

CITY OF PALM DESERT

PROPOSED FINAL AFFH/AFH PLAN

SEPTEMBER 1, 2017

**City of Palm Desert
Assessment of Fair Housing
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**SECTION I
COVER SHEET**

I. Cover Sheet

1. Submission date:
2. Submitter name:
3. Type of submission (*e.g.*, single program participant, joint submission):
4. Type of program participant(s) (*e.g.*, consolidated plan participant, PHA):
5. For PHAs, Jurisdiction in which the program participant is located:
6. Submitter members (if applicable):
7. Sole or lead submitter contact information:
 - a. Name:
 - b. Title:
 - c. Department:
 - d. Street address:
 - e. City:
 - f. State:
 - g. Zip code:
8. Period covered by this assessment:
9. Initial, amended, or renewal AFH:
10. To the best of its knowledge and belief, the statements and information contained herein are true, accurate, and complete and the program participant has developed this AFH in compliance with the requirements of 24 C.F.R. §§ 5.150-5.180 or comparable replacement regulations of the Department of Housing and Urban Development;
11. The program participant will take meaningful actions to further the goals identified in its AFH conducted in accordance with the requirements in §§ 5.150 through 5.180 and 24 C.F.R. §§ 91.225(a)(1), 91.325(a)(1), 91.425(a)(1), 570.487(b)(1), 570.601, 903.7(o), and 903.15(d), as applicable.

*** (Print Name) (Program Participant/Title) (Signature) (date)

*** (Print Name) (Program Participant/Title) (Signature) (date)

*** (Print Name) (Program Participant/Title) (Signature) (date)

Comments

SECTION II
EXECUTIVE SUMMARY

1. Summarize the fair housing issues, significant contributing factors, and goals. Also include an overview of the process and analysis used to reach the goals.

Title VIII of the Civil Rights Act of 1968 (aka the Fair Housing Act) identifies seven protected classes:

- Race
- Color
- Religion
- National Origin
- Sex
- Disability
- Familial Status (children under age 18 in a household)

It is illegal, for example, for a landlord to discriminate because of a person's race or national origin.

The Fair Housing Act always has required meaningful actions to affirmatively further fair housing by recipients of federal funds. The City annually receives federal Community Development Block Grant (CDBG) funds. As recently as 2014, the City of Palm Desert completed an *Analysis of Impediments to Fair Housing Choice* (AI) for purposes of affirmatively furthering fair housing (AFFH). In 2015, the U.S. Department of Housing and Urban Development (HUD) adopted a new AFFH rule and replaced the AI with an *Assessment of Fair Housing* (AFH). The AFH must include:

- Analysis of fair housing data (tables and maps)
- Assessment of fair housing issues
- Description of factors that contribute to fair housing issues
- Identification of fair housing priorities and goals

Based on a detailed analysis of HUD-provided data and maps as well as local data and knowledge, Section V - Fair Housing Analysis - identifies the following fair housing issues:

- Disproportionate housing needs affecting all fair housing protected classes
- Location of publicly supported housing
- Housing for disabled persons

The Fair Housing Analysis identified the following contributing factors:

- Availability of affordable units in a range of sizes
- Lack of access to opportunity due to high housing costs
- Housing production out of balance with housing demand
- Rising rents
- Income stagnation
- Private discrimination
- Siting selection policies, practices and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs
- Access to publicly supported housing for persons with disabilities
- Lack of affordable, accessible housing in a range of unit sizes

Chart VI-1 in Section VI describes the association between the contributing factors and fair housing issues as well as each contributing factor's priority level and justification for the assigned priority. The list below describes the five fair housing goals:

- Goal #1: Preserve the affordability of housing units that could convert to market rate housing
- Goal #2: Increase the number of new affordable housing units that address the needs of families with children or disabled persons by reserving a portion of the total units in an affordable housing project for a fair housing protected group
- Goal #3: Increase the awareness of Palm Desert residents to recognize housing discrimination and their knowledge of how to file a complaint with the Fair Housing Council of Riverside County, Inc.
- Goal #4: Utilize the siting policies of affordable housing funding programs to the extent they are appropriate to guide the identification of sites to accommodate the City's share of the regional housing need for the 2021-2029 time period
- Goal #5: Increase the supply of housing designed to meet the needs of households with disabled members or other special needs

The goals were set to overcome the adverse impacts of each significant factor that contributes to a fair housing issue in Palm Desert. After the significant contributing factors were identified, alternative goals were evaluated. For example, the goals established in adopted planning documents such as the *2013-2018 Consolidated Plan* and *2013-2021 Housing Element* were evaluated in terms of their relevancy to the AFH. Also, the goals were expressed in terms that can be measured such as "improve," "increase," and "preserve".

SECTION III
COMMUNITY PARTICIPATION PROCESS

SECTION III

COMMUNITY PARTICIPATION PROCESS

1. Describe outreach activities undertaken to encourage and broaden meaningful community participation in the AFH process, including the types of outreach activities and dates of public hearings or meetings. Identify media outlets used and include a description of efforts made to reach the public, including those representing populations that are typically underrepresented in the planning process such as persons who reside in areas identified as R/ECAPs, persons who are limited English proficient (LEP), and persons with disabilities. Briefly explain how these communications were designed to reach the broadest audience possible. For PHAs, identify your meetings with the Resident Advisory Board and other resident outreach.

The City's outreach activities were based on those recommended by HUD's *AFFH Rule Guidebook*.

Data Availability: On the Special Programs Department webpage, the City posted a link to the HUD-provided data and maps and to the AFFH Tool.

AFH Public Hearings

April 27, 2017

The City Council held a public hearing on April 27, 2017. The City Council approved the amended Citizen Participation Plan (CPP). In addition, a PowerPoint presentation was given to the City Council on the AFFH Rule and the *Assessment of Fair Housing* (AFH). Information was provided to the City Council on 1) the AFFH Rule; 2) the scope of the AFH; 3) data on segregation/ integration; 4) data on racially/ethnically concentrated areas of poverty (R/ECAPs); 4) a description of other topics to be included in the AFH; 5) schedule for completion of the AFH; and 6) relationship of the AFH to the Consolidated Plan. Questions of the City Council focused on the analysis of disparities to opportunity. Six residents attended the public hearing. However, none of the residents commented on the AFH presentation.

September 7, 2017

The City Council will hold a second public hearing on September 7, 2017. At that meeting the City Council will consider approving the AFH and authorizing its submittal to HUD.

AFH Meetings

June 6, 2017 Department Heads Meeting

On June 6, 2017 a Department Heads Meeting was held to discuss the AFH and obtain input from key City staff. Attendance at the meeting included: Community Development Department, Economic Development Department, Building and Safety Department, and Housing Department. Among the topics discussed were: 1) Land Use Element policies encouraging a diversity of housing types in new neighborhoods; 2) Housing Element policies encouraging housing for disabled persons in mixed population developments; 3) status of the City's efforts with Desert ARC to develop housing for developmentally disabled persons; 4) status of Request for Proposal (RFP) to develop a mixed-income development on City owned land; 5) scope of work for the update of the Economic Development Strategy Plan; and 6) accessibility requirements under Federal and California law.

SECTION III

COMMUNITY PARTICIPATION PROCESS

Although the City's ADA Coordinator was unable to attend the meeting, information later was provided on the ADA Transition Plans and the process for granting resident Requests for Accommodation and Barrier Removal.

June 13, 2017 Community Meeting

A Community Meeting was held on June 13, 2017. A Public Notice announcing the Community Meeting was published in the Desert Sun Newspaper. Eight members of the public attended the meeting from the following organizations: Find Food Bank, Fair Housing Council of Riverside County, Inc., Safe House for the Desert; Desert AIDS Project; The Ranch Recovery Center; Neurovitality Center; YMCA; and Act MS.

At the Community Meeting, a PowerPoint presentation was given on the AFFH/AFH, CDBG 5-Year Strategic Plan, and FY 2018/2019 Annual Action Plan. Two persons commented on the needs of seniors for affordable housing coupled with transportation; one person commented that the available publicly supported housing is not set up for seniors; one person commented that seniors face an issue with food insecurity; one person commented that even families living in low income housing find it difficult to make ends meet; one person asked about waitlist information for low income housing located in Palm Desert; one person asked if the City is asking developers to set aside units for low income housing; and one persons mentioned that her organization is a shelter for youth in crisis.

Staff noted the comments and indicated that they will be addressed in the *Assessment of Fair Housing and Consolidated Plan*.

June 30, 2017 Consultation Meeting with FHCRC

A consultation meeting was held at the offices of the Fair Housing Council of Riverside County, Inc. (FHCRC) in downtown Riverside on June 30, 2017. Six Fair Housing Council staff members attended the meeting. Topics discussed at the consultation meeting included: 1) affordable housing that can serve the needs of fair housing protected groups (e.g., families with children and disabled persons); 2) definitions of concentrations; 3) update on the City's ongoing efforts with Desert ARC to develop housing for developmentally disabled persons; 4) potential for FHCRC to conducting testing in Palm Desert; and 5) FHCRC work with affordable housing developers to prepare comments on the Tax Credit Allocation Committee's efforts to promote affordable housing developments in high opportunity neighborhoods.

July 12, 2017 Housing Commission Meeting

A meeting with the Housing Commission was held on July 12, 2017. The Housing Commission provides input to the City Council and Housing Authority Board on housing policy and procedures, housing proposals, programs, and strategies. Comments made at the meeting and noted include: whether there is a need to produce data on the different races and ethnic groups; that a purpose of the report is to indicate whether groups are isolated from one another; and the process for public review. Responses to the comments include: that the data on races and ethnic groups is readily available from public sources; an overview of the scope of the AFH was provided; and the public review period was explained and the date of the City Council public hearing was announced to the commissioners.

Request for Input on Draft AFH: A Preliminary Draft AFH was transmitted to public agencies for review and comment. Comments were received from the Inland Regional Center (developmental disabilities); Riverside County Department of Mental Health; Riverside County Department of Public Social Services – Homeless Programs Unit; and Coachella Valley Housing Coalition (CVHC). Comments were not received from the Community Access Center (Independent Living Center), Riverside County Office on Aging, Habitat for Humanity of the Coachella Valley and Housing Authority of the County of Riverside. The City did receive the following information from the Housing Authority: Administrative Plan, 5-Year Agency Plan, Housing Opportunity Maps and Section 8 Waiting List.

Community Planning Efforts: The City recently has completed major planning documents including the General Plan, Housing Element, and Envision Palm Desert – Forward Together. Each of these planning efforts involved a community participation process. The AFH incorporates the fair housing related data, policies and programs from these planning efforts. For example, under California law the Housing Element must contain data and policies regarding the disabled population including developmentally disabled persons. The AFH includes this and other information from the Housing Element as well as other planning documents.

Use of Media Outlets: An article describing the AFH was published in the City’s BrightSide Newsletter. A link was published to HUD’s AFFH webpage. Readers were invited to contact the Special Programs Department for additional details on the AFH and opportunities for community input.

Fair Housing Survey: A Fair Housing Survey was posted on the Special Programs Department webpage. Among the questions included in the Survey are: whether the respondent has encountered housing discrimination; what type or form of discrimination; and knowledge of where to report housing discrimination. As of late July 2017, there were too few responses to the survey to include an analysis in the Draft AFH.

Public Review: The public will be given a 30-day period to review the Draft AFH.

Availability of Copies: Copies of the Draft AFH will be made available at the Civic Center, Joslyn Center, Portola Community Center, Palm Desert Public Library and posted on the City’s website at www.cityofpalmdesert.org.

Input from Fair Housing Organizations: The FHCRC provided valuable input throughout the process of preparing the AFH. The FHCRC prepared information on their accomplishments in ameliorating or eliminating private sector impediments described in the 2014 AI; compiled housing discrimination statistics; edited Part E of Section V regarding fair housing enforcement, outreach and resources; and reviewed the Draft AFH including Section VI – Fair Housing Goals and Priorities.

2. Provide a list of organizations consulted during the community participation process.

Chart III-1 on the next page lists the organizations that were consulted during the community participation process. Consultation involved requests for information (e.g., number of Section 8 voucher holders by census tract, number of housing discrimination complaints); review of administrative policies (e.g., County of Riverside Housing Authority); review of needs assessment (e.g., State Independent Living Council (SILC)); review of strategic plans (e.g., Office

SECTION III

COMMUNITY PARTICIPATION PROCESS

of Aging); summary of services provided (e.g., Desert ARC, Joslyn Center); review of statistical reports (e.g., 2017 Homeless Counts); and request for input on the Draft AFH.

**Chart III-1
List of Organizations Consulted During the Community Participation**

Type of Organization	Name
Agencies that Provide Assisted Housing and Public Housing Agencies	<ul style="list-style-type: none">▪ County of Riverside Housing Authority▪ Palm Desert Housing Authority
Agencies that Provide Health Services	<ul style="list-style-type: none">▪ Riverside University Health System – Public Health and Behavioral Health
Agencies that Provide Social Services	<ul style="list-style-type: none">▪ County of Riverside Department of Public Social Services▪ Riverside County Office of Aging▪ Community Action Partnership of Riverside County (War on Poverty)
Community-Based and Regionally Based Organizations	<ul style="list-style-type: none">▪ Community Access Center (physically disabled)▪ Inland Regional Center (developmentally disabled)▪ Desert ARC▪ Joslyn Center
Organizations that Enforce Fair Housing Laws	<ul style="list-style-type: none">▪ Fair Housing Council of Riverside County▪ California Department of Fair Employment and Housing (DFEH)▪ HUD – San Francisco Regional Office
Local and Regional Government Agencies	<ul style="list-style-type: none">▪ Coachella Valley Association of Governments▪ Southern California Association of Governments
Local and Regional Institutions	<ul style="list-style-type: none">▪ Desert Sands Unified School District▪ California Department of Education▪ Great Schools
Continuum of Care	<ul style="list-style-type: none">▪ Riverside County Continuum of Care (CofC)
Other Organizations	<ul style="list-style-type: none">▪ State Independent Living Council (SILC)▪ California Department of Education▪ California Department of Development Services▪ UC Davis Regional Opportunity Index▪ California Environmental Protection Agency (CalEnviroscreen 3.0)

3. Describe whether the outreach activities elicited broad community participation during the development of the AFH. If there was low participation, or low participation among particular protected class groups, what additional steps might improve or increase community participation in the future, including overall participation or among specific protected class groups?

The community participation and public consultation process was far more successful than when the *Analysis of Impediments to Fair Housing Choice (AI)* was prepared in 2014 and also when the *2013-2018 Consolidated Plan* was prepared.

The following additional steps are intended to bolster community participation during the preparation of future Assessments of Fair Housing and they also may be employed as part of the Consolidated Plan process:

- Extend invitations to the meetings and public hearings to individuals and organizations
- Obtain e-mail addresses of individuals who have participated in other planning endeavors such as the General Plan and Envision Palm Desert – Forward Together so they can be directly contacted

4. Summarize all comments obtained in the community participation process. Include a summary of any comments or views not accepted and the reasons why.

The comments received at the community meetings and public consultation meetings have been discussed in Part 1 of Section III. The comments received from the request for input from organizations are discussed below.

The Inland Regional Center stated that “our clients will require HUD based affordable housing options due to the low amount of monthly income they receive.”

The Riverside County Mental Health Department stated that their review found the “plan well based and presented.” The Department also explained the nature of the State Special Needs Housing Program and the County’s participation in that program.

The Riverside County Department of Public Social Services – Homeless Programs Unit – commented that the Preliminary Draft AFH was a “very comprehensive report.” The Homeless Programs Unit also provided the City with a copy of the 2017 Homeless Count Report.

The Coachella Valley Housing Coalition (CVHC) commented that the Tax Credit Allocation Committee’s (TCAC) existing siting criteria has not prevented the City from siting affordable housing developments in “high opportunity” neighborhoods. In response, the City points out that the Draft AFH is making the observation that applications for tax credits for developments located in the high opportunity neighborhoods will be more competitive in the future. TCAC has stated “that low-income housing tax credit new construction projects continue to be sited disproportionately in lower-income and more ethnically and racially concentrated neighborhoods in California.”

The CVHC also commented that there is a large diversity of special needs populations and that populations other than developmentally disabled persons are ignored in the AFH. The Draft AFH includes a goal to “Increase the number of new affordable housing units that address the needs of families with children and disabled persons.” Additionally, the City’s *2013-2021 Housing Element* states: “The City will continue to encourage developers to reserve a portion of affordable housing projects for the disabled, including those with developmental disabilities.” Thus, the City efforts to address the housing needs of special needs populations are not limited to persons with developmental disabilities.

The CVHC also commented that the developer of the Desert ARC project, which will provide affordable housing for developmentally disabled adults, has not filed a competitive tax credit application. The Desert ARC project tax credit application did score the maximum points possible but was not awarded the credits because when multiple applications receive the same score, TCAC uses a tie breaker system. The Desert ARC project has approved land use entitlements from the City and the City remains committed to the project.

**SECTION IV
ASSESSMENT OF PAST GOALS,
ACTIONS AND STRATEGIES**

Section IV describes the goals, policies and strategies of the adopted *FY 2013/14-FY to 2017-2018 Analysis of Impediments to Fair Housing Choice (AI)*. It also discusses whether those goals, actions and strategies were successful, and if not successful or not as successful as envisioned, the reasons why. This section must also discuss how previous experience with past goals has influenced the selection of goals in the *Assessment of Fair Housing*.

1. Indicate what fair housing goals were selected by program participant(s) in recent Analyses of Impediments, Assessments of Fair Housing, or other relevant planning documents:

The City's *AI* did not contain fair housing "goals". Instead the *AI* focused on the elimination or amelioration of impediments to fair housing by describing specific actions which were to be implemented during the 5-year period from mid-2013 to mid-2018.

With regard to the public sector, the *AI* focused on an analysis that distinguished between regulatory impediments based on specific code provisions and practice impediments, which arise from City practices or implementing policies. The analysis was organized into five categories:

- Housing for Disabled People
- Housing for Special Needs Populations
- Affordable Housing Policies
- Accessible Housing and Parking
- Other Fair Housing Policies

The private sector impediments were identified on the basis of practices prohibited by the 1968 Federal Fair Housing Act, as amended, and the California Fair Employment and Housing Act. The impediments included prohibited practices such as housing discrimination, steering and redlining.

a. Discuss what progress has been made toward the achievement of fair housing goals.

The City's *AI* included eight actions which were implemented in FY 2013-2014; that is, during the preparation of the *AI*. In addition, 17 actions were to be implemented in the ensuing fiscal years. These actions were adopted for the purpose of, as explained earlier, eliminating or ameliorating public and private sector impediments to fair housing choice. The adopted actions and implementation progress are described below.

Public Sector Actions

1. Revise, as recommended by HUD-LA, the Zoning Ordinance definition of "disability" to conform to the one found in the California Fair Employment and Housing Act.

The Zoning Ordinance definition is as follows:

Disabled person. Persons as defined in United States Code, Title 42, Section 423 and shall also include handicapped persons, as defined in the California Health and Safety Code Section 50072.

The HUD-LA office in March 2014 rendered advice that a city's disability definition should mirror the one found in the California Fair Employment and Housing Act as it provides for

broader protection. Accordingly, the *AI* recommended that the Zoning Ordinance definition as well as the one adopted by the Palm Desert Housing Authority should be updated to mirror the State definition.

The revision has not been accomplished. The disability definition will be amended during the implementation of the *AFH Fair Housing Action Plan* (mid-year 2018 to mid-year 2023). The revision will refer to the following sections of the California Fair Employment and Housing Act: Section 12926(i) [mental disability], Section 12926(k) [physical disability], and Section 12926.1 [State law intended to provide broader coverage than the Americans with Disabilities Act of 1990].

2. Revise the Zoning Ordinance definitions of “supportive housing” and “transitional housing” to conform to those found in Government Code Sections 65582 (g) and (j).

The Zoning Ordinance definition is as follows:

Transitional and supportive housing. A shelter provided to the homeless for an extended period, often as long as 18 months and generally integrated with other social services and counseling programs to assist in the transition to self-sufficiency through the acquisition of a stable income and permanent housing.

Government Code Sections 65582 (g) and (j) define supportive and transitional housing as follows:

(g) “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.

(j) “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.

The definitions will be amended during the implementation of the *AFH Fair Housing Action Plan* (mid-year 2018 to mid-year 2023).

3. Consider adding group homes occupied by seven or more disabled persons to the list of conditionally permitted uses.

Group homes of 7 or more residents are permitted, with approval of a conditional use permit, in the R3 zone. In 2013, the Zoning Ordinance was amended to increase the opportunities for group homes of 7 or more. The City revised the ordinance to allow them in the R-1 and R-2 zones, in addition to the R-3 zone. It also revised the definition of “family” to be consistent with current federal definitions.

4. Make efforts, as recommended by the federal Department of Justice, to insure the availability of the City's Reasonable Accommodation Procedure is well known within the community.

A section in the Zoning Ordinance describes in detail how residents can submit a request for a reasonable accommodation. Additionally, the City's website has a form that residents may complete for purposes of requesting an accommodation or barrier removal.

5. Implement the *2013-2021 Housing Element* policies that encourage housing for special needs populations.

Program 5.B of the Housing Element states the following:

The City will continue to coordinate with the Inland Regional Center, Desert ARC and other appropriate agencies and organizations that serve the developmentally and physically disabled population. The City will continue to **encourage developers to reserve a portion of affordable housing projects for the disabled**, including those with developmental disabilities. The City will support funding applications for such projects, and will consider fee waivers and reductions when these projects are proposed. Housing Authority properties are one of the vehicles available to encourage rental to developmentally disabled individuals.

This program is implemented on an ongoing basis as housing projects are proposed to the Planning Department.

6. Amend the Senior Housing Overlay Zone to describe the types of senior housing that are permitted in the Overlay District.

Section 25.28.020 of the Zoning Ordinance establishes a Senior Housing Overlay District which provides for but does not define "residential retirement developments." The Overlay District regulations should be amended to provide examples of the types of senior housing that are permitted subject to approval of a precise plan and conditional use permit. For instance, senior housing can encompass separate residences designed for the independent senior. Another senior housing type is congregate housing for elderly residents less able to function independently.

The Planning Department will determine whether it is necessary to amend the Overlay District during the implementation of the *AFH Fair Housing Action Plan* (mid-year 2018 to mid-year 2023).

7. Amend the Zoning Ordinance to state the age groups eligible to occupy senior housing in a manner consistent with Federal and State fair housing laws.

The Zoning Ordinance defines a senior citizen as "Any person who is 62 years of age or older." HUD has stated that senior age restrictions should comply with federal law on housing for older persons (i.e., solely occupied by persons 62 years of age or older, or at least one person 55 years of age, or other qualified permanent resident pursuant to California Civil Code Section 51.3. In accordance with Federal and State fair housing laws, the Zoning Ordinance should be amended to:

- Specify that senior housing to be occupied by persons 55 years of age or older must contain a minimum of 35 housing units.

- Specify that housing to be occupied by persons 62 years of age or older does not have a threshold for the minimum number of housing units in a development.

The senior age definitions will be amended during the implementation of the *AFH Fair Housing Action Plan* (mid-year 2018 to mid-year 2023).

8. Continue to implement policies and regulations that make housing accessible to persons with disabilities.

The Building and Safety Department continually ensures that proposed residential construction meets local, State and Federal accessibility requirements. The Department also requires that all dwelling permits submitted for application include a copy of the Universal Design Checklist as part of the plans submitted for review. “Universal design features” make a home safer and easier to use for persons who are aging or frail, or who have certain temporary or permanent activity limitations or disabilities. The Department also provides a link to the accessibility requirements under the federal Fair Housing Act.

Private Sector Actions

1. Continue to offer residents fair housing services which will include the processing of housing discrimination complaints and landlord/tenant counseling services.

Per its Agreement with the City, the FHCRC provided fair housing services to residents of Palm Desert. During the past nine years, the FHCRC processed 152 housing discrimination complaints.

2. Encourage the Fair Housing Council of Riverside County, Inc. (FHCRC) to coordinate with the California Desert Association of REALTORS regarding fair housing actions that can be implemented jointly.

In June 2016, the FHCRC contacted the California Desert Association of REALTORS to coordinate and schedule a workshop on education and pre-purchase counseling for the Association’s clients. Additionally, the FHCRC reached out to the Association regarding the April 2017 Housing Conference. The FHCRC did not receive a response from the Association on the workshop or conference.

3. Encourage the FHCRC to provide at workshops and seminars information on private sector impediments such as steering, appraisal practices, home owners insurance, reasonable modifications and the value of long-term leases.

The FHCRC conducted several workshops in Palm Desert as listed on the next page:

- December 2015 Fair Housing
- February 2016 Tenant and Landlord
- March 2016 Fair Lending
- March 2016 Predatory Lending/Scams
- June 2016 Design and Construction
- March 2017 Fair Housing
- March 2017 Landlord Tenant
- March 2017 Predatory lending/Scams
- March 2017 Fair Lending

The FHCRC also prepared a brochure on “What is Steering” (e.g., trying to assign a person to a certain floor or section of a building.) The brochure is available in English and Spanish.

4. In FY 2016-2017 update the analysis of Home Mortgage Disclosure Act (HMDA) data to re-assess the disparity between loan denial rates of White, Non-Hispanic and Hispanic borrowers.

The HMDA data was updated in March 2017. The analysis includes calendar years 2012, 2013, 2014 and 2015. Calendar year 2016 HMDA data will not be available until September 2017. The analysis includes loan denial rates by census tract, race/ethnicity and income.

5. Continue to offer first-time homebuyer seminars to explain to borrowers the nuts and bolts of the loan application and home buying processes.

The FHCRC was not able to hold FTHB seminars in Palm Desert because of the lack of a location available on a Saturday. Seminars were conducted in Coachella Valley as noted below:

- Coachella Community Homes 8/22/2015
- Palm Springs 2/6/2016
- Indio 2/27/2016
- Coachella Valley Housing Coalition 5/21/2016
- Coachella 6/17/2017

6. Prepare an inventory of apartment units with accessible features.

The City consulted an inventory completed by the Riverside County Office on Aging. The inventory identified whether a property contained one or more accessible units. The inventory found that four multifamily developments located in Palm Desert have accessible units.

7. Have the FHCRC semi-annually review ads published in newspapers, on-line apartment search sites, and craigslist to determine if discriminatory words and phrases have been included in the ads and initiate follow-up actions if necessary.

The FHCRC reviewed online ads numerous times. The Desert Sun Ads were viewed in May 2016 and a letter was sent to the Desert Sun in May 2016.

The FHCRC also prepared a brochure on “Discrimination in Advertising” (e.g., advertising a preference for a certain group – Christians or seniors preferred.) The brochure is available in English and Spanish.

8. Have the FHCRC encourage the Desert Sun to publish a Fair Housing Notice stating that the newspaper does not knowingly publish discriminatory advertisements and indicating that rental housing owners must provide reasonable accommodations for disabled persons.

The FHCRC submitted a letter to The Desert Sun suggesting that the following changes should be made to its Fair Housing Notice:

- The Fair Housing Notice be placed above the For Rent ads.
- The California Fair Housing Law protected groups be listed.

- That language be added to explain that stating “No Pets” in the rental ads does not pertain to service or companion animals for persons with disabilities.
- Lastly, readers of the real estate ads should be informed of where to call if they have any fair housing questions. The Fair Housing Council of Riverside County, Inc. could be listed as a local resource.

The Desert Sun did not respond to the suggestions made by the FHCRRC.

b. Discuss how successful in achieving past goals, and/or how it has fallen short of achieving those goals (including potentially harmful unintended consequences).

As described above, the City has been very successful in accomplishing the actions to ameliorate or eliminate public and private sector impediments to fair housing choice. Although certain amendments to the Zoning Ordinance were not accomplished, they will be made in the future. It often is more effective to package a series of amendments such as those intended to implement the *AI* and incorporate them as part of a comprehensive Zoning Ordinance update and revision.

c. Discuss any additional policies, actions, or steps that the program participant could take to achieve past goals, or mitigate the problems it has experienced.

As noted above, the public sector actions which were not implemented require amendments to the Zoning Ordinance. These amendments all should occur as part of a comprehensive package, rather than incrementally.

d. Discuss how the experience of program participant(s) with past goals has influenced the selection of current goals.

The *AI* described in detail both public and private sector impediments.

The *AI*'s analysis of public sector impediments provides valuable information on what the *AFH* defines as Contributing Factors and also the setting of goals. The latter terms refers to impediments such as land use and zoning laws, occupancy codes and restrictions, and accessibility requirements.

Among the private sector impediments described in the *AI* were those pertaining to lending discrimination, location and type of affordable housing, and private discrimination. This prior analysis of impediments provides valuable information to the *AFH*'s analysis of Contributing Factors and the setting of goals.

SECTION V
FAIR HOUSING ANALYSIS

The following topics comprise the fair housing analysis:

- A. Demographic Summary: an analysis of demographic patterns overtime including race, ethnicity, national origin, disabled, and other demographics.
- B. General Fair Housing Issues:
 - ✓ i. Segregation/Integration: an analysis of levels of segregation and integration for the Region and City.
 - ✓ ii. Racially or Ethnically Concentrated Areas of Poverty: an analysis of neighborhoods with a minority population of 50% or more and a poverty rate of 40% or more.
 - ✓ iii. Disparities in Access to Opportunity: an analysis of education, employment, transportation, low poverty neighborhoods, and environmentally healthy neighborhoods.
 - ✓ iv. Disproportionate Housing Needs: an analysis of housing problems experienced by the different racial and ethnic populations.
- C. Public Supported Housing Analysis: analysis of the types, numbers and locations of publicly supported housing located in Palm Desert.
- D. Disability and Access Analysis: an analysis of the City's disabled population and how they are housed.
- E. Fair Housing Enforcement, Outreach Capacity and Resources Analysis: an analysis focused on the Fair Housing Council of Riverside County, Inc., the California Department of Fair Employment and Housing (DFEH) and U.S. Department of Housing and Urban Development (HUD).

A. DEMOGRAPHIC SUMMARY

HUD provided the City with several tables to assist in the completion of the Fair Housing Analysis. These tables are noted as HUD tables. HUD encourages cities to supplement HUD data with local data and knowledge. Tables prepared with local data and knowledge are noted as City Tables.

HUD also gave specific instructions on how to complete each specific part of the Fair Housing Analysis. The HUD instructions are shown in italics.

1. Describe demographic patterns in the jurisdiction and region, and describe trends over time (since 1990).

For question (1), HUD Tables 1 and 2 present demographic summary data for Palm Desert and the Region.

Table 1 Demographics contains tabular demographic data for Palm Desert and the Region. Table 1 includes the total population, 7 racial/ethnic groups, the 10 most populous countries of origin, the 10 most common languages, disability by type, sex, age, and families with children.

Table 2 contains this demographic data, but displays trends for the City and Region over time, including data from 1990, 2000 and 2010.

a. Defining “The Region”

As noted above, HUD requires the fair housing analysis to be accomplished at both the regional and city levels. The United States Office of Management and Budget (OMB) has identified 917 Core Based Statistical Areas (CBSAs) for the United States. The OMB defines a Core Based Statistical Area as one of more adjacent counties or county equivalents that have at least one urban area of at least 10,000 people plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties. The “Region” statistics included in HUD Tables 1-4, Tables 9-10 and Tables 12-16 encompass all the cities and unincorporated communities located in Riverside and San Bernardino Counties, a vast geographic area of some 27,408 square miles. The distance from the city halls of Blythe (Riverside County) and Ontario (San Bernardino County) is 188 miles, a 3 hour drive. The distance from the city halls of Needles (San Bernardino County) and Rancho Cucamonga (San Bernardino County) is 215 miles, a 3 and 1/2 hour drive.

b. Riverside County

Riverside County is roughly divided into eastern and western halves by the San Jacinto and Santa Rosa Mountains. A deep valley known as the San Gorgonio Pass, framed by the San Jacinto and San Gorgonio Mountains, creates an accessible corridor linking these two halves. The San Bernardino and Little San Bernardino Mountains form a portion of the northern boundary while numerous mountain ranges, including those in the Santa Rosa Wilderness and Cleveland National Forest, among others, serve as boundaries along the southern and western edges of the county. These eastern and western halves of the county are distinguished by their physical characteristics as well as their historic growth patterns.

The western portion of the county is roughly half the size of the eastern half and is bounded by the Santa Ana Mountains and Cleveland National Forest on the west and the San Jacinto Mountains and the San Bernardino National Forest on the east. Compared to eastern Riverside County, the western portion of the county contains the greatest concentration of population and has experienced the greatest growth pressures. The majority of this population is concentrated in the incorporated cities of Corona, Riverside, Beaumont, Banning, Norco, Lake Elsinore, Perris, Hemet, San Jacinto, Moreno Valley, Calimesa, Canyon Lake, Murrieta and Temecula.

The eastern portion of Riverside County is bounded by the Colorado River on the east and the Santa Rosa and San Jacinto Mountains on the west. This portion of the county is distinguished from the western portion of the county by its desert terrain and relatively less populated and congested communities. The vast majority of eastern Riverside County's population is concentrated in the Coachella Valley within the incorporated cities of Desert Hot Springs, Palm Springs, Cathedral City, Rancho Mirage, Indian Wells, **Palm Desert**, La Quinta, Indio and Coachella. Many of these communities are noted for their focus on second homes, retirement living, and golf resorts.

The Joshua Tree National Park, known for its rich desert habitat, forms a permanent natural boundary at the northern end of the Coachella Valley. The Whitewater River/Channel, a seasonal river which forms in the San Bernardino Mountains, flows through the Coachella Valley and eventually into the Salton Sea at the Valley's southern end. The City of Blythe is

located in the Palo Verde Valley along the Colorado River, which provides the source for one of the most productive agricultural regions in the county.

c. San Bernardino County

San Bernardino County is located in southeastern California, with Inyo and Tulare Counties to the north, Kern and Los Angeles Counties to the west, and Orange and Riverside Counties to the south. San Bernardino County is bordered on the east by the states of Nevada and Arizona. The county is commonly divided into three distinct areas, including the Valley Region (sometimes divided into East and West Valley), the Mountain Region, and the Desert Region:

- The Valley Region contains the majority of the county’s incorporated areas and is the most populous region.
- The Mountain Region is primarily comprised of public lands owned and managed by federal and state agencies.
- The Desert Region is the largest region (approximately 93% of the county’s land area) and includes parts of the Mojave Desert.

d. Regional Governments

Three “regional” governmental areas operate in this vast Region. The San Bernardino Council of Governments (sbcog) is an association of local San Bernardino governments and includes 25 member jurisdictions.

The purpose of Western Riverside Council of Governments (WRCOG) is to unify Western Riverside County so that it can speak with a collective voice on important issues that affect its members. Representatives from 17 cities, the Riverside County Board of Supervisors, the Eastern and Western Municipal Water Districts, and the Morongo Band of Mission Indians have seats on the WRCOG Executive Committee, the group that sets policy for the organization.

The Coachella Valley Association of Governments (CVAG) is a California joint powers authority made up of the cities of Blythe, Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, and Rancho Mirage; the County of Riverside; and two Indian Tribes: Agua Caliente Band of Cahuilla Indians and Cabazon Band of Mission Indians.

Because of the vast geography encompassed in the Region and the differences in the characteristics between Riverside County and San Bernardino County and between Riverside County and the Coachella Valley, the HUD tables are occasionally supplemented by information specific to Riverside County and the Coachella Valley.

Exhibit V-1 shows the boundaries of the Western Riverside Council of Governments and its member jurisdictions.

Exhibit V-2 shows the boundaries of San Bernardino County, sub regions of the County, and cities, towns and communities located in the County.

Exhibit V-3 shows the boundaries of the Coachella Valley Association of Governments (CVAG) and cities located within the Valley.

Exhibit V-4 delineates the City limits and Palm Desert's Sphere of Influence.

Some of the tables in the AFH contain data at the census tract level. Exhibit V-5 shows the boundaries of Palm Desert's census tracts. Greater detail of the census tract boundaries can be found at the following link:

<https://www.census.gov/geo/maps-data/maps/2010tract.html>

Exhibit V-1
Western Riverside County

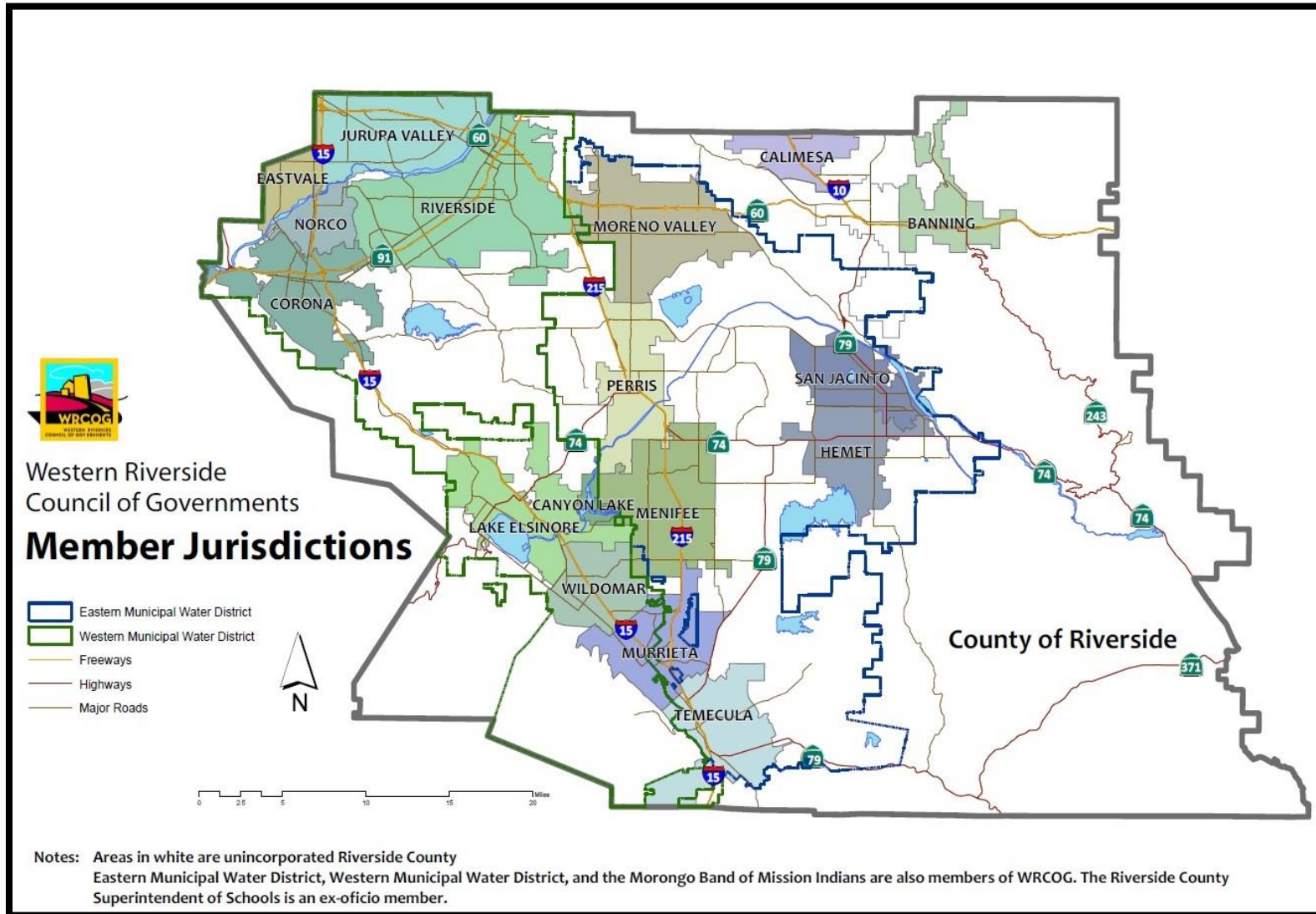


Exhibit V-2
San Bernardino County

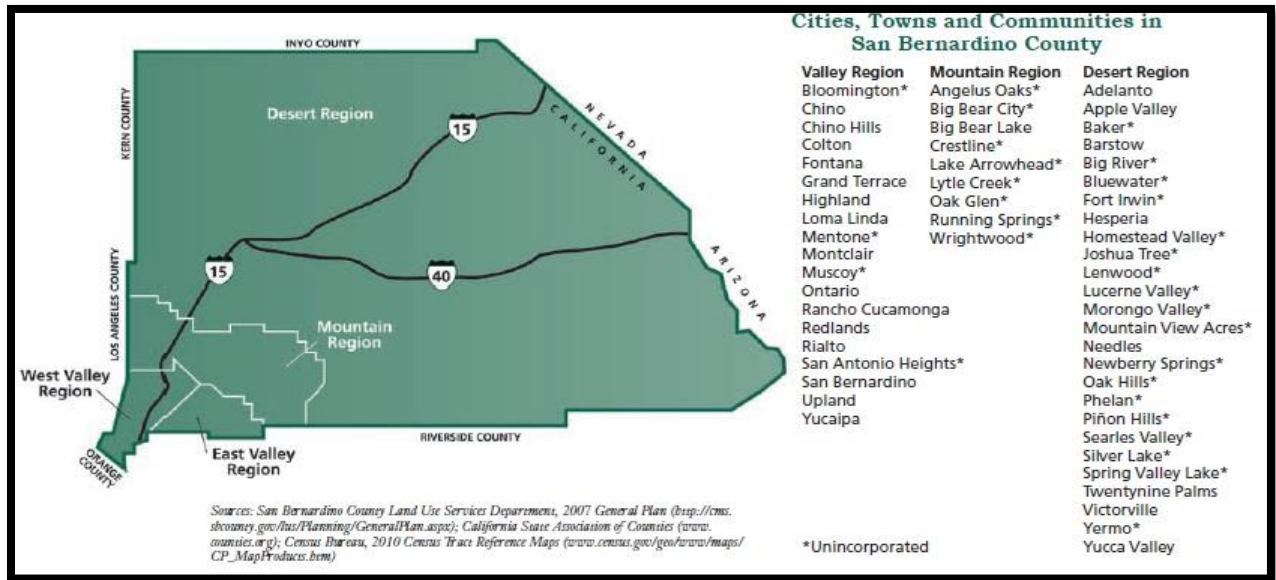


Exhibit V-3
Coachella Valley



Exhibit V-4
City Limits and Sphere of Influence

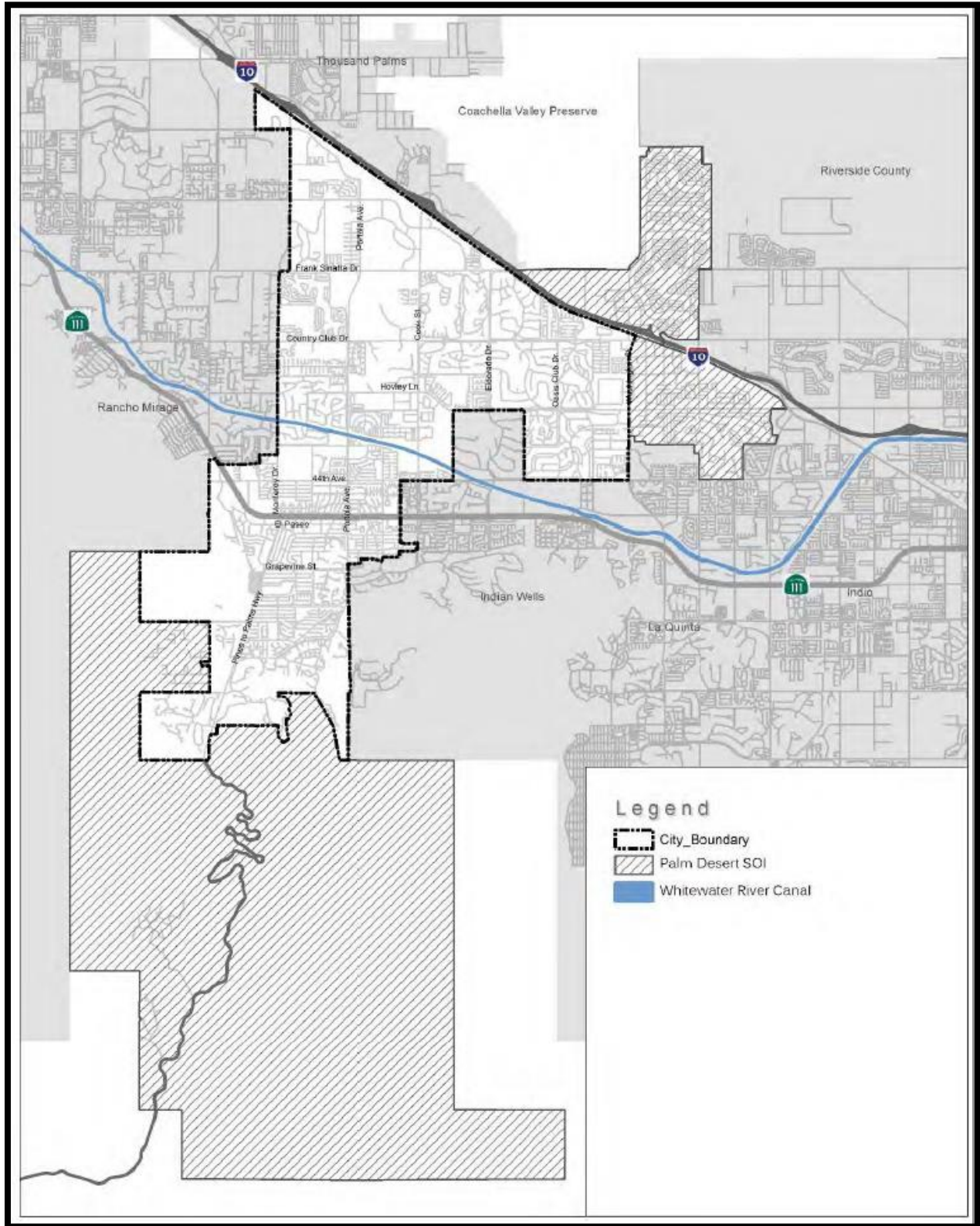
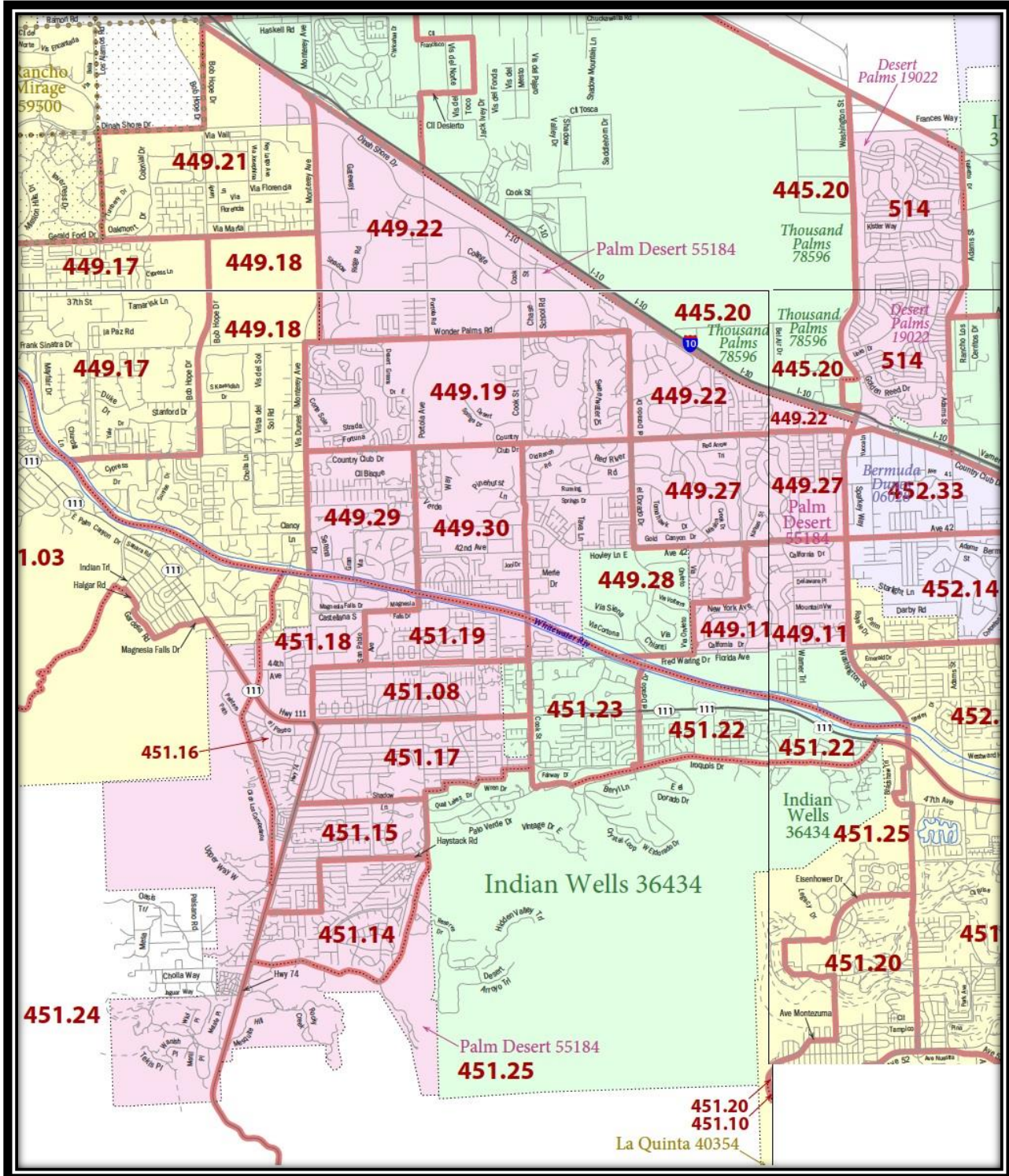


Exhibit V-5
Census Tract Boundaries



2. Demographics

This part presents demographic summary data for the Region and City with regard to: racial/ethnic populations; national origin populations, including any limited English proficient populations; individuals with disabilities by disability type; and families with children.

HUD Table 1 shows that in 2010 the Riverside-San Bernardino-Ontario Region had a population of almost 4,225,000 persons. Of the Region's total population, approximately 47% was Hispanic and 37% was White, Non-Hispanic.

According to the 2010 Census, the City's population was 48,445 of which approximately 70% were White, Non-Hispanic and 23% were Hispanic, respectively.

In contrast to the Region, Palm Desert has a higher percentage of White, Non-Hispanic persons and a lower percentage of Hispanic persons.

Almost 14% of the Region's population state that Mexico is their country of origin. By comparison, 6% and 3% of the City's population state that Mexico and Canada is their country of origin, respectively.

In both the Region and City, the most common Limited English Proficiency (LEP) language is Spanish. However, the percentage of persons whose primary language is Spanish is more than twice as high in the Region (13.5%) compared to the City (6.4%).

The disability type categories are: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. The City has a higher percentage of disabled people than the Region. The higher percentage probably is due to the fact that Palm Desert has a higher percentage of seniors compared to the Region. The disability types in the City with the highest percentages included difficulties related to ambulatory, hearing and independent living difficulties.

In the Region, the percentage of males and females is nearly identical. Palm Desert has a higher percentage of females (53%) than males (47%).

The City has a much lower percentage of families (29%) compared to the Region (51%). Again, the much lower percentage is probably due to the City having a large senior population.

3. Demographic Trends

HUD Table 2 presents data on demographic trends between 1990 and 2010.

In terms of race/ethnicity, in both the Region and City the White, Non-Hispanic population has decreased as a percentage of the total population while the Hispanic population has increased. The Region includes all the cities and unincorporated communities located in Riverside County and San Bernardino County.

Since 1990 the population of Riverside County has become more diverse. According to the 2010 Census, 13 cities in Riverside County have become majority-minority cities: Banning, Beaumont, *Blythe*, *Cathedral City*, *Coachella*, Corona, *Desert Hot Springs*, *Indio*, *Moreno Valley*, *Perris*, Riverside, and *San Jacinto*. The cities noted in italics also were majority-Hispanic per the 2010

Census. Within the unincorporated area, there were 35 majority-minority Census Division Places (CDPs) in 2010.

Also, since 1990 San Bernardino County has become more diverse. By 2010, 17 cities in San Bernardino County had become majority-minority cities: *Adelanto*, Barstow, *Chino*, Chino Hills, *Colton*, *Fontana*, Grand Terrace, Hesperia, Highland, Loma Linda, *Montclair*, *Ontario*, Rancho Cucamonga, *Rialto*, *San Bernardino*, Upland and Victorville. The cities noted in italics also were majority-Hispanic, according to the 2010 Census. Within the unincorporated area, there were five majority-minority Census Division Places (CDPs) in 2010.

In Riverside County, the Hispanic population increased by almost 435,700 persons between 2000 and 2010. The Hispanic share of the total Riverside County population increased from 36.2% in 2000 to 45.5% in 2010. During the 2000-2010 decade the Asian population also increased in Riverside County in both absolute and relative terms. However, the White Non-Hispanic population decreased during the decade while Black and All Other populations remained the same in relative terms.

Trend data indicate that in both the Region and City the percentage of foreign-born persons and persons with LEP has increased.

The male/female distributions in the Region and City have not changed since 1990.

Trends in the Region reveal that with the exception of seniors the age distribution has not changed since 1990. The proportion of seniors (65+) has increased overtime from approximately one-fourth to one-third of the total population.

Between 1990 and 2000, the percentage of families in the Region and City has not changed significantly. The Region has a much higher percentage of families with children than Palm Desert.

B. GENERAL ISSUES

i. Segregation/Integration

1. Analysis

a. Describe and compare segregation levels in the jurisdiction and region. Identify the racial/ethnic groups that experience the highest levels of segregation.

For questions (1)(a) and (1)(b), HUD Table 3 presents the dissimilarity index for the City and Region for White/non-White, Black/White, Hispanic/White, and Asian/White populations for multiple census years.

For question 1(a) the City is to analyze whether the measures shown generally indicate that segregation in the City and Region is low, moderate or high for each racial/ethnic group represented in Table 3, and note which groups experience the highest levels of segregation.

The dissimilarity index, according to HUD's *Assessment of Fair Housing Tool for Local Governments*, 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. The University of Michigan explains the dissimilarity index as follows:

The most commonly used measure of neighborhood segregation is the ***index of dissimilarity***. This is a measure of the evenness with which two groups are distributed across the component geographic areas that make up a larger area. For purposes of census taking, metropolises are divided into census tracts that contain, on average, about 4,000 residents. We could consider a metropolitan area such as Los Angeles and determine the evenness with which Whites and Blacks are distributed across census tracts.

One extreme possibility would be an American Apartheid situation in which all Blacks lived in exclusively Black census tracts while all Whites lived in all-White census tracts. Of course this does not occur but this would be the maximum residential segregation of Blacks from Whites. If there were such an apartheid situation, the ***index of dissimilarity*** would take on its peak value of 100. Another extreme example would be a situation in which Blacks and Whites were randomly assigned to their census tracts of residence. This never happens but, if it did, the ***index of dissimilarity*** would equal 0 meaning that Blacks and Whites were evenly distributed across census tracts.

In metropolitan Los Angeles in 2000, the ***index of dissimilarity*** comparing the distribution of Blacks and Whites across census tracts was 69 indicating a moderately high degree of residential segregation. This value reports that either 69 percent of the White or 69 percent of the Black population would have to move from one census tract to another to produce a completely even distribution of the two races across census tracts; that is, an ***index of dissimilarity*** of 0.

University of Michigan, Population Studies Center, *Residential Segregation: What It Is and How We Measure It*, page 1

The HUD-provided dissimilarity index provides values ranging from 0 to 100, where higher numbers indicate a higher degree of segregation among the two groups measured. Generally, dissimilarity index values between 0 and 39.99 generally indicate low segregation, values between 40 and 54.99 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation, as follows:

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

HUD Table 3 shows that the Region currently experiences a Moderate Level of Segregation among all four 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

The Dissimilarity Index for Palm Desert shows a Low Segregation Level for each racial/ethnic group represented in HUD Table 3, as follows:

- Non-White/White 35.37

▪ Black/White	30.22
▪ Hispanic/White	39.12
▪ Asian or Pacific Islander/White	27.87

- b. Identify areas in the jurisdiction and region with relatively high segregation and integration by race/ethnicity, national origin, or LEP group, and indicate the predominant groups living in each area.**

For question (1)(b), HUD Maps 1, 3, and 4 are dot density maps showing the residential distribution of racial/ethnic, national origin, and limited English proficient (LEP) populations in the City and Region.

For question (1)(b), the City is to refer to Maps 1, 3, and 4 to identify areas on the map that reveal clusters of race/ethnicity, national origin, or LEP groups, and areas that the map indicates are particularly segregated or integrated. In identifying those areas, and all areas throughout the tool, the City, if possible, is to use commonly used neighborhood or area names.

Map 1 Race/Ethnicity – Current (2010) race/ethnicity dot density map for Jurisdiction and Region with R/ECAPs

Map 3 National Origin – Current national origin (5 most populous) dot density map for Jurisdiction and Region with R/ECAPs

Map 4 LEP – LEP persons (5 most commonly used languages) dot density map for Jurisdiction and Region with R/ECAPs

Dot Density Maps

HUD has provided the City with dot density maps. In these maps, each dot represents a specific number – say 100 – of a certain characteristic – say Hispanic persons, or persons with Canada as their country of origin, or persons with limited English speaking proficiency. The dots are located within the boundaries of a census tract. The dot density maps help to determine whether the characteristic under study (e.g., Asian persons) are more or less dispersed or concentrated, or have less or greater access to opportunity. Additionally, areas with multiple colors indicate integration while areas with one color mean segregation. “While maps are great tools,” HUD has warned, “the data provided in tables may be more useful for certain analyses.”

Regional Race/Ethnicity and Segregation/Integration Analysis

HUD data are unavailable regarding “areas” - that is, neighborhoods or census tracts - within the Region with relatively high segregation or integration. Because the Region is so vast geographically and has 50 incorporated cities, an “area” analysis should focus on the city level as opposed to a census tract/neighborhood analysis.

None of the cities in the region have a High Segregation Level. However, City Table 1 shows that four cities and the two counties have Moderate Segregation Levels. The reference to “county” means the unincorporated area and cities participating in the Urban County CDBG program. San Bernardino County has a Moderate Segregation Level across all four racial/ethnic groups. Cathedral City and Riverside County have a Moderate Segregation Level across three of the four racial/ethnic groups.

City Table 1
Riverside-San Bernardino-Ontario Region
Jurisdictions with Current Moderate Levels of Segregation

Jurisdiction	Racial/Ethnic Groups			
	Non-White/White	Black/White	Hispanic/White	Asian or Pacific Islander/White
Cathedral City	X	-	X	X
Indio	X	-	X	-
Riverside County	-	X	X	X
San Bernardino	-	-	X	X
San Bernardino County	X	X	X	X
Upland	-	X	-	-

Note: X means a moderate level of segregation for a specific group. – means not applicable

Source: U.S. Department of Housing and Urban Development, Assessment of Fair Housing Data Tables, Table 3 Racial/Ethnic Dissimilarity Trends

Table construction Castañeda & Associates

The following paragraphs provide additional data on regional racial/ethnicity segregation/integration. Comparable information on other fair housing protected groups is not available.

According to a USC population study, from 2000 to 2010, the decline of the White share in suburban counties - Orange, Riverside, San Bernardino, and Ventura - was more noticeable than that of Los Angeles County, even though the loss of White residents was observed throughout Southern California. The White share of the total population declined more in these four counties than in Los Angeles, according to the USC study. Conversely, gains in the Latino share occurred throughout the five counties, with the largest in inland San Bernardino and Riverside counties, respectively. Increases in the Asian share were also recorded throughout the region, with the largest in Orange and Riverside counties, respectively. Shifts in the Black share, however, varied throughout the region. Shares of the African-American population decreased the most in Los Angeles County, but also in San Bernardino and Ventura counties; the Black share slightly increased in Riverside County and did not change in Orange County. Across the five-county region, the Black share declined from 7.6% in 2000 to 6.9% in 2010.

USC Sol Price School of Public Policy, Population Dynamics Research Group, *Racially Balanced Cities in Southern California, 1990-2010*, page 4

The USC study defines four categories of racially balanced cities as follows:

One-Way Cities: These are cities where one group constitutes a majority and no other group accounts for at least 20% of the population. Examples include Malibu (88.5% White); Huntington Park (97.1% Latino); Cerritos (63.7% Asian); Santa Ana (78.3% Latino); and Ojai (78.0% White). All counties have one-way cities throughout Southern California.

Two-Way Cities: These multi-racial cities are those where there are two population groups that each account for at least 20% of the population. Examples include Alhambra, Compton, Palmdale, Irvine, San Juan Capistrano, Riverside, Redlands, and Ventura. Two-way cities are prevalent throughout the five-county region.

Three-Way Cities: These cities have three significant population groups, with the smallest accounting for at least 15% of the total population. A lower threshold for determining the third largest group is appropriate considering that Asians and Blacks each comprise less than 15% of the population. Three-way cities include Glendale, Lancaster, Lomita, Torrance, Anaheim, Moreno Valley, and Chino Hills; most are in Los Angeles and Orange counties.

Four-Way Cities: These are the most racially balanced with significant populations of all four groups. “Four-way” cities are defined as follows: the fourth largest group is at least 8% of the population with the largest group comprising no more than 55% of the population; the second- and third-largest groups exceed 8% of the population but have no other limits. Examples include Los Angeles, Long Beach, Pasadena, Loma Linda, and Rancho Cucamonga. The only four-way cities in the five-county region are in Los Angeles and San Bernardino counties.

Riverside County has a large share of multiracial cities, with 20 cities attaining 2-way balance and one city with a 3-way balance out of a total of 26 incorporated cities. The two significant population groups are Latino and White. The White share is about 40.6% and the Latino share is 45.5%. *It is challenging for cities in inland Riverside County to attain 3-way or 4-way balance considering the small Asian and Pacific Islander (7.1%) and Black (6.4%) shares in the county.* Still, one city, Moreno Valley, has maintained a 3-way balance since 2000. It has significant Latino, White and Black population groups, but it has primarily gained Latino residents since 2000. [Emphasis added]

Of the 20 cities with a 2-way balance, five have become more balanced since 2000. Murrieta, Temecula, Calimesa, and **Palm Desert** have gained Latino residents, while Indio gained White residents. Additionally, Menifee and Wildomar incorporated after 2000, and have significant shares of White and Latino residents.

Perris, formerly a 3-way city, lost its multiracial status in 2010. It was the only city to lose its multiracial status as a result of a growing Latino share (71.8%).

San Bernardino County’s cities show a range of multiracial balance, with 17 out of 24 cities being 2-way, 3-way, or 4-way. It was the only other county besides Los Angeles in 2010 to have 4-way cities; it is also the first time in recent decades for 4-way cities to emerge in this county. At the same time, some former 2-way cities have become 1-way Latino cities. These cities have sizable populations, including San Bernardino, the largest city in this inland county.

The three cities with a 4-way balance - Highland, Loma Linda and Rancho Cucamonga – all increased their multiracial balance from 2000. In 2000, Highland and Rancho Cucamonga were 2-way cities but both gained Asian and Pacific Islander residents to become 4-way cities. Loma Linda’s share of Black residents grew in 2010, elevating its balance.

The 3-way cities in San Bernardino are also new to this category. Two cities - Adelanto and Victorville - both gained Black residents compared to 2000, and have significant population groups among Latinos, Whites, and Blacks.

Six of the 11 cities with two-way balance maintained their status from 2000. The five new cities with two-way balance are Apple Valley, Big Bear Lake, Needles, Twentynine Palms, and Yucaipa. These cities are predominantly White but Latinos make up at least 20% of the population in each city.

Six cities with former multiracial balance lost their two-way balance, and now only have large Latino populations with no other group making up at least 20% of the population. Latinos comprise from a low of 60.0% (San Bernardino) to a high of 71.0% (Colton) in these cities.

Palm Desert Race/Ethnicity and Segregation/Integration Analysis

Map 1 – Demographics 2010 - shows that Hispanics - the City's largest minority population group – live primarily in the area bounded by the City limits on the west, the Whitewater River/Channel, Highway 111 and Cook Street. Maps 2 and 3, which contain the demographics for 1990 and 2000, also reveal the same, but less, dense pattern.

Hispanics (11,038) represent the largest minority population group residing in Palm Desert (48,445). The largest numbers of Hispanic residents live in the following five census tracts: 451.08; 449.30, 451.18 449.11 and 451.19. In fact, 42% of the Hispanic population lives in three coterminous census tracts: 451.08, 451.18 and 451.19 (4,675/11,038). The boundaries of these three census tracts are Highway 111, Cook Street, Whitewater River/Channel and a stream on the west.

The City has two majority minority neighborhoods: census tracts 451.08 (56.8%) and 451.18 (56.4%). Almost one-half of the population living in census tract 451.08 is Hispanic while census tract 451.18 is majority Hispanic.

Additional detailed information on the racial and ethnic makeup of the City's population can be found in Appendix C – Fair Housing Protected Groups.

c. Explain how these segregation levels and patterns in the jurisdiction and region have changed over time (since 1990).

For question 1(c), the City is to refer to HUD Table 3, which also provides dissimilarity index values for 1990, 2000, and 2010. The City is to note whether the dissimilarity index values have increased or decreased over time. Increasing values may indicate increasing segregation, and decreasing values may indicate decreasing segregation.

Maps 1 and 2 provide residential living patterns by race/ethnicity over time (1990, 2000, 2010) with dot density.

Since 1990 the Dissimilarity Index trend line for the Region demonstrates an increase in the level of segregation from “low” to “moderate.” Changes in the Region's racial/ethnic segregation/integration are discussed in the analysis include in response to “b” above.

Since 1990 the Dissimilarity Index trend line for the City shows an increase in the level of segregation but has remained in the Low Level category during the past 20 years. As discussed above Palm Desert became more balance between 2000 and 2010.

The Brown University Longitudinal Tract Database (LTDB) provides census data for the periods 1970, 1980, 1990, 2000 and 2010 for the geographic areas delineated by the boundaries of the 2010 census tracts. Thus, population change from 1990 to 2010 can be analyzed based on the boundaries of the census tracts as delineated by the 2010 census. For example, the population for Census Tract 449.30 was 720 in 1990, 1,627 in 2000, and 3,208 in 2010. The LTDB provides data for the entire tract and, therefore, does not provide estimates separately for tracts split between different jurisdictions.

Source: John R. Logan, Zengwang Xu and Brian J. Stults, *Interpolating U.S. Decennial Census Tract Data from as Early as 1970 to 2010: A Longitudinal Tract Database*, The Professional Geographer, May 2014, pages 412-420

Based on the LTDB it was determined that in 1990 approximately 6,000 persons identified as belonging to a minority population. At that time, only one census tract had a minority population of more than 20%. By 2000, the minority population had grown to 9,000 people and four census tracts had a minority population of more than 20%. By 2010, the minority population had grown to 14,000 persons and 10 census tracts had a minority population of more than 20%. In 1990 and 2000, there were no majority-minority census tracts/neighborhoods. By 2010, Census Tract 451.08 – as explained earlier – had a majority-minority population. Two other census tracts are almost majority-minority: 451.18 (49.6%) and 449.30 (48.0%). (The percentages differ from others in the AFH because the numbers are for the entire tract which includes areas outside the City limits.)

Most of the minority population growth was the result of an increase in the Hispanic population and a modest Asian population growth. The population count for these two population groups is listed below:

<u>Year</u>	<u>Hispanic</u>	<u>Asian</u>
1990	4,900	531
2000	7,000	1,238
2010	10,800	1,919

The 1990, 2000 and 2010 census data for different racial and ethnic populations per the 2010 census tract boundaries can be found in Appendix C – Fair Housing Protected Groups.

d. Consider and describe the location of owner and renter occupied housing in the jurisdiction and region in determining whether such housing is located in segregated or integrated areas, and describe trends over time.

For question (1)(d), the City is to refer to Map 16, which shows the locations of owner occupied housing and renter occupied housing in the jurisdiction and region. Note whether each type of housing is located in segregated or integrated areas. Local data and local knowledge may also be particularly useful in answering this question, including for the portion of the question relating to trends for homeownership and rental housing over time. Include any geographic patterns in the location of owner-occupied properties compared to renter-occupied properties over time. Program participants may also describe trends in the availability of affordable housing in the jurisdiction and region for that time period.

Location of Regional Owner- and Renter-Occupied Housing

The regional housing inventory, according to the 2010 Census, totals almost 1,300,000 housing units. City Table 2 shows that approximately two-thirds of the housing units in both Riverside County and San Bernardino County are owner occupied.

City Table 2
Riverside-San Bernardino-Ontario Region
Owner and Renter Occupied Housing Units: 2010

County	Owner-Occupied	Percent Distribution	Renter-Occupied	Percent Distribution	Total Occupied Units
Riverside	462,212	67.4%	224,048	32.6%	686,260
San Bernardino	383,573	62.7%	228,045	37.3%	611,618
Total	845,785	65.2%	452,093	34.8%	1,297,878

Source: 2010 Census Summary File 1, Table DP-1 Profile of General Population and Housing Characteristics, Housing Tenure
 Table construction Castañeda & Associates

In Riverside County all areas – cities and Census Division Places – have a majority of the housing stock owner-occupied except for the City of Desert Hot Springs and the following Census Division Places (CDPs): March AFB, Mecca, Oasis, Ripley, Thermal and Warm Springs. The six cities with the largest number of owner-occupied housing units include Riverside (51,185); Moreno Valley (33,393); Corona (30,210); Murrieta (23,110); Temecula (21,984); and Menifee (21,104).

In San Bernardino County all areas have a majority of the housing stock owner-occupied except for the City of Barstow and the Fort Irwin CDP and Twenty-Nine Palms CDP. The five cities with the largest number of owner-occupied housing units include Rancho Cucamonga (35,250); Fontana (33,862); San Bernardino (29,838); Ontario (24,832); and Victorville (20,137).

Location of the City's of Owner- and Renter-Occupied Housing

The City's total housing stock was 37,073 housing units at the time of 2010 Census. Of the total housing stock, 13,956 were vacant units and 23,117 were occupied units. The vacant housing units were comprised of the following:

- Owner units 897
- Rental units 1,683
- For seasonal, recreational, or occasional use 10,418
- All other vacant units 958

In 2010, of Palm Desert's 23,117 occupied units, 15,171 (65.6%) were owner occupied and 7,946 (34.4%) were renter occupied. The owner-occupied percentages in 1990 and 2000 were 63.9% and 66.9%, respectively. Thus, over time owner-occupied units and renter occupied have comprised about 2/3 and 1/3 of all occupied housing units, respectively.

Map 16 and City Table 3 show the census tract location of owner- and renter-occupied housing. Census Tract 449.19 has the largest number (2,228) and percentage (14.7%) of owner-occupied housing. No other census tract has more than 9% of the City's owner-occupied housing stock.

City Table 3
City of Palm Desert
Location of Owner and Renter Housing

Census Tract	Owner Occupied	Percent of City Total	Renter Occupied	Percent of City Total	Total	Percent of City Total	Percent Minority
449.11	1,178	7.8%	922	11.6%	2,100	9.1%	33.3%
449.19	2,228	14.7%	307	3.9%	2,535	11.0%	6.2%
449.21	0	0.0%	0	0.0%	0	0.0%	0.0%
449.22	1,094	7.2%	463	5.8%	1,557	6.7%	25.7%
449.27	1,334	8.8%	569	7.2%	1,903	8.2%	24.3%
449.28	1,344	8.9%	326	4.1%	1,670	7.2%	11.8%
449.29	1,213	8.0%	849	10.7%	2,062	8.9%	24.2%
449.30	736	4.9%	622	7.8%	1,358	5.9%	48.1%
451.03	30	0.2%	10	0.1%	40	0.2%	41.2%
451.08	822	5.4%	1,222	15.4%	2,044	8.8%	56.8%
451.14	909	6.0%	141	1.8%	1,050	4.5%	9.4%
451.15	906	6.0%	89	1.1%	995	4.3%	10.0%
451.16	470	3.1%	291	3.7%	761	3.3%	22.9%
451.17	848	5.6%	1,059	13.3%	1,907	8.2%	25.3%
451.18	427	2.8%	609	7.7%	1,036	4.5%	56.4%
451.19	775	5.1%	247	3.1%	1,022	4.4%	38.5%
451.23	261	1.7%	100	1.3%	361	1.6%	47.3%
451.24	498	3.3%	115	1.4%	613	2.7%	23.3%
451.25	98	0.6%	5	0.1%	103	0.4%	3.0%
Total	15,171	100.0%	7,946	100.0%	23,117	100.0%	29.6%

Note: This table is based on 2010 Census data because ACS data post 2012 does not provide numbers for census tracts split between two or more jurisdictions.

Source is American FactFinder, Census 2010, and Table H4: Tenure and Table P9: Hispanic or Latino and Not Hispanic or Latino by Race

Table construction by Castañeda & Associates

Census Tract 451.08 has the largest number (1,222) and percentage (15.4%) of renter-occupied housing. Census Tract 451.08 is home to 10 affordable housing developments having a total of 241 housing units. The seven family developments have a total of 131 housing units. The five senior developments have a total of 110 housing units. Six of the seven developments are located within an area bounded by Fred Waring Drive, San Pablo Avenue, Highway 111 and Portola Avenue.

Two affordable family projects with a total of 448 housing units are located in Census Tract 451.18.

- e. **Discuss whether there are any demographic trends, policies, or practices that could lead to higher segregation in the jurisdiction in the future. Participants should focus on patterns that affect the jurisdiction and region rather than creating an inventory of local laws, policies, or practices.**

For question (1)(e), local data and local knowledge may be particularly useful in answering this question.

HUD Table 3 shows that the Region currently experiences a Moderate Level of Segregation among all four groups: Non-White/White, Black/White, Hispanic/White and Asian or Pacific Islander/White. A High Segregation Level is reached when the Dissimilarity Index Value reaches 55 or more. In the Region, the Black/White value is 47.66, which is the highest among the four racial/ethnic groups.

City Table 4 shows Riverside County's population projections by race and ethnicity through the year 2030. Neither the White nor Black populations will comprise a large share of the population growth in the County. It is possible that a High Segregation Level could be reached among the Black/White populations if the Black population growth happens in neighborhoods that currently are predominantly Black. A High Segregation Level also could occur if the White population growth settles in predominantly White neighborhoods.

City Table 4
Riverside County
Population Projections by Race/Ethnicity: 2010-2030

Race/Ethnicity	2010	2030	Increase	Percent of Total Increase
Hispanic	999,279	1,446,632	447,353	67.0%
White	872,829	947,226	74,397	11.1%
Asian	127,583	192,433	64,850	9.7%
Black	132,357	170,115	37,758	5.7%
Multi-Race	45,748	78,563	32,815	4.9%
Native Hawaiian/ Other Pacific Islander	6,021	11,510	5,489	0.8%
American Indian	11,116	16,436	5,320	0.8%
Total	2,194,933	2,862,915	667,982	100.0%

Source: California Department of Finance, Demographic Research Unit, Report P-1 State and County Population Projections by Race/Ethnicity, Years 2010 and Year 2030, December 15, 2014

As of July of each year

Note: all groups are non-Hispanic

Table construction by Castañeda & Associates

City Table 4 also shows that Hispanics will comprise 67% of the population growth. In contrast, the White population will account for 11.1% of the population growth. Given the relatively low White population growth, there is a low probability that many neighborhoods in the Region that are presently majority-minority could change to majority-majority neighborhoods by 2030.

The constraint to integration created by a low White population growth has been discussed in the context of school desegregation:

Even if desegregation was a good idea, another argument goes; it is too late, since there are simply not enough Whites to go around. Obviously it would have been much better if we had been serious about this issue during the civil rights era. If one thinks about making all the schools of Southern California majority White, it is obviously impossible at a time when the entire region has only one-fourth White students. More than a third

of the students, however, are White and Asian, and many more are middle class. While all schools cannot become diverse by race, ethnicity and class, a great many could.

Source: UCLA Civil Rights Project, Gary Orfield, Genevieve Siegal-Hawley and John Kucsera, *Divided We Fail: Segregation and Inequality in the Southland's Schools*, March 18, 2011, page 4

Population projections by race and ethnicity are unavailable at the City level as they have not been prepared by the State Department of Finance (DOF), Southern California Association of Governments (SCAG) or the County of Riverside. However, both SCAG and the City's General Plan Update project that by 2040 the City will have a population of 61,700 persons and 31,400 households. That means the City would experience an incremental increase of approximately 12,800 persons and 8,300 households between 2010 and 2040

The City has two majority minority neighborhoods: census tracts 451.08 (56.8%) and 451.18 (56.4%). Almost one-half of the population living in census tract 451.08 is Hispanic while census tract 451.18 is majority Hispanic. Given the sheer magnitude of Riverside County's projected Hispanic population growth described earlier, it may be possible that some additional *existing* neighborhoods in the City could become majority-minority neighborhoods. City policies promoting housing diversity in *new* neighborhoods could result in balanced population diversity as the City accommodates projected growth.

2. Additional Information

a. Beyond the HUD-provided data, provide additional relevant information, if any, about segregation in the jurisdiction and region affecting groups with other protected characteristics.

Understanding the limitations of the HUD-provided data discussed in the introduction to the instructions, HUD suggests using local data and knowledge, to complete question (2)(a) to the extent available.

HUD has provided data for this section only on race/ethnicity and national origin and suggests including any relevant information about other protected characteristics

Sex of Householder

Of the City's approximately 23,100 householders, 58% are male and 42% are female. Male householders living in family households comprise the 41% of all householders. Women living alone comprise the second largest group of householders – almost 22%.

The largest number (almost 1,500) and percentage (11.1%) of male householders live in Census Tract 449.19. This is a geographically large census tract and it includes the following country clubs: Palm Desert Greens, Suncrest, Santa Rosa, Desert Willow, Desert Falls, and Avondale.

Census tracts with more than 8% of all male householders include:

- 449.11, which includes the Palm Desert and Desert Breeze Country Clubs
- 449.27, which includes the following country clubs: Indian Ridge, Palm Desert Resort, and Woodhaven
- 449.29, which includes the Monterey and Chaparral Country Clubs

- 451.17, which includes the Shadow Mountain Resort

Male householders are not concentrated in a few neighborhoods or census tracts. Thus, it is concluded that male householders are not segregated.

Two census tracts each are home to more than 10% of all female householders: 449.19 and 451.08. The latter census tract is bounded Fred Waring Drive, Monterey Avenue, Highway 111 and Cook Street.

Census tracts with more than 8% of all female householders include:

- 449.11
- 449.29
- 451.17

Female householders are not concentrated in a few neighborhoods or census tracts. Thus, it is concluded that female householders are not segregated.

Additional information on male and female householders is found in Appendix C which contains a profile of fair housing protected groups residing in Palm Desert.

National Origin

According to the 2009-2013 ACS, the foreign born population consisted of an estimated 8,747 persons or almost 18% of the City’s total population. Mexico was the place of birth of almost one-third of the foreign born population and almost 6% of Palm Desert’s total population. Canada was the place of birth of almost one-sixth of the foreign born population and almost 3% of the City’s total population. The Philippines was the country of origin of 7.1% of the foreign born population and 1.3% of the City’s total population. All other places of birth accounted for fewer than 500 persons.

Map 3 shows that dots representing national origin groups are very sparse throughout most of the City. There are many dots in Census Tract 451.08 and represent persons born in Mexico (759), Philippines (159), Vietnam (38) and Guatemala (10). The boundaries of Census Tract 451.08 were described above.

Map 4 shows that dots representing people with limited English speaking proficiency (LEP) are very sparse in most parts of the City. There are a cluster of dots in Census Tract 451.08. People living in this census tract with LEP include those who speak Spanish (1,113) and Chinese (99).

More specific data on national origin is found in Appendix C which contains a profile of fair housing protected groups residing in Palm Desert.

Households with Disabled Members

Almost one of every four households has a member with 1 or more disability. The City has almost 5,700 households with a disabled person, according to the 2010 Census and data from the American Community Survey. Nearly 28% of the 5,700 households live in two census tracts:

- | | | |
|------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ▪ 449.19 ▪ 451.08 | <p>848 households</p> <p>717 households</p> | <p>15.0% of all disabled households</p> <p>12.7% of all disabled households</p> |
|------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------|

Households with a disabled person also comprise a high percentage of all the households living in each of these two census tracts: 33.4% in Census Tract 449.19 and 35.1% in Census Tract 451.08.

The Regent Palm Desert – a 512-unit development - is located within Census Tract 449.19.

Three affordable senior rental housing developments with a total of 101 housing units are located in Census Tract 451.08 and this could partially explain the high incidence of disabled householders in this neighborhood.

Households with a disabled member are not geographically concentrated within the City.

Additional and more detailed information on disabled persons and households is found in Appendix C which contains a profile of fair housing protected groups residing in Palm Desert.

Families with Children

Only 17% of Palm Desert's households have children. Data are unavailable on families with children for the census tracts which are split with other jurisdictions (e.g., Rancho Mirage, Indian Wells, and the County). At the census tract level, families with children comprise from a low of 2% (CT 449.19) to a high of 34.1% (CT 451.23) of all households. However, the number of families with children in each census tract is a very small percentage of all the City's households. Thus, it is concluded that families with children comprise a small percentage of all the Palm Desert's households and are not segregated in particular neighborhoods.

Additional information on families with children is contained in Appendix C which contains a profile of fair housing protected groups residing in Palm Desert

b. The program participant may also describe other information relevant to its assessment of segregation, including activities such as place-based investments and geographic mobility options for protected class groups.

For question (2)(b), program participants may include any additional relevant information related to their analysis of segregation in the City and Region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation, and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as increasing integration.

Promoting Neighborhood Diversity

The City's General Plan Update includes the following policy:

Balanced neighborhoods. Within the allowed densities and housing types, promote a range of housing and price levels within each neighborhood in order to accommodate diverse ages and incomes. For development projects larger than five acres, require that a diversity of housing types be provided and that these housing types be mixed rather than segregated by unit type.

Implementation of this policy in the future will promote housing diversity and mixed incomes in each neighborhood. Thus, the potential for the development of race or income segregated neighborhoods will be prevented.

Housing in Areas of Housing Opportunity

The Housing Authority of the County of Riverside has prepared Housing Opportunity Area Maps that are intended to help Section 8 Housing Choice Voucher (HCV) holders to identify neighborhoods likely to provide high quality housing and neighborhood conditions. Each neighborhood is given a score ranging from a low of 40 to a high of 90. The scores of Palm Desert's neighborhoods are listed below:

- 90 2 neighborhoods
- 80 6 neighborhoods
- 70 5 neighborhoods
- 60 3 neighborhoods

Thus, there are several high opportunity neighborhoods for Section 8 HCV holders located in the City.

Development of Affordable Housing in Areas of Housing Opportunity

Pursuant to State law, the City updated the Housing Element of the General Plan in 2013. The Housing Element identifies sites suitable for the development of affordable housing. The most suitable sites identified in the Housing Element are all located in neighborhoods that currently do not have existing affordable housing developments. Five of the sites can accommodate new development at residential densities ranging from 16 to 20 dwelling units per acre. These five sites are located in neighborhoods/census tracts which score 80 or 90 on the Housing Authority's Housing Opportunity Area Maps.

3. Contributing Factors of Segregation

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of segregation.

- Community opposition
- Displacement of residents due to economic pressures
- Lack of community revitalization strategies
- Lack of private investments in specific neighborhoods
- Lack of public investments in specific neighborhoods, including services or amenities
- Lack of regional cooperation
- Land use and zoning laws
- Lending discrimination
- Location and type of affordable housing
- Loss of Affordable Housing
- Occupancy codes and restrictions
- Housing discrimination
- Source of income discrimination
- Other

The Region has a moderate segregation level across all four population groups. It is unknown what factors, if any, could create the Region moving from a moderate to high segregation level.

Because Palm Desert has a low segregation level, it is unlikely to move to a high segregation level.

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

1. Analysis

a. Identify any R/ECAPs or groupings of R/ECAP tracts within the jurisdiction and region.

For question (1)(a), HUD instructs the City to refer to Maps 1, 3 and 4, which include outlined census tracts that meet the threshold criteria for racially or ethnically concentrated areas of poverty (R/ECAPs). The area within the outline meets the definition of an R/ECAP, as set forth in the rule at 24 C.F.R. § 5.152.

Map 1 Race/Ethnicity – Current (2010) race/ethnicity dot density map for Jurisdiction and Region with R/ECAPs

Map 3 National Origin – Current national origin (5 most populous) dot density map for Jurisdiction and Region with R/ECAPs

Map 4 LEP – LEP persons (5 most commonly used languages) dot density map for Jurisdiction and Region with R/ECAPs

To assist communities in identifying racially or ethnically-concentrated areas of poverty (R/ECAPs), HUD has developed a census tract-based definition of R/ECAPs. The definition involves a racial/ethnic concentration threshold and a poverty test. The racial/ethnic concentration threshold is straightforward: R/ECAPs must have a non-White population of 50% or more. Regarding the poverty threshold, a neighborhood can be an R/ECAP if it has a poverty rate that exceeds 40% or is three or more times the average tract poverty rate for the metropolitan/micropolitan area, whichever threshold is lower. Census tracts with this extreme poverty that satisfy the racial/ethnic concentration threshold are deemed by HUD to be R/ECAPs.

In the Region, R/ECAPs are located within the cities of Victorville, San Bernardino, Riverside, Moreno Valley and Indio as well as the 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%).

There are no R/ECAPs within Palm Desert.

b. Describe and identify the predominant protected classes residing in R/ECAPs in the jurisdiction and region. How do these demographics of the R/ECAPs compare with the demographics of the jurisdiction and region?

To answer question (1)(b), HUD instructs the City to use Maps 1, 3, and 4 and HUD Table 4. Maps 1, 3, and 4 are dot density maps showing the residential distribution of racial/ethnic, national origin, and limited English proficient (LEP) populations in the jurisdiction and region. These maps also include outlined overlays of R/ECAPs. The presence of residential

segregation in R/ECAPs may appear as clusters of a single color of dots representing one protected class, or as clusters of more than one color of dots representing a number of protected classes but still excluding one or more protected classes. More integrated areas will appear as a variety of colored dots.

HUD Table 4 shows the percentage of persons living in R/ECAPS with certain protected characteristics (race/ethnicity, families with children, national origin) in the jurisdiction and the region. Note that the percentages reflect the proportion of the total population living in R/ECAPs that has a protected characteristic, not the proportion of individuals with a particular protected characteristic living in R/ECAPs. Table 4 can be compared to Table 1, which shows the total population in the jurisdiction and region for each of the groups shown in Table 4.

Hispanics comprise almost 70% of the population living in the Region's R/ECAPs. Nearly 15% and 10% of the population living in R/ECAPs are White and Black, respectively. In contrast, 47% of the Region's total population is Hispanic while 37% and 7% are White and Black, respectively.

Approximately, 23% of the Region's population living in R/ECAPs identifies Mexico as their country of origin. No other individual country represents a significant share of the foreign born population. By comparison Mexico is the country of origin of 14% of the Region's total population.

In the region, approximately 42,600 families live in R/ECAPs. Almost two-thirds (63%) of all families are families with children.

In comparison to the Region's total population, a much higher percentage of people living in the Region's R/ECAPs are Hispanic and claim Mexico as their country of origin.

c. Describe how R/ECAPs have changed over time in the jurisdiction and region (since 1990).

To answer question (1)(c), HUD instructs the City to refer to Maps 1 and 2. Map 1 shows the outlines of current R/ECAPs. Map 2 shows the outlines of R/ECAPs in past years (1990 and 2000). Compare the current R/ECAP outlines with previous R/ECAP outlines and describe whether R/ECAPs have remained constant, whether new R/ECAPs have emerged, or whether certain R/ECAPs no longer exist. Maps 1, 2, 3 and 4 also show dot density distributions by race/ethnicity, national origin and LEP, including R/ECAP outlines. Note whether the maps show any changes in areas that have moved in or out of R/ECAP status over time and the groups most affected by R/ECAPs.

In 1990 there were a total of eight R/ECAP areas in the Region. Six of the R/ECAPs were adjacent to each other and located within the City of San Bernardino. Mecca in unincorporated Riverside County was the other R/ECAP and consisted of two contiguous census tracts.

In 2000, the Region added six R/ECAPs (three in the City of San Bernardino, two in the City of Riverside and one in the City of Barstow) for a total of 12 R/ECAPs as two census tracts were removed between 1990 and 2000 because they no longer met the threshold criteria.

In 2010, there were 21 R/ECAPs as two census tracts were removed and 11 added. Of the 21 R/ECAPs 14 are located in San Bernardino County and seven in Riverside County. The City of San Bernardino has 12 R/ECAPs and 11 of the 12 are adjacent to one another. The cities of Barstow and Victorville each have one R/ECAP. In Riverside County, the cities of Riverside, Beaumont and Indio each have one R/ECAP while the City of Moreno Valley and the unincorporated community of Mecca each have two R/ECAPs.

Within the Region, the highest concentration of racial/ethnic minority populations and poverty is within the 11 contiguous census tract located in the City of San Bernardino.

Almost 216,900 persons live in the Region's R/ECAPs. One-third of this population lives in the R/ECAPs located in the City of San Bernardino.

The most prominent national origin group residing in R/ECAPs was persons who were born in Mexico. The most prominent group with limited English speaking proficiency was persons who spoke Spanish at home.

2. Additional Information

a. Beyond the HUD-provided data, provide additional relevant information, if any, about R/ECAPs in the jurisdiction and region affecting groups with other protected characteristics.

Understanding the limitations of the HUD-provided data, use local data and knowledge to complete question (2)(a). The Fair Housing Act protects individuals on the basis of race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability. HUD has provided data for this section only on race/ethnicity and national origin.

HUD-provided data estimates the number of persons residing in R/ECAPs by race, color and national origin.

Data are unavailable on other protected classes which include religion, sex, and handicap/disability.

b. The program participant may also describe other information relevant to its assessment of R/ECAPs, including activities such as place-based investments and geographic mobility options for protected class groups.

For question (2)(b), program participants may include any additional relevant information related to their analysis of R/ECAPs in the jurisdiction and region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as expanding opportunity in R/ECAPs by addressing the combined effects of segregation and poverty. Relevant information may also include local assets and organizations.

R/ECAPs are not located within Palm Desert.

In order to gauge the *potential* for R/ECAPs in the future, the City completed an analysis of poverty and minority populations based on the most recent data available (2011-2015) rather

than the 2010 Census. City Table 5 demonstrates that three census tracts exceed the 50% non-White threshold. None of these census tracts have a poverty rate near 40%. Thus, it is unlikely that an R/ECAP would be created in the near future.

**City Table 5
City of Palm Desert
Poverty Rates and Minority Populations
by Census Tract: 2011-2015**

Census Tract	Percent Below Poverty Level	Percent Minority
449.11	9.6%	37.1%
449.19	7.9%	8.9%
449.22	5.4%	39.0%
449.27	14.0%	30.6%
449.28	5.0%	10.1%
449.29	10.8%	30.8%
449.30	19.0%	52.1%
451.08	9.7%	68.3%
451.14	14.0%	9.9%
451.15	3.5%	8.3%
451.16	9.1%	26.6%
451.17	14.0%	24.5%
451.18	22.9%	50.9%
451.19	9.7%	47.0%
451.24	9.9%	10.3%
Total	10.8%	34.4%

Note: The following Census Tracts were not included because according to the 2010 Census only a small percentage of the total Census Tract units were located in Palm Desert: 449.21 (0.0%); 451.03 (1.5%); 451.23 (25.5%) and 451.25 (5.7%).

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

Table construction by Castañeda & Associates

However, *if* the federal safety net programs are significantly reduced or altogether eliminated, then it may be possible that an R/ECAP could be created. For instance, the percentage of the population living with incomes below the poverty level in census tract 451.18 is almost 23%. This percentage could increase dramatically if federal safety net programs are curtailed. In 2014, according to the Riverside County Department of Public Social Services, the number of persons living in Palm Desert who were assisted by three safety net programs was as follows:

- CalWORKS 512
- Medi-Cal Only 3,804
- Medi-Cal w/CalWORKS 4,316

- CalFresh 2,271

In 2014, the median time a person was assisted by CalWORKS aid was eight months. The median time on CalFresh aid was 11 months.

3. Contributing Factors of R/ECAPs

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of R/ECAPs.

- Community opposition
- Deteriorated and abandoned properties
- Displacement of residents due to economic pressures
- Lack of community revitalization strategies
- Lack of local or regional cooperation
- Lack of private investments in specific neighborhoods
- Lack of public investments in specific neighborhoods, including services or amenities
- Land use and zoning laws
- Location and type of affordable housing
- Loss of Affordable Housing
- Occupancy codes and restrictions
- Housing discrimination
- Source of income discrimination
- Other

No R/ECAPs are located within the City of Palm Desert.

HUD identified the R/ECAPs based on the data included in the 2009-2013 American Community Survey. Since that survey date, some R/ECAPs that were identified on the basis of that data no longer meet the thresholds – 50% non-White, 40% poverty. Based on a review of the 2011-2015 American Community Survey, R/ECAPs are located in nine cities in Riverside County and three cities in San Bernardino County.

The number and location of R/ECAPs may change from year-to-year, particularly if the economy continues to improve which could result in a reduction in poverty. On the other hand, if funding is reduced for the federal safety net programs or the programs eliminated altogether, then a spike in poverty rates can be expected. The spike in poverty rates would likely create additional R/ECAPs because there are several census tracts in the Region which exceed the 50% non-White threshold but not the 40% poverty threshold.

iii. Disparities in Access to Opportunity

1. Analysis

a. Education

- i. For the protected class groups HUD has provided data, describe any disparities in access to proficient schools in the jurisdiction and region.

For the question in (1)(a)(i), HUD instructions state that the City is to use the School Proficiency Index in Table 12. The School Proficiency Index measures which neighborhoods have high performing elementary schools nearby and which are near lower performing elementary schools. The values for the School Proficiency Index are determined by the performance of 4th grade students on state exams.

School Proficiency Index

The school proficiency index, according to HUD, uses 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 1.5 miles of a block-group's centroid. The source for the HUD school data is the Great Schools Rating.

Values are percentile ranked and range from 0 to 100. The higher the score, the higher the school system quality is in a neighborhood.

Region and City Index Scores

HUD Table 12 lists the School Proficiency Index for the Region and City by race and ethnicity and by population below the federal poverty line.

The Region scores considerably lower relative to school proficiency for each population group except for the Hispanic population below the federal poverty level. In other words, the City has more proficient schools compared to the Region.

The School Proficiency Index for the City ranges from a low of 64 to a high of 98. Within the City, the School Proficiency Index does not vary significantly between the difference races and Hispanic population. The Hispanic (73.77) and White (77.86) populations experience the lowest and highest index scores – a difference of 4.09.

The HUD-provided Map 7 for school proficiency has three versions. The shading indicates the performance of 4th graders on State exams in 2012. On Map 7 the darker the shading, the higher the performance index scores.

The first version of Map 7 shows geographic patterns of school proficiency and race/ethnicity dot density. As previously noted, the City does not have any Racially/Ethnically Concentrated Areas of Poverty. Census Tract 451.08, which has the largest number of Hispanic persons, has an index score of 72.

The second version of Map 7 shows the geographic patterns of school proficiency and national origin dot density. Census Tract 451.08 has the largest number of persons in the City claiming Mexico as their country of origin. This census tract has a School Proficiency Index of score of 72.

The third version of Map 7 shows the geographic patterns of school proficiency and the percentage of households that are families with children. The census tracts with the highest percentages of children (40.1% to 60% and 60.1% to 80%) include:

- 451.19
- 451.18

- 451.08.

These census tracts are located within an area bounded by the City limits on the east, Whitewater River/Channel, Monterey Avenue, and Highway 111. The School Proficiency Score for this area are 77, 65 and 72.

- ii. **For the protected class groups HUD has provided data, describe how the disparities in access to proficient schools relate to residential living patterns in the jurisdiction and region.**

For question (1)(a)(ii) refer to Map 7 which shows residential living patterns by race/ethnicity, national origin, and familial status. The map can be used to assess how residency patterns for each of these protected classes compares to the location of proficient schools. The map shows values for the School Proficiency Index with shading at the neighborhood (census tract) level. Darker shaded tracts indicate better access to higher proficiency schools. Lighter shading indicates lower index values, with these neighborhoods being near lower performing elementary schools (as measured by the Index).

Note that, to the extent the questions require consideration of middle and high schools, or local policies and practices such as school enrollment policies, then local knowledge (as defined at 24 C.F.R. § 5.152) will be relevant.

In the Region, there are 58 school districts and hundreds of elementary schools, middle schools, high schools and private schools. Nearly 836,500 students are enrolled in a school located in the Region. The vast majority of students are Hispanic (63.4%) or White (20.4%). Given the Region's comparatively low school proficiency score, as HUD Table 12 demonstrates, it is likely that many students live in neighborhoods that do not provide access to highly proficient schools.

Most of Palm Desert's neighborhoods are located within the Desert Sands Unified School District. Student enrollment in the District is approximately 28,700. Almost 73% of the students are Hispanic and another 20% are White. White students as a percentage of all students in the District are almost the same as for the entire Region. The District's Hispanic percentage, however, is almost 10% higher than the Region's.

The City measured access to proficient schools across its neighborhoods by relying on the GreatSchools Rating and the decile ranking developed by the California Department of Education.

What goes into a GreatSchools Rating?

The GreatSchools Rating is an index of how well schools do on several measures of student success compared to all other students in the state. The rating accounts for test scores, student growth and college readiness. Each GreatSchools rating is on a 1-10 scale and is categorized as follows: 1-3 = "below average," 4-7 = "average," 8-10 = "above average."

The overall GreatSchools Rating is not a decile rating, however, because it is an average of multiple subratings. For example, in order to get a rating of 1, a school would have to receive a 1 on all sub-ratings. As such, the distribution of the GreatSchools Rating in a given state looks more like a bell curve, with higher numbers of schools getting ratings in the "average" category, and fewer schools getting ratings in the "above average" or "below average" categories.

The City also consulted the 2013 State Ranks developed by California Department of Education. The State Rank is determined by a school's Academic Performance Index (API) Score in comparison to all other schools in California. (1 is the worst, 10 is the best). An equal number of schools occupy each decile rank. The rank comes from the 2013 California Academic Performance Index (API) Growth report. The API Score is a number between 200 and 1000 that reflects a school's or school district's ranking. The API was replaced with a new system in September 2016.

City Table 6 shows the Great School Ratings and State rankings for the elementary and middle schools attended by enrolled students living in Palm Desert as well as the Palm Desert High School. Seven schools have ratings and rankings that placing them in the above average category while two schools have ratings and rankings placing them in the average category.

City Table 6
Desert Sands Unified School District
Great School Ratings and State Rankings

School	Great School Rating	API Score	State Rank
Gerald R. Ford ES	8	913	9
George Washington Charter ES	9	908	9
James Earl Carter ES	9	893	9
Reagan ES	7	841	7
Abraham Lincoln ES	6	828	6
Palm Desert Charter MS	8	888	9
Paige MS	6	815	6
La Quinta MS	4	818	6
Palm Desert HS	9	825	8

Sources: California Department of Education
Table construction by Castañeda & Associates

III. Informed by community participation, any consultation with other relevant government agencies, and the participants own local data and local knowledge, discuss programs, policies, or funding mechanisms that affect disparities in access to proficient schools.

Question (1)(a)(iii), may be answered using local data or local knowledge. Program participants should consider whether local school policies provide for alternative means of access to schools, such as local enrollment policies, that are not reflected in the HUD-provided data.

The City is home to a full range of traditional educational opportunities including three elementary schools, one charter elementary school, one charter middle school, one high school, 13 private schools, and four post-secondary options. There is also local vocational learning opportunities, which Palm Desert hopes to expand in order to attract more businesses that require a highly skilled and educated workforce.

Schools and education are a priority of the City. The Envision Palm Desert - Forward Together Strategic Plan establishes a priority to “Create community awareness of, and support for, the building blocks of student success, including academic, vocational and career success.” The strategy adopted to attain this priority is to “Develop an “esprit de corps” in which the

community understands, values and supports programs such as tutoring, parent education, charter schools, scholarships, vocational academies, cultural programs, after-school programs and nutrition services.”

The Envision Palm Desert - Forward Together Strategic Plan also included a goal “to increase college enrollment, completion rates and opportunities that will keep our local students here after graduation.”

The Desert Sands Unified School District has enrollment policies that permit students to enroll in any district school, as follows:

The parent/guardian of any student who resides within the district boundaries may apply to enroll their child in any district school, regardless of the location of residence within the district.

The School District has established priorities for allowing students to enroll in another district school, including a charter school, outside of his/her attendance area. For example, one priority is any student enrolled in a district school receiving Title I funds that have been identified for program improvement.

Palm Desert is home to all four major higher educational campuses within the Coachella Valley including:

- College of the Desert, which provides two-year educational opportunities in nursing, public safety, agribusiness, alternative-fuels automotive, culinary arts, early childhood education and other specialized fields.
- California State University, which offers ten bachelors and master degree programs including nursing, nutrition and food science, criminal justice, education and business administration.
- University of Riverside, which is currently reorganizing the local curriculum.
- Brandman University, which offers bachelor’s degrees in early childhood development, psychology and sociology; master degrees in psychology and special education; and teaching credentials.

Based on this review, most students are enrolled in above average schools. Priorities and policies have been adopted by the City to enhance educational and learning experiences of all students, including students with protected class characteristics. The improvement of schools from average to above average will result primarily from the actions of the Desert Sands Unified School District.

b. Employment

- i. For the protected class groups HUD has provided data, describe any disparities in access to jobs and labor markets by protected class groups in the jurisdiction and region.**

For the questions (1)(b)(i), refer to the Jobs Proximity Index and Labor Market Engagement Index in HUD Table 12. The Jobs Proximity Index measures the physical distances between place of residence and jobs by race/ethnicity. The Labor Market Engagement Index provides a measure of unemployment rate, labor-force participation rate, and percent of the population ages 25 and above with at least a bachelor’s degree, by neighborhood (census tract).

Citywide Jobs Proximity Index

The Jobs Proximity Index in Table 12 Opportunity Indicators provides an index for the physical distances between place of residence and jobs by race/ethnicity. Values are percentile ranked with values ranging from 0 to 100. The higher the index value, the better the access to employment opportunities for residents in a neighborhood.

In the Region, the Jobs Proximity Index ranged between 47.81 for Hispanics and 50.16 for Native Americans. When compared to the Region, the City residents score much higher, ranging between 69.84 for Native Americans and 77.18 for Hispanics. There were no major differences between the City as a whole and City residents with incomes below the poverty line. The same was true for the entire Region.

In summary, all groups including those with poverty level incomes had above average Jobs Proximity scores with the lowest – 59.66 – experienced by poverty level Native Americans.

City Table 7 demonstrates that Palm Desert’s workers have jobs relatively close to their homes. Almost 60% of all workers have jobs in Coachella Valley and nearly one of every four workers both live and work in Palm Desert. The commuting data show good physical access or proximity to employment opportunities.

City Table 7
City of Palm Desert
Top 10 Places Where Residents Commute to Work: 2014

Rank	Local Jurisdiction	Number of Commuters	Percent of Total Commuters
1	Palm Desert	3,634	24.6%
2	Rancho Mirage	1,405	9.5%
3	Palm Springs	1,091	7.4%
4	La Quinta	797	5.4%
5	Indio	654	4.4%
6	Indian Wells	512	3.5%
7	Los Angeles	506	3.4%
8	Cathedral City	406	2.8%
9	San Diego County	405	2.8%
10	Riverside	255	1.7%
	All Other Destinations	5,084	34.5%

Source: Southern California Association of Governments, (Draft) Profile of the City of Palm Desert, January 2017, page 21 and U.S. Census Bureau, 2017, LODES Data; Longitudinal-Employer Household Dynamics Program, <https://lehd.ces.census.gov/data/lodes/>

Palm Desert also is home to some major employers who provide job opportunities for City residents. City Table 8 shows that the City’s two largest employers provide almost 4,000 jobs. The other employers in the top 10 provide from 236 to 700 jobs.

**City Table 8
City of Palm Desert
Principal Employers-2016**

Employer	Employees	Rank	Percentage of Total City Employment
JW Marriot-Desert Springs Resort & DS Villas	2,304	1	10.33%
Universal Protection Services	1,500	2	6.73%
Securitas-Security Service USA	700	3	3.14%
Sunshine Landscape	500	4	2.24%
Riverside County Sheriff	368	5	1.65%
Bighorn Golf Club	250	6	1.12%
Costco	250	7	1.12%
Desert Arc	250	8	1.12%
Westin Desert Willow	248	9	1.11%
Time Warner Cable	236	10	1.06%

Source: City of Palm Desert Finance Department, Comprehensive Annual Financial Report (CAFR) FY Ending June 30, 2016

Citywide Labor Market Index

The Labor Market Index scores are based on a scale from 1 to 100. The higher scores represent higher labor force participation and human capital in a neighborhood.

In the Region, the Labor Market Index for the various races and ethnicities range from 24.20 for Hispanics to 43.02 for Asians. These scores would be in the below average range based on HUD's perspective nationwide.

When compared with the Region, the City residents scored much higher. The City ranged from 53.59 for Whites to 62.28 for Asians. This is a much narrower range than the Region and demonstrates there are no significant differences in labor market access experienced by the different racial and ethnic populations living in Palm Desert.

The City's Black population with incomes below the poverty line had a score of 77.06, the highest of all groups. The lowest labor market score of 52.03 was experienced by Whites.

- ii. For the protected class groups HUD has provided data, describe how disparities in access to employment relate to residential living patterns in the jurisdiction and region.**

To answer questions (1)(b)(ii), refer to Maps 8 and 9. Maps 8 and 9 both show residency patterns of racial/ethnic and national origin groups and families with children. Map 8 shows values for the Jobs Proximity Index with shading at the neighborhood (census tract) level. Map 9 shows values for the Labor Market Engagement Index with shading at the neighborhood (census tract) level. Darker shaded tracts indicate a higher (better) value for the Index being used. Thus, darker shaded tracts would indicate closer proximity to jobs or a higher level of "labor engagement" (employment rate, labor-force participation rate, and percent of the population age 25 and above with at least a bachelor's degree) for the households living there. Lighter shaded tracts would show lower (worse) index values for these index measures.

Neighborhood Jobs Proximity Index

In 2015, total jobs in Riverside County numbered 709,940, an increase of 3.8% from 2007.

In 2015, total jobs in San Bernardino County numbered 716,793, a decrease of 1.1% from 2007.

Total jobs include wage and salary jobs and jobs held by business owners and self-employed persons. The total job count does not include unpaid volunteers or family workers, and private household workers.

In 2015, total jobs in the City of Palm Desert numbered 40,156, an increase of 2.6% from 2007.

City Table 9 shows the jobs proximity scores for each census tract and block group. A summary is given below of the job proximity scores by residential neighborhoods or census tracts.

- Score of <50 1 census tract
- Score of 50 to 59 1 census tract and 4 block groups
- Score of 60 to 69 5 block groups
- Score of 70 to 79 1 census tract and 3 block groups
- Score of 80 to 89 2 census tracts and 3 block groups
- Score of 90+ 4 census tracts and 4 block groups

All but one neighborhood/census tract, have average or above average accessibility to jobs. Thus, the different racial, Hispanic and foreign-born populations residing in these census tracts would enjoy average and above average proximity to employment opportunities.

Census Tract 449.11 Block Group 1 has the least accessibility to jobs within the City. This block group is located in the eastern part of the City between Hovley Lane East and Fred Waring Drive. Proximity and access to jobs will be improved as the new businesses are attracted to Palm Desert in general and Highway 111 in particular. The City has several policy documents in place to achieve business attraction and retention including the General Plan, Economic Development Strategy Plan and Envision Palm Desert – Forward Together. For instance, the General Plan has an “employment district” land use designation which provides for a wide variety of office-intensive activity that could include some manufacturing along with research and development. One of the areas designated as an “employment district” is located at the intersection of Hovley Lane and Cook Street, approximately 2 miles from Block Group 1 of Census Tract 449.11.

As explained earlier, the jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations. City Table 10 provides the mean travel time to work which is an indicator of proximity between residences and jobs. Only one census tract has a mean travel time of 30 minutes or more. Four census tracts have a mean travel time of less than 20 minutes. Thus, the commuting times also demonstrate relatively close proximity between residences and job locations.

**City Table 9
City of Palm Desert
Jobs Proximity Index by
Census Tract and Block Group**

Census Tract	Index Score
449.11 BG 1	27
451.19 BG 1	50
451.19 BG 2	52
451.14 BG 1	52
451.15	54
449.27 BG 1	54
449.19 BG 2	62
449.29 BG 1	63
449.29 BG 2	64
451.14 BG 2	65
449.28 BG 2	67
451.23	73
449.11 BG	75
449.19 BG 3	78
451.17 BG 2	79
451.08 BG 3	81
451.08 BG 2	86
451.16	87
451.08 BG 1	89
451.25	89
449.30	92
451.18	92
449.19 BG 1	93
449.19 BG 4	93
451.24	93
451.17 BG 1	97
449.22	98
449.28 BG 1	98

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Jobs Proximity Index for the City of Palm Desert
Table construction by Castañeda & Associates

City Table 10
City of Palm Desert
Place of Work and Commute Time
by Census Tract: 2011-2015

Census Tract	Total Workers 16 Years or Over	Mean Travel Time to Work (Minutes)
449.11	2,386	19.8
449.19	698	23.7
449.22	2,497	21.7
449.27	927	20.3
449.28	878	25.5
449.29	1,924	25.5
449.30	1,375	16.4
451.08	2,870	15.1
451.14	666	20.1
451.15	674	31.1
451.16	658	15.4
451.17	2,008	22.9
451.18	869	20.7
451.19	1,297	22.1
451.24	501	25.0
Total	20,228	

Note: The following Census Tracts were not included because according to the 2010 Census only a small percentage of the total Census Tract housing units were located in Palm Desert: 449.21 (0.0%); 451.03 (1.5%); 451.23 (25.5%) and 451.25 (5.7%).

Source: American FactFinder, 2011-2015 American Community Survey 5-Year Estimates, Table S0801 Commuting Patterns by Sex.

Table construction by Castañeda & Associates

Neighborhood Labor Market Engagement Index

City Table 11 shows the labor market engagement scores for each census tract. A summary of the job proximity scores by residential neighborhoods or census tracts is given below:

- Score of <50 6 census tracts
- Score of 50 to 59 3 census tracts
- Score of 60 to 69 4 block groups
- Score of 70 to 79 1 census tract
- Score of 80 to 89 2 census tracts

Thus, 10 of the 16 census tracts have average or above average labor market engagement scores. Thus, the different racial, Hispanic and foreign-born populations residing in these census tracts would have average and above average labor market engagement scores.

**City Table 11
City of Palm Desert
Labor Engagement Index
by Census Tract**

Census Tract	Index Score
449.19	10
449.27	21
451.24	32
451.18	37
451.14	39
449.11	48
451.25	51
451.19	57
451.17	59
451.16	60
451.08	63
449.28	66
451.15	67
449.30	72
449.29	87
449.22	89

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Labor Engagement Index for the City of Palm Desert
Table construction by Castañeda & Associates

The below average scores (<50) are caused primarily by low labor force participation rates. And these low rates are due to an elderly population that is retired and out of the labor force.

For example, 75% of the population that is 16 years of age and older in Census Tract 449.19 is more than 65 years of age or older. As City Table 12 shows, only 23.3% of the working age population living in this census tract is in the labor force.

In Census Tract 449.27, 52% of the working age population is 65 years of age or older. City Table 12 shows that 41.6% of the working age population living in this census tract is in the labor force. The older population living in the above two census tracts drives down the labor force participation rates of these two census tracts.

In four census tracts the low labor market engagement scores are also due to the fact that less than 45% of the population has attained a bachelor's degree or higher. This fact lowers the labor market engagement scores of these census tracts.

City Table 12
City of Palm Desert
Labor Force and Unemployment Characteristics by Census Tract: 2011-2015

Census Tract	Total Population 16 Years or Over	Percent in the Labor Force	Number in the Labor Force	Number Unemployed	Unemployment Rate
449.11	4,257	65.3%	2,778	297	10.7%
449.19	4,180	23.3%	972	232	23.9%
449.22	4,231	63.0%	2,667	154	5.8%
449.27	3,037	41.6%	1,262	301	23.9%
449.28	2,928	34.0%	995	81	8.1%
449.29	3,972	53.1%	2,109	150	7.1%
449.30	2,523	60.0%	1,514	139	9.2%
451.08	5,277	60.7%	3,201	271	8.5%
451.14	1,827	41.1%	751	77	10.3%
451.15	1,692	45.9%	776	77	9.9%
451.16	1,384	51.9%	718	47	6.5%
451.17	3,436	64.3%	2,208	166	7.5%
451.18	1,984	52.0%	1,031	162	15.7%
451.19	2,246	63.1%	1,417	105	7.4%
451.24	1,110	52.3%	580	49	8.4%
Total	44,084	52.1%	22,979	2,308	10.0%

Note: The following Census Tracts were not included because according to the 2010 Census only a small percentage of the total Census Tract housing units were located in Palm Desert: 449.21 (0.0%); 451.03 (1.5%); 451.23 (25.5%) and 451.25 (5.7%)

Source: American FactFinder, 2011-2015 American Community Survey 5-Year Estimates, Table B23025 Employment Status in the Past 12 Months for the Population 16 Years and Over.

Table construction by Castañeda & Associates

- iii. **Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to employment.**

Although there are no significant disparities in access to employment, the City has adopted economic development goals and strategies to improve the employment base. The City of Palm Desert's guiding principles for economic development are expressed in the Economic Development Strategy Plan (EDSP), Envision Palm Desert –Forward Together and the General Plan.

The City issued on May 3, 2017 a Request for Proposal (RFP) for an update of the EDSP. The update will focus on the following:

- Recommendations on light industrial, office, and retail commercial centers – whether or not to preserve existing square footage, increase or decrease, including geographic locations for focus
- Research and analysis of mobile services – current practices and impacts on local brick-and-mortar businesses and strategies to leverage them to bring business into the City
- Preparation of business attraction and retention strategies

The EDSP will contain information on labor force participation rates and the types of jobs needed for the future population. The EDSP also will include an analysis on how to fill gaps in jobs, seasonality and industry, and identify higher paying jobs and increase already strong businesses.

c. Transportation

- i. **For the protected class groups HUD has provided data, describe any disparities in access to transportation related costs and access to public transit in the jurisdiction and region.**

For the questions in (1)(c)(i), refer to Table 12 (Low Transportation Cost Index and the Transit Trips Index). The Low Transportation Cost Index measures cost of transportation and proximity to public transportation by neighborhood. The Transit Trips Index measures how often low-income families in a neighborhood use public transportation.

Citywide Low Transportation Cost Index

This index is based on estimates of transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region (i.e. CBSA). Transportation costs are expressed as a percent of income for renters. Values range from 0 to 100. Higher scores mean lower transportation costs in that neighborhood. Transportation costs may be low for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in the neighborhood and surrounding community.

In the Region, all population groups, including populations with incomes below the federal poverty line have higher transportation costs compared to the City of Palm Desert. In the City, the index scores from 38.80 for the White, Non-Hispanic population to 40.55 for Native Americans. HUD Table 12 data indicate that the populations with poverty incomes actually experience lower transportation costs which could result from a greater use of public transit.

Citywide Transit Trips Index

This index is based on estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region (i.e. the Core-Based Statistical Area (CBSA)). Annual transit trips are modeled for renters. Index values range from 0-100. Higher scores indicate that residents in that neighborhood are more likely to utilize public transit. The index controls for income such that a higher index value will often reflect better access to public transit.

According to HUD Table 12, Palm Desert residents (all races, Hispanics, and foreign-born populations) have better access than Region's population. The same conclusion is reached when index scores of the City's population with incomes below the poverty line are compared to the

Region's poverty income population. In fact, Palm Desert's poverty income population enjoys better access to public transit than the City's population as a whole and the Region's population.

- ii. For the protected class groups HUD has provided data, describe how disparities in access to transportation related to residential living patterns in the jurisdiction and region.**

To answer questions (1)(c)(ii), refer to Maps 10 and 11. These maps both show residency patterns of racial/ethnic and national origin groups and families with children. Map 10 shows values for the Low Transportation Cost Index with shading at the neighborhood (census tract) level. Map 11 shows values for the Transit Trips Index with shading at the neighborhood (census tract) level. For these maps, darker shading in a tract indicates a higher (better) value for the Index being used. Thus, darker shaded tracts would indicate lower transportation costs or better access to public transit for the households living there. Lighter shaded tracts would show higher transportation costs and less access to transit.

Neighborhood Low Transportation Cost Index

Higher scores mean lower transportation costs in that neighborhood. City Table 13 shows the index score for each census tract. They range from a low of 15 to a high of 59. A major reason why none of the scores are particularly high is the vast majority (87.5%) of workers use cars to commute to work. In addition, almost 1,500 workers work at home. Only 2.2% of workers utilize public transit as their means of transportation to work. Refer to City Table 14 for the data on means of transportation to work.

Neighborhood Transit Trips Index

According to City Table 15, the transit trips index range from a low of 0 to a high of 59. The two census tracts with the lowest scores – 451.24 and 451.25 are located south of Highway 111. The population residing in the census tracts with low scores is not public transit dependent.

- iii. Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to transportation.**

For question (1)(c)(iii), program participants should consider whether transportation-related local programs, policies, and practices affect a person's access to proficient school, jobs, and other areas with opportunities. In answering this question, local knowledge (as defined at 24 C.F.R. § 5.152) will be relevant. Program participants should consider whether transportation systems designed for use of personal vehicles impact the ability of protected class groups' access to transportation due to the lack of vehicle ownership.

According to the 2011-2015 ACS, vehicle ownership is high in Palm Desert as only 4% of all workers have no vehicle available. Of the 816 workers without a vehicle, only 46 utilized public transit while other workers used different means to get to work such as walking or riding a bicycle.

Public transit in the City is provided through local bus service and demand-responsive paratransit service. Palm Desert is served by the SunLine Transit Agency. Six fixed routes provide service to the city residents: 32, 53, 54, 70, 111, and Commuter Link 220.

Unlike fixed-route transit service, paratransit service does not follow fixed routes or schedules. Paratransit can consist of vans or mini-buses that provide on-demand curb-to-curb service from any origin to destination within the service’s specified service area. Qualifying residents can utilize SunLine Transit Agency’s SunDial service. SunDial is a curb-to-curb paratransit service serving Coachella Valley residents unable to use regular bus service.

**City Table 13
City of Palm Desert
Low Transportation Cost Index
by Census Tract**

Census Tract	Index Score
451.25	15
451.16	16
451.24	16
449.28	24
451.15	25
451.14	31
449.22	33
449.11	34
451.19	37
449.19	39
449.27	41
449.30	43
451.17	47
451.18	47
449.29	52
451.08	59

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Low Transportation Cost Index for the City of Palm Desert
Table construction by Castañeda & Associates

The General Plan Mobility Element includes the following goal:

Senior Transit. Encourage existing paratransit services in the City to provide transit access for seniors and persons with disabilities.

Transit facilities in Palm Desert consist of bus stops for SunLine buses along Highway 111, Fred Waring Drive, Monterey Avenue, Cook Street, Washington Street, and other roads. A large portion of the bus stops in the city have a bench or a shaded bus shelter.

City Table 14
City of Palm Desert: Means of Transportation to Work

Means of Transportation to Work	Number	Percent of Total
Car, Drive Alone	15,785	78.1%
Car, Carpooled	1,900	9.4%
Worked at home	1,471	7.3%
Bus	405	2.0%
Walked	334	1.6%
Taxicab, motorcycle, or other means	217	1.1%
Bicycle	55	0.3%
Railroad	33	0.2%
Total	20,200	100.0%

Source: 2011-2015 American Community Survey, Table B08006, Workers by Means of Transportation to Work (Workers 16 Years and Over)
Table construction by Castañeda & Associates

City Table 15
City of Palm Desert: Transit Trips Index by Census Tract

Census Tract	Index Score
451.25	0
451.24	23
451.14	37
449.11	39
451.16	40
449.22	41
451.15	41
451.17	41
451.18	41
449.27	46
449.30	46
451.19	46
449.28	48
451.08	48
449.29	58
449.19	59

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Transit Trips Index for the City of Palm Desert
Table construction by Castañeda & Associates

d. Access to Low Poverty Neighborhoods

- i. For the protected class groups HUD has provided data, describe any disparities in access to low poverty neighborhoods in the jurisdiction and region.**

For question (1)(d)(i), the City is to refer to the Low Poverty Index in HUD Table 12. The Low Poverty Index measures concentration of poverty by neighborhood. In effect, a higher value on this index indicates a higher likelihood that a family may live in a low poverty neighborhood. A lower value on the Index indicates that households in the protected group have a higher likelihood of living in a neighborhood with higher concentrations of poverty.

The low poverty index results values ranging from 0 to 100. A *higher* score mean *less* exposure to poverty in a neighborhood.

HUD Table 12 shows that the Region's population has considerably more exposure to poverty than City residents. In the two-county region, Hispanics have a high exposure to poverty compared to other groups. The exposure is particularly high among Hispanics with incomes below the poverty level.

In the City, there was little difference between the various ethnic and racial groups. Indices ranged from 62.45 for Hispanics to 68.62 for Native Americans, which indicates that all racial and ethnic groups have low exposure to poverty in Palm Desert. There was more exposure to poverty experienced by all groups with incomes below the poverty level except for Native Americans.

City Table 16 shows the age breakdown of the estimated 5,441 persons with incomes below the poverty level. The table demonstrates that poverty rates decline with age.

**City Table 16
City of Palm Desert
Poverty Rates by Age: 2015**

Age Group	Number	Percent
Under 18 years	1,160	13.9%
18-64 years	3,058	11.8%
65 years and over	1,223	7.5%
Total	5,441	10.8%

Source: 2011-2015 American Community Survey, Table S1701 Poverty Status in the Past 12 Months
Table construction by Castañeda & Associates

City Table 17 reports on poverty rates by race and ethnicity. The total population in this table exceeds the actual City population because Hispanics may be included in the Black, Some Other Race and other groups. As noted in City Table 17, four groups have poverty rates of about 5% or less. The Some Other Race and Asian populations have the highest poverty rates. However, many Hispanics could be included in the Some Other Race category.

Overall, the City's poverty rate of 11% is much lower than Riverside County's (16.8%) and San Bernardino County (18.6%).

City Table 17
City of Palm Desert
Poverty Rates by Race/Ethnicity: 2015

Race/Ethnicity	Total Population	Number Below the Poverty Level	Percent Below the Poverty Level
White, Not Hispanic	32,803	3,250	9.9%
Black or African American	708	37	5.2%
American Indian/Alaska Native	43	0	0.0%
Asian	2,683	395	14.7%
Native Hawaiian or Other Pacific Islander	32	0	0.0%
Some Other Race	3,370	565	16.8%
Two or More Races	2,072	105	5.1%
Hispanic or Latino	13,024	1,663	12.8%
Total	54,735	6,015	11.0%

Source: 2011-2015 American Community Survey, Table S1701 Poverty Status in the Past 12 Months
Table construction by Castañeda & Associates

- ii. For the protected class groups HUD has provided data, describe how disparities in access to low poverty neighborhoods relate to residential living patterns of those groups in the jurisdiction and region.**

For question (1)(d)(ii) use Map 12, which shows residency patterns of racial/ethnic and national origin groups and families with children. The map also shows values for the Low Poverty Index with shading at the neighborhood (census tract) level. Darker shading (i.e. a higher value on the index) in a tract indicates a lower level of poverty. Lighter shading in a tract indicates a lower (worse) value on the Index and thus a higher concentration of poverty in that tract.

HUD Map 12 shows that the Region has much lower access to low poverty neighborhoods than the City of Palm Desert. As noted before, none of Palm Desert's neighborhoods are racially/ethnically concentrated areas of poverty. Additionally, there are many neighborhoods which have more than a 50% non-White population but a poverty rate below 40%. Some of these latter census tracts also have large populations whose country of origin is Mexico.

At the neighborhood level, the poverty indices range from a high of 94 (less exposure) to a low of 11 (more exposure). City Table 18 provides a side-by-side comparison of the poverty indices and percentage of the population below the poverty level at the census tract level. There is a strong correlation between the indices and percent below the poverty level. Census tracts with a high index score also have a relatively low poverty rate and vice versa.

[It should be noted that the HUD poverty indices are based on the ACS, 2009-2013. More recent ACS data from 2011-2015 were used to calculate the percentage of the population with incomes below the poverty level.]

City Table 18
City of Palm Desert
Poverty Indicators by Census Tract

Census Tract	Low Poverty Index	Percent Below Poverty Level
451.15	94	3.5%
451.08	88	9.7%
449.28	87	5.0%
449.22	87	5.4%
451.24	81	9.9%
449.19	73	7.9%
449.29	65	10.8%
451.19	64	9.7%
451.16	62	9.1%
449.11	62	9.6%
449.27	57	14.0%
451.14	57	14.0%
451.17	56	14.0%
449.30	40	19.0%
451.18	11	22.9%

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

Table construction by Castañeda & Associates

HUD has declared that neighborhoods of *extreme* poverty are those having a poverty rate that exceeds 40% or is three times the average tract poverty rate for the metropolitan area, whichever is lower.

Source: U.S. Department of Housing and Urban Development, *Affirmatively Furthering Fair Housing (AFFH) Data Documentation*, July 7, 2015, page 9

In connection with the Section 8 Management Assessment Program (SEMAP) certification, 24 CFR 985.3(h) defines “low poverty”:

A low poverty census tract is defined as a census tract where the poverty rate of the tract is at or below 10 percent, or at or below the overall poverty rate for the principal operating area of the PHA, whichever is greater. The PHA [public housing authority] determines the overall poverty rate for its principal operating area using the most recent available decennial Census data.

The poverty rate for Riverside County (the principal operating area of the Housing Authority) is 16.8% and, thus, that percentage is the upper limit of a “low poverty” census tract. Based on the above analysis, four categories are appropriate for a proper analysis:

- Low Poverty 16.8% or less
- Normal Poverty 16.9% to 30%
- High Poverty 30.1% to 40.0%

- Extreme Poverty 40.1%+

Based on this classification, City Table 18 shows that 13 census tracts have low poverty rates and two census tracts have normal poverty rates.

iii. Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to low poverty neighborhoods.

For question (1)(d)(iv), to the extent local policies and practices are discussed, local knowledge (as defined at 24 C.F.R. § 5.152) will be relevant.

Two programs increase access to low poverty neighborhoods: 1) Section 8 Housing Opportunity Maps and 2) the City's Housing Element identification of sites suitable for the development of affordable housing.

The Housing Authority of the County of Riverside has prepared Housing Opportunity Area Maps that are intended to help Section 8 Housing Choice Voucher (HCV) holders to identify neighborhoods likely to provide high quality housing and neighborhood conditions and low exposure to poverty.

The most suitable sites suitable for affordable housing identified by the Housing Element are all located in neighborhoods that currently do not have existing affordable housing developments and poverty rates ranging from 5.4% to 7.9%. This program is described in more detail on page V-23.

e. Access to Environmentally Healthy Neighborhoods

i. For the protected class groups, HUD has provided data, describe any disparities to environmentally healthy neighborhoods in the jurisdiction and region

For question (1)(e)(i), refer to the Environmental Health Index in Table 12. The Environmental Health Index measures exposure based on EPA estimates of air quality carcinogenic, respiratory and neurological toxins by neighborhood.

The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The index is a linear combination of standardized (EPA) estimates of air quality carcinogenic, respiratory and neurological hazards. Values or scores range from 0 to 100. A *higher* index value means *less exposure* to toxins harmful to human health and, therefore, better neighborhood environmental quality, where a neighborhood is a census block-group.

HUD Table 12 Opportunity Indicators by Race/Ethnicity shows that the City's environmental health for all populations is considerably better than the Region's. The environmental indices range from 81.89 for Whites to 82.81 for Hispanics, which is a very narrow range. All populations with incomes below the poverty level also have environmental index scores comparable to the populations who are not poor. In the Region, the indices range from a low of 49.15 for income poor Asians to a high of 62.31 for the income poor White population.

- ii. For the protected class groups HUD has provided data, describe how disparities in access to environmentally healthy neighborhoods relate to residential living patterns in the jurisdiction and region.**

For question (1)(e)(ii), use Map 13, which shows residency patterns of racial/ethnic and national origin groups and families with children. The map also shows values for the Environmental Health Index with shading at the neighborhood (census tract) level indicating levels of exposure to environmental health hazards for the jurisdiction and the region. To answer the question, examine Map 13, by race/ethnicity, national origin, and familial status, to identify differences in exposure to environmental health hazards by protected characteristic. In general, Map 13 may be more useful in showing broader overall patterns, rather than in differences between individual neighborhoods.

In the City, index scores are available only for three neighborhoods/census tracts. The indices ranged between 80 and 84 which indicate the existence of environmentally healthy neighborhoods. Minority populations and the foreign born populations also would experience high access to environmentally healthy neighborhoods.

Comparable data at the regional level were unavailable because not all neighborhoods were assigned numerical values.

- iii. Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to environmentally healthy neighborhoods.**

While the Environment Health Index is limited to issues related to air quality, for these questions on environmentally healthy neighborhoods program participants may also discuss other indicators of environmental health, based on local data and local knowledge. Environmental-related policies may include the siting of highways, industrial plants, or waste sites.

Evidence provided by the HUD tables and maps reveal there are no disparities in access to environmentally healthy neighborhoods.

f. Patterns in Disparities in Access to Opportunity

- i. For the protected class groups HUD has provided data, identify and discuss any overarching patterns of access to opportunity and exposure to adverse community factors. Include how these patterns compare to patterns of segregation, integration, and R/ECAPs. Describe these patterns for the jurisdiction and region.**

For question (1)(f)(i), refer to the answers provided in question (1)(a)-(e).

Analysis of the HUD-provided maps and data did not reveal any overarching patterns of poor access to opportunity and did not reveal adverse community factors.

- ii. **Based on the opportunity indicators assessed above, identify areas that experience: (a) high access; and (b) low access across multiple indicators.**

For question (1)(f)(ii), refer to the answers provided in questions (1)(a)-(e) identify areas that experience high access and low access across multiple opportunity indicators. Include in the response whether these areas align with previously identified patterns of segregation, integration, and R/ECAPs for both the jurisdiction and the region. Program participants may also refer to Maps 7-13.

All schools were rated and ranked average or above average.

One neighborhood had a below average jobs proximity score. Through a land use designation of “employment district” jobs are being encouraged by the City to locate within two miles of that neighborhood (Census Tract 449.11).

Six neighborhoods have below average labor engagement scores. These scores are primarily due to a high proportion of elderly living in those neighborhoods that are not in the labor force or a high percentage of the adult population not having bachelor’s degree. As noted earlier, the City has adopted three policy documents to address education and employment needs.

The City’s population for the most part is not dependent on public transit. Commuting times to work are very reasonable compared to most southern California communities. Many of the City workers work at home or commute to work by walking or riding a bicycle.

Compared to most cities in the Region, Palm Desert has a low poverty rate (11%). Thirteen census tracts have low poverty rates and two census tracts have normal poverty rates. None of the City’s census tracts/neighborhoods have high or extreme poverty rates.

Evidence provided by the HUD tables and maps reveal there are no disparities in access to environmentally healthy neighborhoods.

2. Additional Information

- a. **Beyond the HUD-provided data, provide additional relevant information, if any, about disparities in access to opportunity in the jurisdiction and region affecting groups with other protected characteristics.**

Understanding the limitations of the HUD-provided data discussed in the introduction to the instructions, using local data and knowledge, complete question (2)(a). The Fair Housing Act protects individuals on the basis of race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability. HUD has provided data for this section only on race/ethnicity, national origin, and familial status. Include any relevant information about other protected characteristics, but note that the analysis of disability is specifically considered in Section V(D). Program participants may include relevant information relating to persons with disabilities here, but still must address the questions in Section V(D). Program participants should provide any relevant information relating to disparities in access to opportunity based on protected class for each opportunity area (education, employment, transportation, low poverty, and environmental health).

The HUD-provided data was supplemented by several tables that the City prepared. Thus, the analysis of disparities in access to opportunity was based on data supplied by HUD and the City.

- b. The program participant may also describe other information relevant to its assessment of disparities in access to opportunity, including any activities aimed at improving access to opportunities for areas that may lack such access, or in promoting access to opportunity (e.g., proficient schools, employment opportunities, and transportation).

For question (2)(b), program participants may include any additional relevant information related to their analysis of disparities in access to opportunity in the jurisdiction and region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as increasing access to opportunity.

The Housing Authority of the County of Riverside has prepared Housing Opportunity Area Maps that are intended to help Section 8 Housing Choice Voucher (HCV) holders to identify neighborhoods likely to provide high quality housing and neighborhood conditions and low exposure to poverty.

The sites most suitable for affordable housing are identified by the Housing Element. All of the sites are located in neighborhoods that currently do not have existing affordable housing developments and poverty rates ranging from 5.4% to 7.9%. This program is described in more detail on page V-22.

3. Contributing Factors of Disparities in Access to Opportunity

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of disparities in access to opportunity.

- Access to financial services
- Availability, type, frequency, and reliability of public transportation
- Impediments to mobility
- Lack of access to opportunity due to high housing costs
- Lack of private investments in specific neighborhoods
- Lack of public investments in specific neighborhoods, including services or amenities
- Lack of local or regional cooperation
- Land use and zoning laws
- Lending discrimination
- Location and type of affordable housing
- Location of employers
- Location of environmental health hazards
- Location of proficient schools and school assignment policies
- Loss of affordable housing
- Occupancy codes and restrictions
- Housing discrimination
- Source of income discrimination
- Poverty

There are no significant disparities in access to opportunity between the different racial/ethnic groups and neighborhoods. The City's poverty rate is low and all census tracts/neighborhoods have either low or normal poverty rates.

In the City, approximately, 4,300 persons obtain assistance through Medi-Cal and CalWORKS and almost 2,300 receive assistance through CalFresh (Supplemental Nutrition Assistance Program). The Citywide and neighborhood poverty rates will likely increase if funding is reduced or eliminated for the Federal safety net programs.

The City will update the Anti-Poverty Strategy which is a required component of the FY 2018/2019 - FY 2022/2013 Consolidated Plan. The Anti-Poverty Strategy will examine poverty reducing strategies and seek to involve groups such as the Community Action Partnership of Riverside County (War on Poverty agency) and United Way of the Desert.

iv. Disproportionate Housing Needs

1. Analysis

CFR 5.152 defines disproportionate housing needs as follows:

Disproportionate housing needs refers to a condition in which there are *significant disparities* in the proportion of members of a *protected class* experiencing a category of housing need when compared to the proportion of members of any other relevant groups or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden, severe cost burden, overcrowding, and substandard housing conditions.... [Emphasis added]

Neither the above definition nor the AFFH Guidebook defines what "significant disparities" are. The Consolidated Plan Regulations at CFR 91.205(b)(2) provide guidance on how to quantify significant disparities:

...disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group in a category of need is at least *10 percentage points higher* than the percentage of persons in the category as a whole. [Emphasis added]

HUD provides data on housing problems and *severe* housing problems. Housing problems include:

1. Housing units that lack complete kitchen facilities
2. Housing units that lack complete plumbing facilities
3. Households with more than one person per room (i.e., overcrowding)
4. Cost Burden - monthly housing costs (including utilities) exceed 30% of monthly income

HUD also provides data on the number and share of households with one or more of the above problems and "severe cost burden" which means monthly housing costs (including utilities) exceeding 50% of monthly income.

Housing problems data are available for the entire City and by race/ethnicity, household type and household size. The race/ethnicity categories presented are the same as in other HUD-

provided data. The household type and size categories presented are family households of less than five people, family households of five or more people, and non-family households of any size.

- a. **Which protected class groups (by race/ethnicity and familial status) experience higher rates of housing problems (cost burden, overcrowding, or substandard housing) when compared to other groups for the jurisdiction and region? Which groups also experience higher rates of severe housing cost burdens when compared to other groups?**

For question (1)(a), HUD Tables 9 and 10 are to be used for the analysis. HUD Table 9 shows the number and percent of households that are experiencing either 1) any of four housing problems; or 2) any of four severe housing problems. HUD Table 10 shows the number and percent of households experiencing severe housing cost burden (usually the most common of any of the severe housing problems).

The Region and City have very similar percentages of households experiencing housing problems with one exception; a much smaller percentage (34.59%) of the City's Asian households are having housing problems compared to the Region's Asian households (48.96%).

In the City, the most significant disparity is between Hispanics and all other groups. Sixty-one percent (2,205/3,615) of the Hispanic households experience housing problems which greatly exceeds the citywide percentage of 45.71%.

The City's percentage (76.81%) of large families experiencing housing problems exceeds the Region's by 12.25%. The City and Region's percentages are similar for households with fewer than five persons and non-family households.

The Region's and City's percentages of households experiencing "severe" housing problems are very similar for White, Black, Hispanic, Asian and Other households. None of the City's Native Americans had severe housing problems while almost 29% of the Region's Native American did so.

Although substandard housing and overcrowding do not adversely impact a large number of Palm Desert's households, cost burden and severe cost are serious problems. City Table 19 describes the number of low/moderate income renter and owner households that experience cost burden and severely cost burden. Almost four of every five low/moderate income renters are cost burdened and nearly one-half are extremely cost burdened. The data demonstrate that two-thirds of all low and moderate income owners are cost burdened and that just over 40% are severely cost burdened.

City Table 19
City of Palm Desert
Cost Burden and Severe Cost Burden
by Income and Tenure: 2014

Tenure	Total Low/Moderate Income	Number Cost Burdened	Percent Cost Burdened	Number Severely Cost Burdened	Percent Severely Cost Burdened
Renters	4,275	3,375	79%	2,065	48%
Owners	4,620	3,045	66%	1,940	42%

Note: Low/moderate income means less than 80% of the area median income

Cost burden = 30% or more of income spent on housing costs

Severe cost burden = 50% or more spent on housing costs

Source: Comprehensive Housing Affordability Strategy ("CHAS") Data, 2010-2014 American Community Survey
 Table construction by Castañeda & Associates

In 2014, owners comprised 58% of all (4,995) severely cost burdened households. For owners, housing cost is "selected monthly owner costs" which includes mortgage payment, utilities, association fees, insurance and property taxes. Thus, it is possible that "association fees" add considerably to owner costs. A sample survey of homes for sale in June 2017 found that the average association fee was \$412. However, association fees can include costs unrelated to housing expenses.

The Region's and City's percentages of households experiencing severe housing cost burden are very similar with the exception of Native Americans. In the City, none of Native American households had severe housing cost burdens while 19.53% of the Region's households did.

Based on HUD Table 10, the list below shows the percentage of all households by race/ethnicity experiencing severe cost burdens:

- Native American, Non-Hispanic 0.00%
- Asian or Pacific Islander, Non-Hispanic 16.98%
- Hispanic 20.61%
- Other, Non-Hispanic 20.94%
- White, Non-Hispanic 21.31%
- Black, Non-Hispanic 33.33%
- Total City 21.21%

Within the City, the most significant cost burden disparity is between Black households (33.33%) and all other households.

An indicator of disproportionate housing need is the demographics of persons on the Section 8 waiting list. According to the County of Riverside Housing Authority, approximately 29,700 families or 49% of all families on the waiting list are Black or African American.

In the Region and City large family and non-family households experience severe cost burden to about the same degree. However, a much smaller percentage (9.18%) of the City's family households with fewer than five persons experience severe housing cost burden compared to the Region's (18.78%).

- b. Which areas in the jurisdiction and region experience the greatest housing burdens? Which of these areas align with segregated areas, integrated areas, or R/ECAPs and what are the predominant race/ethnicity or national origin groups in such areas?

For question (1)(b), Map 6 shows the residential living patterns for persons by race/ethnicity, national origin, and families with children overlaid on shading indicating the percentage of households experiencing one or more housing problems in a particular census tract. Darker shading indicates a higher prevalence of such problems. The map also includes R/ECAP outlines.

There are almost 273,000 households living in the Region who are adversely impacted by severe housing cost burdens. In the Region, Hispanics (112,350) comprise the largest number of severely cost burdened households. An unknown number of the severely cost burdened Hispanic households would claim Mexico as their country of origin. The second largest group of severely cost burdened households is White Non-Hispanic households (109,075).

City Table 20 shows for each census tract the number and percentage of households with one or more of the four housing problems. Three census tracts exceed the City wide percentage of 44.77% by more than 10%: 451.16, 451.08 and 451.18.

City Table 20
Housing Problems

Census Tract	Total Households with Any Problems	Total Households	Percent
451.25	350	1,280	27.34%
451.15	310	985	31.47%
449.30	550	1,465	37.54%
451.24	275	715	38.46%
449.19	965	2,480	38.91%
451.14	410	1,030	39.81%
449.11	955	2,350	40.64%
449.28	685	1,610	42.55%
449.22	900	2,085	43.17%
451.17	965	2,105	45.84%
449.29	1,125	2,325	48.39%
449.27	845	1,740	48.56%
451.19	575	1,180	48.73%
451.16	395	705	56.03%
451.08	1,390	2,330	59.66%
451.18	775	1,235	62.75%
Total	11,470	25,620	44.77%

Source: Map 6 – Housing Problems Race/Ethnicity Dot Density Map and National Origin Dot Density Map
Table construction by Castañeda & Associates

Substandard housing conditions and overcrowding do not comprise the majority of housing problems. Cost burdens constitute the majority of housing problems and impact both owners and renters.

- c. Compare the needs of families with children for housing units with two, and three or more bedrooms with the available existing housing stock in each category of publicly supported housing for the jurisdiction and region.

For question (1)(c), local data and local knowledge may be particularly useful. Tables 9 and 11 may also be useful in providing some relevant information for the jurisdiction. Table 9 shows housing needs experienced by families with 5 or more persons (used to approximate the population of families with children). Table 11 shows the number of households occupying units of various sizes (0-1 bedrooms, 2 bedrooms, 3 or more bedrooms) in four publicly supported housing program categories (public housing, Project-based Section 8, Other Multifamily, and HCV). Table 11 shows the number of households with children currently residing in each of those four program categories.

Palm Desert does not have a large number of families with children. HUD Table 9 indicates that 77% of the estimated 1,035 large families with children experience housing problems.

HUD Table 11 contains information only on the housing units occupied by Section 8 voucher holders.

The City completed an inventory of the affordable housing serving families (15 projects) and seniors (11 projects). Affordable rental housing comprises a large share – approximately 16% - of all renter-occupied housing units.

City Table 21 shows the bedroom distribution of affordable family apartments. More than one-half (53.9%) of the family apartments contain 2-, 3- or 4-bedrooms. This bedroom mix indicates that the affordable rental housing supply serves the needs of families with children.

**City Table 21
Bedroom Distribution of Affordable Family Apartments: 2017**

Number of Bedrooms	Number of Units	Percentage Distribution
Studio	38	3.6%
1	445	42.5%
2	466	44.6%
3	80	7.6%
4	18	1.7%
Total	1,047	100.0%

Source: City of Palm Desert Housing Department and Castañeda & Associates

In addition, there are eight affordable ownership projects with a total of 304 housing units located in Palm Desert. The ownership projects were developed by the former Palm Desert Redevelopment Agency, City of Palm Desert, Building Horizons, Coachella Valley Housing Coalition and Habitat for Humanity of the Coachella Valley.

City Table 22 shows the bedroom distribution of senior apartments. Approximately two-thirds of all senior apartments contain 1-bedroom.

City Table 22
Bedroom Distribution of Affordable Senior Apartments: 2017

Number of Bedrooms	Number of Units	Percentage Distribution
Studio	71	17.1%
1	281	67.5%
2	64	15.4%
Total	416	100.0%

Source: City of Palm Desert Housing Department and Castañeda & Associates

d. Describe the differences in rates of renter and owner occupied housing by race/ethnicity in the jurisdiction and region.

For question (1)(d), refer to HUD Table 16, which shows homeownership and rental rates by race/ethnicity for the jurisdiction. Local data and local knowledge may also be particularly useful in answering this question.

In the Region all but one population group enjoys a home ownership rate of more than 50%. There are almost 96,400 Black, Non-Hispanic households residing in the Region of which 45% are owners and 55% are renters.

In Palm Desert 65% of the housing stock is owner-occupied. Two population groups have an ownership rate of more than 50%: White, Non-Hispanics at 72% and Asian, Non-Hispanics at 61%. Only about one-third of Hispanics and Other households are home owners.

2. Additional Information

a. Beyond the HUD-provided data, provide additional relevant information, if any, about disproportionate housing needs in the jurisdiction and region affecting groups with other protected characteristics.

Understanding the limitations of the HUD-provided data, the program participant should use local data and knowledge to complete question (2). The Fair Housing Act protects individuals on the basis of race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability. HUD has provided data for this section only on race/ethnicity, national origin, and familial status. Include any relevant information about other protected characteristics, but note that the analysis of disability is specifically considered in Section V(D). Program participants may include any relevant information relating to persons with disabilities here, but still must address the questions in Section V(D).

Local data and local knowledge may be particularly useful in answering the Disproportionate Housing Needs questions. For instance, the HUD-provided tables do not include data on homeless persons. Information on homeless individuals and families, including some information on their demographic characteristics (e.g., race/ethnicity, persons with disabilities) is available from a variety of sources. HUD guidance can provide additional information on this topic.

Homeless

The 2017 homeless count found that Palm Desert had 28 unsheltered homeless persons. Of the 28 homeless persons, six were Hispanic and 22 were not. In terms of race, 24 of the homeless persons were White, two were Black or African American and one each were American Indian/Alaska and unknown.

In 2017, at the recommendation of city officials and representatives from the Riverside County Continuum of Care (CoC), a new question was added to the homeless interview tool in order to capture the primary reasons for individuals becoming homeless within Riverside County. Among the unsheltered homeless population, 33% selected unemployment and 27% selected lack of income for housing, respectively, as their primary reasons for homelessness.

Source: Riverside County Department of Public Social Services, *2017 Point-in-Time Homeless Count Report*, May 10, 2017

Disabled

An indicator of disproportionate housing need is the demographics of persons on the Section 8 waiting list. According to the County of Riverside Housing Authority, approximately 14,300 families or 24% of all families on the waiting list are disabled. The Housing Element has documented the need for housing for disabled households.

Families with Children

An indicator of disproportionate housing need is the demographics of persons on the Section 8 waiting list. According to the County of Riverside Housing Authority, approximately 37,200 families or 62% of all families on the waiting list are families with children. As noted earlier, families with children comprise a low percentage of all families living in Palm Desert.

b. The program participant may also describe other information relevant to its assessment of disproportionate housing needs. For PHAs, such information may include a PHA's overriding housing needs analysis.

For question (2)(b), program participants may include any additional relevant information related to their analysis of disproportionate housing needs in the jurisdiction and region, including the removal of barriers that prevent people from accessing housing in areas of opportunity, the development of affordable housing in such areas, housing mobility programs, housing preservation and community revitalization efforts, where any such actions are designed to achieve fair housing outcomes such as reducing disproportionate housing needs.

Housing Element

Under California law, each city must prepare a Housing Element of the General Plan. In 2013, the City adopted the most recent Housing Element which covers the period from 2013 to 2021. The Housing Element includes policies and programs that encourage the construction of new affordable housing. The following adopted policy guides the location of new affordable housing:

New affordable housing projects shall be encouraged in all areas of the City. Special attention will be made to distributing the units so that large concentrations of affordable housing in any one area are avoided.

The following adopted policy emphasizes the housing needs of large families with children and disabled individuals and families:

The City shall continue to strive to meet the State-mandated special shelter needs of large families, female headed households, single parent families, senior citizens, and disabled individuals and families, and shall consider including units for such households in its projects.

3. Contributing Factors of Disproportionate Housing Needs

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of disproportionate housing needs.

- **Availability of affordable units in a range of sizes**
- Displacement of residents due to economic pressures
- Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking
- **Lack of access to opportunity due to high housing costs**
- Lack of private investments in specific neighborhoods
- Lack of public investments in specific neighborhoods, including services or amenities
- Land use and zoning laws
- Lending discrimination
- **Housing discrimination**
- Loss of affordable housing
- Source of income discrimination
- **Other - Housing production out of balance with housing demand**
- **Other - Rising rents**
- **Other - Income stagnation**

Availability of Affordable Units in a Range of Sizes

For a city of its size, Palm Desert has a large inventory of affordable owner (304) and rental housing (1,000+). However, the large number of cost burdened owners and renters, particularly the latter, is an indicator of the lack of sufficient affordable housing units for families with children and disabled persons and householders of different races and of Hispanic origin.

Lack of Access to Opportunity Due to High Housing Costs

The California Association of REALTORS (C.A.R.) First Time Buyer Housing Affordability Index measures the percentage of households that can afford to purchase an entry level home in Riverside County and other counties. Between Q1 2016 and Q1 2017, the percentage of buyers who could purchase an entry level home in Riverside dropped from 62% to 60%. According to C.A.R., the minimum qualifying income to purchase the median home price of \$310,250 was \$47,110. C.A.R.'s methodology may overstate affordability because it assumes a 10% down payment not 20%; an adjustable rate mortgage; and housing cost to income ratio of 40%.

The rental housing cost index of the Consumer Price Index increased by 5.1% between April 2016 and April 2017 in the southern California area. The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in the most recent release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties.

According to the federal Department of Labor, the *Rent of primary residence* index is a measure of “contract rent,” which includes utilities and most services a particular landlord provides with the rental unit. (The CPI removes unusual inclusions such as food or nursing care.) The CPI computes economic rent from the collected rent for each sample rental unit. Economic rent includes utilities if the landlord has provided them in both the current period and the previous period.

When there has been a change in what the landlord provides, the CPI adjusts the economic rent. If, for example, the landlord no longer provides electricity, an estimate of the cost of electricity is added to the current economic rent to make it comparable to what was previously provided.

Other - Housing Production Out of Balance with Housing Demand

According to SCAG:

...rents did not experience a significant downward trend during the “Great Recession.” Instead, demand for rental housing has stayed strong and rents have trended upward, even when adjusting for inflation. Some key factors in the increased demand for rental housing since the recession include:

- Foreclosures and former owners moving into the rental market.
- Demographic shifts, particularly the generational boom of millennials coming of age and entering the housing market with strong rental tendencies.
- **Lack of supply.**
- Deferred home buying, due to:
 - ✓ Lack of market confidence.
 - ✓ Reduced access to mortgage credit following the recession.
 - ✓ Unemployment and stagnant wages.
 - ✓ Competition with investors buying homes to convert to rentals.

A recent report completed by the Legislative Analyst Office (LAO) argues that a significant contributor to California’s high housing costs is that not enough housing is being constructed to meet demand. The main conclusion of the LAO report is that “...to contain rising housing costs, California would have to build significantly more housing, especially in coastal urban areas.”

According to the LAO, barriers to significantly increasing new housing production include:

- Community resistance to new housing
- Environmental reviews can be used to stop or limit housing development
- Local finance structure favors nonresidential development
- Limited vacant developable land

Source: Legislative Analyst Office, *California’s High Housing Costs: Causes and Consequences*, March 17, 2015, 44 pages

The LAO also has concluded that cities and counties do not adequately plan for housing. A LAO Report found “...evidence that suggests the state’s primary tool to ensure that local governments adequately plan for new housing – the housing element process – falls short of its goal. One option suggested by the Legislative Analyst Office is to modify projections to account for signs of unmet demand such as high rents and low vacancy rates.

Source: Legislative Analyst Office, *Do Communities Adequately Plan for Housing?* March 8, 2017, 12 pages

Many studies identify the lengthy time it takes to obtain approvals to construct housing contributes to a situation where the production of housing falls short of demand/need and results in increased housing costs. There are efforts underway to streamline the approval of new housing development. One such effort is the proposed Senate Bill No. 540 which would allow for a single environmental review to be completed in areas designated as a Workforce Housing Opportunity Zone. The densities of multifamily housing would be the minimum densities deemed appropriate to accommodate housing for lower income households as set forth by housing element law.

Other - Rising Rents

The factors contributing to housing cost burdens are many and complex. Since cost burdens are the result of the interplay between the cost of housing and the income of householders, each has been examined in numerous studies. As noted above, in southern California rents have increased by 5.1% between 2016 and 2017.

While rents have continued to increase, household incomes have not kept pace.

On the income side, it is possible that many senior households are retired and that “annual income” does not reflect ability to pay because they have savings, stocks, and other sources to pay housing costs. According to ACS data, 58.5% of the owner occupied housing units in Palm Desert are owned by households 65 years of age or older.

Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, (CHAS) Data, 2006-2010 ACS and 2010-2014 ACS

According to the UCR Center for Economic Forecasting and Development:

The Inland Empire's low vacancy rates are the result of not enough apartments being built. Traditionally, as people moved inland they bought single-family homes, but as people have gotten priced out of those, they've turned to apartments.

The inability of people to become homeowners there has meant more people are putting pressure on the rental market, and there's not been a supply response.

The Center has found that the tight supply for rental units in the region along with rapidly rising rents highlight the need for additional multifamily housing in the region.

Source: University of California, Riverside, School of Business Administration, Center for Economic Forecasting and Development, *Inland Empire Regional Intelligence Report*, March 2017, page 4

If annual rent growth continue to exceed income growth over the next decade, the number of severely cost burdened households will increase between 2015 and 2025. Given that rents have consistently outpaced incomes over the last 15 years, this latter outcome is very plausible. This is likely to be true in most housing markets, including southern California and the Inland Empire.

Enterprise Community Partners, Inc. and Joint Center for Housing Studies of Harvard University, (Allison Charette, Chris Herbert, Andrew Jakabovics, Ellen Tracy Marya and Daniel T. McCue), *Projecting Trends in Severely Cost-Burdened Renters: 2015-2025*, September 2015, 27 pages

Other - Income Stagnation

According to the Federal Reserve Board of Philadelphia:

Behind this most recent period of growth in burdens is an extreme disconnect between rents and income growth. Indeed, until 2001, rents and incomes generally tracked each other – gaining during periods of economic growth and falling during recessions and contractions. But after 2001, as real median renter incomes stagnated and then dropped throughout the Great Recession, rents continued to rise. By 2012, after adjusting for inflation, the typical renter income was 13 percent lower than it was in 2001, while the real median rent was 4 percent higher.

Source: Federal Reserve Board of Philadelphia, Daniel McCue, Research Manager, Joint Center for Housing Studies of Harvard University, *The Burden of High Housing Costs*, published in Cascade: A Community Development Publication, No. 86 Winter 2015, page 21

Dr. John Husing confirms that the Federal Reserve Board findings apply to the Inland Empire:

Median household income has retreated since 1999. Using median incomes adjusted to 2015 price levels, the 1999 level was \$59,898. In the early 2000s, the trend for the Inland Empire's household purchasing power was up reaching a peak during the mortgage boom at \$66,607 in 2006. That was 11.2% over the 1999 level. However, the Great Recession and its aftermath saw household purchasing power fall by 2011 to \$54,594 or -8.9% below the 1999 level. Since then, there has been in a slow recovery taking the level to \$57,743 in 2015, still -3.6% below the 1999 level.

Source: John E. Husing, Ph.D, Economics & Politics, Inc., *Inland Empire: SCAG Economic Conference Preparation Report*, October 28, 2016, page 6

Between 2010 and 2014, the number of Palm Desert low/moderate income renters increased from 3,945 to 4,275. During the same time, the number of severely cost burdened low/moderate income renters increased from 1,505 to 2,065. In fact, 66% of the City's low income renters (<50% of Riverside County's median income) are severely cost burdened.

Housing Discrimination

The Meaning of Lending Discrimination and Private Discrimination

According to HUD:

The term "lending discrimination" refers here to unequal treatment based on protected class in the receipt of financial services and in residential real estate related transactions. These services and transactions encompass a broad range of transactions, including but not limited to: the making or purchasing of loans or other financial

assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling, as well as the selling, brokering, or appraising or residential real estate property.

Lending discrimination often is determined by loan denial disparities experienced by the fair housing protected classes and by higher than normal loan denial rates in neighborhoods populated by minority populations.

According to HUD:

The term “private discrimination” refers to discrimination in the private housing market that is illegal under the Fair Housing Act or related civil rights statutes. This may include, but is not limited to, discrimination by landlords, property managers, home sellers, real estate agents, lenders, homeowners’ associations, and condominium boards.

Useful references for the extent of private discrimination may be number and nature of complaints filed against housing providers in the jurisdiction, testing evidence, and unresolved violations of fair housing and civil rights laws.

The term “housing discrimination” refers to both lending and private discrimination.

Loan Denial Rates by Race, Ethnicity and Income

The Home Mortgage Disclosure Act (HMDA) data was used to calculate loan denial rates by race, ethnicity, and income and census tract. The HMDA data for calendar years 2012-2015 provided a four-year time period to analyze loan applications for homes located in Palm Desert’s census tracts.

From 2012-2015 there was a total of 2,106 loan applications. Of these loan applications, 249 were applications where the race or ethnicity was unknown. Of the remaining 1,857 applications where the race and ethnicity was known, the breakdown was as follows:

▪ White, Non-Hispanic:	1,475	79.4%
▪ Hispanic:	230	12.4%
▪ Black:	37	2.0%
▪ Asian:	97	5.2%
▪ All Other Races:	18	1.0%

The Mortgage Bankers Association has stated:

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

Source: Mortgage Bankers Association, MBA Handbook Series, *Handbook 2008-01: Fair Lending and Home Mortgage Disclosure Act Guide*, page 7

Neither HUD, the Comptroller of the Currency nor other Federal agencies have established a standard comparable to that of the Mortgage Bankers Association. The Interagency Fair Lending

Examination Procedures identify “indicators of potential disparate treatment in underwriting.” One of these indicators is “Substantial disparities among approval/denial rates for applicants by monitored prohibited basis characteristics (especially within income categories).” However, no quantitative measure of “substantial disparities” is stated in the examination procedures.

The largest disparity in loan denial rates was in the income group of \$50,000 or less income and occurred between White, Non-Hispanic (16.0%) and Hispanic (29.0%) loan applicants. The loan denial disparity ratio was 1.8 (29/16). While the ratio does not reach the MBA threshold of 2.0, the loan denial rates should be periodically monitored to determine if “substantial disparities” have occurred by race, ethnicity and income.

The Fair Housing Council of Riverside County, Inc. provides counseling related to lending discrimination and also conducts workshops to address this issue.

Loan Denial Rates by Census Tract

High loan denial rates in a census tract could be an indicator that loan applications are being denied because of the characteristics of the population living in those census tracts. Although the data are limited, there does not appear to be an association between high minority percentages in a census tract and high loan denial rates within that census tract. The census tracts with the highest loan denial rates (449.19 and 451.24) had low percentages of minority populations (10.7%).

Lending Audit

In 2013, FHCRC completed a comprehensive lending audit based on the following protected classes: race, disability, familial status and national origin. For the six lending audits, there were 12 instances of differential treatment, which occurred primarily on the bases of race and national origin. The major issue in the lending audit is the practice of the agent providing more information to the control auditor regarding the loan process than was provided to the protected auditor.

Although the findings are not specific to Palm Desert, they do indicate that in Riverside County discrimination on the basis of race and national origin occurs during the loan application process.

Rental, Sales and Lending Audit

In 2013, FHCRC completed a comprehensive rental, sales and lending audit based on the following protected classes: race, disability, familial status and national origin. FHCRC explains auditing as follows:

The primary focus of an audit is to detect possible discriminatory practices of rental housing providers. This is accomplished by having auditors pose as renters and then note the treatment given to them during the auditing procedure. The audits are intended to reveal differential treatment based on the protected class under both Federal and California law.

A paired audit consists of two individuals who are matched on personal, financial, and home-seeking characteristics so that the primary difference will only be race, disability, familial status, or national origin.

Four basic categories are analyzed to determine any marked area of difference:

- Availability
- Terms and Conditions
- Tenant Qualifications
- Courtesy/Overall Contribution

The audit sites were selected randomly within designated areas. This random method of selection was chosen as the method to duplicate, as closely as possible, the typical renter seeking residence within Riverside County.

FHCRC conducted 24 validated tests: 12 for rental housing, eight for the sale of housing, and four for housing finance. In sum, there could a total of 96 possible instances of discriminatory behavior – 24 validated tests times the four basic categories listed above. The 2013 audit found that:

- 41% of the possible cases resulted in differential treatment in favor of the control auditor (39/96). The control auditor did not belong to a protected class.
- 5% of the possible cases resulted in differential treatment in favor of the protected auditor (5/96). The protected auditor is minority or belongs to another of the fair housing protected classes.

In the 12 rental audits, there were 23 instances of differential treatment, which occurred on the following basis:

- Race 6 times
- Disability 6 times
- Familial Status 5 times
- National Origin 6 times

The most common form of differential treatment was when the control auditor was given more information than the protected auditor on rental housing availability.

For the six sales audits, there were nine instances of differential treatment, which occurred on the following basis:

- Race 6 times
- National Origin 3 times

The most common issue in the sales audits is the practice of sales agents providing more listings to the control auditor than the protected auditor. Another issue was the control auditor was given more information on higher priced homes even though the protected auditor and control auditor had identical incomes. This result demonstrated bias in favor of the control auditor.

Source: Fair Housing Council of Riverside County, Inc., *Riverside County: 2013 Rental, Sales and Lending Audit Analysis*. 39 pages

Although the findings are not specific to Palm Desert, they do indicate that in Riverside County discrimination occurs in the sale and rental housing as well as during the lending process. During the fiscal year 2016/2017, there were no discrimination filings that occurred during the sale and rental housing process of the Authority programs.

Housing Discrimination Complaint Data

Housing discrimination complaint data was compiled by the Fair Housing Council of Riverside County, Inc. (FHCRC) for the period from FY 2007-2008 through FY 2015-2016. City Table 23 describes the number and percentage of housing discrimination complaints by case category. During the nine-year period, 152 housing discrimination complaint cases were filed with the FHCRC. Almost 60% and 15% of all housing discrimination complaints were based on disability and race, respectively.

During the period from 2002-2012, 37 housing discrimination cases were filed with the California Department of Fair Employment and Housing (DFEH). The most frequent bases for the complaints were disability and race.

The San Francisco Regional Office of HUD provided the City with housing discrimination complaint data for the period from January 1, 2010 to December 31, 2016. During the seven year period, 30 cases were filed with HUD. The two most frequent bases for complaints were familial status and disability.

The FHCRC, DFEH and HUD data indicate that the most frequent basis for a housing discrimination complaint is disability.

City Table 23
City of Palm Desert
Housing Discrimination Complaints by Case Category
FY 2007-2008 to FY 2015-2016

Case Category	Number	Percentage Distribution
Disability	91	59.9%
Race	22	14.5%
Arbitrary	8	5.3%
Sex/Gender	8	5.3%
Familial Status	10	6.6%
National Origin	6	3.9%
Sexual Orientation	2	1.3%
Age	1	0.6%
Source of Income	2	1.3%
Marital Status	2	1.3%
Total	152	100%

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

City Table 24 describes the race and ethnicity of the persons filing a housing discrimination complaint. Of the 152 complaints filed with the FHCRC, 84 were made by White Non-Hispanic persons and 45 by Hispanic persons. The percentage of cases (55%) filed by White Non Hispanic persons is lower than this population's share (70%) of Palm Desert's total population. In

contrast, the percentage of cases (30%) filed by Hispanic persons exceed their share (23%) of the City's total population.

The most frequent alleged acts include discriminatory terms, conditions, privileges, or services and facilities; discriminatory refusal to rent; and failure to make reasonable accommodation.

HUD describes the first category as referring to actions that unlawfully subject individuals to different treatment, such as when a landlord makes repairs for white tenants but not for minority tenants, when a landlord charges higher deposits to wheelchair users, or when a landlord imposes stricter rules on families with children. The refusal to rent means the apartment manager will not rent an available unit to an apartment seeker. A reasonable accommodation is when, for example, an apartment manager denies the request of a tenant with a mobility impairment to have an assigned accessible parking space.

Housing discrimination complaints are an indicator of the magnitude of discrimination experienced by the City's population. The number of complaints filed is not, however, a true measure of the incidents of housing discrimination. Housing discrimination is underreported; therefore, the number of complaints does not accurately measure the extent of housing discrimination.

City Table 24
City of Palm Desert
Housing Discrimination Complaints by Race and Ethnicity
FY 2007-2008 to FY 2015-2016

Race/Ethnicity	Number	Percentage Distribution
White	84	55.3%
Hispanic	45	29.6%
Black	13	8.6%
American Indian	3	2.0%
Asian	1	0.6%
Other	6	3.9%
Total	152	100%

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

Evidence on underreporting is supported by a HUD-sponsored study conducted by The Urban Institute. That research study concluded:

Another finding with implications for fair housing programs involves the fact that so few people who believed they had been discriminated against took any action, with most seeing little point in doing so.

The Urban Institute, *How Much Do We Know: Public Awareness of the Nation's Fair Housing Laws*, prepared for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research, April 2002, pg. 7

▪ HCV Program	114
▪ Multifamily Developments	1,301
▪ LIHTC Developments	162

The program category of Public Housing refers to housing units owned by a housing authority established under the provisions of Federal law.

Multifamily Developments is the sum of housing units owned by the Palm Desert Housing Authority (1,113) as well as affordable housing units located in privately owned (350) developments. Multifamily Developments owned by the Palm Desert Housing Authority (PDHA) are noted by an * in City Table 25. When reference is made to the fact that 1,463 affordable housing units exist in the City, it refers to housing units that are located within the city limits and includes the units which are privately owned and also those owned by the PDHA.

The Housing Department oversees the City's affordable housing programs and the PDHA. The PDHA was established as a separate legal entity in December 1997 by the Palm Desert City Council to operate, and subsequently own, rental properties that were acquired from the Riverside County Housing Authority by the Palm Desert Redevelopment Agency. The City Council members were appointed as the PDHA Board.

Information on racial/ethnic groups is limited to HUD data on Section 8 HCV holders and one low income housing tax credit project. HUD Table 6 reports the following population group breakdown for the 114 Section 8 assisted households (45 of the 114 are located in the Authority owned housing units):

▪ White	62%
▪ Black	10%
▪ Hispanic	27%
▪ Asian	1%

There is one tax credit project located in Palm Desert: Hovley Gardens is a large family project with 162 low income units. Based on a 2016 demographic study, the Tax Credit Allocation Committee (TCAC) provided the City with the following tenant characteristics:

▪ Hispanic	457 or 78%
▪ Not Hispanic	47 or 8%
▪ Declined to Respond	79 or 14%

- ii. Compare the racial/ethnic demographics of each program category of publicly supported housing for the jurisdiction to the demographics of the same program category in the region.

Public Housing: In the Region, this program category is predominantly occupied by Hispanic (41.82%) and Black (34.30%) households. Public housing is not located in Palm Desert.

Project Based Section 8: In the Region, almost one-half (45.78%) of the housing units in this program category is occupied by Hispanic households. White and Black households each occupy approximately 23% of the Region's Section 8 project based housing units. Housing units in this program category are not located in Palm Desert.

Candlewood Apartments was a project based Section 8 property that was acquired by the former Palm Desert Redevelopment Agency in 2008 in order to preserve the units as affordable and is no longer a HUD based project. Candlewood Apartments has since then been transferred to the Authority and is now part of the affordable rental housing portfolio.

Other Multifamily: In the Region, more than one-third (36.47%) of the housing units are occupied by Hispanic households. White households occupy 30.53% of the housing units in this program category. Data are unavailable for all the multifamily affordable housing units located in Palm Desert.

HVC Program: In the Region, Black households occupy almost one-half (45.43%) of the housing units in this program category. White and Hispanic households each occupy approximately 25% of the HCV units. The Palm Desert data is noted above.

- iii. Compare the demographics, in terms of protected class, of residents of each program category of publicly supported housing (public housing, project-based Section 8, Other Multifamily Assisted developments, and HCV) to the population in general, and persons who meet the income eligibility requirements for the relevant program category of publicly supported housing in the jurisdiction and region. Include in the comparison, a description of whether there is a higher or lower proportion of groups based on protected class.

In the Region, across all program categories Black households occupy publicly supported housing units at proportions higher than they represent of the total population, which is 7%. Hispanic and White households each occupy such housing at a proportion lower than they represent of the total population, which is 47.25% and 36.61%. The Asian or Pacific Islander households occupy the affordable housing stock in roughly the same proportion as they represent of the total regional population with the exception of other multifamily units. The Asian or Pacific Islander households occupy almost 21% of the other family housing units but represent only 6.19% of the population.

Data are available on Palm's Desert's population in terms race, Hispanic ethnicity, sex of householder, disability and families with children. However, data are unavailable on the demographics of all the persons occupying the affordable rental and owner housing units.

Data are not available on the number and type of households residing in Palm Desert who are income eligible for the four categories of publicly supported housing. However, 49% of all renter households have low/moderate incomes (<80% of the County median), according to the 2010-2014 CHAS data.

b. Publicly Supported Housing Location and Occupancy

- i. Describe patterns in the geographic location of publicly supported housing by program category (public housing, project-based Section 8, Other Multifamily Assisted developments, HCV, and LIHTC) in relation to previously discussed segregated areas and R/ECAPs in the jurisdiction and region.

Data are unavailable on the number and type of publicly supported housing that is located in segregated areas and R/ECAPs located in the Region.

HUD-provided data indicates that Palm Desert has a low level of segregation and that there are no R/ECAPs located in the City.

City Table 25 shows the location of Palm Desert's affordable rental housing by census tract and the percentage of the population living in those census tracts that have low incomes and identify with a minority population group. The percent minority is based on the 2010 Census. The CDBG block group income data was used to compute percent low/mod income for each census tract. That data is for the 2006-2010 period which is the date that most closely corresponds to the 2010 Census.

All 26 developments are mixed income as different income groups occupy the housing units. The City has enacted density bonuses as incentives for developers to include some affordable housing units in otherwise market rate developments.

Approximately one-third of the affordable housing units are located in Census Tract 451.18. This census tract has two affordable developments. In addition, approximately one-fifth of all affordable housing units are located in Census Tract 451.08. The affordable housing units are located in four small apartment complexes, five large apartment complexes and nine units are located in two large assisted living complexes (Atria Palm Desert and Legend Gardens.)

The affordable housing developments are well located within the community and are in close proximity to jobs, particularly along Highway 111, public transit, shopping and services such as the Joslyn Center. Almost 10% of workers living in the two neighborhoods work at home or commute to work by walking or riding a bicycle.

City Table 26 demonstrates that publicly supported housing comprises a small percentage of the total housing in each census tract/neighborhood.

SECTION V

FAIR HOUSING ANALYSIS

**City Table 25
City of Palm Desert
Affordable Rental Housing Inventory: Rank Ordered by Census Tract Percent Minority**

Property Name	Street Address	Census Tract	Percent Low Income	Percent Minority	Total Number of Units	Total Affordable Units	Studio	1-Bed	2-Bed	3-Bed	4-Bed	Year Completed
Neighbors Garden*	73-535 Santa Rosa Way	451.08	53.3%	56.8%	24	24			24			1998
Taos Palms*	44-830 Las Palmas Ave.	451.08	53.3%	56.8%	16	16			16			1998
Laguna Palms*	73-875 Santa Rosa Way	451.08	53.3%	56.8%	48	48	4	16	28			2003
Palm Village Apts*	73-650 Santa Rosa Way	451.08	53.3%	56.8%	36	36			36			2007
The Pueblos*	73-695 Santa Rosa Way	451.08	53.3%	56.8%	15	15		15				1998
Catalina Gardens*	73-600 A Catalina Way	451.08	53.3%	56.8%	72	72	48	24				1998
Sagecrest Senior*	73-811 Santa Rosa Way	451.08	53.3%	56.8%	14	14	14					2009
Carel, Lee and Sandra	73-735 Santa Rosa Way	451.08	53.3%	56.8%	9	1			1			1997
L & T Development Co.	73-625 Catalina Way	451.08	53.3%	56.8%	42	4		4				1989
Atria Palm Desert	44-300 San Pasqual Ave.	451.08	53.3%	56.8%	154	5		5				1989
Legend Gardens**	73-685 Catalina Way	451.08	53.3%	56.8%	96	10	10					2000
River Run One	44-555 San Rafael Ave.	451.08	53.3%	56.8%	12	2	2					2003
Santa Rosa Apts.*	73-625 Santa Rosa Way	451.08	53.3%	56.8%	20	20			20			N/A
One Quail Place*	72-600 Fred Waring Dr.	451.18	59.3%	56.4%	384	384		156	228			1998
Desert Pointe*	43-805 Monterey Ave.	451.18	59.3%	56.4%	64	64	34	24	6			1998
La Rocca Villas*	42-135 Golden Eagle Ln.	449.30	38.6%	48.1%	27	27		27				2007
Canterra Apts. I	74-401 Hovley Lane East	449.30	38.6%	48.1%	306	31		12	17	2		2003
Hovley Gardens	74-501 42nd. Ave.	449.30	38.6%	48.1%	163	162			72	72	18	2003
California Villas*	77-107 California Ave.	449.11	45.6%	33.3%	141	141		141				2003
Villas on the Green	77-120 California Ave.	449.11	45.6%	33.3%	76	15	3	10	2			2002
Carlos Ortega Villas Apts.*	77-915 Avenue of the States	449.11	45.6%	33.3%	72	72		72				N/A
The Enclave	35-751 Gateway Dr.	449.22	19.1%	25.7%	320	64		19	39	6		2007
Vineyards	37-600 College Dr.	449.22	19.1%	25.7%	260	52		47	5			2011
Candlewood*	74-000 Shadow Mnt. Dr.	451.17	37.2%	25.3%	30	30		26	4			2006
Las Serenas*	73-315 Country Club Dr.	449.29	37.8%	24.2%	150	150		100	50			1998
Total					2,551	1,463	119	698	548	80	18	

Note: *refers to developments owned by the Palm Desert Housing Authority; **10 Studios are actually 10 beds; **Year** completed for Non-Agency properties is the C of O date. For Atria Palm Desert and Legend Gardens, the number of housing units refers to bed capacity per the California Department of Social Services, Community Care Licensing Division. Sources: City of Palm Desert Housing Department and California Department of Social Services, Community Care Licensing Division. American Community Survey, 2011-2015. AB 987 list of housing developments assisted by the Low and Moderate Income Housing Fund. Table construction by Castañeda & Associates

City Table 26
City of Palm Desert
Affordable Housing Units as a Percent of All Housing Units by Census Tract

Census Tract	Number of Affordable Units	Total Housing Units¹	Percent Affordable
449.11	228	3,066	7.4%
449.22	116	4,417	2.6%
449.29	150	3,395	4.4%
449.30	220	3,084	7.1%
451.08	271	2,917	9.3%
451.17	30	2,931	1.0%
451.18	448	1,921	23.3%
Total	1,463	21,731	6.7%

¹Total Housing Units includes portions of census tracts located outside the boundaries of Palm Desert.

Source: American FactFinder, American Community Survey 2011-2015 5-Year Estimates, Table B25001 Housing Units.

Table construction by Castañeda & Associates

- ii. Describe patterns in the geographic location for publicly supported housing that primarily serves families with children, elderly persons, or persons with disabilities in relation to previously discussed segregated areas or R/ECAPs in the jurisdiction and region.

Data are unavailable on the number and type of publicly supported housing that is located in segregated areas and R/ECAPs located in the Region.

The geographic location of Palm Desert's public supported housing is discussed in the following paragraphs.

The City has 15 affordable family apartment communities. These developments are located in five different census tracts/neighborhoods

The City has 11 affordable senior housing developments. These developments are located in five different census tracts as well.

- iii. How does the demographic composition of occupants of publicly supported housing in R/ECAPs compare to the demographic composition of occupants of publicly supported housing outside of R/ECAPs in the jurisdiction and region?

No R/ECAPs are located in Palm Desert.

Comprehensive data are unavailable on the demographic characteristics of the occupants of Palm Desert's publicly supported housing.

No data are available regarding the demographic characteristics of persons residing in publicly supported housing inside or outside the Region's R/ECAPs.

- iv. (A) Do any developments of public housing, properties converted under the RAD, and LIHTC developments have a significantly different demographic composition, in terms of protected class, than other developments of the same category for the jurisdiction? Describe how these developments differ.

HUD has conditionally approved the County of Riverside Housing Authority's conversion of its 469 public housing units to Project Based Vouchers under the Rental Assistance Demonstration Program (RAD). None of the public housing units are located in Palm Desert.

Hovley Gardens is the one LIHTC development located in the City. It is a large family development consisting of 162 low income units: 72 2-bedroom units; 72 3-bedroom units; and 18 4-bedroom units.

- (B) Provide additional relevant information, if any, about occupancy, by protected class, in other types of publicly supported housing for the jurisdiction and region.

HUD Table 15 indicates that in the Region almost 6,300 disabled persons occupy publicly supported housing. In Palm Desert, 46 disabled persons live in housing assisted by the Section 8 HCV Program. According to the TCAC data, no disabled persons occupy Hovley Gardens.

- v. Compare the demographics of occupants of developments in the jurisdiction, for each category of publicly supported housing (public housing, project-based Section 8, Other Multifamily Assisted developments, properties converted under RAD, and LIHTC) to the demographic composition of the areas in which they are located. For the jurisdiction, describe whether developments that are primarily occupied by one race/ethnicity are located in areas occupied largely by the same race/ethnicity. Describe any differences for housing that primarily serves families with children, elderly persons, or persons with disabilities.

There is insufficient information on the demographics of occupants of publicly supported housing located in the City to compare to demographics of the census tracts in which they are located. In Palm Desert, affordable housing comprises a small share of the housing units in a census tract and, therefore, does not significantly influence the demographics of a census tract.

c. Disparities in Access to Opportunity

- i. Describe any disparities in access to opportunity for residents of publicly supported housing in the jurisdiction and region, including within different program categories (public housing, project-based Section 8, Other Multifamily Assisted Developments, HCV, and LIHTC) and between types (housing primarily serving families with children, elderly persons, and persons with disabilities) of publicly supported housing.

The analysis of access to opportunity involved education, employment, transportation, poverty and environmental health. The analysis found no significant disparities in terms of race/ethnicity or between different neighborhoods/census tracts.

Affordable housing is located in seven census tracts/neighborhoods and, therefore, is not concentrated geographically. Thus, the residents of affordable housing share the same access to opportunity that the occupants of market rate housing do.

2. Additional Information

- a. Beyond the HUD-provided data, provide additional relevant information, if any, about publicly supported housing in the jurisdiction and region, particularly information about groups with other protected characteristics and about housing not captured in the HUD-provided data.

The foregoing analysis is based on the HUD-provided data as well as local data and knowledge. Several City tables supplemented HUD tables and maps.

- b. The program participant may also describe other information relevant to its assessment of publicly supported housing. Information may include relevant programs, actions, or activities, such as tenant self-sufficiency, place-based investments, or geographic mobility programs.

Density Bonus Policies

The Zoning Ordinance contains Affordable Housing and Density Bonus Provisions that provide incentives for the production of affordable housing for low/moderate income households, special needs households, and seniors. These provisions have facilitated the development of mixed income housing in several apartment communities.

Mixed Income Housing Developments

Mixed income housing has been facilitated by the City's density bonus program. Examples of mixed income developments include Canterra Apartments Phase I, Villas on the Green, The Enclave and Vineyards. The City will continue to encourage mixed income developments through the density bonus incentives.

3. Contributing Factors-of Publicly Supported Housing Location and Occupancy

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of fair housing issues related to publicly supported housing, including Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor that is significant, note which fair housing issue(s) the selected contributing factor relates to.

- Admissions and occupancy policies and procedures, including preferences in publicly supported housing
- Community opposition
- Displacement of residents due to economic pressures
- Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking
- Impediments to mobility
- Lack of access to opportunity due to high housing costs
- Lack of meaningful language access
- Lack of local or regional cooperation
- Lack of private investment in specific neighborhoods
- Lack of public investment in specific neighborhoods, including services and amenities
- Land use and zoning laws

- Loss of Affordable Housing
- Occupancy codes and restrictions
- Quality of affordable housing information programs
- **Siting selection policies, practices and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs**
- Source of income discrimination

According to HUD the term “siting selection” refers to the placement of new publicly supported housing developments. Placement of new housing refers to new construction or acquisition with rehabilitation of previously unsubsidized housing. State and local policies, practices, and decisions can significantly affect the location of new publicly supported housing. A state policy of concern to HUD is the priorities and requirements set out in the governing Qualified Allocation Plan (QAP) of Housing Finance Agencies that influence where developments are located. There is concern that such policies have not affirmatively furthered fair housing.

In California, the Tax Credit Allocation Committee (TCAC) adopts the QAP regulations. In February 2017, the Department of Housing and Community Development (HCD) and TCAC convened a group of independent organizations and research centers with the purpose of establishing a state fair housing taskforce.

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 concentrations of poverty, and
- Encourage additional access to opportunity through land use policy and affordable housing program design and implementation.

The Fair Housing Taskforce 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 the fair housing goals (as defined by HCD).

The first task for the group was to assist TCAC and HCD in creating evidence-based approaches to increasing access to opportunity for families with children living in housing subsidized by the Low-Income Housing Tax Credit (LIHTC) program. TCAC and HCD asked the taskforce to create a statewide opportunity mapping tool that could be adopted into the QAP to accompany regulations to incentivize 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 map could also be used in HCD programs and policies. {Emphasis added}

The draft mapping tool completed in early August 2017 for California regions. Among the indicators used to construct the opportunity maps are poverty, employment, commute times,

math and reading proficiency, and high school graduation. The Fall 2017 QAP change proposals will likely reference and seek to define the use of the opportunity maps.

The HCD/TCAC effort, as noted earlier, is to incentivize development of large-family, new construction developments in high opportunity/high resource neighborhoods. The City's current demographics do not indicate a high need for large family (5+ persons) housing developments. However, in the future, the TCAC/LIHTC program or perhaps other funding programs may adopt siting policies regarding the location of housing for small families, seniors and special needs households.

D. DISABILITY AND ACCESS ANALYSIS

1. Population Profile

- a. How are persons with disabilities geographically dispersed or concentrated in the jurisdiction and region, including R/ECAPs and other segregated areas identified in previous sections?

Data are unavailable on the regional geographic dispersion of disabled persons. The disability prevalence rates are highest among seniors 65 years of age or older. Thus, communities with a higher proportion of elderly persons – such as the Coachella Valley – would be expected to have a large share of disabled persons compared to communities with a younger age profile.

HUD Table 13 – Disability by Type – shows disabilities according to six types:

Hearing difficulty refers to persons who are deaf or have serious difficulty hearing.

Vision difficulty refers to persons who are blind or have serious difficulty seeing even when wearing glasses.

Cognitive difficulty refers to persons who have serious difficulty concentrating, remembering, or making decisions.

Ambulatory difficulty refers to persons who have serious difficulty walking or climbing stairs.

Self-care difficulty refers to persons who have difficulty dressing or bathing. Difficulty with these activities are two of six specific Activities of Daily Living (ADLs) often used by health care providers to assess patients' self-care needs.

Independent living difficulty refers to persons who, if due to a physical, mental, or emotional condition, have difficulty doing errands alone such as visiting a doctor's office or shopping. Difficulty with this activity is one of several Instrumental Activities of Daily Living (IADL) used by health care providers in making care decisions.

HUD Table 14 – Disability by Age Group – indicates that approximately 6,900 disabled persons live in Palm Desert. Elderly persons comprise 64% of all disabled persons.

The most prevalent disabilities are ambulatory difficulty, hearing difficulty, and independent living difficulty.

With regard to geographic dispersion or concentration, City Table 27 indicates by census tract the number and percentage of persons with hearing, vision or cognitive difficulties. All census tracts have persons with these difficulties. A summary of Table 27 is presented below:

- On a census tract basis, the percentage of persons with hearing difficulties ranges from a low of 3.2% to a high of 16.1% of the City total of 3,029.
- On a census tract basis, the percentage of persons with vision difficulties ranges from a low of 1.6% to a high of 15.6% of the City total of 1,033.
- On a census tract basis, the percentage of persons with cognitive difficulties ranges from a low of 1.3% to a high of 14.8% of the City total of 1,795.

No census tract has 20% or more of the persons with hearing, vision or cognitive difficulties. Thus, the data demonstrate there is not a geographic concentration of persons with these difficulties.

City Table 27
City of Palm Desert
Number and Percentage of Disabilities by Type and Census Tract
(Hearing, Vision and Cognitive Difficulties)

Census Tract	Hearing Difficulty	Percent of Total	Vision Difficulty	Percent of Total	Cognitive Difficulty	Percent of Total
449.11	215	7.1%	76	7.4%	130	7.2%
449.19	488	16.1%	140	13.6%	192	10.7%
449.22	247	8.2%	161	15.6%	45	2.5%
449.27	153	5.1%	73	7.1%	100	5.6%
449.28	240	7.9%	58	5.6%	76	4.2%
449.29	149	4.9%	37	3.6%	110	6.1%
449.30	129	4.3%	34	3.3%	127	7.1%
451.08	296	9.8%	113	10.9%	265	14.8%
451.14	126	4.2%	28	2.7%	99	5.5%
451.15	194	6.4%	17	1.6%	24	1.3%
451.16	96	3.2%	44	4.3%	96	5.3%
451.17	303	10.0%	113	10.9%	246	13.7%
451.18	137	4.5%	27	2.6%	177	9.9%
451.19	124	4.1%	23	2.2%	36	2.0%
451.24	132	4.4%	89	8.6%	72	4.0%
Total	3,029	100.0%	1,033	100.0%	1,795	100.0%

Note: Percent of total means the number with a difficulty within a census tract divided by the total persons with that difficulty – 215 persons in Census Tract 449.11 divided by sum of all persons with a hearing difficulty – 3,029.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Map 14 – Disability by Type – Vision, Hearing, and Cognitive Disabilities

Table construction by Castañeda & Associates

With regard to geographic dispersion or concentration, City Table 28 indicates by census tract the number and percentage of persons with ambulatory, self-care or independent living difficulties. All census tracts have persons with these difficulties. A summary of Table 28 is presented below:

- On a census tract basis, the percentage of persons with ambulatory difficulties ranges from a low of 3.1% to a high of 15.4% of the City total of 3,951.

- On a census tract basis, the percentage of persons with self-care difficulties ranges from a low of 0.7% to a high of 24.6% of the City total of 1,373.
- On a census tract basis, the percentage of persons with cognitive difficulties ranges from a low of 1.9% to a high of 20.5% of the City total of 2,701.

The data indicate a geographic dispersion of the vast majority of ambulatory, self-care and cognitive difficulties. A discussion of Census Tract 451.08 is provided in “b” below.

No R/ECAPs are located in Palm Desert and the HUD-provided data show that the City has a low segregation level.

City Table 28
City of Palm Desert
Number and Percentage of Disabilities by Type and Census Tract
(Ambulatory, Self Care and Independent Living Difficulties)

Census Tract	Ambulatory Difficulty	Percent of Total	Self-Care Difficulty	Percent of Total	Independent Living Difficulty	Percent of Total
449.11	497	12.6%	167	12.2%	186	6.9%
449.19	610	15.4%	10	0.7%	317	11.7%
449.22	136	3.4%	49	3.6%	181	6.7%
449.27	138	3.5%	78	5.7%	78	2.9%
449.28	267	6.8%	68	5.0%	191	7.1%
449.29	265	6.7%	101	7.4%	200	7.4%
449.30	211	5.3%	117	8.5%	125	4.6%
451.08	602	15.2%	338	24.6%	555	20.5%
451.14	145	3.7%	81	5.9%	125	4.6%
451.15	122	3.1%	42	3.1%	98	3.6%
451.16	123	3.1%	25	1.8%	135	5.0%
451.17	301	7.6%	150	10.9%	254	9.4%
451.18	228	5.8%	67	4.9%	152	5.6%
451.19	164	4.2%	42	3.1%	51	1.9%
451.24	142	3.6%	38	2.8%	53	2.0%
Total	3,951	100.0%	1,373	100.0%	2,701	100.0%

Note: Percent of total means the number with a difficulty within a census tract divided by the total persons with that difficulty – 497 persons in Census Tract 449.11 divided by sum of all persons with an ambulatory difficulty – 3,951 – living in that census tract.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Map 14 – Disability by Type – Ambulatory, Self-Care, and Independent Disabilities

Table construction by Castañeda & Associates

- b. Describe whether these geographic patterns vary for persons with each type of disability or for persons with disabilities in different age ranges for the jurisdiction and region.

Data are unavailable on the regional geographic dispersion of disabled persons by each type of disability.

Approximately 19% of all the persons with ambulatory, self-care and cognitive difficulties live in Census Tract 451.08. Six residential care facilities for the elderly with a combined capacity of 543

beds are located in this census tract including Atria Hacienda, Atria Palm Desert, and Legend Gardens. The facilities offer independent living, assisted living, and memory care for those who are living with Alzheimer's or other forms of dementia. The facilities are located in the midst of a neighborhood comprised of 2,700 housing units. The Joslyn Senior Center is located within the neighborhood across from the 96-bed Legend Gardens. Thus, the residents of the residential care facilities live in a neighborhood that has single-family homes, apartments and social services and that is located in close proximity to the Civic Center.

The names, locations and capacities of Palm Desert's residential care facilities for the elderly (RCFEs) and skilled nursery facilities (SNFs) are shown in City Tables 29 and 30.

City Table 29
City of Palm Desert
Licensed Residential Care for the Elderly: 2017

Name	Number of Beds	Address	Census Tract
Atria Hacienda	266	44600 Monterey Avenue	451.08
Atria Palm Desert	154	44300 San Pascual Avenue	451.08
Legend Gardens	96	73685 Catalina Way	451.08
Trinity Gardens on Portola	15	44277 Portola Avenue	451.08
Accent Loving Care Persona Care II	6	73463 Guadalupe Avenue	451.08
Avatar Retirement Home	6	44645 San Onofre Avenue	451.08
Casa de Harkness	6	74050 Scholar Lane West	449.22
Comforts of Home Residential Care	6	74092 Jeri Lane	449.22
Desert Care RCFE	6	112 Romanza Lane	449.22
Petunia Royal e Assisted Living	6	74127 E. Petunia Avenue	449.22
Senior Hope Manor	6	74115 Portola Pointe	449.22
St. Mary's Love and Care Home	6	74039 Kokopelli Circle	449.22
Victoria Falls Home Care 2	6	119 Azzuro Drive	449.22
Wood ward Manor Board & Care	6	73560 Woodward Drive	449.22
Hovley Care LLC	6	40827 Hovley Court	449.29
Sagewood Residential Care	6	40024 Sagewood Drive	449.29
Absolute Desert Care 2	6	73137 Somera Road	451.14
Villa de Somera	6	73137 Somera Road	451.14
Mirage Hope Manor	6	38760 Desert Mirage Drive	449.19
Bella Casa 2	6	77632 Barons Drive	449.27
Britannia Lodge	6	73433 Juniper Street	451.17
Desert Lily Home Care	6	74602 Strawflower Circle	451.19

Source: California Department of Social Services, Community Care Licensing Division
Table construction by Castañeda & Associates

**City Table 30
City of Palm Desert
Licensed Skilled Nursing Facilities: 2017**

Name	Capacity	Address	Census Tract
Manocare Health Services	178	74-350 Country Club Drive	449.29
Monterey Palms Health Care	99	44-610 Monterey Avenue	451.08
The Springs at the Carlotta	59	41-505 Carlotta Drive	449.28

Source: California Department of Public Health, Health Facilities Consumer Information System
Table construction by Castañeda & Associates

City Table 31 shows the number of disabled persons by census tract and three age groups. Approximately 4,500 of the 6,900 disabled people are 65 years of age or older. The largest numbers of *disabled elderly* live in Census Tracts 449.19 (914) and 451.08 (705). As previously explained, six RCFE and one SNF are located in census tract 451.08. One 6-bed RCFE and no SNF are located in census tract 449.19. Thus, the disabled elderly living in this census tract must live in their own home or apartment.

**City Table 31
City of Palm Desert
Number and percentage of Disabled Persons by Age and Census Tract**

Census Tract	Age 5-17 Years	Percent of Total	Age 18-64 Years	Percent of Total	Age 65 Years+	Percent of Total	Total	Percent of Total
449.11	18	9.7%	392	17.7%	315	6.9%	725	10.4%
449.19	0	0.0%	97	4.4%	914	20.1%	1011	14.6%
449.22	57	30.8%	73	3.3%	292	6.4%	422	6.1%
449.27	33	17.8%	80	3.6%	241	5.3%	354	5.1%
449.28	0	0.0%	79	3.6%	336	7.4%	415	6.0%
449.29	11	5.9%	34	1.5%	365	8.0%	410	5.9%
449.30	31	16.8%	126	5.7%	202	4.5%	359	5.2%
451.08	0	0.0%	258	11.6%	705	15.5%	963	13.9%
451.14	0	0.0%	98	4.4%	200	4.4%	298	4.3%
451.15	0	0.0%	95	4.3%	171	3.8%	266	3.8%
451.16	0	0.0%	138	6.2%	121	2.7%	259	3.7%
451.17	25	13.5%	255	11.5%	255	5.6%	535	7.7%
451.18	0	0.0%	195	8.8%	199	4.4%	394	5.7%
451.19	10	5.4%	195	8.8%	67	1.5%	272	3.9%
451.24	0	0.0%	104	4.7%	154	3.4%	258	3.7%
Total	185	100.0%	2,219	100.0%	4,537	100.0%	6,941	100.0%

Note: Percent of total means the number of disabled persons by age group within a census tract divided by the total disabled persons – 18 disabled persons age 5-17 years in Census Tract 449.11 divided by sum of all disabled persons– 185.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool, Map 14 – Disability by Type – Ambulatory, Self-Care, and Independent Disabilities

Table construction by Castañeda & Associates

2. Housing Accessibility

- a. Describe whether the jurisdiction and region have sufficient affordable, accessible housing in a range of unit sizes.

Data are unavailable on the question of whether the Region has a sufficient supply of affordable, accessible housing.

An inventory completed by the Riverside County Office on Aging indicates that eight affordable housing developments located in Palm Desert have one or more accessible housing units. The affordable housing developments include: Canterra Apartments, Carlos Ortega Villas, Hovley Gardens, La Rocca Villas, Laguna Palms, Palm Village, Santa Rosa and Villas on the Green.

According to another report prepared by the Office on Aging:

Affordable housing is a serious problem for seniors and adults with disabilities at this time in Riverside County and will increase in importance as efforts are made to reduce institutionalization and provide support to individuals living in community settings.

According to the State Department of Developmental Services:

Affordable housing is a cornerstone to individuals with developmental disabilities residing in their local communities. Due to the high cost of housing in California, many individuals served by the regional centers require deep subsidies in order to make housing affordable. DDS is actively pursuing projects that will increase capacity and precipitate the construction of new affordable housing.

- b. Describe the areas where affordable accessible housing units are located in the jurisdiction and region. Do they align with R/ECAPs or other areas that are segregated?

Data are unavailable on the question of where affordable accessible housing units are located in the Region.

There are no R/ECAPs located within the City limits.

The eight affordable housing developments with one or more accessible units are located in three different census tracts. Thus, there is not a concentration of accessible housing units in Palm Desert.

Data are unavailable on the types of living arrangements experienced by Palm Desert's developmentally disabled population. In California, the persons served by DDS in both the "Birth through 17" and "18 and Older" age groups increased for those residing in the home of a parent, guardian, or conservator (labeled "Own Home-Family"). In 2016, approximately 94% of the developmentally disabled persons 17 years of age or less resided in a home. Almost 51% of the "18 and Older" age group lived in a home in 2016. Concurrently, the percentage decreased for those residing in community care settings and developmental centers.

These changes are consistent with the high priority the Lanterman Act places on providing opportunities for children with developmental disabilities to live with families and for people of all ages to live in homelike environments. The percentage of people 18 years of age and older residing in supported living and independent settings decreased between January 2006 and

January 2016. This change follows the Lanterman Act's direction to provide, "opportunities for individuals with developmental disabilities to be integrated into the mainstream of life in their home communities, including supported living and other appropriate community living arrangements."

Source: California Department of Developmental Services, *Fact Book – Fourteenth Edition*, June 2017, page 13

- c. To what extent are persons with different disabilities able to access and live in the different categories of publicly supported housing in the jurisdiction and region?

Data are unavailable on number of persons with different disabilities who live or are able to live in publicly supported housing.

3. Integration of Persons with Disabilities Living in Institutions and Other Segregated Settings

- a. To what extent do persons with disabilities in or from the jurisdiction or region reside in segregated or integrated settings?

In this question, HUD is asking the City to assess the integration of persons with disabilities living in institutions or other segregated settings. A significant component of this analysis is the assessment of issues related to the Supreme Court's decision in *Olmstead v. L.C.*, 527 U.S. 581 (1999). Individuals with disabilities 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 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).¹

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. HUD programs, for example, serve as an important resource for affordable housing opportunities for individuals with disabilities, including individuals who are transitioning out of, or at serious risk of entering, institutions.

In this portion of the assessment, HUD is asking the City to assess to what extent persons with disabilities reside in segregated or integrated settings, as well as the range of options for persons with disabilities to access affordable housing and supportive services in community-based settings within the jurisdiction and region.

California Olmstead Plan

The Court decision required states to prepare Olmstead Plans. The *California Olmstead Plan Update on its Implementation* was prepared in November 2012. The update was organized into four categories:

- State Commitment
- Assessment and Transition
- Diversion

- Data and Research

The “Transition from Institutional Settings” sub-category describes services that facilitate transitions from institutional settings to the most integrated settings appropriate for their needs, based on informed consumer choice.

Transition from Institutional Settings

Examples of transitions from institutional settings are described below:

- Developmental Center Closures. The Department of Developmental Services successfully closed Agnews Developmental Center and the Sierra Vista Community Facility. These closures transitioned most residents into the community, ensuring continuity of services between the centers and the community and specifically enhancing community-based services in the San Francisco Bay Area by developing 60 homes that will remain available to people with developmental disabilities in perpetuity. The Department of Developmental Disabilities is also implementing the closure of Lanterman Developmental Center, which the Legislature approved as part of the 2010-2011 budget.
- California Community Transitions (CCT). California Community Transitions (CCT) is California’s Money Follows the Person demonstration to transition long-term residents from long-term care facilities to community environments. CCT lead organizations include Independent Living Centers, Home Health Agencies, Area Agencies on Aging and Multipurpose Senior Services Program providers as well as the Department of Developmental Services. Fifteen lead organizations are currently serving potential demonstration participants in 42 counties. Another seven providers are actively pursuing lead organization status. The Department of Developmental Services serves as lead for all California Community Transitions facilitated by regional centers. Through October 2010, lead organizations and the Department of Developmental Services have supported 286 individuals in their transitions with 244 individuals currently in various stages of transition planning.
- Independent Living Centers. The State Independent Living Plan identifies transition services as part of its 2010-2013 priorities. Approximately \$150,000 is allocated annually for independent living centers to provide necessary services to individuals they are assisting to transition to the community, limited to \$4,000 per individual. Individuals served do not need to be on Medi-Cal. These efforts funded by the Rehabilitation Act, Title VIIB, have transitioned hundreds of people with disabilities back to community living.
- Mental Health Services Act Housing Program. The Department of Health Care Services and the California Housing Finance Administration jointly administer the Mental Health Services Act Housing Program. This program is funded by revenue from the state Mental Health Services Act (passed by California voters as Proposition 63 in 2004) for the development, acquisition, and rehabilitation of permanent supportive housing for individuals with mental illness and their families, especially homeless individuals with mental illness and their families. Approximately \$400 million in Mental Health Services Act funding has been set aside for this program. (Funding for this program is no longer available.)

State Housing Element Law

According to the California Department of Housing and Community Development:

Many individuals with a disability live on a small, fixed income, limiting their ability to pay for housing. Individuals with mental, physical, and developmental disabilities need affordable, conveniently located housing that has been (or can be) specially adapted to address accessibility issues and include on- or offsite support services, including inpatient/outpatient day-treatment programs.

The City's land use and zoning policies and practices adhere to Housing Element Law as well as Health and Safety Code sections 1267.8, 1566.3, 1568.08 which require local governments to treat licensed group homes and residential care facilities with six or fewer residents no differently than other by-right single-family housing uses. "Six or fewer persons" does not include the operator, the operator's family, or persons employed as staff. Local agencies must allow these licensed, residential-care facilities in any area zoned for residential use, and may not require licensed, residential-care facilities for six residents or less to obtain conditional use permits or variances that are not required of other family dwellings.

Furthermore, the California Community Care Facilities Act requires the Department of Social Services to take "overconcentration" of residential care facilities into account when making its licensing decisions for such facilities. "Overconcentration" means like facilities should be separated by a distance of 300 feet or more. However, residential care facilities for the elderly are exempt from this requirement while adult residential facilities are not.

Housing for Disabled Persons

In Palm Desert, almost one of every four households has a member with 1 or more disability. The City has almost 5,700 households with a disabled person, according to the 2010 Census and data from the American Community Survey. Ninety-five percent of disabled people live in a housing unit – mobile home, apartment, condominium or single-family home – rather than in an assisted living facility. Therefore, disabled persons live in integrated neighborhood settings. The elderly and frail elderly may need in home supportive services and eventually, as disabilities worsen, may need to relocate to one of the City's assisted living facilities.

Some disabled persons live in a Residential Care Facility for the Elderly (RCFE). According to the California Department of Social Services, a RCFE is a residential home for seniors aged 60 and over who require or prefer assistance with care and supervision. They may also be known as assisted living facilities, retirement homes and board and care homes. In the City, there are 18 residential care facilities located in single-family homes. The homes have a maximum capacity of six disabled persons and they are located in eight different census tracts/neighborhoods.

In addition, some disabled persons live in an Adult Residential Facility (ARF). According to the California Department of Social Services, an ARF is a residential home for adults ages 18 through 59 with mental health care needs or who have physical or developmental disabilities and require or prefer assistance with care and supervision. There are two adult residential care facilities located in Palm Desert. Each is located in a single family home and each has a capacity of six persons.

- b. Describe the range of options for persons with disabilities to access affordable housing and supportive services in the jurisdiction and region.

Program 5.B of the City's Housing Element promotes the inclusion of housing for disabled persons in affordable housing developments, as follows:

The City will continue to coordinate with the Inland Regional Center, Desert Arc and other appropriate agencies and organizations that serve the developmentally and physically disabled population. The City will continue to **encourage developers to reserve a portion of affordable housing projects for the disabled**, including those with developmental disabilities. The City will support funding applications for such projects, and will consider fee waivers and reductions when these projects are proposed. Housing Authority properties are one of the vehicles available to encourage rental to developmentally disabled individuals. [Emphasis added]

The Section 8 Housing Choice Voucher Program is administered by the Housing Authority of the County of Riverside (HA). The HA has adopted an Administrative Plan for the Housing Choice Voucher Program, effective July 1, 2016. According to the Administrative Plan, the Housing Authority implements HUD and HA eligibility admission criteria. With regard to the selection of families from the Section 8 waiting list, disabled families are in the second level which involves a County of Riverside residency preference and working families with minors or elderly families or disabled families.

The HA assists families with disabilities in locating accessible units by:

1. Providing a rental listing (which includes handicapped accessible units) of owners willing to rent to Housing Choice Voucher Program participants, and
2. Providing a listing of service agencies that provide services to help the disabled, and
3. Providing reasonable accommodation by extending the term of the voucher, if warranted.

Source: Housing Authority of the County of Riverside, *Administrative Plan for the Housing Choice Voucher Program*, effective July 1, 2016, page 40

The Palm Desert Housing Authority owns more than 1,000 rental properties. The RPM Company manages the Palm Desert Housing Authority properties' and has been monitoring them since 1998. The Housing Authority's *Administrative Policies and Procedures for the Management and Operation of its Affordable Housing Units* include a reasonable accommodation policy and considers reasonable physical modifications as requests are made.

With respect to support services, the Joslyn Center provides health, recreational, educational and social programs along with information, referral, volunteer and support services for adults age 50+ in the communities of Palm Desert, Indian Wells and Rancho Mirage.

Desert ARC serves adults 18 and older with developmental disabilities, including autism, cerebral palsy, Down Syndrome, epilepsy, and other medical conditions. Many have multiple disabilities and 99% are low income and receive Social Security and Medicare benefits. Currently Desert ARC has more than 650 clients enrolled in various programs throughout the Coachella Valley and the Morongo Basis. The client base of Desert ARC is growing at an average of 3-5% per year.

With the goal of helping each client live as independently as possible, Desert ARC offers a broad array of programs and services tailored to the unique needs of each client. They include: vocational training; job development; job placement and employment; independent living support with 24 hour emergency assistance; hot meals and nutrition; transportation; support and training for self help and independent living; case management and personalized coordination of client services; advocacy for client needs; and community integration.

Riverside County's In Home Supportive Services Program helps elders, dependent adults and minors to live safely in their own homes or other non-institutional settings. Services may include assistance with meal preparation and clean-up, food shopping, bathing, dressing, personal care, house cleaning, assistance with medications and certain other paramedical assistance (with physician approval). Eligibility for IHSS includes:

- Elders, dependent adults and minors whose disability is expected to continue longer than 12 months.
- Elders, dependent adults and minors whose physician or a medical professional has determined that they are unable to remain safely in their own home without IHSS.

4. Disparities in Access to Opportunity

a. To what extent are persons with disabilities able to access the following in the jurisdiction and region? Identify major barriers faced concerning:

i. Government services and facilities

The City completed ADA Transition Plans in 1993 and 2008 that covered government services and facilities. A transition plan for the Palm Desert Housing Authority is currently underway and a citywide transition plan is planned for completion next fiscal year.

The City has a form allowing persons to Request an Accommodation or Barrier Removal. Although only a few requests have been made, the City has recently developed a system for tracking such requests.

ii. Public infrastructure (e.g., sidewalks, pedestrian crossings, pedestrian signals)

Refer to response for i above. In addition, many of the City sidewalks and intersections are ADA compliant and where there are existing needs, the City will address them in conjunction with other infrastructure improvement plans.

iii. Transportation

SunDial offers curb-to-curb paratransit service to Coachella Valley residents unable to use regular bus service. SunDial provides next day transportation service within $\frac{3}{4}$ of a mile on either side of any local SunLine bus route (excluding Commuter Link 220 and North Shore Line 95).

The General Plan Mobility Element includes the following goal:

Senior Transit. Encourage existing paratransit services in the City to provide transit access for seniors and persons with disabilities.

iv. Proficient schools and educational programs

The Individuals with Disabilities Education Act (IDEA) ensures that all children with disabilities are entitled to a free appropriate public education to meet their unique needs and prepare them for further education, employment, and independent living. Prior to IDEA, over 4 million children with disabilities were denied appropriate access to public education. Many children were denied entry into public schools altogether, while others were placed in segregated classrooms, or in regular classrooms without adequate support for their special needs

Source: U.S. Department of Education, 2010

The Desert Sands Unified School District has adopted the following policy:

The district shall provide special education instruction and services for individuals with exceptional needs in accordance with the federal Individuals with Disabilities Education Act.

v. Jobs

Data are unavailable on the number of disabled persons who are in the labor force and their employment status. According to the State Council on Disabilities, a high priority is meaningful jobs that are not below the minimum wage for working adults with disabilities.

- b. Describe the processes that exist in the jurisdiction and region for persons with disabilities to request and obtain reasonable accommodations and accessibility modifications to address the barriers discussed above.

California's housing element law requires cities to adopt a reasonable accommodation procedure. Thus, cities in the Region either have either adopted such a procedure or have stated in their housing elements that they plan to do so.

In 2001, the California Attorney General transmitted a letter advising localities to consider adoption of a reasonable accommodation procedure. In that letter, the Attorney General stated:

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

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

Section 25.64.050 of the City's Zoning Ordinance describes the Reasonable Accommodation Procedure. It is consistent with the recommendations of the California Attorney General, HUD, U.S. Department of Justice (DOJ) and Mental Health Advisory Services, Inc. The latter agency has published guidelines for the development of a reasonable accommodation procedure.

- c. Describe any difficulties in achieving homeownership experienced by persons with disabilities and by persons with different types of disabilities in the jurisdiction and region.

Data are unavailable on the difficulties encountered by disabled persons to purchase a home. However, a few programs assist disabled householders to buy a home. HUD's Homeownership Voucher Program assists disabled and low income households by subsidizing monthly mortgage payments through vouchers. The Housing Authority of the County of Riverside has reached the maximum capacity for the Homeownership Program and is not accepting any applications at this time.

Another resource is the Fannie Mae Community HomeChoice Program which offers disabled borrowers low down payment programs, mortgage-qualification aid such as lower debt-to-income requirements, lenient credit evaluations and the ability to include rent payments from boarders in income calculations.

5. Disproportionate Housing Needs

- a. Describe any disproportionate housing needs experienced by persons with disabilities and by persons with certain types of disabilities in the jurisdiction and region.

Specific data are unavailable on the housing problems (i.e., cost burden) experienced by disabled householders. Since there are 5,700 households with one or more disabled person, it is reasonable to assume that such households also experience housing problems to the same or greater extent that households with no disabled members do. That is, problems such as cost burden and severe cost burden are also problems confronting households with a disabled member.

Another indicator of disproportionate housing need is the disabled persons on the Section 8 waiting list. As previously noted, approximately 14,300 families or 24% of all families on the County of Riverside Housing Authority Section 8 waiting list are disabled. The Housing Element has also documented the need for housing for disabled households.

In consulting with the FHCRC the highest proportion of fair housing complaints are from persons with disabilities. During the period from FY 2007-2008 through FY 2015-2016, 152 housing discrimination complaint cases were filed by Palm Desert residents with the FHCRC. Almost 60% of all housing discrimination complaints were based on disability.

6. Additional Information

- a. Beyond the HUD-provided data, provide additional relevant information, if any, about disability and access issues in the jurisdiction and region including those affecting persons with disabilities with other protected characteristics.

The HUD-provided data has been supplemented by other data pertaining to disability such households with one or more disabled member, residential care facilities for the elderly and skilled nursing facilities.

- b. The program participant may also describe other information relevant to its assessment of disability and access issues.

The State of California Health and Safety Code, Section 17959.6 (enacted by Assembly Bill 1400, Chapter 648 of the Statutes of 2003) requires California builders constructing new for-sale residential dwelling units to provide a “checklist” of Universal Accessibility features to a purchaser. The Department of Housing and Community Development (HCD) certified a model checklist on October 28, 2005; therefore, a checklist must be offered to a buyer for which a building permit application is submitted on or after January 26, 2006.

In order to assist dwelling developers in the application of this requirement, the Building and Safety Department will, for all dwelling permits submitted for application on or after January 26, 2006, require that a copy of the Universal Design Checklist be included as part of the plans being submitted for review.

7. Disability and Access Issues Contributing Factors

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of disability and access issues and the fair housing issues, which are Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor, note which fair housing issue(s) the selected contributing factor relates to.

- Access for persons with disabilities to proficient schools
- **Access to publicly supported housing for persons with disabilities**
- Access to transportation for persons with disabilities
- Inaccessible government facilities or services
- Inaccessible public or private infrastructure
- **Lack of access to opportunity due to high housing costs**
- Lack of affordable in-home or community-based supportive services
- **Lack of affordable, accessible housing in range of unit sizes**
- Lack of affordable, integrated housing for individuals who need supportive services
- Lack of assistance for housing accessibility modifications
- Lack of assistance for transitioning from institutional settings to integrated housing
- Lack of local or regional cooperation
- Land use and zoning laws
- Lending discrimination
- Location of accessible housing
- Loss of Affordable Housing
- Occupancy codes and restrictions
- Regulatory barriers to providing housing and supportive services for persons with disabilities
- Source of income discrimination
- State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing, shared housing and other integrated settings
- Other

Access to publicly supported housing for persons with disabilities

The exact number of accessible units in publicly supported housing is unknown. However, the County Office on Aging states that the lack of affordable housing is a serious problem facing adults with disabilities and the need for affordable, accessible housing will increase in importance as efforts are made to reduce institutionalization and provide support to individuals living in community settings

Lack of access to opportunity due to high housing costs

High housing costs impede the ability of disabled and non-disabled householders to access opportunity. Low/moderate income householders in particular experience cost burdens and severe cost burdens. There is insufficient housing at affordable housing costs to meet the needs of low/moderate income disabled householders as demonstrated by the large number of disabled families on the Section 8 waiting list (14,300).

Lack of affordable, accessible housing in range of unit sizes

The distribution of household sizes of householders with one or more members with a disability is not known. However, it is reasonable to assume that disabled householders would need a range of housing unit sizes to accommodate their housing needs. For example, the Inland Regional Center has observed that the stress on families with children with autism is creating a need for housing units with additional bedrooms. Children with autism require housing units to address sensory needs such as dimmer lights and controls on hot water faucets.

E. FAIR HOUSING ENFORCEMENT, OUTREACH CAPACITY, AND RESOURCES ANALYSIS**1. List and summarize any of the following that have not been resolved:**

- A charge or letter of finding from HUD concerning a violation of a civil rights-related law;
- A cause determination from a substantially equivalent state or local fair housing agency concerning a violation of a state or local fair housing law;
- Any voluntary compliance agreements, conciliation agreements, or settlement agreements entered into with HUD or the Department of Justice;
- A letter of findings issued by or lawsuit filed or joined by the Department of Justice alleging a pattern or practice or systemic violation of a fair housing or civil rights law;
- A claim under the False Claims Act related to fair housing, nondiscrimination, or civil rights generally, including an alleged failure to affirmatively further fair housing; or
- A pending administrative complaints or lawsuits against the locality alleging fair housing violations or discrimination.

The City of Palm Desert has not been subject to any of the above actions.

2. Describe any state or local fair housing laws. What characteristics are protected under each law?

The California Fair Employment and Housing Act (FEHA) prohibits unlawful practices similar to those that are described in the Federal Fair Housing Act. For example, Article 2 – Housing Discrimination - Section 12955 of FEHA states the following are unlawful practices:

(a) For the owner of any housing accommodation to discriminate against or harass any person because of the race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or disability of that person.

(b) For the owner of any housing accommodation to make or to cause to be made any written or oral inquiry concerning the race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, or disability of any person seeking to purchase, rent or lease any housing accommodation.

(f) For any owner of housing accommodations to harass, evict, or otherwise discriminate against any person in the sale or rental of housing accommodations when the owner's dominant purpose is *retaliation* against a person who has opposed practices unlawful under this section, informed law enforcement agencies of practices believed unlawful under this section, has testified or assisted in any proceeding under this part, or has aided or encouraged a person to exercise or enjoy the rights secured by this part. Nothing herein is intended to cause or permit the delay of an unlawful detainer action.

(k) To otherwise make unavailable or deny a dwelling based on discrimination because of *race, color, religion, sex, sexual orientation, familial status, source of income, disability, or national origin*. [Emphasis added]

The list below identifies all of the protected classes under California law:

- Age
- Race, color
- Ancestry, national origin
- Religion
- Disability, mental or physical
- Sex, gender
- Sexual orientation
- Gender identity, gender expression
- Genetic information
- Marital status
- Familial status
- Source of income
- Or other arbitrary factors

There are also three new protections under California fair housing laws: primary language, citizenship and immigration status.

The law prohibits discrimination in all aspects of the housing business, including:

- Renting or leasing
- Sales
- Mortgage lending and insurance
- Advertising
- Practices such as restrictive covenants
- New construction

The law applies to landlords, real estate agents, home sellers, builders, mortgage lenders, and others.

Some examples of housing discriminations are listed below:

- Refuse to sell, rent, or lease rooms, apartments, condos or houses
- Represent that a housing accommodation is not available for inspection, sale, or rental when it is in fact available
- Deny a home loan or homeowner's insurance
- Offer inferior terms, conditions, privileges, facilities or services in connection with the housing accommodation
- Refuse to permit, at a disabled tenant's expense, reasonable modifications when necessary to accommodate a disability
- Refuse to make reasonable accommodations in housing rules, policies, practices, or services where necessary to afford a disabled person equal opportunity to use and enjoy a dwelling
- Retaliate against someone filing a complaint or asserting their rights under the fair housing law.

3. Identify any local and regional agencies and organizations that provide fair housing information, outreach, and enforcement, including their capacity and the resources available to them.

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, 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 will conduct systemic investigations, provide 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 2017 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.

HUD also awarded the FHCRC a Community Compass Technical Assistance and Capacity Building Grant. Through this grant, the FHCRC will provide technical assistance and capacity building to entitlement communities located in Riverside County. One purpose of this grant is to assist HUD customers to learn how to use the Fair Housing Cross Cutting Issues Tool Kit to increase their ability to deal with fair housing and non-discrimination.

4. Additional Information

a. Provide additional relevant information, if any, about fair housing enforcement, outreach capacity, and resources in the jurisdiction and region.

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 a continuing credit training agency through the Bureau of Real Estate (BRE) effective January 2017.

b. The program participant may also include information relevant to programs, actions, or activities to promote fair housing outcomes and capacity.

The *Assessment of Fair Housing* includes in other sections many examples of activities that promote positive fair housing outcomes. Additionally, the City's *2013-2021 Housing Element* includes programs promoting fair housing as described below.

Program 4.A

The City shall continue to enforce the provisions of the Federal Fair Housing Act. The City shall continue its referral program to the Fair Housing Council of Riverside County, and shall maintain information at City Hall and affordable housing complexes.

Responsible Agency: City and Housing Authority

Schedule: Brochures and flyers available at Housing Authority properties, Library, and apartment managers' offices

Program 4.B

The City shall work with the Senior Center and other appropriate agencies in the housing of disabled residents.

Responsible Agency: Senior Center

Schedule: Annually through staff training program

5. Fair Housing Enforcement, Outreach Capacity, and Resources Contributing Factors

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the lack of fair housing enforcement, outreach capacity, and resources and the severity of fair housing issues, which are Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each significant contributing factor, note which fair housing issue(s) the selected contributing factor impacts.

- Lack of local private fair housing outreach and enforcement
- Lack of local public fair housing enforcement
- Lack of resources for fair housing agencies and organizations
- Lack of state or local fair housing laws
- Unresolved violations of fair housing or civil rights law
- Other

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, bringing lawsuits, arranging and implementing settlement agreements.

The California Bureau of Real Estate requires sales persons and brokers to complete a 3-hour course on fair housing and ethics. These courses are periodically advertised by the California Desert Association of REALTORS. The fair housing course includes topics such as:

- Fair housing laws
- Real Estate Commissioners regulations
- Bureau of Real Estate regulations
- Types of properties exempt from the Fair Housing Act
- Prohibited practices

- Complaint procedures
- Penalties for violating the Fair Housing Act

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

Riverside Legal Aid provides pro bono legal services in the area of evictions among other areas.

There is no lack of public fair housing enforcement as HUD, DFEH and FHCRC can assist protected classes to file a housing discrimination complaint.

The FHCRC depends on the vast majority of its funding from HUD and the cities that allocate a portion of their CDBG funds to support fair housing. The efforts of the FHCRC will be adversely impacted if CDBG funds are significantly reduced or eliminated.

California has enacted fair housing laws which expand upon the fair housing protected classes included in the Federal Fair Housing Act.

The City of Palm Desert does not have any unresolved violations of fair housing or civil rights law.

SECTION VI
FAIR HOUSING GOALS AND PRIORITIES

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

1. For each fair housing issue as analyzed in the Fair Housing Analysis section, prioritize the identified contributing factors. Justify the prioritization of the contributing factors that will be addressed by the goals set below in Question 2. Give the highest priority to those factors that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance.

The Fair Housing Analysis identified the following contributing factors:

- Availability of affordable units in a range of sizes
- Lack of access to opportunity due to high housing costs
- Housing production out of balance with housing demand
- Rising rents
- Income stagnation
- Housing discrimination
- Siting selection policies, practices and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs
- Access to publicly supported housing for persons with disabilities
- Lack of affordable, accessible housing in a range of unit sizes

Chart VI-1 describes the association between the contributing factors and fair housing issues as well as for each contributing factor the priority level and justification for the priority level.

With regard to affordable housing as a means to AFFH, HUD has advised program participants that:

Providing affordable housing for low- and moderate-income families is not, in and of itself, sufficient to affirmatively further fair housing [and] ... by itself does not necessarily fulfill the goals and purposes of affirmatively further fair housing.

The following are examples of how affordable housing achieves the goals of AFFH:

- Preserve affordable housing as part of a place-based neighborhood revitalization strategy
- Overcome disparities in access to opportunity by revitalizing areas with existing affordable housing to improve services, schools and other community assets, sidewalks, and other infrastructure
- Implement mobility strategies that provide access to areas of opportunity
- Remove barriers to the development of affordable housing in areas with low poverty and proficient schools
- Siting new affordable housing in areas of opportunity

Source: U.S. Department of Housing and Urban Development, *AFFH Rule Guidebook*, December 31, 2015, page 11

Mobility strategies to improve access to opportunity have been developed by the Housing Authority of Riverside County. The HA has prepared Housing Opportunity Area Maps that are intended to help Section 8 Housing Choice Voucher (HCV) holders to identify neighborhoods likely to provide high quality housing and neighborhood conditions. There are several high opportunity neighborhoods for Section 8 HCV holders located in the City.

Two fair housing protected classes are families with children and disabled persons. Affordable housing can meet the needs of these protected classes by the development of apartment units with two or more bedrooms and special needs housing.

The AFH process is designed to assist program participants in more effectively carrying out the obligation to affirmatively further fair housing by providing a method for them to identify fair housing issues facing the jurisdiction and region, identify and prioritize factors that have significantly contributed to these issues, and set fair housing goals and priorities that will inform the strategies and actions contained in program participants' future plans. The future plans that relate most directly to fair housing issues are the Consolidated Plan and the Housing Element of the General Plan.

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

Chart VI-1
Priority Levels of Contributing Factors

Fair Housing Issue	Contributing Factors	Prioritization and Justification
Disproportionate Housing Needs	<u>Availability of affordable units in a range of sizes:</u> Affordable housing comprises about one of every six renter-occupied housing units. However, there is still a need to add to the stock of affordable housing units including housing for families with children and special needs populations.	<u>High:</u> Families with children and disabled people have a high need for affordable housing. Refer to Goal #1, page VI-11 and to Goal #2, page VI-13.
Disproportionate Housing Needs	<u>Lack of access to opportunity due to high housing costs:</u> Cost burdens are experienced by 79% and 66% of low- and moderate income renters and owners, respectively. <i>Severe</i> cost burdens are experienced by 48% and 42% of low- and moderate-income renters and owners, respectively. (Cost burden means householders spend 30% or more of their income on housing costs. Severe cost burden means householders spend 50% or more of their income on housing costs.)	<u>High:</u> Reducing severe cost burdens is a high priority because the cost of housing greatly reduces the income available to meet other family needs including food, child care, and medical expenses. This contributing factor also impacts households with one or more disabled member. Refer to Goal #1, page VI-11 and to Goal #2, page VI-13.
Disproportionate Housing Needs	<u>Housing production out of balance with housing demand:</u> In the Region, the supply of new housing has not kept pace with the demand and need for housing. The shortfall has contributed to an increase in the cost of owner and renter housing. The low Inland Empire rental vacancy rate is the result of not enough apartments being built. The City's Housing Element set forth a new construction objective of 413 housing units to be constructed between 2014 and 2021. Building permit data and housing unit counts prepared by the State Department of Finance indicate new construction in the City is happening at a faster pace than in the Region.	<u>High:</u> New housing is needed to meet the housing needs of all income groups and fair housing protected classes. Refer to Goal #2, page VI-13.

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

Chart VI-1 continued
Priority Levels of Contributing Factors

Fair Housing Issue	Contributing Factors	Prioritization and Justification
Disproportionate Housing Needs	<u>Rising rents</u> : In the Region, rents increased by 5.1% between 2016 and 2017. The UCR Center for Economic Forecasting and Development has found that the tight supply of rental units in the region along with rapidly rising rents highlight the need for additional multifamily housing.	<u>High</u> : Reducing the rate at which rents increase is a high priority because it also may reduce the number of householders who are cost burdened or severely cost burdened. Refer to Goal #2, page VI-13.
Disproportionate Housing Needs	<u>Income stagnation</u> : In 2015, the Inland Empire’s median household income was -3.6% below the 1999 level. Between 2010 and 2014, the number of Palm Desert low- and moderate income renters increased from 3,945 to 4,275.	<u>High</u> : Increasing household incomes is a high priority because it also may reduce the number of householders who are cost burdened or severely cost burdened. Refer to Goal #2, page VI-13. Also, the Consolidated Plan Anti-Poverty Strategy will address income stagnation
Disproportionate Housing Needs and Access to Opportunity	<u>Housing discrimination</u> : Discrimination against fair housing protected groups - particularly people of color, families with children and disabled people – can result in owners and renters paying more than they can afford for housing and limit their choice of housing and thereby create obstacles to living in high opportunity neighborhoods. Research completed by the FHCRC demonstrates that fair housing protected borrowers (e.g., race and national origin) receive less information than other borrowers during the lending process.	<u>High</u> : Protecting the rights of people who have experienced housing discrimination helps to achieve the goal of AFFH. Refer to Goal #3, page VI-14

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

**Chart VI-1 continued
Priority Levels of Contributing Factors**

Fair Housing Issue	Contributing Factors	Prioritization and Justification
Publicly Supported Housing	<u>Siting selection policies, practices and decisions for publicly supported housing:</u> In the Region, many affordable housing developments depend on Low Income Housing Tax Credits as a key funding source. Palm Desert has one affordable housing development that obtained financial support through the tax credit program. The California Tax Credit Allocation Committee (TCAC) is in the process of adopting policies that would promote the siting of affordable housing in high opportunity/high resource neighborhoods.	<u>Medium:</u> This priority level is assigned because the City’s share of the regional housing need will not be determined by SCAG until October 2020. After that date, the City may utilize the siting policies of affordable housing programs to identify sites to accommodate its share of the regional housing need. Refer to Goal #4
Disability and Access	<u>Access to publicly supported housing for persons with disabilities:</u> The exact number and location of accessible units in publicly supported housing is unknown. However, several agencies, including the Riverside County Office on Aging have commented on the dearth of such housing.	<u>High:</u> Disabled persons are one of the groups protected under the Federal Fair Housing Act. This population group also has a high need for accessible housing. Refer to Goal #5.
Disability and Access	<u>Lack of affordable, accessible housing in a range of unit sizes:</u> Disabled householders are among the households who have low- and moderate-incomes and who lack housing with costs within their means as well as accessible housing units.	<u>High:</u> Disabled persons are one of the groups protected under the Federal Fair Housing Act. This population group also has a high need for accessible housing. Refer to Goal #5.

2. For each fair housing issue with significant contributing factors identified in Question 1, set one or more goals. Using the table below, explain how each goal is designed to overcome the identified contributing factor and related fair housing issue(s). For goals designed to overcome more than one fair housing issue, explain how the goal will overcome each issue and the related contributing factors. For each goal, identify metrics and milestones for determining what fair housing results will be achieved, and indicate the timeframe for achievement.

Chart VI-2 which begins on the next page states six fair housing goals and the associated contributing factors; fair housing issues; metrics, milestones, and timeframe for achievement; and responsible program participants. The five goals are listed below.

- Goal #1: Preserve the affordability of housing units that could convert to market rate housing
- Goal #2: Increase the number of new affordable housing units that address the needs of families with children and or disabled persons by reserving a portion of the total units in an affordable housing project for a fair housing protected group
- Goal #3: Increase the awareness of Palm Desert residents to recognize housing discrimination and their knowledge of how to file a complaint with the Fair Housing Council of Riverside County, Inc.
- Goal #4: Utilize the siting policies of affordable housing funding programs to the extent they are appropriate to guide the identification of sites to accommodate the City's share of the regional housing need for the 2021-2029 time period
- Goal #5: Increase the supply of housing designed to meet the needs of households with disabled members or other special needs

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

**Chart VI-2
Fair Housing Goals to Address Contributing Factors**

Goal #1	Contributing Factors	Fair Housing Issue(s)	Metrics, Milestones, and Timeframe for Achievement	Responsible Program Participant(s)
Preserve the affordability of housing units that could convert to market rate housing	<p>Availability of affordable units in a range of sizes</p> <p>Lack of access to opportunity due to high housing costs</p>	Disproportionate housing needs	Pursuant to Housing Element Program 6B, the City will annually coordinate with private development and management companies to promote the preservation of existing affordable housing units; and may cooperate through state and federal program funding for third party ownership, and other means to assure the long term affordability of the project(s).	<p>Housing Department</p> <p>Community Development Department</p>

Discussion: State law requires the City to take measures to preserve existing affordable units and to expand, whenever possible, the affordability of the existing housing stock. Program 6.B of the Housing Element states that the City will coordinate with private development and management companies to maintain the affordability of the existing housing stock. The Housing Element notes (page III-45) that an effective means of preserving the affordability of existing units is to facilitate the purchase of the apartment communities by a nonprofit housing corporation, obtain Low Income Housing Tax Credits to rehabilitate the buildings, and thereby extend the affordability controls.

The affordability of the existing housing stock can be retained through actions adopted as part of the *2013-2021 Housing Element*. The California Department of Housing and Community Development (HCD) certified Palm Desert’s Housing Element on November 13, 2013.

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

Chart VI-2 continued
Fair Housing Goals to Address Contributing Factors

Goal #2	Contributing Factor	Fair Housing Issue(s)	Metrics, Milestones, and Timeframe for Achievement	Responsible Program Participant(s)
<p>Increase the number of new affordable housing units that address the needs of families with children or disabled persons by reserving a portion of the total units in an affordable housing project for a fair housing protected group</p>	<p>Housing production out of balance with housing demand</p> <p>Rising rents</p> <p>Income stagnation</p>	<p>Disproportionate housing needs</p>	<p>Work to achieve the production of one new affordable housing development that includes units for families with children or disabled persons by June 2023 (which is the end of the Consolidated Plan time period that begins on July 1, 2018)</p>	<p>Community Development Department</p> <p>Housing Department</p> <p>Affordable housing developer</p>
<p><u>Discussion:</u> The <i>2013-2021 Housing Element</i> includes a quantified objective of 165 new affordable housing units by October 2021 which is the end of the current housing element planning period. The Housing Element includes a policy to strive to meet the housing needs of fair housing protected groups such as families with children, female householders, single parent families, and disabled individuals and families.</p> <p>Housing policies included in the Housing Element encourage the inclusion of housing for the disabled in affordable housing developments. The Housing Element states: “The City will continue to encourage developers to <u>reserve</u> a portion of affordable housing projects for the disabled, including those with developmental disabilities.”</p>				

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

Chart VI-2 continued
Fair Housing Goals to Address Contributing Factors

Goal #3	Contributing Factor	Fair Housing Issue(s)	Metrics, Milestones, and Timeframe for Achievement	Responsible Program Participant(s)
<p>Increase the awareness of Palm Desert residents to recognize housing discrimination and their knowledge of how to file a complaint with the Fair Housing Council of Riverside County, Inc.</p>	<p>Housing discrimination</p>	<p>Disproportionate housing needs Lack of access to housing opportunities</p>	<p>Targets for outreach, workshops and seminars will be set in the 2018-2023 Consolidated Plan which will be adopted by the City Council in May 2018 (Targets are in part a function of the CDBG funds allocated to the FHCRC)</p>	<p>Special Programs Department Fair Housing Council of Riverside County, Inc.</p>
<p><u>Discussion:</u> Housing discrimination contributes to a lack of access to housing opportunities and disproportionate housing needs. The incidence of housing discrimination exceeds the number of complaints filed with the FHCRC, DFEH and HUD. Thus, there are an unknown number of housing discriminatory acts that prevent individuals and families from access to housing opportunities.</p> <p>By educating the public at workshops and seminars, the FHCRC increases the awareness of illegal discrimination and informs people about how to recognize discriminatory behavior and how to file a complaint. Therefore, the efforts of the FHCRC can improve access to housing opportunities and reduce disproportionate housing needs caused by lending discrimination such as high cost loans.</p>				

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

Chart VI-2 continued
Fair Housing Goals to Address Contributing Factors

Goal #4	Contributing Factor	Fair Housing Issue(s)	Metrics, Milestones, and Timeframe for Achievement	Responsible Program Participant(s)
Utilize the siting policies of affordable housing funding programs to the extent they are appropriate to guide the identification of sites to accommodate the City's share of the regional housing need for the 2021-2029 time period	Siting selection policies, practices and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs	Disparities in access to opportunity Disproportionate housing needs	By October 2020, or sooner the City will complete an evaluation of sites in terms of how well they meet the siting selection policies of one or more affordable housing funding programs	Community Development Department
<p>Discussion: The <i>2013-2021 Housing Element</i> identified sufficient sites to accommodate Palm Desert's share of the regional housing need of 413 housing units. The regional share of the very low- and low- housing need is 165 housing units. A policy of the Housing Element is: "New affordable housing projects shall be encouraged in all areas of the City. Special attention will be made to distributing the units so that large concentrations of affordable housing in any one area are avoided." The Housing Element contains a new construction quantified objective of 413 housing units between January 2013 and October 2021.</p> <p>In October 2020, the City will be informed by the Southern California Association of Governments (SCAG) of its share of regional housing need. The need could be the same, less or more than the 413 housing units allocated in the current planning cycle. Under California law, the <i>2021 -2029 Housing Element</i> must identify sites to accommodate the housing need no later than October 2021.</p> <p>The City will determine if "siting policies" of various affordable housing programs can be used to guide the identification of sites to accommodate its share of the regional housing need for 2021-2029 time period. One funding program example is the Low Income Housing Tax Credit Program. The California Tax Credit Allocation Committee will adopt in the Fall 2017 siting policies to incentivize the development of <i>large-family</i>, new construction developments in neighborhoods whose characteristics have been shown by research to support childhood development and economic mobility for low-income families.</p> <p>The City's current demographics do not indicate a high need for large family (5+ persons) housing developments. However, in the future, the TCAC/LIHTC program or perhaps other funding programs may adopt siting policies regarding the location of housing for small families, seniors and special needs households.</p>				

SECTION VI

FAIR HOUSING GOALS AND PRIORITIES

Chart VI-2 continued
Fair Housing Goals to Address Contributing Factors

Goal#5	Contributing Factor	Fair Housing Issue(s)	Metrics, Milestones, and Timeframe for Achievement	Responsible Program Participant(s)
Increase the supply of housing designed to meet the needs of households with disabled members or other special needs	<p>Access to publicly supported housing for persons with disabilities</p> <p>Lack of affordable, accessible housing in a range of unit sizes</p>	Disability and Access	Continue to work with Desert ARC on a new affordable housing development designed to meet the needs of developmentally disabled persons	<p>Community Development Department</p> <p>Housing Department</p>
<p>Discussion: The <i>2013-2021 Housing Element</i> includes policies and programs to increase the supply of housing for disabled people and special needs populations. The Community Development Department and Housing Department have been working on implementing the adopted policies and programs. One potential project involves Desert ARC, an organization located in Palm Desert that serves developmentally disabled persons living in the Coachella Valley. A 32-unit development has been approved by the City on a site owned by Desert ARC.</p>				