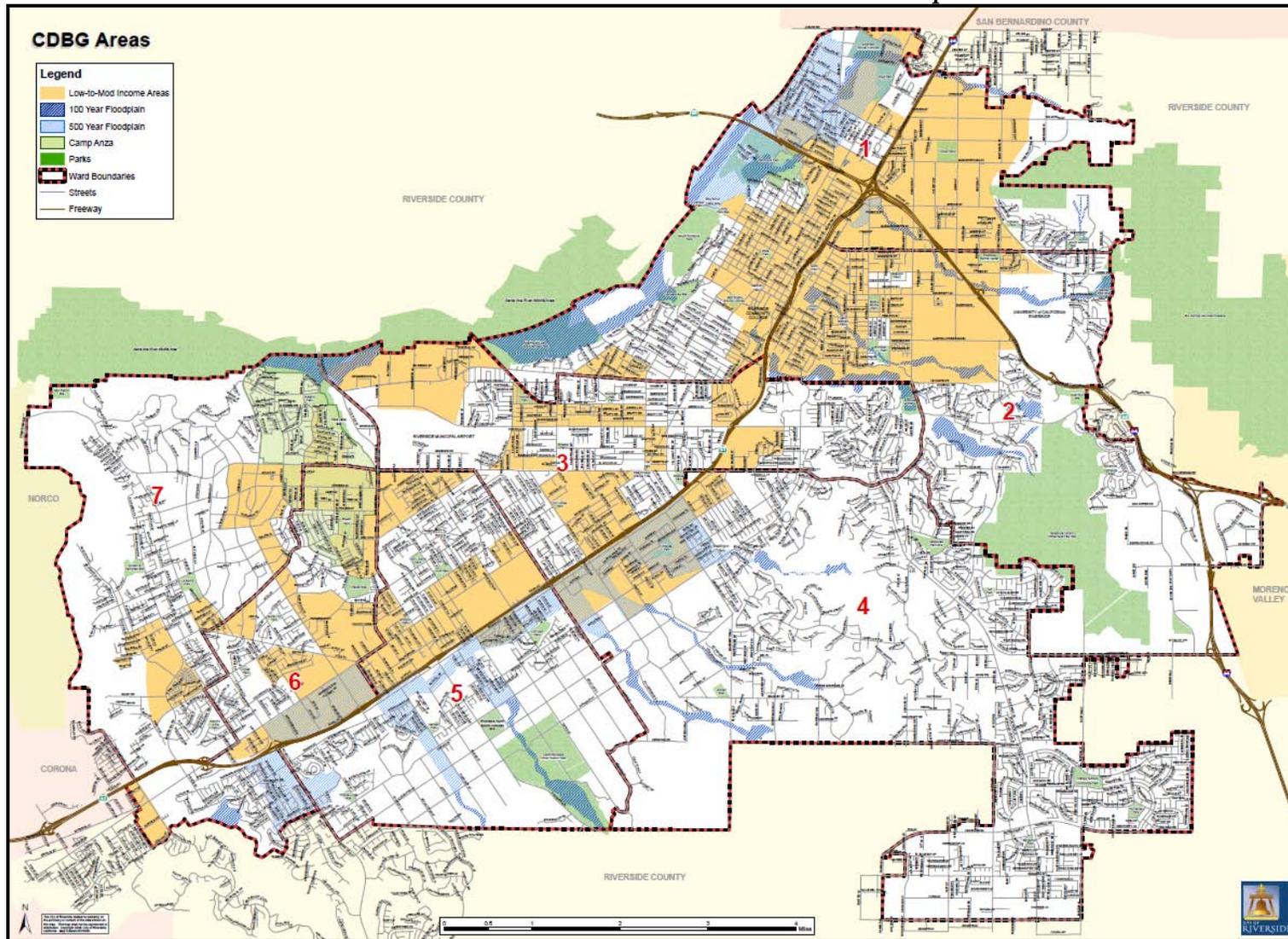
**Table II-7  
Household Income Characteristics**

Household Race/Ethnicity	Percent of Households by Income level			
	Total Low/Mod (0-80% MFI)	Extremely Low (0-30% MFI)	Low (31-50% MFI)	Moderate (51-80% MFI)
White	32.4	8.7	8.7	15.1
Hispanic	50.9	14.3	14.3	22.4
African American	48.5	18.2	13.2	17.2
Asians	50.2	28.1	10.0	11.9
<b>Household Type</b>				
Elderly	49.3	14.6	15.7	19.0
Small Families	34.4	9.6	8.9	15.9
Large Families	41.3	9.6	10.6	21.2
All Others	46.6	21.1	10.5	15.0

Source: 2000 Consolidated Plan database.

**Map 2** shows areas within Riverside that are considered to be low-moderate income neighborhoods. The definition of an area of concentration for low and moderate income households is governed by federal regulations for the Community Development Block Grant Program. Low and moderate income area is defined as a block group or census tract with 51% or more residents earning income less than 80% of the County median family income. Central Riverside is largely a low-moderate income area. A small portion of north central and southern Riverside also has a low-mod area. **Map 3** shows the concentrations of low- and moderate-income persons in the census block groups.

Map 2  
Low and Moderate Income Census Block Groups



Source: 2000 U.S. Census; City of Riverside GIS.



## D. Employment Profile

Local economic characteristics, although not directly related to fair housing, influence local housing needs. Economic characteristics include the types of jobs available within Riverside, the way residents access jobs (e.g., auto, transit, etc.), occupations held by residents, and their household income. This section explores economic trends and characteristics in Riverside as a means to identifying and understanding local housing needs.

### *Major Employers*

Of Riverside's top 10 employers in 2009, eight (8) are either Healthcare or Education organizations providing a wide variety of professional, managerial, technical and support jobs. Riverside's excellent access to the 91, 215 and 10 freeways has positioned Riverside to provide jobs for residents and non-residents alike. **Table II-8** lists the major employers in Riverside.

**Table II-8**  
**Major Employers in Riverside**

Name of Business or Institution	Number of Employees	Percentage of Total City Employment <sup>3</sup>	Type of Business
University of California	7,127	4.6%	Education
Riverside Unified School District	4,200	2.7%	Education
Kaiser Permanente	3,900	2.5%	Healthcare
City of Riverside	2,749	1.8%	Government
Alvord Unified School District	2,000	1.3%	Education
Riverside Community College	2,000	1.3%	Education
Fleetwood Motorhome Svc.	1,963	1.3%	Retail
Riverside Community Hospital	1,600	1.0%	Healthcare
Parkview Community Hospital	915	0.6%	Healthcare
Riverside Medical Clinic	750	0.5%	Healthcare
<b>Total:</b>	<b>27,204</b>	<b>17.6%</b>	

Source: City of Riverside Comprehensive Annual Financial Report, 2009.

### *Jobs Held by Residents*

According to the 2006 American Community Survey, 68.0% of residents over the age of 16 were in the labor force. The same survey found that 9.7% of City residents were unemployed in 2008. **Table II-9** compares the type of occupations held by Riverside residents in 1990 and 2000. Of particular note is the high proportion of sales and managerial/professional jobs held by Riverside residents.

According to the 2008 American Community Survey 1-year estimates, Riverside's journey to work patterns closely mirrored the patterns evidenced in the County of Riverside as a whole. In the City, the majority of employed residents (76%) drive alone to work. Twelve percent (12%) of all residents carpooled to work and only 3% used public transportation. Of note, the mean travel time to work is 27.9 minutes, down from 30.8 minutes in the 2006 American Community Survey.

<sup>3</sup> The total number of employed City residents was 154,568.

**Table II-9  
Occupation Characteristics and Trends**

Occupations of Residents	Occupation Median Income	1990		2000		Percent Change in Jobs
		No. of Jobs	Percent	No. of Jobs	Percent	
Managerial/Professional	\$66,768	27,254	26.2%	32,974	30.9%	20.9%
Sales, Technical, Administrative	\$34,800	33,017	31.8%	28,401	26.6%	(18.4%)
Service Occupations	\$21,466	12,324	11.9%	16,546	15.5%	34.3%
Production/Crafts/Repair	\$44,699	14,057	13.5%	16,232	15.2%	15.5%
Operators, Fabricators, Labor	\$20,987	15,323	14.8%	12,247	11.4%	(20.1%)
Farming, Forestry, Fishing	\$20,209	1,891	1.8%	405	0.4%	(78.6%)
<b>Total:</b>		<b>103,866</b>	<b>100%</b>	<b>106,805</b>	<b>100%</b>	<b>2.8%</b>

Source: SOCDs Census Data. <http://socds.huduser.org/Census/>.

## E. Housing Profile

Fair housing is also concerned with the availability of a range in types and prices of housing. This section provides an overview of the housing market and the dynamics affecting housing availability. Later sections of this chapter build on this analysis and evaluate the City's Zoning Ordinance and land use regulations to assess the status of fair housing in their community.

### *Housing Growth*

Reflecting the population growth between 1990 and 2000, Riverside's housing inventory expanded by 7.1%, less than the 20.8% increase Countywide. From 2000 to 2009, the number of housing units in Riverside grew by 15.2%. While numerous other Cities in the County were building and growing, Riverside has experienced stable growth at a lesser pace than that of the County over the last 20 years.

As discussed later, the predominant housing type in Riverside remained single-family detached homes, accounting for 62% of the City's housing stock in 2009. Approximately 30.4% of Riverside's housing inventory is multi-family units, which is nearly double the proportion of multi-family housing Countywide (16.4%). **Table II-10** shows increases in the housing inventory of Riverside as compared to nearby jurisdictions and the County as a whole.

**Table II-10**  
**Housing Growth Trends, 1990-2009 (Housing Units)**

Community	1990	2000	2009	Percent Change	
				90-00	00-09
Temecula	10,615	19,030	32,973	79.3%	73.3%
Murieta	592	14,810	34,293	2,401%	131.6%
Corona	26,469	39,038	45,162	47.5%	15.7%
Moreno Valley	37,945	41,131	53,560	8.4%	30.2%
<b>Riverside</b>	<b>80,240</b>	<b>85,974</b>	<b>99,037</b>	<b>7.1%</b>	<b>15.2%</b>
County	483,847	584,674	780,112	20.8%	33.4%

Source: U.S. Census, 1990 and 2000. California Department of Finance, 2009.

### *Housing Characteristics*

According to the 2006-2008 American Community Survey (ACS), Riverside has 97,881 occupied housing units, an increase of 19.8% since the 2000 Census. Multi-family projects recorded the largest numerical increase with a 30.3% change since 2000. Single-family detached homes comprise 63.7% of all housing units in Riverside, followed by multi-family projects of five (5) or more units with 23.6% of all housing. **Table II-11** describes the City's housing inventory in 2000 and in the 2006-2008 ACS.

Vacancy rates are an indicator of housing needs. While vacancies help moderate housing costs, excess vacancies depress rents and home values. Generally, an "optimal" vacancy rate is 1.5% to 2.0% in the for-sale market and 5.0 to 6.0% for the rental market. In 2000, the City's vacancy rates overall were at 4.6%, which is generally viewed as an acceptable level. However, as the economic recession of the late 2000s set in, the overall vacancy rate in Riverside grew to 7%.

**Table II-11**  
**Housing Characteristics and Trends (Occupied Units)**

Housing Type	2000		2006-2008		Percent Change in Units
	Number of Units	Percent of Total	Number of Units	Percent of Total	
Single-Family Homes					
Detached Units	52,379	64.1%	62,376	63.7%	19.0%
Attached Units	4,021	4.9%	3,754	3.8%	(6.6%)
Multi-Family Homes					
2-4 Unit Projects	5,340	6.6%	6,429	6.6%	20.4%
5 or more Unit Projects	17,768	21.7%	23,157	23.7%	30.3%
Mobile Homes, Boat, RV, Van	2,211	2.7%	2,165	2.2%	(-2.1%)
<b>Total:</b>	<b>81,719</b>	<b>100%</b>	<b>97,881</b>	<b>100%</b>	<b>19.8%</b>
Vacancy Rate	4.6%		7%		

Source: U.S. Census, 2000 and 2006-2008 American Community Survey.

### *Housing Conditions*

Like any other asset, housing gradually deteriorates over time. If not regularly maintained, housing can deteriorate into disrepair, depress neighboring property values, discourage reinvestment, and eventually impact quality of life in an entire neighborhood. Maintaining quality housing is thus an important

community goal. This section therefore analyzes and discusses the age and condition of Riverside housing and neighborhoods.

**Table II-12** indicates the number of homes built in Riverside by decade. As of 2000, 47.6% of the housing was at least 30 years old. A general rule of thumb in the housing industry is that homes older than 30 years begin to require major investments to maintain quality. Improvements needed include siding, painting, and roofing among others. After 50 years, homes typically need new plumbing, electrical systems, mechanical systems, lead removal, and other major repairs.

**Table II-12**  
**Age of Housing Stock: Year Unit Built by Tenure**

Year Structure Built	Total Units		Owner			Renter		
	#	%	#	Share of Category	Share of Owner	#	Share of Category	Share of Rental
1999 to 2000	1,180	1.4%	817	1.8%	69%	363	1%	31%
1995 to 1998	2,778	3.3%	1,631	3.5%	59%	1,147	3.2%	41%
1990 to 1994	6,359	8%	3,493	7.5%	55%	2,866	8.1%	45%
1980 to 1989	14,812	18%	7,541	16.2%	51%	7,271	20.4%	49%
1970 to 1979	17,847	22%	9,193	19.8%	51%	8,654	24.3%	49%
1960 to 1969	12,567	15.3%	6,682	14.4%	53%	5,885	16.6%	47%
1950 to 1959	15,904	19%	10,897	23.4%	68%	5,007	14.1%	32%
1940 to 1949	4,847	6%	2,819	6.0%	58%	2,028	5.7%	42%
1939 or earlier	5,785	7%	3,441	7.4%	59%	2,344	6.6%	41%
<b>Total:</b>	<b>82,079</b>	<b>100%</b>	<b>46,514</b>	<b>100%</b>	<b>57%</b>	<b>35,565</b>	<b>100%</b>	<b>43%</b>

Source: 2000 U.S. Census (SF3: H34, H36)

\*Note: 2006-2008 ACS estimates that from 2000 to the present, a total of 12,079 units have been built.

HUD defines housing problems in terms of housing that lacks plumbing or complete kitchen facilities. As reported in the the 2000 Census and the 2006-2008 ACS, less than 1% of the housing units in Riverside lacked complete plumbing or kitchen facilities.<sup>4</sup>

To address these conditions, the City of Riverside Development Department offers Housing Rehabilitation programs to low- and moderate- income households to rehabilitate their homes. Low-interest loans and a limited number of grants are available to help finance housing repairs for income eligible homeowners. The City’s Housing Rehabilitation Loan program provides up to \$40,000 for housing repairs, repayable over 20 years at 3% simple interest. Seniors and disabled persons are eligible for up to \$5,000 grants to make necessary housing repairs or modifications that allow disabled access. The Emergency Grant Program provides \$5,000 grants to correct emergency problems considered to be a situation which threatens the health and safety of the occupant household.

The City has an existing partnership with Rebuilding Together Riverside (RTR), a non-profit organization dedicated to promoting affordable housing in Riverside. This organization uses volunteer labor and donated materials to repair and rehabilitate the homes of low-income elderly and disabled persons so that they may remain safely in their homes.

An attentive Code Enforcement Program through the Community Development Department also works diligently to ensure that Riverside neighborhoods provide a suitable living environment for all residents.

<sup>4</sup> U.S. Census Bureau, 2000 (SF3: H47, H50); and 2006-2008 American Community Survey Estimates.

The Code Enforcement Division works diligently to make sure that blight and nuisances that can devalue, detract and degrade the quality of neighborhoods does not occur. This Division enforces local municipal and State adopted Codes and ordinances to ensure compliance and to provide a safe living environment for residents.

*For-Sale and Rental Housing Prices*

**Table II-13** below shows the median sales price for single-family home in Riverside for the 2009 calendar year. The results are decreases in all zip codes ranging from 15.4 percent to 31.9 percent. Similar conditions occur for condominium or attached single-family dwellings; however the decline in prices was more drastic with the reductions for zip code 92503 exceeding 43 percent.

**Table II-13  
Median Sales Prices – 2009**

Median Single Family Home Prices by Zip Code			
Zip Code	Number of Sales	Median Price (Thousands)	12 Mo. Change
92501	299	\$150	-28.2%
92503	1,298	\$177	-26.3%
92504	796	\$155	-24.9%
92505	551	\$171	-27.2%
92506	581	\$236	-15.4%
92507	407	\$160	-31.9%
92508	545	\$288	-15.6%
92509	1,054	\$165	-28.3%
Median Condominium Prices by Zip Code			
Zip Code	Number of Sales	Median Price (Thousands)	12 Mo. Change
92501	12	\$90	-19.6%
92503	73	\$90	-43.6%
92504	16	\$120	-42.6%
92505	56	\$204	-20.2%
92506	34	\$191	-4.5%
92507	80	\$104	-36.3%
92508	7	\$108	-25.8%
92509	5	\$110	-27.5%

Source: Sales data in 2009; Dataquick.

Using 2000 U.S. Census data, and 2008 data from the National Low Income Housing Coalition (NLIHC), the NLIC calculated that more than 30% of households in Riverside County are renters. Twenty percent (20%) of these households live below the poverty level. Table II-14 lists the cost of rental housing based on the 2000 census for the City of Riverside. The rents are broken down by bedroom size.

**Table II-14**  
**Cost of Rental Housing: Rental Units by Price and Bedroom Size**

Rental Units by Price and Bedroom Size (1999 rents)									
# of Bedrooms		Less than \$200	\$200 to \$299	\$300 to \$499	\$500 to \$749	\$750 to \$999	\$1,000 or more	No cash rent	Total:
Efficiency	# of units	120	156	1,373	1,604	406	169	44	3,872
	% of size	3.1%	4%	35.5%	41.4%	10.5%	3.4%	1.1%	
	% of total	.3%	.4%	3.9%	4.5%	1.1%	.8%	.1%	
1 Bedroom	# of units	294	452	2,799	6,667	1,841	399	144	12,596
	% of size	2.3	3.6	22.2	53	14.6	3.2	1.1	
	% of total	.8%	1.3%	7.9%	18.8%	5.2%	1.1%	.4%	
2 Bedroom	# of units	173	131	963	5,672	3,497	768	190	11,394
	% of size	1.5%	1.1%	8.5%	49.8%	30.7%	6.7%	1.7%	
	% of total	.5%	.4%	2.7%	16%	9.9%	2.0%	.5%	
3 + Bedroom	# of units	5	43	340	1,350	3,114	2,482	307	7,641
	% of size	.07%	.6%	4.4%	17.7%	40.75%	32.48%	4.0%	
	% of total	.01%	.1%	1.0%	3.8%	8.8%	7.0%	.7%	
<b>Subtotal:</b>		592	782	5,475	15,293	8,858	3,818	685	35,503
<b>Share of Total:</b>		1.7%	2.2%	15%	43%	25%	10.7%	2%	

Source: 2000 U.S. Census (SF3: H67).

According to the NLIHC's *Out of Reach 2008 Report* for Riverside County, the Fair Market Rent (FMR) for a two-bedroom apartment is \$1,125. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$3,750 monthly or \$45,000 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of \$21.63.

In Riverside County, a minimum wage worker earns an hourly wage of \$8.00. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 108 hours per week, 52 weeks per year. Or, a household must include 2.7 minimum wage earner(s) working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

For Riverside County, the estimated mean (average) wage for a renter is \$11.17 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 78 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.9 worker(s) earning the mean renter wage in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are \$907 in Riverside County. If SSI represents an individual's sole source of income, \$272 in monthly rent is affordable, while the FMR for a one-bedroom is \$954.<sup>5</sup> A unit is considered affordable if it costs no more than 30% of the renter's income.

<sup>5</sup> National Low Income Housing Coalition

**Table II-15**  
**Riverside–San Bernardino Cost of Rental Housing:**  
**Fair Market Rents by Number of Bedrooms**

Fair Market Rents by Number of Bedrooms										
Year	Efficiency		1 Bedroom		2 Bedrooms		3 Bedrooms		4 Bedrooms	
	FMR	Incr.	FMR	Incr.	FMR	Incr.	FMR	Incr.	FMR	Incr.
2006	\$715		\$781		\$911		\$1,294		\$1,512	
2007	\$765	7%	\$835	7%	\$974	7%	\$1,383	7%	\$1,617	7%
2008	\$896	17%	\$979	17%	\$1,142	17%	\$1,622	17%	\$1,896	17%
2009	\$867	-3%	\$954	-3%	\$1,125	-1%	\$1,583	-2%	\$1,846	-3%
2010	\$854	-1%	\$940	-1%	\$1,108	-2%	\$1,559	-2%	\$1,818	-2%

Source: HUD Fair Market Rents.

**Table II-16** below illustrates the income needed to afford housing units at the 2008 Fair Market Rents for Riverside County.

**Table II-16**  
**Income Needed to Afford FMR – Riverside County 2009**

Annual Income					Percent of Family AMI				
0 BR.	1 BR	2 BR	3 BR	4 BR	0 BR.	1 BR	2 BR	3 BR	4 BR
\$34,680	\$38,160	\$45,000	\$63,320	\$73,840	54%	59%	70%	98%	114%

Source: National Low Income Housing Coalition.

In contrast to price trends in traditional single-family homes, housing rents have increased at a slower but more predictable rate. Since 2000, rents have increased 50 percent to 60 percent, or between 2 percent and 10 percent annually. Rent increases have generally been predictable and consistent with changes in the cost of living over the last eight years. In contrast to the rapid loss in single-family home values, apartment rents are expected to remain generally stable.

As is the case with single-family home market, apartment rents in Riverside County vary by location, quality and average size. RealFacts conducts quarterly surveys of nearly 50 apartment projects for Riverside. In accordance with RealFacts, apartment rates average \$802 for a studio apartment, \$1,026 for a one-bedroom unit, and \$1,312 for a two-bedroom unit.<sup>6</sup>

*Affordable Housing*

In recent years, the City has undertaken a number of projects to improve the supply of affordable housing through quality construction. In other projects, however, the City has addressed the need for affordable housing by facilitating the acquisition and rehabilitation of dilapidated projects into safe, decent, and affordable housing for Riverside residents.

**Table II-17** below summarizes the 2,666 affordable housing inventory in Riverside. Taken together, the City has 1,302 affordable units for families and 1,364 affordable units for seniors.

<sup>6</sup> Riverside Housing Element

**Table II-17  
Publicly Assisted Affordable Housing City of Riverside, 2009**

Project Name and Address	Tenant Type	Type of Public Assistance	Total Units	Affordable Units	Date of Potential Conversion
Autumn Ridge 8911 Indiana Avenue	Family	RDA/HOME	47	47	2056
Breezewood Apartments 1365-71 Main Street	Family	RDA/HOME	156	156	2028
Cypress Springs 7850 Cypress Avenue	Family	RDA/HOME LIHTC	101	99	2062
El Dorado Apartments 4675 Jackson Avenue	Family	Public Housing	68	68	Perpetuity
Emerald Pointe Apartments 1863 12 <sup>th</sup> Street	Family	RDA	144	79	2024
Oaktree Apartments 1946 7 <sup>th</sup> Street	Family	HOME	51	25	2026
Linden Manor 1245 Linden Street	Family	LIHTC	192	191	2028
Phoenix Gardens 6930 Phoenix Avenue	Family	RDA	89	87	2050
Mission Pointe 2750 Topaz Avenue	Family	RDA/HOME LIHTC	64	63	2051
Riverside Park 1804-1891 12 <sup>th</sup> Street	Family	HOME	144	79	2024
Victoria Heights 7650 Lincoln Avenue	Family	Sec. 27/LIHTC	150	150	2050
Sandra Apartments 1789 7 <sup>th</sup> Street	Family	RDA	25	8	2025
Sierra Pines Apartments 3900 Fir Tree Drive	Family	MRB	120	24	-
Sierra Woods 4655 Minier Avenue	Family	Sec. 231 (j)(1)	190	188	2013
La Sierra Manor 10560-10590 Burton St.	Family	RDA/HOME	16	10	2027
10594 Burton	Family	RDA	4	4	2046
10661 Burton Street	Family	RDA	4	4	2046
4171 & 4205 Lively Street	Family	HOME	8	8	2029
10680 Collett Avenue	Family	RDA	4	4	2046
10662/70 Collette, 4221 Lively Street	Family	RDA	12	3	2025
10640 Collett Avenue	Family	RDA	4	1	2025
10628 Burton Street	Family	RDA	4	1	2025
10640 & 10652 Burton Street	Family	RDA	8	2	2025
10680 Burton Street	Family	RDA	4	1	2025
Brandon Place Apartments 3941 Polk Street	Senior	LIHTC	196	196	2045
Silvercrest Senior Apartments 3003 Orange Street	Senior	RDA HUD 202	75	75	2024
TELACU Las Fuentes	Senior	RDA/HOME Sec. 202	75	74	2052
TELACU El Paseo	Senior	RDA/HOME Sec. 202	75	74	2056
Tyler Springs 10406 Indiana Avenue	Senior	MRB	273	55	2016
Cambridge Gardens 3533 Harrison Street	Senior	RDA/Sec. 202	75	75	2022
Canyon Shadows 8505 Arlington Avenue	Senior	RDA/HOME	124	112	2015

Project Name and Address	Tenant Type	Type of Public Assistance	Total Units	Affordable Units	Date of Potential Conversion
Goldware Senior Apartments 6730 Streeter	Senior	HOME/LIHTC	162	137	2050
Whispering Fountains 4790 Jackson Avenue	Senior	HUD VOUCHERS	268	268	2013
Mount Rubidoux 3993 Tenth Street	Senior	Section 8	186	186	Annual
Victoria Manor 4660 Victoria	Senior	RDA; LIHTC; HOME	112	112	2041
<b>Total:</b>			3,230	2,666	

Source: City of Riverside Housing Element

*Housing Problems*

Overpayment and overcrowding are undesirable conditions in Riverside. Overpayment is defined as a situation where a household pays more than 30% of gross income toward housing. Overcrowding occurs when the home is occupied by a household with more than one member per room. Overpayment tends to leave households at risk of displacement should unexpected expenses occur. Meanwhile, overcrowding can lead to parking shortages, overtaxed infrastructure, and other negative impacts.

**Table II-18** summarizes those renters who are overpaying for rental housing in Riverside. According to the 2006-2008 American Community Survey Estimates, 56% of Riverside households who rent are paying 30% or more of their income for rental housing costs. **Table II-19** shows the housing cost burdens for owners as a percent of income. The 2006-2008 data indicates that homeowners are slightly better off with only 54.4% of all homeowners paying 30% or more of their income for housing costs.

**Table II-18**  
**Cost Burdens: Rent Burdens as a Percent of Income**

	2000		2006-2008 Est.	
	#	%	#	%
Less than 10 percent	1,444	4.0%	2,900	7.4 %
10 to 14 percent	2,864	8%		
15 to 19 percent	4,471	12.6%	3,628	9.2%
20 to 24 percent	4,861	13.7%	5,308	13.5%
25 to 29 percent	3,784	10.7%	4,783	12.2%
30 to 34 percent	2,826	8%	3,587	9.1%
35 to 39 percent	2,092	6%	17,588	44.7%
40 to 49 percent	2,965	8%		
50 percent or more	8,506	24%		
Not computed	1,690	5%	1,523	3.9%
<b>Total:</b>	<b>35,503</b>	<b>100%</b>	<b>39,317</b>	<b>100%</b>

Source: 2000 U.S. Census (SF3: H69); and 2006-2008 American Community Survey

**Table II-19**  
**Owner Cost Burdens as a Percent of Income**

Owner Cost Burdens as a percent of income	2000		2006-2008 Estimate	
	#	%	#	%
Less than 10 percent	1,958	5.6%	8,916	21.6%
10 to 14 percent	4,087	11.7%		
15 to 19 percent	6,696	19.2%		
20 to 24 percent	5,907	16.9%	4,906	11.9%
25 to 29 percent	4,623	13.3%	4,830	11.7%
30 to 34 percent	3,483	10%	4,231	10.2%
35 to 39 percent	1,981	5.7%	18,037	43.6%
40 to 49 percent	2,463	7.1%		
50 percent or more	3,504	10.1%		
Not computed	155	.4%	315	1.0%
<b>Total:</b>	<b>34,857</b>	<b>100%</b>	<b>41,335</b>	<b>100%</b>

Source: 2000 U.S. Census (SF3: H94); 2006-2008 American Community Survey Estimate

## F. Special Housing Needs Profile

Certain residents have more difficulty finding decent and affordable housing or receiving fair housing treatment due to special circumstances. These may include employment and income, family type, disability, or other characteristics. In Riverside, special need groups include seniors, people with disabilities, single parents, large families.

In recognition that people from different walks of life have different needs, state and federal laws encourage jurisdictions to provide a continuum of housing. **Table II-20** summarizes the level of special needs groups in Riverside. The following discussion describes and analyzes the housing needs of each group. Data from the 1990 and 2000 Census are used to determine the size of special needs groups in Riverside. Recent information from service providers and government agencies supplemented the data.

**Table II-20**  
**Special Needs Groups in Riverside**

Special Needs	2000	
	Number	Percent of City
Senior Households <sup>1</sup>	16,382	19.9%
People with Physical Disability <sup>2</sup>	42,835	16.8%
Single-Parents with Children <sup>3</sup>	9,661	11.8%
Large Households <sup>4</sup>	14,989	18.3%
Homeless People <sup>5</sup>	632	0.21%

Source: U.S. Census, 2000 unless otherwise noted

1. Percent of households with a householder age 65 or older
2. Percent of residents older than 15 with a physical disability
3. Percent of households with single-parents with own children under age 18
4. Percent of households with five or more members residing in a home
5. 2009 County of Riverside Homeless Count (Riverside City Only)

*Senior Citizens*

According to the 2000 Census, 19.9% of Riverside’s households were seniors, defined as age 65 or over. There are 16,382 households with seniors. Senior households have special housing needs due to income, health care costs, and physical disabilities. Approximately 49.3% of senior households had low- and moderate-incomes.

*Services Available to Seniors*

The City of Riverside Parks, Recreation & Community Services Department offers senior activities and resources to Riverside’s elderly population. The Dales Senior Center offers special events, such as seasonal parties, dances, potlucks, and guest speakers. The Janet Goeske Center provides a full spectrum of services and activities. There are many exercise and dance classes, numerous recreational and social activities including: bingo, card games, educational classes, workshops, arts & crafts, full travel programs, health screenings & services, support groups, HiCap counseling, senior service advising, a weight loss program, and paralegal services. The center also has a wide variety of social gatherings such as potlucks, dinners, and boutiques. A meeting place is also provided for retired organizational groups.

Seniors are also served by the Riverside County Office on Aging and Network of Care, an online resource directory for services provided to those citizens age 55 and over.

*People with Disabilities*

The Americans with Disabilities Act defines a disability as a “physical or mental impairment that substantially limits one or more major life activities.” People with disabilities have special housing needs because of their fixed income, higher health costs, and need for accessible and affordable housing. In 2000, 16.8% of Riverside residents reported a physical disability.

*Services Available to the Disabled*

Recognizing that a large segment of the Riverside population reported some type of disability, the City formed the Commission on Disabilities in 2006.

With respect to housing, the City of Riverside’s Housing Rehabilitation Program offers disability grants up to \$5,000 that can be used for handicapped access and safety devices. For those requiring a supportive living environment, Riverside is also home to 103 licensed residential care facilities that serve disabled adults ages 18-59 (**Table II-20**). Also, see **Map 2** in Chapter IV.

**Table II-20  
Licensed Community Care Facilities**

Type of Facility	Description	Facilities	
		No.	Beds
Adult Day Care	Day care programs for frail elderly or developmentally / mentally disabled adults.	12	581
Adult Residential Group	Facilities that provide 24-hour non-medical care for disabled adults ages 18 through 59, who are unable to provide for their daily needs.	103	742
Group Home	Provides care, supervision and assistance with activities of daily living, such as bathing and grooming, as well as incidental medical services.	36	247
Residential Care -Elderly	Care, supervision and assistance with activities of daily living for persons older than 60 years of age.	86	2,361
Small Family Homes	Affordable small family housing for the elderly	8	34
<b>Total:</b>		245	3,965

Source: State of California Community Care Licensing Division, 2009.

#### *Family Households*

Families with children have special housing needs due to lower per capita income, the need for affordable childcare, the need for affordable housing, or the need for larger units with 3 or more bedrooms. Families with children and especially teenagers may face discrimination in the rental housing market. For example, some landlords may charge large households a higher rent or security deposit, limit the number of children in a complex or unit, confine children to a specific location, limit the time children can play outdoors, or choose not to rent to families with children altogether.

The 2000 Census reported 9,661 single parents with children under age 18. Of that total, however, 73% of single parents with children were headed by a female. Another type of family that is more at-risk of experiencing housing discrimination is large families, defined as households with five or more members. According to the 2000 Census, the City had 14,989 large families. Large families often have difficulty finding adequately sized, affordable housing and may lease smaller units due to affordability concerns, which results in overcrowding.

#### *Services Available to Low- and Moderate-Income Households*

The City provides for a broad range of affordable housing projects. Within the community, 35 projects provide 2,666 units affordable to lower income households. As of December, 2009, the County of Riverside Housing Authority provided 2,074 Section 8 vouchers to residents in Riverside. According to the California Department of Finance, Riverside has 2,497 mobile homes throughout the community that provide affordable housing opportunities.

The large number of children in Riverside and the reality of two-person working families underscores the importance of childcare and afterschool programs. The City of Riverside actively supports afterschool programs for youth. The PRIME Time (Partners in Riverside Investing in Middle School Education) and HALF Time (Hours After School for Learning and Fun) programs are grant funded at 11 elementary and 10 middle schools throughout the Riverside Unified School District and Alvord Unified School District. The "Kids-in-Action" After School Program conducts after school activities for youth 5-12 years of age to promote and enhance self-esteem in a supervised environment. Kids-in-Action is offered at Bobby Bonds, Bordwell, Bryant, Hunt, La Sierra, Nichols, Orange Terrace, Reid and Villegas Parks. The

Riverside Youth Opportunity Center (YOC) provides a one-stop shop for Riverside youth to obtain job and social skill development. The YOC focuses on building basic job skills for Riverside youth ages 14-22 to allow them to independently provide for themselves and their future families.

In terms of homeownership, households seeking to purchase a home in Riverside can apply for home purchase assistance through the Development Department's Down Payment Assistance Program. Homeownership Education is also offered through the Fair Housing Council of Riverside County and Neighborhood Housing Services of the Inland Empire free of cost.

#### *Homeless Persons*

Housing affordability for those who are or were formerly homeless is challenging from an economics standpoint, and this demographic group may also encounter fair housing issues when landlords refuse to rent to formerly homeless persons due to poor credit history. These difficulties are more severe for homeless families that need larger affordable units. According to the 2009 County of Riverside Homeless Count, 632 individuals were homeless on any given night in 2009. This is down from over 900 individuals in 2007.

The homeless population in Riverside County is diverse, representing a range of race and ethnicities, age groups and family composition. In terms of race/ethnicity, 50.08% of homeless are White, 30.4% are Hispanic and 13.41% are African American. The largest age group is adults ages 25-54. Nearly 70% of all homeless in Riverside County are male according to the 2009 study. According to this study, 55.2% reported being homeless for less than one (1) year and 20.9% reported being homeless for three (3) or more years. The two (2) leading causes of homelessness reported were lost job (34.4%) and alcohol or drug abuse (18.8%). Six percent (6%) reported that they were victims of family or domestic violence. Those respondents who cited landlord/tenant issues comprised 5.6% of the survey.

#### *Services Available to the Homeless*

The City of Riverside partners with a wide range of non-profit organizations, social service agencies, faith-based institutions and others to work together to end homelessness. As of December 2009, the City of Riverside began using \$1.3 million in Homelessness Prevention and Rapid Re-Housing program funds received from the U.S. Department of Housing and Urban Development to provide financial assistance for the purpose of preventing homelessness and for re-housing those homeless individuals and families who are ready and able to afford stable, permanent housing.

Riverside is currently in its eighth (8<sup>th</sup>) year of operating under the "Riverside Community Broad-Based Homeless Action Plan" that was adopted in 2003. The City has implemented 30 action-based strategies within the plan, including hiring a Homeless Services Coordinator, opening a new Emergency Shelter, developing a Multi-Service Access Center, allocating new funding for homeless prevention and rental assistance, expanding funding to community-based service agencies and strengthening partnerships with members of the Riverside County Continuum of Care (COC) operating within the City.

The term "action-based" is fully embodied by the City's Homeless Street Outreach Program that operates from 6:00 a.m. to 9:00 p.m. Monday-Friday and on selected weekends and holidays. This four (4) person team of outreach workers conducts mobile daily outreach focusing on the homeless on the streets, at service venues and in other locations. The primary mission of this group is to work with partners in the COC to get people off the streets and connected with the services necessary to achieve stable housing and self-sufficiency.

The Riverside Continuum of Care (COC) provides emergency shelter, transitional housing and permanent supportive housing. **Table II-21** provides a listing of the current COC capacity.

**Table II-21  
Riverside County Continuum of Care Capacity**

Type	Description	Facilities	
		No.	Beds
Emergency Shelter	Current year-round Emergency Shelter beds for households without children (City of Riverside Shelter)	1	64
	Current rear-round Emergency Shelter beds for households with children (Family Shelter)	1	50
	Seasonal Shelter: (Riverside Winter Shelter Program)	1	74
Transitional Housing	Current year-round Transitional Housing beds for households without children (Operation Safe House, Whiteside Manor – Dually Diagnosed, Whiteside Manor – Substance Abuse Recovery Program)	3	102
	Current year-round Transitional Housing beds for households with children (A Women’s Place)	1	34
Permanent Supportive Housing	Current year-round Permanent Supportive Housing beds for households without children	11	120
	Current year-round Permanent Supportive Housing beds for households with children	2	50
<b>Total:</b>		20	494

Source: County of Riverside Department of Public Social Services, 2009.

### **III. Analysis of Private Sector Impediments**

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Fair housing opportunity is covered by federal and State regulations and court decisions that prohibit discrimination in the rental, sale, negotiation, advertisement, or occupancy of housing on the basis of protected class. Implementation of fair housing practices is achieved through a network of realtors, apartment associations, housing associations, fair housing providers, and the courts. This chapter provides an overview of the private sector housing industry in Riverside and its interrelationship with fair housing services.

### **A. Owner-Occupied Housing**

Part of the American dream involves owning a home in a good neighborhood near schools, parks, shopping centers, jobs and other community amenities. Homeownership strengthens individual households and entire neighborhoods because owner-occupants have made an investment in their own personal property as well as the neighborhood and community. This fosters a greater sense of pride in the appearance and condition of not only the home but of the neighborhood as well. It also promotes owner involvement in the community because owner-occupants have a personal stake in the area and tend to be more active in decisions affecting the community. Fair housing opportunity laws protect an individual or family's right to occupy suitable housing in any location. Ensuring fair housing is an important way to not only preserve but to improve the housing opportunities for all residents in Riverside.

#### *Home Buying Process*

Purchasing a home presents many challenges to the would-be owner. One of the main challenges in buying a home is the process by which an individual or family must acquire the property. The time required to find a home, the major legal and financial implications surrounding the process, the number of steps required and financial issues to be considered can be overwhelming to many home buyers. Throughout this time-consuming and costly process, fair housing issues can surface in many ways. Discriminatory practices in the home buying process can occur through the:

- Advertisement of homes for sale;
- Lending process;
- Appraisal process;
- Actions of real estate agents and sellers; and
- The issuance of insurance.

#### *Advertising*

The first step in buying a home is to search for available housing through advertisements that appear in magazines, newspapers or in listings on the Internet. Advertising is a sensitive issue in the real estate and rental housing market because advertisements advertently or inadvertently can signal preferences for certain buyers or tenants. Recent litigation has held publishers, newspapers, the Multiple Listing Service (MLS), real estate agents and brokers accountable for discriminatory ads.

Advertising can suggest a preferred buyer or tenant in several ways. Some examples include advertisements or listings that:

- Suggest a preferred type of buyer or tenant household;
- Use models that indicate a preference or exclusion of a type of resident;
- Publish advertisements or listings in certain languages;
- Restrict publication to certain types of media or locations so as to indicate a preference.

As a rule of thumb, advertisements cannot include discriminatory references that describe current or potential residents, the neighbors or the neighborhood in racial or ethnic terms, or terms suggesting preferences for one group over another (e.g., adults preferred, ideal for married couples with kids, or conveniently located near Catholic church).

### *Lending*

Initially, home buyers must locate a lender that will work with the buyer to qualify for a home loan. This process generally entails an application, credit check, determination of the home buyer's ability to repay, the maximum amount that may be borrowed and determining the type and terms of the loan. Applicants must provide sensitive information including their gender, ethnicity, income level, age, and familial status. This information is required to be gathered by the Community Reinvestment Act and the Home Mortgage Disclosure Act; however, it does not guarantee that individual loan officers or underwriters will not misuse the information.

A report on mortgage lending discrimination by the Urban Land Institute describes four basic stages in which discrimination can occur:

- **Advertising/outreach stage.** Lenders may not have branches in certain locations, not advertise to certain segments of the population, or violate advertising rules with respect to fair housing.
- **Pre-application stage.** Lenders may not provide applicants of different racial and ethnic backgrounds the same types of information as other preferred groups, or may urge some to seek another lender.
- **Lending stage.** Lenders may treat equally qualified individuals in a different manner, giving different loan terms, preferred rates, or denying a loan based on a factor not related to ability to pay and risk.
- **Loan administration.** Lenders may treat minorities in harsher terms, such as initiating foreclosure proceedings if any payment is late, or by making loans at terms that encourage defaults.

### *Appraisals*

Banks order appraisal reports to determine whether or not a property is worth the amount of the loan requested. Generally, appraisals are based on the comparable sales of properties surrounding the neighborhood of the subject property. Other factors such as the age of the structure, improvements made and location are also considered. Homes in some neighborhoods with higher concentrations of minorities and poverty concentrations may appraise lower than properties of similar size and quality in neighborhoods with lower concentrations of minorities or low-income households.

Taking these factors into consideration when valuing a property in an appraisal causes the arbitrary lowering of property values and restricts the amount of equity and capital available to not only the potential home buyer but also to the current owners in the neighborhood. Disparate treatment in appraisals is difficult to prove since individual appraisers have the latitude within the generally accepted appraisal practices to influence the outcome of the appraisal by factoring in subjective opinions.

### *Real Estate Agents and Sellers*

Finding a real estate agent is normally the next step in the home buying process. The agent will find the home for the prospective buyer that best fits their needs, desires, and budget based on the amount they are qualified for by the lender. Real estate agents may also intentionally or unintentionally discriminate by steering a potential buyer to particular neighborhoods, by encouraging the buyer to look into certain areas

or failing to show the buyer all choices available. Agents may also discriminate by who they agree to represent, who they turn away and the comments they make about their clients.

#### *Sellers*

Even if a real estate agent is following fair housing practices, the current occupant (seller) may not want to sell his/her house to certain purchasers protected under Fair Housing laws or they may want to accept offers only from a preferred group. Oftentimes, sellers are home when agents show the properties to potential buyers and sellers may develop certain biases based upon this contact. The Residential Listing Agreement and Seller's Advisory forms that sellers must sign disclose their understanding of fair housing laws and practices of discrimination. However, preventing this type of discrimination is difficult because a seller may have multiple offers and choose one based on bias.

#### *Insurance*

Insurance agents have underwriting guidelines which determine whether or not a company will sell insurance to a particular applicant. Currently, underwriting guidelines are not public information; however, consumers have begun to seek access to these underwriting guidelines to learn if certain companies have discriminatory policies, called redlining. Some states require companies to file the underwriting guidelines with the State Department of Insurance, making the information public. Texas mandates this reporting and has made some findings regarding discriminatory insurance underwriting.

Many insurance companies have traditionally applied strict guidelines, such as not insuring older homes, that disproportionately affect lower income and minority households that can only afford to buy homes in older neighborhoods. A California Department of Insurance (CDI) survey found that less than one percent of the homeowner's insurance available in California is currently offered free from tight restrictions. The CDI has also found that many urban areas are underserved by insurance agencies.

#### *Home Loan Activity*

A key aspect of fair housing choice is equal access to financing for the purchase or improvement of a home. In 1977, the Community Reinvestment Act (CRA) was enacted to improve access to credit for all communities, regardless of the race/ethnic or income makeup of its residents. CRA was intended to encourage financial institutions to help meet the credit needs of communities, including low-moderate income people and neighborhoods. Depending on the type of institution and total assets, a lender may be examined by different supervising agencies for its CRA performance.

In tandem with the Home Mortgage Disclosure Act (HMDA), financial institutions with assets exceeding \$10 million are required to submit detailed information on the disposition of home loans by applicant characteristics. HMDA data can then be evaluated with respect to lending patterns. This study uses a Chi-Square test to analyze loan approval rates. This statistical test can determine whether loan approval rates are significantly different for one group versus another, but cannot establish the presence of bona fide discrimination. Nonetheless, these statistical tests can certainly help provide direction on potential areas to focus further inquiry and study.

During 2008, 9,102 loan applications were filed for housing in Riverside. As seen in **Table III-1**, 79% of all loan applications were for conventionally-financed home purchase, home improvement or refinance loans. Initial home purchases and refinancing comprised 91.3% of the activity. Home improvement loans comprised only 8.7% of all loan applications as investment in existing properties has slowed throughout the region due to the economic recession and limited equity in existing properties.

**Table III-1  
Home Loan Application Activity in Riverside, 2008**

Type	Number	Percentage
<b>Home Purchase</b>	<b>3,553</b>	<b>39.0%</b>
Conventional	2,038	57.4%
FHA - Insured	1,422	40.0%
VA - Guaranteed	93	2.6%
FSA/RHS	0	0.0%
<b>Home Improvement</b>	<b>796</b>	<b>8.8%</b>
Conventional	781	98.1%
FHA - Insured	15	1.9%
VA - Guaranteed	0	0.0%
FSA/RHS	0	0.0%
<b>Refinancing</b>	<b>4,753</b>	<b>52.2%</b>
Conventional	4,370	91.9%
FHA - Insured	375	7.9%
VA - Guaranteed	8	0.2%
FSA/RHS	0	0.0%
<b>Total:</b>	<b>9,102</b>	

Source: 2008 Financial Institutions Examination Council – HMDA Database Version 3.4 ©2001-2009

*Mortgage Interest Rates & Fees*

A key component to securing a home loan is the interest rate and fees associated with the loan. The Fannie Mae Foundation commissioned a study of mortgage rates from 1989 – 2001 (*Rates and Race: An Analysis of Racial Disparities in Mortgage Rates*, by T. Boehm, P. Thistle, A. Schlottman, 2005). The study was published in the *Housing Policy and Debate*, Volume 17, Issue 1 of 2006. According to the study, the average annual percentage rate (APR) for African Americans was roughly 8.07%, while the average APR for whites was 7.96%. Although the authors concluded that economically the disparity in interest rates for African Americans resulted in a minimal economic impact (an increase of seven cents a month per \$1,000 of the loan amount), it was evident that African Americans, when all other factors were controlled, received higher interest rates on their home loans.

A significant conclusion of the study was the disparate loan terms for home refinancing for African Americans as compared to their white counterparts, when all other factors (e.g. credit history, loan amount and type, property, etc.) were controlled. African Americans average interest rate for refinancing a home loan was 8.82%, a much higher rate than whites whose average interest rate was 7.81%. The difference of 1.01% resulted in African Americans paying on average 71 cents more a month per \$1,000 of the borrowed amount, a substantial economic impact as compared to whites over the term of the loan. Clearly African Americans fare much worse in refinancing than whites. The average interest for Hispanics was slightly higher than that of whites as well for home loans, but there was little difference in the average interest rate amongst Hispanics and whites for refinancing. The disparity of higher interest rates for home loans of African Americans and Hispanics, as well as the disparity of higher interest rates for African Americans in refinancing home loans is an impediment.

The authors looked at conventional home loans as a subset of all mortgage types analyzed in the study. Once again, the average APR for African Americans for conventional loans was higher for home purchases and also for refinancing of home loans as compared to whites. The average APR amongst Hispanics for conventional loans was also higher than whites, although the gap was not as high as it was for African Americans. Such discriminatory practices in loans for African American and Hispanic homebuyers are impediments to homeownership. (The study did conclude that there was no disparity on the interest rates charged to Hispanics as compared to whites for refinancing home loans).

Not only is there empirical evidence of discrimination in the interest rates charged for home loans and refinancing for certain minority groups, but also discrimination in the mortgage rate fees charged for home loans of African Americans and Hispanic borrowers. According to HUD's Office of Policy Development, African Americans and Hispanics pay on average \$415 and \$365 more, respectively, for closing costs on FHA mortgages as compared to whites, when all other factors such as loan amounts and property values are controlled.<sup>1</sup>

In addition, disparate mortgage fees are charged based on the racial composition of the borrower's neighborhood; borrowers in African American neighborhoods pay on average \$120 more for title services and borrowers in primarily Hispanic census tracts pay \$110 more compared to borrowers residing in non-minority neighborhoods<sup>2</sup>. The disparate charge of mortgage interest rates and fees for African Americans and Hispanics borrowers is an impediment to housing choice.

#### *Lending Outcomes*

This section summarizes lending activity in Riverside during 2008. HMDA data provides some insights regarding the lending patterns in a community. However, the HMDA data is only an indicator of potential problems; it cannot be used to conclude discrimination due to the limitations of the data.

**Lending Outcomes by Race/Ethnicity and Income.** Generally, home loan approval rates increase as household income increases. This pattern was evident for middle and upper-income home purchasers whose approval rates were slightly higher than that of low- and moderate-income loan applicants. Across all incomes, approval rates for Whites were generally highest, followed by Hispanics and Asians. African Americans earning low, moderate, and middle incomes had lower overall approval rates than most other groups.

The approval rate for home refinance loan applications increased directly in relation to income. The approval rate for different race and ethnic groups improves with increases in income; however, African American applicants had the lowest refinance loan approval rates regardless of income level. **Table III-2** shows loan approval rates for home purchases and refinances by applicant characteristics.

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<sup>1</sup> *Mortgage Interest Rates and Fees, A Study of Closing Costs for FHA Mortgages*, HUD Office of Policy Development and Research, by Susan E. Woodward for the Urban Institute, May 2008.

<sup>2</sup> Ibid. Study can be found at [www.huduser.org/Publications/pdf/FHA\\_closing\\_cost.pdf](http://www.huduser.org/Publications/pdf/FHA_closing_cost.pdf).

**Table III-2  
Home Loan Approval Rates by Applicant Characteristics**

Type Race/ Ethnicity	Low/Mod Income		Middle Income		Upper Income	
	<80% MFI		80-120% MFI		120+ MFI	
	Loan Applications	Approval Rate	Loan Applications	Approval Rate	Loan Applications	Approval Rate
<b>Home Purchase</b>	<b>814</b>	<b>73.71%</b>	<b>838</b>	<b>78.04%</b>	<b>1576</b>	<b>74.68%</b>
Hispanic	365	68.77	361	75.90	480	68.75
White	273	78.02	310	79.03	622	79.42
African American	22	77.27	19	57.89	54	62.96
Asian	30	76.67	18	66.67	90	68.89
All Others	2	50.00	1	100.00	24	79.17
Decline or N/A	122	77.87	129	86.05	306	77.78
<b>Home Refinance</b>	<b>1115</b>	<b>49.51%</b>	<b>1049</b>	<b>48.81%</b>	<b>2113</b>	<b>46.19%</b>
Hispanic	476	42.65	388	43.56	632	37.18
White	312	54.17	383	55.35	904	50.77
African American	49	34.69	42	38.10	76	40.79
Asian	15	26.67	23	52.17	70	44.29
All Others	9	00.00	13	15.38	23	39.13
Decline or N/A	254	62.60	200	50.50	408	51.72

Source: 2008 Financial Institutions Examination Council – HMDA Database Version 3.4 ©2001-2009.

\* Results are statistically significant

Differences in approval rates for home loan applications among different race and ethnic groups does not necessarily reflect discriminatory practices. Differences could be due to credit scores, employment history, knowledge of the lending process, debt-income ratio, or other factors. Refinance loans are further impacted by the amount of equity available in properties. Due to declining real-estate prices throughout the middle of this decade, home equity has been severely impacted. Nonetheless, the persistence of lower loan approval rates among African Americans is an impediment to housing choice and a barrier to homeownership.

**Lending Outcomes by Tract Characteristics.** The Community Reinvestment Act (CRA) is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate income neighborhoods. Analyzing lending patterns by neighborhood characteristics can show whether significantly fewer home loans are being approved or issued in low/moderate income neighborhoods or neighborhoods with a disproportionately high percentage of minority residents. The lack of lending activity in one or more neighborhoods has been linked to unequal access to credit among different race and ethnic groups and alleged practices of redlining and discrimination.

Riverside is a multi-cultural community; therefore, one would not expect to see evidence of redlining. As shown in **Table III-3**, the approval rate for applications for home purchase and home refinance loans are generally equivalent for all tracts. The approval rate did decline somewhat as the minority concentration within census tracts increased. The approval rate also increased gradually as the concentration of higher income applicants in particular tracts increased. These trends are consistent with the overall marketplace for home loans.

**Table III-3  
Home Loan Approval Rates by Tract Characteristics**

Tract Characteristics	Home Purchase Loans		Home Refinance Loans	
	Number of Applications	Percent Approved	Number of Applications	Percent Approved
<b>Minority Percentage</b>				
20% to 50%	1888	79.13%	2547	54.18%
50% to 80%	1,415	74.84%	1,678	48.69%
80% +	216	69.91%	419	47.26%
<b>Tract Income</b>				
Low	80	70.00%	97	46.39%
Moderate	393	71.25%	627	47.53%
Middle	2,413	74.02%	2,987	51.52%
Upper	667	77.96%	1,051	55.66%

Source: 2008 Financial Institutions Examination Council – HMDA Database Version 3.4 ©2001-2009.

**Lender Performance and CRA requirements.** In 2008, the top ten mortgage lenders received 54% of conventional home mortgage loan applications in Riverside (**Table III-4**). Among the top lenders, CitiMortgage, Inc. had the highest approval rate (90.5%), followed by JP Morgan Chase Bank (88.2%), and GMAC Bank (85.4%).

Ameritrust Bank (61.4%), Bank of America, N.A. (62.1%) and Provident Savings bank (65.8%) had the lowest approval rates. Ameritrust (22.7%), Bank of America, NA (16.1%) and Wells Fargo Bank, NA (14.2%) had the highest withdrawal or file closure rates for all loan applications.

Also of particular note, Bank of America, N.A. acquired Countrywide Bank, FSB in late 2008, becoming the largest single home mortgage lender in the nation and in the City of Riverside. Their relatively low approval rates in the Riverside marketplace are likely due to the imposition of tighter lending standards as a result of the fallout from the sub-prime mortgage crisis that emerged in the late 2000s. The high withdrawal rate can be attributed to customers starting the application process and deciding not to continue when it became apparent that they would not be approved for the loan.

**Table III-4**  
**Disposition of Conventional Home Purchase Loan Applications**  
**by Lending Institutions**

Lender	Loan Application Outcome			
	Total Loan Applications	Percent Approved / Purchased	Percent Denied	Percent Withdrawn / Closed
Countrywide Bank, FSB	241	77.2%	14.1%	8.7%
JP Morgan Chase Bank, N.A.	195	88.2%	10.8%	1.0%
CitiMortgage, Inc.	179	90.5%	3.4%	6.1%
Bank of America, N.A.	161	62.1%	21.7%	16.2%
Wells Fargo Bank, N.A.	120	75.8%	10.0%	14.2%
Ameritrust Bank	44	61.4%	15.9%	22.7%
21st Mortgage	44	72.7%	27.3%	0.0%
GMAC Bank	41	85.4%	14.6%	0.0%
GMAC Mortgage, LLC	41	70.7%	19.5%	9.8%
Provident Savings Bank, FSB	38	65.8%	5.3%	28.9%
<b>Total Market (All Lenders):</b>	<b>1,104</b>	<b>73.7%</b>	<b>15.8%</b>	<b>10.5%</b>

Source: 2008 Financial Institutions Examination Council – HMDA Database Version 3.4 ©2001-2009.

\*Withdrawn files are by the applicant during the lending process. Closed files are by the lender for incompleteness.

The Community Reinvestment Act (CRA) is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate income neighborhoods. Financial institutions are regulated by various Federal oversight bodies depending on the type of institution and its total assets. Lenders may be examined by different supervising agencies for its CRA performance and general compliance with laws applicable to lending institutions. The responsibilities for this oversight of financial institutions is decentralized amongst five (5) different enforcement agencies, as shown in **Table III-5**.

**Table III-5**  
**Lending Institution Regulators by Type of Institution**

Regulating Enforcement Agency	Type of Institution
Board of Governors of the Federal Reserve System (FRB)	State member banks; Bank holding companies; Nonbank subsidiaries of bank holding companies; Edge and agreement corporations; Branches and agencies of foreign banking organizations operating in the United States and their parent banks; Officers, directors, employees, and certain other categories of individuals associated with the above banks, companies, and organizations (referred to as "institution-affiliated parties").
Federal Deposit Insurance Corporation (FDIC)	State nonmember banks; Insured branches of foreign banks.
National Credit Union Administration (NCUA)	Credit unions.
Office of the Comptroller of the Currency (OCC)	National banks; Federally chartered branches; Agencies of foreign banks.
Office of Thrift Supervision (OTS)	Thrift associations.

Source: Federal Financial Institutions Examination Council (FFIEC), 2009. <http://www.ffiec.gov/enforcement.htm>.

Databases maintained by the Federal Reserve Board (FRB), Federal Financial Institutions Examination Council (FFIEC), Federal Deposit Insurance Corporation (FDIC), and Office of the Comptroller of the Currency (OCC) were researched regarding the performance of the top financial institutions issuing home loans. No enforcement actions were found for the top 10 home loan originators in Riverside during 2008. **Table III-6** provides a summary of the available CRA reviews and resulting ratings for each of the top 10 home loan originators in Riverside during 2008.

**Table III-6**  
**CRA Review Results for Top 10 Lending Institutions in Riverside, 2008**

Lending Institution	CRA Review Year	Review Rating
Countrywide Bank, FSB	2004	Satisfactory
JP Morgan Chase Bank, N.A.	2007	Outstanding
CitiMortgage, Inc.	2003	Outstanding
Bank of America, N.A.	2007	Outstanding
Wells Fargo Bank, N.A.	2009	Outstanding
Ameritrust Bank	-	Unavailable
21st Mortgage	-	Unavailable
GMAC Mortgage, LLC	2005	Outstanding
GMAC Bank	2005	Outstanding
Provident Savings Bank	1997	Satisfactory

Source: Bank websites and News Releases.

As a result of the acquisition of Countrywide, the records of Bank of America and Countrywide were evaluated by the Federal Reserve Board with respect to CRA compliance<sup>3</sup>. Bank of America received a rating of “outstanding” in its 2006 evaluation, while Countrywide received only a “satisfactory” rating in its most recent 2004 review. The Federal Reserve Board noted that Bank of America would be instituting its CRA policies and procedures at Countrywide; therefore, the CRA performance records of both institutions were consistent with FRB approval of the proposed acquisition of Countrywide.

### *Predatory Lending*

Predatory lending involves abusive loan practices usually targeting minority homeowners or those with less-than-perfect credit histories. The predatory practices include high fees, hidden costs, unnecessary insurance, and larger repayments due in later years. A common predatory practice is directing borrowers into more expensive and higher fee loans in the “subprime” market, even though they may be eligible for a loan in the “prime” market. Predatory lending is prohibited by a number of state and federal laws.

The Fair Housing Act of 1968 requires equal treatment in terms and conditions of housing opportunity and credit regardless of race, religion, color, national origin, family status, or disability. The Equal Credit Opportunity Act of 1972 also requires equal treatment in loan terms and availability of credit for all of the above categories, as well as age, sex, and marital status. Lenders would be in violation of these acts, if they target minority or elderly households to buy higher priced loan products, treat loans for protected classes differently, or have policies or practices that have a disproportionate effect on the protected classes.

In addition, the Truth in Lending Act (TILA) requires lenders to inform the borrower about payment schedules, loan payments, prepayment penalties, and the total cost of credit. In 1994, Congress amended TILA and adopted the Home Ownership and Equity Protection Act (HOEPA). HOEPA requires that lenders offering high-cost mortgage loans disclose information if the annual percentage rate (APR) is ten points above the prime or if fees are above eight percent of the loan amount. HOEPA also prohibits balloon payments for short-term loans and, for longer covered loans, requires a warning if the lender has a lien on the borrower’s home and the borrower could lose the home if they default on the loan payment.

Following North Carolina’s lead, in September 2001, California became the second state to pass a law banning predatory lending. Codified as AB489 and amended by AB344, the law enables state regulators and the Attorney General to attempt to prevent “predatory” lending practices by authorizing the state to enforce and levy penalties against licensees that do not comply with the provisions of this bill. The law provides protections against predatory lending to consumers across the state with respect to financing of credit insurance, high loan and points, steering and flipping, balloon payments, prepayment penalties, call provisions, interest rate changes upon default, or encouragement to default when a conflict of interest exists.

### *Foreclosures*

Foreclosure occurs when homeowners fall behind on one or more scheduled mortgage payments. The foreclosure process can be halted if the homeowner is able to bring their mortgage payments current or if the homeowner sells their home and pays the mortgage off. However, if regular payments cannot be resumed or the debt cannot be resolved, the lender can legally use the foreclosure process to repossess (take over) the home. When this happens, the homeowner must move out of the property. If the home is worth less than the total amount owed on the mortgage loan, a deficiency judgment could be pursued.

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<sup>3</sup> Federal Reserve Bulletin, 2008, Volume 94. <http://www.federalreserve.gov/pubs/bulletin/2008/legal/q208/order3.htm#n15>

If that happens, the homeowner would lose their home and also would owe the home lender an additional amount.

In the late-2000s the number of foreclosed homes in California hit an all time high. The problem was so severe in its consequences that numerous factors have been attributed for the high incidence of foreclosure, including but not limited to abnormally high housing prices in the early part of the decade, the origination of sub-prime loans to unqualified buyers, the economic recession and job losses. This confluence of negative economic incidents has left most housing markets in the United States in severe decline with historically high rates of foreclosure. Property values have declined significantly—in some cases to pre-2000 levels.

Southern California and Riverside County, in particular, are characterized by a high percentage of foreclosed homes as many homeowners were unable to keep up with payments. The high foreclosure rate prompted Congress to create the Neighborhood Stabilization Program (NSP), which is administered by the U.S. Department of Housing and Urban Development (HUD) to purchase abandoned and foreclosed properties in an effort to stabilize local housing markets that have been targeted for their high risk of foreclosure. The NSP provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. The program was authorized under Title III of the Housing and Economic Recovery Act of 2008.

An evaluation of HUD data<sup>4</sup> assessing the risk of foreclosure in all of the City of Riverside's 2000 Census Block Groups revealed that 187 out of 197 block groups have a risk factor above 7 on a scale of 1-10. This means that the vast majority of the City has a high risk of foreclosure. However, only 125 of the City's 197 Census Block Groups would qualify for NSP assistance because those areas have populations that predominantly earn less than 120% of the Area Median Income. The City of Riverside is actively engaged in the NSP program and has acquired properties using NSP funds.

The high incidence of foreclosure and the housing crisis in general represent a system-wide collapse of the housing market that has resulted in numerous national, state and local efforts to reform virtually every aspect of housing acquisition and finance. Due to the widespread and complex nature of the foreclosure crisis, it is not possible to point to particular lenders or lending practices within the City that may be unnecessarily contributing to the high incidence of foreclosure. Therefore, foreclosure is not included in this analysis as an impediment to Fair Housing Choice.

#### *Agency Coordination*

Many agencies are involved in overseeing real estate industry practices and the practices of the agents involved. A portion of this oversight involves ensuring that fair housing laws are understood and complied with. The following organizations have limited oversight within the real estate market, and some of their policies, practices, and programs are described.

**National Association of Realtors (NAR).** The National Association of Realtors (NAR) is a consortium of realtors which represent the real estate industry at the local, state, and national level. Locally, the Inland Valleys Association of Realtors (IVAR) is the main association that serves the City of Riverside and has over 6,000<sup>5</sup> members. As a trade association, members receive a range of membership benefits. However, in order to become a member, NAR members must subscribe to its Code of Ethics and a Model Affirmative Fair Housing Marketing Plan developed by HUD. The term

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<sup>4</sup> U.S. Department of Housing and Urban Development, 2008. [http://www.huduser.org/publications/commdevl/nsp\\_target.html](http://www.huduser.org/publications/commdevl/nsp_target.html)

<sup>5</sup> Inland Valleys Association of Relators (IVAR) <http://www.ivaor.com/>.

Realtor thus identifies a licensed real estate professional who pledges to conduct business in keeping with the spirit and letter of the Code of Ethics.

Realtors subscribe to the NAR's Code of Ethics, which imposes obligations upon Realtors regarding their active support for equal housing opportunity. Article 10 of the NAR Code of Ethics provides that "Realtors shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, or national origin. Realtors shall not be a party to any plan or agreement to discriminate against any person or persons on the basis of race, color, religion, sex, handicap, familial status, or national origin." REALTORS® shall not print, display or circulate any statement or advertisement with respect to the selling or renting of a property that indicates any preference, limitations or discrimination based on race, color, religion, sex, handicap, familial status, or national origin."

The NAR has created a diversity certification, "At Home with Diversity: One America" to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR "At Home with Diversity" course. The certification signals to customers that the real estate professional has been trained on working with the diversity of today's real estate markets. The coursework provides valuable business planning tools to assist real estate professionals in reaching out and marketing to a diverse housing market. The NAR course focuses on diversity awareness, building cross-cultural skills, and developing a business diversity plan. In July 1999, the NAR Diversity Program received the HUD "Best Practices" award.

**California Association of Realtors (CAR).** The California Association of Realtors (CAR) is a trade association of 92,000 realtors statewide. As members of CAR, Realtors subscribe to a strict code of ethics. CAR has recently created the position of Equal Opportunity/Cultural Diversity Coordinator. CAR holds three meetings per year for its general membership, and meetings typically include sessions on fair housing issues. They also maintain fair housing and ethics information on their website: <http://secure.dre.ca.gov/publicasp/unlicenseddnr.asp>. The licensure status of individual agents can be reviewed at: <http://secure.dre.ca.gov/PublicASP/pplinfo.asp> and this web site includes any complaints or disciplinary action against the agent.

**Realtor Associations Serving Riverside.** Realtor associations are generally the first line of contact for real estate agents who need continuing education courses, legal forms, career development, and other daily work necessities. The frequency and availability of courses varies among these associations, and local association membership is generally determined by where the broker is located. Complaints involving agents or brokers may be filed with these associations. Monitoring of services by these associations is difficult as detailed statistics of the education/services these agencies provide or statistical information pertaining to the members is rarely available. The Inland Valleys Association of Realtors (IVAR) serves the Riverside area.

**California Department of Real Estate (DRE).** The California Department of Real Estate (DRE) is the licensing authority for real estate brokers and salespersons. DRE has adopted education requirements that include courses in ethics and in fair housing. To renew a real estate license, each licensee is required to complete 45 hours of continuing education, including three hours in each of the four mandated areas: Agency, Ethics, Trust Fund, and Fair Housing. The fair housing course contains information that enables an agent to identify and avoid discriminatory practices when providing real estate services.

DRE investigates written complaints received from the public alleging possible violations of the Real Estate Law or the Subdivided Lands Law by licensees or sub-dividers. DRE also monitors real estate licensees conducting business as mortgage lenders and mortgage brokers. If an inquiry substantiates a violation, DRE may suspend or revoke a license, issue a restricted license, or file an Order to Desist

and Refrain. Violations may result in civil injunctions, criminal prosecutions, or substantial fines. The Department publishes monthly a list of names of persons and businesses which have been conducting real estate activities without a license.

DRE reviews Covenants, Conditions, and Restrictions for all subdivisions of five or more lots, or condominiums of five or more units. The review includes a wide range of issues, including compliance with fair housing law. CC&Rs are restrictive covenants that involve voluntary agreements, which run with the land they are associated with. In the past, CC&Rs were used to exclude minorities from equal access to housing. DRE reviews CC&Rs and they must be approved before issuing a final subdivision public report. This report is required before a real estate broker or anyone can sell the units, and each prospective buyer must be issued a copy of the report.

**The California Organized Investment Network (COIN).** COIN is a collaboration of the California Department of Insurance, the insurance industry, community economic development organizations, and community advocates. This collaboration was formed in 1996 at the request of the insurance industry as an alternative to state legislation that would have required insurance companies to invest in underserved communities, similar to the federal Community Reinvestment Act (CRA) that applies to the banking industry. COIN is a voluntary program that facilitates insurance industry investments providing profitable returns to investors and economic/social benefits to underserved communities.

## B. Rental Housing

Similar to the owner-occupied market, a major challenge to ensuring fair housing in the rental market is the complexity of the process. Stages in the process of renting a home include advertising, pre-application inquiries, viewing the apartment, criteria for qualifying for the lease, lease conditions, and administration of the lease. The process becomes even more difficult and subjective in a tight rental market, where the landlord has numerous options for choosing the future tenant based on subjective factors.

### *The Rental Process*

While the process of renting an apartment or home may be less expensive and burdensome up front than the home-buying process, it may still be just as time-consuming and potential renters may still face discrimination during various stages of the rental process. Some of the more notable ways in which tenants may face discriminatory treatment are highlighted below.

### *Advertising*

The main sources of information on rentals are newspaper advertisements, word of mouth, signs, apartment guides, the Internet, and apartment brokers. Recent litigation has held publishers, newspapers, and others accountable for discriminatory ads. Advertising can suggest a preferred tenant by suggesting preferred residents, using models, publishing in certain languages, or restricting media or locations for advertising. Advertisements cannot include discriminatory references that describe current or potential residents, the neighbors or the neighborhood in racial or ethnic terms, or other terms suggesting preferences (e.g., adults preferred, ideal for married couples with kids, or conveniently located near a Catholic church).

### *Viewing the Unit*

Viewing the unit is the most obvious place where potential renters may encounter discrimination because landlords or managers may discriminate based on race or disability, judge on appearance whether a potential renter is reliable or may violate any rules, or make any other subjective judgments. For example,

if a student is wearing a T-shirt with a heavy metal band on the front, a landlord may suspect that the renter could play loud music disturbing to other tenants. If a prospective tenant arrives with many children, the landlord may be concerned that the children may disturb other renters. In addition, the prospective tenant may also have an accent or wear religious symbols or jewelry which may again play in the decision to rent the unit.

#### *Qualifying for the Lease*

Landlords may ask the potential renters to provide credit references, lists of previous addresses and landlords, and employment history and salary. The criteria for tenant selection, if any, are typically not known to those seeking to rent a home. An initial payment consisting of first and last months' rent and security deposit are typically required. To deter "less-than-desirable" tenants, a landlord may ask for an initial payment or security deposit higher than for others. Tenants may also face differential treatment when vacating the unit. The landlord may choose to return a smaller portion of the security deposit to some tenants, claiming excessive wear and tear.

#### *The Lease*

Most apartments are rented under either a lease agreement or a month-to-month rental agreement. A lease is favorable from a tenant's point of view for two reasons: the tenant is assured the right to live there for a specific period of time and the tenant has an established rent during that period. Most other provisions of a lease protect the landlord. The lease agreement usually includes the rental rate, required deposit, length of occupancy, apartment rules, and termination requirements. Typically, the rental agreement is a standard form for all units in the same building. However, enforcement of rules contained in the lease agreement may not be standard. A landlord may choose to strictly enforce rules for certain tenants based on their race/ethnicity, children, or a disability – raising fair housing concerns.

#### *Rental Housing Services*

The City of Riverside has contracted with Fair Housing Council of Riverside County (FHCRC) to provide fair housing and related services. Established in 1980, FHCRC is a private, non-profit and community based organization which implements the following fair housing programs for communities throughout Riverside County:

- **Community-Based Mediation.** FHCRC provides trained volunteer mediators to resolve conflicts between landlords and tenants (including mobile homes), transportation users and the transit system, and others. FHCRC contracts with Riverside County to provide mediation in small claims and unlawful detainer lawsuits in County courts.
- **Education/Outreach.** FHCRC provides education and outreach services to landlords and tenants, Realtors, newspapers, service organizations, schools, English as a-second language participants, and others interested in learning about fair housing laws. FHCRC also provides HUD certified counseling to homeowners who are delinquent on FHA loans or seniors interested in reverse equity mortgage loan programs. Fair housing workshops and newsletters are also provided on a quarterly basis.
- **Senior Services.** FHCRC actively and successfully mediates conflicts between seniors and Social Security, Medi-Cal, utility companies, collection agencies, neighbors, and others. FHCRC also provides a Care Referral Service, Homeowner/Renter Assistance referral, and maintains a list of senior housing and care homes.

- **Alternative Dispute Resolution.** The California Dispute Resolution Act of 1986 provides the authority for mediation in the legal court system. FHCRC has a contract with the County of Riverside to provide mediation with small claims and unlawful detainer lawsuits in all of the courts in Riverside County.
- **Mobilehome Mediation.** Specialized problem solving based on Mobilehome Residency Law that reflects the dual ownership and unique life style of mobile home communities. In-park workshops are provided to assist residents to file for refunds on utility and property tax burdens.
- **Transportation Information, Conciliation and Mediation.** FHCRC also provides a wide range of information, conciliation, and mediation services to transportation users who have conflicts with transit providers concerning compliance with the Americans with Disabilities Act of 1990.

During a three-year period (FY 2006-2008), FHCRC assisted residents in the resolution of various landlord/tenant issues. Most complaints involved repairs (32%), followed by lease/rental terms (22%), tenant evictions (21%) and other complaints (9%).

**Table III-7  
Landlord/Tenant Cases**

Landlord Tenant Case Category (Person)	Fiscal Year Statistics			
	2006/07	2007/08	2008/09	Total
Evictions	433	236	580	1249
Repairs	710	464	711	1885
Rent Increase	79	35	29	143
Notices	61	24	46	131
Habitability	3	1	6	10
Deposits	122	96	117	335
Harassment/Illegal Entry	33	35	46	114
Mobile Home	9	6	14	29
Occupancy Standards	4	0	6	10
Lease/Rental Terms	472	301	547	1320
Other	129	230	206	565
Section 8 Information	2	1	10	13
Utilities	0	1	0	1
Mold	0	1	1	2
Late Fees	0	1	3	4
<b>Total:</b>	2057	1432	2322	5811

Source: Fair Housing Council of Riverside County, 2009

*Agency Coordination*

Many agencies oversee the apartment rental process and related practices. This oversight includes ensuring that fair housing laws are understood and complied with. The following organizations have limited oversight within the rental housing market, and some of their policies are described.

*California Apartment Association (CAA)*

CAA is the country's largest statewide trade association for rental property owners and managers. Incorporated in 1941 to serve rental property owners and managers throughout California, CAA represents rental housing owners and professionals who manage more than 1.5 million rental units. CAA has developed the California Certified Residential Manager (CCRM) program to provide a comprehensive series of courses geared towards improving the approach, attitude and professional skills of on-site property managers and other interested individuals. The CCRM program consists of 31.5 hours of training that includes fair housing and ethics along with other courses.

*National Association of Residential Property Managers (NARPM)*

NARPM promotes standards of business ethics, professionalism, and fair housing practices in the residential property management field. NARPM is an association of real estate professionals experienced in managing single-family and small residential properties. The North Riverside Chapter covers Riverside. In addition, NARPM certifies its members in the standards and practices of the residential property management industry and promotes continuing professional education. NARPM offers 3 professional designations: Residential Management Professional, RMP®, Master Property Manager, MPM®, and Certified Residential Management Company, CRMC®. These certifications require educational courses in fair housing.

#### **IV. Analysis of Public Policy Impediments**

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**A. Land Use Policy**

*General Plan*

Land use policies are fundamental to ensuring housing opportunities. The City of Riverside General Plan determines the type, amount, location and density of residential uses of land within the City in a manner prescribed by the State Planning Law. The City’s Zoning Code implements the goals and objectives set forth in the adopted General Plan. Land Use policies that do not promote a variety of housing opportunities can impede housing choice especially for low- and moderate income persons and households.

The City of Riverside allows housing in Thirteen (13) of its Twenty-five (25) General Plan Land Use designations. **Table IV-1** provides a summary of the eight (8) zone districts and the use of a specific plan to implement the General Plan residential land use classifications.

**Table IV-1  
General Plan Land Use Designations & Zones Allowing Residential Uses**

Designation	Code	Zone	Description
Low Density Single-Family Residential	A & RR	RA-5	Implement Proposition R and Measure C; allow for residential use on large agricultural and citrus parcels.
	HR	RC (Hillside Residential)	Implement Proposition R and Measure C; allow for sensitive development of residential homes where slopes exceed 15%.
	SRR	RR (Rural Residential)	Single-Family Residential with emphasis on animal keeping.
	VLDR	RE & R-1-½ac.	Single-Family Residential Estate
	LDR	RE, R-1-½ac., R-1-13,000, R-1-10,500	Single-Family large lot residential
Medium Density Single-Family Residential	MDR	RE, R-1-½ac., R-1-13,000, R-1-10,500, R-1-8,500, R-1-7,000 & MH	Various Density Single-Family Residential & Mobilehome Park
Medium to High Density Residential	MHDR	R-3-4,000 & R-3-3,000	Small Lot Single-Family & Multi-Family Residential
High Density Multi-Family Residential	HDR	R-3-4,000, R-3-3,000, R-3-2,500, R-3-2,000 & R-3-1,500	Multi-Family Residential, apartments and condominiums
Very High Density Multi-Family Residential	VHDR	R-4	Multi-Family Residential, apartments and condominiums.
Mixed Use Zones	DSP	DSP (Downtown Specific Plan)	Variety of mixed uses of land within the Downtown Specific Plan Area.
	OSP	OSP (Orangecrest Specific Plan)	Variety of mixed uses of land within the Orangecrest Specific Plan Area.
	MU-N	MU-N (Mixed Use Neighborhood)	Neighborhood mixed-use; retail, office and residential uses.
	MU-V	MU-V (Mixed-use Village)	Village mixed-use; retail, office and residential uses in same building.
	MU-U	MU-U (Mixed-use Urban)	Urban activity center mixed-use; retail, office and residential uses in same building, entertainment, employment and student oriented uses

Sources: Riverside General Plan, Riverside Zoning Ordinance, 2007.

In addition to implementing and regulating the General Plan residential land use designations through the creation of various residential zone districts, the City of Riverside adopted fourteen (14) Specific Plans. Specific Plans provide added flexibility from residential development standards established in the Zoning Ordinance. Specific Plans provide focused planning and development standards tailored to the unique site characteristics or project purpose.

### *Housing Element*

The Housing Element is one of seven mandated elements of the City of Riverside's General Plan. The State of California housing element law, enacted in 1969 and recently amended in 2008 by Senate Bill 2, requires that local governments adequately plan to meet the existing and projected housing needs of all economic segments of their community. The Riverside 2008-2014 Housing Element identifies the following goals:

1. To provide livable neighborhoods evidenced by well-maintained housing, ample public services, and open space which provide a high quality living environment and instill community pride.
2. To provide adequate diversity in housing types and affordability levels to accommodate housing needs of Riverside residents, encourage economic development and sustainability and promote an inclusive community.
3. To increase and improve opportunities for low and moderate income residents to rent or purchase homes.
4. To provide adequate housing and supportive services for Riverside residents with special needs.

To implement these policies, the Housing Element describes thirty-one (31) tools that were critical to meeting the housing goals set forth in the 2000-2005 Housing Element. Many of the tools are ongoing programs design to achieve the goals set forth in the 2008-2014 Housing Element. Where relevant to this Analysis of Impediments, housing programs which affect Fair Housing are described in this report.

The Housing Element is reviewed by the State Department of Housing and Community Development (HCD), for compliance with State Law. An important component of HCD certification is a determination that the City's development goals, policies and regulations do not constrain maintenance, improvement and development of housing for all income levels, including individuals with disabilities. HCD indicated in its February 2010 compliance report that the department is waiting for the resubmission of the City's draft Housing Element 2008-2014. The City of Riverside planning staff is working on the required modifications to bring the draft Housing Element into compliance with the requirements of State law. The City has evaluated its public policies as potential constraints to the maintenance, improvement and development of housing and has mitigated potential constraints through planned housing policies and programs.

### *Housing Opportunities*

Housing Element law requires that cities facilitate and encourage the provision of a range of types and prices of housing for all economic segments and special need groups. Local government policies that limit or exclude housing for persons with disabilities, the lower income, homeless persons, families with children or other groups may violate the Fair Housing Act. **Table IV-2** highlights permitted residential uses in the various zones throughout the City.

**Table IV-2  
Housing Opportunities Permitted by Zone**

Housing	Residential Zones						
	RC	RA-5	RR	RE	R-1	R-3	R-4-
Single-Family Detached	P	P	P	P	P	**	
Single-Family Attached			P	P	P	**	**
Two-Family (Duplex)						P	P**
Multiple-Family						P	P**
Manufactured Home	P	P	P	P	P		
Mobile Home Parks			With MH Overlay Zone				
Senior Housing						CUP	CUP
Second Units / Granny Units				P	P		
Live/Work							
Community Care Facilities (one to six persons)					CUP	CUP	
Community Care Facilities (seven or more persons)					CUP	CUP	
Emergency Shelter / Transitional Housing			MCUP	MCUP	MCUP		

**Table IV-2 Continued  
Housing Opportunities Permitted by Zone**

Housing	Residential Zone		
	MU-N	MU-V	MU-U
Single-Family Detached	P		
Single-Family Attached	P		
Two-Family (Duplex)		SP	SP
Multiple-Family		SP	SP
Manufactured Home	P		
Mobile Home Parks			
Senior Housing			
Second Units / Granny Units			
Live/Work	P	SP	SP
Community Care Facilities (one to six persons)			
Community Care Facilities (seven or more persons)			
Emergency Shelter / Transitional Housing			

Source: City of Riverside Zoning Ordinance, 2007.

P: Permitted

SP: Site Plan Review Required

MCUP: Minor Conditional Use Permit Required

CUP: Requires Conditional Use Permit

\*\* : Allowed only as part of an approved specific plan.

☐: Not permitted

*Single and Multi-family*

Detached single-family dwelling units are not a permitted use in the multi-family residential zones. However, detached single-family residential dwelling units are permitted in the R-3 zone district only as part of a planned residential development (PRD) permit. The City recognizes that the use of multi-family

residential zone districts for the development of detached single-family dwelling units can have the effect of using up a scarce land resource that is needed for the creation of multi-family dwelling units. The City of Riverside does not require a conditional use permit or other discretionary permit process for the review and approval of multi-family developments in the R-3 and R-4 zone districts. The City of Riverside is in compliance with HCD requirements pertaining to the zoning for multi-family developments.

#### *Manufactured Housing*

State law requires cities to permit the installation of manufactured dwelling units on parcels of land zoned for single-family detached dwellings provided that the manufactured dwelling units meets the location and design criteria established in the Zoning Ordinance.<sup>1</sup> The City's Zoning Ordinance explicitly defines manufactured dwelling unit as follows:

“A mobile home or manufactured house constructed in full compliance with the National Mobile Home construction and Safety Standards Act intended for occupancy by a single family installed on a permanent foundation in conformance with applicable Zoning regulation”.

#### *Mobile Home Parks*

State law requires that jurisdictions accommodate a mobile home park within their community; however, a city, county, or a city and county may require a use permit. A mobile home park refers to a mobile home development built according to the requirements of the Health and Safety Code, and intended for use and sale as a mobile home condominium, cooperative park, or mobile home planned unit development.<sup>2</sup> In compliance with State law, the City permits mobile homes parks, subject to a Conditional Use Permit, within the RR, RE and R-1 zones. The State Department of Finance reports that the City of Riverside has 2,497 mobile homes, many of which provide affordable homes to seniors and families.

#### *Accessory Units*

Enacted in 2002, AB1866 requires cities to use a ministerial process to consider and approve accessory dwelling units in residential zones.<sup>3</sup> According to HCD, a local government must “...accept the application and approve or disapprove the application ministerially without discretionary review...” In order for an application to be ministerial, the process must apply predictable, objective, fixed, quantifiable, and clear standards. These standards must be administratively applied to the application and not otherwise be subject to discretionary decision-making by a legislative body. The City allows accessory units in all single-family residential zones except the RR, RC and RA-5 zones (see Ordinance No. 6672). Therefore, the City is in compliance with the provisions of AB1866.

#### *Residential Care Facilities*

The Lanterman Developmental Disabilities Services Act declares that mentally, physically, and developmentally disabled persons, children and adults who require supervised care are entitled to live in normal residential settings. State law requires that licensed residential care facilities serving six or fewer persons be treated as a residential use under zoning, be allowed by right in all residential zones, and not be subject to more stringent development standards, fees, taxes, and permit procedures than required of

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<sup>1</sup> California Government Code, § 65852.3

<sup>2</sup> California Government Code § 65852.7

<sup>3</sup> California Government Code § 65852.2

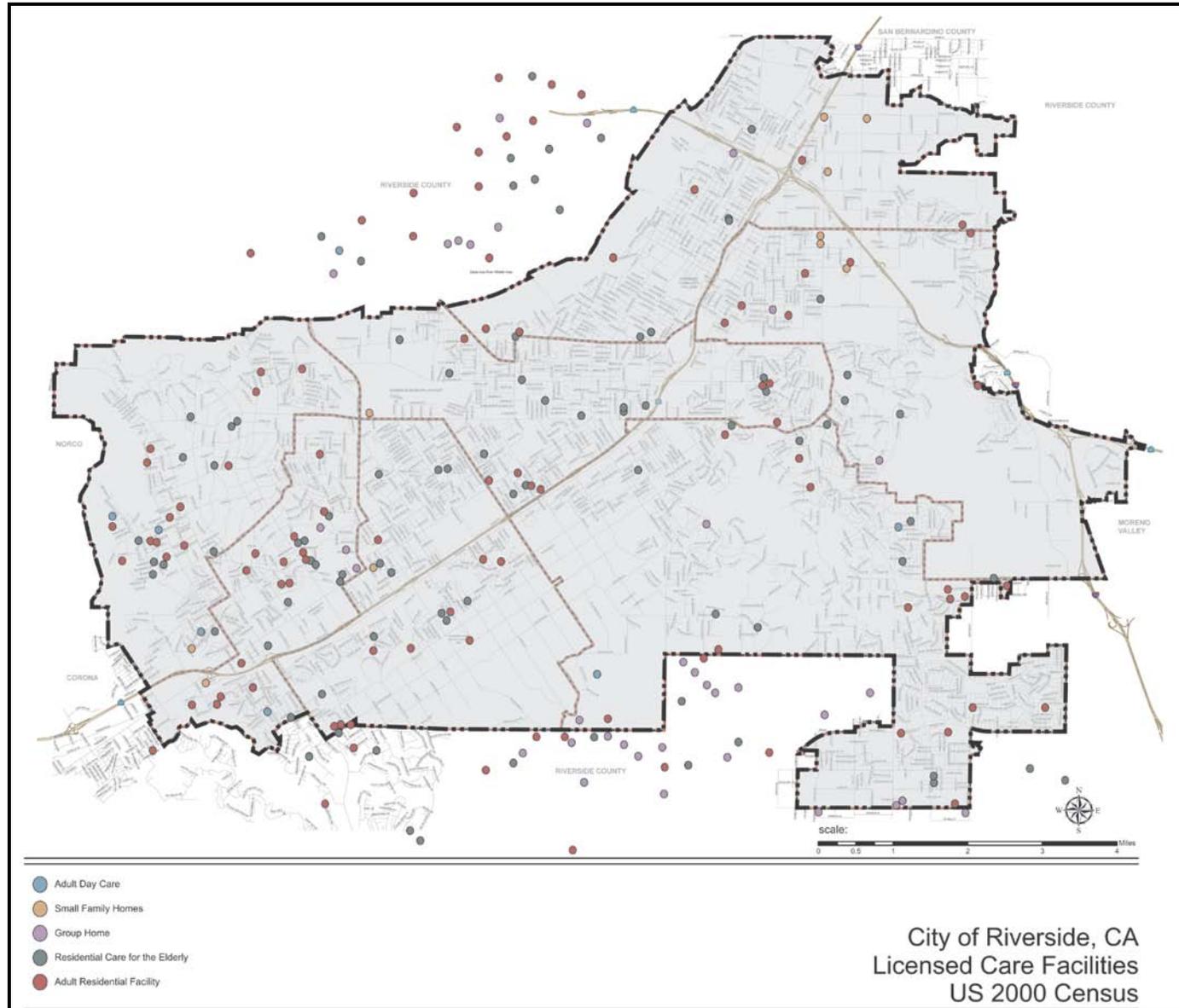
the same type of housing (e.g., detached single-family dwellings) in the same zone.<sup>4</sup> **Map 4** illustrates the distribution of such facilities throughout the City of Riverside.

The City allows licensed group housing (Convalescent Homes, SRO's, Alcohol & Drug Treatment Facilities) serving six (6) or fewer clients as a permitted use in all residential zones and the Mixed Use Zone MU-N, (see Section 19.150.020 Riverside Zone Code). Assisted Residential Group Housing serving seven (7) or more clients are allowed in the RR, RE, R-1 zone districts subject to the issuance of a Conditional Use Permit.

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<sup>4</sup> California Welfare and Institutions Code, §5000 et. seq. California Health and Safety Code, §1500 et. seq.

Map 4: Licensed Residential Care Facilities



*Fair Housing Impediment Study: Review of the General Plan and Zoning Ordinance*

This Analysis of Impediments to Fair Housing Choice includes the review of the General Plan and the Zoning Code in order to identify regulations, practices and procedures that may act as barriers to the development, siting and use of housing for individuals with disabilities. In addition to the review of these City documents, City Planning and Building Department staff has been interviewed. Non-profit developers specializing in the creation of housing designed to address the special needs of persons with disabilities were solicited for their input. The data were analyzed to distinguish between regulatory and practice impediments described by the jurisdiction. **Table IV-3** summarizes the results of this study.

**Table IV-3  
Fair Housing Impediment Study**

Type of Impediment "Practice or Regulatory"	Compliance Yes or No	Impediment Description	Jurisdiction Practice	Comment
Regulatory	Yes	Definition of "Family"	Family is defined as "Any individual or group of individuals living together, as a single housekeeping unit based on personal relationships."	City definition of "Family" is consistent with definition set forth in State Codes.
Regulatory	Yes	Definition of "Disability"	No definition of "Disability" is contained in the Zone Code.	City uses "Disability" definition set forth in State Codes.
Practice	Yes	Personal Characteristics of residents considered?	City does not regulate or consider residents personal characteristics.	City encourages and permits ADA housing improvements
Practice	Yes	Mischaracterize ADA housing as "Boarding, Rooming House or Hotel"?	City provides for group housing as mandated by State law.	City complies with State law regarding housing opportunities. City does not restrict housing opportunities for individuals with disabilities.
Practice	Yes	On-site supporting services permitted	City provides for on-site ADA supporting services.	City complies with State law regarding ADA services.
Regulatory	Yes	Restrict number of unrelated persons residing together if they are disabled	City complies with State law regarding number of unrelated persons residing on-site regardless of disabilities.	City does not distinguish between able or disable when addressing the number of unrelated persons residing on-site.
Regulatory	Yes	Allow ADA Modifications in municipal-supplied or managed housing	City Housing Authority owns 64 multi-family units. City encourages ADA access.	City Housing Authority complies with State law. City encourages ADA access modifications.
Regulatory	Yes	Variances & Exceptions to zoning and land-use rules.	City requires a public hearing for all zoning variance as required by State law.	City complies with State law regarding the granting of variances and exceptions to zoning and land-use rules.
Regulatory	Yes	Residential Mixed Land Use Standards	City provides for commercial/residential mixed land use in three zones.	The MU-N, MU-V and MU-U zones include permitted uses such as commercial and residential of various densities and unit configuration.
Regulatory	Yes	Zoning Exclusion regarding Discrimination	City does not exclude or discriminate housing types based on race, color sex, religion, age, disability, marital or family status, creed or national origin.	All City zoning and land use regulations and policies comply with Federal and State law regarding the prohibition of discrimination.

Type of Impediment “Practice or Regulatory”	Compliance Yes or No	Impediment Description	Jurisdiction Practice	Comment
Regulatory	Yes	Senior Housing Restrictions & Federal Law	City permits multi-family senior housing in accordance with zoning standards.	Developers often request variances regarding the reduction of unit size and required off-street parking.
Regulatory	Yes	Zoning for ADA accessibility	City’s Building Code provides for ADA access.	City’s zone code defers to the Building Code regarding ADA access.
Regulatory	Yes	Occupancy Standards and Limits	City zone code does not limit occupancy. The State Building and Housing Codes establish criteria to define overcrowding.	City codes comply with State law.
Regulatory	Yes	Zoning for Fair Housing	City’s Housing Element promotes Fair Housing; Zone Code does not conflict with that policy.	City’s General Plan promotes and requires compliance with all Fair Housing laws and policies.
Regulatory	Yes	Handicap Parking for Multi-Family Development	City’s Building Codes require 1 handicap parking space for each 40 required parking spaces.	City codes comply with State and Federal requirements.
Regulatory	Yes	Is a CUP required for Senior Housing?	City does not distinguish between senior citizen housing and other single-family or multi-family housing.	Developers often request modification of housing standards for senior citizen housing such as smaller dwelling sizes and reduced off-street parking.
Regulatory	Yes	Does City distinguish between handicapped housing and other types of single-family or multi-family housing?	City does not require a CUP for Handicapped Housing.	City complies with State and Federal law regarding ADA designed housing.
Regulatory	Yes	How are “Special Group Housing” defined in the zone code?	City defines “Special Group Housing” as set forth in State law.	City complies with State and Federal law regarding “Special Group Housing”.
Regulatory	Yes	Does the City’s Building and planning codes make specific reference to accessibility requirements as set forth in the 1988 Fair Housing Act?	City adopted California State Building & Housing Codes.	Building Department reviews all plans for compliance with adopted codes. Monitoring is the responsibility of the building department.

The City of Riverside is committed to furthering and improving fair housing opportunities so people in all walks of life have the opportunity to find suitable housing in the community. To that end, the City contracts with Riverside County Fair Housing Council, Inc. to provide landlord/tenant education, conduct testing of the rental and ownership market, and investigate and mediate housing complaints where needed. The City periodically prepares the required federal planning reports, including the analysis of Impediments to Fair Housing Choice, to document the City’s progress in improving and maintaining fair housing opportunities. The City of Riverside has adopted General Plan policies and programs that promote Fair Housing goals and objectives in accordance with State mandate. All City Planning and Building regulations implement the City’s adopted polices with respect to Fair Housing.

The City of Riverside works with a number of agencies to further improve housing opportunities for people with disabilities. The City established a Commission on Disabilities to advise the City Council on

all matters affecting persons with disabilities in the community; review community policies, programs, and actions that affect persons with disabilities; and help create a public awareness of the needs in areas such as housing, employment, and transportation. The Commissions’ Web site (<http://www.riversideca.gov/cod/>) posts all its meetings and minutes for public review.

*Emergency Shelters/Transitional Housing*

State law requires cities to identify adequate sites, appropriate zoning, development standards, and a permitting process to facilitate and encourage development of emergency shelters and transitional housing. The courts have also passed subsequent rulings.<sup>5</sup> To that end, State Law (SB2) requires jurisdictions to designate a zone and permitting process to facilitate the siting of such uses. If a conditional use permit is required, the process to obtain the conditional use permit may not unduly constrain the siting and operation of such facilities. The City’s Zone Code provides for emergency shelters and transitional housing for two to six occupants in the RR, RE, R-1 residential zone districts; the O, CR, and commercial zone districts. The issuance of a Minor Conditional Use Permit is required for such uses of land. Homeless shelters and transitional housing for more than six occupants are permitted in the same zone districts plus the I, Industrial zone upon the issuance of a conditional use permit. Upon examination of the process and requirements associated with obtaining the conditional use permit, it is determined that the process does not unduly constrain the siting and operation of emergency shelters and transitional housing.

**B. Development Policy**

*Development Standards*

The General Plan provides policy guidance as to where housing can be located. The Zoning Ordinance establishes minimum residential development standards to ensure the construction of quality housing, to preserve and protect neighborhoods, and to further broader City land use goals. **Table IV-4** highlights pertinent single-family residential development standards in the City of Riverside, while **Table IV-5** addresses multi-family residential development standards..

**Table IV-4  
Single-Family Residential Development Standards**

Standard	RA-5	RC	RR	RE	R-1
Density (units/acre)	0.20	0.50	2.1	1.0	2.0 to 6.2
Minimum Lot Size	5 acres	Varies	20,000 sf	1-acre	7,000 to 21,780 sf
Maximum Lot Coverage	30%	N/A	30%	30%	30% to 40%
Maximum Height (stories)	2.5	2.5	3.0	3.0	4.0
Front/Rear Yard (ft.)	40/25	30/25	30/100	30/30	20/25 to 30/35
Parking Space Requirement	2-Car garage per each detached single-family dwelling unit				

Source: Riverside Zoning Ordinance, 2007

<sup>5</sup> Hoffmaster v. City of San Diego, 55 Cal.App.4th 1098

**Table IV-5  
Multi-Family Residential Development Standards**

Standard	R-3 4,000	R-3 3,000	R-3 2,500	R-3 2,000	R-3 1,500	R-4
Density (units/acre)	10.9	14.5	17.4	21.8	29	40
Minimum Lot Size	1-acre	1-acre	1-acre	1-acre	1-acre	1-acre
Maximum Lot Coverage	45%	45%	50%	50%	50%	45%
Maximum Height (stories)	2.5	2.5	3.0	3.0	4.0	2.5
Front/Rear Yard (ft.)	25/20	25/20	20/20	15/15	15/15	15/10
Parking Space Requirements	1.5 to 2.0 spaces per dwelling unit					

Source: Riverside Zoning Ordinance, 2007

*Local Government Fees*

Since the passage of Proposition 13 in 1978, local governments have had to diversify their revenue sources. As reliance on General Fund revenues declined, local governments began charging service fees and impact fees to pay for City services needed to support the development of new housing. The City currently charges fees and assessments to cover the costs of processing permits and providing services for residential projects.

Development fees depend on the location, project complexity, and cost of mitigating environmental impacts. **Table IV-6** provides the most common development fees charged for new housing such as a 46 unit single-family tract; a 141 unit condominium project; and a 50 unit apartment project. Fees range from approximately \$19,800 per multi-family dwelling unit to \$28,500 for each detached single-family dwelling unit.

**Table IV-6  
Housing Development Fees**

Development Fee Category	Development Fees <sup>3</sup>		
	Single Family Tract of 46 Homes	Condominium Project of 141 units	Apartment Project of 50 units
<b>Service Fees</b>			
Planning	\$26,840	\$10,032	\$5,302
Building	\$63,006	\$105,406	\$29,268
Environmental	\$ 1,353	\$ 1,353	\$ 1,353
<b>Impact Fees</b>			
Sewer	\$123,464	\$361,383	\$142,132
Water	\$101,659	\$92,915	\$145,174
Signal & Traffic Fee	\$32,890	\$76,845	\$27,250
Drainage	\$18,076	\$22,940	\$9,300
Park Fee	\$144,178	\$253,188	\$96,185
Utilities (Electric)	\$105,092	\$48,307	\$40,000
<b>Regional Impact Fees</b>			
Transportation Impact	\$305,900	\$994,614	\$230,350
Multiple Species	\$48,622	\$121,119	\$42,950
School Fees	\$340,865	\$728,913	\$224,000
<b>Total</b>	<b>\$1,311,945</b>	<b>\$2,817,015</b>	<b>\$993,264</b>
City Fees per Unit	\$13,403	\$6,896	\$9,919
Regional Fees per Unit	\$15,117	\$13,083	\$9,946
<b>Total Per Unit</b>	<b>\$28,520</b>	<b>\$19,979</b>	<b>\$19,865</b>

Source: City of Riverside Housing Element 2008-2014.

Review of the data shows that over half of all residential development fees are charged by regional entities for transportation mitigation, habitat preservation, and schools. The City has little control over these fees. Reducing the modest level of fees that the City of Riverside levies per dwelling unit would have minimal impact on housing affordability. The reduction of impact fees would however diminish services that maintain the quality of life in neighborhoods. Given the modest level of City-controlled fees, they are not deemed to be a constraint to the production of housing in Riverside.

State law allows local governments to charge fees necessary to recover the reasonable cost of providing services. State law also allows local governments to charge impact fees provided the fee and the amount have a reasonable nexus to the burden imposed on local governments. While the fees in Riverside constitute a modest percentage of housing sales prices, the fees are necessary to provide an adequate level of urban services and to mitigate the impacts of housing development. To facilitate affordable housing development and to off-set the impact of these fees on development costs, the City has the ability to “gap-finance” projects by utilizing various other sources.

*Building Codes*

Building codes are enacted to ensure the construction of quality housing and further public health and safety. Ensuring that buildings are accessible to people with disabilities is an important way to improve

fair housing. However, the rigid adherence to non-essential codes may indirectly create discriminatory impacts on people with disabilities. The following discusses the City's building codes and applicability to persons with disabilities.

The City of Riverside has adopted the 2007 edition of the California Building Code, based upon the 2006 International Building Code with local amendments. California cities are required to adopt the California Building Standards Code (Title 24 of the California Code of Regulations). The Code is a set of uniform health and safety codes covering building, electrical, mechanical, plumbing, fire safety, and other issues. Uniform codes are considered the minimum acceptable standards for health and safety. The California Building Standards Commission updates these codes every three years based on updates to uniform codes adopted by professional associations (such as the ICBO).

State law allows cities to add local, more restrictive, amendments to the California Building Code, provided such amendments are reasonably necessary to address local climatic, geological, or topographic conditions. To address local conditions requiring more stringent or particular standards, the City has replaced or amended certain sections of the 2007 California Building Code. Those changes, detailed at Section 16.08.030 of the Municipal Code, do not directly or indirectly limit the type of housing opportunities available to disabled persons nor do they limit access to housing. All local amendments are intended to strengthen and enhance building and safety standards to provide safer housing opportunities and disabled access to housing in excess of California Code's current requirements.

#### *Accessibility Standards*

Cities that use federal funds must meet federal accessibility guidelines that accommodate people with disabilities. For new construction and substantial rehabilitation, at least 5% of the units must be accessible to persons with mobility impairments and an additional 2% of the units must be accessible to persons with sensory impairments. New multi-family housing must also be built so that: 1) the public and common use portions of such units are readily accessible to and usable by disabled persons; 2) the doors allowing passage into and within such units must accommodate wheelchairs; and 3) all units must contain adaptive design features.<sup>6</sup>

The Federal Department of Housing and Urban Development (HUD) also recommends, but does not require, that the design, construction and alteration of housing units incorporate, wherever practical, the concept of visitability. This recommendation is in addition to requirements of Section 504 and the Fair Housing Act. Recommended construction practices include wide enough openings for bathrooms and interior doorways and at least one accessible means of egress/ingress for the handicapped to each unit.<sup>7</sup>

The City's adopted Building Code contains and incorporates the latest accessibility standards promulgated by the state and federal government. The City checks plans for compliance with State and Federal accessibility law so that privately owned and publicly assisted housing with four or more units meets accessibility requirements of the Fair Housing Act. The City of Riverside enforces all federal and state accessibility laws but does not require accessibility standards in excess of state and federal law.

#### *Reasonable Accommodation*

Because a significant portion of the Riverside housing stock was built well before the advent of modern accessibility standards, there are times when residents need to modify their home to allow access by a person with a disability. The City encourages property owners to install features that accommodate

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<sup>6</sup> Section 804(f)(3)(C) of the Fair Housing Act

<sup>7</sup> HUD Directive, Number 00-09.

people with disabilities (e.g., ramp to the front door). Such requests are approved upon payment of building permit and plan check fees, as applicable.

In 2001, the State Office of the Attorney General issued a letter encouraging local governments to adopt a reasonable accommodation procedure.<sup>8</sup> The Department of Housing and Community Development (HCD) has also urged the same. The federal Fair Housing Act and California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodation when such accommodation may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. The State Attorney also provided guidance on the preferred procedure.

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 timeline as a zoning variance. 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.

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

#### *Permit Processing*

Development permit procedures are designed to ensure that residential development proceeds in an orderly manner so as to ensure the public’s health, safety, comfort, convenience, and general welfare. Although permit processing procedures are a necessary step, unduly burdensome procedures can subject developers to considerable uncertainty, lengthy delays, and public hearings that cumulatively make a project financially infeasible.

State law requires communities work toward improving the efficiency of building permit and review processes by providing one-stop processing, thereby eliminating the necessary duplication of effort. The Permit Streamlining Act helped reduced governmental delays by limiting processing time in most cases to one year and requiring agencies to specify the information needed to complete an acceptable application.<sup>9</sup>

The City development approval process is designed to accommodate, not hinder, development. The City of Riverside is committed to making a determination as to the completeness of an application within 30 days of submittal. Once a project is deemed complete, it is scheduled for design review. The City of Riverside adopted Citywide design and Sign Guidelines in 2007 to assist developers in designing and building housing, commercial, mixed-use, and industrial projects that demonstrate excellence in design; create quality living environments; and contribute in a positive manner to the appearance and quality of life in the City.

With respect to design review approval, the Zoning Administrator reviews the application for completeness and City staff reviews the proposed project for compliance with City Design and Sign Guidelines. City staff makes a recommendation to the Planning Commission, who can approve in full or in part, conditionally approve in full or in part, modify, or deny the application. In other cases, the

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<sup>8</sup> State Office of Attorney General, May 15, 2001

<sup>9</sup> Government Code Section 65920 et seq.

Zoning Administrator has approving authority or can refer cases to the Planning Commission. The City Council retains the authority to hear appeals; otherwise, the decision of the Zoning Administrator or the Planning Commission is final. To minimize the time required for review, design review is done concurrently with the processing of all other permits required of the same project. If the project is approved, an approval letter, including the conditions of approval, is sent to the applicant. The project only proceeds to the City Council if it requires a legislative act such as a General Plan Amendment or Zone Change.

The project approval process is identical for single-family and multiple-family residential projects. If a housing project does not require a discretionary approval the average time for processing a plan check is 4-8 weeks. If the project requires a discretionary approval process, due to noticing requirements, project revisions, and the creation of staff reports, project processing typically takes eight to twelve weeks. If the project requires a legislative act by the City Council such as a General Plan Amendment or Zone Change in conjunction with the discretionary project, an additional five to six weeks is typically required to allow for preparation for and scheduling of the public hearing.

To mitigate the entitlement costs involved with developing affordable housing, the City allows priority development review processing for low and moderate income housing applications, as well as housing for the elderly. Expedited review processing can be concluded in 4-6 weeks. Processing times vary with the complexity of the project. Single-family homes and other minor tenant improvements can typically be processed with a 3-4 week turnaround time. Other projects requiring Conditional Use Permits, Zoning Amendments, or other discretionary actions necessitate a more complex level of review, resulting in a longer processing timeline. Based on this information, the permit procedures and processing timeframes are appropriate and do not appear to constrain the development of housing.

#### *Assessment*

HCD reviews development processing procedures to ensure that such procedures facilitate and encourage the construction of housing for all income levels. HCD often considers that a conditional use permit for multi-family housing subjects the project to unfounded neighborhood criticism that can often lead to rejection of a project that otherwise complies with City regulations. The City is committed to providing sites that are capable of providing housing accommodation that meets its fair share of the Regional Housing Need Assessment (RHNA). The removal or mitigation of impediments that prevent achievement of this goal is essential.

State law prohibits a local agency from disapproving a low income housing development, or imposing conditions that make the development infeasible, unless one of six conditions exists. Three conditions are of most importance: 1) the project would have an unavoidable impact on health and safety which cannot be mitigated; 2) the neighborhood already has a disproportionately high number of low income families; or 3) the project is inconsistent with the general plan and the housing element is in compliance with state law.<sup>10</sup>

#### *Community Representation*

The City values citizen input on how well city government serves its residents. The City Council relies on its Planning Commission, advisory commissions, and boards to provide advice and recommendations in areas of City services. Riverside makes an effort to ensure that advisory boards and commissions reflect the diversity of the City's residents. Boards, commissions, and advisory committees that have responsibility for land use, building, and other policies that could affect fair housing choice include:

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<sup>10</sup> Government Code Section 65589.5

- Planning Commission; and
- Cultural Heritage Board.

For further information, Chapter 2.10 of the Riverside Municipal Code describes each commission, its scope and authority, election or appointment regulations, and functions.

*Public Housing Authority (PHA) Tenant Selection Procedures*

The Housing Authority of the County of Riverside is the Public Housing Authority (PHA) providing public housing in the area. An examination of the PHA's tenant selection procedures did not reveal any impediments to fair housing choice. An examination of the County of Riverside Housing Authority's tenant selection procedures did not reveal any impediments to fair housing choice. Based on information provided by the Housing Authority, no complaints were received from prospective tenants alleging discrimination or unfair practices in the Housing Authority's selection of tenants to occupy public housing projects.

*Residential Anti-Displacement Policy*

It is the policy of the City of Riverside to comply with the requirements of Section 104(d) of the Housing and Community Development Act of 1974 with respect to the prevention and minimization of residential displacement as a result of the expenditure of HUD assistance. For further information, consult the City of Riverside 2010-2014 Consolidated Plans.

### C. Housing—Employment—Transportation Linkage

The City of Riverside has numerous plans that impact housing opportunity, provision of public services, and access to public transit within the community. These plans include the City's General Plan, Housing Element, Consolidated Plan, Redevelopment Implementation Plan, and County Housing Authority Plan.

This section first provides details on how the City of Riverside and other agencies further fair housing for City residents through housing programs, employment, and services. The section concludes with an analysis of transit policies and services to determine if there are impediments to fair housing that are apparent as a result of the locations and concentrations of housing and employment centers as related to public transportation routes in the City.

*Housing Programs*

The 2007 Housing Element, adopted by the City in November of 2007 sets forth various housing goals for the community, accompanied by many implementing policies and programs. The following briefly describes rental assistance, homeownership assistance, housing rehabilitation programs, and neighborhood revitalization efforts currently underway in Riverside.

**Rental Assistance.** The Housing Authority of the County of Riverside is a federally-funded agency that administers housing assistance programs for qualified very low income families, disabled people, and seniors on behalf of the City of Riverside. The Housing Choice Voucher Program (commonly referred to as Section 8), a rent subsidy program, offers very low income households the opportunity to obtain affordable, privately-owned rental housing on the open rental market. Section 8 tenants pay a minimum of 30% of their income for rent and the Housing Authority pays the difference to the negotiated payment standard established by HUD. As of December 2009, 2,074 households in the City of Riverside were utilizing Section 8 vouchers.

Despite the large number of households utilizing the Housing Choice Voucher Program, the demand for affordable housing far outpaces available financial resources. As of December 2009, 50,751 households countywide were on the Section 8 waiting list. The estimated wait time for a Section 8 voucher is 7-10 years.

The Housing Authority opened its waiting lists on July 1, 2009, resulting in a large increase in the length of the list and the estimated wait time to secure a Section 8 voucher or public housing. Applications can be completed and submitted online, at the Housing Authority, or mailed in.

The Housing Authority website<sup>11</sup> outlines certain waiting list preferences for the Section 8 Program, as follows:

“In accordance with California State Law, at each level of preferences, veterans and/or active duty servicemen and their spouse or widow/er will have priority. The Housing Authority will release families to result in a lease up of:

- 75% of the families will be at or below 30% of the median income (extremely low income), and 25% of the families will be between 30% and 50% of the median income (very low income).

The release will be in accordance with Federal Regulations. A family must meet both of the characteristics of a “Level of Preference”. If the First Level of Preference releases do not satisfy the regulations regarding extremely low income families, releases will be done at the second Level of Preference and then to the Third Level of Preference until the 75% extremely low income requirement is met.

First Level of Preference:

- County of Riverside Residency Preference, and
- Rent-burdened or homeless, and
- Working Families with dependent or minor children or Elderly families or Disabled families.

To meet the Riverside Residency preference, a family must live or work in Riverside County. To meet the Rent Burdened preference, a family must be paying more than 30% of family income for rent. In order to be given the preference of rent burdened, a family must provide evidence that is verifiable. To be considered an Elderly family for the purpose of meeting the waiting list preference the head of household or spouse/co-head must be 62 years of age or older. To be considered a Working family with minor or dependent children for the purpose of meeting the waiting list preference the head of household and/or spouse/co-head must be working at least 32 hours per week at California minimum wage or higher for the last 60 days, or receiving Unemployment, State Disability or Workman’s Compensation in lieu of earnings provided that the person was employed and working at least 32 hours per week at California minimum wage for 60 days prior to receiving Unemployment, State Disability or Workman’s Compensation. To be considered a "Disabled family" for the purpose of meeting the waiting list preference the head of household or spouse/co-head must meet HUD's definition of disability.

The wait to have your name selected from the Section 8 waiting list cannot be anticipated at this time. It will be selected if you meet the above preferences, meet the income limits listed below, and

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<sup>11</sup> Housing Authority of the County of Riverside, 2009. <http://www.harivco.org/Program/HowtoApply/tabid/69/Default.aspx>

you are registered on the Section 8 waiting list. Names within each preference are selected based on the date and time of registration.

The wait for Public Housing may be shorter, depending upon vacancies. The public housing program has the same preferences with additional requirements for credit and landlord references.”

The Housing Authority has one (1) public housing site in the City of Riverside consisting of 68 units on Jackson Street. As of December, 2009, there are 72,430 families on the countywide waiting list for public housing.

According to HUD’s Public Information Center, *Resident Characteristics Report as of May 31, 2008*, twenty-nine percent (29%) of families in the County’s public housing are disabled, 74% of the families have children, and 19% percent are elderly. The head of household racial composition of County public housing as of May 2008 was 55% White, 36% African American, 2% Asian, 6% Native American and 1% were Other. Forty percent (40%) of head of households were of Hispanic ethnicity and 60% where non-Hispanic.

**Homeownership Assistance.** While financial lending institutions offer homeownership programs, the City cooperates with other organizations to increase homeownership options. Households seeking to purchase a home in Riverside can apply for home purchase assistance through the City’s Development Department down payment assistance program the County’s Mortgage Credit Certificate Program.

**Housing Rehabilitation.** Housing rehabilitation is an important means to improve the individual properties as well as maintain the quality of life in our neighborhoods. The City’s Housing Section offers four (4) Housing Rehabilitation Programs to help low and moderate income households rehabilitate their homes. Low interest loans and a limited number of grants are available to help finance housing repairs for income eligible homeowners. The programs are as follows:

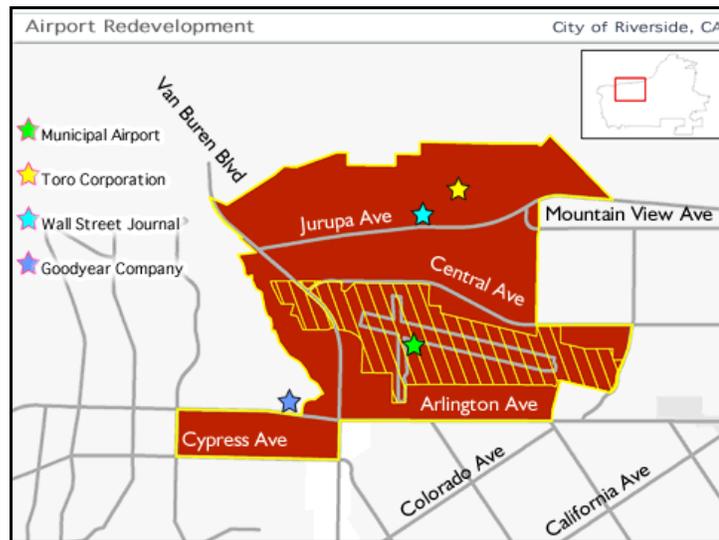
- **Rehabilitation Loans:** These loans provide up to \$40,000 for rehabilitation. They are available at 3% simple interest and are repayable over 20 years. A Deed of Trust is used to secure the loan (as a lien on the property).
- **Senior and Disability Grants:** Grants up to \$5,000 are available to seniors and persons with disabilities to make necessary housing repairs or modifications that allow disabled access.
- **Emergency Grant:** Grants of up to \$5,000 are available to correct emergency problems. An emergency problem is considered to be a situation which threatens the health and safety of the household residents.
- **Mobile Home Grant:** Grants of up to \$8,000 are available to mobile homeowners to make necessary repairs to address health and safety issues and code violations.
- **Rebuilding Together Riverside (RTR)** The City of Riverside has a partnership with Rebuilding Together Riverside (RTR), a non-profit organization dedicated to promoting affordable housing in Riverside and the surrounding communities. The mission of RTR-an affiliate of the national Rebuilding Together organization (formerly Christmas in April) is to utilize volunteer labor and donated materials to repair and rehabilitate the homes of low-income elderly and disabled persons so that they may continue to live in warmth, safety, and independence.

The City also operates an aggressive code enforcement program to ensure the health and safety of all residents.

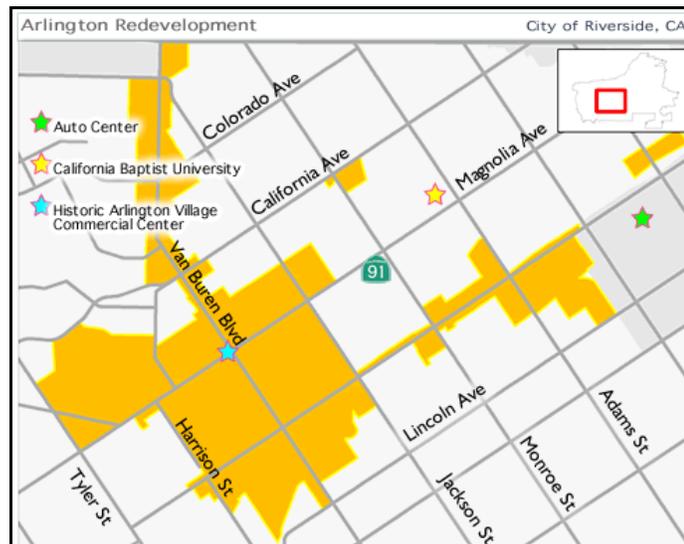
*Employment and Economic Development*

Certain areas of Riverside have historically suffered from blighting conditions which have resulted in a lack of economic investment, deteriorated infrastructure, poor neighborhoods and housing, and higher prevalence of social problems, including crime. These factors often impact the viability of local neighborhood businesses that can provide jobs approximate to the homes of low- and moderate-income residents. To address these concerns, the City has adopted nine (9) redevelopment project areas, described below, and shown in **Map 5** to address these conditions.

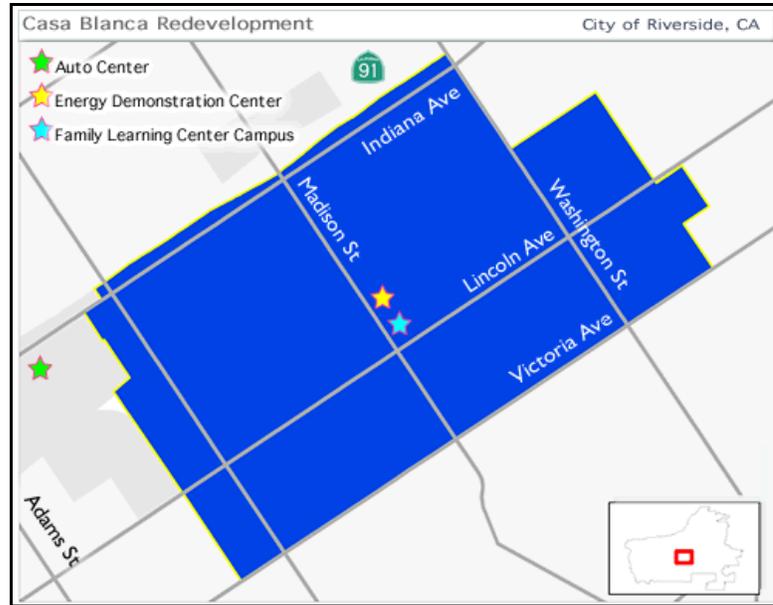
**Airport Project Area.** The Airport Project Area was established on December 1, 1976. It contains primarily industrial and commercial parcels with limited residential. Most notably, this project area includes the Riverside Municipal Airport.



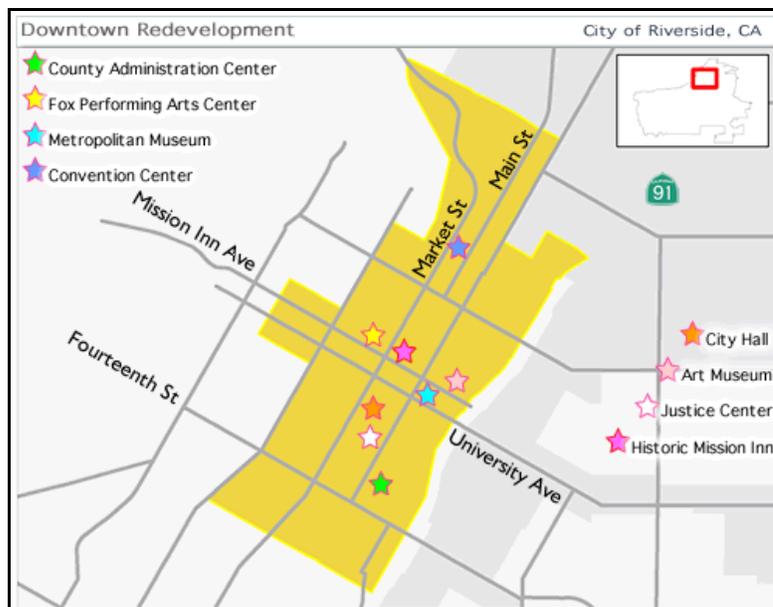
**Arlington Project Area.** The Arlington Project Area was established on November 28, 1978. It is primarily residential in nature but does contain some commercial property along State Highway 91, including a portion of the Riverside Auto Center.



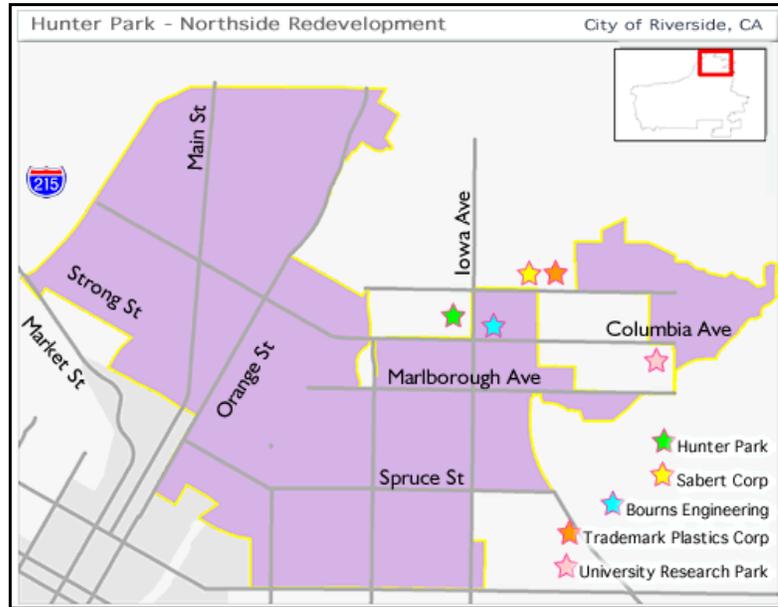
**Casa Blanca Project Area.** The Casa Blanca Project Area is comprised of primarily residential parcels with some industrial areas adjacent to State Highway 91. It includes a portion of the Riverside Auto Center, a major source of employment and economic activity in the City.



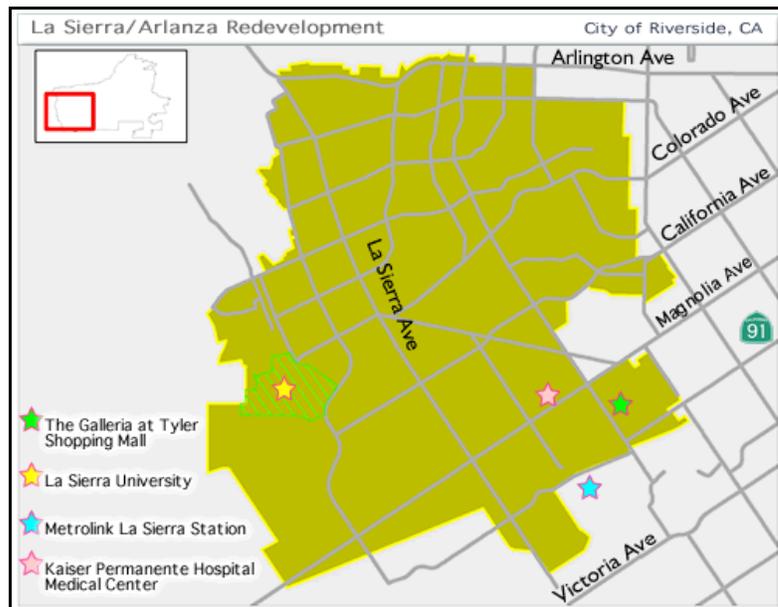
**Downtown Project Area.** The Downtown Project Area was adopted on November 16, 1971 and is the longest established existing project area. This area is comprised of primarily institutional, commercial, office and some industrial parcels adjacent to State Highways 60 and 91. The area features the historic downtown, landmark historic structures, the Mission Inn, Fox Theater Performing Arts Center, the Riverside Convention Center, City Hall, County Administrative and Justice Centers and the Riverside Community Hospital.



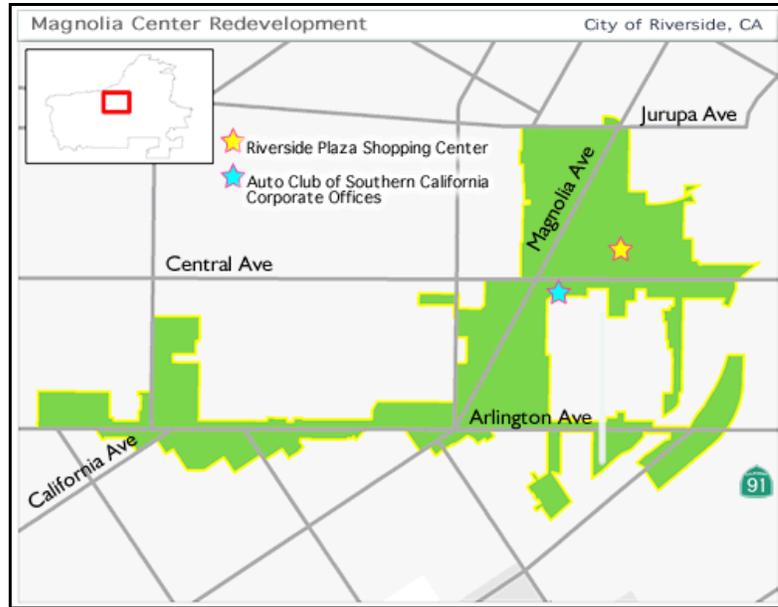
**Hunter Park / Northside Project Area.** The Hunter Park / Northside Project Area is comprised of primarily industrial parcels with some light office and commercial. It was adopted on June 24, 2003.



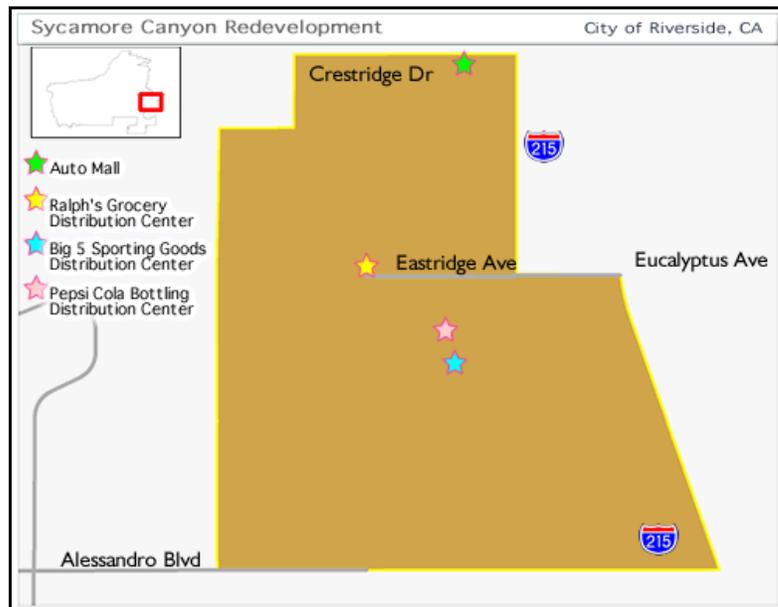
**La Sierra / Arlanza Project Area.** The La Sierra / Arlanza Project Area is primarily residential with some commercial and light industrial. It includes the Galleria at Tyler Shopping Mall, La Sierra University and Kaiser Permanente Hospital Medical Center. It was adopted on July 13, 2004 and contains 6,424 acres along State Highway 91.



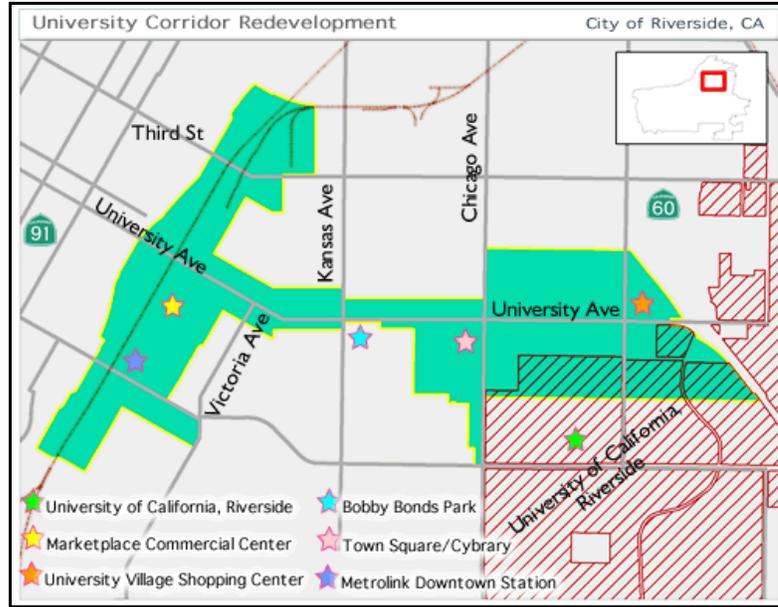
**Magnolia Center Project Area.** The Magnolia Center Project Area is the smallest project area in the City at just 475 acres. It was established on July 14, 1998. This area contains primarily commercial parcels with some residential parcels. It includes the Riverside plaza regional shopping center and is also home to the Auto Club of Southern California corporate offices.



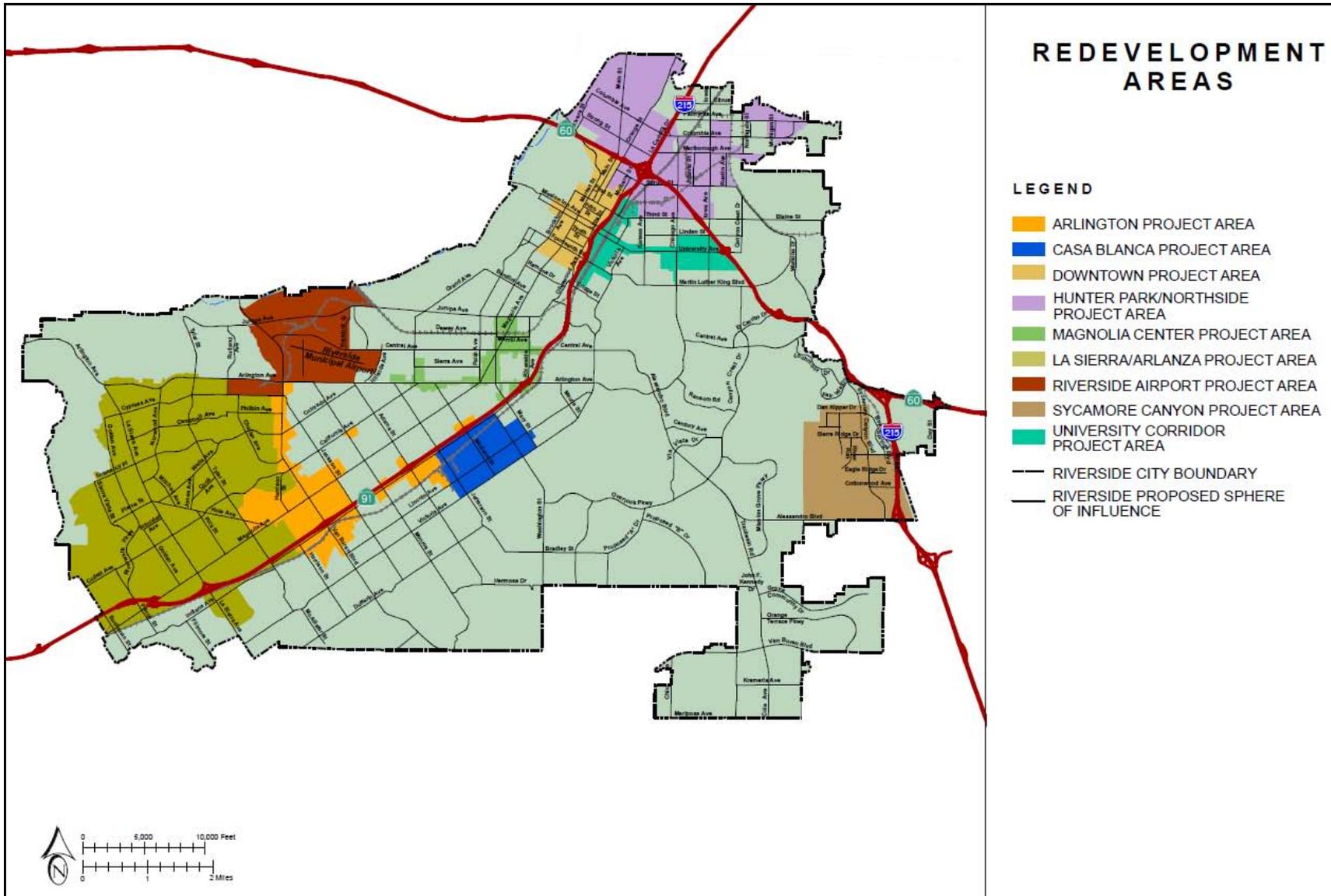
**Sycamore Canyon Project Area.** The Sycamore Canyon Project Area was established on December 20, 1983. It is primarily comprised of industrial and office parcels including the auto mall, Ralph's Grocery Distribution Center, Big 5 Sporting Goods Distribution Center, and Pepsi-Cola Bottling and Distribution Center.



**University Corridor Project Area.** The University Corridor Project Area was established on October 25, 1977. It is comprised of mixed residential, institutional, commercial and industrial parcels, making this project area the most diverse in terms of zoning. It is adjacent to State Routes 60 and 91 as well as Interstate 215. The area contains a portion of the University of California at Riverside.



Map 5: Redevelopment Project Areas



Source: City of Riverside Redevelopment Agency, 2009.

*Public Services and Facilities*

A variety of public services and facilities are available to Riverside residents. Some of the key facilities and services are identified in **Table IV-7**.

**Table IV-7  
Public Services and Facilities**

<b>Public Facility</b>	<b>Location</b>
Arlanza Community Center	7950 Philbin Avenue
Bryant Park	7950 Philbin Avenue
Cesar Chavez Community Center	2060 University Avenue
Bobby Bonds Park	2060 University Avenue
Dales Senior Center	3936 Chestnut Street
White Park	3936 Chestnut Street
Eric M. Solander Center	7801 Gramercy Place, Suite B
Joyce Jackson Community Center	5505 Dewey Avenue
Nichols Park	5505 Dewey Avenue
La Sierra Community Center	5215 La Sierra Avenue
La Sierra Park	5215 La Sierra Avenue
Orange Terrace Community Center	20010 Orange Terrace Parkway
Orange Terrace Park	20010 Orange Terrace Parkway
Renck Community Center	4015 Jackson Street
Hunt Park	4015 Jackson Street
Ruth Lewis Community Center	701 N. Orange Street
Reid Park	701 N. Orange Street
Stratton Community Center	2008 Martin Luther King Boulevard
Bordwill Park	2008 Martin Luther King Boulevard
Youth Opportunity Center	2060 University Avenue
Ysmael Villegas Community Center	3091 Esperanza Street
Villegas Park	3091 Esperanza Street
City Hall	3900 Main Street
Riverside Police Department	4102 Orange Street
Riverside Police Department – Field Operations	8181 Lincoln Avenue
Riverside Fire Department	3085 St.Lawrence Street

Source: City of Riverside, 2010.

*Housing—Employment—Transportation Linkage*

Public transit helps move people who cannot afford personal transportation or who elect not to drive. Elderly and disabled persons also rely on public transit to visit doctors, go shopping, or attend activities at community facilities. Many lower income persons are also dependent on transit to go to work. Public transit that provides a link between job opportunities, public services, and affordable housing helps to ensure that transit-dependent residents have adequate opportunity to access housing, services, and jobs.

**Local and Regional Services.** The Riverside Transit Agency (RTA) was established as a Joint Powers Agency on August 15, 1975 and began operating bus service on March 16, 1977. RTA is the Consolidated Transportation Service Agency for western Riverside County and is responsible for coordinating transit services throughout the approximate 2,500 square mile service area, providing driver training, assistance with grant applications and development of Short Range Transit Plans (SRTPs). RTA fully serves the City of Riverside.

RTA provides both local and regional services throughout the region with 38 fixed-routes, five CommuterLink routes, and Dial-A-Ride services using 231 vehicles. In the cities of Corona, Beaumont and Banning, RTA coordinates regional services with municipal transit systems. In Riverside, RTA coordinates with the city's Riverside Special Services, which provides ADA complementary service to RTA's fixed-route services.

RTA is governed by a board of directors comprised of 20 elected officials from 16 cities in western Riverside County and four members of the County Board of Supervisors. The member jurisdictions include the cities of Banning, Beaumont, Calimesa, Canyon Lake, Corona, Hemet, Lake Elsinore, Moreno Valley, Menifee, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar and the unincorporated areas of Riverside County Supervisorial Districts I, II, III and V.

Transit routes within Riverside are situated to provide service to the populated areas of the City. There are 20 fixed routes operating within the urbanized area of the City of Riverside (See **Table IV-8**). Most routes begin service by 6:00 a.m. and cease operation by 8:00 p.m.. All busses are equipped with lifts to carry wheelchairs and other mobility devices allowing people with a disability to board buses. Bicycle racks are also available for cyclists wishing to use the bus.

In compliance with ADA and Title VI of the Civil Rights Act, RTA offers the ADA Priority Dial-A-Ride Service to disabled people who are unable to use fixed- route bus service. The ADA program offers curb-to-curb service as a ride-share program. Service is provided in lift-equipped mini-buses and vans. ADA Priority Dial-A-Ride Service is available throughout the RTA service area within a 3/4 mile radius of an existing RTA fixed bus route. Service is available on the same days and at the same times as fixed-route buses.

Transit fares depend on the type of user and number of trips purchased. The standard full fare is \$1.50 for a one-way trip, with seniors and disabled persons eligible for a discounted rate of \$0.70. Children under 46 inches tall may ride RTA busses for \$0.25. A 7-day pass is available for \$16.00. A monthly pass is available for \$50, with a discount for senior/disabled persons (\$23), and a discount for youth grades 1-12 (\$35).

Metrolink is a premier regional rail system, including commuter and other passenger services, which links people to employment and activity centers. Services on the Riverside Line start at the Riverside-Downtown Station at 4066 Vine Street and run east-west to Pedley, East Ontario, Downtown Pomona, Industry, Montebello/Commerce and end at L.A. Union Station in Los Angeles. The Riverside Line to Los Angeles begins at 4:42 a.m. and ends at 7:25 p.m. Monday through Friday. The Riverside Line from Los Angeles to Riverside runs from 5:45 a.m. to 8:02 p.m. Monday through Friday.

Also departing from the Riverside-Downtown Station, the Inland Empire-Orange County Line runs east-southwest to La Sierra, N. Main – Corona, W. Corona, Anaheim Canyon, Orange, Santa Ana, Tustin, Irvine, Laguna Niguel/Mission Viejo, San Juan Capistrano and ends at Oceanside. The IEOC line runs from Riverside to Oceanside 4:52 a.m. to 8:26 p.m. Monday Through Friday. It runs from Oceanside to Riverside 4:43 a.m. to 7:51 p.m. Monday through Friday. Weekend services run from Riverside to Oceanside 8:55 a.m. to 6:45 p.m. Saturday and Sunday.

The 91 Line runs from Riverside – Downtown to La Sierra, N. Main – Corona, W. Corona, Fullerton, Buena Park, Norwalk/Santa Fe Springs, Commerce and ends at L.A. Union Station. The 91 Line to Los Angeles runs from 5:11 a.m. to 7:25 p.m. Monday through Friday. The 91 Line from Los Angeles to Riverside runs from 5:45 a.m. to 7:51 p.m. Monday through Friday.

Each line runs Monday through Friday. Saturday and Sunday service is available only on the Inland Empire-Orange County Line. Fare costs vary by distance but typically commuter routes do not exceed \$5.00 per day. Multi-day and monthly passes are available at reduced rates.

**Table IV-8  
RTA Bus Lines in Riverside**

Line	Description
RTA 1	UCR, Downtown Terminal and Marketplace Metrolink Station to Smith & 6th, W. Corona Metrolink
RTA 10	Big Springs & Watkins, RTA to Galleria at Tyler - Riverside
RTA 12	Stephens & Center to Pierce & Sterling - Riverside
RTA 13	Spruce & Atlanta to Galleria at Tyler - Riverside
RTA 14	Downtown Terminal to Pierce & Sterling - Riverside
RTA 15	Downtown Terminal to Galleria at Tyler - Riverside
RTA 16	Main & Russell, Marketplace Metrolink to Moreno Valley Mall
RTA 20	Magnolia Center, Social Security Office, RCR Med Cntr, MoVal Comm Hosp, RCC, MorenoValley
RTA 22	Downtown Terminal to Lake Elsinore Outlet Center
RTA 25	Downtown Terminal, Loma Linda Medical Center to VA Hospital
RTA 27	Galleria at Tyler to Florida & Lincoln, Hemet - Riverside/Perris/Sun City/Hemet
RTA 29	Downtown Terminal to Eastvale, Hamner & Limonite
RTA 49	Downtown Terminal to Country Village
RTA 51	UCR & Canyon Crest, Riverside
RTA 149	Downtown Terminal to Village at Orange - Riverside, Corona, Orange Co.
RTA 204	Riverside to Montclair Transcenter
RTA 208	Temecula, Murrieta, Sun City, Perris, Moreno Valley, Marketplace Metrolink, Downtown Riverside
RTA 210	Banning, Beaumont, Moreno Valley, Riverside, Marketplace Metrolink, Downtown Riverside
RTA 212	Hemet, San Jacinto, Perris to Downtown Terminal, Marketplace Metrolink
OCTA 794	La Sierra Metrolink, Canyon Community Church, South Coast Metro

Source: Riverside Transit Agency, 2009.

**Service Standards.** RTA has adopted service standards to ensure a high level of service and equitable distribution of services among the many communities served. Perhaps the most important indicator is route coverage. All areas having a minimum residential density of 3.5 dwelling units per acre or employment density of 10 jobs per acre, as measured over an area of 25 acres, should be provided with a

transit service that places 90% of residences and jobs within one-half mile of a bus stop. To provide adequate access to persons with disability, Dial-A-Ride service is available through the RTA service area within a 3/4 mile radius either side of an existing RTA fixed-route.

RTA Short-Range Transit Plan (2010-2012) indicates that the Downtown core of the City and the major arterial streets are well served. The Short Range Transit Plan also reports on a 2007 Title IV survey that was conducted to study the utilization of RTA services throughout its service area. The ridership survey reported the following data concerning persons who utilize RTA services:

*Ethnicity:*

41% Latino/Hispanic  
28% Caucasian/White  
24% African American/Black  
3% Asian  
4% Other

*Gender:*

54% Female  
46% Male

*Median Income:* \$14,750  
*Median Age:* 34.5

*Bus Fare Categories*

General: 69%  
Youth: 12%  
Disabled: 11%  
Senior: 8%

*Method of Fare Payment*

Cash: 52%  
31 Day Pass: 32%  
1 Day Pass: 11%  
7 Day Pass: 4%  
Metrolink Pass: 1%

*Number of Buses Used for Trip*

56% of those surveyed used one bus for their one-way trip, with the 44% remaining riders requiring a transfer, and an average of 1.6 transfers are necessary to access their end-of-trip destination.

*Frequency of Use per Week*

5 or more days: 58%  
3-4 days: 22%  
1-2 days: 11%  
Less than 1/week: 4%  
Less than 1/month: 3%  
First Time: 2%

*Mode of Access*

Over 80% of weekday riders walk to their first bus stop and to their end destination.

*Customer Origins and Destinations*

Over two-thirds of the riders surveyed indicated that their home was the place of origin for their trip; with the workplace as the second most common, at 28%.

Home-Work Trips: 42%

Home-Social Trips: 11%

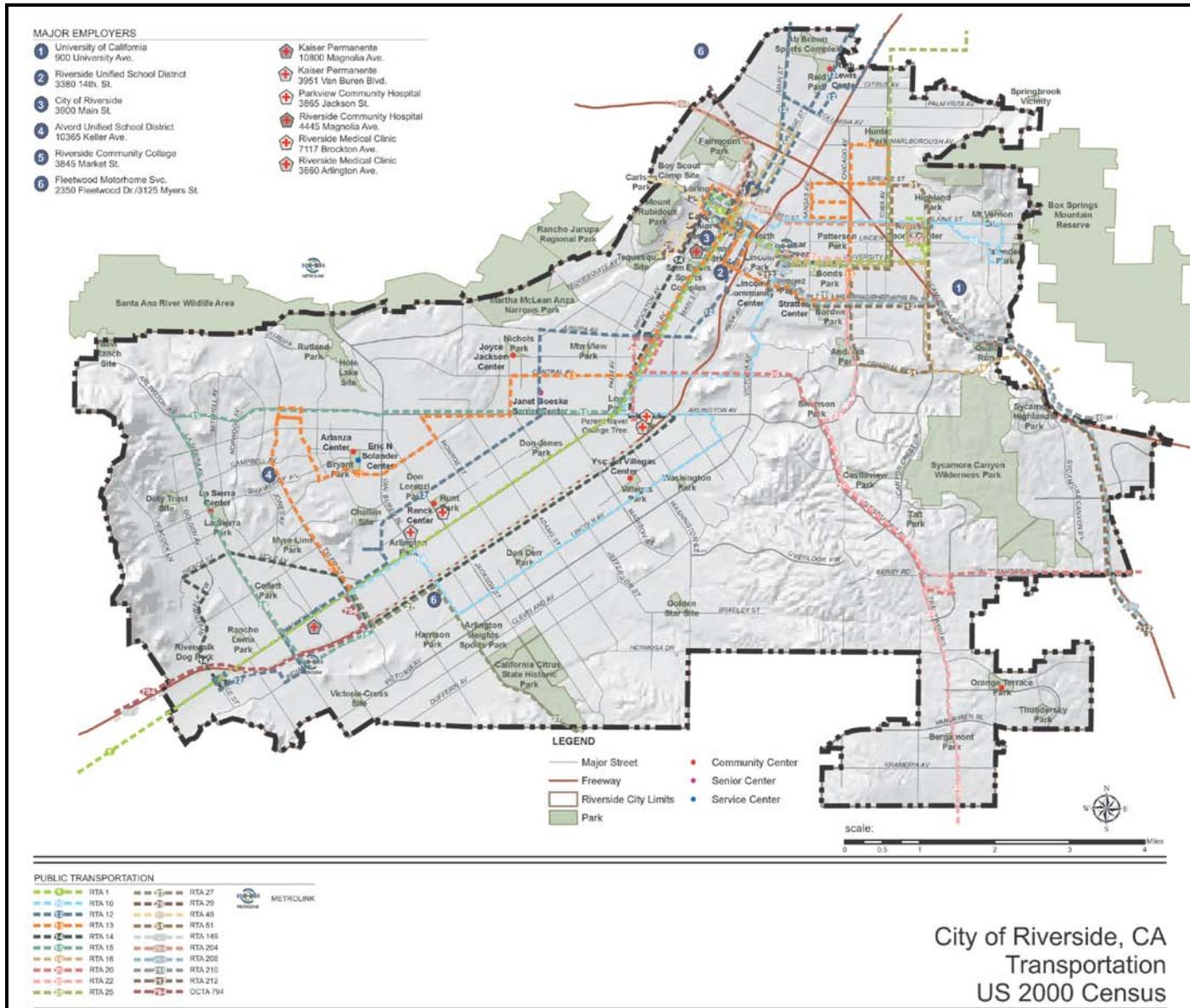
Home-Retail Trips: 9%

Home-School Trips: 8%

Home-Medical Trips: 6%

**Map 6** shows Public Facilities and Employers in relation to public transportation routes. All major job centers are located within 1/2 of a mile from a transit line. Additionally, all public facilities are located within approximately 1/2 mile of a transit line. Lastly, major transit lines serve areas with high concentrations of affordable rental housing developments and assisted housing, within approximately 1/2 mile.

Map 6: Transit Access to Public Facilities and Employers



## **V. Analysis of Current Fair Housing Activity**

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Fair housing services include investigation of discrimination complaints, auditing and testing, education, and outreach. Landlord/tenant counseling services involve informing landlords and tenants of their rights and responsibilities under fair housing law and other consumer protection legislations and mediating disputes between landlords and tenants. This section reviews the fair housing services available in Riverside, the nature and extent of fair housing complaints, and results of fair housing testing/audits.

The City of Riverside contracts with the Fair Housing Council of Riverside County (FHCRC) to provide fair housing related services. FHCRC is a private, non-profit and community based organization that focuses on housing-related issues, tenant/landlord complaints, community disputes, as well as fair housing and discrimination issues. FHCRC serves several jurisdictions in the County of Riverside.

## **A. Fair Housing Education**

### *Recent Fair Housing Accomplishments*

The City of Riverside contracts with FHCRC to provide fair housing services. FHCRC continuously develops and distributes written materials that describe the applicable laws that protect against housing discrimination and ways to prevent housing injustices. During FY 2006-2008, the FHCRC recorded the following accomplishments with respect to providing fair housing services. Specific accomplishments include the following:

**Property Owners / Purchasers.** FHCRC's First Time Homebuyer Workshops have more than doubled during the last fiscal year and FHCRC has conducted several trainings in the City of Riverside. FHCRC discovered that there was a common issue among many of the clients served in the Foreclosure Prevention Department. In many cases, homeowners experienced problems maintaining their mortgages due to their lack of awareness of the applicable laws. A number of homeowners were unaware of loan options, responsibilities of being a homeowner, scams, predatory lending, over extending themselves, etc. and as a result many are in danger of losing their homes. FHCRC is focused on educating prospective buyers to ensure future homeowners receive the information they so desperately need to survive homeownership and to help eliminate foreclosure issues in the future.

During the 2008/2009 Fiscal year there were a total of 697 participants who attended a First-Time Buyers workshop and 237 who attended were from the city of Riverside. There were a total of 15 classes conducted Countywide and 5 classes were conducted in the city of Riverside.

The foreclosure crisis has proven to be a problem for homeowners as well as renters throughout the County and has impacted certain areas considerably more than in others. The City of Riverside currently accounts for approximately 20% of the clients served by FHCRC's Loss Mitigation/Foreclosure Prevention department. During the 2008-2009 fiscal year FHCRC experienced a significant increase in calls for service from distressed homeowners who are facing foreclosure. FHCRC assisted 280 Riverside homeowners during the past fiscal year who were either at risk of foreclosure or in foreclosure. The number of clients served during 2008-2009 was six times greater than clients served during the 2007 – 2008 fiscal year (44 households) which was when the foreclosure crisis began.

**Lenders.** FHCRC is also working very closely with various banks and lenders concerning the foreclosure issues many homeowners are facing. Many of the large Mortgage Lenders/Banks have been working in partnership with FHCRC by participating in the Foreclosure Prevention Workshops conducted in the City of Riverside. FHCRC participated in seven of the Foreclosure Prevention Workshop held in the City of Riverside. These Workshops assist in educating, empowering and preparing homeowners with the tools needed to sustain homeownership. Additionally, FHCRC participated in the Bank of America Inland Empire Collaborative meetings that focus on the development of city resources through non-profit housing industry partnerships in addressing foreclosures and community

redevelopment. Through these meetings, the “Housing Opportunities Collaborative of the Inland Empire” (HOCIE) was formed. This Collaborative will work in partnership with Housing Counseling agencies, Lenders, HUD and Municipalities to schedule additional Workshops needed throughout the Inland Empire.

**Real Estate Agents.** FHCRC conducted a presentation to the Inland Valley Association of Realtor regarding FHCRC services and five Fair Housing Trainings were executed for housing providers which covered reasonable accommodations and modifications for persons with disabilities.

**Tenants.** Outreach activities were conducted citywide at local nonprofit organizations which assist low and moderate income residents. Network meetings and presentations were also conducted to address the current foreclosure crisis that has also impacted the renters in the city of Riverside. FHCRC staff attended nearly 20 different meetings throughout the 2008/2009 fiscal year to educate agencies/individuals on FHCRC’s services and to connect with agencies that may have clients that need FHCRC’s services.

**Landlords.** FHCRC trained 37 Housing Providers during the last fiscal year. Five trainings were completed during the 2008/2009 fiscal year with a focus on Disability issues due to the high number of cases received in the city of Riverside on this basis. Disability complaints accounted for 44% of the cases received during 2008/2009 and the majority of these cases were resolved through educating housing providers on reasonable accommodation or modifications and through conciliation. FHCRC is also involved in the Riverside Police Departments Crime-Free Housing training conducted monthly to educate housing providers.

Fair housing awareness is an essential part of furthering fair housing opportunities for all Riverside residents. Despite their presence, many residents, property owners, managers, and others involved in the housing industry are unaware of fair housing laws. This lack of awareness is attributable to ignorance on the part of residents, property owners, managers and others involved in the housing industry until a fair housing concern directly impacts them. As a proven leader in the field, FHCRC continues to find new ways to raise public awareness of fair housing.

## **B. Fair Housing Enforcement**

FHCRC is a complaint-driven agency that investigates fair housing complaints based on fair housing violations in the City of Riverside. Fair housing complaints are received through our internal Landlord Tenant Department, education and outreach, internet, referrals, and advertisements activities that take place in the City of Riverside.

FHCRC investigates State and Federal protected categories which include Race, Color, National Origin, Religion, Sex, Familial Status, Disability, Marital Status, Sexual Orientation, Ancestry, Age, Source of Income and Arbitrary Characteristics. The State of California has identified Marital Status, Sexual Orientation, Ancestry, Age, Source of Income and Arbitrary Characteristics as additional protected classes.

Once a Fair Housing complaint is received, FHCRC educates the complainant of their rights and responsibilities. The complainants are advised of possible further investigation depending on the complaint.

FHCRC uses government regulated testing methodologies to enforce, support, and conduct fair housing investigations. Based on the details provided by the complainant FHCRC will either investigate the complaint or advise the complainants of their other options, which include: conciliation, Housing and

Urban Development (HUD), Department of Fair Employment and Housing (DFEH), Attorney or Department of Justice (DOJ).

FHCRC handled a total of 222 discrimination complaints over a three-year period of FY 2006/07 to FY 2008/09. FHCRC also provided statistics regarding the number of people in households filing discrimination complaints. According to the 2006 American Community Survey, 47.5% of all residents identified themselves as Hispanic in terms of ethnicity. Whites comprised 37.7% of the population in terms of race, followed by some other race (8.3%).

Discriminatory treatment based on disability was the number one cause (37%), followed by Race/color/national origin together (30%), age (9%), familial status (17%) and sex/gender (8%).

**Table V-1  
FHCRC Discrimination Complaints**

Race/Ethnicity (Person)	Fiscal Year Statistics			
	2006	2007	2008	Total
<b>Discrimination Complaints</b>	41	73	108	222
<b>Basis of Discrimination</b>				
Race	11	22	24	57
Color	0	0	0	0
National Origin	3	4	3	10
Familial Status	5	2	10	17
Disability	10	25	48	83
Sex/Gender	3	5	9	17
Religion	1	1	0	2
Marital Status	2	2	2	6
Source of Income	2	2	1	5
Age	4	8	9	21
Arbitrary Discrimination	0	2	2	4
Sexual Orientation	0	0	0	0
* Some complaints may included more than one basis of discrimination				

Source: Fair Housing Council of Riverside County, 2009

The Department of Fair Employment and Housing (DFEH) is the State agency responsible for investigating housing discrimination complaints. The Department of Fair Employment and Housing's mission is to protect Californians from employment, housing and public accommodation discrimination, and hate violence. During the prior three years, DFEH received 21 cases from the City of Riverside that were successfully conciliated or otherwise closed.

In May 2003, DFEH announced a new program for mediating housing discrimination complaints in partnership with state fair housing enforcement agencies. The program provides tenants, landlords, property owners and managers through mediation in a free and timely manner. Mediation takes place within the first 30 days of filing of the complaint, often avoiding the financial and emotional costs resulting from a full DFEH investigation and potential litigation.

The Office of Fair Housing and Employment (OFHE) is the federal agency responsible for investigating housing discrimination complaints filed with HUD. HUD annually compiles data on housing discrimination complaints from OFHE and Federal Housing Assistance Programs (FHAP) which are state and local government agencies that enforce fair housing laws. The annual report identifies the types of complaints, any fair housing impediments, OFHE's progress in addressing the complaints, and HUD's efforts to promote equal housing choice.

The most recent OFHE report, *State of Fair Housing, FY 2008 Annual Report* found that “the share of complaints filed under each issue has remained relatively stable during the past 4 fiscal years, with a few notable exceptions.” The report states that “failure to make a reasonable accommodation” increased by 200 between 2005-2007 and increased by 300 nationwide from 2007-2008<sup>1</sup>. The second most common housing discriminatory complaint filed with the aforementioned agencies was discriminatory refusal to rent. The following table (**Table V-2**) illustrates the plethora of HUD and FHAP discrimination complaints from 2005 – 2008.

**Table V-2**  
**HUD and FHAP Discrimination Complaints, 2005-2008**

	Fiscal Year Statistics							
	FY 2005		FY 2006		FY 2007		FY 2008	
	No.	%	No.	%	No.	%	No.	%
<b>Basis of Discrimination</b>								
Race	3,472	38%	4,043	39%	3,750	37%	3,669	35%
Color	142	2%	154	1%	173	2%	262	2%
National Origin	1,225	13%	1,427	14%	1,299	13%	1,364	13%
Familial Status	1,414	15%	1,433	14%	1,441	14%	1,690	16%
Disability	3,766	41%	4,110	40%	4,410	43%	4,675	44%
Sex/Gender	961	10%	997	10%	1,008	10%	1,133	11%
Religion	218	2%	258	2%	268	3%	339	3%
Retaliation	452	5%	577	6%	588	6%	575	5%
<b>Number of Complaints Filed:</b>	<b>9,254</b>		<b>10,328</b>		<b>10,154</b>		<b>10,552</b>	

Source: The State of Fair Housing FY 2008 Annual Report

<http://www.hud.gov/content/releases/fy2008annual-rpt.pdf>

**Note:** Percentages do not total 100 percent because complaints may contain multiple bases. Percentages are rounded to the nearest percentage point.

The share of complaints filed under each basis has remained relatively stable during the period represented in the report. Discrimination complaints were higher in 2008 than in the prior three (3) years. Race continues to be the second most common basis of complaints filed with HUD and FHAP agencies. Familial status, the third most common basis of housing complaints, has steadily increased since 2005. Discrimination based on familial status covers acts of discrimination against parents or guardians of a child under the age of 18, the parent’s or guardian’s designee, and persons who are pregnant or in the process of obtaining legal custody of a child under the age of 18.

<sup>1</sup> *The State of Fair Housing FY 2008 Annual Report*, HUD Office of Housing and Equal Employment, page 7. <http://www.hud.gov/content/releases/fy2008annual-rpt.pdf>

**Table V-3**  
**FY 2005 – 2008 Issues in HUD & FHAP Complaints**

Complaint Issue	FY 2005		FY 2006		FY 2007		FY 2008	
	No.	%	No.	%	No.	%	No.	%
Refusal to Sell	371	4%	288	3%	234	2%	214	2%
Refusal to Rent	2,276	25%	2,634	26%	2,649	26%	2,697	26%
Discriminatory Terms, Conditions, Privileges, Services, & Facilities in the Rental or Sale of Property	5,240	57%	6,005	58%	5,922	58%	5,862	56%
Failure to Make a Reasonable Accommodation	1,665	18%	1,896	18%	2,094	21%	2,401	23%
Discriminatory Financing	523	6%	552	5%	411	4%	324	3%
Coercion, Intimidation, Threats, Interference, and Retaliation	1,192	13%	1,354	13%	1,477	15%	1,402	13%
Discriminatory Notices, Statements or Advertisements	640	7%	541	5%	593	6%	828	8%

Source: The State of Fair Housing FY 2008 Annual Report

**Note:** Percentages do not total 100 percent because complaints may contain multiple bases. Percentages are rounded to the nearest percentage point.

The most prevalent complaint issue filed with HUD and FHAP from 2005 – 2008 is discriminatory terms, conditions, privileges, services and facilities in the sale or rental of property. This category would include actions that illegally subject disparate treatment of one group but does not require the same of another group. For example, a landlord requires Hispanic applicants to undergo employment verification but not require the same of white applicants. Although complaints of this kind dropped off slightly in 2007 and in 2008 as compared to the previous two years, such complaints represented more than half (56%) of all complaints filed with HUD and FHAP in 2008 (see **Table V-3**).

The second most common complaint issue filed with HUD and FHAP agencies was discriminatory refusal to rent, also a prevalent complaint issue made to the local FHCRC. Discriminatory complaints alleging refusal to rent represented 26% of all complaints whereas refusal to sell represented only 2% of complaints. Housing discrimination based on failure to make a reasonable accommodation was the third most common complaint at 23% of all complaints filed with HUD and FHAP in 2008, followed by discrimination based on coercion, intimidation, threats, interference, and retaliation at 13%. The above discriminatory issues in rental housing are impediments to fair housing choice.

*Hate Crimes*

Hate crimes are violent acts against people, property, or organizations because of the group to which they belong or identify with. The Federal Fair Housing Act makes it illegal to threaten, harass, intimidate or act violently toward a person who has exercised their right to free housing choice. Some examples include threats made in person, writing or by telephone, vandalism of the home or property, or unsuccessful attempts at any of these. As illustrated in **Table V-3**, housing discriminatory complaints regarding coercion or intimidation, threats, interference, and retaliation filed with HUD and FHAP agencies, has remained steady at 13-15% for the last four fiscal years, suggesting that discrimination most closely associated with hate crimes may be on the rise in housing discrimination.

The HUD and FHAP findings are further substantiated in Riverside by crime reports to the Federal Bureau of Investigation (FBI). The FBI classifies hate crimes into one of five (5) primary bias motivation

categories, including: race, religion, sexual orientation, ethnicity or disability. **Table V-4** summarizes the hate crime incidents by bias motivation as reported by the FBI<sup>2</sup> for calendar years 2006-2008.

**Table V-4  
Hate Crime Incidents 2006 – 2008**

Calendar Year	Race	Religion	Sexual Orientation	Ethnicity	Disability	Total
2008	12	6	2	1	0	21
2007	16	0	2	2	0	20
2006	12	1	6	7	0	26
<b>TOTAL:</b>	<b>40</b>	<b>7</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>67</b>

Source: FBI Hate Crime Incidents By State and Agency, 2006-2008.  
[http://www.fbi.gov/ucr/hc2008/data/table\\_13.html](http://www.fbi.gov/ucr/hc2008/data/table_13.html)

There were a total of 67 hate crimes reported to the FBI during 2006-2008. The most prevalent hate crime bias motivation reported was race (60% of all cases). Sexual orientation and ethnicity each comprised 15% of the reports followed by religion with 10%. The steady occurrence of hate crimes within the community indicates that hate-motivated discrimination is an impediment to fair housing that must be addressed to the greatest extent feasible by the City of Riverside and its partner agencies over the next five-year period.

**C. Fair Housing Legal Status**

Between July 1, 2007 and June 30, 2009, no cases were filed in a court of competent jurisdiction by the FHCRC to enforce fair housing laws. FHCRC was successful in preventing the fair housing cases that were investigated on behalf of the City of Riverside during this time period; therefore, there is no litigation to report.

FHCRC received a total of 222 fair housing complaints in the City of Riverside between July 1, 2007 and June 30, 2009: 21 of the 222 complaints were strongly substantiated after investigation and testing by FHCRC. These 21 cases were forwarded to the California Department of Fair Housing and Employment for further investigation. According to DFHE, none of the 21 cases resulted in court action because they were either dropped by the complainant or successfully conciliated.

<sup>2</sup> FBI Hate Crime Incidents By State and Agency, 2006-2008. [http://www.fbi.gov/ucr/hc2008/data/table\\_13.html](http://www.fbi.gov/ucr/hc2008/data/table_13.html)

## **VI. Conclusions and Recommendations**

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Previous chapters of this A.I. study examined changes in Riverside during the last ten (10) years, analyzed public policies for impediments to fair housing, and documented fair housing opportunity in Riverside. Building upon the previous analysis, this chapter recommends actions to improve housing opportunity in Riverside. **Table VI-1** at the end of this chapter summarizes the recommendations to address the impediments to fair housing choice that have been identified, including an implementation schedule.

### **A. Impediments to Fair Housing Choice**

The 2002 City of Riverside Analysis of Impediments to Fair Housing Choice identified the following four (4) impediments that, based on this A.I., were not resolved:

1. **Discrimination in Housing Opportunities Against Protected Classes.** Despite the past efforts of the City and the FHCRC, discrimination against persons, or other actions which otherwise make unavailable or deny, the sale or rental of a dwelling to any person because of race, color, religion, sex, disability, familial status, sexual orientation, or national origin continues within Riverside. Specifically, FHCRC reported that from 2006-2008, discriminatory treatment based on disability was the most often cited (37%), followed by Race/color/national origin together (30%), age (9%), familial status (17%) and sex/gender (8%).
2. **Lack of Affordable Rental Housing Opportunities for Low-Income Families.** According to the City's Housing Element, there are 2,666 affordable rental housing units in Riverside. There are 1,302 affordable units for families and 1,364 affordable units for seniors. Based on this information, more than half of the affordable rental properties in Riverside are age-restricted for senior citizens.
3. **Lending Discrimination Based on Race.** Current HMDA data shows that Hispanics experience higher loan denial rates than Whites when purchasing a home. According to 2008 Home Mortgage Disclosure Act (HMDA) data, Hispanics applied for nearly the same number of home purchase loans in 2008; however, 68% of these loans were approved versus 78% of Whites. Further, middle and upper-income African American and Asian homebuyers had approval rates at least 10% below that of Whites.
4. **Lack of Awareness of Fair Housing Laws.** A general lack of knowledge of fair housing rights and responsibilities continues to exist. Increased fair housing complaint intake by FHCRC and interaction with housing providers and housing seekers during workshops demonstrates a lack of understanding of both Federal and State fair housing laws.

The following impediment was not previously identified or included in the 2002 A.I.:

5. **Discrimination against Persons with Disabilities.** An increase in disability complaints to FHCRC throughout Riverside and the region demonstrates a lack of understanding and sensitivity of the fair housing rights of the disabled by the housing industry. Disabled persons are experiencing difficulties when requesting reasonable accommodations or modifications. In particular, persons with cognitive disabilities experience significantly more problems with these accommodations and are experiencing discrimination in obtaining rental housing.

### **B. Recommendations to Address Impediments to Fair Housing Choice**

The recommendations included in **Table VI-1** on the following page outline the City's action plan to eliminate the five (5) impediments identified above. The recommendations include a designated agency or agencies that should be involved in the implementation of a particular recommendation, as well as a target date for completion or implementation.

**Table VI-1  
Fair Housing Plan Recommendations**

Impediments		Recommendations	Lead Agency	Timeframe
1.	Discrimination in Housing Opportunities Against Protected Classes	<p>To address discrimination in housing opportunities against protected classes, it is recommended that the City of Riverside continue to fund the Fair Housing Discrimination Complaint program through the Fair Housing Council of Riverside County (FHCRC). 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, continue funding the Landlord Tenant Mediation Program. 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 FHCRC 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>FHCRC 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 Development Department; FHCRC	Ongoing
2.	Lack of Affordable Housing Opportunities for Families	To address the lack of affordable rental housing opportunities for low-income families, it is recommended that the City's Development Department – Housing Section work with affordable housing developers to increase the number of affordable housing rental units for small and large families. This could be accomplished through new construction or rehabilitation of existing market rate units where in exchange, affordability covenants can be acquired.	City of Riverside Development Department	6/30/14
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 FHCRC 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 Development Department	6/30/11

4.	Lack of Awareness of Fair Housing Laws	<p>It is recommended that the Fair Housing Council of Riverside County (FHCRC) 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 FHCRC 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 Development Department; Fair Housing Council of Riverside County	Ongoing
5.	Discrimination Against Persons with Disabilities	<p>To address the increasing incidence of discrimination against persons with disabilities, it is recommended that FHCRC 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 funds to FHCRC specifically 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 Development Department; Fair Housing Council of Riverside County	6/30/11

## Appendix

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## Signature Page

I, Ronald O. Loveridge, Mayor of the City of Riverside, hereby certify that this Analysis of Impediments to Fair Housing Choice represents the City's conclusions about impediments to fair housing choice, as well as actions necessary to address any identified impediments.

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Ronald O. Loveridge  
Mayor

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Date