



Draft
**Analysis of Impediments
To Fair Housing Choice**

**Community and Economic
Development Department
CDBG & Grants Division**

March 9, 2020



City of Riverside
Analysis of Impediments to Fair Housing Choice
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Section I

Introduction

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Introduction
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A. INTRODUCTION

1. Format of the AI Report

The U.S. Department of Housing and Urban Development (HUD) has not issued regulations defining the scope of analysis and the format to be used by grantees when they prepare their *Analysis of Impediments to Fair Housing Choice* (AI). In 1996, HUD published a *Fair Housing Planning Guide* which includes a “Suggested AI Format.” Because this *Guide* is the only official guidance provided by HUD to grantees on how to prepare and organize an AI, Riverside’s AI conforms to the format suggested by HUD.

Section I Introduction: The Introduction presents the AI report format; Riverside’s regional setting, purpose of the report, fair housing definition and lead agency and funding.

Section II Fair Housing Action Plan: Section II describes the conclusions and recommendations resulting from the AI analysis. It identifies impediments to fair housing choice and the actions which will be implemented during the FY 2020-2021 to FY 2014-2025 time period. Actions to affirmatively further fair housing also are described in the *Fair Housing Action Plan*.

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

Section IV: City Background Data: HUD advises grantees to include in the AI “jurisdictional background data” on demographics, income, employment, housing and other relevant data. This information is presented in Section IV.

Section V Fair Housing Protected Groups: This Section includes data on the fair housing protected groups – race/color; sex; national origin; familial status; and handicap/disability.

Section VI Private Sector Impediments Analysis: Section VI presents an analysis of practices prohibited by the Federal Fair Housing Act (FHA) and the State’s Fair Employment and Housing Act (FEHA) and identifies those that pose impediments to fair housing choice. Impediments such as housing discrimination and discriminatory lending practices are described in Section VI

Section VII Public Sector Impediments Analysis: This Section presents information on the planning and zoning policies, practices and regulations that impact fair housing.

Section VIII Private/Public Sector Impediments Analysis: Section VIII describes potential and actual impediments that overlap the private and public sectors such as the location of affordable multifamily rental housing and gentrification.

2. Riverside’s Regional Setting

Founded in the early 1870s, Riverside is now the most populous city in the Inland Empire and the 12th most populous city in California. It is located approximately 60 miles from the City of Los Angeles. Although the community’s residents take pride in their City as a whole, there are 28 distinct neighborhoods and are the fundamental building blocks of the community. With only a few exceptions,

all of Riverside's neighborhoods include areas for living, working, education and cultural activities, and personal attachments to neighborhoods are very evident.

3. Purpose of the Report

The City of Riverside annually receives funds from the Federal Community Development Block Grant (CDBG) program and HOME Investments Partnerships Program (HOME). An Affirmatively Furthering Fair Housing (AFFH) certification is required of cities and counties that receive funds from these programs. The AFFH certification states that the grantee receiving HUD funds:

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

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

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

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

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

The time period of the AI is from FY 2020-2021 through FY 2024-2025. The AI time period is intended to remain aligned with the City's five-year Consolidated Plan.

4. Defining Fair Housing Choice

HUD defines fair housing as:

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

HUD draws an important distinction between household income, affordability and fair housing. Economic factors that impact housing choice are not fair housing issues per se. Only when the

relationship between household incomes combined with other factors - such as household type or race and ethnicity - create misconceptions and biases do they become a fair housing issue.

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

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

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

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

5. Lead Agency and Funding for the AI

The lead agency for preparation of the *AI and Fair Housing Action Plan* is the Community and Economic Development Department/CDBG & Grants Division

Valuable input to the AI was provided by the following:

- Community and Economic Development Department/Planning Division
- Fair Housing Council of Riverside County, Inc. (FHCRC)
- Inland Valleys Association of REALTORS (IVAR)
- California Department of Fair Employment and Housing (DFEH)
- California Tax Credit Allocation Committee (CTCAC)
- California Department of Housing and Community Development (HCD)
- U.S. Department of Housing and Urban Development – Fair Housing and Equal Opportunity (FHEO), San Francisco Regional Office

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

6. Public Consultation and Public Participation

During the development of the *AI*, several public consultation and public participation efforts were undertaken. Some of these efforts are described in the following two pages and others are highlighted in the other Sections of the *AI*.

a. Resident Fair Housing Survey

A Fair Housing Survey was posted on the FHCRC webpage in early February 2020. As of March 6, 2020, 22 householders had responded to the Survey, Two of the 22 respondents were homeless and 14 rented a room, an apartment, or home. Nine of the 22 respondents were of Hispanic or Latino origin.

Five of the 22 respondents indicated that they definitely had been or may have been the victims of housing discrimination. Familial status and age biases were cited as reasons for having been discriminated. Three of the five householders indicated that “my landlord/property manager” discriminated against me. Specific examples of discriminatory statements included “made several comments based on my children” and “suggested I move back home with parents because of her rental property is charging.” The latter statement may not be discriminatory.

Seven of the 22 respondents indicated they knew to whom to report housing discrimination. However, only three of the seven respondents mentioned the Fair Housing Council of Riverside County, Inc. The other four respondents mentioned the Police Department, State Department of Fair Employment and Housing, and Housing Rights Center. The answers reveal that more community awareness is needed of the services of the FHCRC, which is located in downtown Riverside.

b. Lender’s Roundtable, Mayor’s Conference Room, April 16, 2019

In April 2019, the FHCRC held a Lender’s Roundtable at the Mayor’s Conference Room. Seventeen participants responded to a survey that was distributed at the meeting. Some of the comments made by the participants included:

- Challenge of saving for a down payment
- Finding an affordable home in an Ok/nice neighborhood
- Frustration with having to continue life as a renter
- Income has not increased as much as the price of homes
- Lengthy commute is required in order to buy an affordable home – they are located away from jobs center which then requires a lengthy commute
- Housing shortage and lack of diversity in housing stock
- High rents
- Low income, not much savings
- Address local zoning
- Small houses for low income – idea
- Wages in CA

The Fair Housing Council of Riverside, Inc. did not conduct a Fair Housing Conference in April 2019.

c. Inland Fair Housing Mediation Board (IFHMB), Fair Housing Conference in April 2019

The IFHMB conducted a Fair Housing Conference in April 2019. Among the issues discussed at the Conference were:

- Survivors of domestic violence are currently not a protected class under the Fair Housing Act or FEHA, but an estimated 80% of the survivors are women. Policies based on gender stereotypes may violate the Fair Housing Act. For example, a policy of refusing to rent to

women survivors because of assumptions about victims of DV may violate federal or state fair housing laws.

- California laws have been enacted to prevent tenant evictions because tenants call for police or emergency assistance as or on behalf of a victim of abuse, victim of crime, or person in an emergency.
- The harmful effects of nuisance and Crime-Free Housing Ordinances on domestic violence survivors and persons with disabilities who seek help from the police or emergency services (e.g., calling 911).

B. PROGRESS REPORT ON THE 2015-2019 AI FAIR HOUSING ACTION PLAN

The City adopted a *Fair Housing Action Plan* for the period from FY 2015-2016 to FY 2019-2020. The Plan included actions to be implemented by the City and FHCRC. Table II-1 describes the progress made on implementing the recommended actions. Some actions were not implemented and are carried forward to the FY 2020-2021 to FY 2024-2025 period.

**Table I-1
City of Riverside
Progress Report
2015-2019 Fair Housing Action Plan**

Public Sector Actions	
Action	Implementation Progress
Disability Definition Amend the Zoning Code definition of disability to add a reference to the one included in the State Fair Employment and Housing Act.	The Zoning Code does not include a disability definition. The Reasonable Accommodation Procedure defines disability the same as federal law: Disability or handicap means physical or mental impairment that substantially limits one or more of a person's major life activities or a record of having such an impairment, but such term does not include current, illegal use of or an addiction to a controlled substance.
Licensed Residential Care Facilities Revise the Group Housing definition and standards to conform to the Lanterman-Petris Act, Community Care Facilities Act and Residential Care Facilities Act for the Elderly.	Accomplished. Group housing for 6 or fewer persons is permitted in all residential and mixed use zones. Because the group housing definition includes the phrase "but not limited," it encompasses the uses permitted by the three Acts cited in the left column.
Transitional and Supportive Housing Replace the definitions of transitional and supportive housing with the definitions which are included in Government Code Sections 65582(f) and 65582(h).	Not accomplished. Previously, definitions for "supportive housing," target population," and "transitional housing" were found in subdivision (b) of Section 50675.14, subdivision (3)(a) of Section 50675.14 and subdivision (h) of Section 50675.2 of the Health and Safety Code, respectively. In 2014, SB 745 deleted reference to these sections and included the definitions in Government Code Sections 65582 (f) and (g).
Implement the <i>Draft 2014-2021 Housing Element</i> action program "To process an amendment to the Zoning Code (Title 19) to permit supportive and transitional housing in all zones where residential is permitted pursuant to the requirements of SB 2.	Accomplished. Supportive and transitional housing are permitted in all residential and mixed use zones.
Reasonable Accommodation Procedure Promote and make the community aware of the Reasonable Accommodation Procedure by preparing a brochure and posting information on the webpage of the Community Development Department.	Not accomplished. This action will be carried forward to the 2020-2024 AI time period.

Table II-1-continued
City of Riverside
Progress Report
2015-2019 Fair Housing Action Plan

Public Sector Actions	
Action	Implementation Progress
Management of Affordable Housing Ensure that the management of affordable housing developments owned by the City's Housing Authority or financially assisted by the City is consistent with fair housing laws regarding: occupancy limits; reasonable modifications; reasonable accommodations; service animals; and companion animals.	Not accomplished. This action will be carried forward to the 2020-2024 AI time period.
Senior Housing Amend the Zoning Code to state that <i>affordable</i> senior housing is restricted to residents 62 years of age or older.	According to the Zoning Code <i>Senior housing</i> means a housing facility consisting of three or more dwelling units the occupancy of which is limited to persons 55 years of age or older. This action will be carried forward to the 2020-2024 AI time period.

Table II-1 continued
City of Riverside
Progress Report
2015-2019 Fair Housing Action Plan

Private Sector Actions	
Action	Implementation Progress
Housing Discrimination The City should: Continue to offer to its residents fair housing services which will include the processing of housing discrimination complaints and landlord/tenant counseling services.	Accomplished. 518 housing discrimination complaints were processed by the FHCRC during FY 2014-FY 2019. Almost 32,000 landlord/tenant calls were received by the FHCRC.
Implement the FHCRC recommendation that it (the City) continue to investigate discriminatory practices in the housing industry.	Accomplished during the preparation of the 2020-2024 AI.
Encourage the inclusion of housing for the disabled in new affordable housing developments.	Accomplished. Oasis Senior Villas, which received \$8.2 million in support from the state's No Place Like Home Program (NPLH), will consist of 108 units in the Eastside neighborhood benefitting low-income seniors, including people who are previously homeless and living with mental illness.
The FHCRC should: Seek to identify the reasons why the Hispanic population files complaints at a much lower proportion than they represent of the City's total population. Outreach efforts may be appropriate to increase the Hispanic community's awareness of fair housing.	A specific study was not completed. However, the FHCRC believes that the Hispanic householders are reluctant to file complaints because of cultural factors.
Consider cooperative efforts with the Community Access Center and Regional Center in order to enhance the disabled community's fair housing awareness.	Accomplished. Cooperative efforts were explored during the preparation of the 2020-2024 AI. The Fair Housing Action Plan describes the recommended actions.
Brokerage Services The FHCRC should: Prepare fair housing articles for publication on the IVAR webpage.	The FHCRC will prepare two informational articles for publication in FY 2019-2020. Inland Valleys REALTOR is the official publication of the Inland Valleys Association of REALTORS.
Participate in the meetings of IVAR's Fair Housing/Equal Opportunity Committee.	IVAR's Housing Committee meets monthly. The FHCRC will contact IVAR to discuss adding fair housing as a topic to discuss at one or more meetings to be held in FY 2019-2020.

**Table II-1-continued
City of Riverside
Progress Report
2015-2019 Fair Housing Action Plan**

Private Sector Actions-Continued	
Action	Implementation Progress
Offer to teach the 3-hour Fair Housing course that REALTORS and sales persons must complete when they renew their license every four years.	Accomplished. The FHCRC offers training to the Board of REALTORS. The FHCRC also is in the process of becoming certified by the California Bureau of Real Estate to teach the 3-hour Fair Housing course.
Steering The FHCRC should: Offer as part of its home buyer counseling services examples of how to detect “steering” during the home search process and how to detect “loan steering.”	Accomplished. “Steering” and “loan steering” are described by the FHCRC at the FTHB Workshops.
Provide information to renters attending workshops on how to detect steering behavior by resident property managers.	Accomplished. Among the topics discussed at the FTHB Workshops are a “Fair Housing Introduction” and “Renters Rights.”
Add a “steering” category to the categories of alleged housing discriminatory acts.	In FY 2019-2020, the FHCRC will add steering to the housing discrimination complaint categories.
Appraisal Practices The FHCRC should: Add “how to read an appraisal report” to its homebuyer counseling services in order to 1) inform borrowers of their right to request the appraisal report and 2) provide information on the contents of the report and how to detect possible discriminatory practices.	Accomplished. The topic of appraisals is discussed at the FTHB Workshops by a real estate representative and in the discussion of assessing mortgage preparedness.
Lending Practices The City should: Continue to support the efforts of the FHCRC to secure funding for outreach to minority communities through HUD’s Fair Housing Initiatives Program (FHIP).	Accomplished. City funds are used as leverage in the FHCRC application for the Fair Housing Initiatives Program. The FHCRC received a grant of \$300,000 for the period from July 1, 2019 to June 30, 2022.
The FHCRC should: Annually monitor the disparity between the loan denial rates of White, Non-Hispanic and Black borrowers. If the disparity continues, lenders should be contacted to resolve any outstanding issues.	Accomplished in 2019 during the preparation of the FY 2020-2024 AI.

**Table II-1-continued
City of Riverside
Progress Report
2015-2019 Fair Housing Action Plan**

Private Sector Actions-Continued	
Action	Implementation Progress
Continue to offer first-time home buyer seminars to explain to borrowers the need to lower debt-to-income ratios to a level acceptable to lenders.	Accomplished. The topic “Credit and Budgeting” is discussed by the FHCRC at the FTHB Workshops.
Conduct a roundtable discussion with lenders on the role that FHCRC could play to increase the loan approval rates of minority borrowers.	Accomplished in 2019. The FHCRC hosted a Lender’s Roundtable Discussion on April 26, 2019 at Riverside City Hall.
Homeowner’s Insurance The City should: Request that the FHCRC add “homeowners insurance” and “CLUE Reports” to its homebuyer counseling services.	Accomplished. The topic of “Home Insurance” is discussed by the FHCRC at the FTHB Workshops.
The FHCRC: Should provide educational services to homebuyers/borrowers so they understand the impact of CLUE Reports and can compare homeowner’s premium rates.	Accomplished. The topic of “Home Insurance” is discussed by the FHCRC at the FTHB Workshops.
Property Management Practices The FHCRC should: Contact, when funding becomes available, the apartment and mobile home park managers surveyed in March 2015 who demonstrated a lack of knowledge on fair housing obligations such as the appropriate occupancy standard and the need for written policies.	Not accomplished because funding was unavailable, This recommendation will be carried forward into the 2020-2024 AI time period.
Annually conduct, when funding becomes available, a survey of 10-15 apartment communities to identify possible violations of fair housing laws.	Not accomplished because funding was unavailable. This recommendation will be carried forward into the 2020-2024 AI time period.
Continue to offer workshops and seminars to property managers, focusing on policies and practices that impact in-place tenants.	The FHCRC will conduct a workshop for property managers in FY 2019-2020.
Discriminatory Advertising The FHCRC should: Support efforts to amend the Communications Decency Act to extend the Fair Housing Act’s ban on discriminatory housing advertisements to online advertising.	Accomplished. The FHCRC continues to support the amendment to the Communications Decency Act.
Annually review ads published in the Press Enterprise. Ads with discriminatory words or phrases should be investigated in more detail with follow-up enforcement actions, if necessary.	Accomplished in 2019 during the preparation of the FY 2020-2024 AI.

Table II-1 continued
City of Riverside
Progress Report
2015-2019 Fair Housing Action Plan

Private Sector Actions-Continued	
Action	Implementation Progress
Hate Crimes The Human Relations Commission, or other appropriate City entity, should prepare a directory of hate victim support services for use by the Police Department.	Not accomplished. This action will not be carried forward into the 2020-2024 AI period because the number of hate crime events has significantly decreased since 2014. Annually, the Community Development Department will monitor if there is an increased in hate crimes based on the California Attorney General's Hate Crime Reports.
The Community Services Bureau should continue to include hate crimes as a topic in the Community Outreach Lecture Series.	Accomplished. The Community Services Bureau served as a resource for residents and provided educational information regarding criminal awareness and crime prevention.



Section II

Fair Housing Action Plan

Section II
Fair Housing Action Plan
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A. INTRODUCTION

HUD's *Fair Housing Planning Guide* states:

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

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

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

Therefore, the *Fair Housing Action Plan* (FHAP) describes the actions to overcome the impediments identified through completion of the *Analysis of Impediments to Fair Housing Choice* (AI).

B. FAIR HOUSING ACTION PLAN

Potential and actual impediments to fair housing choice are described in -

- Section VI – Private Sector Impediments Analysis
- Section VII – Public Sector Impediments Analysis
- Section VIII - Private/Public Sector Impediments Analysis

Based on a detailed analysis and HUD guidelines, each of the above sections presents conclusions regarding whether an impediment exists and, if so, recommends actions to remove or mitigate the identified impediments to fair housing choice. In some instances, even though an impediment was not found to exist, the City or Fair Housing Council of Riverside County, Inc. will undertake actions to affirmatively further fair housing (AFFH). Actions to AFFH mean actions which contribute to eliminating housing discrimination and segregation; foster inclusive neighborhoods; provide housing for disabled persons, a protected class; and otherwise create positive impacts and change by promoting fair housing.

Table II-1 provides a brief summary of the conclusions reached and recommended actions regarding the following impediments:

Private Sector

- Housing Discrimination
- Steering
- Lending Practices
- Property Management Practices

Public Sector

- Land Use and Zoning

Table II-2 provides a brief summary of the conclusions made and the actions that can be taken by the City or FHCRC to affirmatively further fair housing in the following areas:

Private Sector

- Population Diversity
- Brokerage Services
- Appraisal Practices
- Lending Practices
- Homeowners Insurance
- Hate Crimes

Public Sector

- Residential Land Use
- Assessment of Fair Housing

Private/Public Sector

- Housing in Opportunity Neighborhoods
- Demographics of Publicly Supported Housing

Table II-1
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Remove/Mitigate Fair Housing Impediments

Private Sector	
Housing Discrimination	Actions to Remove/Mitigate Impediments
Housing discrimination, particularly on the basis of disability, race, and familial status, is an impediment to fair housing choice. Based on past trends, at least 40 housing discrimination complaints may be filed by Riverside residents with HUD during the five year period between FY 2020-2021 and FY 2024-2025. During the same period, it is estimated that at least 500 housing discrimination complaints may be filed with the FHCRC.	<ul style="list-style-type: none"> ▪ During the five-year period from FY 2020-2021 through FY 2024-2025, the City will have the FHCRC provide fair housing services which will include the processing of housing discrimination complaints and landlord/tenant counseling services. Often a landlord/tenant issue has as its basis a housing discrimination concern. ▪ In FY 2020-2021, the FHCRC will develop in cooperation with the Community Access Center and Inland Regional Center actions to address the fair housing concerns of disabled persons.
Steering	Actions to Remove/Mitigate Impediments
Although steering cannot be precisely quantified, there is evidence that it exists and, therefore, it does create an impediment to fair housing choice.	<ul style="list-style-type: none"> ▪ During the five-year period from FY 2020-2021 through FY 2024-2025, the FHCRC will provide at the first time homebuyer workshops 1) examples of how to detect “steering” when using the internet to conduct a home search process and 2) examples of how to detect loan steering. ▪ During the five-year period from FY 2020-2021 through FY 2024-2025, the FHCRC will provide information on how to detect steering behavior by resident property managers to renters attending workshops and Town Hall meetings. ▪ In FY 2020-2021, the FHCRC will add a “steering” category to the categories of alleged housing discriminatory acts.

Table II-1 continued
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Remove/Mitigate Fair Housing Impediments

Private Sector Continued	
Lending Practices	Actions to Remove/Mitigate Impediments
<p>The City's goal is to improve the loan approval rates of all racial and ethnic populations that want to buy a home located in Riverside. Excessive debt to income ratios impede fair housing choice because borrowers cannot qualify to buy a home in a neighborhood they like. Many of these borrowers should not apply for a loan until after they have their debts under control.</p> <p>Evidence of a potential fair housing impediment is the fact that in 2018 a low percentage of Black borrowers applied for a loan to buy a home in Riverside. Additionally, black borrowers experienced above average loan denial rates.</p>	<ul style="list-style-type: none"> ▪ During the five-year period from FY 2020-2021 through FY 2024-2025, the FHCRC will provide at first-time home buyer workshops information on debt-to-income ratios that are acceptable to lenders. Implementation of this recommended action should result in better prepared borrowers and cause an increase in loan approval rates of all loan applicants, regardless of race or ethnicity. ▪ The FHCRC will annually monitor the disparity in loan denial rates between White, Non-Hispanic and Black borrowers. If the disparity continues, the FHCRC will contact lenders to determine the causes of the loan denial disparities. The FHCRC also will conduct outreach to the Inland Valleys Association of REALTORS (IVAR) and Black REALTORS to craft initiatives to improve Black homeownership and reduce loan denial rates.
Property Management Practices	Actions to Remove/Mitigate Impediments
<p>The housing discrimination complaints filed with HUD's San Francisco Office demonstrate that discriminatory property management practices exist in Riverside and, therefore, constitute an impediment to fair housing choice.</p>	<ul style="list-style-type: none"> ▪ In FY 2020-2021, the FHCRC will explore the potential to create Riverside City Apartment Association. ▪ In FY 2020-2021, the FHCRC will conduct a survey of 10-15 on-site property managers or property management companies to determine their familiarity with fair housing laws and requirements. ▪ In FY 2021-2022, the FHCRC will prepare model written property management policies that it will transmit to property management firms.

Table II-1 continued
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Remove/Mitigate Fair Housing Impediments

Public Sector	
Land Use and Zoning	Actions to Remove/Mitigate Impediments
Actions recommended in the 2014-2019 AI have not been implemented	<p>The following actions will be carried forward to the FY 2020/21-FY 2024/2025 AI time period:</p> <ul style="list-style-type: none"> ▪ Define transitional and supportive housing by referencing the definitions in Government Code Sections 65582(f) and (g). ▪ Prepare a brochure and additional information promoting the Reasonable Accommodation Procedure. ▪ Conduct a survey of multifamily housing developments owned by the City's Housing Authority or financially assisted by the City to ensure management policies and practices affirmatively further fair housing. ▪ Amend the Zoning Code to define <i>affordable</i> senior housing as being restricted to residents 62 years of age or older. <p>The Zoning Code also needs to be amended to address the requirements of laws enacted in 2018. AB 2162 requires supportive housing to be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development meets specified criteria, and requires a local government to approve, within specified periods, a supportive housing development that complies with these requirements.</p>

Table II-2
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Affirmatively Further Fair Housing

Private Sector	
Population Diversity	Actions to AFFH
Although the City as whole has a low segregation level, there are neighborhoods with concentrations of minority populations. Some of these neighborhoods also experience poverty rates considerably higher than the citywide average. The issues of population diversity, residential integration/segregation, and access to opportunity will be explored in greater detail during the preparation of the <i>Assessment to Fair Housing</i> (AFH) section of the <i>2021-2029 Housing Element</i> .	<p>In FY 2020-2021, the City will evaluate the contribution that the following actions could make toward reducing minority population concentrations and poverty:</p> <ul style="list-style-type: none"> ▪ Place-based strategies in the neighborhoods with minority population concentrations and high poverty rates. ▪ Development of affordable family apartment housing in high opportunity neighborhoods ▪ Development of market rate housing in neighborhoods with minority population concentrations.
Brokerage Services	Actions to AFFH
Based on the available information it was determined that membership of minority populations in real estate organizations is not impeded by laws, rules, or policies.	<p>Although no impediment was found to exist, to affirmatively further fair housing -</p> <ul style="list-style-type: none"> ▪ In FY 2020-2021 to FY 2024-2025, the FHCRC will - <ul style="list-style-type: none"> ✓ Participate in the meetings of IVAR's Housing Committee. ✓ Offer to teach the 3-hour Fair Housing course that REALTORS and sales persons must complete when they renew their license every four years.
Appraisal Practices	Actions to AFFH
Complaints regarding discriminatory appraisal practices are not routinely collected by local, State or Federal agencies. Data are unavailable to demonstrate if discriminatory appraisal practices adversely impact some of Riverside real estate transactions.	<p>Although no impediment was found to exist, to affirmatively further fair housing –</p> <ul style="list-style-type: none"> ▪ In FY 2020-2021 to FY 2024-2025, the FHCRC will describe the appraisal process and the contents of an appraisal report at the First Time Homebuyer workshops.

Table II-2 continued
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Affirmatively Further Fair Housing

Private Sector Continued	
Lending Practices	Actions to AFFH
In 2018, Hispanic purchased homes in resource-rich neighborhoods to a far less degree than Non-Hispanic White buyers. The factors impeding Hispanics to buy homes in resource-rich neighborhoods are probably manifold.	<p>To affirmatively further fair housing –</p> <ul style="list-style-type: none"> In FY 2020-2021 to FY 2024-2025, the FHCRC will describe how to use the internet in the neighborhood-home search process and how to identify the neighborhood types at the First Time Homebuyer workshops. Annually, the City will support the efforts of the FHCRC to secure funding for outreach to minority communities through HUD's Fair Housing Initiatives Program (FHIP).
Homeowners Insurance	Actions to AFFH
Data are unavailable that demonstrates if the availability and cost of homeowners insurance are impediments to fair housing choice.	<p>To affirmatively further fair housing -</p> <ul style="list-style-type: none"> In FY 2020-2021 to FY 2024-2025, the FHCRC will describe "CLUE Reports" as part of its discussion on homeowners insurance at the FTHB workshops.
Hate Crimes	Actions to AFFH
The number of hate crimes occurring at residences has declined dramatically to two a year. Therefore, an impediment to fair housing choice does not exist at this time.	In FY 2020-2021 to FY 2024-2025, the City staff will review the California Department of Justice annual hate crime reports to ascertain if an action must be taken because of an increase in hate crime events. If an action is needed, it will be included in the Consolidated Plan Annual Action Plan.

Table II-2 continued
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Affirmatively Further Fair Housing

Public Sector	
Residential Land Use	Actions to AFFH
<p>Because the City provides for a variety of housing opportunities for disabled persons, no impediments were found to exist regarding the City's planning and zoning policies, practices, and regulations.</p> <p>The competition for low income housing tax credits is keen. Family projects proposed on sites located in census tracts designated as Highest Resource and High Resource are awarded site amenity and bonus points.</p>	<p>To affirmatively further fair housing, the City will continue to implement the following policies which are included in the adopted <i>2014-2021 Housing Element</i>:</p> <p>Housing for People with Disabilities. Increase the supply of permanent, affordable, and accessible housing suited to the needs of persons with disabilities; provide assistance to persons with disabilities to maintain and improve their homes.</p> <p>Supportive Services. Continue to fund the provision of supportive services for persons with special needs to further the greatest level of independence and equal housing opportunities.</p> <p>To affirmatively further fair housing, the City will conduct a robust sites inventory to identify sites in the Highest and High Resource Neighborhoods that are already zoned or suitable to be rezoned to a multifamily zoning designation.</p>
Assessment of Fair Housing	Actions to AFFH
<p>The Housing Element Update which will cover the 2021-2029 period will need to include an Assessment of Fair Housing (AFH). State guidelines describing what must be contained in AFH have not been released. However, an analysis may be required of a broad range of potential public sector impediments.</p>	<p>Pursuant to State law and to affirmatively further fair housing, the City will prepare an <i>Assessment of Fair Housing</i> by October 2021.</p>

Table II-2 continued
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Affirmatively Further Fair Housing

Private/Public Sector	
Housing in Opportunity Neighborhoods	Actions to AFFH
<p>The City is required to update its Housing Element by October 2021 to cover the period from October 2021 to October 2029. An important component of the updated Housing Element Update is the identification of sites that can accommodate the housing needs of lower income families, including sites for multifamily housing developments.</p> <p>The very high lower income housing need (8,000 + housing units) allocated by SCAG to the City means it probably will be impossible to accommodate all the housing need on vacant multifamily housing sites in resource- neighborhoods. Sites in moderate and low resource neighborhoods will need to be identified as well. Therefore, the City will need to implement placed-based betterment strategies in these latter neighborhoods, strategies that will reduce poverty, enhance educational achievement, reduce unemployment and address other neighborhood needs.</p>	<p>In FY 2020-2021, the City during the process of updating the Housing Element, will take the following actions to affirmatively further fair housing –</p> <ul style="list-style-type: none"> ▪ Identify vacant and non-vacant sites located in the highest and high resource neighborhoods. ▪ Re-zone the most appropriate and suitable sites located in highest and high resource neighborhoods to accommodate multifamily housing developments. ▪ Pursue place-based betterment strategies in the moderate and low resource neighborhoods.

Table II-2 continued
City of Riverside
Fair Housing Action Plan: FY 2020-2021 to FY 2024-2025
Actions to Affirmatively Further Fair Housing

Private/Public Sector Continued	
Demographics of Publicly Supported Housing	Actions to AFFH
<p>The demographics of individual developments have evolved since the projects were built and may change in the future when turnover occurs. Vacant units probably occur infrequently, however. For example, Victoria Heights is the only LIHTC development that advertises for rent units in the Press Enterprise.</p> <p>With respect to the occupancy of all LIHTC developments, the Black population occupies this affordable housing in a proportion greater than they represent of the City's population.</p> <p>One of the objectives of the HOME Program and other federal housing programs is to promote fair housing by ensuring outreach to all potential eligible households, especially those least likely to apply for housing assistance. Affirmative marketing consists of actions to provide information and otherwise attract eligible persons to available housing without regard to race, color, national origin, sex, religion, familial status or disability.</p>	<p>To affirmatively further fair housing –</p> <ul style="list-style-type: none"> ▪ In FY 2020-2021, the FHCRC work with the on-site property managers of LIHTC rental housing developments to develop and adopt affirmative marketing procedures.



Section III

Fair Housing Legal Status

**Section III
Fair Housing Legal Status
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A. INTRODUCTION

HUD's 1996 *Fair Housing Planning Guide* advises grantees to include information in the AI about:

- The number and types of complaints that have been filed alleging housing discrimination
- Complaints in which the Secretary of HUD has issued a charge of discrimination
- Suits that have been filed by the Department of Justice or private plaintiffs
- The reasons for any trends or patterns
- Discussion of other fair housing concerns

B. FAIR HOUSING COMPLAINTS

Housing discrimination complaints can be filed directly with HUD. In California the housing discrimination complaints are processed by HUD's San Francisco Office of Fair Housing and Equal Opportunity (FHEO). Riverside residents may also file complaints with the State Department of Fair Employment and Housing (DFEH), and the Fair Housing Council of Riverside, Inc. (FHCRC).

Housing discrimination complaint data was compiled by the FHCRC for the period from FY 2014/2015 through FY 2018/2019. During this five-year period, 518 housing discrimination complaints were filed with the FHCRC by Riverside residents. An annual average of 103 complaints was filed during the five-year period. Table III-1 shows that about three-fourths of the complaints are made on the basis of disability (61.2%) and race/color (13.9%).

Table III-1
City of Riverside
Housing Discrimination Complaints by Protected Class
FY 2014-2015 to FY 2018-2019
(Filed with Fair Housing Council of Riverside County, Inc.)

Protected Class	Number of Cases	Percentage Distribution
Disability	317	61.2%
Race	72	13.9%
Family	41	7.9%
Arbitrary	5	0.9%
Source of income	10	2.0%
Age	14	2.7%
Sex/Gender	17	3.3%
National Origin	30	5.8%
Sexual Orientation	3	0.6%
Marital Status	5	0.9%
Religion	3	0.6%
Color	1	0.2%
Total	518	100.0%

Source: Housing discrimination complaint records of the Fair Housing Council of Riverside County, Inc.

C. SECRETARY-INITIATED COMPLAINTS

According to HUD, a Secretary-initiated complaint is filed when it has evidence that a discriminatory housing practice has occurred or is about to occur. HUD also may file a Secretary-initiated complaint when it has received an individual complaint, but believes there may be additional victims of the discriminatory act or wants to obtain broader relief in the public interest.

In 2018, there were eight Secretary-initiated complaints open or pending, down from 11 in 2017, 16 in 2016, and 33 in 2015. In five of these cases, disability was the protected basis of discrimination. It appears there was only one new case in 2018 and the others were carried over from prior years.

Source: National Fair Housing Alliance, *Defending Against Unprecedented Attacks on Fair Housing: 2019 Fair Housing Trends Report*, page 20

None of the Secretary-initiated complaints have involved the City of Riverside or local property owners, apartment managers and other private or public entities.

D. COMPLAINTS FILED AGAINST RECIPIENTS OF HUD FUNDS

HUD investigates discrimination complaints against recipients of HUD funds to determine whether the recipient violated civil rights laws or civil-rights related program requirements. At the conclusion of the investigation, HUD issues written findings of violations of civil rights laws or program requirements based on its investigation.

Table III-2 shows the numbers of complaints received in FY 2016 and FY 2017 that alleged discrimination or noncompliance by a recipient of HUD funds and the civil rights law that was allegedly violated. HUD has not published the data for FY 2018 and FY 2019. None of the 2016 and 2017 filed complaints involved the City of Riverside, which receives CDBG, HOME and HOPWA funds.

Table III-2
Complaints against Recipients of HUD Funds, FY 2016 and FY 2017

Legal Basis for Complaint	Number of Complaints Filed		Number of Investigations Closed	
	2016	2017	2016	2017
Section 504	352	370	462	384
Title VI	163	155	202	181
Title II of ADA	84	118	170	110
Section 109	17	20	49	27
Age Discrimination Act	0	1	3	2
Section 3	2	2	2	3
AFFH	0	1	0	0
Total	618	667	888	707

Source: Office of Fair Housing and Equal Opportunity, *Annual Report to Congress FY 2016*, January 2017 and *Annual Report to Congress FY 2017*, January 2018

The legal bases for the complaints are defined below:

- Section 504, Rehabilitation Act of 1974 prohibits discrimination against people with disabilities in programs that receive federal financial assistance.
- Title VI of the Civil Rights Act of 1964 protects people from discrimination based on race, color, or national origin in programs or activities that receive federal financial assistance.
- Title II extends the prohibition of discrimination established in Section 504 of the Rehabilitation Act of 1973, as amended, to all activities of State and local governments regardless of whether these entities receive federal financial assistance.
- Section 109 prohibits discrimination in programs and activities receiving assistance under Title I of the Housing and Community Development Act of 1974.
- The Age Discrimination Act of 1975 prohibits discrimination on the basis of age in programs and activities receiving federal financial assistance. The Act applies to all ages.
- The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide training, employment, contracting and other economic opportunities to low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very-low income persons.

E. COMPLIANCE REVIEWS OF RECIPIENTS OF HUD FUNDS

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

Table III-3 shows the number of compliance reviews that HUD initiated in FY 2016 and FY 2017 and the civil rights law under which they were conducted. In 2016 and 2017, HUD initiated 51 compliance reviews and closed 71 compliance reviews, respectively. HUD has not published the data for FY 2018 and FY 2019.

Table III-3
Compliance Reviews of Recipients of HUD Funds, FY 2016 and FY 2017

Legal Basis for Complaint	Number of Compliance Reviews Initiated		Number of Compliance Reviews Closed	
	2016	2017	2016	2017
Section 504	2	5	16	19
Title VI	3	9	13	24
Title II of ADA	1	3	5	4
Section 109	0	1	8	3
Section 3	1	1	1	1
AFFH	1	1	0	0
Total	8	20	43	51

Source: Office of Fair Housing and Equal Opportunity, *Annual Report to Congress FY 2016*, January 2017 and *Annual Report to Congress FY 2017*, January 2018

F. FAIR HOUSING DISCRIMINATION SUITS FILED BY THE FEDERAL DEPARTMENT OF JUSTICE OR PRIVATE PLAINTIFFS AND THE CALIFORNIA DEPARTMENT OF FAIR EMPLOYMENT AND HOUSING

The Housing and Civil Enforcement Section of the Civil Rights Division of the federal Department of Justice (DOJ) is responsible for enforcement of the Fair Housing Act (FHA), along with the Equal Credit Opportunity Act, the Service members Civil Relief Act (SCRA), the land use provisions of the Religious Land Use and Institutionalized Persons Act (RLUIPA) and Title II of the Civil Rights Act of 1964, which prohibits discrimination in public accommodations.

Under the Fair Housing Act, the DOJ may bring lawsuits where it has reason to believe that a person or entity is engaged in a "pattern or practice" of discrimination or where a denial of rights to a group of persons raises an issue of general public importance.

The DOJ also brings cases where a housing discrimination complaint has been investigated by HUD and HUD has issued a charge of discrimination, and one of the parties to the case has "elected" to go to federal court.

In Fair Housing Act cases, the DOJ can obtain injunctive relief, including affirmative requirements for training and policy changes, monetary damages and, in pattern or practice cases, civil penalties.

The State Department of Fair Employment and Housing enforces California's fair housing laws. The Department may bring law suits concerning the discriminatory practices of private and public persons and entities.

Descriptions of several cases are included in the following four pages. They illustrate the range of fair housing issues including discriminatory land use policies and practices, government housing policies and practices, and the discriminatory behavior of private owners, lenders, and local governments. The case highlights involving the State DFEH are listed first (#1- #5) and those are followed by the DOJ cases (#6 -

#11). The last two pages of Section III are HUD press releases involving recent (February 2020) settlements with apartment owners and property managers in Upland and San Diego.

Although none of the cases involve the City of Riverside one does involve a local private entity. As noted in the preceding paragraph, the cases are concrete examples of the nature of private and public sector impediments to fair housing choice.

1. Sexual Harassment by Marin County Landlord - 2018

A woman filed complaints for housing discrimination and violations of the Unruh Civil Rights Act, alleging that the owner of a residential house in which she rented a downstairs room sexually harassed her over the course of a year and a half, including by kissing her, grabbing her buttocks, and exposing himself to her. The complainant alleged the owner became increasingly hostile after she rejected his advances. No longer feeling safe in her home, the complainant filed a police report and sought a restraining order against the landlord, which the court granted. Immediately following service of the restraining order, the homeowner served the complainant with a 30-day eviction notice. The parties engaged in voluntary pre-investigation mediation in the DFEH's Dispute Resolution Division, resulting in a settlement in which the landlord agreed to pay the complainant \$75,000. In addition to the monetary settlement, the homeowners were required to undergo fair housing training that addresses sexual harassment prevention and retaliation.

2. National Origin Discrimination in Housing in San Rafael - 2018

A family alleged that a property management company discriminated against them on the basis of national origin when the company demanded a U.S.-based form of identification such as a U.S. driver's license, passport, or employment authorization card to process a rental application. DFEH has issued guidance that California housing providers may not require U.S.-issued identification from prospective tenants and must accept foreign-issued identification such as Consular ID cards and passports. Routine credit and background checks may be conducted with a name and previous address. The parties engaged in voluntary pre-investigation mediation in the DFEH's Dispute Resolution Division, resulting in a settlement in which the property owner agreed to pay \$18,000, change the language of a notice given to rental applicants, attend fair housing trainings, post fair housing posters, and send residents fair housing brochures in English and Spanish.

3. California Department of Fair Employment and Housing v. Riverside Mobile Home Park Owners - 2017

Residents of a Riverside mobile home park experienced discrimination and harassment by a manager of the park. A property manager harassed children at the park by taking pictures of them and by calling them, "Mexican -----." The manager also issued a rule to the tenants stating that children would only be allowed to play in their own yards and not in the common areas of the park. The mobile home park owners agreed to pay \$125,000 to the Fair Housing Council of Riverside County, Inc. (FHCRC) and to five Hispanic tenants who filed the complaint. The settlement also required the mobile home park owner to attend fair housing training, revise all housing rules that discriminate against Hispanic tenants and residents with children, and to post DFEH's housing discrimination rights notices in Spanish and English.

4. California Department of Fair Employment and Housing v. Airbnb – 2017

In April 2017, Airbnb entered into a settlement agreement with the DFEH to resolve a Department-initiated complaint alleging that Airbnb engaged in acts of housing discrimination and failed to prevent discrimination against Black guests in violation of California civil rights laws. Airbnb is an online community marketplace that connects people looking to rent their homes with people who are looking for accommodations. Under its terms, the Airbnb hosts and the guests in California are required to accept a recently implemented nondiscrimination policy as a condition for participating in Airbnb. The Department will conduct fair housing testing of Airbnb hosts in the state, and Airbnb California employees will receive fair housing and discrimination training. Airbnb has designated a unit to investigate all discrimination complaints, and this unit will submit periodic reports to the Department. Airbnb has also agreed to develop a progressive system of counseling, warning, and discipline for hosts and guests when unlawful discrimination occurs.

5. California Department of Fair Employment and Housing v. John Yo Wong - 2016

Irene Reynoso, a 66-year-old woman, had lived in the same apartment in San Francisco for decades. She had been seriously injured as a young woman and her condition had deteriorated over time, requiring her to ask her landlord to accept rent checks signed by her sister, to allow another sister (her caregiver) to stay with her, and to provide her with a key to a more accessible entrance to the garbage room. Despite numerous attempts by Ms. Reynoso, her sisters, and the nonprofit Housing Equality Law Project (HELP) to obtain these reasonable accommodations, the landlord refused all requests and served Ms. Reynoso with multiple eviction notices. After Ms. Reynoso brought her case to DFEH, the Department investigated her claims, found merit and filed a lawsuit against the landlord. In November 2016, Ms. Reynoso's landlord agreed to pay \$575,000 to Ms. Reynoso, her sisters, and HELP to resolve the discrimination allegations and various landlord-tenant claims. The settlement also requires the landlord to attend fair housing training, develop a reasonable accommodations policy, and post informational DFEH posters at all of his rental properties.

6. Discrimination Against Hispanic Homeowners Based on their National Origin – 2019

The federal DOJ, through a series of settlements, resolved allegations that several California-based mortgage loan modification service providers engaged in national origin discrimination when they targeted Hispanic homeowners for predatory mortgage loan modification services and interfered with those individuals' ability to keep their homes.

The Settlement Agreements resolved a lawsuit that the Department filed in the U.S. District Court for the Northern District of California. Among other relief, the agreements established a restitution fund of more than \$148,000 to reimburse the discrimination victims for fees collected by defendants as part of the predatory scheme. The lawsuit arose from complaints filed with the HUD by two of the defendants' former clients, Eberardo Perez and Roberto Hernandez, who intervened in the lawsuit along with their attorney, Housing & Economic Rights Advocates (HERA), and members of Hernandez's family.

7. Discrimination Against a Group Home on the Basis of Race and National Origin –2017

On March 23, 2017, the court issued an order denying the defendant's motion for summary judgment in *Southwest Key Programs, Inc. v. City of Escondido* (S.D. Cal.), finding that there were triable issues as to whether the group home at issue constitutes a dwelling under the Fair Housing Act. The United States

Department of Justice had filed a statement of interest in this case on November 3, 2016, to address the question whether the protections of the Fair Housing Act extend to group homes for unaccompanied children in the care and custody of the United States Department of Health and Human Services. The plaintiff in the case sought to operate such a home in the City of Escondido and alleges that the city discriminated on the basis of race and national origin when it denied the request for a conditional use permit to operate the group home. The defendant moved for summary judgment, arguing, among other things, that the Fair Housing Act does not apply. The United States' statement of interest urged the court to find that the proposed group home is a "dwelling" covered by the Fair Housing Act and is neither a jail nor a detention facility.

8. Group Home 600 Foot Spacing Requirement – 2017

On November 28, 2017, the United States filed a complaint in *United States v. City of Springfield* (C.D. Ill.), alleging that the City violated the Fair Housing Act by imposing a 600-foot spacing requirement on small group homes for persons with disabilities, while not applying any spacing requirement to similarly situated housing for people without disabilities. The complaint further alleges that the City failed to provide a reasonable accommodation to a small group home that was located within 600 feet of another such home.

9. Discrimination Against Permanent Supportive Housing – 2017

On June 29, 2017, the court entered a consent decree in *United States v. City of Jacksonville* (M.D. Fla.). The complaint, which was filed on December 20, 2016, alleged that the City violated the Fair Housing Act and Americans with Disabilities Act when it refused to allow the development of a 12-unit apartment building to create "permanent supportive housing" for "chronically homeless" veterans, in response to intense community pressure based on stereotypes about prospective residents with disabilities. Under the consent decree, the City has amended its Zoning Code, including removing restrictions that apply to housing for persons with disabilities and implementing a reasonable accommodation policy. The City has also agreed to rescind the written interpretation that prevented Ability Housing from providing the housing at issue, designate a fair housing compliance officer, provide Fair Housing Act and Americans with Disabilities Act training for City employees, and pay a \$25,000 civil penalty to the government. In a separate settlement the City agreed to pay \$400,000 to Ability Housing, a non-profit affordable housing provider, and \$25,000 to Disability Rights Florida, an advocate for people with disabilities, and to establish a \$1.5 million grant to develop permanent supportive housing in the City for people with disabilities.

10. Forced Closure of a Group Home – 2017

On June 26, 2017, the court entered a consent decree in *United States v. City of Jackson* (S.D. Miss.). The complaint, which was filed on September 30, 2016, alleged that the city discriminated on the basis of disability in violation of the Fair Housing Act and Title II of the Americans with Disabilities Act by requiring the operator of a group home to close the home and force the residents to relocate. The consent decree requires the city to pay \$100,000 to the owner of Urban Rehab, Inc., \$35,000 to the department as a civil penalty, and \$50,000 to a settlement fund that will compensate other victims. The city also agreed to revise its Zoning Code to permit persons in recovery to reside in all residential zones and to ease other restrictions on group homes for people with disabilities.

11. Discrimination Against African American Participants in the Section 8 Housing Choice Voucher Program - 2015

On July 28, 2015, the court approved a settlement agreement in *United States v. Housing Authority of the County of Los Angeles* (C.D. Cal.). The complaint, which was filed on July 20, 2015, alleged that the Housing Authority of the County of Los Angeles and the cities of Lancaster and Palmdale engaged in a pattern or practice of Fair Housing Act discrimination against African-American participants in the federal Section 8 Housing Choice Voucher Program. The settlement agreement provides for comprehensive reforms, a \$1.975 million victim fund and a \$25,000 civil penalty.

G. REASONS FOR ANY TRENDS OR PATTERNS

According to the National Fair Housing Alliance (NFHA) 2019 Trends Report, disability is the basis for the majority of complaints filed with FHOs, HUD, and FHAP agencies. Between 2017 and 2018, the number of disability complaints in the nation increased by 1,238. This has been the trend for the past several years. According to the NFHA, discrimination on the basis of disability is the easiest to detect as it usually involves denial of a request for a reasonable accommodation or modification or because it involves a multi-family property that is not accessible in obvious ways that violate the requirements of the Fair Housing Act. There were 17,575 nationwide complaints of discrimination based on disability, representing 56% of all cases.

The 2019 Trends Report also concludes that fair housing must be applied to technology with housing-related functions. With the increasing use of digital platforms and algorithms in housing-related transactions, the technology community and housing industries using technology must take steps to eliminate from their models the tainted data and biased outcomes based on a history of discrimination. The industry must:

- Educate lenders, insurers, housing providers, data scientists, systems modelers, and others in the field about fair housing issues and the effective use of fair housing/fair lending testing of AI and ML models;
- Develop mechanisms for the culling of high-quality non-traditional data, such as rental housing payment information to be used in AI and ML systems;
- Clarify industry standards to support safe and fair ML and AI development, validation, and monitoring;
- Increase ethics training for AI professionals to promote the use of effective, high-quality, less-biased data and systems;
- Update regulatory guidance to ensure the development of AI systems that produce less-discriminatory effects;
- Eliminate and/or mitigate bias in decisioning, marketing, etc. by adopting responsible AI standards and systems; and
- Dramatically increase diversity in tech, insurance and financial services industries.

Source: National Fair Housing Alliance, *Defending Against the Unprecedented Attacks on Fair Housing: 2019 Fair Housing Trends Report*, 58 pages

Additional recent trends at the national, state and local levels are listed below:

- Extending fair housing protections to, for example, the LGBTQ community and Native Americans and to people who live in HUD-assisted and FHA-insured housing.
- Protecting people with limited English speaking (LEP) proficiency under the category of national origin.
- Identifying gentrification and displacement as a fair housing issue because of its adverse impacts on low income people and people of color.
- Adding that Section 8 rental assistance is a verifiable source of income under the provisions of California's Fair Employment and Housing Act.
- Continuing a trend in Riverside of an increasing share of housing discrimination complaints being made on the basis of disability.

In 2017 and 2018, the State DFEH focused intensively on increasing the accessibility of services for all Californians, including people with disabilities and people with limited English proficiency. In November 2017, DFEH launched new case filing and case management system, Cal Civil Rights System (CCRS), which allows members of the public and their representatives to submit complaints online for all of the civil rights laws DFEH enforces. In 2018, the DFEH launched a Spanish-language version of the CCRS. The Department also issued a suite of fair housing materials in the six most commonly spoken languages in the state.

Source: California Department of Fair Employment and Housing, *2017 Annual Report*, August 2018, 36 pages and *2018 Annual Report*, 35 pages

**HUD REACHES SETTLEMENT WITH SAN DIEGO HOUSING PROVIDERS,
RESOLVING CLAIMS OF DISABILITY DISCRIMINATION – FEBRUARY 24, 2020**

WASHINGTON - The U.S. Department of Housing and Urban Development today announced it has reached a Conciliation/Voluntary Compliance Agreement with Wakeland Atmosphere, L.P., and FPI Management, Inc., the owner and management company for a HUD-subsidized apartment complex in San Diego, California, to settle allegations that they violated the Fair Housing Act when they refused to allow a tenant with disabilities to have a designated parking space. [Read the agreement.](#)

The Fair Housing Act prohibits housing providers from denying or limiting housing to persons with disabilities. In addition, Section 504 of the Rehabilitation Act of 1973 prohibits discrimination on the basis of disability by recipients of federal financial assistance. Under both statutes, it is illegal to deny reasonable accommodation requests that may be necessary to allow persons with disabilities the opportunity to use and enjoy their home, such as the granting of reserved parking spaces to persons with mobility disabilities.

“Reasonable accommodations make a world of difference to persons who find the most routine things, like walking from a parking lot to their home, challenging,” said Anna Maria Farias, HUD Assistant Secretary for Fair Housing and Equal Opportunity. “Hopefully, today’s settlement will send a loud and clear message to housing providers that HUD is committed to ensuring that they meet their obligations under the nation’s fair housing laws.”

The case came to HUD’s attention when a woman with physical disabilities filed a complaint alleging that FPI Management refused to accommodate her by granting a request for a designated parking space. As a result, the woman alleged she was forced to navigate a steep incline each time she exited her building’s parking garage after parking in one of the regular spaces. FPI Management and Wakeland Atmosphere deny discriminating against the tenant but agreed to settle her complaint.

Under the terms of the agreement, FPI Management, Inc., and Wakeland Atmosphere, L.P., agree to pay the resident \$12,500 and ensure that property managers at the resident’s apartment complex attend fair housing training.

People who believe they have experienced discrimination may file a complaint by contacting HUD's Office of Fair Housing and Equal Opportunity at (800) 669-9777 (voice) or (800) 927-9275 (TTY). Housing discrimination complaints may also be filed by going to [hud.gov/fair housing](http://hud.gov/fair-housing), or by downloading HUD's free housing discrimination mobile application, which can be accessed through Apple and Android devices.

**HUD ANNOUNCES SETTLEMENT WITH CALIFORNIA LANDLORDS
RESOLVING CLAIM OF HOUSING DISCRIMINATION – FEBRUARY 20, 2020**

WASHINGTON - The U.S. Department of Housing and Urban Development (HUD) today announced the approval of a Conciliation Agreement between Inland Fair Housing and Mediation Board and a group of Upland, CA, property owners and managers resolving allegations that they discriminated against families with children by refusing to rent to them and by imposing different occupancy terms and conditions to families with children. [Read the agreement.](#)

The Fair Housing Act makes it unlawful to deny or limit housing because a family has children under the age of 18, and to make statements or establish rules and policies that discriminate against families with children. Housing may exclude children only if it meets the Fair Housing Act's exemption for housing for older persons.

"Families looking for safe, decent housing shouldn't be penalized because they have children," said Anna María Farías, HUD Assistant Secretary for Fair Housing and Equal Opportunity. "Today's agreement reaffirms HUD's commitment to ensuring that housing providers meet their obligation to treat all applicants the same."

The case came to HUD's attention when Inland Fair Housing and Mediation Board (IFHMB), a HUD Fair Housing Initiatives Program agency, filed a complaint based on results from their fair housing tests. IFHMB alleged the tests showed the property owners and two property managers refused to rent to families with children and/or offered them different lease terms and conditions. The owners and managers also allegedly implemented an unreasonably restrictive two-person-per-bedroom occupancy policy at two rental properties. The owners and managers deny they discriminated against families with children but agreed to resolve the matter through the Conciliation Agreement.

Under the terms of the agreement, the owners and property managers will pay IFHMB \$10,000, abolish any two-person-per-bedroom policy, remove language regarding the two-person-per-bedroom policy from advertising and marketing materials, and have property managers and staff that interact with applicants and tenants attend fair housing training.

Persons who believe they have experienced housing discrimination may file a complaint by contacting HUD's Office of Fair Housing and Equal Opportunity at (800) 669-9777 (Voice) or (800) 927-9275 (TTY). Housing discrimination complaints may also be filed by going to www.hud.gov/fairhousing.



Section IV

City Background Data

**Section IV
City Background Data
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A. INTRODUCTION

HUD's 1996 *Fair Housing Planning Guide* advises grantees to include in the AI "jurisdictional background data": demographics, income, employment, housing profile and other relevant data.

Not only does Riverside possess a rich variety of neighborhoods and a large and diverse housing stock, but the City also is a regional hub for higher education, technology, commerce, law, finance and culture. Riverside benefits from excellent freeway and rail access, high-speed fiber-optic telecommunications, reasonable land and building costs, City owned electrical and water systems and a large general aviation airport.

Riverside is home to the Fair Housing Council of Riverside County, Inc. and the future Southern California Civil Rights Institute as well as affordable housing developers, such as Habitat for Humanity and the Riverside Housing Development Corporation, and fair service providers such as the Community Access Center.

B. POPULATION AND HOUSEHOLD CHARACTERISTICS

Riverside is the largest city and the cultural, civic and economic heart of the Inland Southern California region, located approximately 60 miles east of Los Angeles. With a population of 328,101, Riverside is the 58th-largest city in the United States, the 12th largest in California and the sixth largest in Southern California.

Table IV-1 provides data on population and household characteristics in 2010 and 2019. During the almost nine-year time span, the population grew by 24,230 persons and the number of households (occupied housing units) increased by 1,770.

Between 2010 and 2019, the average household size increased by .19 persons from 3.18 to 3.37 persons per household. The .19 factor applied to the 2010 number of occupied housing units – 91,932 – results in an increase of 17,467 persons. This means that the average household size increase of .19 caused 74% and 72% of the household and total population gains, respectively. The group quarters population increased by 513 persons between 2010 and 2019.

C. EXISTING HOUSING STOCK

Table IV-2 shows almost 101,000 housing units comprise the housing stock. Single-family detached and attached homes account for just over two-thirds (68%) of the housing stock. Multi-family housing in structures containing 10 or more dwellings comprises almost one-sixth (16.2%) of the housing stock.

Multi-family housing constitutes a greater share of the dwellings added to the housing stock (54.9%) than of the total housing stock (29.9%). The enhanced housing diversity furthers fair housing by providing a fuller range of housing choices rather than exclusively single family homes. Refer to Table IV-3 for the data on housing units added between 2010 and 2019.

Table IV- 1
City of Riverside
Population and Household Characteristics: 2010 and 2019

Population	April 1, 2010	January 1, 2019	Increase
Group Quarters Population	11,549	12,062	513
Household Population	292,322	316,039	23,717
Total Population	303,871	328,101	24,230
Total Housing Units	98,444	100,716	2,316
Occupied Housing Units	91,932	93,702	1,770
Vacant Housing Units	6,512	7,014	502
Vacancy Rate	6.6%	7.0%	0.4%
Persons per Household	3.18	3.37	.19

Source April 1, 201 Census and State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2019* Sacramento, California, May 2019

Table IV-2
City of Riverside
Housing Stock by Type of Unit: January 1, 2019

Type of Unit	Number of Units	Percent
1 unit, detached	64,493	64.0%
1 unit, attached	3,915	3.9%
2 to 4 units	6,384	6.3%
5-9 units	7,478	7.4%
10-19 units	6,909	6.9%
20-49 units	4,250	4.2%
50 or more units	5,104	5.1%
Mobile homes, RV, Van, Etc.	2,227	2.2%
Total	100,760	100.0%

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2019* Sacramento, California, May 2019

The 2013-2017 American Community Survey data on units in structure were used to calculate the number of units in structures containing 5 or more units.

Table IV-3
City of Riverside
Housing Stock Increase by Type of Unit
April, 1, 2010 to January 1, 2019

Type of Unit	Number of Units	Percent
1 unit, detached	1,057	45.6%
1 unit, attached	0	0%
2 to 4 units	-12	-0.5%
5+ units	1,271	54.9%
Mobile homes, RV, Van, Etc.	0	0%
Total	2,316	100.0%

Source April 1, 2010 Census and State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2019* Sacramento, California, May 2019

D. HOMEOWNERSHIP

Homeownership is a key indicator of community and personal well-being because owning a home is often a household's major asset and home equity often contributes to a large share of wealth. Table IV-4 shows the 2000, 2010 and 2017 homeownership rates for the City of Riverside, Riverside County, California and the Nation. In all three periods, Riverside had a somewhat lower home ownership rate than the County and the Nation and almost the same as the State.

Table IV-4
Comparison of Homeownership Rates by Year

Area	2000	2010	2017
Riverside	56.6%	55.7%	54.2%
Riverside County	68.9%	67.4%	65.0%
California	56.9%	55.9%	54.5%
Nation	66.2%	65.1%	63.8%

Source: 2000 Census Summary File 1, Table QT-H2: Tenure, Household Size and Age of Householder
 2010 Census DP-1 Profile of Population and Housing Characteristics: 2010, Housing Tenure
 2013-2017 American Community Survey (ACS) 5-Year Estimates, Table DP04: Selected Housing Characteristics

During the 2000-2017 period, the percentage of owner-occupied housing decreased to 54.2% from 56.6%. Two possible reasons for the decline are that 1) foreclosed upon homes became renter-occupied and 2) more multifamily than single family housing units were added to the housing stock.

Riverside probably should have a homeownership rate greater than 54.2% because single family detached and attached homes make up nearly 68% of its housing stock. But, as Table IV-5 reveals, almost one of every four single family homes are renter-occupied. And almost six of every 10 single family attached homes are renter occupied. Overall, 26% of Riverside's single family homes are renter-occupied. One possible reason for such a high renter occupancy rate is that college students share the costs of renting single family homes. The student enrollment at the City's four colleges/universities is 55,800.

Table IV-5
City of Riverside
Owner/Renter Occupancy of Single Family Homes: 2019

Housing Type	Owner	Percent	Renter	Percent	Total
Single Family Detached	47,222	75.9%	14,994	24.1%	62,216
Single Family Attached	1,577	42.2%	2,159	57.8%	3,736
Total	48,799	74.0%	17,153	26.0%	65,952

Source: 2013-2017 American Community Survey 5-Year Estimates, Table B25024, Units in Structure and Table B25032, Tenure by Units in Structure
State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2019* Sacramento, California, May 2019

E. HOUSEHOLD INCOME

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

Household income has a positive impact on enabling people to find the housing of their choice. As incomes become higher, a fuller range of housing choice with respect to type, cost and neighborhood location become available to them.

Table IV-6 shows the number and percentages of households in five income groups by tenure. Approximately 40% of Riverside's nearly 94,000 households have lower incomes, which makes them eligible to participate in the City's CDBG- and HOME-funded programs. Lower income renters comprise 26.4% of all the City's households (24,633/93,702). The largest income group (33,011) is above moderate income owners.

Table IV- 6
City of Riverside
Household Income by Tenure: 2019

Household Income	Owner	Percent	Renter	Percent	Total	Percent
Extremely Low	2,742	5.4%	9,055	21.1%	11,797	12.6%
Very Low	3,657	7.2%	7,510	17.5%	11,167	11.9%
Low	6,348	12.5%	8,068	18.8%	14,416	15.4%
Moderate ¹	5,028	9.9%	5,322	12.4%	10,350	11.0%
Above Moderate ²	33,011	65.0%	12,961	30.2%	45,972	49.1%
Total	50,786	100.0%	42,916	100.0%	93,702	100.0%

Extremely Low: Less than or = 30% HAMFI

Very Low: >30% to less than or = 50% HAMFI

Low: >50% to less than or = 80% HAMFI

Moderate: >80% to less than or = 100% HAMFI

Above Moderate: >100% HAMFI

HAMFI refers to HUD Area Median Family Income

Sources: Comprehensive Housing Affordability Strategy ("CHAS") Data, based on the 2012-2016 American Community Survey and Census 2010,

Note: Total number of households is based on the DOF 1/1/2019 estimate

Owner/renter split is based on the tenure distribution per the 2013-2017 ACS more detail

Income group distribution by tenure is based on the CHAS data.

The data on household income and tenure are based on the five-year period from 2012 to 2016. The mid-point of this period is 2014. Table IV-7 shows HUD's 2014 annual income limits, adjusted by household size, for extremely low-, very low- and low-income households.

Table IV-6 indicates that approximately 9,000 extremely low income renters live in Riverside. A 4-person extremely low income family would have an annual income of approximately \$24,000 or less. This annual family income is lower than the poverty threshold for a family of four persons that includes two children.

Table IV-7
Riverside County
HUD FY 2014 Income Limits

Number of Persons	Extremely Low	Very Low	Low
1	\$12,750	\$21,250	\$34,000
2	\$15,730	\$24,300	\$38,850
3	\$19,790	\$27,350	\$43,700
4	\$23,850	\$30,350	\$48,550
5	\$27,910	\$32,800	\$52,450
6	\$31,970	\$35,250	\$56,350
7	\$36,030	\$37,650	\$60,250
8	\$40,090	\$40,100	\$64,100

Source: U.S. Department of Housing and Urban Development, FY 2014 Income Limits

Note: Riverside County is part of the **Riverside-San Bernardino-Ontario, CA MSA**, so all information presented here applies to all of the **Riverside-San Bernardino-Ontario, CA MSA**. The **Riverside-San Bernardino-Ontario, CA MSA** contains the following areas: Riverside County, CA; and San Bernardino County, CA.

The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as [established by the Department of Health and Human Services \(HHS\)](#), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low (30%) income limits may equal the very low (50%) income limits.

F. POVERTY

Poor people are unable to secure housing in neighborhoods that offer opportunities such as superior schools and proximity to good parks and other amenities.

Poverty is a measure of income or, more accurately, the lack of income. Poverty is not always visible to Riverside residents. But it is to school teachers, doctors and nurses, child care providers, social welfare workers, bus drivers, and commuters who see the homeless along Magnolia Avenue and elsewhere.

In accordance with the Consolidated Plan Final Rule), the City's FY 2020/2021 to FY 2024/2025 Consolidated Plan will set forth an anti-poverty strategy.

Measuring poverty is a two-step process:

- Establishing a poverty threshold which is the amount of money needed to achieve a minimum level of material well-being.
- Estimating families' cash and non-cash resources and comparing them to the poverty threshold to determine whether a family is below it and, therefore, defined as "poor".

Examples of official 2019 poverty thresholds are:

- 1 person less than 65 years of age \$13,300
- 2 people, householder less than 65 years of age \$17,120
- 3 people, 1 child less than 18 years of age \$20,578
- 4 people, 2 children less than 18 years of age \$25,926

Table IV-8 demonstrates that approximately 13% to 17% of all Riverside residents live in households with annual incomes below the poverty level. The vast majority of poor people are children. The highest poverty rate (20% to 25%) is experienced by female householders.

Table IV-8
City of Riverside
Poverty Characteristics: 2013-2017

	2013-2017 ACS	2017 ACS
All People	16.6%	12.8%
18 to 64 years	15.7%	12.3%
65 years and over	9.9%	11.5%
All Families	11.7%	9.3%
Married Couple Families	7.1%	5.4%
Female Householder Families	25.5%	20.2%

Source: 2013-2017 American Community Survey 5-Year Estimates, Table CP03, Comparative Economic Characteristics and 2017 American Community Survey 1-Year Estimates, Table CP03, Comparative Economic Characteristics

Table IV-9 reports on additional poverty statistics based on the official and California Poverty Measure (CPM) for east and west Riverside. The CPM accounts for how the social safety net – specifically, Cal Fresh, CalWORKS, the Earned Income Tax Credit (EITC) and other means-tested programs - moderates poverty. The CPM poverty rate is higher than the official poverty rate. Without the benefits of federal safety net programs the poverty rate would be significantly higher than the official poverty rate in east (+7.5%) and west (+11.2%) Riverside.

Table IV-9
City of Riverside East and West Poverty Indicators: 2015-2017

Poverty Indicator		East	West
CPM poverty	Rate	16.5%	17.1%
	Rate margin of error (% pt)	3.9	3.7
	Number	24,500	28,700
	Number margin of error	6,100	6,600
Official poverty	Rate	13.8%	13.8%
	Rate margin of error (% pt)	3.1	3.6
CPM poverty threshold, family of 4 that rents	(\$)	\$29,388	\$29,426
Increase in poverty without safety net	Increase (% pt)	7.5	11.2
	Margin of error (% pt)	2.2	3.4
Increase in poverty without CalFresh	Increase (% pt)	2.2	2.8
	Margin of error (% pt)	1.4	1.4
Increase in poverty without CalWORKs	Increase (% pt)	0.8	1.5
	Margin of error (% pt)	0.8	1.1
Increase in poverty without federal and state EITCs	Increase (% pt)	2.4	4.2
	Margin of error (% pt)	1.6	2.4

Source: Public Policy Institute of California and Stanford Center on Poverty and Inequality, *Poverty Across California, 2015-2017*

G. LABOR FORCE AND EMPLOYMENT CHARACTERISTICS

Having a job and earning income is a prerequisite to enabling families to find housing of their choice, that is within their means, and that is located in neighborhoods they and their children like. Housing choice for all racial and ethnic groups is diminished when unemployment rates are high because they depress household income and increase the number of poverty income families.

Key labor force and employment terms are defined below:

Labor Force – All people classified in the civilian labor force plus members of the U.S. Armed Forces (people on active duty with the United States Army, Air Force, Navy, Marine Corps, or Coast Guard).

Labor Force Participation Rate – The labor force participation rate represents the proportion of the population that is in the labor force. For example, if there are 100 people in the population 16 years and over, and 64 of them are in the labor force, then the labor force participation rate for the population 16 years and over is 64%.

Not in Labor Force – All people 16 years old and over who are not classified as members of the labor force. This category consists mainly of students, homemakers, retired workers, seasonal workers interviewed in an off season who were not looking for work, institutionalized people, and people doing only incidental unpaid family work (less than 15 hours during the reference week).

Unemployment Rate – The unemployment rate represents the number of unemployed people as a percentage of the civilian labor force. For example, if the civilian labor force equals 100 people and 7 people are unemployed, then the unemployment rate 7%.

Table IV-10 shows that Riverside’s civilian labor force ranges between approximately 160,000 and 166,000 persons 16 years of age or older, resulting in a labor force participation rate of about 63%. The number of unemployed persons ranges between approximately 12,000 and 15,000, resulting in an unemployment rate between 7.4% and 9.5%. The City’s unemployment rate, though, has been gradually decreasing in recent years.

Table IV-10
City of Riverside
Labor Force and Employment Characteristics: 2013-2017

	2013-2017 ACS	2017 ACS
Population 16 years and over	252,219	260,853
In Civilian Labor Force*	160,170	165,860
% in Civilian Labor Force	63.5%	63.6%
Not in Civilian Labor Force	92,049	94,993
% Not in Civilian Labor Force	36.5%	36.4%
In Civilian Labor Force, Unemployed	15,216	12,274
Civilian Unemployment Rate	9.5%	7.4%

*Does not include persons in the Armed Forces

Source: 2013-2017 American Community Survey 5-Year Estimates, Table CP03, Comparative Economic Characteristics and 2017 American Community Survey 1-Year Estimates, Table CP03, Comparative Economic Characteristics

Table IV-11 provides data on the industrial composition of the City’s approximately 171,000 jobs.

The industry sectors with the largest number of jobs include health care and social assistance; educational services; government; construction; and retail trade.

The industry sectors with the largest gains in jobs over the past decade include health care and social assistance; administrative and waste services; and construction.

Table IV-11
Industrial Composition of the City of Riverside Economy: 2017

Industry Sector	Number of Jobs	Sector Share of Jobs	Change Since 2008	Wages
Accommodation and food services	12,918	8%	2,322	\$19,689
Administrative and waste services	12,798	7%	4,676	\$25,845
Arts, entertainment, and recreation	1,285	1%	16	\$22,021
Educational services	24,534	14%	1,101	\$41,989
Finance and insurance	3,764	2%	526	\$73,312
Government	21,022	12%	-1,265	\$65,606
Health care and social assistance	24,840	15%	5,465	\$44,632
Information	1,602	1%	-840	\$62,284
Management of companies and enterprises	978	1%	-814	\$93,154
Manufacturing	9,662	6%	-557	\$53,706
NR/Construction	17,217	10%	3,988	\$55,923
Other services, except public advertising	4,525	3%	411	\$40,005
Professional and technical services	4,887	3%	281	\$60,570
Real estate and rental and leasing	2,216	1%	409	\$44,161
Retail trade	16,209	9%	-328	\$32,691
Transportation and warehousing	5,962	3%	259	\$48,816
Unclassified	494	0%	382	\$43,325
Utilities	117	0%	-62	\$50,866
Wholesale trade	5,979	3%	927	\$36,034
Total Jobs	171,011			\$48,816

Source: California Employment Development Department; Analysis by UCR Center for Economic Forecasting Number of Jobs by Sector, Sector's Share of All Jobs, Change Since 2008, and Sector Wages

The industry sector definitions are based on the North American Industry Classification System (NAICS). The Southern California Association of Governments (SCAG) has summarized the detailed NAICS definitions into several major areas. A brief description of the major industries with the largest number of jobs is given below:

- **Education/Health:** Organizations include elementary and secondary schools, junior colleges, universities, professional schools, technical and trade schools, medical offices, dental offices, outpatient care centers, medical and diagnostic laboratories, hospitals, nursing and residential care facilities, social assistance services, emergency relief services, vocational rehabilitation services, and child day care services.
- **Government/Public Administration:** Includes public sector organizations, such as legislative bodies, public finance institutions, executive and legislative offices, courts, police protection, parole offices, fire protection, correctional institutions, administration of governmental programs, space research and technology, and national security.

- Construction: The construction sector comprises establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). Establishments primarily engaged in the preparation of sites for new construction and establishments primarily engaged in subdividing land for sale as building sites also are included in this sector. Construction work done may include new work, additions, alterations, or maintenance and repairs. Activities of these establishments generally are managed at a fixed place of business, but they usually perform construction activities at multiple project sites.
- Retail Trade: Includes activities engaged in the sale of durable goods directly to consumers.

A recent analysis of the City's labor force concluded that -

Industrial specialization is a significant factor in determining the wealth of any city or state.... The City of Riverside has a pronounced specialization in educational services, warehousing and storage and specialty trade contractors. This specialization is due to the presence of UC Riverside, and the IE's proximity to the ports of Los Angeles and Long Beach. Together, these three sectors account for over 20% of the city's private employment.

While these sectors pay around the average or above average wages compared to the city average wage, by the standards of the rest of the state, they pay quite modest wages. The average wage in the state of California is around \$63,700, for example. None of these three sectors pay wages higher than this figure. For wages to grow in the City of Riverside, its industrial base would need to transition into higher paying sectors.

There are two primary ways that economic indicators can improve in any location. The first is through educational attainment: better educated and skilled residents earn higher wages. The primary way in which a city can attract higher skilled workers is through improving local amenities and services, such as improving schools. The second is by nurturing the city's better paying industries and attracting more of such industries, consistent with the city's job base. Better paying industries can provide employment opportunities for local workers and enhance their ability to earn higher incomes. If the City of Riverside seeks to improve economic indicators in the community, it should focus its attention in these areas.

Source: University of California School of Business, Center of Economic Forecasting & Development, City of *Riverside Labor Analysis*, November 2018

H. MAJOR EMPLOYERS

Table IV-12 list the major employers located in Riverside. Ten of the 11 employers with 1,000 or more employees provide government, educational and healthcare services. The major employers mirror the industry sectors with the largest number of jobs - health care and social assistance; educational services; and government.

Table IV-12
City of Riverside: Employers with 1,000 or More Employees: 2019

Employer	Employees	Industry
County of Riverside	22,000	Government Offices
University of California Riverside	8,735	Education
Kaiser Permanente	4,346	Healthcare
Riverside Unified School District	4,313	Education
City of Riverside	2,485	Government Offices
Riverside Community Hospital	2,200	Healthcare
Riverside Community College District	2,100	Education
Alvord Unified School District	1,898	Education
California Baptist University	1,442	Education
Parkview Community Hospital	1,100	Healthcare
Collins Aerospace Systems	1,027	Aircraft Components Manufacturing

Note: County of Riverside employees are located countywide per the County report listed below.

Source: City of Riverside, *Top 50 Employers in the City of Riverside*, April 26, 2019

City of Riverside, California *Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2018*, page 122

Riverside County Economic Development Agency, *Major Employers County of Riverside*, 2018

I. COMMUTING PATTERNS

Almost two-thirds (65.7%) of commuters commute to jobs located within the Inland Empire counties of Riverside and San Bernardino. The largest percentage – 26.4% - of the City's workers commute to a job located within Riverside. Just over 30% of workers commute to Orange, Los Angeles, or San Diego County. Table IV-13 contains the data on the commute to work.

Table IV-14 lists the most commuted to cities (excluding Riverside). Seven of the nine most commuted cities are located in the counties of Riverside and San Bernardino.

Long commutes can cause unusually high transportation costs and reduce the amount of income that can be allocated to housing costs.

Table IV-13
Top Places Where Residents Commute to Work: 2015

Place	Number of Commuters	Percent
City of Riverside	31,604	26.4%
San Bernardino County	24,439	20.4%
Riverside County*	22,534	18.9%
Orange County	15,802	13.2%
Los Angeles County	15,721	13.1%
Rest of California	4,791	4.0%
San Diego County	4,675	3.9%
Total	119,566	99.9%

Note: does not sum to 100% due to rounding

*Does not include workers working in the City of Riverside

Sources: University of California School of Business, Center of Economic Forecasting & Development, *City of Riverside Labor Analysis*, November 2018

Southern California Association of Governments, *Profile of the City of Riverside*, May 2019, page 21

Table IV-14
City of Riverside
Most Commuted to Cities by City of Riverside Commuters: 2016

Local Jurisdiction	Number of Commuters	Percent of Total Commuters
Corona	7,044	6.5%
San Bernardino	4,327	4.0%
Ontario	4,283	3.9%
Los Angeles	3,948	3.6%
Jurupa Valley	2,914	2.7%
Moreno Valley	2,695	2.5%
Rancho Cucamonga	2,555	2.3%
Anaheim	2,398	2.2%
Fontana	2,384	2.2%

Note: does not include workers working within the City of Riverside

Source: Southern California Association of Governments, *Profile of the City of Riverside*, May 2019, page 21 and U.S. Census Bureau, 2017, LODES Data; Longitudinal-Employer Household Dynamics

J. EDUCATION AND SCHOOLS

1. Educational Attainment

Higher incomes enable households to more effectively acquire housing of their choice and within their means. And householders with higher levels of educational achievement, on average, have higher earnings. As noted in the labor force and employment discussion, one the means to improve economic indicators is through educational attainment: better educated and skilled residents earn higher wages. The primary way in which a city can attract higher skilled workers is through improving local amenities and services, such as improving schools.

Table IV-15 indicates the educational attainment of the population 25 years of age and older. Almost 24% of the population has a Bachelor's, Graduate or Professional Degree. Table IV-16 demonstrates that median earnings increase as a higher level of educational attainment is achieved. The median earnings of a person with a Bachelor's degree are more than two times greater than of a person who did not graduate from high school.

2. K-12 Schools

When the City updates its Housing Element in 2021, it must include an Assessment of Fair Housing (AFH). The State law requires the assessment to analyze the same issues that were required by HUD prior to the suspension of the federal AFH in January 2018. Under the HUD rule one of the fair housing issues was a neighborhood's access to opportunity, which included schools.

HUD crafted a "school proficiency index" which used school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. The school proficiency index is a function of the percent of 4th grade students proficient in reading and math on state test scores for up to three schools within 3 miles of a block-group's centroid. The source for the school proficiency is the Great Schools 2013-14 dataset.

The index values are percentile ranked at the state level and range from 0 to 100. The higher the score, the higher the school system quality is in a neighborhood.

For Riverside (the aggregate of all neighborhoods), the school proficiency index scores were:

▪ White, Non-Hispanic	44.84
▪ Black, Non-Hispanic	43.36
▪ Hispanic	36.36
▪ Asian or Pacific Islander, Non-Hispanic	44.30
▪ Native American, Non-Hispanic	39.46

Source: HUD Office of Policy Development and Research, *Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T) Data Documentation*, March 5, 2019, page 16-17

Table IV-15
City of Riverside
Educational Attainment for the Population 25 Years and Over: 2017

Educational Attainment	Number	Percent
Less than 9 th Grade	17,637	8.6%
9 th to 12 Grade, No Diploma	20,980	10.3%
High School Graduate	52,697	25.9%
Some College, No Degree	48,549	23.8%
Associate's Degree	15,594	7.7%
Bachelor's Degree	28,466	14.0%
Graduate or Professional Degree	19,783	9.7%
Total	203,706	100.0%

Source: 2017 American Community Survey 1-Year Estimates, Table C15002, Sex by Educational Attainment for the Population 25 Years and Over

Table IV-16
City of Riverside
Median Earnings by Educational Attainment: 2017

Educational Attainment	2013-2017 ACS	2017 ACS
Less than High School Graduate	\$23,342	\$23,835
High School Graduate	\$29,806	\$27,290
Some College or Associate's Degree	\$35,362	\$34,964
Bachelor's Degree	\$50,651	\$50,556
Graduate or Professional Degree	\$73,051	\$71,292

Source: 2013-2017 American Community Survey 5-Year Estimates and 2017 American Community Survey 1-Year Estimates, Table B20004, Median Earnings in the Past 12 Months (in 2017 Inflation-Adjusted Dollars) by Sex by Educational Attainment for the Population 25 Years and Over

The index scores indicate that Hispanic and Native American, Non-Hispanic students had the lowest access to schools with high proficiency scores.

In California, the Tax Credit Allocation Committee and Department of Housing and Community Development (HCD) also focused on fair housing issues by developing housing opportunity mapping the purpose of which was to identify neighborhoods with abundance or resources for families and their children. One of the indicators used to identify the State's high opportunity neighborhoods was a "student poverty indicator," which is described below:

Student poverty indicator studies have consistently shown that attending low-poverty and economically integrated schools boosts educational achievement for low-income students, when compared to attending higher poverty schools. One recent study concluded that the disparity in school poverty rates that black and white children experience is the primary mechanism through which racial segregation in schools translates to black-white academic achievement gaps. However, racial integration in schools provides benefits to low-income

students and students of color that both overlap and complement the benefits of economic integration in the classroom—including higher levels of educational attainment, reductions in prejudice and negative attitudes across racial groups, and long-term improvements in earnings, health, and rates of incarceration—all while producing no detrimental effects for white children.

Source: California Fair Housing Task Force, *Opportunity Mapping Methodology*, updated November 27, 2018, 18 pages

One measure of access to opportunity is enrollment in above average rated schools. Great Schools rates 13 Riverside schools as above average, which means a rating of 7 to 10 on a scale of 1 to 10.

Table IV-17 reports on the school enrollment by race and ethnicity for Riverside Unified and Alvorð Unified School Districts. Table IV-18 shows the enrollment in above average schools by race and ethnicity. With the exception of Hispanics, all other students are enrolled in the above average schools in a higher proportion than they represent of the total district's enrollment. For example, Black/African American students represent 5.6% of the total student enrollment compared to 7.1% of the students enrolled in the above average schools.

Table IV-17
School Enrollment by Race and Ethnicity and School District: 2018

Race/Ethnicity	Riverside Unified	Percent	Alvorð Unified	Percent	Total	Percent
American Indian/Alaska Native	157	0.4%	43	0.2%	200	0.3%
Asian	1,415	3.5%	705	3.7%	2,120	3.5%
Black/African American	2,648	6.5%	698	3.7%	3,346	5.6%
Filipino	480	1.2%	282	1.5%	762	1.3%
Hispanic	26,150	64.5%	15,046	79.2%	41,196	69.2%
Native Hawaiian/Pacific Islander	161	0.4%	86	0.5%	247	0.4%
Two or More Races	749	1.8%	254	1.3%	1,003	1.7%
White	8,804	21.7%	1,880	9.9%	10,684	18.0%
Total	40,564	100.0%	18,994	100.0%	59,558	100.0%

Source: Ed Data – Education Partnership and California Department of Education, California School Dashboard
Excludes Not Reported race/ethnicity

Table IV-18
City of Riverside
Enrollment in Above Average Schools by Race/Ethnicity: 2018

Race/Ethnicity	Number of Students	Percent At Above Average Schools	Percent Of Total District's Enrollment	Ratio ¹
Black/African American	886	7.1%	5.6%	1.27
American Indian/Alaska Native	35	0.3%	0.3%	1.00
Asian	1,040	8.3%	3.5%	2.37
Filipino	349	2.8%	1.3%	2.15
Hispanic	5,222	41.8%	69.2%	.60
Two or More Races	423	3.4%	1.7%	2.00
Native Hawaiian/ Pacific Islander	63	0.5%	0.4%	1.25
White	4,472	35.8%	18.0%	1.99
Total	12,490	100.0%	100.0%	

Source: Above average school rating is based on Great Schools Rating

Enrollment data by race and ethnicity is based on California Department of Education, California School Dashboard

Excludes Not Reported race/ethnicity

ATTACHMENT A

HOW IS POVERTY MEASURED?

Measuring poverty is typically a two-step process. First, researchers create a poverty threshold—a representation of the amount of resources necessary to achieve a minimum level of material well-being. Second, they estimate families' resources and compare them to the poverty threshold to determine whether a family is below it (and therefore defined as "poor"). Poverty then refers to persons who are income poor and, perhaps, have no income at all. It also refers to a measure of economic need.

The three poverty measures are:

- Official Poverty Measure (OPM)
- Supplemental Poverty Measure (SPM)
- California Poverty Measure (CPM)

1. OFFICIAL POVERTY MEASURE (OPM)

When the original poverty definition was developed in 1964 by the Social Security Administration (SSA), it focused on family food consumption. The U.S. Department of Agriculture (USDA) used its data about the nutritional needs of children and adults to construct food plans for families. Within each food plan, dollar amounts varied according to the total number of people in the family and the family's composition, that is, the number of children within each family. The cheapest of these plans, the Economy Food Plan, was designed to address the dietary needs of families on an austere budget.

Since the USDA's 1965 Food Consumption Survey showed that families of three or more people across all income levels spent roughly one-third of their income on food, the SSA multiplied the cost of the Economy Food Plan by three to obtain dollar figures for total family income. These dollar figures, with some adjustments, later became the official poverty thresholds. Since the Economy Food Plan budgets varied by family size and composition, so too did the poverty thresholds. For two-person families, the thresholds were adjusted by slightly higher factors because those households had higher fixed costs. Thresholds for unrelated individuals were calculated as a fixed proportion of the corresponding thresholds for two-person families.

The poverty thresholds are revised annually to allow for changes in the cost of living as reflected in the Consumer Price Index for All Urban Consumers (CPI-U). **The poverty thresholds are the same for all parts of the country;** they are not adjusted for regional, state, or local variations in the cost of living.

Poverty status is determined for all people except institutionalized people, people in military group quarters, people in college dormitories, and unrelated individuals under 15 years old. These groups are excluded from the numerator and denominator when calculating poverty rates.

2. SUPPLEMENTAL POVERTY MEASURE (SPM)

The U.S. Census Bureau has conducted research on a Supplemental Poverty Measure (SPM). The official poverty measure, as defined by the Office of Management and Budget (OMB) Statistical Directive No. 14, will not be replaced by the SPM. The reason is that the official measure is identified in legislation

regarding program eligibility and funding distribution. The SPM is designed to provide information on aggregate levels of economic need at a national level or within large subpopulations or areas.

The SPM compares costs to family resources, as follows:

FCSU – a dollar amount spent on food, clothing, shelter and utilities plus a small amount to allow for other needs such as household supplies, personal care, and non-work-related transportation.

Family resources – the sum of cash income plus any federal government noncash benefits that families can use to meet their FCSU needs minus taxes (plus tax credits), work expenses, child care expenses, and medical out-of-pocket (MOOP) expenses. Examples of federal government noncash benefits include Supplemental Nutritional Assistance (SNAP), National School Lunch Program, Supplementary Nutrition Program for Women, Infants and Children (WIC), housing subsidies, and Lower Income Home Energy Assistance Program (LIHEAP).

The Supplemental Poverty Measure is calculated as the 33rd percentile of expenditures on food, clothing, shelter, and utilities (FCSU) of consumer units with two children multiplied by 1.2.

3. THE CALIFORNIA POVERTY MEASURE (CPM)

A joint project of the Public Policy Institute of California and the Stanford University Center on Poverty and Income, the California Poverty Measure (CPM) is part of a national effort to measure poverty in a more comprehensive way. According to its authors –

The CPM illuminates the important role of the social safety net – specifically, Cal Fresh, CalWORKS, the Earned Income Tax Credit (EITC) and other means-tested programs - in moderating poverty.

The CPM measures poverty as follows:

A family is considered to be poor if its resources fall short of the poverty threshold. The CPM combines a family's annual cash income (including earnings and government-provided cash benefits like CalWORKS), its tax obligation—a net income boost to low-income families that qualify for tax credits—and in-kind benefits like CalFresh. (The official poverty calculus includes only the first category of resources, cash income.) It then subtracts major nondiscretionary expenses. Finally, the CPM compares these resources to a family-specific poverty threshold—the monetary resources needed to maintain a basic standard of living. Unlike official poverty thresholds, CPM thresholds are pegged to recent nationwide spending levels on food, shelter, clothing, and utilities and are further adjusted to account for differences in housing costs across counties and to differentiate among those who are renting, paying a mortgage, or living in a paid-off home.

In summary, the Public Policy Institute of California explains:

The CPM accounts for the fact that, for most Californians, high living costs—particularly housing costs—offset the resources they have available to make ends meet. We also factor in expenses that eat into resources and drive up poverty, particularly medical expenses borne by older

adults. Work expenses such as commuting costs and childcare also play a role in raising the poverty rate under the CPM.

At the same time, we find that government programs play a substantial role in alleviating poverty. In the absence of cash-based, in-kind, and tax-based safety net programs, our estimate of child poverty would be 39.0 percent, 13.9 percentage points higher than the actual estimate of 25.1 percent. For working-age and older adults, the combined role of these programs was smaller, but still considerable.

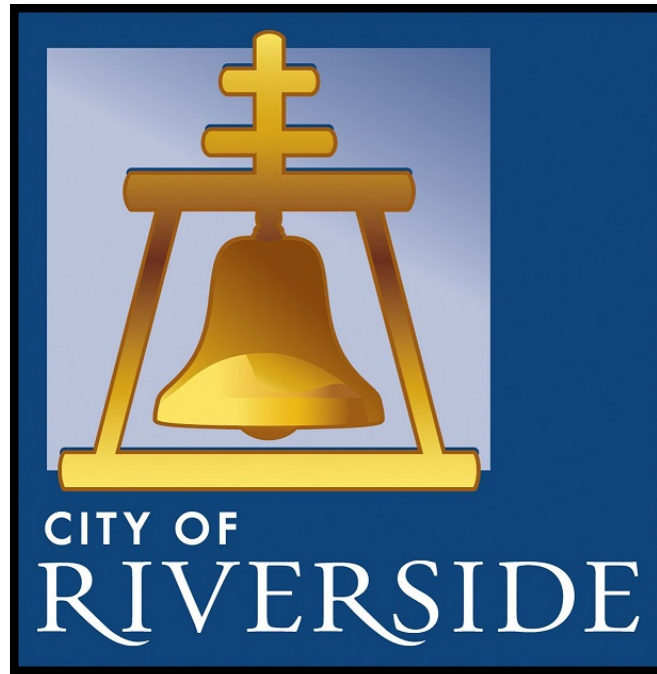
Sources: Public Policy Institute of California, *The California Poverty Measure: A New Look at the Social Safety Net*, October 2013, 26 pages

In 2017, the Statewide poverty rates by race and ethnicity are listed below:

▪ White, Non-Hispanic	12.5%
▪ Asian/Pacific Islanders	16.4%
▪ Black, Non-Hispanic	17.6%
▪ Other	18.5%
▪ Hispanic	23.6%

Though poverty among Latinos is down from 30.9% in 2011, Latinos remain disproportionately poor (making up 52.2% of poor Californians but 39.4% of all Californians). More education continues to be associated with strikingly lower poverty rates: 7.8% of adults age 25–64 with a college degree were in poverty, compared with 31.8% of those without a high school diploma.

Source: Public Policy Institute of California, *Poverty in California*, July 2019, 3 pages



Section V
Fair Housing Protected Groups

Section V
Fair Housing Protected Groups
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A. INTRODUCTION AND SUMMARY**1. Introduction**

A “protected class” is a group of people with a common characteristic who are legally protected from housing discrimination on the basis of that characteristic. Protected classes are created by both federal and state law. The protected classes under federal law include:

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

The Fair Housing Act prohibits both intentional housing discrimination and housing policies and practices that discriminate against the seven protected classes/groups. According to HUD’s Office of General Counsel (OGC), people with limited English proficiency are not a protected class under the Fair Housing Act. However, the OGC explains that there is a close link between LEP and certain racial and national origin groups. Therefore, HUD advises that an analysis of people with LEP be included in the AI.

The Fair Housing Council of Riverside County, Inc. defines the protected classes as follows:

Race: refers to family, tribe or group of people coming from the same common ancestors.

Example: Discrimination against African-Americans by a Caucasian apartment manager.

Color: refers to the color of an individual’s skin.

Example: Discrimination against a dark-skinned African-American by a light-skinned African-American.

Religion: refers to all aspects of religious belief, observance, and practice.

Example: Discriminating against non-Catholics (Muslim, Buddhist, etc.) because of their religion.

Sex: Includes gender (male or female), gender identity, and gender expression. Also includes, but is not limited to, pregnancy, childbirth, or conditions related to pregnancy or childbirth.

Gender Expression: a person’s gender-related appearance and behavior whether or not stereotypically associated with the person’s assigned sex at birth.

– Example of Gender Expression: A man that dresses in woman’s clothing.

Gender Identity: refers to one's internal, personal sense of being a man or a woman.

– Example of Gender Identity: An individual with a birth-assigned sex of male, but views himself as female.

National Origin: refers to the country in which a person was born, or from which the person's ancestors came.

Example: Discrimination against a Puerto Rican individual by a Mexican property owner.

Familial Status: Refers to a situation where there are one or more persons under age 18 who reside with a parent, legal guardian, etc. This also applies in the case of pregnancy or for people who are in the process of gaining legal custody of a person under age 18.

– Example: Forcing families with children to live on the first floor, or not renting to individuals with young children.

Handicap/Disability: refers to physical, mental and developmental disabilities.

Example: Not allowing a disabled individual to have a service animal in a renter's apartment.

Attachment A provides additional definitions of the fair housing protected classes/groups.

In addition to the seven classes protected under federal law, California law enumerates seven additional groups: age, marital status, ancestry, source of income, sexual orientation, genetic information, and other arbitrary factors. Because the AI is a federal document, the analysis focuses on the protected classes listed in the federal Fair Housing Act.

Data are unavailable on the religious affiliation of Riverside's population.

B. RACE/COLOR

1. Population Characteristics by Race and Ethnicity

a. Race and Ethnic Categories

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

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

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

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

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

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

Attachment B defines the race categories.

b. Definitions of Minority Populations

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

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

The CEQ environmental justice guidelines provide the following definition:

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

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

c. Riverside's Population by Race and Ethnicity

According to the FHCRC, race and color was the basis for almost 14% of the housing discrimination complaints filed by Riverside residents between FY 2014 and FY 2018. Although Hispanics comprise 52.7% of the City's population, only 26% of the housing discrimination complaints filed with the FHCRC were made by this population group. By comparison, the White Alone population filed almost 37% and the Black population 28% of the housing discrimination complaints, respectively.

According to HUD, between 2015 and 2019 14 of the 41 persons who filed a housing discrimination complaint did so on the basis of race.

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

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

Table V-1
City of Riverside
Population Growth by Race and Ethnicity: 2000 to 2010

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

Source: Census 2000 Summary File 1, Table P004 Hispanic or Latino, and Not Hispanic or Latino by Race; Census 2010 Summary File 1, Table P9 Hispanic or Latino, and Not Hispanic or Latino by Race.

Table V-2 shows the population growth by race and ethnicity between 2010 and 2017. During this period, the White Alone population declined in both absolute (-3,530) and relative terms (34% to 31%). In contrast, the Hispanic population gained 20,782 persons and their share of the City's total population increased to 52.7% from 49%.

Table V-2
City of Riverside
Population Growth by Race and Ethnicity: 2010 to 2017

Race/Ethnicity	2010	2017	Increase/ Decrease
Hispanic or Latino	148,953	169,735	20,782
Not Hispanic or Latino			
White Alone	103,398	99,868	-3,530
Black or African American Alone	19,917	18,271	-1,646
American Indian and Alaska Native Alone	1,217	818	-399
Asian Alone	21,934	22,727	793
Native Hawaiian and Other Pacific Islander Alone	1,019	822	-197
Some Other Race Alone	617	1,077	-460
Two or More Races	6,736	8,252	1,516
Total	303,871	321,570	17,699

Source: Census 2010 Summary File 1, Table P9 Hispanic or Latino, and Not Hispanic or Latino by Race.
2013-2017 American Community Survey 5-Year Estimates, Table B03002

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

Table V-3 shows that in 2017, 169,735 persons identified themselves as being of Hispanic or Latino Origin. With respect to race –

- About 58%% of the Hispanic population said that their race was White Alone
- About 35% said they belonged to Some Other Race
- Just over 4% identified themselves as having Two or More Races

Table V-3
City of Riverside
Race of Hispanic or Latino and Not Hispanic or Latino Populations: 2017

Race	Hispanic or Latino	Percent Distribution	Not Hispanic or Latino	Percent Distribution	Total	Percent Distribution
White Alone	99,191	58.4%	99,868	65.8%	199,059	62.0%
Black or African American Alone	1,176	0.7%	18,271	12.0%	19,447	6.0%
Asian Alone	550	0.3%	22,727	15.0%	23,277	7.2%
American Indian or Alaska Native Alone	1,816	1.1%	818	0.5%	2,634	0.8%
Hawaiian or Other Pacific Islander Alone	94	0.0%	822	0.5%	916	0.3%
Some Other Race Alone	59,593	35.1%	1,077	0.7%	60,670	18.9%
Two or More Races	7,315	4.3%	8,252	5.4%	15,567	4.8%
Total	169,735	99.9%	151,835	99.9%	321,570	100.0%

Source: American Community Survey 2013-2017 5-Year Estimates, Table B03002: Hispanic or Latino Origin by Race.

Since 2013, the number of Hispanic persons who identify as White Alone has steeply declined by 20,000 people and 13%. Thus, a greater share of the Hispanic or Latino people do not identify with the White Alone race category but rather consider themselves as belonging to Some Other Race. Indeed, 98.2% (59,593/60,670) of the Some Other Race population is Hispanic or Latino.

Riverside is not unusual in terms of the racial identification of the Hispanic or Latino population. A research study of the 2000 Census found:

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

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

2. Poverty and Tenure Characteristics by Race and Ethnicity

a. Poverty Income by Race and Ethnicity

Approximately 17% of the total population has incomes below the poverty level. Table V-4 shows that poverty rates differ by race and ethnicity. All groups except the White Alone (9.3%) experience poverty rates greater than citywide average of 16.6%. The Hispanic poverty rate is twice as high as that of the White, Not Hispanic population.

Although poverty rates differ, any household with such low incomes – regardless of race or ethnicity – would be unable to afford market rate housing. Poverty incomes severely restrict their ability to attain the housing of their choice.

Table V-4
City of Riverside
Poverty Status by Race and Ethnicity: 2017

Race/Ethnicity	Population	Number Below Poverty Level	Percent Below Poverty Level¹
One Race			
White	193,715	29,028	15.0%
Black or African American	18,511	4,696	25.4%
American Indian and Alaskan Native	2,599	571	22.0%
Asian	20,190	4,221	20.9%
Native Hawaiian or Other Pacific Islander	831	153	18.4%
Some Other Race	59,096	9,615	16.3%
Two or More Races	14,919	3,071	20.6%
Total	309,861	51,355	16.6%%
Hispanic or Latino of any race	165,543	31,858	19.2%
White Alone, Not Hispanic	96,804	8,979	9.3%

Source: 20132017 American Community Survey 5-Year Estimates, Table S1701 Poverty Status in the Past 12 Months.

b. Tenure by Race and Ethnicity

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

Approximately 54% of the Riverside's households own a home. In fact, only two groups have a homeownership rate of 50% or more: White Alone, Not Hispanic householders (64.1%) and Asian householders (56%). Native Hawaiian/Pacific Islanders, Black/African American and American Indian/Alaska Native householders experience low home ownership rates. Refer to Table V-5.

Table V-5
City of Riverside
Homeownership Rates by Race and Ethnicity: 2017

Race/Ethnicity	Owners	Renters
White	58.8%	41.2%
Black or African American	34.3%	65.7%
American Indian/Alaska Native	37.6%	62.4%
Asian	56.0%	44.0%
Native Hawaiian or Other Pacific Islander	25.1%	74.9%
Some Other Race	48.0%	52.0%
Two or More Races	42.8%	57.2%
Hispanic or Latino of any race	48.7%	51.3%
White Alone, Not Hispanic	64.1%	35.9%
Total	54.2%	45.8%

Note: Because of different data sources, the total homeownership rate is slightly higher than the one reported in Table V-3
 Sources: 2013-2017 American Community Survey 5-Year Estimates, Table B25003B-I Tenure by Race/Ethnicity

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

C. SEX (OF HOUSEHOLDER)

1. Population Characteristics

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

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

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

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

According to the FHCRC, sex/gender was the basis of 3.3% of housing discrimination complaints filed by Riverside residents between 2014 and 2019. According to HUD, between 2015 and 2019 two of the 41 persons who filed a housing discrimination complaint did so on the basis of sex/gender.

Table V-6 presents data on the number of householders by type. Female and male householders account for almost one-fourth (22.5%) of all householders.

Table V-6
City of Riverside
Number of Households by Type: 2017

Household Type	Number	Percent
Married Couples	46,126	50.7%
Non-Family Householders	24,386	26.8%
Female Householders	14,212	15.6%
Male Householders	6,250	6.9%
Total	90,974	100.0%

Source: 2013-2017 American Community Survey 5-Year Estimates, Table S2501 Occupancy Characteristics

2. Tenure by Household Type and Sex of Householder

Table V-7 provides information on the owner-renter status of different types of households. Married couple families are the largest household type and the only group that is predominantly homeowners. The second largest household type is persons living alone, which has a homeownership rate of almost 44.4%. Approximately 60% and 40% of the female householders (14,212) are owner and renters, respectively.

Table V-7
City of Riverside
Tenure by Household Type: 2017

Household Type	Owner	Percent	Renter	Percent	Total	Percent
Married-Couple Family	31,225	67.7%	14,901	32.3%	46,126	50.7%
Male Householder, No Wife Present	2,772	44.3%	3,478	55.7%	6,250	6.9%
Female Householder, No Husband Present	5,669	39.9%	8,543	60.1%	14,212	15.6%
Householder Living Alone	8,008	44.4%	10,041	55.6%	18,049	19.8%
Householder Living With Others	1,652	26.1%	4,685	73.9%	6,337	7.0%
Total	49,326	54.2%	41,648	45.8%	90,974	100.0%

Note: The last column is the percentage of s household type of all households –married couple families (46,126) as a percentage of all households (90,974)

Source: 2013-2017 American Community Survey 5-Year Estimates, Table B25011: Tenure by Household Type (Including Living Alone) and Age of Householder.

Poor women, as noted above by the DOJ, are often the victims of sexual harassment. Approximately one in four female householders has incomes below the poverty level. Almost 37% of female renter householders have incomes below the poverty level.

▪ Incomes Below the Poverty Level	3,619 25.5% of all female householders 487 owners 3,132 renters
▪ Incomes Above the poverty Level	10,593 74.5% of all female householders
▪ Female Renter Householders	8,543
✓ Female Renter Householders with Incomes Below Poverty Level	3,132
✓ Percentage with Incomes Below Poverty Level	36.7%

Table V-8
City of Riverside
Female Householders by Presence of Children and SNAP Benefits: 2017

Source: American Community Survey 5-Year Estimates, Table B22002, Receipt of Food Stamps/SNAP in the Past 12 Months by Presence of Children under 18 Years by Household Type for Households

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

According to the FHCRC, national origin was the basis of almost 6% of housing discrimination complaints filed by Riverside residents between 2014 and 2019. According to HUD, between 2015 and 2019 six of the 41 persons who filed a housing discrimination complaint did so on the basis of national origin.

According to HUD:

National origin discrimination is different treatment in housing because of a person's **ancestry, ethnicity, birthplace, culture, or language**, and it is illegal. This means people cannot be denied housing opportunities because they or their family are from another country, because they have a name or accent associated with a national origin group, because they participate in certain customs associated with a national origin group, or because they are married to or associate with people of a certain national origin. Examples of potential national origin discrimination include: refusing to rent to persons whose primary language is other than English; offering different rent rates based on ethnicity; steering prospective buyers or renters to or away from certain neighborhoods because of their ancestry; and failing to provide the same level of service or housing amenities because a tenant was born in another country.

1. Ancestry

Ancestry, according to the ACS, refers to a person's ethnic origin, heritage, descent, or "roots," which may reflect their place of birth or that of previous generations of their family. The intent of the ACS ancestry question is not to measure the degree of attachment the respondent had to a particular ethnicity, but simply to establish that the respondent had a connection to and self-identified with a particular ethnic group. For example, a response of "Irish" might reflect total involvement in an Irish community or only a memory of ancestors several generations removed from the individual.

According to the ACS ancestry identifies the ethnic origins of the population, and that federal agencies regard this information as essential for fulfilling many important needs. Ancestry is required to enforce provisions under the Civil Rights Act, which prohibits discrimination based upon race, sex, religion, and national origin. More generally, these data are needed to measure the social and economic characteristics of ethnic groups and to tailor services to accommodate cultural differences. The Department of Labor draws samples for surveys that provide employment statistics and other related information for ethnic groups using ancestry data.

The 2013-2017 American Community Survey reports that Riverside's five top groups were:

▪ German	22,360
▪ Irish	15,875
▪ English	14,620
▪ American	10,370
▪ Italian	9,838

2. Foreign Born Population by Region of Birth

The foreign-born population includes anyone who is not a U.S. citizen or a U.S. national at birth, including respondents who indicated they were a U.S. citizen by naturalization or not a U.S. citizen. Table V-9 indicates that Riverside's foreign born population consists of approximately 72,800 persons. Of this total number -

- 72.4% were born in Latin America (60.3% in Mexico)
- 21.1% were born in Asia
- 3.9% were born in Europe

Table V-9
City of Riverside
Foreign Born Population by Region of Birth

Region	Number	Percent
Europe		
Northern & Western Europe	1,292	1.8%
Southern & Eastern Europe	1,542	2.1%
Subtotal	2,834	3.9%
Asia		
Eastern Asian	4,950	6.8%
South Central Asia	2,946	4.0%
South Eastern Asia	6,130	8.4%
Western Asia	1,262	1.7%
Unknown	113	0.2%
Subtotal	15,401	21.1%
Latin America		
Mexico	43,830	60.3%
Other Central America	6,395	8.8%
Caribbean	660	0.9%
South America	1,750	2.4%
Subtotal	52,635	72.4%
Unknown	1,917	2.6%
Total	72,787	100.0%

Source: 2013-2017 American Community Survey 5-Year Estimates, Tables S0503, S0505, and S0506, Selected Characteristics of the Foreign Born Population by Region of Birth

3. Ethnicity or Origins of the Population

a. Origins of the Hispanic or Latino Population

An estimated 169,735 Hispanic or Latino persons reside in Riverside. Table V-10 shows that Mexico is the origin of almost 9 of every 10 Hispanic persons. Between 2010 and 2017, there was a percentage increase in Hispanics identifying Mexico and Puerto Rico as their place of origin.

Table V-10
City of Riverside
Persons of Hispanic Origin: 2010 and 2017

Hispanic Origin	2010		2017	
	Number	Percent	Number	Percent
Mexican	129,095	81.2%	150,069	88.4%
Puerto Rican	1,635	1.6%	3,320	2.0%
Cuban	923	0.6%	1,050	0.6%
Other Spanish/Hispanic*	14,803	16.5%	15,296	9.0%
Total	146,456	100.0%	169,735	100.0%

2006-2010 American Community Survey 5-Year Estimates, Table DP05 ACS Demographic and Housing Estimates

2013-2017 American Community Survey 5-Year Estimates, Table DP05: ACS Demographic and Housing Estimates

b. Origins of the American Indian/Alaska Native Population

Of the 2,634 persons belonging to the American Indian/Alaska Native population, 1,816 were Hispanic and 818 were not Hispanic. The tribal groups most frequently identified with were:

- Navajo tribal grouping 307
- Cherokee tribal grouping 132
- Chippewa tribal grouping 11

c. Origins of the Asian Population

Of the 23,277 persons belonging to the Asian population, 550 were Hispanic and 22,727 were not Hispanic. The most frequently mentioned origins were Chinese (21.6%) and Filipino (21.4%). Refer to Table V-11.

Table V-11
City of Riverside
Origins of the Asian Population: 2017

Origin	Number	Percent
Chinese	5,005	21.6%
Filipino	4,985	21.4%
Vietnamese	3,595	15.4%
Other Asian	3,501	15.0%
Asian Indian	2,623	11.3%
Korean	2,449	10.5%
Japanese	1,119	4.8%
Total	23,277	100.0%

Source: 2013-2017 American Community Survey 5-Year Estimates, Table DP05 ACS Demographic and Housing Estimates

d. Origins of the Native Hawaiian and Pacific Islander Population

Of the 916 persons belonging to the Native Hawaiian and Pacific Islander population, 94 were Hispanic and 822 were not Hispanic. The most frequently mentioned origins were Samoan (35.1%) and Native Hawaiian (26.4%). Refer to Table V-12.

Table V-12
City of Riverside
Origins of the Native Hawaiian and Pacific Islander Population

Origin	Number	Percent
Native Hawaiian	239	26.1%
Guamanian or Chamorro	188	20.5%
Samoan	321	35.1%
Other Pacific Islander	168	18.3%
Total	916	100.0%

Source: 2013-2017 American Community Survey 5-Year Estimates, Table DP05 ACS Demographic and Housing Estimates

E. FAMILIAL STATUS

1. Population Characteristics

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

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

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

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

According to the FHCRC, familial status was the basis of approximately 8% of housing discrimination complaints filed by Riverside residents between 2014 and 2019. According to HUD, between 2015 and 2019 18 of the 41 persons who filed a housing discrimination complaint did so on the basis of familial status.

The majority of the City’s 90,974 households have no children under 18 years of age:

▪ 31,600 have children under 18	34.7%
▪ 34,988 have no related children under 18	38.5%
▪ 24,386 are nonfamily households	26.8%

A nonfamily household is a householder living alone or with nonrelatives only. Unmarried couples households, whether opposite-sex or same-sex, with no relatives of the householder present are tabulated in nonfamily households.

The majority of households with children are married couple families. But, as Table V-13 reveals, other household types have children.

Table V-13
City of Riverside
Households with Children: 2017

Household Type	Number	Percent
Married couples	21,950	69.5%
Female HH, no husband present	6,911	21.9%
Male HH, no wife present	2,739	8.6%
Total	31,600	100.0%

Source: American Community Survey 2013-2017 5-Year Estimates

2. Poverty and Tenure by Familial Status

a. Poverty Income by Familial Status and Presence of Children

Poverty by family type offers another indicator of the well-being of families. Female householders with children often confront bias in the rental housing market. Their access to decent housing also is made more difficult by poverty. Table V-14 shows that female heads of households both with and without children under 18 years of age experience the highest poverty income rates.

Table V-14
City of Riverside
Poverty Status by Familial Status and Presence of Children-2017

Family Type	Total Number of Families	Number Below Poverty Level	Percent Below Poverty Level
Married Couple Families	46,126	3,275	7.1%
With related children under 18 years	24,157	2,609	10.8%
Female Householder, no husband present	14,212	3,624	25.5%
With related children under 18 years	8,576	2,984	34.8%
All Families	66,588	7,791	11.7%
With related children under 18 years	36,319	6,320	17.4 %

Source: American Community Survey 2013-2017 5-Year Estimates, Table S1702 Poverty Status in the Past 12 Months of Families

b. Tenure by Familial Status

The need for fair housing services is directly correlated to size of the fair housing protected groups against whom housing discrimination is practiced. In-place renters are the group that makes the majority of housing discrimination complaints. As noted earlier familial status is the basis for approximately 8% of all housing discrimination complaints filed by Riverside residents.

Table V-15 shows the number of families with and without children by tenure. Almost 62% of renters have children less than 18 years of age.

Table V-15
City of Riverside
Tenure by Presence of Children: 2013

Presence of Children	Owner	Percent	Renter	Percent	Total	Percent
With Own Children Under 18 Years	15,035	37.9%	16,565	61.5%	31,600	47.5%
No Own Children Under 18 Years	24,631	62.1%	10,357	38.5 %	34,988	52.5%
Total	39,666	100.0%	26,922	100.0%	66,588	100.0%

Note: the 66,588 total excludes nonfamily households (24,386)

Source: 2013-2017 American Community Survey 5-Year Estimates, Table B25115: Tenure by Household Type and Presences and Age of Own Children.

F. HANDICAP/DISABILITY**1. Background**

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

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

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

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

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

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

According to the FHCRC, disability was the basis for almost 61% of all housing discrimination complaints filed by Riverside residents between 2014 and 2019. According to HUD, between 2015 and 2019 14 of the 41 persons who filed a housing discrimination complaint did so on the basis of disability.

2. Estimates of People with Disabilities

Of the civilian noninstitutionalized population, which numbers 319,141, an estimated 33,014 have a disability. A few key disability statistics are noted below:

- Total population disability rate – 10.3%
- Hispanic disability prevalence rate - 7.7%
- White, Not Hispanic or Latino prevalence rate - 14.5%
- Other Races prevalence rate - 10.8%

Table V-16 presents the disability prevalence rates by age group.

Table V-16
City of Riverside
Disability Status of Civilian Non-institutionalized
Population by Age Group: 2017

Age Group	Total Population	Disabled Population	Percent Disabled
< 5 years	21,326	71	0.3%
5-17 years	57,256	2,380	4.2%
18-34 years	97,753	4,803	4.4%
35-64 years	111,488	13,546	12.2%
65-74 years	17,875	5,026	28.1%
75 years+	13,443	7,188	53.5%
Total	319,141	33,014	10.3 %

Source: 2013-2017 American Community Survey 5-Year Estimates, Table S1810, Disability Characteristics

Table V-17 shows that one in four households have a member with a disability, a proportion much higher than for the non-institutionalized population. The reason for the difference in rates may be that many elderly and frail elderly persons live alone.

Table V-17
City of Riverside
Disabled Householders: 2017

Household Disability Status	Number	Percent
Households with one or more persons with a disability	22,512	24.7%
Households with no persons with a disability	66,462	75.3%
Total	90,974	100.0%

Source: 2013-2017 American Community Survey 5-Year Estimates, Table S2201, Food Stamps: Supplemental Nutrition Assistance Program (SNAP)

3. Developmentally Disabled

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

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

G. LIMITED ENGLISH PROFICIENCY(LEP)

LEP refers to a person's limited ability to read, write, speak, or understand English. Individuals who are LEP are not a protected class under the Act. Nonetheless, the Act prohibits housing providers from using LEP selectively based on a protected class or as a pretext for discrimination because of a protected class. The Act also prohibits housing providers from using LEP in a way that causes an unjustified discriminatory effect.

The American Community Survey defines a "limited English speaking household" as one in which **no** member 14 years old and over (1) speaks only English at home or (2) speaks a language other than English at home and speaks English "Very well." This question identifies households that may need English-language assistance.

There are approximately 5,500 limited English speaking households residing in Riverside. Almost 70% are Spanish speaking and 20% speak Asian and Pacific Island languages. Limited English speaking households comprise about 5.5% of all households living in the City. Refer to Table V-18.

Table V-18
City of Riverside
Limited English Speaking Households: 2017

Households Speaking	Limited English-Speaking Households	Percent of all Limited English- Speaking Households ¹
Spanish	3,854	69.7%
Other Indo-European Languages	378	6.8%
Asian and Pacific Island Languages	1,118	20.2%
Other Languages	183	3.3%
Total	5,533	100.0%

Source: 2013-2017 American Community Survey, Table S1602, Limited English Speaking Households

ATTACHMENT A
FAIR HOUSING PROTECTED CLASSES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Source of Income: Source of income means lawful, verifiable income paid directly to a tenant or paid to a representative of a tenant. SB 329 prohibits discrimination against persons who receive public financial assistance such as a Section 8 housing assistance voucher.

ATTACHMENT B
2010 CENSUS DEFINITIONS OF RACE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ATTACHMENT C
2010 CENSUS DEFINITIONS OF HISPANIC OR LATINO ORIGIN

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

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

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

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

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

There were two changes to the Hispanic origin question for Census 2000. First, the sequence of the race and Hispanic origin questions for Census 2000 differed from that in 1990; in 1990, the race question preceded the Hispanic origin question. Testing prior to Census 2000 indicated that response to the Hispanic origin question could be improved by placing it before the race question without affecting the

response to the race question. Second, there was an instruction preceding the Hispanic origin question indicating that respondents should answer both the Hispanic origin and the race questions. This instruction was added to give emphasis to the distinct concepts of the Hispanic origin and race questions, and emphasized the need for both pieces of information.

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

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



Section VI
Private Sector Impediments Analysis

Section VI
Private Sector Impediments Analysis
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A. INTRODUCTION

Section VI of the AI presents an analysis of 11 potential and actual private sector impediments to fair housing choice. Table VI-1 lists the pages which discuss each impediment as well as the actions which are recommended for inclusion in *the 2020-2025 Fair Housing Action Plan*.

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

Fair Housing Impediment	Page References
▪ Population Diversity	VI-1 to VI-12
▪ Housing Discrimination	VI-12-to VI-15
▪ Brokerage Services	VI-15 to VI-17
▪ Steering	VI-17 to VI-18
▪ Appraisal Practices	VI-18 to VI-19
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▪ Blockbusting/Panic Selling	VI-33
▪ Property Management Practices	VI-33 to VI-39
▪ Discriminatory Advertising	VI-40 to VI-41
▪ Hate Crimes	VI- 41to VI-43

The private sector impediments are identified as prohibited discriminatory practices by the 1968 Federal Fair Housing Act, as amended, and the California Fair Employment and Housing Act. The format for presenting the information on each potential and actual impediment includes:

- Background – an explanation of why a specific practice is prohibited and how it creates an impediment to fair housing choice.
- Analysis – a discussion of data to determine if the prohibited discriminatory practices create an impediment to fair housing choice.
- Conclusions and Recommendations –a brief explanation of whether an impediment to fair housing choice exists and recommended actions that will be implemented by the City and Fair Housing Council of Riverside County, Inc., the City's fair housing provider, during the five-year period from FY 2020-2021 through FY 2024-2025.

B. POPULATION DIVERSITY**1) Background**

HUD's 1996 *Fair Housing Planning Guide* states:

In the AI, the jurisdiction should describe the degree of segregation by race and ethnicity.

The metrics for measuring population diversity, meaning the level of racial integration/segregation, include:

- Index of Dissimilarity
- Racially/ethnically concentrated areas of poverty (R/ECAPs)
- Areas of minority population concentration

2) Analysis

a. Index of Dissimilarity

The U.S. Census Bureau explains that an index of dissimilarity measures the percentage of a group's population that would have to change residence for each neighborhood to have the same percentage of that group as the metropolitan area overall. The index ranges from 0.0 (complete integration) to 1.0 (complete segregation).

HUD's *Assessment of Fair Housing Tool for Local Governments* states that the Index of Dissimilarity measures the degree to which two groups are evenly distributed across a geographic area and is a commonly used tool for assessing residential segregation between two groups.

HUD defines three segregation levels:

	Value	Level of Segregation
Dissimilarity Index Value (0-100)	0-39.99	Low Segregation
	40-54.99	Moderate Segregation
	55-100	High Segregation

HUD data shows that the Riverside-San Bernardino Region experiences a Moderate Level of Segregation among four population groups: Non-White/White, Black/White, Hispanic/White and Asian or Pacific Islander/White, as follows:

- | | |
|-----------------------------------|-------|
| ▪ Non-White/White | 41.29 |
| ▪ Black/White | 47.66 |
| ▪ Hispanic/White | 43.96 |
| ▪ Asian or Pacific Islander/White | 43.07 |

For the City of Riverside, HUD found low segregation levels for the four population groups:

- | | |
|-----------------------------------|-------|
| ▪ Non-White/White | 33.15 |
| ▪ Black/White | 30.46 |
| ▪ Hispanic/White | 37.00 |
| ▪ Asian or Pacific Islander/White | 36.20 |

Brown University's Diversity and Disparities database has calculated an Index of Dissimilarity for cities throughout the United States. According to Brown University, a value of 60 (or above) is considered very high. It means that 60% (or more) of the members of one group would need to move to a different

tract in order for the two groups to be equally distributed. Values of 40 or 50 are usually considered a moderate level of segregation, and values of 30 or below are considered to be fairly low. Using 2010 Census data, Brown University calculated the City of Riverside's Index of Dissimilarity and the index reveals a Low Segregation Level for five racial/ethnic group pairings as follows:

▪ White-Black/Black-White	25.4
▪ White-Hispanic/Hispanic-White	34.1
▪ White-Asian/Asian-White	32.2
▪ Black-Hispanic/Hispanic-Black	32.2
▪ Black-Asian/Asian-Black	26.3

The index found a Moderate Level of Segregation for the following two populations:

- 45.8 Hispanic-Asian/Asian-Hispanic

The link to Brown University's Diversity and Disparities database is <https://s4.ad.brown.edu/projects/diversity/>

Both the HUD and Brown University Index scores found that Riverside has a predominantly low segregation level.

b. Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs)

To assist communities in identifying racially or ethnically-concentrated areas of poverty (R/ECAPs), HUD developed a census tract-based definition of R/ECAPs. The definition involves a racial/ethnic concentration threshold and a poverty test:

- A nonwhite population of 50% or more
- A poverty rate that exceeds 40% or is three or more times the average tract poverty rate for the metropolitan area, whichever threshold is lower

The Region has R/ECAPs located in cities and unincorporated areas of the Counties of Riverside and San Bernardino. The total population living in the Region's R/ECAPs is almost 217,000. Most of this population resides in San Bernardino County (45%) and the City of San Bernardino (31%).

Table VI-2 lists the R/ECAPs located in Riverside County based on the data available from the 2011-2015 American Community Survey. This data source was used because it is the same one used by HUD to identify R/ECAPs.

Table VI-2
R/ECAPs Located in Riverside County: 2015

Location	Census Tract	Percent Minority	Percent Poverty	Total Population
Moreno Valley	425.05	91.9%	41.0%	3,691
Moreno Valley	425.15	96.1%	40.1%	4,248
Blythe	461.02	79.3%	40.9%	2,140
Thermal (unincorporated)	456.05	85.9%	41.0%	9,431
Coachella	457.05	99.8%	50.0%	9,585
Indio	453.03	95.9%	45.2%	2,904
Desert Hot Springs	445.07	76.7%	43.6%	7,414
Desert Hot Springs	445.09	65.6%	48.9%	4,042
Banning	442.00	85.5%	42.9%	5,894
Hemet	434.01	69.6%	43.7%	6,495
Hemet	434.05	55.5%	42.3%	4,450
Perris	429.04	89.2%	44.7%	9,434
<i>Riverside</i>	422.09	77.1%	41.9%	4,453
<i>Riverside</i>	465.00	82.7%	56.1%	7,477

Source: American Community Survey 2011-2015 5-Year Estimates, Table S1701: Poverty Status in the Past 12 Months and Table B03002: Hispanic or Latino Origin by Race

Two R/ECAPs are located in Riverside: 422.09 and 465.00. Because Riverside has a large college student population, which skews the poverty data, it is necessary to adjust the figures. Demographers have offered the following insights on why and how to adjust the poverty rates in college towns:

College towns frequently appear to have high poverty rates, often inflated by the presence of students in the population. When postsecondary students are incorporated into poverty statistics, local leaders are left without a reliable measure of poverty among non-student residents. As a result, in some localities, leaders may struggle to identify meaningful ways to combat poverty, or may enact unnecessary or poorly targeted anti-poverty initiatives; in other localities, pervasive poverty among non-student residents may go unrecognized or under-addressed.

A modified poverty rate among non-student residents may be computed by using poverty status by school enrollment data published by the Census Bureau, which allows us to remove all students enrolled in undergraduate or graduate programs from the locality's population. By excluding all postsecondary students from these calculations and comparing the resulting figures with cities' official poverty rates, we get an idea of the effect students have on the poverty measurement. More importantly, this approach allows us to measure poverty among the non-student population.

Source: University of Virginia, Demographics Research Group, *Poverty and Postsecondary Students in College Towns*, March 2016, 2 pages

Table VI-3 contains the poverty rate adjustments for college students living in the two census tracts. Following the adjustments, the poverty rate of Census Tract 465 falls from 49.6% to 34.4%. The adjusted poverty rate of Census Tract 422.09 is 41.1% and, therefore, is the only area that meets HUD's criteria that define an R/ECAP.

Table VI-3
City of Riverside: Analysis of Census Tract Poverty Data: 2017

Census Tract 422.09	
Total Population for Whom Poverty Status is determined:	3,954
Below Poverty Income Level:	1,833
Percent Below Poverty Income Level:	46.4% (1,833/3,954)
College Students Below and Above Poverty Income Level:	820
Non College Student Population:	3,134 (3,954 minus 820)
College Students Below Poverty Income Level:	544
Non College Students Below Poverty Income Level:	1,289 (1,833 minus 544 = 1,289)
Non-College Students Below Poverty Income Rate:	41.1% (1,289/3,134 = 41.1%)
Census Tract 465.00	
Total Population for Whom Poverty Status is determined:	3,061
Below Poverty Income Level:	1,518
Percent Below Poverty Income Level:	49.6% (1,518/3,061)
College Students Below and Above Poverty Income Level:	1,311
Non College Student Population:	1,750 (3,061 minus 1,311)
College Students Below Poverty Income Level:	918
Non College Students Below Poverty Income Level:	600 (1,518 minus 918 = 600)
Non-College Students Below Poverty Rate:	34.4% (600/1,750 = 34.3%)

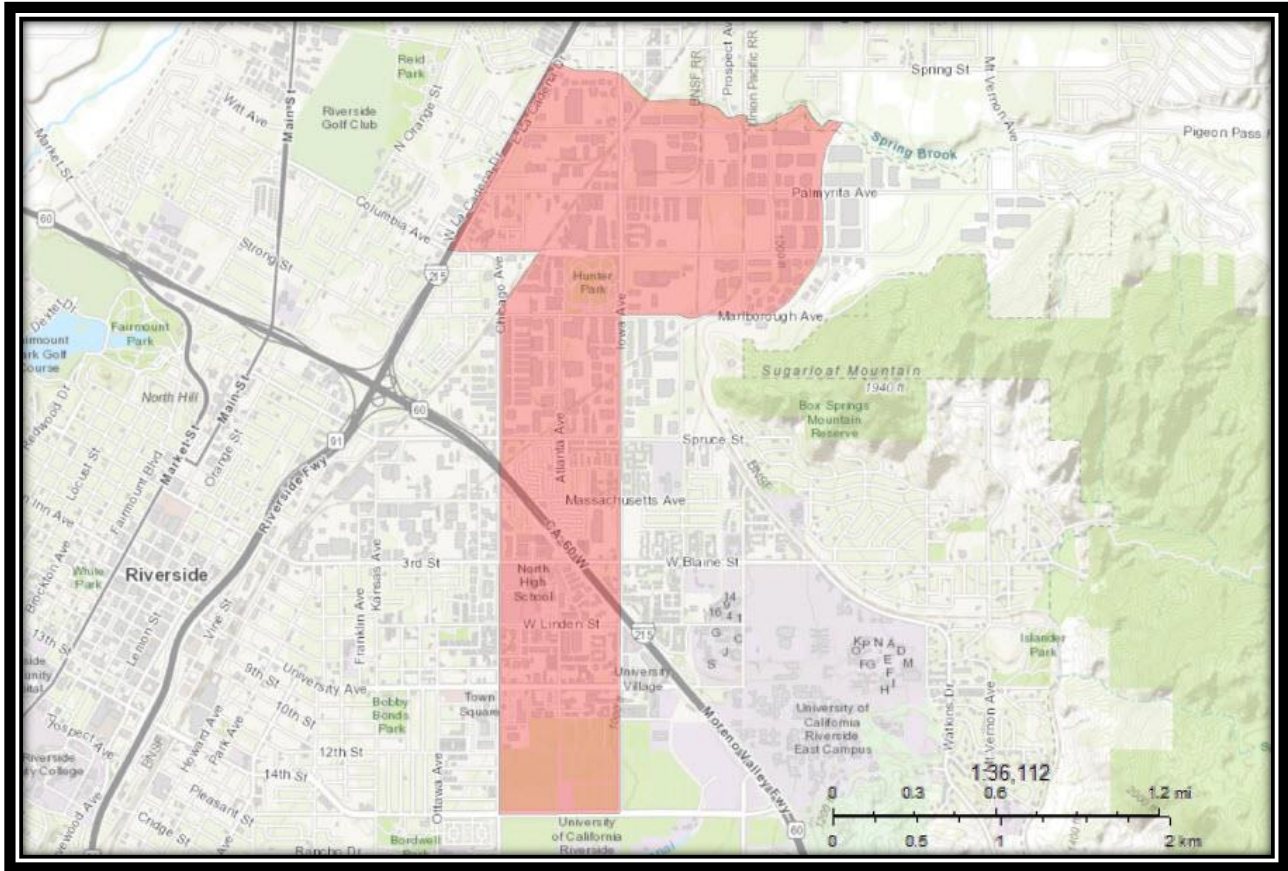
Sources: University of Virginia, Demographics Research Group, *How to Modify Poverty Calculations for College Towns*, March 7, 2016, 7 pages

2013-2017 American Community Survey 5-Year Estimates, Table S1701, Poverty Status in the Past 12 Months and 2013-2017 American Community Survey 5-Year Estimates, Table B14006, Poverty Status in the Past 12 Months by School Enrollment by Level of School for the Population 3 Years Old and Over

Exhibit VI-1 shows the boundaries of Census Tract 422.09. It is generally bounded by the Eastside Neighborhood and Sugarloaf Mountain. The vast majority of the housing stock is located in the area bounded by Spruce Street, Chicago Avenue, Massachusetts Avenue, and Iowa Avenue. Within this area, five apartment complexes are located: Summit Pointe, Mission Pointe, The Met, University Park, and Palmilla. Mission Pointe is a 64-unit affordable, Low Income Housing Tax Credit development. Also located within this area are the King Arthur Mobile Home Estates (201 spaces) and Santiago Estates Mobile Homes (88 spaces).

The Grand Marc Apartments (212 units of student housing) are located at Iowa Avenue and Linden Avenue. The 128-unit Sunrise Village Mature Adult Apartments are located on Iowa Avenue between University Avenue and Martin Luther King Boulevard.

Exhibit VI-1
Census Tract 422.09



c. Areas of Minority Population Concentration1) Standards for Defining an Area of Minority Concentration

HUD rules require the City's Consolidated Plan to describe any area of minority concentration and state how the jurisdiction defines the term "area of minority concentration." Neither the Consolidated Plan rules nor the 1996 *Fair Housing Planning Guide* offers guidance on how the City should define an area of minority concentration.

Over the years, HUD has affirmatively furthered the desegregation of neighborhoods by promoting new affordable housing outside of areas of minority concentration. The original site and neighborhoods standards – authored some four decades ago – defined an area of minority concentration as "any area where the proportion of minority residents *substantially exceeds*, or, as a result of new assisted housing, would substantially exceed that of the jurisdiction as a whole." [emphasis added]

Source: Steven Lev, *HUD Site and Neighborhood Selection Standards: An Easing of Placement Restrictions*, Urban Law Annual: Journal of Urban and Contemporary Law, Volume 22, January 1981, pages 2015 and 2016

HUD's implementing instructions, released on June 12, 2017, for the Rental Assistance Demonstration (RAD) Program states that HUD will not permit RAD new construction on a site that is in an area of minority concentration which HUD defines as any area whose minority concentration is more than 20 points above the Metropolitan Statistical Area (MSA) average unless:

- The new area is a revitalizing area experiencing significant private investment, or
- There are sufficient comparable housing opportunities in areas outside of minority concentration

The FY 2005 HOPE VI Revitalization NOFA offers additional insights on HUD's thinking on the meaning of an "area of minority concentration":

Section III.C.4.n.(1)(g) of the NOFA defines an "Area of Minority Concentration" as, "...any neighborhood in which: (i) The percentage of households in a particular racial or ethnic minority group is at least 20 percentage points higher than the percentage of that minority group for the housing market area; i.e., the Metropolitan Statistical Area (MSA) in which the proposed housing is to be located; (ii) The neighborhood's total percentage of minority persons is at least 20 percentage points higher than the total percentage of all minorities for the MSA as a whole; or (iii) In the case of a metropolitan area, the neighborhood's total percentage of minority persons exceeds 50 percent of its population." [Emphasis added]

In (i) above the number of "households" in each particular racial or ethnic group is used to compute concentration. For example, the number of Asians in Neighborhood Y as a percentage all households in Neighborhood Y compared to the MSA percentage. On the other hand, (ii) above is calculated on the basis of all minority persons residing in the neighborhood.

As explained on page V-3, the minority population encompasses all people except White, non-Hispanic or Latino populations. Thus, the minority population definition includes *all* Hispanic persons even the 58% of the City's Hispanics who identify with the White racial group. Therefore, all calculations

regarding minority populations would change dramatically if they were computed on race alone and did include both race and ethnicity.

HUD defines “area” as a “neighborhood.” However, HUD does not define the meaning of a “neighborhood”. That was left up to the discretion of the HOPE VI applicant. As an example, if the applicant was urban, a neighborhood could be defined by one census tract or a group of census tracts, which would contain thousands of people. If the applicant was non-urban, a census block or group of census blocks, which may contain hundreds of people, could be used to define “area” and “neighborhood”. The neighborhood could be an approximation of a circle (defined by a radius) or could be denoted by natural boundaries (“hard-edged”).

2) Analysis of 2010 and 2017 Census Tract Minority Household and Population Data

The City is located within the Riverside-San Bernardino-Ontario, CA Metro Area. The minority household and population percentages of this Metro Area are listed below:

- 44.6% minority households
- 66.6% minority population

Therefore, an area of minority *household* concentration is one with 64.6% or more of the census tract households belonging to a minority group. Table VI-4 lists the 29 census tracts that meet or exceed this threshold.

An area of minority *population* concentration is one with 86.6% of the census tract’s population identifying with a minority group. Table VI-5 lists the census tracts that meet or exceed the threshold.

Eleven census tracts meet both minority household and minority population thresholds. These census tracts are located in the following neighborhoods: Eastside (4); Arlanza (3); Casa Blanca (1); La Sierra (1); La Sierra Acres (1); and Airport (1).

Table VI-4
City of Riverside
Households by Race/Ethnicity by Census Tract-Rank Ordered: 2017

Census Tract	White Alone, Not Hispanic or Latino	Hispanic or Latino	All Others	Total Households	Percent Minority
313.00	6	600	15	621	99.0%
413.02	70	864	110	1,044	93.3%
304.00	125	1,144	236	1,505	91.7%
411.01	111	1,106	29	1,246	91.1%
305.02	53	418	26	497	89.3%
305.01	168	658	437	1,263	86.7%
412.02	159	780	61	1,000	84.1%
412.03	155	694	95	944	83.6%
305.03	157	697	82	936	83.2%
413.01	150	567	77	794	81.1%
310.02	254	817	135	1,206	78.9%
410.01	174	440	141	755	77.0%
301.01	85	198	78	361	76.5%
465.00	335	305	614	1,254	73.3%
301.04	522	1,095	312	1,929	72.9%
414.07	445	850	283	1,578	71.8%
414.08	374	647	299	1,320	71.7%
412.01	356	624	267	1,247	71.5%
410.02	240	518	78	836	71.3%
309.00	246	514	93	853	71.2%
422.10	481	653	519	1,653	70.9%
316.01	403	754	116	1,273	68.3%
316.02	544	992	155	1,691	67.8%
422.09	431	451	438	1,320	67.3%
410.04	440	690	207	1,337	67.1%
414.06	597	784	401	1,782	66.5%
317.01	250	384	111	745	66.4%
411.02	324	570	63	957	66.1%
303.00	544	689	315	1,548	64.9%

Source: American Community Survey 2017 5-Year Estimates, Tables B11001 Household Type (Including Living Alone); Table B11001H Household Type (Including Living Alone) (White Alone, Not Hispanic or Latino) and Table B11001I Household Type (Including Living Alone) (Hispanic or Latino).

Note: The All Others category is a residual of the other three categories.

Table VI-5
City of Riverside
Population by Race/Ethnicity by Census Tract-Rank Ordered: 2017

Census Tract	White alone	Black or African American alone	American Indian and Alaska Native alone	Asian alone	Native Hawaiian and Other Pacific Islander alone	Some Other Race alone	Two or More Races	Hispanic or Latino	Total Population	Total Minority Population	Percent Minority
313.00	45	27	0	8	0	0	0	2,763	2,843	2,798	98.4%
411.01	239	110	0	0	0	0	31	5,913	6,293	6,054	96.2%
413.02	202	99	0	261	0	0	20	4,061	4,643	4,441	95.6%
304.00	371	391	11	39	24	0	49	5,578	6,463	6,092	94.3%
305.02	165	49	0	8	0	0	11	1,880	2,113	1,948	92.2%
305.03	295	230	0	5	0	0	56	2,968	3,554	3,259	91.7%
412.02	377	38	10	78	0	0	21	3,922	4,446	4,069	91.5%
412.03	344	100	0	140	0	11	28	3,009	3,632	3,288	90.5%
305.01	456	756	31	305	0	21	24	2,842	4,435	3,979	89.7%
413.01	390	10	0	187	0	12	42	3,060	3,701	3,311	89.5%
310.02	652	305	24	0	0	0	93	4,176	5,250	4,598	87.6%

Source: American Community Survey (ACS) 2017 5-Year Estimates, Table B03002: Hispanic or Latino Origin by Race.

d. Impact of Population Growth Trends on Population Diversity1) Population Growth in Riverside County

Table VI-6 shows that between 2019 and 2024, Riverside County will grow by approximately 182,400 people, according to the projections made by California Department of Finance (DOF). The Hispanic population (97,153) will account for the vast majority of the growth followed by the White (51,496) and Black populations (13,579). Hispanics will comprise approximately 53% of Riverside County's growth during the 5-year period (97,153/182,415).

Table VI-6
Riverside County - Population Change by Race/Ethnicity: 2019-2024

Race/Ethnicity	2019	2024	Numerical Increase	Percent Increase ¹	Percent Increase ²
Not Hispanic or Latino					
White	924,582	976,078	51,496	28.2%	5.6%
Black	146,811	160,390	13,579	7.4%	9.2%
American Indian/Alaska Native	12,113	12,995	882	0.5%	7.3%
Asian	148,468	160,738	12,270	6.7%	8.3%
Native Hawaiian or Other Pacific Islander	6,736	7,191	455	0.2%	6.8%
Multi-Race	55,285	61,865	6,580	3.6%	11.9%
Hispanic or Latino (any race)	1,162,158	1,259,311	97,153	53.4%	8.4%
Total	2,456,153	2,638,568	182,415	100.0%	7.4%

¹Expressed as a percentage of the total increase (e.g. 97,153/182,415 = 53.4%)

²Expressed as a percentage of each group's increase (e.g. 97,153/1,162,158 = 8.4%)

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

2) Population Growth in Riverside

The Southern California Association of Governments (SCAG) has prepared household and population projections to 2030 and 2045 as a part of the Connect SoCal Program. These projections indicate that over the next five years – 2019-2024 – Riverside could gain approximately 3,400 households and add 11,400 people to its population. By 2024, the City may reach a total of 97,100 households and almost 340,000 people.

Population projections by race and ethnicity are unavailable at the City level as they have not been prepared by the DOF), SCAG or the County of Riverside.

3. Conclusions and Recommendations

Although the City as whole has a low segregation level, there are neighborhoods with concentrations of minority populations. Some of these neighborhoods also experience poverty rates considerably higher than the citywide average. The issues of population diversity, residential integration/segregation, and access to opportunity will be explored in greater detail during the preparation of the *Assessment to Fair Housing* (AFH) section of the *2021-2029 Housing Element*.

In FY 2020-2021, the City will evaluate the contribution that the following actions could make toward reducing minority population concentrations and poverty:

- Place-based strategies in the neighborhoods with minority population concentrations and high poverty rates
- Development of affordable family apartment housing in high opportunity neighborhoods
- Development of market rate housing in neighborhoods with minority population concentrations

C. HOUSING DISCRIMINATION

1. Background - Prohibited Housing Discriminatory Practices

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

- (a) To refuse to *sell or rent* after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin. [Emphasis added]
- (b) To discriminate against any person in the *terms, conditions, or privileges* of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, sex, familial status, or national origin. [Emphasis added]
- (d) To represent to any person because of *race, color, religion, sex, handicap, familial status, or national origin* that any dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available. [Emphasis added]

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

2. Analysis - Housing Discrimination Complaints

Housing discrimination complaints can be filed directly with HUD. In California the housing discrimination complaints are processed by HUD’s San Francisco Office of Fair Housing and Equal Opportunity (FHEO). Riverside residents may also file complaints with the State Department of Fair Employment and Housing (DFEH), and the Fair Housing Council of Riverside, Inc. (FHCRC).

Housing discrimination complaint data was compiled by the FHCRC for the period from FY 2014/2015 through FY 2018/2019. During this five-year period, 518 housing discrimination complaints were filed with the FHCRC by Riverside residents. An annual average of 103 complaints was filed during the five-year period. By comparison, 629 complaints were filed with the FHCRC between FY 2009/2010 and FY 2013/2014 for an annual average of 126 complaints.

Table VI-7 shows that about three-fourths of the complaints are made on the basis of disability (61.2%) and race/color (14.2%).

Table VI-7
City of Riverside
Housing Discrimination Complaints by Protected Class
FY 2014-2015 to FY 2018-2019
(Filed with Fair Housing Council of Riverside County, Inc.)

Protected Class	Number of Cases	Percentage Distribution
Disability	317	61.2%
Race	72	13.9%
Family	41	7.9%
Arbitrary	5	0.9%
Source of income	10	2.0%
Age	14	2.7%
Sex/Gender	17	3.3%
National Origin	30	5.8%
Sexual Orientation	3	0.6%
Marital Status	5	0.9%
Religion	3	0.6%
Color	1	0.2%
Total	518	100.0%

Source: Housing discrimination complaint records of the Fair Housing Council of Riverside County, Inc.

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

Table VI-8 shows the race and ethnicity of the persons who filed complaints with the FHCRC. Although Hispanics comprise 53% of the City's population, only 25.7% of the housing discrimination complaints filed with the FHCRC were made by this population group. By comparison, the White population filed 37.1% and the Black population 27.9% of the housing discrimination complaints, respectively.

The FHCRC also conducted audit tests for the City in 2014-2015, 2015-2016, 2016-2017 and 2018-2019. The audit tests involved the groups protected on the basis of race, disability, national origin and familial status. The audits found discrimination in all sectors tested – rental, lending and sales. The most frequent instances of discrimination were found in the rental sector.

Table VI-8
City of Riverside
Housing Discrimination Complaints by Race and Ethnicity
FY 2014-2015 to FY 2018-2019
(Filed with Fair Housing Council of Riverside County, Inc.)

Race/Ethnicity	Number	Percentage Distribution
White	192	37.1%
Black	145	27.9%
Hispanic	133	25.7%
Other	48	9.3%
Total	518	100.0%

Source: Housing discrimination complaint records of
the Fair Housing Council of Riverside County, Inc.

HUD's San Francisco Office of Fair Housing and Equal Opportunity compiled housing discrimination data for the period from January 1, 2015 to October 8, 2019. During this almost 5-year period, 41 complaints were filed with HUD-San Francisco involving 61 bases. The bases included:

- Familial Status 18
- Disability 14
- Race 12
- Retaliation 8
- National Origin 6
- Sex 2
- Color 1

There are a myriad of issues or alleged acts triggering the housing discrimination complaints. Some of the issues or alleged acts included discriminatory refusal to rent; discriminatory advertising; failure to make reasonable accommodation; and discriminatory terms, conditions, privileges, or services and facilities.

For the majority of cases, HUD was able to successfully reach a conciliation/settlement. However, for 16 of the 41 complaints filed, HUD made a "no cause determination."

HUD advised the City that –

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

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

Because of this fact, neither the number of complaints nor the number of proven complaints is an accurate indicator of the incidence of discrimination in the Riverside housing market.

3. Conclusions and Recommendations

Housing discrimination, particularly on the basis of disability, race, and familial status, is an impediment to fair housing choice. Based on past trends, at least 40 housing discrimination complaints may be filed by Riverside residents with HUD during the five year period between FY 2020-2021 and FY 2024-2025. During the same period, it is estimated that at least 500 housing discrimination complaints may be filed with the FHCRC.

The following actions will be implemented to remove or mitigate this impediment to fair housing choice:

- During the five-year period from FY 2020-2021 through FY 2024-2025, the City will have the FHCRC provide fair housing services which will include the processing of housing discrimination complaints and landlord/tenant counseling services. Often a landlord/tenant issue has as its basis a housing discrimination concern.
- In FY 2020-2021, the FHCRC will develop in cooperation with the Community Access Center and Inland Regional Center actions to address the fair housing concerns of disabled persons.

D. BROKERAGE SERVICES

1. Background – Denial of Access to Real Estate Organizations

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

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

2. Inland Valleys Association of REALTORS

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

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

- | | |
|--------------------------------------|-----|
| ▪ White | 77% |
| ▪ Asian/Pacific Islander | 11% |
| ▪ Hispanic/Latino | 9% |
| ▪ Black/African American | 3% |
| ▪ Other/American Indian/Eskimo/Aleut | 4% |

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

An overlap between the White and Hispanic/Latino groups results in the total exceeding 100%. There are no comparable figures on the race and ethnicity of the 4,000 plus real estate professionals who belong to IVAR. Because of the demographic make-up of the City, it is assumed that more than 9% of the local real estate professionals identify with the Hispanic/Latino ethnicity group.

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

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

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

Neither the FHCRC nor HUD-San Francisco compiles data on discriminatory brokerage services. The HUD headquarters in Washington, D.C. and Fair Housing Assistance Program (FHAP) agencies record discriminatory practices in categories known as "issues." If a single complaint alleges multiple issues, it is counted under each issue alleged. In the five fiscal years between 2013 and 2017, 41,674 issues were counted of which 209 or 0.5% involved discriminatory brokerage practices.

(HUD provides FHAP funding annually on a noncompetitive basis to state and local agencies that enforce fair housing laws that HUD has determined to be substantially equivalent to the Fair Housing Act. FHAP agencies support a variety of fair housing administrative and enforcement activities, including complaint investigation, conciliation, administrative and/or judicial enforcement; training; implementation of data and information systems; and education and outreach.)

3. Conclusions and Recommendations

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

Although no impediment was found to exist, to affirmatively further fair housing -

- In FY 2020-2021 to FY 2024-2025, the FHCRC will -
 - ✓ Participate in the meetings of IVAR's Housing Committee.

- ✓ Offer to teach the 3-hour Fair Housing course that REALTORS and sales persons must complete when they renew their license every four years.

E. STEERING

1. Background - Prohibited Steering Practices

Examples of prohibited steering practices include:

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

2. Analysis of Steering

As previously noted, HUD annually counts discriminatory practices in categories known as “issues”. In the five fiscal years between 2013 and 2017, 41,674 issues were counted of which 368 or 0.9% involved steering.

The steering of home buyers probably happens less frequently than in the past because the internet enables home buyers to be more active in the search process and less reliant on REALTORS. According to the California Association of REALTORS *2015 Home Buyers Survey* buyers on average spend 15 weeks investigating homes and neighborhoods before contacting an agent. Although 55% of buyers found a home through an agent, 18% found it using a website, 11% a for sale sign, and 8.5% at an open house. Zillow and Realtor.com are the considered by buyers as the most useful websites when they search for a home. In addition, the vast majority of buyers used mobile devices to research homes and neighborhoods and to take photos of homes/amenities/neighborhoods.

The use of the internet and mobile devices does potentially create risks in the home buying process. Several state Attorney Generals have concluded that -

...the growing role of data analytics and online platforms in the housing sale and rental markets means that risks are greater that segments of society will be steered away from or denied housing in a way that is immune to examination of intent yet results in even more segregated housing patterns.

Source: Comments from Attorney General’s Regarding the Reconsideration of HUD’s Implementation of the Fair Housing Act’s Disparate Impact Standard (Docket No. FR-6111-A-01), page 9

3. Conclusions and Recommendations

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

Although steering cannot be precisely quantified, there is evidence that it exists and, therefore, it does create an impediment to fair housing choice.

The following actions will be taken to remove or mitigate this impediment to fair housing choice:

- During the five-year period from FY 2020-2021 through FY 2024-2025, the FHCRC will provide at the first time homebuyer workshops 1) examples of how to detect “steering” when using the internet to conduct a home search process and 2) examples of how to detect loan steering.
- During the five-year period from FY 2020-2021 through FY 2024-2025, the FHCRC will provide information on how to detect steering behavior by resident property managers to renters attending workshops and Town Hall meetings.
- In FY 2020-2021, the FHCRC will add a “steering” category to the categories of alleged housing discriminatory acts.

F. APPRAISAL PRACTICES

1. Background – Prohibited Appraisal Practices

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

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

2. Analysis of Appraisal Practices

Homebuyers requiring a loan to buy a home are given the opportunity to review an appraisal report.

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

Note: Race and the racial composition of the neighborhood are not appraisal factors.

At the end of the report, there are “appraiser’s certifications” which include certification #17:

I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or

national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

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

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

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

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

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

3. Conclusions and Recommendations

Complaints regarding discriminatory appraisal practices are not routinely collected by local, State or Federal agencies. Data are unavailable to demonstrate if discriminatory appraisal practices adversely impact some of Riverside real estate transactions.

Although no impediment was found to exist, to affirmatively further fair housing –

- In FY 2020-2021 to FY 2024-2025, the FHCRC will describe the appraisal process and the contents of an appraisal report at the First Time Homebuyer workshops.

G. LENDING PRACTICES

1. Background

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

According to the Consumer Financial Protection Bureau:

The Home Mortgage Disclosure Act (HMDA) is a data collection, reporting, and disclosure statute that was enacted in 1975. HMDA data are used to assist in determining whether financial institutions are serving the housing needs of their local communities; facilitate public entities' distribution of funds to local communities to attract private investment; and help identify possible discriminatory lending patterns. Institutions covered by HMDA are required to annually collect and report specified information about each mortgage application acted upon and mortgage purchased during the prior calendar year. The data include the disposition of each application for mortgage credit; the type, purpose, and characteristics of each home mortgage application or purchased loan; the census-tract designations of the properties; loan pricing information; demographic and other information about loan applicants, including their race, ethnicity, sex, and income; and information about loan sales.

Source: Consumer Financial Protection Bureau, *Data Point: 2018 Mortgage Market Activity and Trends: A First Look at the 2018 HMDA Data*, page 1

For calendar year 2018, 5,666 institutions in the country reported HMDA data, down 3.9% from the 5,897 which reported in 2017.

2. Analysis of 2018 City of Riverside Home Mortgage Disclosure Act (HMDA) Data

a. HMDA Data on Loan Applications

HMDA data are reported by lenders at the census tract level. The calendar year 2018 HMDA data are reported by lenders according to the 2010 census tract boundaries. For purposes of the analysis, the City of Riverside is an aggregation of the census tracts which are entirely within the city limits plus those census tracts where 50% or more of housing units are within its boundaries.

Lending institutions can take up to eight actions on a loan application as follows:

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

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

In order to compute "denial rates," the first three actions are considered: denied applications divided by loans originated + approved applications not accepted + applications denies. The first three actions

are considered because those actions represent applications that were completely processed and either were approved or denied.

The Consumer Financial Protection Bureau's summary of nationwide denial rates is presented below:

Denial rates for home-purchase applications were generally lower in 2018 than in prior years. The overall denial rate on applications for conventional and nonconventional home-purchase loans was *9.8 percent in 2018*, 8.4 percent lower than in 2017. The denial rate for each racial/ethnic group declined from 2017 to 2018. These declines in 2018 continue a general trend in recent years of declining denial rates for home-purchase mortgages.

Variations in raw denial rates over time reflect not only changes in credit standards, but also changes in the demand for credit and in the composition of borrowers applying for mortgages. For example, *the denial rate on applications for conventional home-purchase loans was lower in 2018 than during the housing boom years*, even though most measures of credit availability suggest that credit standards were tighter in 2018. *This may stem from a relatively large drop in applications from riskier applicants or in applications that are risky for other reasons, such as documentation or collateral risk.*

As in past years, Black and Hispanic White borrowers had notably higher denial rates in 2018 than non-Hispanic White and Asian borrowers. For example, the denial rates for conventional home-purchase loans were 16.9 percent for Black borrowers and 12.1 percent for Hispanic White borrowers. In contrast, denial rates for such loans were 9.6 percent for Asian borrowers and 6.8 percent for non-Hispanic White borrowers. Previous research and experience in the fair lending supervisory process show that differences in denial rates and in the incidence of higher-priced lending (the topic of the next subsection) among racial and ethnic groups stem, at least in part, from factors related to credit risk. Those factors—such as credit history (including credit score), ratio of total monthly debt to total monthly income (DTI ratio), and CLTV ratio—are now revealed for the first time in the 2018 HMDA data.

Source: Consumer Financial Protection Bureau, *Data Point: 2018 Mortgage Market Activity and Trends: A First Look at the 2018 HMDA Data*, page 36 and 40

b. Analysis of City of Riverside HMDA Data

1) 2018 FHA/VA/FSA and Conventional Loan Volumes and Loan Dispositions

The 2018 HMDA data reported a total of 2,472 FHA/VA and conventional loan applications to purchase homes located in Riverside:

▪ FHA/VA/FSA Loans	941	38.1%
▪ Conventional Loans	<u>1,531</u>	<u>61.9%</u>
Total	2,472	100.0%

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

The final disposition of the 2,472 loan applications was as follows:

▪ Approved	2,248	90.9%
▪ Denied	224	9.1%
Total	2,472	100.0%

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

The denied loans represented 9.1% of all loan applications, a percentage lower than the nationwide 9.8%.

2) Loan Denial Rates by Type of Financing

Table VI-9 also shows the FHA/VA/FSA and conventional loan denial rates. In 2018, the FHA/VA/FSA market share was 38.1% - 941 of 2,472 loan applications. Of the 941 applications, 8.9% were denied. In 2018, the 1,531 conventional loan applications comprised 61.9% of all 2,472 loan applications. Of the 1,531 applications, 9.1% were denied.

Table VI-9
City of Riverside
FHA/VA/FSA and Conventional
Loan Applications and Denial Rates: 2013

Type of Application	Riverside Applications
FHA/VA/FSA	
Total Applications	941
Number Denied	84
Percent Denied	8.9%
Conventional Loans	
Total Applications	1,531
Number Denied	140
Percent Denied	9.1%
All Loans	
Total Applications	2,472
Number Denied	224
Percent Denied	9.1%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) 2018.

3) Loan Denial Rates by Household Income and Type of Financing

Table VI-10 shows the denial rates by five income categories and type of financing. Household income can be a key determinant in whether a borrower has a loan application approved. Higher incomes, however, do not always correlate with low denial rates and vice versa.

Among the FHA/VA/FSA borrowers, applicants with incomes in the \$80,000 to \$99,999 had the lowest denial rate at 6.7%. Loan applicants with yearly incomes below \$40,000 had the highest loan denial rate at 25.7%.

With respect to conventional loan applicants, borrowers with incomes below \$40,000 had the highest denial rate (14.8%). In contrast, loan applicants with incomes between \$80,000 and \$99,999 had the lowest denial rates (7.0%). The conventional loan applicants with incomes of more \$100,000 had denial rates nearly two percentage points higher than FHA/VA/FSA applicants (8.8% versus 7.0%).

Overall, would-be borrowers with yearly incomes of less than \$40,000 comprised 3.9% of all the 2018 loan applicants. The loan applicants in the <\$40,000 annual income group had an 18.8% loan denial rate, a rate twice as high as the average for all loans.

4) Loan Denial Rates by Race and Ethnicity

Table VI-11 shows the percentage of loan applications by race and ethnicity. White, Non-Hispanic and Hispanic households made 75% of all loan applications. Together these two groups comprise about the same percentage of all the City households. It should be noted that HMDA does not provide data on the city in which the loan applicants currently reside. Thus, the some of the loan applicants could already reside in another of Riverside's neighborhoods.

Black householders comprised 3.7% of all loan applicants, which is lower than their percentages of all households and the City's population. If loan applications had been made by the Black population in the same proportion that they represent of the City's population, 41 more applications would have been submitted.

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

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

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

Table VI-10
City of Riverside
FHA/VA and Conventional Loan Denial Rates
By Household Income: 2018

Loan Type and Income	Number of Applications	Number Denied	Percent Denied
FHA/VA/FSA Loans			
<\$40,000	35	9	25.7%
\$40,000-\$59,999	70	12	17.1%
\$60,000-\$79,999	229	21	9.2%
\$80,000-\$99,999	288	20	6.9%
\$100,000+	315	22	7.0%
Income Not Available	4	0	0.0%
Total	941	84	8.9%
Conventional Loans			
<\$40,000	61	9	14.8%
\$40,000-\$59,999	137	17	12.4%
\$60,000-\$79,999	278	27	9.7%
\$80,000-\$99,999	271	19	7.0%
\$100,000+	774	68	8.8%
Income Not Available	10	0	0.0%
Total	1,531	140	9.1%
All Loans			
<\$40,000	96	18	18.8%
\$40,000-\$59,999	207	29	14.0%
\$60,000-\$79,999	507	48	9.5%
\$80,000-\$99,999	559	39	7.0%
\$100,000+	1089	90	8.3%
Income Not Available	14	0	0.0%
Total	2,472	224	9.1%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) 2018

Table VI-11
City of Riverside
Total Loan Applicants by Race/Ethnicity: 2018

Race/Ethnicity	Number of Loan Applicants	Percentage Distribution
White, Non-Hispanic	743	30.1%
Hispanic ¹	1,109	44.9%
All Other ²	364	14.7%
Asian	164	6.6%
Black	92	3.7%
Total	2,472	100.0%

¹Includes applications where ethnicity was checked as “Joint” meaning a Hispanic applicant and a co-applicant that was Not Hispanic or Latino.

²Includes applications where the applicants race was checked as American Indian or Alaska Native; Native Hawaiian or Other Pacific Islander; 2 or more minority races; joint; and race not available.

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) 2018.

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

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

The Mortgage Bankers Association has stated the disparity ratios exceeding 2 to 1 are an indicator of possible discriminatory lending practices. Table VI-12 reports on loan denial rates by race and ethnicity. A disparity in loan denial rates exists between White, Non-Hispanic and Black borrowers. The disparity ratios are listed below:

- FHA/VA: Black @ 15.7% White @ 6.3% = a ratio of 2.49
- Conventional: Black @ 14.6%/White @ 5.8% = a ratio of 2.52
- Total: Black @ 15.2%/White 5.9% = a ratio of 2.58

Table VI-12
City of Riverside
FHA/VA and Conventional Loan Denial Rates
By Race and Ethnicity: 2018

Race/Ethnicity	FHA/VA Loans			Conventional Loans		
	Number of Loans	Number Denied	Percent Denied	Number of Loans	Number Denied	Percent Denied
Hispanic ¹	554	49	8.8%	555	60	10.8%
White, Non-Hispanic	176	11	6.3%	567	33	5.8%
Black	51	8	15.7%	41	6	14.6%
Asian	30	2	6.7%	134	15	11.2%
All Other ²	130	14	10.8%	234	26	11.1%
Total	941	84	8.9%	1,531	140	9.1%

¹Includes applications where ethnicity was checked as “Joint” meaning a Hispanic applicant and a co-applicant that was Not Hispanic or Latino.

²Includes applications where the applicants race was checked as American Indian or Alaska Native; Native Hawaiian or Other Pacific Islander; 2 or more minority races; joint; and race not available.

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) 2018.

5) Loan Denial Rates by Census Tract

According to HUD, the analysis of loan denial rates by census tract provides insights on whether redlining by lenders is generating high loan denial rates, particularly in predominantly minority neighborhoods. Redlining describes a situation where mortgage services are denied or limited for two specific reasons:

- The racial and/or ethnic composition of a neighborhood’s residents
- The age of a neighborhood’s homes

Redlining is a term whose origins come from lenders practice of outlining in red those geographical areas that were perceived to pose a higher mortgage risk. Redlining can adversely affect a particular street, block, census tract, or an entire city.

In 2018, loan applications were made to buy homes located in 64 census tracts. On a census tract basis, the number of loan applications ranged from a low of six (305.03, 410.01) to a high of 147 (420.14). The denial rates on a census tract basis ranged from a low of 0.0% (six census tracts) to a high of 18.8% (414.08). The 2018 census tract denial rates are considerably lower than those experienced in 2013.

Table VI-13 lists 15 census tracts with denial rates 1.5 times or greater than the citywide average denial rate of 9.1%. The denial rates of these 15 census tracts ranged from 13.6% to 18.8%.

One of every six loan applications (438/2,472) was made to purchase a home in the 15 census tracts. Three of the every 10 denied loan applications were denied in the 15 census tracts.

The last column in Table VI-13 lists the census tract's percentage of the population that identifies with a minority group. The percentages ranged from 49.6% to 92.2%. Eleven of the 15 census tracts have a minority population percentage that exceeds the citywide average of 69%. Seven of the 15 census tracts exceed 79% minority population or 10% above the citywide average of 69%.

The 2018 citywide and census tract denial rates are considerably lower than those experienced in 2013. There are four census tracts that in 2013 and 2018 had loan denial rates 1.5 times or greater than the citywide average. Each of these census tracts had loan denial rates in 2018 than were lower than in 2013 – in one case three times lower and in another two times lower. Because of these declining loan denial rates, it is concluded that redlining has not contributed to the loan approval/denial outcomes.

The census tracts with above average denial rates are not geographically concentrated. They are located in 11 neighborhoods, as noted in Table VI-13.

Table VI-13
City of Riverside
Census Tracts with Loan Denial Rates 1.5 Times Plus
The Citywide Loan Denial Rate: 2018

Census Tract	Neighborhood	Total Loan Applications	Total Denied	Percent Denied	Percent Minority
414.08	La Sierra	16	3	18.8%	81.2%
305.02	Hunter Industrial Park	11	2	18.2%	92.2%
411.02	La Sierra Acres	28	5	17.9%	79.9%
422.13	University	17	3	17.6%	49.7%
305.03	Eastside	6	1	16.7%	91.7%
315.01	Ramona	31	5	16.1%	64.3%
317.01	Arlington Heights	31	5	16.1%	71.2%
316.01		19	3	15.8%	73.3%
303.00	Downtown	20	3	15.0%	70.4%
412.02	Arlanza	27	4	14.8%	91.5%
315.02	Ramona	75	11	14.7%	67.6%
465.00	University	7	1	14.3%	83.4%
301.04	Northside	85	12	14.1%	85.4%
509.00	Sycamore Canyon	36	5	13.9%	56.2%
422.09	University	29	4	13.8%	78.3%
Total		438	67	15.3%	

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA), Loan Application Register System (LARS) 2018. American Community Survey (ACS) 2013-2017 5-Year Estimates Table DP05: Hispanic or Latino and Race

6) Home Purchases by Neighborhood

A second way to conduct a census tract analysis is to describe the neighborhoods where the 2018 home buyers purchased their home. In this analysis, the universe of buyers is those who had a loan origination. In other words, the universe excludes the loan applicants who were denied and those who had a loan approved but did not accept it.

Loans were originated for 963 Hispanic buyers and 743 White, Non-Hispanic buyers. Hispanic buyers and White, Non-Hispanic buyers bought homes in 64 and 62 census tracts, respectively. The census tracts in which the homes were purchased are located in one of five possible neighborhood resource categories. The resource categories are described on pages VIII-2 and VIII-3. The highest resource neighborhoods, for example, have a high percentage of adults with a bachelor's degree or more; a high percentage of 4th graders who meet or exceed math proficiency and literacy standards; relatively high employment rates; and relatively high home values.

In both absolute and relative terms, fewer Hispanic buyers bought homes in the highest and high resource neighborhoods compared to White, Non-Hispanic buyers. Some 291 (30.2%) of Hispanic buyers purchased a home located in a highest or high resource neighborhood. In contrast, 423 (56.9%) of White, Non-Hispanic buyers did so. In addition, one in seven and one in 17 Hispanic and White Non-Hispanic buyers bought a home in a low resource neighborhood. Refer to Table VII-14 for the details.

Table VI-14
City of Riverside
Neighborhood Location of Home Purchases: 2018

Neighborhood Resource Category	Hispanic Buyers		White, Non-Hispanic Buyers	
	Number	Percent	Number	Percent
Highest Resource	106	11.0%	224	30.1%
High Resource	185	19.2%	199	26.8%
Moderate Resource	355	36.9%	203	27.3%
Low Resource	178	18.5%	75	10.1%
HS & Poverty	139	14.4%	42	5.7%
Total	963	100.0%	743	100.0%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) 2018

TCAC/HCD Opportunity Area Maps, 2019 Statewide Summary Table, Inland Empire

There may be several co-contributing factors causing fewer Hispanic buyers to purchase homes in resource-rich neighborhoods compared to White, Non-Hispanic buyers. And several factors may be in play to explain why approximately one-third of Hispanic buyers bought homes in lower-resource neighborhoods. Some possible factors include:

- Hispanic buyers as a group may have household incomes lower than White, Non-Hispanic buyers
- A large share of Hispanic buyers may need to rely on FHA financing

- Hispanic buyers may not have adequate knowledge of how to conduct a neighborhood and home search
- Real estate agents and the internet may directly or indirectly steer Hispanic buyers to particular neighborhoods
- Hispanic buyers may prefer to buy in neighborhoods with a predominantly Hispanic population
(The California Association of REALTORS 2015 Home Buyers Survey found that for 5.6% of all buyers an ideal neighborhood characteristic was “ethnic.”)
- Finally, an unknown share of Hispanic buyers may search for a home in neighborhoods they already are familiar with and/or have attributes they favor – churches, friends and family, schools, etc.)

3. Conclusions and Recommendations

The City’s goal is to improve the loan approval rates of all racial and ethnic populations that want to buy a home located in Riverside. Excessive debt to income ratios impede fair housing choice because borrowers cannot qualify to buy a home in a neighborhood they like. Many of these borrowers should not apply for a loan until after they have their debts under control.

The following action will be implemented to remove or mitigate this impediment to fair housing choice:

- During the five-year period from FY 2020-2021 through FY 2024-2025, the FHCRC will provide at first-time home buyer workshops information on debt-to-income ratios that are acceptable to lenders. Implementation of this recommended action should result in better prepared borrowers and cause an increase in loan approval rates of all loan applicants, regardless of race or ethnicity.

Evidence of a potential fair housing impediment is the fact that in 2018 a low percentage of Black borrowers applied for a loan to buy a home in Riverside. Additionally, black borrowers experienced above average loan denial rates.

The following action will be implemented to remove or mitigate this impediment to fair housing choice:

- The FHCRC will annually monitor the disparity in loan denial rates between White, Non-Hispanic and Black borrowers. If the disparity continues, the FHCRC will contact lenders to determine the causes of the loan denial disparities. The FHCRC also will conduct outreach to the Inland Valleys Association of REALTORS (IVAR) and Black REALTORS to craft initiatives to improve Black homeownership and reduce loan denial rates.

In 2018, Hispanic purchased homes in resource-rich neighborhoods to a far less degree than Non-Hispanic White buyers. The factors impeding Hispanics to buy homes in resource-rich neighborhoods are probably manifold.

To affirmatively further fair housing –

- In FY 2020-2021 to FY 2024-2025, the FHCRC will describe how to use the internet in the neighborhood-home search process and how to identify the neighborhood types at the First Time Homebuyer workshops.
- Annually, the City will support the efforts of the FHCRC to secure funding for outreach to minority communities through HUD’s Fair Housing Initiatives Program (FHIP).

H. HOMEOWNER’S INSURANCE

1. Background - Discriminatory Homeowner’s Insurance Practices

On February 15, 2013, HUD issued a final rule regarding *Implementation of the Fair Housing Act’s Discriminatory Effects Standard*. Under the final rule, a –

‘Discriminatory effect’ occurs where a facially neutral housing practice actually or predictably results in a discriminatory effect on a group of persons (that is, disparate impact), or on the community as a whole (perpetuation of segregation).

An example of a housing policy or practice that may have a disparate impact on a protected class is the provision and pricing of homeowner’s insurance. The final rule states:

HUD has long interpreted the Fair Housing Act to prohibit discriminatory practices in connection with homeowners insurance.

HUD referred interested parties to:

24 CFR 100.70 (d)(4) [March 15, 1989]{defining “other prohibited sale and rental conduct” to include refusing to provide ...property or hazard insurance for dwellings or providing such ... insurance” differently because of a protected class.

Source: Federal Register, Vol. 78, No. 32/Friday 15, 2013, page 11475

2. Analysis - Availability and Cost of Homeowners Insurance

As previously noted, HUD annually counts discriminatory practices in categories known as “issues. In the five fiscal years between 2013 and 2017, 41,674 issues were counted of which 15 involved refusing to provide insurance.

a. Availability Based on CLUE (Comprehensive Loss Underwriting Exchange) Reports

Homeowners insurance can be made unavailable due to the claims history of a property or of the buyer seeking coverage.

When faced with a prospective insured, insurance providers use the CLUE database to find out information not only about the customer, but also about the residence to be covered. If buyers assume

they will be able to get insurance easily because they always have had coverage and have never made any claims, they may be surprised when they are turned down based on claims made on their new property by the previous owners.

Source: Eric R. Jaworski, Esq. and Jonathan A. Goodman, Esq., Colorado REALTOR News, *CLUE Reports Comprehensive Loss Underwriting Exchange Reports*, page 2

CLUE is a claims-information report generated by LexisNexis®, a consumer-reporting agency. The report generally contains up to seven years of personal-auto and personal-property claims history.

An insurer may request a CLUE report when an application is made for coverage or request is made for a quote. The company uses the applicant's claims history or the history of claims at a specific property, to decide if it will offer coverage and the premium amount. Insurance company studies show a relationship between past and future claims.

When a home is sold in California, the seller is not obligated to provide the buyer with a CLUE report. According to the California Association of REALTORS (CAR), the standard residential purchase agreement

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...simply requires the seller to disclose known material facts and defects including "known insurance claims within the past five years." In other words, if the seller had a fire in the kitchen 2 years ago and made an insurance claim, then the seller must disclose this fact to the buyer. *The C.A.R. purchase contract does not require purchase of a third-party report, such as C.L.U.E.* Sellers may make the disclosures of known insurance claims by using the C.A.R. Standard Form "Supplemental Statutory and Contractual Disclosures" (Form SSD), which allows a seller to disclose his or her awareness of insurance claims via a simple yes/no checkbox format. [Emphasis added]

A seller must disclose only known insurance claims; C.A.R. purchase agreements *do not require sellers* to discover unknown claims, *or to purchase reports or other third-party information to make this disclosure.* Although sellers may choose to provide and pay for a third-party report to provide this optional third-party information to buyers, *neither the law nor C.A.R.'s purchase agreement require that they do so.* [Emphasis added]

CAR points out, however –

Given the increased difficulty of obtaining affordable homeowners' insurance in recent years, buyers should obtain quotes as early as possible in the home buying process. In the process of obtaining insurance, the insurance agent or underwriter will most likely be checking the insurance database, as a matter of course, without charge. Buyers should seek insurance quotes during the inspection period so that there will be clear understanding of the cost of the insurance early in the transaction, and so that buyers will have an opportunity to evaluate this fact during the inspection period.

b. Analysis of Homeowner's Insurance Rates

Annually, the Statistical Analysis Division (SAD) of the California Department of Insurance (DOI) conducts a survey of premiums of insurers offering homeowners insurance in California. Due to the great diversity of homes, limits, locations and coverages available, it is impossible to publish a comparison for every

risk. Therefore, companies are asked to supply their annual premium, based on rates for new business, for specific hypothetical risks located in various zip codes throughout the state. Zip codes are selected from various regions within the state, based on census home density data. Hypothetical examples are developed in order to provide premiums for a wide variety of risk types.

The DOI explains the wide range in premiums as follows:

Insurance companies develop homeowners insurance premiums based on various rating factors. Some of the rating factors that insurance companies may take into consideration are the residential property's distance to fire hydrants, fire departments, or brush area. When you compare homeowners premiums within a county (i.e. Riverside County), you will need to understand that certain areas (i.e. ZIP codes) may be deemed as a high fire risk due to the property's distance to a water source, brush, etc. Stricter underwriting guidelines or platinum-type services that are part of the package also affect rates charged.

The department publishes the Homeowners Premium Survey to provide the public with a sample "picture" of homeowner's insurance rates reported by insurance companies for a specific area (ZIP code) and profile. The sample rates are to be used as a comparison tool and are not to be construed as an official homeowner's insurance quote.

Dairyn Valencia, RPSI/Project Manager, CA Department of Insurance, Statistical Analysis Division, February 20, 2015

The DOI also has stated:

California continues to experience shifts from lower amounts of insurance range to higher amounts. This substantiates the realization of the importance and the increasing need for sufficient insurance protection. With the number of unexpected perils that can jeopardize one of our biggest investments, our homes, knowing that sufficient insurance coverage is in place to cover the negative financial consequences of a loss, is reassuring.

Although the DOI periodically identifies underserved communities, the information is not helpful in regard to homeowners insurance. Besides poverty and minority population, the key factor in the identification of underserved communities is a disproportionate number of uninsured motorists.

3. Conclusions and Recommendations

Data are unavailable that demonstrates if the availability and cost of homeowners insurance are impediments to fair housing choice.

To affirmatively further fair housing -

- In FY 2020-2021 to FY 2024-2025, the FHCRC will describe "CLUE Reports" as part of its discussion on homeowners insurance at the FTHB workshops.

I. BLOCKBUSTING/PANIC SELLING**1. Background - Inducing Sales by Misrepresentations**

The Federal Fair Housing Act of 1968, as amended, declared it an illegal practice:

...for profit, to induce or attempt to induce sales and rentals by representations regarding the entry or prospective entry into the neighborhood of [a] person or persons of a particular race, color, religion, etc.

Section 10177(l)(1) of the California Business and Professions Code states that the Real Estate Commissioner may revoke or suspend the license of a real estate licensee if he/she has done the following:

Solicited or induced the sale, lease, or listing for sale or lease of residential property on the ground, wholly or in part, of loss of value, increase in crime, or decline of the quality of the schools due to the present or prospective entry into the neighborhood of a person or persons having a characteristic protected by fair housing laws (e.g., race, color, national origin, etc.).

2. Analysis of Blockbusting/Panic Selling

Data on housing discrimination complaints based on the alleged acts of blockbusting and/or panic selling are not routinely collected by the State DFEH or the FHCRC.

As previously noted, HUD annually counts discriminatory practices in categories known as “issues. In the five fiscal years between 2013 and 2017, 41,674 issues were counted of which 15 involved blockbusting.

3. Conclusions and Recommendations

There is no evidence that blockbusting/panic selling has occurred in Riverside. Consequently, no actions are recommended concerning blockbusting/panic selling.

J. PROPERTY MANAGEMENT PRACTICES**1. Background****a. In-Site Property Management Requirements**

The FHA covers most — but not all — housing. Some exemptions to coverage under the FHA include: (a) owner-occupied buildings with no more than four units (which is commonly known as the Mrs. Murphy exemption); (b) single family housing sold or rented without the use of a broker if the private individual owner does not own more than three such single family homes at one time; or (c) housing operated by organizations and private clubs that limit occupancy to members.

Under California law, the owners of apartment buildings with 16 or more housing units must provide for *on-site* property management. More specifically, California Law Civil Code Title 25, Section 42 requires a manager, janitor, housekeeper, or other responsible person to live on the premises and have charge of

every apartment complex that has 16 or more apartments units on the property if the property owner does not live on the premises. Apartment properties between 4 and 15 units must have a notice placed in conspicuous place stating the property owner's name and address or the name and address of the agent in charge of the apartment house if the owner does not reside upon the premises. The Civil Code does not require apartment managers to reside on properties that have 4 or less units.

b. Rental Housing Stock and Renter Householders

Property management policies and practices are of keen importance to Riverside residents. At least 25% of the rental housing stock is located in structures having 16 or more housing units. However, it is possible that structures with fewer units – 4-plexes for example – are located on the same premises and, therefore, could have 16 or more apartments in the complex. It is noteworthy that 40% of the rental housing stock is comprised of single-family homes and would not have on-site property management. Table VI-15 contains data on the renter occupied housing units by structure size.

Table VI-15
City of Riverside
Renter Occupied Housing Units by Units in Structure

Units in Structure	Number of Units	Percent
1, Detached	14,421	34.7%
1, Attached	2,130	5.1%
2	1,310	3.1%
3 or 4	2,997	7.2%
5 to 9	6,223	14.9%
10 -19	5,783	13.9%
20-49	3,711	8.9%
50+	4,657	11.2%
Mobile Homes	386	0.9%
Boat, RV, Van	30	0.1%
50+	41,648	100.0%

Source: American Community Survey 2013-2017 5-Years
Estimates Table B25032 Tenure by Units in Structure

Table VI-16 shows that Riverside renters are predominantly younger (<35 years of age). Seniors (>65 years of age) comprise almost 12% of all renter householders.

Table VI-16
City of Riverside
Renter Occupied Units by Age of Householder

Age of Householder	Number	Percent
Under 35 Years	15,212	36.5%
35 to 44 Years	9,249	22.2%
45 to 54 Years	7,491	18.0%
55 to 64 Years	4,776	11.5%
65 to 74 Years	2,814	6.8%
75 to 84 Years	1,520	3.6%
85 Years and Over	586	1.4%
Total	41,648	100.0%

Source: American Community Survey 2013-2017 5-Year Estimates Table S2502 Demographic Characteristics for Occupied Housing Units.

2. Analysis - Fair Housing Laws and Rental Housing

The owners and managers of apartment buildings must comply with a variety of fair housing laws such as:

- Residential Occupancy Standards (ROS)
- Reasonable accommodations
- Reasonable physical modifications
- Service and companion animals
- Other property management discriminatory practices

a. Residential Occupancy Standards (ROS)

A residential occupancy standard is a rule limiting the number of persons who may legally occupy a given space. California has adopted the Uniform Housing Code as its governmental occupancy code for health and safety purposes. (H & S Code 17922 (a); 25 Cal Code of Regs Sect. 32) Private owners also enforce occupancy standards usually in the form of the number of persons per bedroom or per apartment unit.

Housing providers' concerns related to residential occupancy standards include concerns about harm to property, such as wear and tear, nuisance, overwhelmed building systems, increased management costs, and potential liability. Other tenants and neighbors may share some of those concerns, as well.

The residential occupancy standard issue was complicated by the 1988 Fair Housing Act amendments that added *familial status* as a protected characteristic. These amendments allowed tenants to argue that a private residential occupancy standard that is more restrictive than the relevant government residential occupancy standard discriminates on the basis of familial status. Enforcement of a residential occupancy standard may harm tenants by forcing them to reconfigure their desired household configuration, to purchase more housing, to change location, or to accept lower-quality housing. These

possibilities also entail additional search time and costs. Tenants may also suffer discrimination. The most often harmed group is families with children, particularly larger families, nontraditional families, and blended families, which are statistically more likely to consist of people of color.

The DFEH's current intake standard for acceptance of familial status complaints related to residential occupancy standards was articulated in a January 31, 1989 notice. It uses the well-known "two-people-per-bedroom-plus one" standard. If a complaint is accepted, a non-exhaustive list of factors is consulted to determine if there has been a violation. The factors overlap with those in the Keating Memorandum, but are somewhat distinct.

Source: Presentation Regarding the Background and History of Residential Occupancy Standards by Councilmember Tim Iglesias, presented to the Fair Employment & Housing Council, Meeting of January 10, 2017

Based on telephone surveys of Riverside's large apartment complexes, the vast majority of apartment manager's apply an occupancy standard of 2+1. Nevertheless, 41 housing discrimination complaints on the basis of familial status were filed with the FHCRC in the past five years. During the roughly same five year period, 18 familial status complaints were filed with HUD-San Francisco.

b. Reasonable Accommodations

HUD and the DOJ describe a reasonable accommodation for purposes of the Act as follows:

A "reasonable accommodation" is a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since rules, policies, practices, and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. The Act makes it unlawful to refuse to make reasonable accommodations to rules, policies, practices, or services when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling.

To show that a requested accommodation may be necessary, there must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

Example 1: A housing provider has a policy of providing unassigned parking spaces to residents. A resident with mobility impairment, who is substantially limited in the ability to walk, requests an assigned accessible parking space close to the entrance to her unit as a reasonable accommodation. There are available parking spaces near the entrance to her unit that are accessible, but those spaces are available to all residents on a first come, first served basis. The provider must make an exception to its policy of not providing assigned parking spaces to accommodate this resident.

Example 2: A housing provider has a policy of requiring tenants to come to the rental office in person to pay their rent. A tenant has a mental disability that makes her afraid to leave her unit. Because of her disability, she requests that she be permitted to have a friend mail her rent

payment to the rental office as a reasonable accommodation. The provider must make an exception to its payment policy to accommodate this tenant.

Source: U.S. Department of Justice, Civil Rights Division and U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Joint Statement on Reasonable Accommodations Under the Fair Housing Act*, May 17, 2004, page 6

Data on the failure to permit a reasonable accommodation are maintained neither by the State DFEH nor FHCRC. HUD headquarters in Washington, DC does publish data on this issue or alleged act. These data show that over the past five years an average 3,000 complaints are made annually because of a "failure to permit a reasonable accommodation."

Housing discrimination complaints filed with the HUD-San Francisco office identify the issue or alleged discriminatory act. Ten of the 41 complaints filed by Riverside residents described the "failure to make a reasonable accommodation" as one of the alleged acts.

The majority of housing discrimination complaints filed with the FHCRC had as their basis disability. It is likely that many of these complaints were made because of failure to allow a reasonable accommodation.

c. Reasonable Physical Modifications

According to HUD:

A reasonable modification is a structural change made to existing premises, occupied or to be occupied by a person with a disability, in order to afford such person full enjoyment of the premises. Reasonable modifications can include structural changes to interiors and exteriors of dwellings and to common and public use areas. A request for a reasonable modification may be made at any time during the tenancy. The Act makes it unlawful for a housing provider or homeowners' association to refuse to allow a reasonable modification to the premises when such a modification may be necessary to afford persons with disabilities *full enjoyment* of the premises. [Emphasis added]

Source: U.S. Department of Justice, Civil Rights Division and U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Joint Statement on Reasonable Modifications Under the Fair Housing Act*, March 5, 2008, page 3

Data are unavailable from the FHCRC, DFEH and HUD-San Francisco concerning the incidence of housing discrimination complaints made because of the failure to allow a reasonable physical modification. HUD headquarters in Washington, DC does publish data on this issue or alleged act. These data show that during the past five years an annual average of 190 complaints is made because of a "failure to permit a reasonable accommodation."

d. Service and Companion Animals

Under Federal and State fair housing laws, individuals with disabilities may ask their housing provider to make reasonable accommodations in the "no pets" policy to allow for their use of a service and/or companion animal. Under the law, such animals are not considered pets. The housing provider may ask

the disabled applicant/tenant to provide verification of the need for the animal from a qualified professional. Once that need is verified, the housing provider must generally allow the accommodation.

24 CFR 100.204(b)(1) provides an example that applies to all housing providers and concerns a guide dog:

A blind applicant for rental housing wants to live in a dwelling unit with a seeing-eye dog. The building has a *no pets policy*. It is a violation of Section 100.204 for the owner or manager of the apartment complex to refuse to permit the applicant to live in the apartment with a Seeing Eye dog because, without the Seeing Eye dog, the blind person will not have an *equal opportunity* to use and enjoy a dwelling. [Emphasis added]

Another example is given below:

A housing provider has a "no pets" policy. A tenant who is deaf requests that the provider allow him to keep a dog in his unit as a reasonable accommodation. The tenant explains that the dog is an assistance animal that will alert him to several sounds, including knocks at the door, sounding of the smoke detector, the telephone ringing, and cars coming into the driveway. The housing provider must make an exception to its "no pets" policy to accommodate this tenant.

Source: U.S. Department of Justice, Civil Rights Division and U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, *Joint Statement on Reasonable Accommodations Under the Fair Housing Act*, May 17, 2004, pages 6-7

The on-site apartment managers interviewed in the past all have stated that tenants are allowed to have service and companion animals.

e. Section 8 Voucher Holders

Source of income discrimination is against the law in California. Until the passage of SB 329 in 2019, "source of income" did not include Section 8 rental assistance. SB 329 changed that as follows:

"Source of income" means lawful, verifiable income paid directly to a tenant or to a representative of a tenant, or paid to a housing owner or landlord on behalf of a tenant, including federal, state, or local public assistance, and federal, state, or local housing subsidies, including, but not limited to, federal housing assistance vouchers issued under Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f). For the purposes of this definition, a housing owner or landlord is not considered a representative of a tenant.

This bill also prohibits ads stating "No Section 8."

The California Apartment Association (CAA) continues to support voluntary acceptance of Section 8 but opposed SB 329 over concerns it would remove an owner's ability to choose whether to take vouchers.

CAA has concerns that landlords, who reject Section 8 applicants, even after giving them fair consideration, will face legal challenges. Litigation may become particularly likely if the rejected voucher holder is the only applicant for a unit.

f. Other Property Management Discriminatory Practices

For the purposes of preparing its annual report, the National Fair Housing Alliance (NFHA) collected data from private fair housing organizations based on the most common types of housing transactions: (1) rental (2) real estate sales (3) mortgage lending (4) homeowners insurance and (5) harassment based on protected class. Housing discrimination occurs most often in the rental market, and the complaints reported in 2017 were overwhelmingly rental-related complaints. The prevalence of discrimination in the rental market over other types of transactions is because it is the most common and frequent type of housing transaction and because it is easier to detect discrimination due to the simplicity of the transaction itself. Testing for rental discrimination is far more straightforward than testing for a real estate sales or mortgage lending case, for example. In 2017, there were 17,981 complaints reported by private fair housing organizations of which 87.4% were rental related.

Source: National Fair Housing Alliance, *Making Every Neighborhood A Place of Opportunity: 2018 Fair Housing Trends Report*, 2018, page 53

As previously reported, 41 Riverside residents filed housing discrimination complaints with HUD's San Francisco Office in the past five years. Among the discriminatory practices alleged in the complaints are the following:

- Discriminatory refusal to rent
- Discriminatory refusal to negotiate for rental
- Discriminatory terms, conditions, privileges, or services and facilities
- False denial or representation of availability
- Discriminatory advertising, statements and notices
- Discriminatory acts under Section 818 (coercion, etc.)

The FHCRC does not collect data on the alleged acts when housing discrimination complaints are filed with the organization.

3. Conclusions and Recommendations

The housing discrimination complaint cases filed with the HUD-San Francisco Office demonstrate that discriminatory property management cases exist in Riverside and, therefore, constitute an impediment to fair housing choice.

The following actions will be implemented to remove or mitigate this impediment to fair housing choice:

- Continue to offer workshops and seminars to property managers and renters.
- In FY 2020-2021, the FHCRC will conduct a survey of 10-15 on-site property managers or property management companies to determine their familiarity with fair housing laws and requirements.
- In FY 2021-2022, the FHCRC will prepare model written property management policies that it will transmit to property management firms.

K. DISCRIMINATORY ADVERTISING**1. Background – Prohibitions Against Preferences and Limitations**

Section 804(c) of the 1968 Federal Fair Housing Act, as amended, prohibits discriminatory advertising; it is unlawful:

To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination.

Section 12955(c) of the California Fair Employment and Housing Act contains similar language prohibiting discriminatory advertising. That Section, however, also includes the State's additionally protected classes of sexual orientation, marital status, ancestry, and source of income.

Guidance on specific words and phrases that are or could be interpreted as discriminatory was obtained from the following:

- Roberta Achtenberg, Assistant Secretary for Fair Housing and Equal Opportunity, HUD, "Guidance Regarding Advertisements under Section 804 (c) of the Fair Housing Act," January 9, 1995
- California Newspaper Publishers Association, Fair Housing Advertising Manual, Fourth Edition, Copyright, 2009
- State Department of Fair Employment and Housing, Guidance Memorandum
- Bryan Green, Deputy Assistant Secretary for Enforcement, ED, Fair Housing Act Application to Internet Advertising, September 20, 2006 [memorandum to FHEO Regional Directors]

2. Analysis of Newspaper/Print Advertisements

Newspaper and print advertising is not used as often as it was in the past. According to the California Newspaper Publishers Association (CNPA), apartment owners have lower costs to print advertising such as Craigslist. Newspaper for rent ads published in July and August 2019 were read to ascertain if discriminatory words or phrases were used in the ads. During this period there were very few *unduplicated* for rent ads published in the Riverside Press Enterprise.

One ad for a Riverside apartment for rent stated:

- \$99 MOVE IN SPEC
- OAC 1 BR from \$850
- OAC 2 BR from \$1200
- Se Habla Espanol
- Free Credit Check

The Victoria Heights Apartments advertisement stated:

- 7650 Lincoln Avenue

- 2, 3 & 4 bedrooms
- All utilities paid
- 1 bd Wait List Closed
- Must income qualify
- Phone #

The weekend editions of the Press Enterprise include homes for sale and open houses. These ads typically describe the property as follows:

- Neighborhood location (Alessandro Heights)
- # of bedrooms, # of baths SF, lot size
- Features (pool)
- “entertainers” “multi-generational families”
- Price

A typical open house ad reads:

- Riverside 1:00-4:00PM
- 5145 Evergreen Way \$449,000
- MLS# EV19168442 3BD, 2BA

On weekends real estate broker display ads are usually ½ page and describe featured properties; photos, address, price, and location (La Sierra South, Hawarden Summit)

3. Conclusions and Recommendations

The newspaper print ads reviewed did not contain discriminatory terms or phrases. Therefore, no impediment to fair housing choice was found to exist because of discriminatory advertising.

L. HATE CRIMES

1. Background – Hate Crimes at a Residential Location

According to HUD, the AI should analyze *housing* related hate crimes; that is; where an event takes place at a residence, home or driveway. When hate crimes occur at a home, the victims can feel unwelcomed and threatened. The victims may feel that they have no recourse other than to move from the home and neighborhood of their choice. Hate crime means –

“a criminal act committed, in whole or in part, because of one or more of the following actual or perceived characteristics of the victim: (1) disability, (2) gender, (3) nationality, (4) race or ethnicity, (5) religion, (6) sexual orientation, (7) association with a person or group with one or more of these actual or perceived characteristics.” [Source: California Penal Code section 422.55]

2. Analysis of Hate Crime Data

According to the California Department of Justice (DOJ), *hate crimes are not separate distinct crimes but rather traditional offenses motivated by the offender's bias*. A bias is –

A preformed negative opinion or attitude toward a group of persons based on their race, ethnicity, national origin, religion, gender, sexual orientation and/or physical/mental disability.

When a hate crime occurs it is referred to as an event. In the California Attorney General's report, the information about the event is a crime report or source document that meets the criteria for a hate crime. There may be one or more suspects involved, one or more victims targeted, and one or more offenses involved for each event.

Table VI-17 shows that in the 15-year period between 2004 and 2018 242 hate crime events occurred in Riverside. Based on the statewide percentage it is estimated that 66 of the 242 hate crime events occurred at a residence, home or driveway. This number translates to 4 to 5 hate crime events annually occurring at a residence, home or driveway.

Table VI-17
City of Riverside
Hate Crimes 2004-2018

Year	Number of Riverside Hate Crime Events	Statewide % at Residence	City Estimate
2004	21	30.1%	6
2005	22	29.5%	6
2006	26	30.2%	8
2007	20	28.5%	6
2008	21	27.2%	6
2009	12	28.5%	3
2010	21	28.9%	6
2011	25	29.0%	7
2012	12	25.4%	3
2013	16	25.7%	4
2014	13	25.5%	3
2015	7	25.9%	2
2016	8	23.8%	2
2017	8	22.8%	2
2018	10	20.6%	2
Total	242	27.3%	66

Source: California Office of the Attorney General Reports Hate Crime in California 2004-2018, Table 3 Hate Crimes: Events, Offenses, Victims, and Suspects by Location and Table 6 Hate Crimes: Events, Offenses, Victims, and Suspects by County and Jurisdiction

3. Conclusions and Recommendations

The number of hate crimes occurring at residences has declined dramatically to two a year. Therefore, an impediment to fair housing choice does not exist at this time.

In FY 2020-2021 to FY 2024-2025, the City staff will review the California Department of Justice annual hate crime reports to ascertain if an action must be taken because of an increase in hate crime events. If an action is needed, it will be included in the Consolidated Plan Annual Action Plan.

The CDBG/Grants Division staff also will become familiar with the resources offered by the Center for the Study of Hate and Extremism at California State University, San Bernardino. The Center is a nonpartisan research and policy center that examines the ways that bigotry, advocacy of extreme methods, or terrorism, both domestically and internationally deny civil or human rights to people on the basis of race, ethnicity, religion, gender, sexual orientation, disability or other relevant status characteristics. The Center seeks to aid scholars, community activists, government officials, law enforcement, the media and others with objective information to aid them in their examination and implementation of law, education and policy.



Section VII

Public Sector Impediments Analysis

Section VII
Public Sector Impediments Analysis
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A. INTRODUCTION

HUD's *Fair Housing Planning Guide* explains that among the information needed to conduct an AI is data on:

- Public policies, practices, and procedures involving housing and housing-related activities
- Zoning and land use policies

The United States Department of Justice (DOJ) has indicated that a major focus of its efforts is on public sector impediments that may restrict housing opportunities for disabled persons, including –

- Insuring that zoning and other regulations concerning land use are not employed to hinder the residential choices of these individuals, including unnecessarily restricting communal, or congregate, residential arrangements, such as group homes.
- Insuring that newly constructed multifamily housing is built in accordance with the Fair Housing Act's accessibility requirements so that it is accessible to and usable by people with disabilities, and, in particular, those who use wheelchairs.

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

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

- To discriminate against protected classes through *public or private land use practices, decisions, and authorizations*.
- Discrimination includes, but is not limited to, restrictive covenants, *zoning laws, denials of use permits, and other actions authorized under the Planning and Zoning Law* [Emphasis added]

B. SURVEY OF LAND USE AND ZONING REGULATIONS, PRACTICES AND PROCEDURES

1. Background

For purposes of identifying potential public sector impediments, in 2015 the City completed a *Survey of Planning Policies and Practices, Zoning Regulations and Building Code Standards That May Pose an Impediment to Fair Housing Choice*. HUD-LA has approved using the Survey to identify public sector fair housing impediments caused by a jurisdiction's planning policies and practices, zoning regulations, and building code.

The Survey has a particular focus on land use and zoning regulations, practices and procedures that can act as barriers to the situating, development, or use of housing for individuals with disabilities. However, it also touches on areas that may affect fair housing choice for families with children or otherwise serve as impediments to full fair housing choice. In identifying impediments to fair housing choice, the Survey looks to distinguish between regulatory impediments based on specific code

provisions and practice impediments, which arise from practices or implementing policies used by a city or county government.

2. Analysis

The City completed the Survey's 26 questions that were organized into 12 categories:

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

The Survey results demonstrated that few impediments are caused by the City's planning and zoning regulations, policies and practices.

The Survey found that was necessary to update the Zoning Code definitions pertaining to "disability," "group housing," and "transitional and supportive housing." The Zoning Code now includes updated definitions of disability and group housing. The transitional and supportive housing definitions need to be updated to reference the definitions cited in Government Code Sections 65582(f) and (g).

The Survey found that it was necessary to update the Zoning Code to permit supportive and transitional housing in all residential and mixed use zones. This action has been accomplished.

The Survey found that the City should prepare a brochure and other information to promote the Reasonable Accommodation Procedure. This action has not been accomplished.

The Survey found that the City should determine if housing owned by the City's Housing Authority or financially assisted by the City have management policies and practices consistent with fair housing laws. This recommendation has not been implemented.

The Survey found that the Zoning Code should be updated to define *affordable* senior housing as restricted to residents 62 years of age or older. The Zoning Code has not been updated to include this senior housing definition.

3. Conclusions and Recommendations

The following actions will be carried forward to the FY 2020/21-FY 2024/2025 AI time period:

- Define transitional and supportive housing by referencing the definitions in Government Code Sections 65582(f) and (g).
- Prepare a brochure and additional information promoting the Reasonable Accommodation Procedure.
- Conduct a survey of multifamily housing developments owned by the City's Housing Authority or financially assisted by the City to ensure management policies and practices affirmatively further fair housing.
- Amend the Zoning Code to define *affordable* senior housing as being restricted to residents 62 years of age or older.

The Zoning Code also needs to be amended to address the requirements of laws enacted in 2018. AB 2162 requires supportive housing to be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development meets specified criteria, and requires a local government to approve, within specified periods, a supportive housing development that complies with these requirements.

C. RESIDENTIAL LAND USE

1. Background

According to HUD:

Zoning and land use laws affect housing choice by determining where housing is built, what type of housing is built, who can live in that housing, and the cost and accessibility of the housing.

For example, limits on multi-unit developments, HUD explains, may include outright bans on multi-unit developments or indirect limits such as height limits and minimum parking requirements.

2. Analysis

The relative amounts of single- and multi-family zoned land is a fair housing concern because communities that are predominantly or exclusively single-family limit the range of available housing choices, and, as a consequence, may adversely impact fair housing protected groups such as racial minorities and disabled people.

Table VII-1 shows the General Plan and Zoning Code multi-family residential land use designations. The zoning designations permit multifamily housing developments at densities ranging from 11 to 40 dwelling units per acre.

Table VII-2 shows that 6.1% of the residential acreage is designated for multi-family housing in the MHDR, HDR and VHDR Zones.

Table VII-1
City of Riverside
Multiple-Family Residential Land Use and Zoning Designations

General Plan Land Use Designation	GP Symbol	Zone Symbol	Zoning Designation
Medium-High Density (Max. 14.5 du/acre)	MHDR	R-3-4000	R-3-4000-Multi-family
		R-3-3000	R-3-3000-Multi-family
High Density (Max. 29 du/acre)	HDR	R-3-4000	R-3-4000-Multi-family
		R-3-3000	R-3-3000-Multi-family
		R-3-2500	R-3-2500-Multi-family
		R-3-2000	R-3-2000-Multi-family
		R-3-1500	R-3-1500-Multi-family
Very High Density Max. (40 du/acre)	VHDR	R-4	R-4-Multi-family

Source: *Riverside General Plan 2025*, Amended August 2019, Table LU-4, page LU-147

Table VII-2
City of Riverside
Residential Land Use Acreage Distribution

Residential Land Use Category		Net Acreage in the City	Percent of Residential Acres
A/RR	Agricultural/Rural Residential	5,116	19.1%
HR	Hillside Residential	4,061	15.2%
SRR	Simi-Rural Residential	1,227	4.6%
VLDR	Very Low Density Residential	1,327	5.0%
LDR	Low Density Residential	2,563	9.6%
MDR	Medium Density Residential	10,877	40.6%
MHDR	Medium High Density Residential	665	2.5%
HDR	High Density Residential	856	3.2%
VHDR	Very High Density Residential	108	0.4%
Total		26,800	100.0%

Source: *Riverside General Plan 2025*, Amended August 2019, Table LU-4, page LU-145

The amount of vacant and non-vacant land designated for multi-family residential land uses is very likely to be increased by late 2021. By that date the City's Housing Element will need to be updated to, in part, identify sites to accommodate Riverside's share of the regional housing need. The Draft Regional Housing Needs Allocation Plan, prepared by the Southern California Association of Governments (SCAG), allocates just over 20,000 housing units to the City. Table VII-3 shows that approximately 8,700 housing units are allocated to lower income households. To accommodate a housing need of this sizeable magnitude it will be necessary to designate additional land to the multifamily zones. In May 2017, the City began the process of identifying land for multifamily residential land use by compiling a list of candidate rezone sites, many of which have proposed rezoning to R-4. (Source: City of Riverside, *2014-2021 Housing Element, Candidate Rezone Sites*, May 18, 2017)

Table VII-3
City of Riverside
Share of Regional Housing Needs
July 1, 2021 – October 1, 2021

Income Group	Number	Percent
Very Low	5,367	26.7%
Low	3,358	16.7%
Moderate	3,419	17.0%
Above Moderate	7,982	39.6%
Total:	20,126	100.0%

Source: Southern California Association of Governments, *Draft RHNA Methodology Estimate Tool*, October 16, 2019

3. Conclusions and Recommendations

The City does not impede the development of multifamily housing as it has three residential zones allowing residential development at densities ranging from 11 to 40 dwelling units per acre. The number of acres designated for multifamily housing will need to be increased in order to accommodate the City's share of the regional housing need. This need will be addressed by the City during the preparation of the *2021-2029 Housing Element*.

D. HOUSING FOR DISABLED PEOPLE AND OTHER SPECIAL NEEDS POPULATIONS

1. Background

The federal DOJ focuses its efforts on public sector impediments that may restrict housing opportunities for disabled persons.

Individuals with disabilities, HUD has explained, have historically faced discrimination that limited their opportunity to live independently in the community with appropriate supports and required them to live in *institutions* or other segregated settings. In *Olmstead*, the United States Supreme Court held that the unjustified segregation of individuals with disabilities is a form of discrimination prohibited by Title II

of the Americans with Disabilities Act (ADA). Following this decision, there have been increased efforts across the country to assist individuals who are living in institutional settings or who are housed in other segregated settings to move to integrated, community-based settings.

According to HUD's AFFH rule, "segregation" for persons with disabilities means a condition in which the housing or services are not in the most integrated setting appropriate to an individual's needs in accordance with the requirements of the ADA and Section 504 of the Rehabilitation Act of 1973.

"Integration," according to HUD, means that such individuals are able to access housing and services in the most integrated setting appropriate to the individual's needs. The most integrated setting is one that enables individuals with disabilities to interact with persons without disabilities to the fullest extent possible, consistent with the requirements of the ADA and section 504 of the Rehabilitation Act of 1973.

2. Analysis

a. Institutionalized and Noninstitutionalized Population

Of the civilian *noninstitutionalized* population, which numbers 319,141, an estimated 33,014 have a disability.

The noninstitutionalized population includes people living in:

- Housing units (approximately 309,000)
- College/university housing (8,000)
- Emergency shelters, group homes for adults, and residential treatment centers for adults (2,000)

Of the noninstitutionalized population approximately 7,500 to 8,000 live in college/university housing. Because the disability prevalence rate among persons 18-34 years old is only 4.4%, the number of disabled college students also would be expected to be a low number.

Of the noninstitutionalized population, approximately 1,500 to 2,000 persons are living in emergency shelters, group homes and residential treatment centers. A high percentage of this population probably has a disabling condition. If, for estimating purposes it is assumed that all this population are disabled, then approximately *31,000 disabled persons are living in a housing unit* (33,000 overall disabled less 2,000).

Based on the above analysis, it is concluded that the overwhelming majority of disabled persons live in a home, condominium, apartment or mobile home dispersed throughout the city and not in segregated, institutional living environments. In fact, 22,500 *households* have one or more disabled member in the household.

Riverside's *institutionalized* population resides primarily in correctional facilities for adults and nursing/skilled nursing facilities. Approximately 3,000 to 3,500 people comprise the institutionalized population of whom an estimated 1,200 to 1,500 live in nursing or skilled nursing facilities.

b. Land Use Regulations

The California Health and Safety Code (sections 1500 et seq.) requires that state licensed residential care facilities serving six or fewer persons be (1) treated the same as a residential use, (2) allowed by right in all residential zones, and (3) treated the same with respect to regulations, fees, taxes, and permit processes as other residential uses in the same zone. The Health and Safety Code extends this protection to residential care facilities for the elderly, to alcoholism or drug abuse recovery or treatment facilities, and to congregate care facilities, if they house six or fewer clients.

Housing for disabled persons in noninstitutionalized settings is permitted by the Zoning Code in residential, mixed use and commercial zones. Table VII-4 lists the zones in which housing for the disabled is permitted.

Table VII-4
Residential Zones Permitting Housing for the Disabled

Residential Zones	Mixed Use Zones	Commercial Zones
RC Residential Conservation	MU-N Mixed Use Neighborhood	O Office
RA-5 Residential Agriculture	MU-V Mixed Use Village	CR Commercial Retail
RR Rural Residential	MU-U Mixed Use Urban	CG Commercial General
RE Residential Estate		CRC Commercial Regional Center
R-1 Single Family Residential		
R-3 Multiple Family Residential		
R-4 Multiple Family Residential		

Source: City of Riverside Zoning Ordinance

Assisted living/residential care facilities are conditionally permitted in the R-1, R-3, Office, Commercial Retail and Commercial General Zones.

Group Housing for 6 or fewer occupants (Convalescent Homes, SRO's, Alcohol & Drug Treatment Facilities) is permitted in all seven residential zones and three mixed use zones.

Group housing for 7 or more persons is conditionally permitted in the RR, RE, R-1, and all four commercial zones.

Sober living homes are permitted in all seven residential zones and three mixed use zones.

Supportive housing for 2 to 6 occupants is permitted in all seven residential zones and three mixed use zones. Additionally, this housing is allowed subject to a minor conditional use permit in the Office, Commercial Retail and Commercial General Zones.

Supportive housing for 7 or more occupants is permitted in all seven residential zones and three mixed use zones. Additionally, this housing is allowed subject to a conditional use permit in the Office, Commercial Retail and Commercial General Zones.

Transitional housing for 2 to 6 occupants is permitted in all seven residential zones and three mixed use zones. Additionally, this housing is allowed subject to a minor conditional use permit in the Office, Commercial Retail and Commercial General Zones.

Transitional housing for 7 or more occupants is permitted in all seven residential zones and three mixed use zones. Additionally, this housing is allowed subject to a conditional use permit in the Office, Commercial Retail and Commercial General Zones.

Attachment A contains the Zoning Code definitions of the housing types discussed in the preceding paragraphs.

Conditional use means a use that, because of special requirements or characteristics may or may not be allowed in a particular zoning district only after review by the approving authority and the granting of conditional use permit approval imposing such conditions as necessary to make the use compatible with other uses permitted in the same zone or vicinity. Conditional use permits are issued for uses of land and may be transferrable from one owner of the land to another.

The Planning Commission is empowered to grant and deny applications for conditional use permits and to impose reasonable conditions upon the granting of such permit.

The Development Review Committee may grant or deny a minor conditional use permit. Uses listed in the Zoning Code as requiring a minor conditional use permit are deemed to possess location, use, building or traffic characteristics of such unique and special form as to make impractical or undesirable their automatic inclusion as permitted uses.

3. Conclusions and Recommendation

Because the City provides for a variety of housing opportunities for disabled persons, no impediments were found to exist regarding the City's planning and zoning policies, practices, and regulations.

To affirmatively further fair housing, the City will continue to implement the following policies which are included in the adopted *2014-2021 Housing Element*:

Housing for People with Disabilities. Increase the supply of permanent, affordable, and accessible housing suited to the needs of persons with disabilities; provide assistance to persons with disabilities to maintain and improve their homes.

Supportive Services. Continue to fund the provision of supportive services for persons with special needs to further the greatest level of independence and equal housing opportunities.

E. SITE SELECTION STANDARDS AND CRITERIA**1. Background**

HUD's *Fair Housing Planning Guide* recommends that the AI include information on –

- Public policies and actions affecting the approval of sites for the construction of publicly assisted housing
- The application of site and neighborhood standards for new construction

2. Analysis

The City has not adopted site and neighborhood standards regarding the location of affordable housing developments. Several affordable Low Income Housing Tax Credit multifamily developments have been developed in Riverside, however.

In February 2019, the California Tax Credit Allocation Committee adopted regulations that award 8 site amenity points to a new construction large family development that is located in a census tract designated on the TCAC/HCD Opportunity Area Map as Highest Resource or High Resource. Additionally, if multiple applications receive the same score, TCAC employs several tie breakers. Bonus points are awarded for developments located in a Highest Resource neighborhood (20 points) and High Resource area (10 points). Page VIII-3 describes the factors used to identify Highest Resource and High Resource census tracts.

3. Conclusions and Recommendations

The competition for low income housing tax credits is keen. Family projects proposed on sites located in census tracts designated as Highest Resource and High Resource are awarded site amenity and bonus points.

To affirmatively further fair housing, the City will conduct a robust sites inventory to identify sites in the Highest and High Resource Neighborhoods that are already zoned or suitable to be rezoned to a multifamily zoning designation.

F. ASSESSMENT OF FAIR HOUSING**1. Background**

State law requires Housing Elements that are revised or approved after January 1, 2021 to include an Assessment of Fair Housing (AFH). California's law is modeled after the federal AFH which was suspended on January 5, 2018. Although HCD has not yet provided cities guidance on the nature and scope of the AFH, the guidelines may very well be based on HUD's AFH Guidebook which was published on December 15, 2015.

In the Guidebook, HUD required cities to describe what are called "contributing factors." Contributing factors may be *public* or private policies, practices, or procedures that create, contribute to, perpetuate,

or increase the severity of one or more fair housing issues. Contributing factors assess *why* members of protected classes may experience restricted housing choice due to segregation, R/ECAPs, disparities in access to opportunity, disproportionate housing needs, or other fair housing issues.

2. Analysis

HCD guidance for preparing the AFH may be identical to or similar to that of HUD's. In that case, the City will need to assess contributing factors such as:

- Administrative and occupancy policies and procedures, including preferences in publicly supported housing
- Lack of assistance for housing accessibility modifications
- Lack of community revitalization strategies
- Lack of public investment in specific neighborhoods, including services and amenities
- Location of proficient schools and school assignment policies
- Lack of affordable in-home or community based supportive services
- The availability, type, frequency, and reliability of public transportation
- Inaccessible government buildings, facilities, or services

3. Conclusions and Recommendations

The Housing Element Update which will cover the 2021-2029 period will need to include an *Assessment of Fair Housing* (AFH). State guidelines describing what must be contained in AFH have not been released. However, an analysis may be required of a broad range of potential public sector impediments.

Pursuant to State law and to affirmatively further fair housing, the City will prepare an *Assessment of Fair Housing* by October 2021.

**ATTACHMENT A
ZONING CODE DEFINITIONS**

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

Alcohol and drug free residential recovery home (sober living home) means the use of a residential, dwelling structure or unit for a cooperative living arrangement to provide an alcohol and drug free environment for persons recovering from alcoholism or alcohol and/or drug abuse who seek a living environment in which to remain clean and sober. The home must have characteristics that it as a residential use of property.

Alcohol or Drug Abuse Recovery or Treatment Facility means any facility, building or group of buildings which maintained and operated to provide 24-hour residential nonmedical alcoholism or drug abuse recovery or treatment services.

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

Single room occupancy means a multi-unit housing development for very low income persons that typically consists of a single room and shared bath, also may include a shared common kitchen and common activity area.

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

Supportive services include, but are not limited to, a combination of subsidized, permanent housing, intensive case management, medical and mental health care, substance abuse treatment, employment services, and benefits advocacy.

Target population means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people.

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



Section VIII

Private/Public Sector Impediments Analysis

Section VIII
Analysis of Private/Public Sector Impediments
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A. INTRODUCTION

HUD's *Fair Housing Planning Guide* suggests an AI format that includes an assessment of impediments that overlap the public and private sectors. Many fair housing issues are not exclusively within the domain of either the private or public sectors. Section VIII provides an analysis of the following fair housing issues:

- Location of affordable multifamily rental housing developments
- Gentrification
- Demographics of publicly supported housing
- Fair housing enforcement

B. LOCATION OF AFFORDABLE FAMILY RENTAL HOUSING DEVELOPMENTS**1. Background**

The *Fair Housing Planning Guide* states that an objective of the AI is to –

Provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability and national origin.

A major objective of the Housing and Community Development Act of 1974 was –

...the reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods....

2. Analysis**a. Housing Opportunity Mapping****1. Background**

In 2015 HUD developed a set of indices, known as “Opportunity Indices” to help states and jurisdictions identify factors that contribute to their fair housing issues and to comply with the federal Fair Housing Act.

In February 2017, HCD and the California Tax Credit Allocation Committee (TCAC) convened a group of independent organizations and research centers that would become the California Fair Housing Task Force. HCD provided a problem statement related to fair housing:

Housing policy, program guidelines, and regulations have untapped potential to both prevent further segregation and poverty concentration as well as encourage access to opportunity.

HCD also shared its policy goals:

- Avoid further segregation and concentration of poverty, and

- Encourage additional access to opportunity through land use policy and affordable housing program design and implementation.

The Task Force was established with the following purpose:

To provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further fair housing goals as defined by HCD.

TCAC and HCD asked the Task Force to create a statewide opportunity mapping tool that could be adopted into TCAC regulations to incentivize the development of *large-family, new construction developments* with 9% LIHTCs in neighborhoods whose characteristics have been shown by research to support childhood development and economic mobility for low-income families. This mapping tool also could be used in HCD programs and policies as well.

2. Opportunity Mapping Tool

The opportunity mapping tool uses 12 indicators and a filter for high-poverty, racially segregated areas. Each indicator and the filter were measured for each census tract located in the State. The tool calculated index scores for each census tract located in eight regions of California. Riverside is located in the Inland Empire Region, a Region which is comprised of the counties of Riverside, San Bernardino and Imperial. Table VIII-1 lists the indicators and measures used to calculate the opportunity score of each census tract located in California.

The tool allocates the 20% of the census tracts in each region with the highest relative index scores to the “Highest Resource” designation and the next 20% to the “High Resource” designation. Each region thus ends up with 40% of its total tracts as “Highest” or “High” resource. *These two categories are intended to help State decision-makers identify those tracts within each region that the research suggests low-income families are most likely to thrive, and where they typically do not have the option to live—but might, if given the choice. In effect, this approach is intended to incentivize development in higher-resourced neighborhoods.* [Emphasis added]

The tool filters for high-poverty, racially segregated areas. The poverty threshold is set at 30% or more poverty. It then identifies which of these neighborhoods have a high concentration of minority households in comparison to the county, and that are considered to be racially segregated compared to the areas around them. Tracts that have both a high level of poverty and a high level of racial segregation are filtered into the “High Segregation & Poverty” category.

As tracts are filtered to the “High Segregation & Poverty” category or excluded from categorization, non-filtered and non-excluded tracts fill-in to the “High Resource” and “Highest Resource” categories as necessary, based on the index score ranking. This ensures that regardless of the number of filtered or excluded tracts, every region (or county in rural areas) receives the same proportion of “High Resource” and “Highest Resource” tracts.

Table VIII-1
Opportunity Mapping Indicators and Measures

Indicator	Measure
Poverty	Percent of the population with incomes above 200% of the federal poverty level
Adult Education	Percent of adults with a bachelor's degree or above
Employment	Percent of adults age 20-59 who are employed in the civilian labor force or in the armed forces
Job Proximity	Number of jobs filled by workers with less than a BA that fall within a given radius (determined by the typical commute distance of low wage workers in each region) of each census tract population weighted centroid
Median Home Value	Value of owner-occupied units
CalEnviroScreen	CalEnviroScreen 3.0 Pollution Indicators
Math Proficiency	Percentage of 4 th graders who meet or exceed math proficiency
Reading Proficiency	Percentage of 4 th graders who meet or exceed literacy standards
High School Graduation Rates	Percentage of high school cohort that graduate on time
Student Poverty Rate	Percent of students not receiving free or reduced-price lunch
Poverty	Tracts with at least 30% of the population falling under the federal poverty line
Racial Segregation	Tracts with a racial Location Quotient of higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the county ¹

¹The LQ is a small-area measure of relative segregation calculated at the residential census tract level. It is a representation of how much more segregated a person's neighborhood (census tract) is relative to the larger overall metropolitan area (or county). For the filter, tracts that have a LQ higher than 1.25 for Blacks, Hispanics, Asians, or all people of color are flagged as being racially segregated in comparison to the county.

Source: California Fair Housing Task Force, *Opportunity Mapping Methodology*, Updated November 27, 2018, pages 7 and 8

b. SCAG's Regional Housing Needs Allocation Plan

The Southern California Association of Governments (SCAG) is required to develop a methodology for distributing the existing and projected housing need to each jurisdiction in the six county Region, which includes the counties of Ventura, Los Angeles, Orange, Riverside, San Bernardino and Imperial. According to HCD, the Region's total housing need is 1,341,827 housing units for the period from October 2021 to October 2029. (Source: HCD letter to SCAG, *Final Regional Housing Needs Assessment*, October 15, 2019)

Pursuant to the State Housing Element law, the proposed (and adopted) methodology for distributing the regional housing need must allocate a lower proportion of housing need to jurisdictions that already have a disproportionately high concentration of those households in comparison to the county distribution.

According to SCAG, a social equity adjustment ensures that jurisdictions accommodate their fair share of each income group: very low, low, moderate, and above moderate. The *Draft RHNA Methodology* explains:

Once a jurisdiction's existing household income distribution by income category is determined, the percentage is compared to the county's percentage of existing household income distribution. For example, if a jurisdiction has an existing distribution of 30 percent of very low income households while the county is 25 percent, the jurisdiction is considered as having an overconcentration of very low income households compared to the county. A social equity adjustment ensures that the jurisdiction will be assigned a smaller percentage of very low income households for its RHNA allocation than both what it currently has and what its county currently has (provided that the percentage is higher than 100 percent).

Source: Southern California Association of Governments, *Draft RHNA Methodology*, October 15, 2019, page 17

Another mandated objective RHNA is to affirmatively furthering fair housing (AFFH), an objective that requires the allocation methodology to further the objectives of addressing significant disparities in housing needs and access to opportunity and to overcome patterns of segregation. According to *the Draft RHNA Methodology*, the AFFH objective is achieved by -

Assigning a higher social equity adjustment based on Opportunity Indices [developed by TCAC/HCD as described above] which will result in a higher percentage of affordable housing units to areas that have higher resources. Concurrently, it will assign a lower percentage of affordable housing in areas where there is already an overconcentration. Because Opportunity Indices consider factors such as access to lower wage jobs, poverty rates, and school proficiency, the social equity adjustment in the draft RHNA methodology will result in factors beyond simply household income distribution. This additional adjustment will help to adjust the disparity in access to fair housing across the region, furthering the AFFH objective required in State housing law.

Source: Southern California Association of Governments, *Draft RHNA Methodology*, October 15, 2019, page 17

c. Riverside's Highest and High Resource Neighborhoods

The opportunity mapping tool identifies seven highest resource and 11 high resource census tracts. Table VIII-2 lists these 18 census tracts. Exhibit VIII-1 shows the Highest Resource Neighborhoods.

d. Location of Riverside's Affordable Family Rental Housing Developments

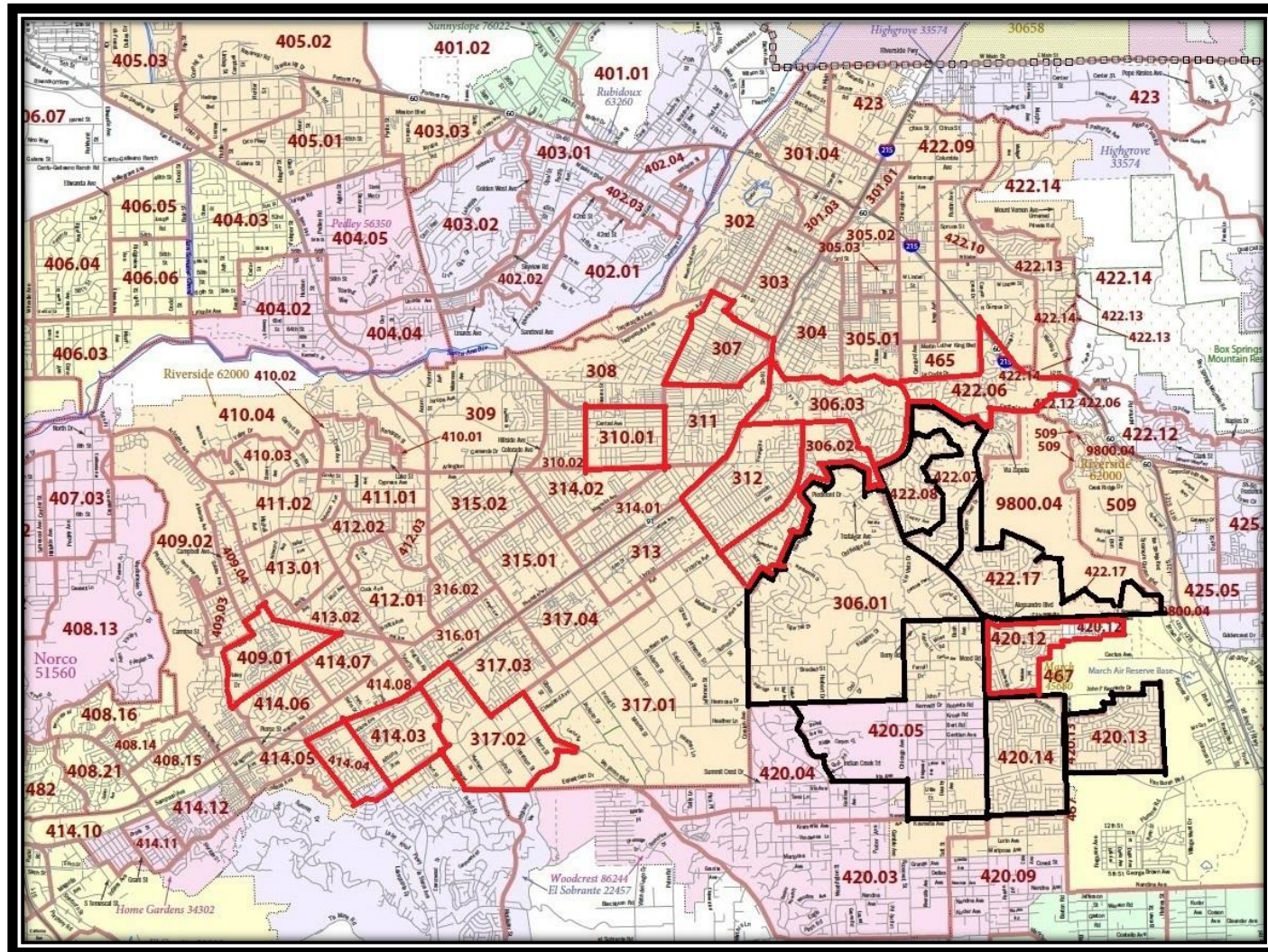
Riverside has 31 affordable family rental housing developments, ranging in size from two to 192 housing units. They are located in low to high resource neighborhoods. It is not known if, at the time the developments were constructed, the neighborhoods were in the same resource category, or whether the conditions in the neighborhood evolved overtime. It also is not known what the current trends are in each neighborhood. In other words, conditions may change in the future depending on each neighborhood's amount of residential vacant land, demand for market rate housing, school proficiency improvements, and place-based strategies that the City may employ in the future.

Table VIII-2
City of Riverside
Highest and High Resource Census Tracts

Census Tract	Neighborhood	Resource Category
306.01	Arlington Heights Canyon Crest	Highest
420.05	Arlington Heights	Highest
420.13	Orangethree	Highest
420.14	Orangethree	Highest
422.07	Canyon Crest	Highest
422.08	Canyon Crest	Highest
422.17	Mission Grove	Highest
306.02	Hawarden Hills Victoria	High
306.03	Victoria	High
307.00	Wood Streets	High
310.01	Magnolia Center	High
312.00	Victoria	High
317.02	Arlington South Arlington Heights	High
409.01	La Sierra	High
414.03	La Sierra South	High
414.04	La Sierra South	High
420.12	Mission Grove	High
422.06	Canyon Crest	High

Source: TCAC/HCD Opportunity Area Maps, 2019 Statewide Summary Table, Inland Empire

Exhibit VIII-1
Highest and High Resource Census Tracts



Note: Highest Resource Census Tracts are outlined in black and High Resource Census Tracts are outlined in red.

3. Conclusions and Recommendations

The City is required to update its Housing Element by October 2021 to cover the period from October 2021 to October 2029. An important component of the updated Housing Element Update is the identification of sites that can accommodate the housing needs of lower income families, including sites for multifamily housing developments.

The very high lower income housing need (8,000 + housing units) allocated by SCAG to the City means it probably will be impossible to accommodate all the housing need on vacant multifamily housing sites in the highest and high resource neighborhoods. Sites in moderate and low resource neighborhoods will need to be identified as well. Therefore, the City will need to implement place-based betterment strategies in these latter neighborhoods, strategies that will reduce poverty, enhance educational achievement, reduce unemployment and address other neighborhood needs.

In FY 2020-2021, the City during the process of updating the Housing Element, will take the following actions to affirmatively further fair housing –

- Identify vacant and non-vacant sites located in the highest and high resource neighborhoods
- Re-zone the most appropriate and suitable sites located in the highest and high resource neighborhoods to accommodate multifamily housing developments
- Pursue place-based betterment strategies in the moderate and low resource neighborhoods

C. GENTRIFICATION**1. Background - Gentrification Defined**

Gentrification is a process involving an increase in housing rents and prices in existing neighborhoods that causes the displacement of the poor due to the housing market pressures. When no new housing is involved, gentrification takes place through succession as vacant rentals or homes are rented or bought by middle or higher income folks. Over time, as this process continues the middle and higher income households outbid the lower income households and, as a consequence, the neighborhood gentrifies.

With respect to the fair housing consequences of gentrification, the National Fair Housing Alliance has offered the following thoughts:

Gentrification is the process of redevelopment that is spurred by the influx of more affluent, mostly White individuals into previously deprived, under-resourced, low-income communities of color. Redevelopment through gentrification typically entails change in neighborhood character and culture and an increase in the cost of living that prices out original residents. Gentrification is fundamentally an economic process, yet the neighborhood transition that typically ensues is deeply racial, cultural, and sometimes ethnic, affecting Blacks, Latinos, and Asian Americans. With variations, gentrification operates as a powerful development pattern in housing markets in cities across the country.

The fair housing implications of gentrification associated with residential integration are complicated. Despite temporary increases in racial and ethnic integration as White residents move into previously non-White neighborhoods at the onset of gentrification, the resulting dislocation that occurs to the pre-existing residents as the process unfolds and market values

increase further marginalizes communities of color through residential displacement. In the context of the persistent affordable housing crisis plaguing many cities across the country, displaced low-income residents are relegated to low-opportunity areas, generally fortifying entrenched racial and ethnic residential segregation. In this way, gentrification pressures ultimately reinforce patterns of segregation.

Although HUD has currently suspended local governments' obligation to submit Assessment of Fair Housing plans until October 2020 or thereafter, jurisdictions may still look to HUD guidance for information on how to comply with the mandate that HUD funds are used to affirmatively furthering fair housing. In August 2016, HUD released the Fair Housing Assessment Tool for Local Governments, which provides guidance to jurisdictions that receive HUD community development funds on factors associated with residential segregation they should consider when conducting their fair housing planning processes, and it specifically advises jurisdictions to consider "displacement due to economic pressures." As such, in order for local jurisdictions to credibly certify to HUD that they are affirmatively furthering fair housing, they should consider the fair housing implications of gentrification.

The Fair Housing Assessment Tool for Local Governments planning guide states the following about the displacement of residents due to economic pressures:

"The term 'displacement' refers here to a resident's undesired departure from a place where an individual has been living. 'Economic pressures' may include, but are not limited to, rising rents, rising property taxes related to home prices, rehabilitation of existing structures, demolition of subsidized housing, loss of affordability restrictions, and public and private investments in neighborhoods. Such pressures can lead to loss of existing affordable housing in areas experiencing rapid economic growth and a resulting loss of access to opportunity assets for lower income families that previously lived there. Where displacement disproportionately affects persons with certain protected characteristics, the displacement of residents due to economic pressures may exacerbate patterns of residential segregation."

National Fair Housing Alliance, *Making Every Neighborhood a Place of Opportunity: 2018 Fair Housing Trends Report*, 2018, pages 74 and 75

2. Analysis

a. Loft Developments

The demolition of existing housing and displacement of low income households was not necessary by the recent (November 2019) construction of three private multifamily housing developments. These developments include the 9th Street/ Main Street Lofts (36 units); Imperial Hardware Lofts (91 units); and Mission Lofts (212 units).

The 9th Street/Main Street Lofts and Imperial Hardware Lofts are located in Census Tract 303. These two developments may decrease the percentage of the population living in this census tract that identify with a minority group and to increase the average household income. Currently, 64% of the households and 70% of the population living in the census tract identify with a minority population group.

The two developments are located in Block Group 4 of Census Tract 303. HUD data shows that 88.5% of the population living in this block group currently has low and moderate incomes.

The Mission Lofts are located in Census Tract 304, Block Group 1. Currently, 92% of the households and 94% of the population identify with a minority group. HUD data indicates that 94% of the population residing in Block Group 1 has low and moderate incomes.

b. Seventh Street Replacement Plan

The Housing Authority of the City of Riverside has acquired seven residential properties located at 1705-1761 Seventh Street at the corner of Seventh Street and Chicago Avenue in the Eastside Neighborhood. This City-sponsored development has caused the displacement of 56 very low-, low- and moderate-income households/dwellings. The Housing Authority proposes to replace the dwellings by developing new residential units: 1 studio unit; 48 one-bedroom units; 5 two-bedroom units; and 2 three-bedroom units. The Housing Authority plans to use former Redevelopment Housing Set-Aside funds as the funding source for the development of the replacement housing units. The site has been cleared and is vacant.

c. Innovation District and the Eastside Neighborhood

The City's first Innovation District is a three-square-mile area that includes part of downtown Riverside, portions of North Main Street, an industrial area north of Third Street near the 60/91/215 interchange, packinghouses just east of downtown, the Eastside neighborhood and UC Riverside, including the new home of the California Air Resources Board labs and testing facility. A goal of the Innovation District is to develop a home for additional high-tech jobs that will attract more investment and add to Riverside's quality of life.

The District includes the energy of downtown Riverside; the convenience of having two Metrolink stations; a strong history of entrepreneurship, as demonstrated by the existence of roughly 1,700 businesses, including large employers like SolarMax, Luxfer and GAR Laboratories; underutilized industrial and business properties that are ripe for adaptive re-use; the intellectual resources at UCR, RCC, the RUSD STEM School, the Encore High School for the Arts and the Riverside Arts Academy; the UCR Medical School; and the community heritage of the Eastside and Northside neighborhoods.

Eastside residents have concerns of the neighborhood becoming gentrified. The City has assured residents that future projects will respect the Eastside neighborhood and preserve its culture.

d. Change in Low/Moderate Income Neighborhoods

For purposes of this analysis, a low/moderate income neighborhood is defined as a block group with 51% or more of its population with low/moderate incomes. Table VIII-3 lists the 28 census tract block groups where the percent low/moderate income was 51% in 2006-2010 but less than 51% in 2011-2015.

Table VIII-3
City of Riverside
Census Tract Block Groups Where Percent Low/Mod Was 51%+ in 2006
And Where Percent Low/Mod Was Below 51% in 2015

Census Tract	Block Group	2006 Percent Low/Mod >51%	2015 Percent Low/Mod <51%	Change
030200	2	78.18%	37.84%	-40.34%
030501	4	78.10%	50.98%	-27.12%
030800	1	58.57%	7.69%	-50.88%
030800	2	59.65%	6.90%	-52.75%
030800	3	58.14%	43.39%	-14.75%
030800	4	59.13%	34.51%	-24.62%
030900	1	52.90%	35.06%	-17.84%
031001	2	60.31%	44.59%	-15.72%
031001	3	58.43%	37.39%	-21.04%
031100	4	91.11%	28.00%	-63.11%
031100	5	51.81%	38.12%	-13.69%
031200	3	58.56%	15.33%	-43.23%
031401	5	64.24%	41.45%	-22.79%
031402	1	53.15%	32.77%	-20.38%
031501	2	62.84%	48.83%	-14.01%
031502	5	62.59%	48.33%	-14.26%
031601	1	56.84%	49.34%	-7.50%
031601	3	66.57%	30.19%	-36.38%
031602	4	55.35%	29.29%	-26.06%
031704	1	70.81%	42.81%	-28.00%
031704	3	58.19%	20.74%	-37.45%
040901	3	51.81%	49.89%	-1.92%
040904	2	61.40%	50.45%	-10.95%
041004	1	54.95%	34.43%	-20.52%
041101	3	82.61%	42.37%	-40.24%
041301	1	53.16%	40.86%	-12.30%
041407	2	68.74%	41.70%	-27.04%
042213	3	66.17%	30.22%	-35.95%

Source: ACS 5-Year 2006-2010 and 2011-2015 Low- and Moderate-Income Summary Data

The block groups are built out and during the five to 10 year period there has been very limited residential development in these neighborhoods. The income changes could be the result that, as rental turnover happened and existing homes were sold, the new occupants compared to the prior occupants had higher incomes. Another possible cause is that the residents did not move but rather experienced income gains that elevated them above the low/moderate income threshold. In any event, the income changes were not result of the demolition of existing housing units, replacement with new housing, and the displacement of existing residents.

3. Conclusions and Recommendations

Gentrification causing the displacement of poor people and resulting in neighborhood change does not appear to be occurring in Riverside. Therefore, the AI does not include recommendations to address gentrification.

D. DEMOGRAPHICS OF PUBLICLY SUPPORTED HOUSING

1. Background

HUD is interested in the demographics of the occupants of publicly supported housing compared to the demographics of the jurisdiction and neighborhood in which such housing is located. For example, a comparison will inform a city of whether developments are occupied by largely the same race/ethnicity as in the neighborhood.

2. Analysis

Table VIII-4 compares the race of the occupants of Low Income Housing Tax Credit (LIHTC) developments to the citywide characteristics. The Black/African population resides in LIHTC affordable housing in a greater proportion than they represent of the City's population. In contrast, a lower percentage of the white population live in these developments compared to the citywide percentage.

Table VIII-4
Race of the Occupants of Low Income Housing Tax Credit Housing Developments: 2017

Race	Number	Developments Percentage	City Percentage
Native Hawaiian/Pacific Islander	30	0.9%	0.3%
American Indian/Alaskan Native	38	1.2%	0.8%
Asian	160	5.0%	7.2%
Black/African American	666	20.9%	6.0%
Other	795	24.9%	23.7%
White	1,505	47.1%	62.0%
Total	3,194	100.0%	100.0%

Source: California Tax Credit Allocation Committee, Spectrum Report – Race/Ethnicity
Data for 2016 and 2017 for the City of Riverside

Table VIII-5 shows that a slightly higher percentage of Hispanics occupy the affordable housing developments than they represent of the entire City's population. However, Table VIII-6 shows that four developments have a disproportionately higher percentage of Hispanic tenants when compared to the citywide demographics. Three of the four developments have roughly the same demographics as the census tract in which they are located, however. Mission Pointe is located the City's only racially/ethnically concentrated area of poverty, according to HUD's criteria.

Table VIII-5
Ethnicity of the Occupants of Low Income
Housing Tax Credit Housing Developments: 2017

Ethnicity	Number	Developments Percentage	City Percentage
Hispanic	1,824	57.7%	52.7%
Not Hispanic	1,337	42.3%	47.3%
Total	3,161	100.0%	100.0%

Source: California Tax Credit Allocation Committee, Spectrum Report – Race/Ethnicity Data for 2016 and 2017 for the City of Riverside

Table VIII-6
LIHTC Developments with High Percentage of Hispanic Occupants: 2017

Census Tract	Development	Development Percent Hispanic	Census Tract Percent Hispanic
317.01	Victoria Heights	66.8%	56.7%
422.09	Mission Pointe	69.4%	43.5%
310.02	Phoenix Terrace	84.4%	79.5%
411.01	Cypress Springs	91.9%	93.9%

Source: California Tax Credit Allocation Committee, Spectrum Report – Race/Ethnicity Data for 2016 and 2017 for the City of Riverside

3. Conclusions and Recommendations

The demographics of individual developments have evolved since the projects were built and may change in the future when turnover occurs. Vacant units probably occur infrequently, however. For example, Victoria Heights is the only LIHTC development that advertises for rent units in the Press Enterprise.

With respect to the occupancy of all LIHTC developments, the Black population occupies this affordable housing in a proportion greater than they represent of the City's population.

One of the objectives of the HOME Program and other federal housing programs is to promote fair housing by ensuring outreach to all potential eligible households, especially those least likely to apply for housing assistance. Affirmative marketing consists of actions to provide information and otherwise attract eligible persons to available housing without regard to race, color, national origin, sex, religion, familial status or disability.

To affirmatively further fair housing –

- In FY 2020-2021, the FHCRC will work with the on-site property managers of LIHTC rental housing developments to develop and adopt affirmative marketing procedures.

E. FAIR HOUSING ENFORCEMENT

1. Background

HUD's *Fair Housing Planning Guide* includes a suggested AI outline that identifies fair housing enforcement as a potential impediment to fair housing choice. HUD's *AFFH Guidebook* states the following regarding the lack of private fair housing outreach and enforcement:

The term "local private fair housing outreach and enforcement" refers to outreach and enforcement actions by private individuals and organizations, including such actions as fair housing education, conducting testing, bring lawsuits, arranging and implementing settlement agreements. A lack of private enforcement is often the result of a lack of resources or a lack of awareness about rights under fair housing and civil rights laws, which can lead to underreporting of discrimination, failure to take advantage of remedies under the law, and the continuation of discriminatory practices. Activities to raise awareness may include technical training for housing industry representatives and organizations, education and outreach activities geared to the general public, advocacy campaigns, fair housing testing and enforcement.

Source: U.S. Department of Housing and Urban Development, *AFFH Guidebook*, December 13, 2015, page 212

2. Analysis

The enforcement of fair housing laws is accomplished by HUD, the California Department of Fair Employment and Housing (DFEH) and the Fair Housing Council of Riverside County, Inc. (FHCRC).

The DFEH is responsible for enforcing state fair housing laws that make it illegal to discriminate. The DFEH may file signed complaints with HUD if the matter falls within the jurisdiction of that agency. As a substantially equivalent agency, DFEH's findings are usually accepted by HUD.

Locally, the FHCRC takes part in a variety of activities to fight housing discrimination, such as free educational workshops, outreach to the community, and the investigation of housing discrimination complaints. The capacity of the FHCRC enables it to provide fair housing information, outreach and enforcement to 24 cities and communities located in Riverside County plus the unincorporated area of the County.

FHCRC includes a total of 15 staff: two Housing Counselors, five Fair Housing Counselors, two Program Managers, Fair Housing Training Specialist, and Program Administrator, an accountant, a controller, an Executive Director and an administrative staff member. FHCRC also has three interns.

The funding that supports the efforts of the FHCRC includes CDBG funds received from participating jurisdictions within its service area and grant funds such as HUD's Fair Housing Initiatives Program (FHIP) and Fair Housing Assistance Program (FHAP).

FHIP provides funds to eligible organizations through competitive grants under three initiatives that are designed to prevent or eliminate discriminatory housing practices and inform individuals of their rights and responsibilities under the Fair Housing Act. In FY 2016, the FHIP program awarded \$38 million in

grants to 155 organizations to meet the objectives under one or more of the core program initiatives: enforcing the Fair Housing Act under the Private Enforcement Initiative, educating the public and industry stakeholders on fair housing under the Education and Outreach Initiative, and building organizational capacity under the Fair Housing Organizations Initiative.

HUD provides FHAP funding annually on a noncompetitive basis to state and local agencies that enforce fair housing laws that are substantially equivalent to the Fair Housing Act. FHAP agencies support a variety of fair housing administrative and enforcement activities, including complaint investigation, conciliation, administrative and/or judicial enforcement; training; implementation of data and information systems; and education and outreach.

The FHCRC was awarded a FHIP grant of \$300,000 to undertake various enforcement, education and outreach activities that Affirmatively Further Fair Housing. The activities are designed to minimize and eliminate impediments to fair housing choice. Specifically, FHCRC conducts systemic investigations, provides technical assistance to municipalities regarding compliance with fair housing laws, and provide fair housing education to the population of Riverside County.

FHCRC's proposed activities include conducting fair housing tests on rentals, sales and design and construction; hosting the Annual Housing Conference during National Fair Housing Month; creating partnerships with local agencies and three partnerships with universities and colleges, conducting town hall meetings to connect the public with housing professionals and industry leaders and systemic investigations which will help remove barriers to fair housing.

The FHCRC provides a full range of services including:

- Anti-discrimination
- Landlord/tenant counseling
- First time homebuyer seminars
- Foreclosure prevention
- Loan modification
- Back-to-Work FHA
- Training

Additionally, the FHCRC completed a Cultural Diversity Grant through the National Association of REALTORS (NAR) for the Inland Valleys Association of REALTORS (IVAR) members to attend the 2017 Housing Conference.

FHCRC also is working to become a credit training agency through the Bureau of Real Estate.

3. Conclusions and Recommendations

No impediment to fair housing exists because of the lack of an organization to enforce fair housing laws.