



## City Council Staff Report

DATE: November 20, 2013 CONSENT CALENDAR  
SUBJECT: Analysis of Impediment to Fair Housing Choice  
FROM: David H. Ready, City Manager  
BY: Community & Economic Development Department

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### SUMMARY

Attached is a copy of the City of Palm Springs Analysis of Impediments to Fair Housing Choice (AI). The AI is a federal submission and reporting requirement of the U.S. Department of Housing & Urban Development (HUD) Community Development Block Grant (CDBG) and its five-year strategic planning process (called the Consolidated Plan or ConPlan). As a recipient of Federal funding, the City certifies its obligation to affirmatively further fair housing (AFFH) and identifies action to eliminate any impediments. The AFFH obligation is not solely restricted to the design and operation of HUD funded programs. The obligation to affirmatively further fair housing extends to all housing and housing-related activities in the City's jurisdictional area whether publicly or privately funded.

### RECOMMENDATION:

Receive and file the City's Analysis of Impediments to Fair Housing Choice, dated October 2013.

### STAFF ANALYSIS:

This is an assessment report for the use of the federal CDBG funds that ensures that local governments consider the barriers to fair housing within their respective communities in developing proactive approaches for addressing those barriers and integrating those into their Five Year Consolidated Plan (ConPlan). The City's current 2011 - 2015 ConPlan is its five-year combined funding source of approximately \$1.6 million to address housing and community development activities.

An extensive community outreach was conducted that included direct mailing to approximately 270 public and private entities, a news release sent to both the electronic and print media as well as Channel 17, government cable-access, for the community Fair Housing Workshop held August 22, 2013.

ITEM NO. 26

The 2013 AI updated report re-examined the conditions and trends from the City's 2005 report, concentrating on the following information:

- Analysis of demographic profile, income distribution, housing stock characteristics, and access to public transportation to determine the development of housing patterns in relation to race, ethnicity, income, and other characteristics.
- Evaluation of fair housing complaints and violations to identify trends and patterns.
- Analysis of public and private activities that may impede fair housing choice in Palm Springs including, but not limited to: housing brokerage services and financing assistance; public policies and actions affecting the construction of affordable housing; and administrative policies concerning community development and housing activities.
- Assessment of current public and private fair housing programs and activities.
- Provision of conclusions and recommendations to affirmatively further fair housing choice in Palm Springs.

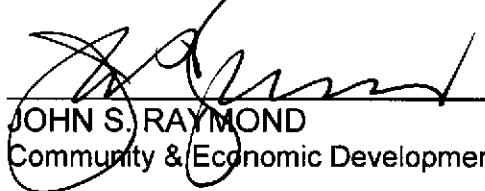
This AI provides a fair housing strategy to improve the quality of life and livability throughout the community. One recommendation is that the City may wish to expand its Investment Policy to evaluate the social responsibility of an underlying company and how well it serves lower income areas and individuals in the provision of basic financial services, as well as residential mortgage and home improvement loans.

FISCAL IMPACT:

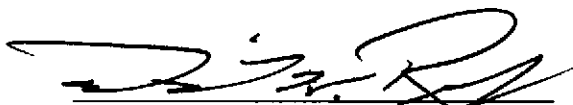
There is no direct fiscal impact to the General Fund in that these dollars are the City's allocated federal annual entitlement funds from HUD's CDBG program. By remaining in compliance with HUD requirements, the City is assured that these block grant funds will continue to address vital programs and projects within the community. Otherwise, local municipal resources may have to be provided or these community needs may go unmet.



DALE E. COOK, JR.  
Community Development Administrator



JOHN S. RAYMOND  
Community & Economic Development Director

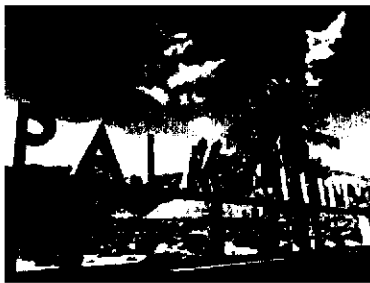


DAVID H. READY, Esq. Ph.D.  
City Manager

Attachment: Analysis of Impediment to Fair Housing Choice

# City of Palm Springs

## *Analysis of Impediments to Fair Housing Choice*



November 2013



**City of Palm Springs**

Community & Economic Development Department

3200 E. Tahquitz Way

Palm Springs, CA 92262

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# Chapter 1

## Introduction



### 1.1 Overview of the City

The community of Palm Springs lies on the western edge of the Coachella Valley in central Riverside County approximately 107 miles east of Los Angeles. Incorporated in 1938, the City of Palm Springs has a rich and diverse history: For thousands of years, the Coachella Valley was home to the Agua Caliente Band of Cahuilla Indians. However, development of the town did not begin until the late 1800s, when the Southern Pacific Railroad completed a rail line through the desert to the Pacific Ocean, bringing with it various explorers, colonizers, and soldiers.<sup>1</sup>

Palm Springs experienced much of its growth after World War II when the City began to establish itself as a popular recreational spot and retirement community, particularly for movie celebrities. Palm Springs later became known as "The Playground of the Stars."

Today Palm Springs remains an active vacation destination and retirement community, with a large number of homes being used as second homes. It is estimated that the City's seasonal peak population swells from 44,000 full-time residents to almost 75,000 residents during the winter season.<sup>2</sup>

Palm Springs is facing several unique trends and issues. The City is becoming increasingly diverse, with increases in the Hispanic population since 1990. In addition, although the community is home to many affluent residents, many of those living in Palm Springs earn low income levels, particularly senior residents, large family households and single-parent households. Growth and diversification in the job market, increased housing construction, and the community's attractiveness as a retirement community continue to attract new residents to the area. As increased demand continues to place pressure on the housing market, real estate prices escalate remain competitive.

With continuous diversification in demographics and associated needs, increasing competition for limited housing resources, the potential for conflicts among different groups and fair housing concerns may arise. With increasing competition, the range of housing choices available for different groups may also suffer. This report presents a demographic profile of the community, assesses the extent of housing needs of specific groups, and evaluates the availability of a range of housing choices for the residents. The report also contains an analysis of the conditions in the private market and public sector that may impede a person's fair access to housing.

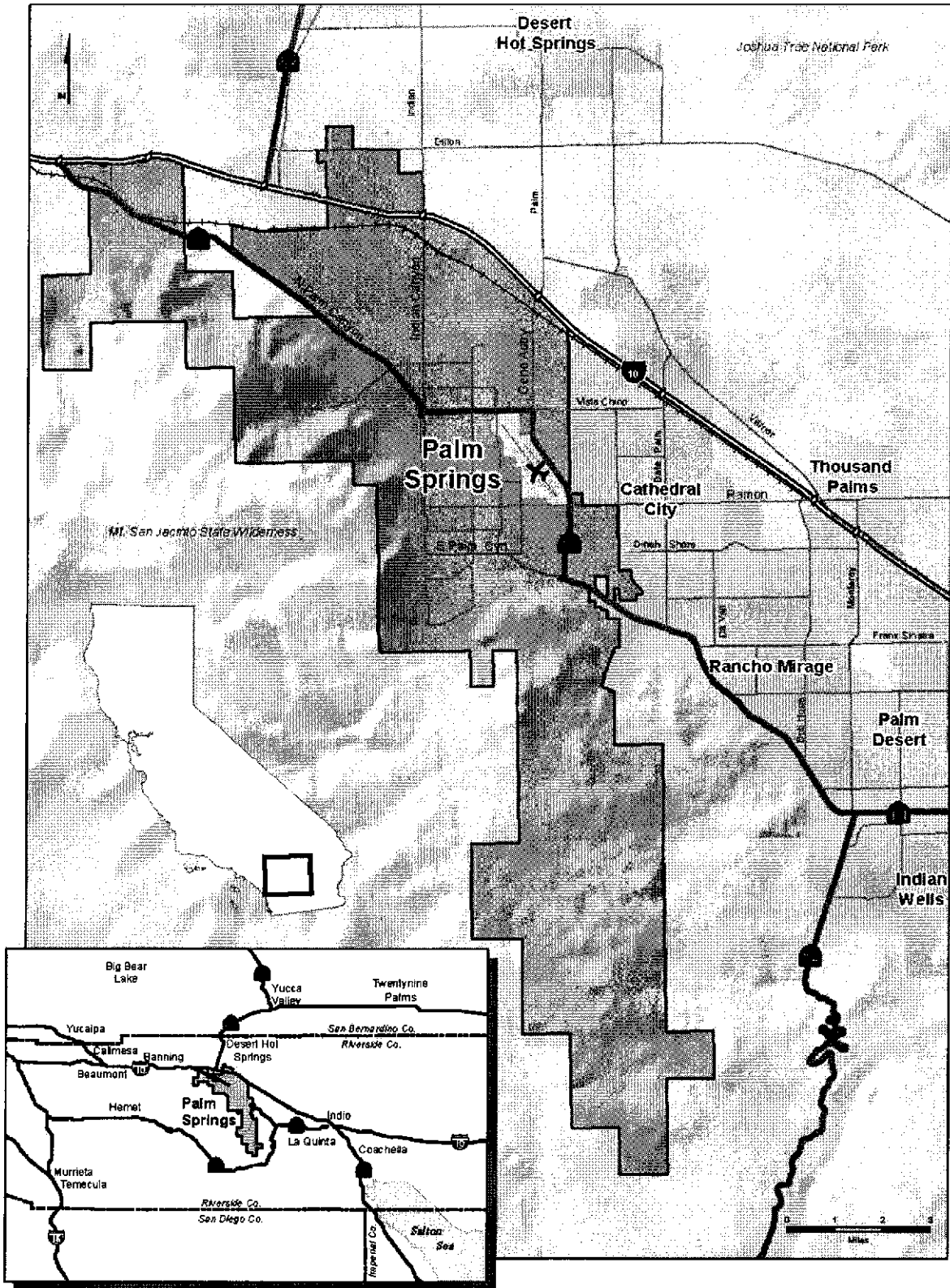
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<sup>1</sup> [History of Palm Springs- Palm Springs the First Hundred Years](#), Former Mayor Frank M. Bogart.

<sup>2</sup> [Wheeler's Desert Letter](#), 2003. City of Palm Springs Community & Economic Development Department.



Figure 1: Regional Location Map



## 1.2 Fair Housing Legal Framework

Fair housing is a right protected by both Federal and State of California laws. Among these laws, virtually every housing unit in California is subject to fair housing practices.

### 1.2.1 Federal Laws

The Fair Housing Act of 1968 and Fair Housing Amendments Act of 1988 (42 U.S. Code §§ 3601-3619, 3631) are federal fair housing laws that prohibit discrimination in all aspects of housing, including the sale, rental, lease, or negotiation for real property. The Fair Housing Act prohibits discrimination based on the following protected classes:

- Race or color
- Religion
- Sex
- Familial status
- National origin
- Disability (mental or physical)

Specifically, it is unlawful to:

- Refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, disability, familial status, or national origin.
- Discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, sex, disability, familial status, or national origin.
- Make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, disability, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination.
- Represent to any person because of race, color, religion, sex, disability, familial status, or national origin that any dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available.
- For profit, induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, sex, disability, familial status, or national origin.

### Reasonable Accommodations and Accessibility

The Fair Housing Amendments Act requires owners of housing facilities to make "reasonable accommodations" (exceptions) in their rules, policies, and operations to give people with disabilities equal housing opportunities. For example, a landlord with a "no pets" policy may be required to grant an exception to this rule and allow an individual who is blind to keep a guide dog in the residence. The Fair Housing Act also requires landlords to allow tenants with disabilities to make reasonable access-related

modifications to their private living space, as well as to common use spaces, at the tenant's own expense. Finally, the Act requires that new multi-family housing with four or more units be designed and built to allow access for persons with disabilities. This includes accessible common use areas, doors that are wide enough for wheelchairs, kitchens and bathrooms that allow a person using a wheelchair to maneuver, and other adaptable features within the units.

### **HUD Final Rule on Equal Access to Housing in HUD Programs**

On March 5, 2012, the U.S. Department of Housing and Urban Development (HUD) published the Final Rule on "Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity." It applies to all McKinney-Vento-funded homeless programs, as well as to permanent housing assisted or insured by HUD. The rule creates a new regulatory provision that generally prohibits considering a person's marital status, sexual orientation, or gender identity (a person's internal sense of being male or female) in making homeless housing assistance available.

### **1.2.2 California Laws**

The State Department of Fair Employment and Housing (DFEH) enforces California laws that provide protection and monetary relief to victims of unlawful housing practices. The **Fair Employment and Housing Act** (FEHA) (Government Code Section 12955 et seq.) prohibits discrimination and harassment in housing practices, including:

- Advertising
- Application and selection process
- Unlawful evictions
- Terms and conditions of tenancy
- Privileges of occupancy
- Mortgage loans and insurance
- Public and private land use practices (zoning)
- Unlawful restrictive covenants

The following categories are protected by FEHA:

- Race or color
- Ancestry or national origin
- Sex (which includes pregnancy, childbirth, breastfeeding or medical conditions related to pregnancy, childbirth or breastfeeding)
- Gender, gender identity, and gender expression
- Marital status
- Source of income
- Sexual orientation
- Familial status (households with children under 18 years of age)
- Religion (including religious dress and grooming practices)
- Mental/physical disability
- Medical condition
- Age
- Genetic information

In addition, the FEHA contains similar reasonable accommodations and accessibility provisions as the federal Fair Housing Amendments Act.

The **Unruh Civil Rights Act** provides protection from discrimination by all business establishments in California, including housing and accommodations, because of age, ancestry, color, disability, national origin, race, religion, sex, and sexual orientation. While the Unruh Civil Rights Act specifically lists “sex, race, color, religion, ancestry, national origin, disability, and medical condition” as protected classes, the California Supreme Court has held that protections under the Unruh Act are not necessarily restricted to these characteristics.

Furthermore, the **Ralph Civil Rights Act** (California Civil Code Section 51.7) forbids acts of violence or threats of violence because of a person’s race, color, religion, ancestry, national origin, age, disability, sex, sexual orientation, political affiliation, or position in a labor dispute. Hate violence can be: verbal or written threats; physical assault or attempted assault; and graffiti, vandalism, or property damage.

The **Bane Civil Rights Act** (California Civil Code Section 52.1) provides another layer of protection for fair housing choice by protecting all people in California from interference by force or threat of force with an individual’s constitutional or statutory rights, including a right to equal access to housing. The Bane Act also includes criminal penalties for hate crimes; however, convictions under the Act are not allowed for speech alone unless that speech itself threatened violence.

And, finally, **California Civil Code Section 1940.3** prohibits landlords from questioning potential residents about their immigration or citizenship status. Landlords in most states are free to inquire about a potential tenant’s immigration status and to reject applicants who are in the United States illegally.<sup>3</sup> In addition, this law forbids local jurisdictions from passing laws that direct landlords to make inquiries about a person’s citizenship or immigration status.

In addition to these acts, **Government Code Sections 11135, 65008, and 65580-65589.8** prohibit discrimination in programs funded by the State and in any land use decisions. Specifically, recent changes to Sections 65580-65589.8 require local jurisdictions to address the provision of housing options for special needs groups, including:

- Housing for persons with disabilities (SB 520)
- Housing for homeless persons, including emergency shelters, transitional housing, and supportive housing (SB 2)
- Housing for extremely low income households, including single-room occupancy units (AB 2634)
- Housing for persons with developmental disabilities (SB 812)

### 1.2.3 Fair Housing Defined

In light of the various pieces of fair housing legislation passed at the Federal and State levels, fair housing throughout this report is defined as follows:

*A condition in which individuals of similar income levels in the same housing market have a like range of choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability/medical conditions, age, marital status, familial status, sexual orientation, gender identity, source of income, or any other category which may be defined by law now or in the future.*

<sup>3</sup> [www.nolo.com/legal-update/california-landlords-ask-immigration-citizenship-29214.html](http://www.nolo.com/legal-update/california-landlords-ask-immigration-citizenship-29214.html)

## Housing Issues, Affordability, and Fair Housing

HUD's Office of Fair Housing and Equal Opportunity (FHEO) draws a distinction between housing affordability and fair housing. Economic factors that affect a household's housing choices are not fair housing issues per se. Only when the relationship between household income, household type, race/ethnicity, and other factors create misconceptions, biases, and differential treatments would fair housing concerns arise.

Tenant/landlord disputes are also typically not related to fair housing. Most disputes between tenants and landlords result from a lack of understanding by either or both parties on their rights and responsibilities. Tenant/landlord disputes and housing discrimination cross paths when the disputes are based on factors protected by fair housing laws and result in differential treatment.

### 1.2.4 Fair Housing Impediments

Within the legal framework of Federal and State laws, and based on the guidance provided by HUD's *Fair Housing Planning Guide*, impediments to fair housing choice can be defined as:

- Any actions, omissions, or decisions taken because of race, color, ancestry, national origin, religion, sex, disability/medical conditions, age, marital status, familial status, source of income, sexual orientation, gender identity, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or
- Any actions, omissions or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, ancestry, national origin, religion, sex, disability/medical conditions, age, marital status, familial status, source of income, sexual orientation, gender identity, or any other arbitrary factor.

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

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

## 1.3 Purpose of Report

This Analysis of Impediments (AI) to Fair Housing Choice provides an overview of laws, regulations, conditions or other possible obstacles that may affect an individual's or a household's access to housing in Palm Springs. The AI involves:

- *A review of Palm Springs' laws, regulations, and administrative policies, procedures, and practices;*
- *An assessment of how those laws affect the location, availability, and accessibility of housing; and*
- *An assessment of conditions, both public and private, affecting fair housing choice.*

The scope of analysis and the format used for this AI adhere to recommendations contained in the Fair Housing Planning Guide developed by the U.S. Department of Housing and Urban Development (HUD).

## 1.4 Organization of Report

The AI is divided into chapters as described below:

**Chapter 1: Introduction** defines "fair housing" and explains the purpose of the report.

**Chapter 2: Community Profile** presents the demographic, housing, and income characteristics in Palm Springs. Major employers and transportation access to job centers are identified. The relationships among these variables are discussed.

**Chapter 3: Mortgage Lending Practices** analyses mortgage lending activities in Palm Springs to identify potential barriers,

**Chapter 4: Current Fair Housing Profile** evaluates the fair housing services available to residents and identifies fair housing complaints and violations in Palm Springs.

**Chapter 5: Public Policies** evaluate public policies that may impede fair housing choice in Palm Springs.

**Chapter 6: Progress Since Last AI** summarizes and evaluates progress made since the last AI in addressing impediments identified.

**Chapter 7: Fair Housing Action Plan** provides conclusions and recommendations about fair housing in Palm Springs.

A *signature page* that includes the signature of the City Manager of the City of Palm Springs and a statement certifying that the AI represents Palm Springs's official conclusions regarding impediments to fair housing choice and the actions necessary to address identified impediments is provided at the end of this report.

**Appendix A: Community Outreach** provides a summary of the community outreach program conducted as part of the development of the AI.

**Appendix B: Public Notice and Outreach Materials** provides a summary of public notices and outreach materials as part of the community outreach process of the AI.

## 1.5 Data Sources

The following data sources were used to complete this AI. Sources of specific information are identified in the text, tables, and figures.

- 1990, 2000, 2010 Census
- City of Palm Springs Land Use Element
- City of Palm Springs Zoning Ordinance
- City of Palm Springs 2000-2005 Housing Element
- Sunline Transit Agency schedule and transit route records
- State of California Department of Social Services, Community Care Licensing Division, 2013.
- County of Riverside 2012 Homeless Survey

- Riverside County Housing Authority, Section 8 data
- Home Mortgage Disclosure Act (HMDA) data regarding lending and foreclosure patterns from LendingPatterns.com, 2013
- Fair Housing Council of Riverside County fair housing records 2007-2013
- Dataquick housing sales activity data
- Fair housing consultation workshop
- FBI Hate Crime Incident Records, 2007-2011

## 1.6 Public Participation

As part of the development of the AI, the Palm Springs Community and Economic Development Department conducted an extensive community outreach program that included a community workshop held on August 22, 2013 for which the City invited participation by residents, service providers, realtors, lenders, apartment associations, apartment owners, managers and tenants. Press releases regarding the workshop were sent to both the electronic and print media which included the Desert Sun, the Press Enterprise, the Public Record (legal paper), Desert Post Weekly, television stations (KMIR, KESQ, KPSI, KVER Univision, KUNA Telemundo, and KPSP Desert TV) and radio stations (Desert Radio Croup and KWXY).

The workshop included a presentation about the AI, fair housing law, and available fair housing resources. The workshops then included a discussion and comment period where attendees commented on housing and fair housing issues and concerns.

Comments on fair housing issues received during the outreach process have been incorporated throughout the AI as appropriate. A detailed discussion of the community outreach process, a summary of the workshop comments is provided in Appendix A.

The Draft AI was available for public review for a period of 30 days. Copies of the document were made available for public review at the City of Palm Springs's Community and Economic Development Department, and at the Palm Springs Public Library.



# Chapter 2

## Community Profile

Various characteristics may affect the ability of households with similar income levels, in the same housing market, to access a like range of housing choice. This chapter of the AI analyzes the demographic profile, income distribution, housing stock characteristics, and access to public transportation in Palm Springs.

### 2.1 Demographic Profile

Examination of demographic characteristics provides better insight regarding the need for and extent of equal access to housing in a community. Factors such as population growth, age characteristics, and race/ethnicity all help determine a community's housing needs and play a role in exploring potential impediments to fair housing choice.

#### 2.1.1 Population Growth

The community of Palm Springs lies on the western edge of the Coachella Valley in central Riverside County approximately 107 miles east of Los Angeles. Incorporated in 1938, the City of Palm Springs has a rich and diverse history. For thousands of years, the Coachella Valley was home to the Agua Caliente Band of Cahuilla Indians. However, development of the town did not begin until the late 1800s, when the Southern Pacific Railroad completed its line through the desert to the Pacific Ocean, bringing with it various explorers, colonizers, and soldiers.<sup>4</sup>

Palm Springs experienced much of its growth after World War II when it became a popular destination for celebrities to visit and purchase homes. With over 350 "sunshine" days per year<sup>5</sup>, Palm Springs also began to establish itself as a popular recreational spot and retirement community. From 1950 to 1970, Palm Springs' population nearly tripled—from 7,660 residents to 20,936 residents. During the 1980s, population growth remained steady, increasing by 24 percent (7,822 new residents). However, in recent years, growth in Palm Springs has been moderate. The City's population increased by only six percent between 1990 and 2000, and by even less (four percent) between 2000 and 2010.

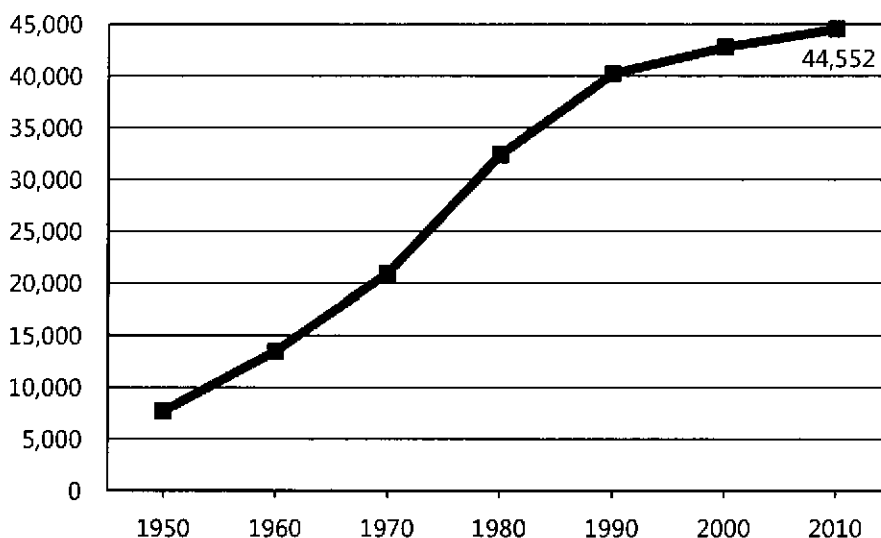
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<sup>4</sup> [History of Palm Springs- Palm Springs the First Hundred Years](#). Former Mayor Frank M. Bogart.

<sup>5</sup> Ibid.



Figure 2: Historical Population Growth 1950-2010



Source: U.S. Census Data (1950-2010).

The 2010 Census estimates the permanent population of Palm Springs to be 44,552 persons. However, because Palm Springs is a popular vacation destination and retirement community, many people purchase second homes in the City. The City's seasonal peak population is estimated to swell to almost 79,500 residents during the winter season.<sup>6</sup> In addition, approximately one million hotel guests stay in Palm Springs on an annual basis.<sup>7</sup> [City staff: Do you have updated figures for this?]

Table 1 compares the Palm Springs population with surrounding communities and Riverside County. Population growth in Palm Springs remains slower than that experienced by the County and nearby communities.

Jurisdiction	1980	1990	2000	2010	% Change		
					(1980-1990)	(1990-2000)	(2000-2010)
Cathedral City	N/A	30,085	42,647	51,200	--	41.7%	20.1%
Desert Hot Springs	5,941	11,668	16,582	25,938	96.4%	42.1%	56.4%
Palm Desert	11,801	23,252	41,155	48,445	97.1%	76.9%	17.7%
<b>Palm Springs</b>	<b>32,359</b>	<b>40,181</b>	<b>42,807</b>	<b>44,552</b>	<b>24.2%</b>	<b>6.5%</b>	<b>4.1%</b>
Rancho Mirage	6,281	9,778	13,249	17,218	55.6%	35.5%	30.0%
Riverside County	663,199	1,170,413	1,545,387	2,189,641	76.5%	32.1%	41.7%

Source: U.S. Census, 1980-2010.

### 2.1.2 Age Distribution

Housing demand is affected by the age characteristics of a community, among other factors. Traditionally, young adults prefer apartments, condominiums, and smaller single-family units that are affordable. Middle-age adults typically prefer larger homes as they begin to raise families. However, as children leave home, seniors often prefer smaller, moderate-cost condominiums, and single-family units with less extensive maintenance needs. In recent years, changes in the housing market conditions in southern

<sup>6</sup> Wheeler's Desert Letter. 2011. City of Palm Springs Community & Economic Development Department.

<sup>7</sup> Wheeler's Desert Letter. 2011. City of Palm Springs Community & Economic Development Department.

California have meant that many young families find it increasingly difficult to find adequately sized homes at affordable prices.

Over the past decade, several noticeable shifts have occurred in the City's age structure. The median age in Palm Springs has increased from 46.9 in 2000 to 51.6 in 2010 (Table 2). The proportion of residents under age 45 has continued to shrink over the past two decades, while the proportion of older adults and seniors in the City has increased steadily. A large senior population is to be expected given the City's popularity as a retirement community; however, continued growth in this age bracket may lead to increased pressure on the high-end single-family housing market. Affordable housing and employment opportunities in the City are therefore needed to retain and attract college aged residents and young adults in order to foster a diverse and balanced community. In addition, the significant older population in Palm Springs indicates that senior housing and supportive services remain important needs in the community.

Age Groups	1990		2000		2010		Percent Change	
	Persons	Percent	Persons	Percent	Persons	Percent	(1990-2010)	(2000-2010)
Preschool (0-4 years)	2,104	5.2%	2,028	4.7%	1,725	3.9%	-3.6%	-14.9%
School Age (5-17 years)	4,490	11.2%	5,247	12.3%	4,400	9.9%	16.9%	-16.1%
College Age (18-24 years)	3,154	7.8%	2,624	6.1%	2,572	5.8%	-16.8%	-2.0%
Young Adults (25-44 years)	10,980	27.3%	10,376	24.2%	8,625	19.4%	-5.5%	-16.9%
Older Adults (45-64 years)	9,094	22.6%	11,303	26.4%	15,419	34.6%	24.3%	36.4%
Seniors (65+ years)	10,359	25.8%	11,229	26.2%	11,811	26.5%	8.4%	5.2%
Total Population	40,181	100.0%	42,807	100.0%	44,552	100.0%	6.5%	4.1%
Median Age	43.7		46.9		51.6		--	

Source: U.S. Census, 1990-2010.

### 2.1.3 Race and Ethnicity

Palm Springs, like most communities throughout Southern California, has become gradually more diverse. White residents continue to comprise the largest racial/ethnic group in the City, followed by Hispanic residents. However, the proportion of White residents has declined considerably—from 73 percent in 1990 to 64 percent in 2010. By contrast, the proportion of Hispanic residents has increased from 19 percent in 1990 to 25 percent in 2010.

During this same time period, the proportion of Asian residents increased slightly, though Asians continue to remain a small percentage of the total population (four percent). The proportion of Black residents has also remained relatively constant at about four percent since 1990.

**Table 3: Race and Ethnicity**

Race/Ethnicity	1990		2000		2010	
	Persons	Percent	Persons	Percent	Persons	Percent
Race, Not of Latino/Hispanic Origin						
White	29,406	73.1%	28,474	66.5%	28,313	63.6%
Asian	1,266	3.2%	1,606	3.8%	1,917	4.3%
Black	1,729	4.3%	1,621	3.7%	1,850	4.2%
Hispanic Origin	7,504	18.7%	10,155	23.7%	11,286	25.3%
Other Race <sup>1</sup>	276	0.7%	--	--	--	--
Other Race <sup>2</sup>	--	--	349	0.8%	403	0.9%
Two or More races	--	--	602	1.4%	783	1.8%
Total	40,181	100.0%	42,807	100.0%	44,552	100.0%

Source: U.S. Census, 1990-2010.

Notes:

1 The 1990 Census: includes "Other" as American Indian, Eskimo, and Aleut, and Other races and individuals indicating two or more race.

2 Other includes American Indian and Alaskan Native, Native Hawaiian and Other Pacific Islander, Note: Some cells do not total 100% due to rounding corrections.

According to the 2007-2011 ACS, approximately 21 percent of Palm Springs residents in 2011 were born outside the United States. Among these foreign-born residents, 54 percent emigrated from Latin America, 20 percent were born in Asia, and 17 percent came from Europe. Foreign-born residents may have difficulty accessing housing due to language barriers or the potential biases of local landlords. In addition, foreign-born landlords may also have biases and preferences of their own that exclude other residents.

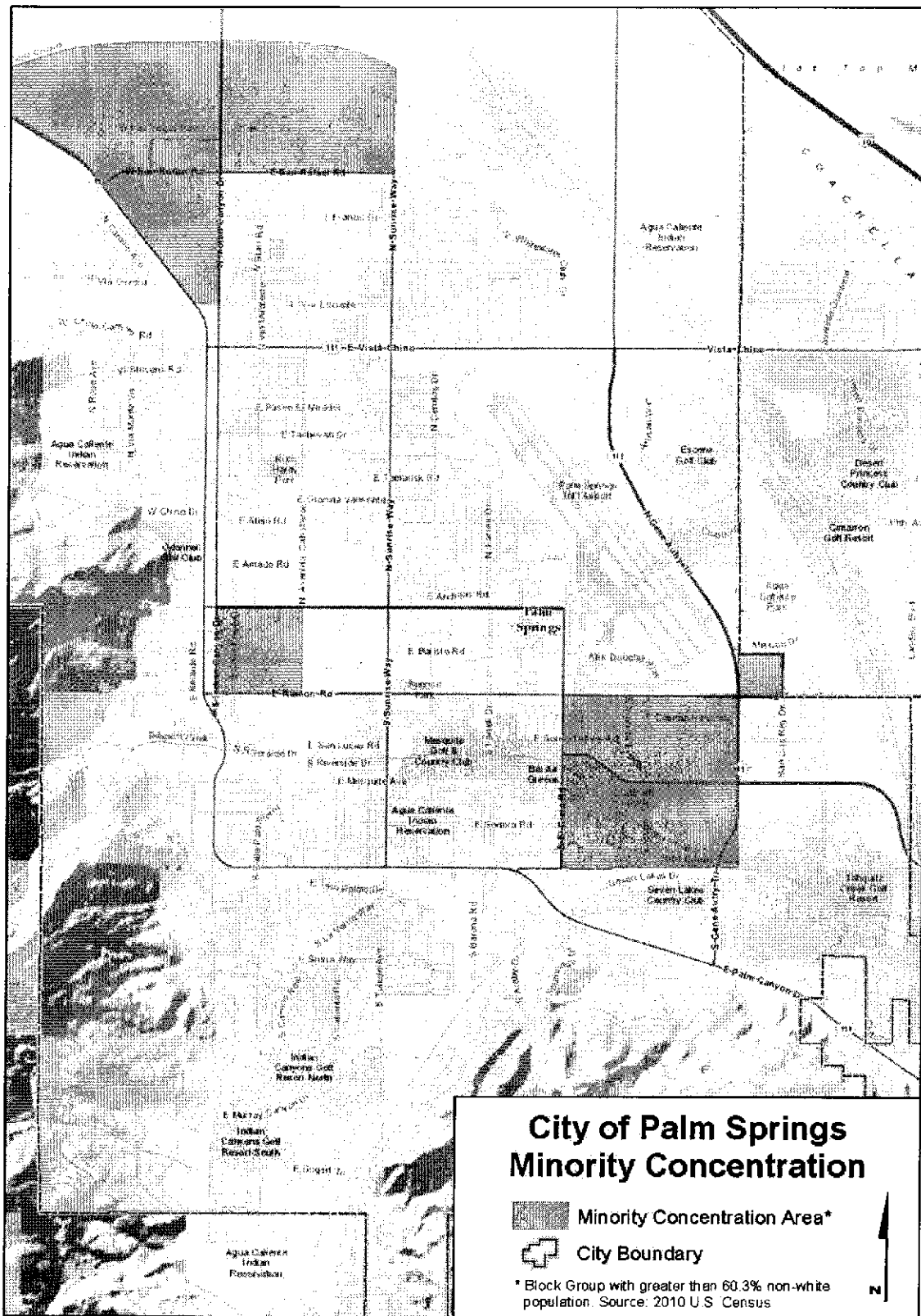
Linguistic isolation is a concern with foreign-born residents. According to the 2011 American Community Survey (ACS), 3,723 Spanish-speaking persons over five years of age in the City indicate that they speak English less than "very well."

**Concentrations of Minority Populations**

Areas with concentrations of minority residents may have different needs. A "minority concentration area" is defined as a block group whose proportion of minority households is greater than 60.3 percent (the overall proportion of non-White households in Riverside County).<sup>8</sup> As shown in Figure 3 a large minority concentration area exists in the northwestern corner of the City just west of Sunrise Way and north of Vista Chino Road. Another significant minority concentration area exists in the center of the City near East Ramon Road.

<sup>8</sup> This definition of concentration is derived from the concept of Location Quotient (LQ), which is calculated by comparing the proportion of one group in a smaller geographic unit (e.g. block group) to the proportion of that group in the larger population (e.g. county).

Figure 3: Areas of Minority Concentration in Palm Springs



## 2.2 Household Characteristics

Various household characteristics, such as household type and size, income level, and the presence of persons with special needs, may affect access to housing.

### 2.2.1 Household Composition and Size

According to the 2010 Census, Palm Springs was home to 22,746 households—an increase of 11 percent since 2000. Since 1990, the City of Palm Springs has experienced some noticeable changes in household composition and type. As shown in Table 4, the proportion of families in Palm Springs decreased from 54 percent in 1990 to 38 percent in 2010 – approximately 1,412 fewer family-households in the City.

Between 1990 and 2010, the proportion of married couple families with children decreased from 12 percent to seven percent and the share of married couples with no children declined even more—from almost 30 percent in 1990 to just 19 percent in 2010. The proportion of "other families," which includes single-parent households, remained relatively static, at about 12 percent, during this time period.

#### What is a household?

*A household is defined as all persons occupying a housing unit. Families are a subset of households, and include all persons living together who are related by blood, marriage, or adoption. Single households include persons living alone in housing units, but do not include persons in group quarters such as convalescent homes or dormitories. Other households are unrelated people living together, such as roommates.*

By contrast, the proportion of non-family households in Palm Springs, which include single persons and unrelated persons living together, increased from 46 percent of all households in 1990 to 62 percent in 2010. Single person households increased from 37 percent to 44 percent of total households, while the proportion of "Other" households increased from nine percent to 18 percent during this time.

The 2000 Census included an expanded definition and category for unmarried partners, which can include both family and non-family households. Unmarried households include cohabitating couples of the same or opposite sex, with or without a child. According to the 2010 Census, approximately four percent of all Palm Springs households are comprised of unmarried partner households.

Over the past two decades, the average household size in Palm Springs has steadily decreased from 2.13 persons in 1990 to 1.93 persons in 2010. This decrease in average household size is most likely a reflection of the decrease in the number and proportion of family households in the community.

**Table 4: Changes in Household Type (1990 to 2010)**

Household by Type	1990		2000		2010		% Change	
	Households	Percent	Households	Percent	Households	Percent	(1990-2000)	(2000-2010)
<b>Total Households</b>	18,622	100.0%	20,516	100.0%	22,746	100.0%	10.2%	10.9%
<b>Family Households</b>	10,077	54.1%	9,464	46.1%	8,665	38.1%	-6.1%	-8.4%
Married-With Children	2,303	12.4%	2,107	10.3%	1,541	6.8%	-8.5%	-26.9%
Married-No Children	5,554	29.8%	4,860	23.7%	4,271	18.8%	-12.5%	-12.1%
Other Families	2,230	11.9%	2,497	12.2%	2,853	12.5%	11.8%	14.3%
Unmarried Partner*	--	--	388	1.8%	761	3.3%	--	96.1%
<b>Non-Family Households</b>	8,545	45.9%	11,052	53.9%	14,081	61.9%	29.3%	27.4%
Singles	6,811	36.5%	8,537	41.6%	10,006	44.0%	25.3%	17.2%
Other	1,734	9.3%	2,515	12.2%	4,075	17.9%	45.1%	62.0%
Unmarried Partner*	--	--	1,356	6.6%	36	0.2%	--	-97.3%
Average Household Size	2.13		2.05		1.93		--	

Source: U.S. Census, 1990-2010.

\*Note: Unmarried partners include family and non-family households of the same sex and the opposite sex. Due to changes within the 2000 Census, comparison of the number "unmarried partners" from 1990 to 2000 is not possible. The 2000 Census advises that do to the inclusion of a number of new variables for "unmarried partners" including the inclusion of same sex spouses, direct comparison of the 1990 and 2000 estimates is not statistically valid.

## 2.2.2 Special Needs Households

The following discussion highlights particular characteristics that may affect an individual household's access to housing in the community.

### Senior Households

Seniors are often considered a special needs group because of their fixed incomes, health costs, need for transportation and supportive services, and disabilities. These factors make it more difficult for seniors to find and retain adequate affordable housing. As of the 2010 Census, the City was home to 8,217 senior-headed households (36 percent of all households). Most of these households owned their homes (76 percent) while 24 percent rented their homes. According to 2009-2011 ACS data, approximately 35 percent of the City's seniors have one or more disabilities.

### Resources

To help meet the housing needs of seniors, the City encourages and facilitates the development of affordable senior housing (e.g., Vista Del Monte/Vista Serena and Palm Springs Pointe senior apartments) and permits licensed care facilities that serve the elderly. As later shown in Table 22 (Page 2-29), a number of assisted housing developments in the City provide affordable housing options for senior residents and persons with disabilities. For residents requiring assisted living, the City currently has 26 licensed residential care facilities with the capacity to serve 446 seniors.

The City details various senior resources and local community organizations that provide services to seniors on its website. Local service providers such as the Mizell Senior Center, The Center, serving the

LGBT community, and the Riverside County Office on Aging offer a wide range of assistance and referral services.

### **Large Households**

Large households are defined as those with five or more members. Many large households are families with two or more children, and/or with extended family members such as grandparents. Large households are a special needs group because of the limited availability of adequately sized, affordable housing units for this particular group. In order to save for basic necessities such as food, clothing and medical care, low and moderate income large households typically reside in smaller units, resulting in overcrowding. Furthermore, large families with children, especially those who are renters, may face discrimination or differential treatment in the housing market. For example, some landlords may charge such families a higher rent or security deposit than they normally would, limit the number of children in a complex or confine them to a specific location, or choose not to rent to them altogether.

The 2010 Census reported 1,116 households in Palm Springs with five or more members, representing approximately five percent of all households. The proportion of large households in Palm Springs has decreased slightly over the previous decade. In 2000, six percent of all households had five or more members. Of these large households, a majority (59 percent) were renters and 41 percent were owners. As discussed in greater detail later, a greater proportion of large renter-households earned low and moderate incomes compared to the overall average Citywide. Approximately 84 percent of large family renter-households earned less than 80 percent of the County Median Family Income (MFI) compared to just 45 percent of all households in the City.<sup>9</sup>

### **Resources**

Large households in the City can benefit from the general housing programs and services available to all lower and moderate income persons in Palm Springs, including the County's Housing Choice Voucher program, Home Repair program, and various community and social services provided by non-profit organizations in the region.

### **Single-Parent Households**

Single-parent households are given special consideration and assistance because of their greater need for affordable housing, accessible day care, health care, and other supportive services. These households are more likely to earn lower- and moderate-incomes yet they often incur higher living expenses (i.e. childcare), which limits their ability to secure affordable, decent, and safe housing. Single-parent households, especially single mothers, may also be discriminated against in the rental housing market. At times, landlords may require more stringent credit checks for female-headed single-parent families because they are overly concerned about the ability of these households to make regular rent payments.

In 2010, an estimated 985 female-headed, single-parent households with children under age 18 lived in the City, representing approximately four percent of all households. This figure has remained relatively static since 2000. In 2010, approximately 365 male-headed, single-parent households with children also resided within Palm Springs, comprising approximately two percent of all households in the community. Since 2000, the proportion of male-headed, single- parent households has also remained relatively stable.

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<sup>9</sup> CHAS Database, based on 2006-2010 ACS data.

Of particular concern are the single-parent families with children in Palm Springs living in poverty. According to the 2007-2011 ACS, 793 families were estimated as living below the poverty level, representing nine percent of all families in the community. Included in this subset were: 149 married couple families with children (25 percent), 299 female-headed single-parent householders with children (51 percent), and 144 other types of households with children (24 percent).

The proportion of families with children living in poverty has decreased since 2000 when 1,068 families with children were estimated to be living in poverty (11 percent of all households).

**Resources**

Affordable housing is one of the most acute needs of single-parent households. Table 22 (Page 2-29) summarizes the City’s inventory of affordable housing development. Furthermore, the City offers additional affordable housing opportunities in coordination with other resources and agencies, including the Riverside County Mortgage Credit Certificate and Neighborhood Stabilization programs, the Housing Choice Voucher program, and the Home Repair Program. Service groups such as the Fair Housing Council of Riverside County can also assist these households with addressing a variety of housing issues.

Limited household income constrains the ability of these households to afford adequate housing, childcare, health care, and other necessities. A number of services that benefit these households are available in the City and include: The Riverside County Office of Education (RCOE) offers a wide array of assistance services. Programs administered by the RCOE include: Head Start, Early Head Start, California State Preschool Program, Child Development Center-Based Programs, Alternative Payment Program for child care, Resource and Referral, CalWORKS Stages 2 and 3 child care, Court Child Care, Family Child Care Home Education Network (FCCHEN), Resource Lending Libraries, and Special Project Grants such as the Child Care Initiative Project; Growing, Learning, Caring for license-exempt providers; and child care health and safety.

**Persons with Disabilities**

Persons with disabilities may be discriminated against in the housing market because of their limited mobility, need for home modifications to improve accessibility, and dependence on other forms of assistance (i.e. service animals).

According to the 2009-2011 ACS, 6,902 persons in Palm Springs suffered from at least one disability, comprising approximately 16 percent of the population aged five years and older. Disabilities are defined as mental, physical or health conditions that last over six months. Table 5 displays disabilities tallied by age. The prevalence of disabilities generally increases with age. Approximately 22 percent of children aged 5 to 17 had a disability, compared to 35 percent of seniors aged 65 years and older. Overall, the total number of persons aged five years and older with disabilities has declined since 2000, when there were 10,836 persons with disabilities (27 percent of the population aged five years and older).

<b>Table 5: Disabilities Tallied by Age</b>						
<b>Age</b>	<b>Male</b>		<b>Female</b>		<b>Total</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
5 to 17	26	0.7%	66	2.2%	92	1.3%
18 to 64	1,981	51.0%	920	30.5%	2,901	42.0%
65 +	1,879	48.4%	2,030	67.3%	3,909	56.6%
<b>Total</b>	<b>3,886</b>	<b>100.0%</b>	<b>3,016</b>	<b>100.0%</b>	<b>6,902</b>	<b>100.0%</b>

Source: American Community Survey, 2009-2011.



**Persons with Developmental Disabilities**

As defined by Section 4512 of the Welfare and Institutions Code, “developmental disability” means “a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual.

The Census does not record developmental disabilities. However, according to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent. This equates to 668 persons in Palm Springs with developmental disabilities, based on the 2010 Census population.

According to the State’s Department of Developmental Services, as of November 2012, approximately 215 Palm Springs residents with developmental disabilities were being assisted at the Inland Regional Center in San Bernardino. Most of these individuals were residing in a private home with their parent or guardian and 59 of these persons with developmental disabilities were under the age of 18.

**Resources**

The housing and supportive service needs of persons with disabilities can be met with programs offered by the City and various community organizations. As shown in Table 22 (Page 2-29), various assisted housing developments are located in the City and provide accessible housing options for persons with disabilities. Additionally, the County’s Housing Choice Voucher program, administered by the Housing Authority of Riverside County, has established a preference for persons with disabilities when allocating vouchers for affordable housing. Further assistance for persons with disabilities is available through The Aging & Disability Resource Connection of Riverside County, which distributes a comprehensive resource guide of public benefits, protection, first responders, essential, transportation, and general community services available in the County. For residents requiring assisted living, the City has 26 licensed residential care facilities with the capacity to serve 446 persons.

**Persons Living with HIV/AIDS**

Persons with HIV/AIDS may face biases and misconceptions about their illness that affect their access to housing. Such persons may also be targets for hate crimes. The first AIDS case in Riverside County was reported in 1983. Since then, there have been 6,000 AIDS cases reported in Riverside County as of 2012.<sup>10</sup> As of December 2012, approximately 3,374 individuals are currently living with AIDS.<sup>11</sup> Approximately 1,712 individuals that are HIV positive are also living in Riverside County. Compared to other counties, Riverside County has the fifth highest number of HIV cases and sixth highest number of AIDS cases in the state. A substantial portion of persons living with HIV/AIDS within Riverside County reside in Palm Springs. As of February 2013, there were 1,158 individuals currently living with AIDS and 606 persons living with HIV in the Palm Springs/North Palm Springs area, representing approximately 35 percent of all AIDS/HIV cases within Riverside County.

According to the Riverside County Community Health Agency, the greatest number of new AIDS cases in Riverside County was reported during years 1993 to 1996. Between 440 and 700 new cases were recorded

<sup>10</sup> Gardner, A; Meconius, K; Penny, M; Harris, W; Lieber, C; *30 Years of AIDS: Current State of the Epidemic in Riverside County, California*. Riverside: Riverside County Department of Public Health, HIV/AIDS Program, 2012.

<sup>11</sup> Aaron Gardner, Research Specialist. *Epidemiology of HIV/AIDS in Riverside County, 2012*. County of Riverside Department of Public Health, Epidemiology & Program Evaluation, February 2, 2013.

annually during that period. Since 1997, the number of new AIDS cases has been steadily declining with approximately 282 AIDS cases reported in 2002. Over the past six years the number of AIDS cases reported has declined to 83 in 2012, while the overall rate of HIV incidence has essentially remained the same. According to the County Department of Public Health, the gradual decline in new AIDS cases is indicative of an overall trend throughout State. Over the past several years, better prevention and outreach coupled with new drugs and better treatment has reduced the spread of HIV and prevented many of those currently living with the HIV virus of developing AIDS.

Among Coachella Valley residents diagnosed with HIV, 78 percent are White, 17 percent are Hispanic, three percent are African American, and two percent all other ethnicities. Over half of those individuals are adults over 45 years old. The ethnic, racial and age composition of the AIDS population in Palm Springs generally mirrors the countywide population.

### **Resources**

To help serve those persons with HIV or AIDS in Palm Springs, several resources are available, including the *Desert AIDS Project (DAP)*, the *AIDS Assistance Program (AAP)*, and various programs offered by the Riverside County Department of Public Health.

*Desert AIDS Project* provides medical care and comprehensive support services to people living with HIV/AIDS in the desert community. Free, anonymous HIV testing is available, as well as counseling, home health services, legal assistance, and assistance with housing, medications, food, re-employment, and more. Desert AIDS Project also provides prevention and education outreach activities.

The *AIDS Assistance Program* provides food vouchers for approximately 450 low income clients per month. The AIDS Assistance Program also provides benefits counseling to those diagnosed with AIDS or HIV. The counseling program focuses on health and stress management, benefits assessments, finances, skills assessments, and returning to the work force assistance.

The Riverside County Department of Public Health collaborates with community partners to provide a number of services that help stop the spread of HIV and improve the health of those diagnosed with the disease through various HIV/STD programs. Services include prevention and education, care and assistance, and surveillance, with a focus on activities highlighted in the National HIV/AIDS Strategy and supported by the California Office of AIDS.

### **Homeless Persons**

Homeless people who have gone through a transitional housing or other assistance program often face a number of challenges when attempting to secure permanent housing. In addition to the limited availability of affordable housing, some landlords may also be unwilling to rent to someone who was formerly homeless.

In 2013, the Institute for Urban Initiatives conducted a point-in-time homeless count and subpopulation survey of the homeless population in Riverside County. Information from the point-in-time count and surveys was summarized in the *Riverside County 2013 Homeless Count and Subpopulation Survey*. The purpose of the project was to identify specific demographic information as well as assess the service needs of the homeless population within Riverside.

The point-in-time count identified 132 homeless persons in the City of Palm Springs. The majority of these individuals were sheltered (55 percent), while 45 percent were unsheltered.

Of the 60 unsheltered homeless individuals surveyed in the City, the following characteristics were identified:<sup>12</sup>

- 78 percent were men, 22 percent were female
- 77 percent were White, ten percent were Hispanic, nine percent were American Indian, three percent were African American, and one percent were Asian
- 0 percent had their children under 18 living with them totaling 342 children
- 36 percent of adults surveyed stated that they had been a victim of domestic violence or intimate partner violence
- 36 percent reported symptoms of a mental illness
- 20 percent indicated that they had a substance abuse problem
- 75 percent were Chronically Homeless Individuals<sup>13</sup>

**Resources**

A number of homeless shelters and services are located within Palm Springs and surrounding jurisdictions. These services are summarized in Table 6.

<b>Table 6: Homeless Facilities and Services in the Coachella Valley</b>		
<b>Name</b>	<b>Location</b>	<b>Services/Beds</b>
<b>Shelters</b>		
ABC Recovery Center	Indio	68 emergency beds and 40 transitional beds
Coachella Valley Rescue Mission	Indio	75 emergency beds and 150 transitional beds
Martha's Village & Kitchen	Indio	34 transitional rooms
Nightingale Manor	Palm Springs area	10 permanent supportive service apartments for the disabled
Shelter From the Storm	Palm Desert	60 emergency beds and 108 transitional beds for women and children that are victims of domestic violence
Desert AIDS Project	Palm Springs	45 permanent beds for homeless individuals that have HIV/AIDS
Roy's Desert Resource Center	Palm Springs	9 emergency beds
Desert Horizons	Palm Springs	32 scattered transitional apartments
Desert Vista	Palm Springs	40 scattered permanent apartments
The Path	Palm Springs	25 permanent supportive units for individuals
Safe House of the Desert	Thousand Palms	20 emergency beds for youth

<sup>12</sup> Riverside County 2013 Homeless Count and Subpopulation Survey

<sup>13</sup> An unsheltered adult was considered chronically homeless is the person fit within HUD's definition of chronic homelessness which includes if the person had been living in an emergency shelter and/or on the streets or in abandoned buildings for the past year or more and/or if the person had been living in an emergency shelter and/or on the streets or in abandoned buildings four times or more during the last three years. In addition, according to HUD, the person must have a disabling condition which for the purposes of this survey included mental health problems, drug or alcohol problem, physical disability, developmental disability, and/or HIV/AIDS.

**Table 6: Homeless Facilities and Services in the Coachella Valley**

Name	Location	Services/Beds
<b>Services</b>		
Blythe Emergency Food Pantry	Blythe	Emergency food assistance.
Catholic Charities	Palm Springs	Provides emergency rental assistance, food and Shelter.
Community Access Center	Indio	Housing referrals, independent life skills training, and counseling.
The Well in the Desert	Palm Springs	Provides grocery distribution and hot meals.
St. Elizabeth Church	Desert Hot Spring	Emergency food assistance.
Roy's Desert Resource Center	Palm Springs	Housing Assistance, life skills training, showers and food

Source: Palm Springs Consolidated Plan 2000-2005, Riverside County Continuum of Care 2003.

### Farmworkers

Although the Coachella Valley economy was historically linked to agriculture, changes in the local economy have virtually eliminated all significant agricultural production in Palm Springs. The 2007-2011 ACS reported that only 93 residents were employed in the agricultural sector, representing less than one percent of the City's employed population over 16 years of age.

### Resources

Typically, agricultural work is one of the lowest-paying employment options, resulting in many farmworkers living in substandard housing. However, because the City's farmworker population comprises such a small proportion of the total population, no specific programs or activities are necessary for this special needs groups. Farmworkers in Palm Springs can benefit from the general housing programs and services available to all of the City's lower- and moderate-income households, including the Housing Choice Voucher program and Home Repair Program.

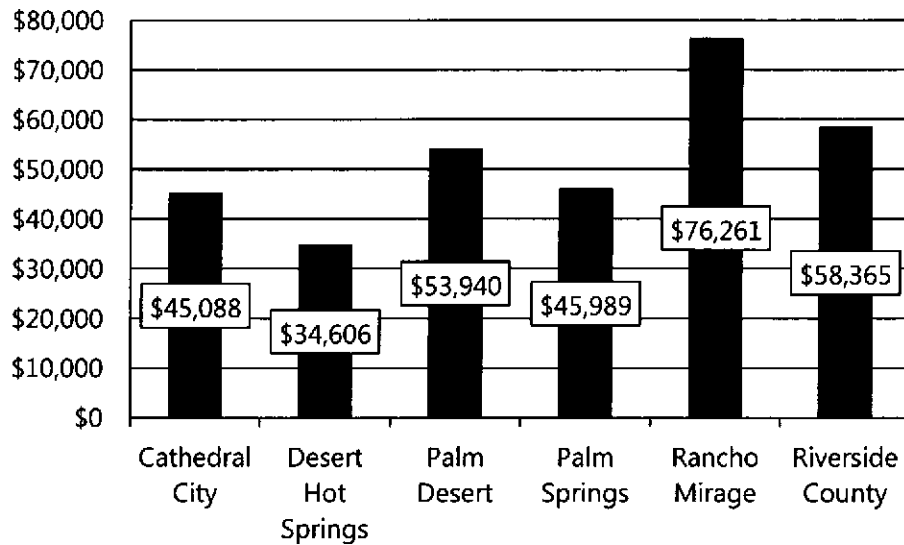
## 2.3 Income Profile

### 2.3.1 Household Income

Household income is one of the most important factors affecting housing opportunity since it directly relates to a household's ability to pay for housing and the basic necessities of life. While economic factors that affect housing choices are not fair housing issues per se, the relationships among household income, household type, race/ethnicity, and other factors often create biased generalizations/stereotypes that raise fair housing concerns. For example, the refusal to rent to a family of a particular race because of a belief that people of that race tend to be lower income and often do not pay rent on time, is a fair housing concern.

According to the 2007-2011 ACS, Palm Springs residents earned a median household income of \$45,989, approximately 21 percent below the Riverside County median of \$53,365. The median income in Palm Springs was comparable to most neighboring jurisdictions but significantly lower than for nearby Rancho Mirage (\$76,261) (Figure 4).

Figure 4: Median Household Income 2011



Source: 2007-2011 American Community Survey.

In analyzing income distribution, households are typically categorized into different income groups based on the County's Median Family Income (MFI), adjusted for household size. The four categories are:

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

Combined, the Extremely Low and Low Income groups are referred to as Lower Income. Federal programs such as Community Development Block Grants (CDBG) provide assistance to only those households in the Extremely Low to Moderate Income categories.<sup>14</sup>

### 2.3.2 Income by Race/Ethnicity

For planning purposes, special income data compiled by the Comprehensive Housing Affordability Strategy (CHAS), and based on the 2006-2010 ACS, is used. According to CHAS, 12 percent of the City's households were Extremely Low Income (0-30 percent MFI), 14 percent were Low Income (31-50 percent MFI), and 19 percent earned Moderate Incomes (51-80 percent MFI). Approximately 55 percent of the City's households had incomes above 80 percent of the median in 2010 (Table 7).

Household income in Palm Springs varied by race and ethnicity. Specifically, Hispanic and Black households had a noticeably lower proportion of households earning above 80 percent of the MFI (37 and 49 percent respectively), compared to the citywide average of 55 percent. Correspondingly, a higher proportion of Hispanic households (63 percent) and Black households (51 percent) were within the Lower and Moderate Income categories. Among all households in the community, White and Asian households had the highest proportion of Middle/Upper Income households and a smaller proportion of Extremely Low, Low and Moderate Income households.

<sup>14</sup> These income categories are different than those established by the State of California, which are: Extremely Low (30 percent MFI); Very Low (50 percent MFI); Low (80 percent MFI); Moderate (120 percent MFI); and Above Moderate (>120 percent MFI).

**Table 7: Household Income Profile by Race/Ethnicity**

Households	Percent Of Total Households	Extremely Low Income (0-30%)	Low Income (31-50%)	Moderate Income (51-80%)	Middle/Upper Income (81%+)
White	75.0%	11.7%	12.2%	17.1%	59.0%
Hispanic	15.6%	11.5%	24.6%	27.2%	36.7%
African-American	3.8%	14.5%	13.9%	23.2%	48.5%
Asian	2.6%	10.8%	14.4%	13.7%	61.1%
Other <sup>15</sup>	3.0%	19.5%	16.9%	13.6%	49.9%
<b>Total</b>	<b>100.0%</b>	<b>12.0%</b>	<b>14.4%</b>	<b>18.7%</b>	<b>54.9%</b>

Source: Comprehensive Housing Affordability Strategy (CHAS), based on 2006-2010 ACS data.

Notes:

1. For planning purposes, HUD uses the ACS data to develop special tabulations by HUD income group and special needs category. This dataset is collectively known as the Comprehensive Housing Affordability Strategy (CHAS).
2. Other includes Native American, Pacific Islander and individuals that identify themselves as two or more races.

### 2.3.3 Income by Households Type and Tenure

Citywide, 45 percent of households in Palm Springs were categorized as Lower and Moderate Income (earned less than 80 percent of the MFI). However, the proportion of large households earning Lower and Moderate Incomes was significantly higher (57 percent). Elderly households had the highest proportion of Extremely Low Income households at 13 percent.

**Table 8: Household Income Profile by Household Type**

Households	Percent Of Total Households	Extremely Low Income (0-30%)	Low Income (31-50%)	Moderate Income (51-80%)	Middle/Upper Income (81% + )
Elderly	41.3%	12.5%	15.1%	19.7%	52.7%
Small Families	21.8%	10.4%	14.1%	21.2%	54.4%
Large Families	3.0%	1.4%	33.1%	22.3%	43.2%
Others	33.9%	10.6%	12.5%	16.1%	60.8%
<b>Total</b>	<b>100.0%</b>	<b>11.1%</b>	<b>14.5%</b>	<b>18.9%</b>	<b>55.5%</b>

Source: Comprehensive Housing Affordability Strategy (CHAS), based on 2006-2010 ACS data.

Table 9 compares household income by household type and tenure. As illustrated in the following table, owner-households (64 percent) were much more likely than renter-households (43 percent) to earn more than 80 percent of the MFI. Furthermore, almost 36 percent of all renter households earned Extremely Low and Low Income levels compared to just 19 percent of home owners. In particular, elderly renter-households and large family renter-households had the highest proportion of Lower and Moderate Income households.

According to the US Department of Housing and Urban Development (HUD) household types within CHAS are divided into the following categories:

**Elderly Households:** The head of the household is age 62 and over.

**Small Family Households:** Families with a total household size of 2 to 4 persons.

**Large Family Households:** Families which have a total size of at least 5 persons.

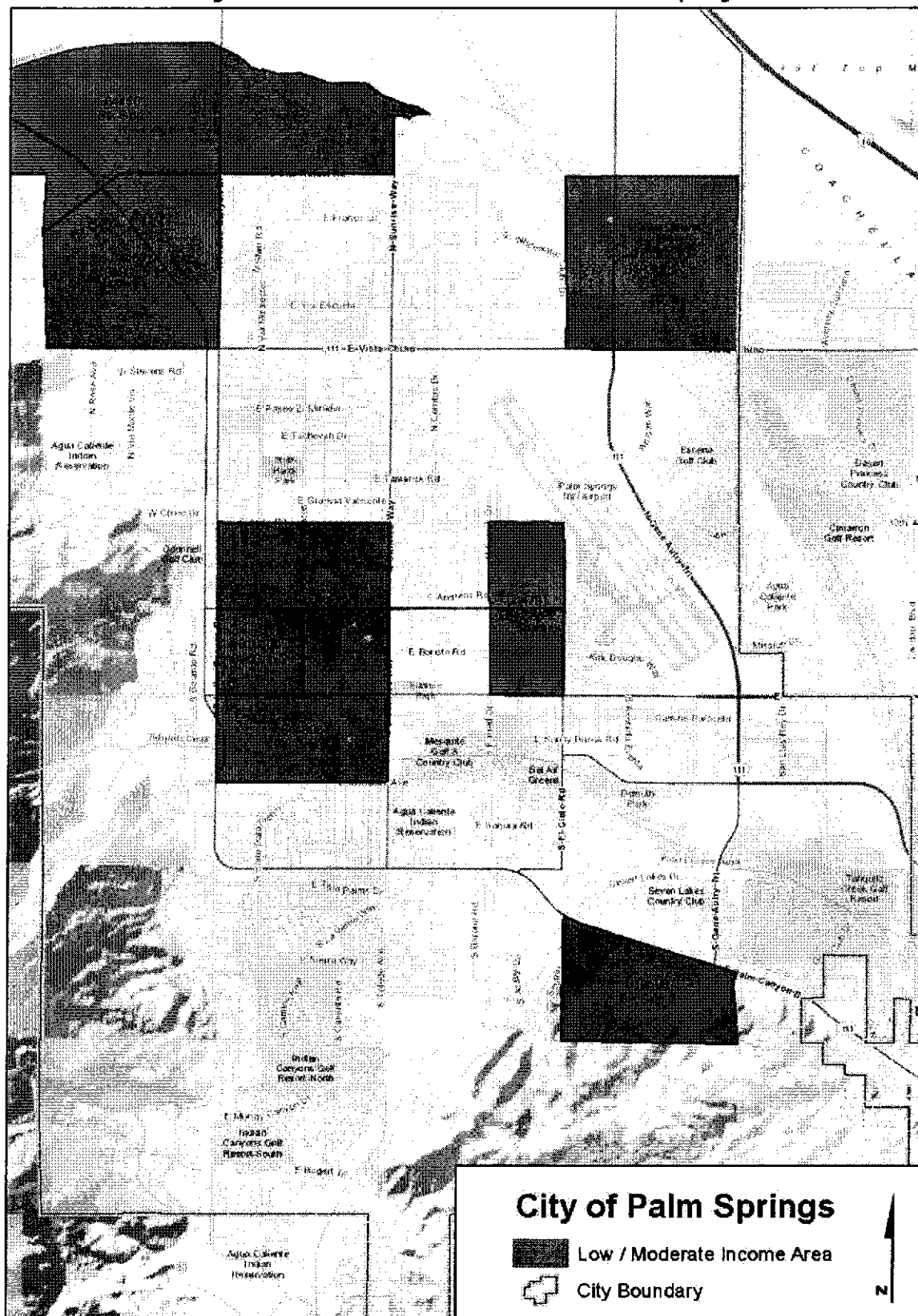
**All Other Households:** Non-elderly persons living alone and all non-family households.

<b>Table 9: Household Income by Household Type and Tenure</b>				
<b>Household Type</b>	<b>Extremely Low Income (0-30%)</b>	<b>Low Income (31-50%)</b>	<b>Moderate Income (51-80%)</b>	<b>Middle/Upper Income (81%+)</b>
<b>Renter Occupied</b>				
Elderly (62 and over)	22.4%	20.1%	24.4%	33.2%
Small Families	16.7%	22.2%	26.3%	34.9%
Large Families	3.0%	64.2%	16.4%	16.4%
Others	9.1%	18.7%	18.2%	53.9%
<b>Total Renters</b>	<b>13.9%</b>	<b>21.7%</b>	<b>21.8%</b>	<b>42.7%</b>
<b>Owner Occupied</b>				
Elderly (62 and over)	10.0%	13.8%	18.5%	57.7%
Small Families	4.0%	5.8%	16.0%	74.2%
Large Families	0.0%	4.2%	27.8%	68.1%
Others	12.3%	5.2%	13.5%	68.9%
<b>Total Owners</b>	<b>9.2%</b>	<b>10.0%</b>	<b>17.0%</b>	<b>63.7%</b>

Source: Comprehensive Housing Affordability Strategy (CHAS), Based on 2006-2010 ACS data.

Palm Springs' low and moderate income population is not evenly distributed throughout the City (Figure 5). Typically, when a census block group has a low and moderate income population of 51 percent or more, the block group is considered a low/mod area. As Figure 5 illustrates, Palm Springs' low/mod areas are primarily located within the northwestern portion of the City. A smaller low/mod area is also located in the eastern portion of the City, south of the 111 Freeway. In comparing the City's low/mod areas with the minority concentration areas displayed in Figure 3 on p. 2-5, it is easy to see many areas of overlap.

Figure 5: Low/Moderate Income Areas in Palm Springs





## 2.4 Housing Profile

A discussion of fair housing choice must be preceded by an assessment of the housing market in question. This section provides an overview of the characteristics of the local and regional housing markets.

### 2.4.1 Housing Growth

#### What is a housing unit?

*A housing unit is defined as a house, an apartment, or a single room, occupied as a separate living quarter or, if vacant, intended for occupancy as a separate living quarter. Separate living quarters are those in which the occupants live separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.*

Table 10 shows housing construction in the County of Riverside. Many communities in the Coachella Valley, including Desert Hot Springs, Palm Desert and Rancho Mirage, had experienced significant housing growth during the past 20 years. However, compared to surrounding communities and the County, Palm Springs had a considerably slower rate of housing production. The City's housing stock increased by only two percent from 1990 to 2000. Development did pick up in the following decade, however, and Palm Springs' housing stock increased by 12 percent between 2000 and 2010.

Jurisdiction	1990	2000	2010	% Change	
				(1990 to 2000)	(2000 to 2010)
Desert Hot Springs	5,494	7,034	10,902	28.1%	55.0%
Palm Desert	18,248	28,021	37,073	53.5%	32.3%
<b>Palm Springs</b>	<b>30,517</b>	<b>30,979</b>	<b>34,794</b>	<b>1.5%</b>	<b>12.3%</b>
Rancho Mirage	9,360	11,816	14,243	26.2%	20.5%
Riverside County	483,847	584,674	800,707	20.8%	36.9%

Source: Census, 1990-2010.

### 2.4.2 Housing Type

Table 11 provides a summary of the Palm Springs housing stock from 1990 to 2010. Reflective of the City's relatively limited growth, only slight changes have occurred in the composition of the City's housing stock since 1990. Palm Springs continues to have a diverse mix of housing types, with 60 percent of homes comprised of single-family units and approximately 33 percent of units consisting of multi-family homes in 2010. Since 1990, the proportion of single-family homes has increased, while the proportion of multi-family homes in the community decreased.

During this time period, the number and proportion of mobile homes increased slightly. However, this increase may partly be attributed to changes in the definition of mobile homes and other units between the 1990 and 2010 Census. For example, in 1990, many unconventional units such as campers, trailers, and houseboats were counted as "other" housing units. In 2000, many of these units were either dropped as a housing unit or reclassified as mobile homes or multi-family units (in five units+ structures).

**Table 11: Changes in Housing Stock**

Housing Type	1990		2000		2010	
	Number	Percent	Number	Percent	Number	Percent
Single Family	16,030	52.5%	16,354	52.8%	21,896	60.4%
Detached	9,906	32.5%	10,163	32.8%	12,878	35.5%
Attached	6,124	20.1%	6,191	20.0%	9,018	24.9%
Multi-Family	11,487	37.6%	12,379	39.9%	11,997	33.1%
2-4 Units	2,010	6.6%	2,502	8.1%	2,750	7.6%
5 + Units	9,477	31.1%	9,877	31.9%	9,247	25.5%
Mobile Homes*	2,465	8.1%	2,172	7.0%	2,354	6.5%
Other*	658	2.1%	74	0.2%	14	<1.0%
Total Units	30,517	100.0%	30,979	100.0%	36,261	100.0%

Source: U.S. Census 1990-2010.

Note: Some cells do not total 100% due to rounding corrections.

\* Other housing units were classified in STF 3-(Census Sample Data) therefore total may add up to more than 30,517.

### 2.4.3 Tenure and Vacancy Housing Tenure

The tenure distribution (owner versus renter) of a community's housing stock influences several aspects of the local housing market. Residential mobility is influenced by tenure, with ownership housing evidencing a much lower turnover rate than rental housing. Housing cost burden<sup>16</sup> is also generally more prevalent among renters than among owners. Tenure preferences are primarily related to household income, composition, and age of the householder.

As indicated in Table 12, in 2010, approximately 59 percent of all households were home owners and 41 percent were renters. The tenure distribution of Palm Springs households has remained constant since 1990. The home ownership rate decreased slightly from 61 percent in 2000 to almost 59 percent in 2010.

**Table 12: Housing Tenure**

Tenure of Units	1990		2000		2010	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	10,963	58.9%	12,480	60.8%	13,349	58.7%
Renter-Occupied	7,659	41.1%	8,036	39.2%	9,397	41.3%
Total Occupied Units	18,622	100%	20,516	100%	22,746	100.0%

Source: U.S. Census 1990-2010.

### Vacancy Rate

Vacancy rates are a good measure of the overall availability of housing in a community and are often indicators of how a jurisdiction's housing stock is meeting the current demand for housing. Vacancy rates of five percent for rental housing and two percent for ownership housing are generally considered healthy and suggest a balance between the demand and supply of housing. A higher vacancy rate could indicate an excess supply of units, while a lower vacancy rate could indicate that households may have difficulty finding housing. Low vacancy rates tend to drive up housing prices, leading to other problems such as housing cost burden and/or overcrowding. A tight housing market also offers incentives for discriminatory practices.

<sup>16</sup> State and federal standards specify that households spending more than 30 percent of gross annual income on housing experience a housing cost burden. Housing cost burdens occur when housing costs increase faster than household income.

Due to Palm Springs' unique status as a retirement and tourism-oriented community, the number of vacant units is exceptionally high. In 2010, vacant units comprised approximately 35 percent of all housing units, with the majority of these vacant units (68 percent) being used for seasonal, recreational, or occasional uses and not available to those who need it year round (Table 13).

The overall vacancy rate has noticeably decreased since 1990, when almost 40 percent of all homes were vacant. This may indicate that as the regional demand for year round housing rises, the housing stock in Palm Springs will become increasingly used for primary residences.

In 2010, excluding seasonal, recreational, or occasional housing, the homeowner vacancy rate was 6.7 percent, while the renter vacancy rate was 15.5 percent. The high rental vacancy rate may reflect the use of a large number of rental housing units as short-term rentals. It is unlikely that the City's lower income renter-households are able to afford these units, as evidenced by the incidence of overcrowding experienced by these households.

**Table 13: Housing Unit Occupancy**

Year	Vacant Units				Total Vacant Units	
	Seasonal/ Occasional Use	For Rent	For Sale	Other Vacant	Total Units	Percent
1990	8,331	1,014	752	1,798	11,895	38.9%
2000	7,240	998	413	1,656	10,307	33.4%
2010	8,151	1,744	974	1,179	12,048	34.6%

Source: 1990-2010 Census

#### 2.4.4 Overcrowding

##### What is overcrowding?

*There is no official definition of overcrowding. However, different programs use some general guidelines for occupancy. According to the State Department of Housing and Community Development (HCD), overcrowded households are households with more than one person per room, excluding bathrooms, kitchens, hallways and porches. Severe overcrowding is measured by 1.5 or more persons per room. This definition is used by the State because the Census provides statistics on the number of persons per room.*

Overcrowding occurs when housing costs are so high (relative to income) that families have to reside in small units or double-up to devote income to other basic needs such as food and medical care. Overcrowding also tends to result in increased traffic and a shortage of on-site parking in a particular area. Deterioration of a housing unit may also accelerate due to overcrowding. Maintaining a reasonable level of occupancy and alleviating overcrowding is an important contributor to quality of life.

As indicated in Table 14, approximately three percent of all households were overcrowded in Palm Springs in 2011, representing a decrease since 2000 when seven percent of all households were overcrowded. Approximately one percent of all households in Palm Springs were severely overcrowded in 2011, compared to four percent of households in 2000.

Overcrowding in the City varies considerably by tenure. A higher proportion of renter-households (five percent) experienced overcrowded living conditions compared to owner-households (one percent) in 2011. Renter-households were also more likely to be severely overcrowded. Approximately one percent of

renter-households were severely crowded compared to less than one percent of owner-households. As shown in Table 22 (Page 2-29), since the last AI 203 new affordable units have been constructed in the City.

**Table 14: Persons per Room in Occupied Housing Units  
(1990 to 2011)**

Tenure/Persons per Room	1990		2000		2011	
	Persons	Percent	Persons	Percent	Persons	Percent
<b>Owner-Occupied</b>						
Total Overcrowded (>1.0 person/room)	317	2.8%	433	3.4%	184	1.4%
Severely Overcrowded (>1.5 persons/room)	149	1.3%	158	1.2%	93	0.7%
<b>Renter-Occupied</b>						
Total Overcrowded (>1.0 person/room)	1,055	13.7%	1,105	13.6%	517	5.3%
Severely Overcrowded (>1.5 persons/room)	657	8.5%	737	9.1%	98	1.0%
<b>All Households</b>						
Total Overcrowded (>1.0 person/room)	1,372	7.4%	1,538	7.4%	701	3.0%
Severely Overcrowded (>1.5 persons/room)	806	4.3%	895	4.4%	191	0.8%

Source: U.S. Census, 1990 and 2000, and American Community Survey, 2007-2011.

### 2.4.5 Housing Cost and Affordability

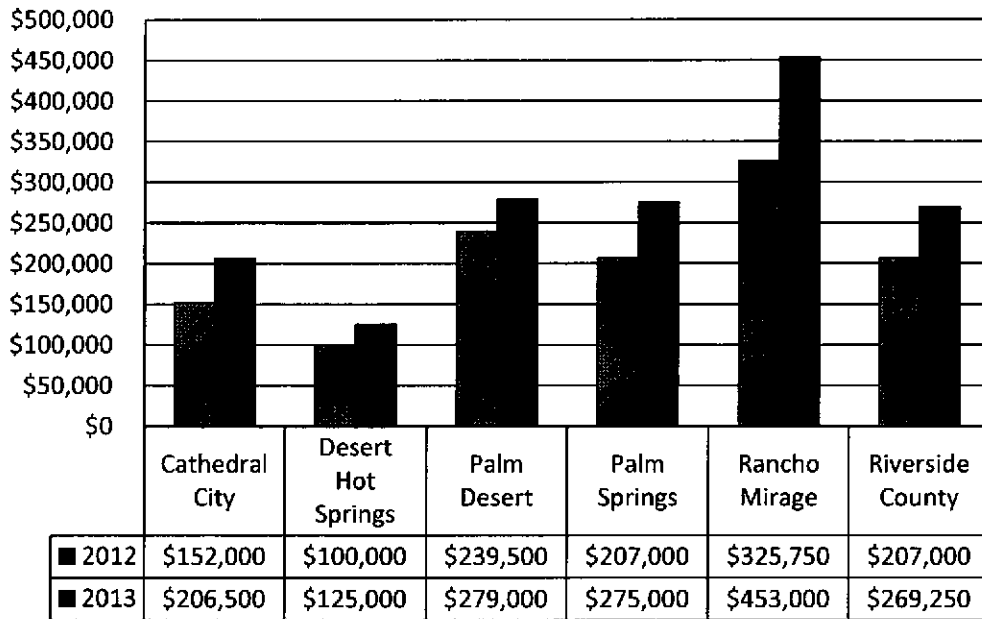
Many housing problems such as housing overpayment or overcrowded housing are directly related to the cost of housing in a community. If housing costs are high relative to household income, the incidence of housing problems increases. This section evaluates the affordability of the housing stock in Palm Springs to low and moderate- income households. However, an emphasis must be made that housing affordability alone is not necessarily a fair housing issue. Only when housing affordability issues intersect other factors covered under the fair housing laws, such as household type, composition, and race/ethnicity do fair housing concerns arise.

#### Owner-Occupied Housing

The recovery of the housing market has meant that home prices in the region have stabilized and even begun increasing slightly. Rising home prices, a healthy local economy and demand for second homes have placed pressures on the for-sale housing market in Palm Springs. Figure 6 compares the median sales price of single-family homes in Palm Springs, surrounding communities and Riverside County in June 2012 and June 2013 (DQNews).

In June 2013, the median home price in Palm Springs was \$275,000 a 33- percent increase from the median price of \$207,000 in June 2012 (Figure 6 & Table 15). Home prices in Palm Springs were moderate when compared to neighboring communities and the County.

**Figure 6: Median Home Prices -September 2012- 2013**



Source: DQNews, 2013.

**Table 15: Change in Median Home Prices – September 2012-2013**

Jurisdiction	% Change
Cathedral City	35.9%
Desert Hot Springs	25.0%
Palm Desert	16.5%
Palm Springs	32.9%
Rancho Mirage	39.1%
Riverside County	30.1%

Source: DQNews, 2013.

More detailed sales information by zip code is provided in Table 16. The instability of the real estate market in recent years has led to dramatic decreases in housing activity in the Palm Springs area. The number of home sales dropped dramatically from 2,146 in 2012 to just 214 in 2013. Of these sales, approximately 50 percent were of single-family homes and 50 percent were of condominiums.

During June 2013, the median sales price of a single-family home in the City ranged from \$391,000 to \$510,000, depending on location. Condominiums provide more affordable ownership opportunities for many Palm Springs households who may otherwise be unable to afford a home. Median prices for condominiums ranged from \$140,000 to \$183,000. As shown in Table 16, the median price for single-family homes and condominiums has increased since 2012, though the number of homes sold has decreased dramatically.

**Table 16: Single-Family Home and Condominium Sales  
(2012 and June 2013)**

Zip Code	Single-Family Homes			Condominiums		
	Number Sold	Median Price	% Change	Number Sold	Median Price	% Change
<b>2012</b>						
92262	711	\$300,000	15.4%	479	\$119,000	0.8%
92264	361	\$440,000	3.9%	595	\$156,000	-4.0%
<b>Total</b>	1,072			1,074		
<b>June 2013</b>						
92262	65	\$391,000	39.7%	48	\$140,000	65.7%
92264	42	\$510,000	1.9%	59	\$183,000	6.1%
<b>Total</b>	107			107		

Source: DQNews, 2013.

Notes:

1. Percent change for the year 2012 is estimated change from 2011.
2. Percent change for June 2013 is estimated change from June 2012.

### Renter-Occupied Housing

Information on rental rates in Palm Springs was obtained from advertisements found on Craigslist and collected over a two-week period (July-August, 2013). The majority of rentals listed in Palm Springs were for apartment units and the overall median price was \$775. Rents did vary by size, however, and rents ranged from \$500 for a studio to \$1,695 for a three-bedroom unit (Table 17).

**Table 17: Rents by Unit Size**

Unit Type	No. of Bedrooms	No. Listed	Rent Range	Average Rent	Median Rent
Apartments	Studio	29	\$500-\$950	\$692	\$650
	One	48	\$595-\$1,200	\$783	\$750
	Two	56	\$625-\$1,695	\$864	\$850
	Three	2	\$910-\$1,175	\$1,043	\$1,043
	<b>Total</b>	135	\$500-\$1,695	\$801	\$775
Single Family Homes	Two	15	\$875-\$3,000	\$1,474	\$1,400
	Three	21	\$850-\$3,400	\$1,578	\$1,495
	Four+	7	\$1,200-\$10,000	\$3,089	\$1,800
	<b>Total</b>	43	\$850-\$10,000	\$1,788	\$1,495
Condominium	One	15	\$650-\$1,350	\$845	\$775
	Two	32	\$890-\$1,950	\$1,210	\$1,125
	Three	6	\$1,250-\$1,850	\$1,482	\$1,375
	Four+	1	\$1,150	--	--
	<b>Total</b>	54	\$650-\$1,950	\$1,138	\$1,075
Mobile Home	--	2	\$650-\$850	\$750	\$750
<b>Total</b>		234	\$500-\$10,000	\$1,060	\$895

Source: Craigslist.org, July-August 2013

A portion of the advertised rental units were condominiums. Rental prices for condominiums were typically higher than for apartments, primarily due to the larger size of the units and additional amenities (private parking, balconies, and pool) that are often included in this type of property. The overall median rent for condominiums was \$1,075 and a majority of the available rentals were two-bedroom condominiums. Rents for single-family homes varied the most, based on size and amenities. The overall median rent for single-family homes in the City was \$1,495.

**Housing Affordability**

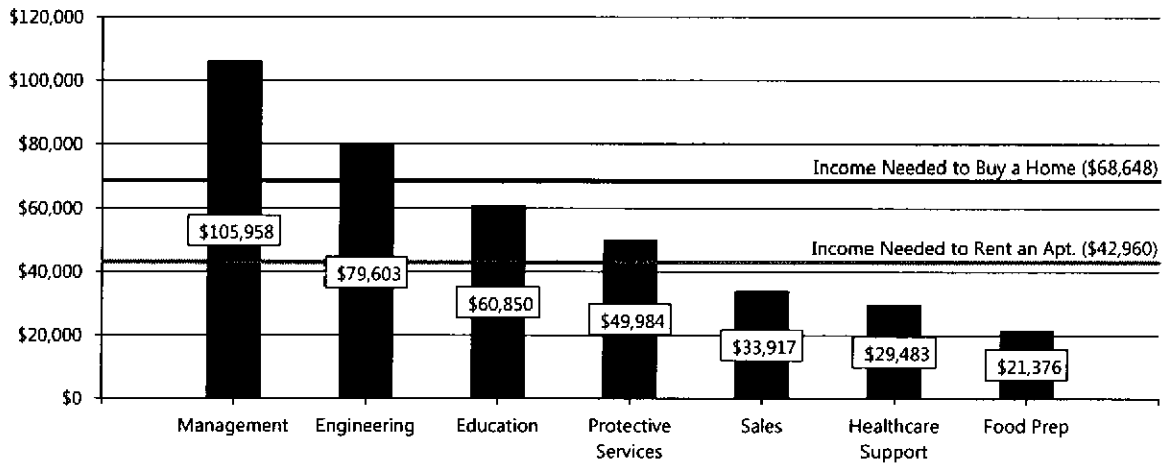
Housing affordability can be inferred by comparing the cost of housing in Palm Springs to the maximum affordable housing costs of households at different income levels. This analysis can provide a picture of who can afford what size and type of housing, as well as indicate the type of households that would likely experience overcrowding or burden on housing cost.

HUD conducts annual household income surveys for metropolitan areas across the country, including Riverside County. These income surveys are adjusted for differences in the size of a family. HUD uses these income levels to determine the maximum amount that a household can pay for housing and their eligibility for federal housing assistance. Estimates of affordable housing costs are presented in Table 18 and are based on the Federal standard of no more than 30 percent of gross household income.

When comparing the home prices and rents displayed in Figure 6 and Table 17 with the maximum affordable housing costs presented in Table 18, it is clear that extremely low and low income households in Palm Springs have limited housing options. Some moderate income households and most middle income households are able to afford market rents in the City, though larger households in these income categories may still find it difficult to find affordable adequately sized units. Homeownership is generally beyond the reach of most lower and moderate income households.

Figure 7 shows the household income needed to afford a median-priced home or apartment in Palm Springs and compares this to the average salaries of typical occupations in Riverside County. In general, low paying occupations such as health care support and food preparation do not pay salaries adequate for affording housing costs in the City.

**Figure 7: Income Needed to Afford Housing Compared With Income**



Sources: State Employment Development Department (2013) and Veronica Tam and Associates (2013).

**Table 18: Housing Affordability Housing Affordability Matrix  
Riverside County - 2013**

Annual Income Limits	Affordable Housing Cost		Utilities, Taxes, and Insurance			Maximum Affordable Price		
	Rent	Ownership	Rent	Ownership	Taxes/Insurance	Rental	Sale	
<b>Extremely Low (0 to 30% MFI)</b>								
One Person	\$14,100	\$353	\$353	\$168	\$185	\$71	\$185	\$22,575
Two Person	\$16,100	\$403	\$403	\$192	\$212	\$81	\$211	\$25,601
Three Person	\$18,100	\$453	\$453	\$223	\$253	\$91	\$230	\$25,368
Four Person	\$20,100	\$503	\$503	\$256	\$304	\$101	\$247	\$22,808
Five Person	\$21,750	\$544	\$544	\$290	\$351	\$109	\$254	\$19,550
<b>Low (31 to 50% MFI)</b>								
One Person	\$23,450	\$586	\$586	\$168	\$185	\$117	\$418	\$66,097
Two Person	\$26,800	\$670	\$670	\$192	\$212	\$134	\$478	\$75,406
Three Person	\$30,150	\$754	\$754	\$223	\$253	\$151	\$531	\$81,457
Four Person	\$33,500	\$838	\$838	\$256	\$304	\$168	\$582	\$85,181
Five Person	\$36,200	\$905	\$905	\$290	\$351	\$181	\$615	\$86,810
<b>Moderate (51% to 80% MFI)</b>								
One Person	\$37,550	\$939	\$939	\$168	\$185	\$188	\$771	\$131,728
Two Person	\$42,900	\$1,073	\$1,073	\$192	\$212	\$215	\$881	\$150,347
Three Person	\$48,250	\$1,206	\$1,206	\$223	\$253	\$241	\$983	\$165,707
Four Person	\$53,600	\$1,340	\$1,340	\$256	\$304	\$268	\$1,084	\$178,740
Five Person	\$57,900	\$1,448	\$1,448	\$290	\$351	\$290	\$1,158	\$187,817
<b>Median (81% to 100% MFI)</b>								
One Person	\$45,500	\$1,138	\$1,327	\$168	\$185	\$265	\$970	\$204,031
Two Person	\$52,000	\$1,300	\$1,517	\$192	\$212	\$303	\$1,108	\$233,045
Three Person	\$58,500	\$1,463	\$1,706	\$223	\$253	\$341	\$1,240	\$258,801
Four Person	\$65,000	\$1,625	\$1,896	\$256	\$304	\$379	\$1,369	\$282,230
Five Person	\$70,200	\$1,755	\$2,048	\$290	\$351	\$410	\$1,465	\$299,530
<b>Middle (101% to 120% MFI)</b>								
One Person	\$54,600	\$1,365	\$1,593	\$168	\$185	\$319	\$1,197	\$253,448
Two Person	\$62,400	\$1,560	\$1,820	\$192	\$212	\$364	\$1,368	\$289,522
Three Person	\$70,200	\$1,755	\$2,048	\$223	\$253	\$410	\$1,532	\$322,338
Four Person	\$78,000	\$1,950	\$2,275	\$256	\$304	\$455	\$1,694	\$352,826
Five Person	\$84,250	\$2,106	\$2,457	\$290	\$351	\$491	\$1,816	\$375,828

Assumptions: 2013 income limits; 30.0% gross household income as affordable housing cost; 20.0% of monthly affordable cost for taxes and insurance; 10.0% downpayment; and 4.0% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on Housing Authority of Riverside County Utility Allowance. Sources: HCD (2013); and Veronica Tam and Associates (2013).

### 2.4.6 Housing Condition

Assessing housing conditions in the City can provide the basis for developing policies and programs to maintain and preserve the quality of life. Deteriorating housing conditions depress property values and can discourage reinvestment in a community. The ability of households of all socioeconomic segments of the community to live in a safe and decent living environment is a fair housing concern.

Housing age is frequently used as an indicator of housing condition. Most residential structures over 30 years of age will require minor repair and modernization improvements, while units over 50 years of age are more likely to require major rehabilitation such as roofing, plumbing, and electrical system repairs. A unit is generally deemed to have exceeded its useful life after 70 years of age.



**Table 19: Housing Age**

Year Structure Built	Number	Percent of Total
2000 or later	3,613	10.0%
1990-1999	1,902	5.2%
1980-1989	8,129	22.4%
1970-1979	9,967	27.5%
1960-1969	6,492	17.9%
1940-1959	5,415	14.9%
1939 or earlier	743	2.0%
Total	36,261	100.0%

Source: American Community Survey, 2007-2011.

The City facilitates housing rehabilitation and improves neighborhood conditions through the Home Repair Program, which provides home repair grants of up to \$1,500 for owner-occupied occupants.

Approximately 35 percent of housing in the City was constructed prior to 1970 (Table 19). Because a sizable proportion of the City’s housing is relatively older, this could indicate an ongoing need for housing maintenance and repairs in the community.

### 2.4.7 Code Compliance

The Code Compliance division within the Department of Building and Safety maintains a largely reactive, complaint-driven code compliance program although the Department attempts to be more proactive if time permits. It includes three code compliance officers that work to correct code violations and respond to complaints from residents. One member of the staff is fluent in Spanish, facilitating understanding and cooperation between residents, property owners, and the City. From 2012 to 2013, most complaints related to code compliance and code enforcement concerned building/property maintenance, trash/refuse, and sign code violations. Complaints generally occur citywide; there is not a particular area of the City that the Department focuses on. Code enforcement for all mobile home parks within Palm Springs is conducted by the State of California Housing and Community Development Division of Codes and Standards.

In conjunction with inspecting properties and noticing property owners regarding violations, Community Preservation Department staff refers property owners to the City’s Department of Community and Economic Development for information on the City’s rehabilitation programs.

## 2.5 Affordable Housing

The availability and location of public and assisted housing may be a fair housing concern. If such housing is concentrated in one area of a community, a household seeking affordable housing is limited to choices within that area. In addition, public/assisted housing and Housing Choice Vouchers (Section 8) should be accessible to lower income households regardless of race, ethnicity, or disability.

### 2.5.1 Housing Choice Vouchers (Section 8) Assistance

The Housing Authority of Riverside County (HARIVCO) administers the Housing Choice Voucher (Section 8) program for residents of Palm Springs. Recipients of Housing Choice Voucher assistance receive a voucher that can be used to rent a dwelling in the private market. The housing voucher covers a portion of

the rent and the tenant is expected to pay the balance. The tenant's share of rent is an affordable percentage of their income, which is generally between 30 and 40 percent of their monthly gross income for rent and utilities.

As of September 6 2013, 308 Palm Springs households received Housing Choice Vouchers from HARIVCO. Among the voucher recipients, approximately 114 (37 percent) were elderly, and 235 (76 percent) were disabled.

<b>Table 20: Housing Choice Voucher Holders and Wait List</b>				
<b>by Race/Ethnicity</b>				
<b>Race/Ethnicity</b>	<b>Voucher Holders</b>		<b>Wait List</b>	
	<b>#</b>	<b>#</b>	<b>#</b>	<b>%</b>
Hispanic <sup>1</sup>	56	18.5%	97	28.3%
White	231	76.2%	248	72.3%
White/African American	0	--	1	0.3%
African American	64	21.1%	80	23.3%
Asian	3	1.0%	2	0.6%
American Indian	2	0.7%	6	1.7%
Native Hawaiian/Other Pacific Islander	3	1.0%	4	1.2%
Declined	0	--	1	0.3%
Other	0	--	1	0.3%
<b>Total<sup>2</sup></b>	<b>303</b>	<b>100.0%</b>	<b>343</b>	<b>100.0%</b>

Source: Housing Authority of the County of Riverside, October 2013.

Notes:

1. Total number of voucher holders and wait list add up to more than 303 and 343, respectively, since Hispanic residents are defined under more than one race category.
2. Data provided by HARIVCO are based on point-in-time calculations. Voucher holders by race/ethnicity data was provided by HARIVCO at a later time (October) and therefore does not align with September estimates.

As indicated in Table 20, HARIVCO also maintains records regarding the racial/ethnic makeup of Housing Choice Voucher holders. Among all recipients, White households (231) comprised the majority of all recipients, followed by African American residents (64), and Hispanic residents (56). Although there are a racially and ethnically diverse mix of residents that participate in the voucher program, compared to the overall ethnic and racial makeup of the City, it appears that Hispanic residents are slightly under-represented within the voucher program. The Housing Authority also provides information on voucher holders by size of housing unit. As shown on Table 21, the majority of voucher holders rented one and two bedroom apartments.

<b>Table 21: Housing Choice Voucher Holders by Unit Size</b>		
<b>Unit Size</b>	<b>Section 8 Householders</b>	
	<b>#</b>	<b>%</b>
Studio	4	1.3%
One-Bedroom	195	63.3%
Two-Bedroom	75	24.4%
Three-Bedroom	24	7.8%
Four-Bedroom	7	2.3%
Five-Bedroom	3	1.0%
<b>Total</b>	<b>308</b>	<b>100.0%</b>

Source: Housing Authority of the County of Riverside, September 2013.

As of October 2013, 343 Palms Springs households were on the Housing Choice Vouchers waiting list. According to the Housing Authority, the wait list is from one to two years but it can vary considerably. New and relocating voucher holders receive a briefing package that includes information on fair housing laws, rights and responsibilities as well as contact information if a tenant has a complaint. If a tenant has a fair housing issue, the Housing Authority will get involved to assist in resolving the issue; however, in most cases the individuals are referred to the Fair Housing Council of Riverside County. The Fair Housing Council also provides staff training on fair housing issue to Housing Authority staff approximately once a year.

Due to shortages in funding, the County has set up preferences to assist those that are the most need. Families on the waiting list must meet all of the following four categories. The preferences are as follows:

- Riverside County Residency Preference: If you live or work in Riverside County, including homeless, you are considered to be a resident (verification must be provided); and
- Rent burdened or homeless: If you are paying at least 30% of your gross monthly income toward rent in a form that is verifiable (i.e. cancelled checks, money order receipts etc.)
- Working Families with minor or dependent children or Elderly families or Disabled families: To be considered a "Working family with minor or dependent children" for the purpose of meeting the waiting list preference the head of household or spouse/co-head is employed and is working at least 32 hours per week at California minimum wage or higher for the last 60 days, or receiving Unemployment, State Disability or Workman's Compensation. To be considered an "Elderly family" for the purpose of meeting the waiting list preference the head of household or spouse/co-head must be 62 years of age or older. To be considered a "Disabled family" for the purpose of meeting the waiting list preference the head of household or spouse/co-head must meet HUD's definition of disability.

### Family Self-Sufficiency Program

The Housing Authority of Riverside County also operates the Family Self-Sufficiency Program. All Section 8 participants are eligible to participate in this program. This program includes monthly workshops that focus on some aspect of self-sufficiency including credit repair, home ownership information, resume writing, and parenting. In addition, participants are eligible for access to a revolving loan fund, scholarship fund, and access to various job listing and community services.

### 2.5.2 Assisted Housing



*Rosa Gardens Apartments*

Housing developments can receive assistance from a variety of sources to ensure that housing costs are affordable to low and moderate income households. In exchange for public assistance, property owners are required to reserve all or a portion of the units at affordable rents or purchase prices. The length of affordability control depends upon the funding program used. Often, ownership housing is also governed by resale provisions to recapture public funds.

A variety of affordable housing developments are located in Palm Springs. Approximately 16 affordable rental developments, totaling over 1,423 units, are located in the City (Table 22). As shown in Figure 8, the geographic distribution of affordable housing units in the City are not concentrated in one particular low/mod or minority concentration area and generally are conveniently located nearest to public transportation, personal services, and employment centers.

<b>Table 22: Affordable Housing Projects</b>				
<b>Project Name</b>	<b>Type of Units</b>	<b>Assisted Units</b>	<b>Target Population</b>	<b>Disabled Access</b>
Calle de Carlos I & II	Two and Three Bedroom	4	Low Income Families	No
Coyote Run I & II*	One, Two, Three and Four Bedrooms	206	Low Income Families	Yes
La Ventana	One and Two Bedroom	68	Low and Moderate Income Families	No
Pacific Palm Apartments	One, Two and Three Bedrooms	140	Moderate Income Families and Seniors	Yes
Palm Springs Pointe	One bedroom	116	Low Income Senior and Disabled Residents	Yes
Palm Springs View	One and Two Bedroom	120	Low Income Families	Yes
Palos Verdes Villas	One and Two Bedroom	98	Low Income Families	Yes
Racquet Club	One Bedroom	9	Low Income Families	No
Rancheria del Sol	One, Two, and Three Bedroom	76	Low Income Families (Section 8)	Yes
Rosa Gardens Apartments**	One, Two, Three, and Four Bedroom	57	Low Income and Families	Yes
Seminole Garden	Two and Three Bedroom	60	Moderate Income Families	No
Sunnyview Villas	Two and Three Bedroom	44	Two and Three Bedroom	Yes
Tahquitz Court Apartments	One, Two and Three Bedroom	108	Low Income Families and Seniors	Yes
Vista del Monte/ Vista Serena	One Bedroom	112	Low Income Seniors	Yes
Vista Sunrise Apartments**	Studios and One Bedroom	80	Low Income HIV/AIDS Residents	Yes
Whispering Palms	One Bedroom	125	Low and Moderate Income Families and Seniors	Yes

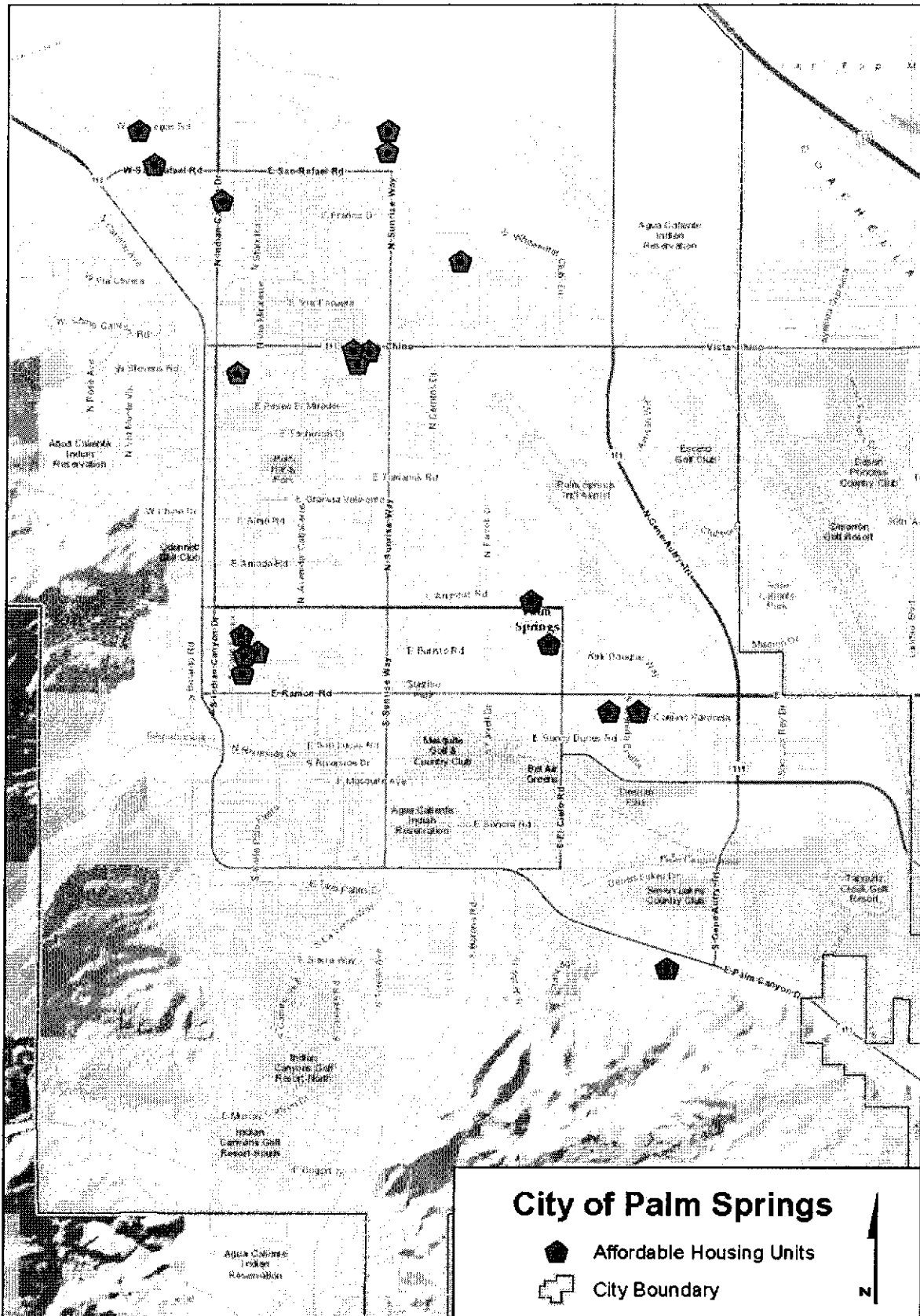
Source: City of Palm Springs, 2013

Notes:

\*= 66 units added to Coyote Run II since 2005 AI.

\*\*= new units added since 2005 AI.

Figure 8: Affordable Housing Projects

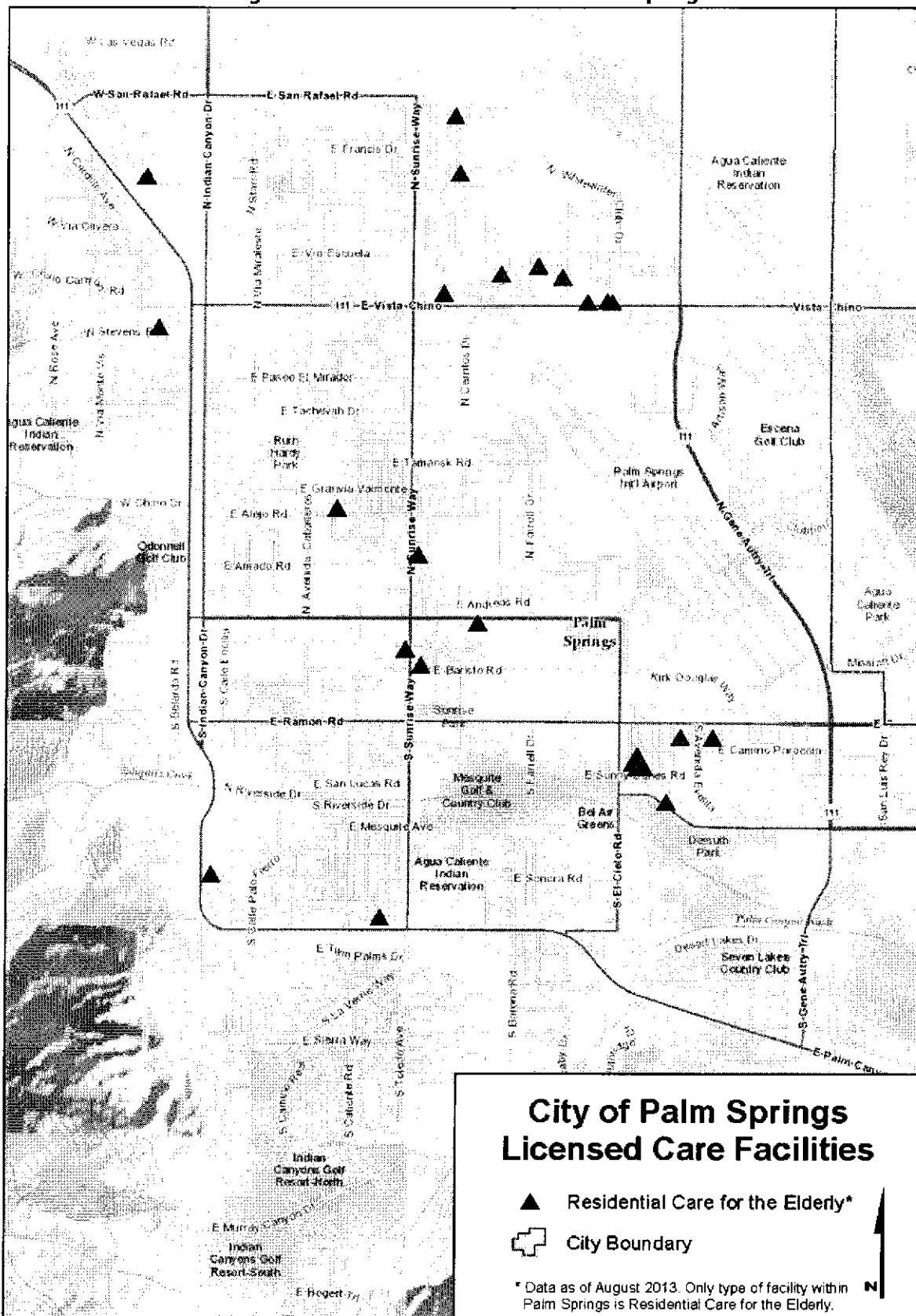


## **2.6 Licensed Community Care Facilities**

Persons with special needs, such as the elderly and those with disabilities, must also have access to housing in a community. A community care facility is any building or location where non-medical care and supervision is provided to residents. Community care facilities provide a supportive housing environment to persons with special needs in a group situation. In California these facilities are licensed by the Department of Social Services, Community Care Licensing Division. Restrictions that prevent this type of facilities from locating in a community impede the equal access to adequate housing for the special needs groups.

According to the State Department of Social Services Community Care Licensing Division, 26 residential care facilities for the elderly are located in Palm Springs. Overall, these facilities have the combined capacity to accommodate 446 persons. The care facilities tend to be distributed evenly throughout different neighborhoods of Palm Springs, with concentrations located along East Vista Chino and along Ramon Road (Figure 9).

Figure 9: Licensed Care Facilities in Palm Springs



## 2.7 Public Schools

Established in 1958, the Palm Springs Unified School District (PSUSD) provides vital resources to support the western half of the Coachella Valley, including the City of Palm Springs. PSUSD provides teacher, administrator, and instructional support services to improve teaching and learning in the classroom and increase achievement for all students. PSUSD also serves as the connection between local schools and the state and federal governments. Among the approximately 25 schools the PSUSD oversees, the following schools are located in the City of Palm Springs:

### Elementary Schools

- Cahuilla Elementary School
- Cielo Vista Elementary School
- Katherine Finchy School
- Vista Del Monte Elementary School

### Middle School

- Raymond Cree Middle School

### High School

- Palm Springs High School

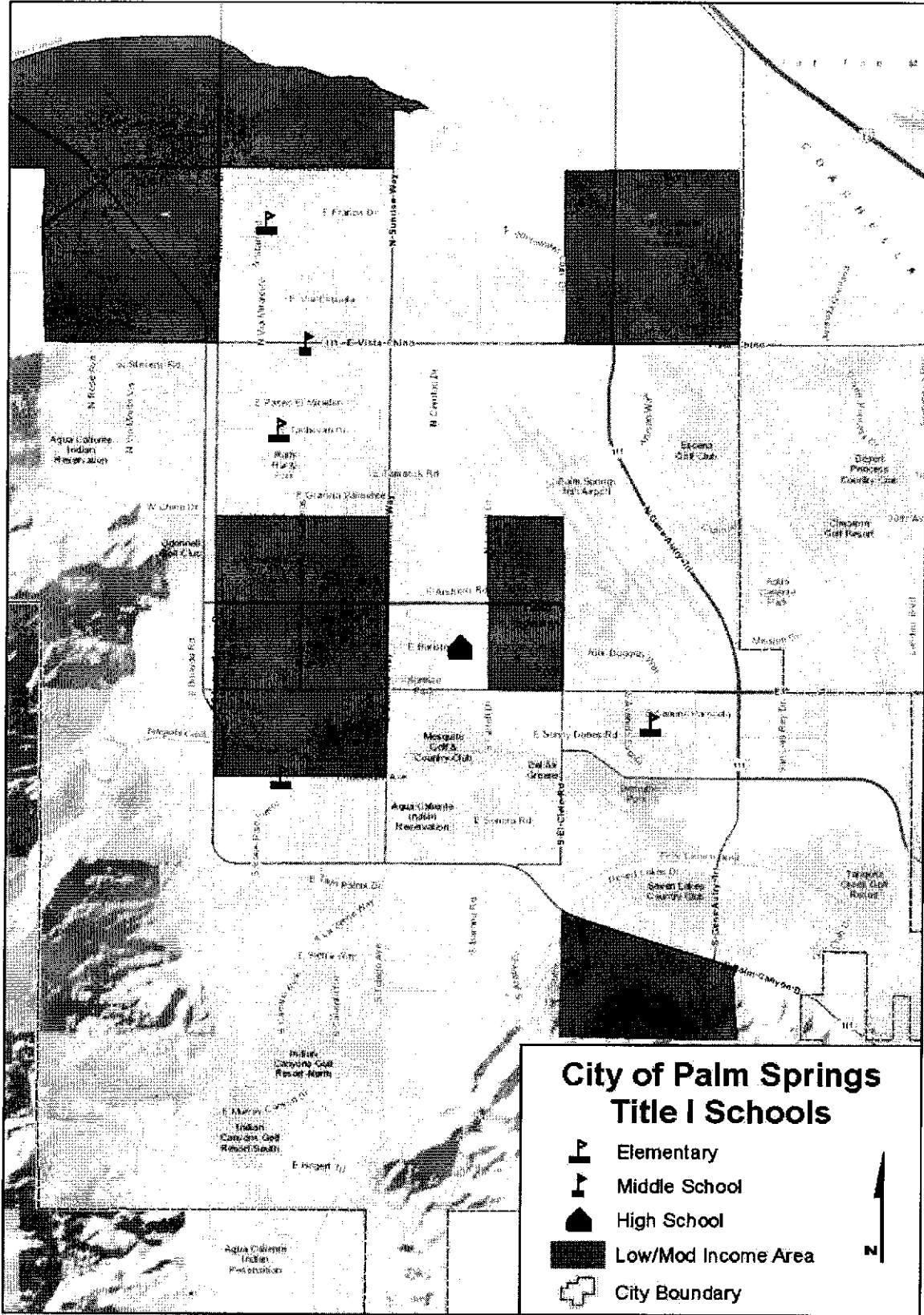
### Alternative Education

- Palm Springs Adult School
- Palm Springs Independent Studies School
- Ramon Alternative Center
- Esperanza High School-Center
- Canyon Run Preschool/ Kindergarten

As part of President Johnson's "War on Poverty," the Elementary and Secondary Education Act (ESEA) was passed in 1965. It is often regarded as the most far-reaching federal legislation affecting education ever passed by Congress. The act is an extensive statute that funds primary and secondary education, while emphasizing equal access to education and establishing high standards and accountability. A major component of ESEA is a series of programs typically referred to as "Title I." Title I programs distribute funding to schools and school districts with a high percentage of students from low income families. To qualify as a Title I school, a school typically must have around 40 percent or more of its students coming from families who are low income. The programs also give priority to schools that are in obvious needs of funds, low-achieving schools, and schools that demonstrate a commitment to improving their education standards and test scores. Figure 10 illustrates the location of Title I schools in the City. Only one of the schools is located in a low and moderate income area. The City's low and moderate income areas generally correlate with identified minority concentration areas (see Figure 3 on p. 2-5 for comparison).



Figure 10: Title I Schools in Palm Springs



## 2.8 Public Transit

Public transit plays an important role in analyzing access to housing. Public transit should link lower income persons, who are often transit-dependent, to major employers where job opportunities may be available. The lack of an integral relationship between public transit, employment opportunities, and affordable housing may impede fair housing choice because persons who depend on public transit will have limited choices regarding places to live.

Many elderly and disabled persons are very much transit-dependent. Specifically, many rely on public transit to visit doctors, go shopping, or attend activities offered at community facilities. Housing for the elderly and disabled should be located near transit routes, or alternative transit should be made available for persons with special needs. This section discusses the accessibility of public transit to major employers, shopping centers, community and medical facilities from lower income areas and housing for persons with special needs.

According to the 2007-2011 ACS, 284 Palm Springs residents 16 years of age and older rely on public transit to go to work. In addition, four percent of workers have no car available, of which 37 percent rely on public transit as a means of transportation to work.

### 2.8.1 Public Transit



Palm Springs is well served by public transportation. Transit services are offered through the SunLine Transit Agency which serves the communities of Palm Springs, Cathedral City, Rancho Mirage, Desert Hot Springs, Palm Desert, Indian Wells, La Quinta, Indio, Thousand Palms, Coachella and Mecca. Headquartered in Thousand Palms, the SunLine transit agency operates five bus routes in Palm Springs every day of the year (with the exception of Christmas and Thanksgiving Day) (Table 23).

SunLine ensures that all bus lines are accessible through wheelchair lifts or ramps and offers reduced fares to disabled/senior passengers. The SunLine Transit Agency also provides the SunDial program that provides curb-to-curb transportation for physically and mentally disabled passengers unable to use the regular bus service. The program provides transportation to qualifying persons (i.e., seniors and disabled) within  $\frac{3}{4}$  of a mile on either side of SunLine Transit Agency bus routes.

<b>Table 23: Existing Bus Routes</b>				
<b>Route #</b>	<b>Route Type</b>	<b>Route Service</b>	<b>Service Corridors</b>	<b>Key Palm Springs Activity Centers Served</b>
14	Local	Palm Springs – Desert Hot Springs	Tahquitz Canyon Way/ Farrell Drive/ Gene Autry Trail	Palm Springs High School, Palm Springs Mall, Department of Motor Vehicles, Palm Springs Library, Palm Springs Senior Center
24	Local	Palm Springs	Vista Chino/ Sunrise Way/ Tahquitz Canyon Way/ Ramon Road	Palm Springs High School, Palm Springs Mall, Palm Springs Library, Palm Springs Senior Center, Riverside County Family Health Center, Palm Springs International Airport
30	Local	Palm Springs – Cathedral City	Ramon Road	Palm Springs High School and Middle School, Palm Springs Mall, Palm Springs Library, Palm Springs Senior Center, Post Office
32	Local	Palm Springs – Cathedral City – Thousand Palms – Thousand Palms	Gene Autry Trail/ Vista Chino	Palm Springs Middle School
111	Local	Indio – Palm Springs Key Regional Line	Palm Canyon Drive/ Vista Chino/ Tahquitz Canyon Way	Desert Regional Medical Center

Source: Sunlite Transit Agency, Short Range Transit Plan, FY 2012-13 through 2014-15.

### 2.8.2 Major Employers

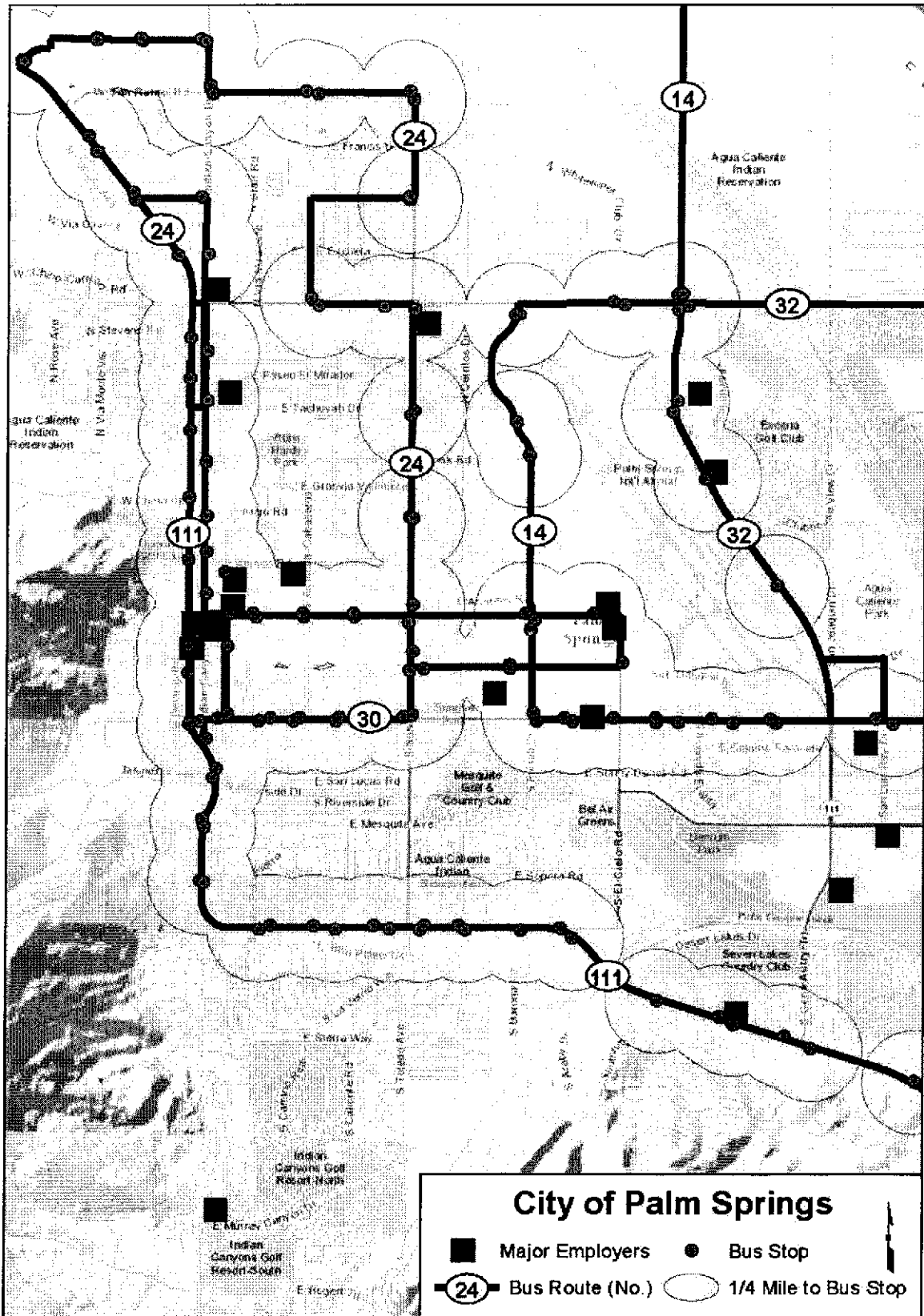
The City's major employers are identified in Table 24. Approximately 50 businesses, institutions, and public and non-profit agencies in Palm Springs employ more than 50 individuals. Reflecting Palm Springs' tourist-oriented economy, a significant number of employers are service-related. Many of these jobs typically pay lower wages with few benefits. Top employers in Palm Springs include Spa Casino, Desert Regional Medical Center, City of Palm Springs, Desert Sun, Palm Springs Riviera Resort, and Savoury's Inc. The vast majority of top employers in Palm Springs are well served by transit and many are located in the central portion of the community near Palm Springs International Airport and Indian Canyon Drive. All but two of the City's top employers are located with one-quarter mile of a bus stop (Figure 11).

<b>Table 24: Major Employers</b>			
<b>Employer</b>	<b>Type of Business</b>	<b>Employees</b>	<b>Location</b>
Desert Regional Medical Center	Physicians and Surgeons	1,000-4,999	1150 N. Indian Canyon Drive
Care Fusion Corp.	Respirator Manufacturer	250-499	1100 Bird Center Drive
City of Palm Springs	Government	250-499	3200 E. Tahquitz Canyon Way
Desert Sun	Newspaper publishing	250-499	750 N. Gene Autry Trail
Palm Springs Riviera Resort	Hotel	250-499	1600 N. Indian Canyon Drive
Savoury's Inc.	Catering	250-499	277 N. Avenida Caballeros
Agua Caliente Band of Indians	Tribal Government	100-249	5401 Dinah Shore Drive
Hilton Palm Springs Resorts	Resort	100-249	400 E. Tahquitz Canyon Way
Knott's Soak City Waterpark	Waterpark	100-249	1500 S. Gene Autry Trail
Le Parker Meridian Palm Springs	Hotel	100-249	4200 E. Palm Canyon Drive
Las Casuelas Terraza	Restaurant	100-249	222 S. Palm Canyon Drive
Lowe's	Retail	100-249	5201 E. Ramon Road
Palm Canyon Resort and Spa	Resort	100-249	2800 S. Palm Canyon Drive
Palm Springs Follies	Entertainment	100-249	128 S. Palm Canyon Drive
Palm Springs High School	Education	100-249	2401 E. Baristo Road
Premier Healthcare	Healthcare	100-249	5601 W. Slauson Avenue
Riverside County Civil Court	Judicial	100-249	3255 E. Tahquitz Canyon Way
Spa Resort Casino/Hotel	Hotel/Casino	100-249	401 E. Amada Road
Stater Brothers Market	Grocery Store	100-249	1717 E. Vista Chino

Source: City of Palm Springs. Comprehensive Annual Financial Report, Fiscal year ended June 30, 2012.

Note: Due to the large number of employers in the City, only institutions that employ over 100 individuals are listed

Figure 11: Major Employers in Palm Springs





## Chapter 3

# Mortgage Lending Practices

A key aspect of fair housing choice is equal access to credit for the purchase or improvement of a home, particularly in light of the recent tightening of lending/credit markets. This chapter reviews the lending practices of financial institutions and the access to financing for all households, particularly minority households and those with lower incomes. Lending patterns in lower and moderate income neighborhoods and areas of minority concentration are also examined. However, publicly available data on lending does not contain detailed information to make conclusive statements of discrimination, but can only point out potential areas of concerns. Furthermore, except for outreach and education efforts, a local jurisdiction's ability to influence lending practices is limited. Such practices are largely governed by national policies and regulations.

Later, Chapter 4 reviews fair housing issues that may surface during the home buying process that involves a number of parties, including property owners, real estate agents, lenders, and appraisers, among others.

### 3.1 Background

Discriminatory practices in home mortgage lending have evolved over the last five to six decades. In the 1940s and 1950s, racial discrimination in mortgage lending was easy to spot. From government-sponsored racial covenants to the redlining practices of private mortgage lenders and financial institutions, minorities were denied access to home mortgages in ways that severely limited their ability to purchase a home. Today, discriminatory lending practices are more subtle and tend to take different forms. While mortgage loans have become more readily available in lower and moderate income minority communities, some mortgage brokers pushed borrowers into higher-cost subprime mortgages that were not well suited to their needs and have led to financial problems. Although the recent tightening of credit markets has made this type of predatory lending less common, minority consumers continue to have less-than-equal access to loans at the best price and on the best terms that their credit history, income, and other individual financial considerations merit.

#### 3.1.1 Legislative Protection

In the past, financial institutions did not always employ fair lending practices. Credit market distortions and other activities such as redlining were prevalent and prevented some groups from having equal access to credit. The Community Reinvestment Act (CRA) in 1977 and the subsequent Home Mortgage Disclosure Act (HMDA) were designed to improve access to credit for all members of the community and hold the lender industry responsible for community lending.

##### **Community Reinvestment Act and Home Mortgage Disclosure Act**

The CRA is intended to encourage regulated financial institutions to help meet the credit needs of their entire communities, including lower and moderate income neighborhoods. Depending on the type of institution and total assets, a lender may be examined by different supervising agencies for its CRA performance.

CRA ratings are provided by the Federal Reserve Board (FRB), Federal Financial Institutions Examination Council (FFIEC), Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC). However, the CRA rating is an overall rating for an institution and does not provide insights regarding the lending performance at specific locations by the institution.

### **Home Mortgage Disclosure Act**

In tandem with the CRA, the HMDA requires lending institutions to make annual public disclosures of their home mortgage lending activity. Under HMDA, lenders are required to disclose information on the disposition of home loan applications and on the race or national origin, gender, and annual income of loan applicants.

HMDA data provide some insight into the lending patterns that exist in a community. However, HMDA data are only an indicator of potential problems; the data cannot be used to conclude definite redlining or discrimination practices due to the lack of detailed information on loan terms or specific reasons for denial. The City should continue to monitor the approval rates among racial/ethnic and income groups and continue to take appropriate actions to remove barriers to financing.

### **Conventional versus Government-Backed Financing**

Conventional financing involves market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions. To assist lower and moderate income households that may have difficulty in obtaining home mortgage financing in the private market, due to income and equity issues, several government agencies offer loan products that have below market rate interests and are insured ("backed") by the agencies. Sources of government-backed financing include loans insured by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), and the Rural Housing Services/Farm Service Agency (RHA/FSA). Often, government-backed loans are offered to the consumers through private lending institutions. Local programs such as first-time homebuyer and rehabilitation programs are not subject to HMDA reporting requirements.

Typically, lower income households have a much better chance of getting a government-assisted loan than a conventional loan. However, the recent lending market offered subprime loan options such as zero percent down, interest-only, and adjustable loans. As a result, government-backed loans have been a less attractive option for many households.

With the current difficulties in the subprime housing market, many households are facing foreclosure. In response, the federal government in September 2007 created a government-insured foreclosure avoidance initiative, FHASecure, to assist tens of thousands of borrowers nationwide in refinancing their subprime home loans. As government-backed loans are again publicized and subprime loans are less of an option to borrowers, the increased use of government-backed loan applications is likely. Expanded marketing to assist potential homeowners in understanding the requirements and benefits of these loans may be necessary to promote the use of government-backed loans.

### **Financial Stability Act**

The Financial Stability Act of 2009 established the Making Home Affordable Program, which assists eligible homeowners who can no longer afford their home with mortgage loan modifications and other options, including short sale or deed-in-lieu of foreclosure. The program is targeted toward homeowners facing foreclosure and homeowners who are unemployed or "underwater" (i.e., homeowners who owe

more on their mortgage than their home is worth). The Making Home Affordable Program includes several options for homeowners in need of assistance:

The Home Affordable Modification Program (HAMP) reduces a homeowner's monthly mortgage payment to 31 percent of their verified gross (pre-tax) income to make their payments more affordable.

The Second Lien Modification Program (2MP) offers homeowners a way to lower payments on their second mortgage.

The Home Affordable Refinance Program (HARP) assists homeowners whose mortgages are current and held by the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac) refinance into a more affordable mortgage.

An Unemployment Program provides eligible homeowners a forbearance period during which their monthly mortgage payments are reduced or suspended while they seek re-employment. The minimum forbearance period is three months, although a mortgage servicer may extend the term depending on applicable investor and regulatory guidelines.

The Principal Reduction Program offers homeowners who are underwater the opportunity to earn principal reductions over a three-year period by successfully making payments in accordance with their modified loan terms.

For homeowners who can no longer afford their homes, but do not want to go into foreclosure, the Home Affordable Foreclosure Alternatives Program (HAFA) offers homeowners, their mortgage servicers, and investors incentives for completing a short sale or deed-in-lieu of foreclosure. HAFA enables homeowners to transition to more affordable housing while being released from their mortgage debt. The program also includes a "cash for keys" component whereby a homeowner receives financial assistance to help with relocation costs in return for vacating their property in good condition.

### **Helping Families Save Their Homes Act**

The Helping Families Save Their Homes Act was passed by Congress in May 2009 and expands the Making Home Affordable Program. This Act includes provisions to make mortgage assistance and foreclosure prevention services more accessible to homeowners and increases protections for renters living in foreclosed homes. It also establishes the right of a homeowner to know who owns their mortgage and provides over two billion dollars in funds to address homelessness.

The Act targets underwater borrowers by easing restrictions on refinance and requiring principal write-downs to help these homeowners increase the equity in their homes. The new law also provides federally guaranteed Rural Housing loans and FHA loans as part of the Making Homes Affordable Program. In addition to expanding the Making Homes Affordable Program, the Act extends the temporary increase in deposit insurance, increases the borrowing authority of the FDIC and National Credit Union Administration (NCUA), and creates a Stabilization Fund to address problems in the corporate credit union sector.

Under this new bill, tenants also have the right to stay in their homes after foreclosure for 90 days or through the term of their lease. The bill also provides similar protections to housing voucher holders. Prior to this bill, tenants were only guaranteed 60 days of notice before eviction and any current lease was considered terminated in the event of a foreclosure. This Act extends the 60-day notification period to 90 days and requires banks to honor any existing lease on a property in foreclosure.



### **Fraud Enforcement and Recovery Act**

The Fraud Enforcement and Recovery Act (FERA) enhances the criminal enforcement of federal fraud laws by strengthening the capacity of federal prosecutors and regulators to hold accountable those who have committed fraud. FERA amends the definition of a financial institution to include private mortgage brokers and non-bank lenders that are not directly regulated or insured by the federal government, making them liable under federal bank fraud criminal statutes. The new law also makes it illegal to make a materially false statement or to willfully overvalue a property in order to manipulate the mortgage lending business. In addition, FERA includes provisions to protect funds expended under TARP and the Recovery Act and amends the Federal securities statutes to cover fraud schemes involving commodity futures and options. Additional funds were also made available, under FERA, to a number of enforcement agencies in order to investigate and prosecute fraud.

## **3.2 Overall Lending Patterns**

### **3.2.1 Data and Methodology**

The availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race of the applicants. This applies to all loan applications for home purchases, improvements and refinancing, whether financed at market rate or with government assistance.

HMDA data are submitted by lending institutions to the FFIEC. Certain data is available to the public via the FFIEC site either in raw data format or as pre-set printed reports. The analyses of HMDA data presented in this AI were conducted using Lending Patterns™. Lending Patterns is a web-based data exploration tool that analyzes lending records to produce reports on various aspects of mortgage lending. It analyzes HMDA data to assess market share, approval rates, denial rates, low/moderate income lending, and high-cost lending, among other aspects.

Table 25 summarizes the disposition of loan applications submitted to financial institutions in 2007 (beginning of the housing crisis) and 2011 (most recent HMDA data available) for home purchase, refinance, and home improvement loans in Palm Springs. Included is information on loan applications that were approved and originated, approved but not accepted by the applicant, denied, withdrawn by the applicant, or incomplete.

**Table 25: Disposition of Home Loans (2007 and 2011)**

Loan Type	Total Applicants		Percent Approved		Percent Denied		Percent Other	
	2007	2011	2007	2011	2007	2011	2007	2011
	Government-Backed Purchase	60	311	76.7%	66.2%	18.3%	16.7%	5.0%
Conventional Purchase	3,636	1,304	68.9%	70.9%	18.9%	14.6%	12.1%	14.4%
Refinance	5,336	2,186	53.8%	55.2%	30.6%	26.9%	15.5%	17.9%
Home Improvement	679	140	51.4%	50.7%	33.3%	31.4%	15.3%	17.9%
Total	9,711	3,941	59.5%	61.1%	26.4%	22.2%	14.2%	16.7%

Source: www.lendingpatterns.com, 2013

### 3.2.2 Home Purchase Loans

In 2011, a total of 1,304 households applied for conventional loans to purchase homes in the City, a decrease of about 64 percent from 2007. The dramatic decrease in lending activity is reflective of trends nationwide. Housing prices, both locally and throughout the country, peaked in 2006, and 2007 marked the start of the housing market's steep decline. Mortgage lending in 2007, while not as vigorous as in the previous year, was still active. However, in the following years, lending activity slowed down dramatically to match the lack of activity in the housing market.

In 2011, the approval rate for conventional home purchase loans was approximately 71 percent, while 15 percent of applications were denied. This reflects a slight increase from 2007, when 69 percent of conventional home loan applications were approved and 19 percent were denied. When the housing market began to show signs of collapse and foreclosures were on the rise, many financial institutions instituted stricter approval criteria for potential borrowers, which should have caused approval rates to drop somewhat. However, the applicant pool for mortgage lending in recent years has also become smaller and increasingly selective. These applicants have generally been in much better shape financially than applicants from previous years, when the housing bubble attracted a wider range of potential borrowers.

Generally, two types of home purchase loans are tracked—conventional home purchase loans and government-backed home purchase loans. In a conventional loan, the lender takes on the risk of losing money in the event a borrower defaults on a mortgage. For government-backed loans, the loan is insured, either completely or partially, by the government. The government does not provide the loan itself, but instead promises to repay some or all of the money in the event a borrower defaults. This reduces the risk for the lender when making a loan.

Government-backed loans have more lenient credit score requirements, lower downpayment requirements, and are available to those with recent bankruptcies. However, these loans may also carry higher interest rates and most require homebuyers to purchase mortgage insurance. Furthermore, government-backed loans have strict limits on the amount a homebuyer can borrow for the purchase of a home. In competitive and high-end housing markets, many of the homes available for purchase exceed the maximum allowable loan amount, making government-backed loans much less popular. A majority of the City's households were classified as moderate and upper income households (according to Table 8 on page 2-15) and Palm Spring's housing market remains relatively high end for the region. These factors have made government-backed loans a less practical option for homebuyers in the City.

The number of applications for government-backed home purchase loans was significantly lower than the number of applications for conventional home purchase loans in 2011. Approximately 311 of home purchase applications were submitted in the City through government-backed loans (for example, FHA, VA), an increase from 2007 when only 60 applications were submitted. Approval rates were slightly lower than for conventional home purchase loans in the City in 2011; only 66 percent of government-backed loan applications were approved while 17 percent were denied. By comparison, approval rates for government-backed loans were significantly higher in 2007, when 77 percent of applications were approved.

### **3.2.3 Home Improvement Loans**

Reinvestment in the form of home improvement is critical to maintaining the supply of safe and adequate housing. Historically, home improvement loan applications have a higher rate of denial when compared to home purchase loans. Part of the reason is that an applicant's debt-to-income ratio may exceed underwriting guidelines when the first mortgage is considered with consumer credit balances. Another reason is that many lenders use the home improvement category to report both second mortgages and equity-based lines of credit, even if the applicant's intent is to do something other than improve the home (e.g., pay for a wedding or college). Loans that will not be used to improve the home are viewed less favorably since the owner is divesting in the property by withdrawing accumulated wealth. From a lender's point of view, the reduction in owner's equity represents a higher risk.

In 2011, 140 applications for home improvement loans were received in the City. Of these applications, 51 percent were approved and 31 percent were denied. Home improvement financing in the City was much more active in 2007, when 679 applications for home improvement loans were filed by Palm Springs residents. Approval rates for this type of loan were nearly the same in 2007 and 2011.

### **3.2.4 Refinancing**

Homebuyers will often refinance existing home loans for a number of reasons. Refinancing can allow homebuyers to take advantage of better interest rates, consolidate multiple debts into one loan, reduce monthly payments, alter risk (i.e. by switching from variable rate to fixed rate loans), or free up cash and capital.

The majority of loan applications submitted in the City in 2011 were for refinancing existing home loans (2,186 applications). About 55 percent of these applications were approved, while 27 percent were denied. Refinance lending was significantly more active in 2007 when 5,336 applications for refinancing were filed. Approval rates for such loans increased minimally between 2007 and 2011, from 54 percent to 55 percent.

## **3.3 Lending Patterns by Race/Ethnicity and Income Level**

The federal Fair Housing Act prohibits discrimination in mortgage lending based on race, color, national origin, religion, sex, familial status or handicap (disability). It is, therefore, important to look not just at overall approval and denial rates for a jurisdiction, but also whether or not these rates vary by other factors, such as race/ethnicity.

The applicant pool for mortgage lending should be reflective of the demographics of a municipality. When one racial/ethnic group is overrepresented or underrepresented in the total applicant pool, it could be an indicator of a possible fair housing issue. Such a finding may be a sign that access to mortgage

lending is not equal for all individuals. As shown in Table 26, White applicants were overrepresented in the applicant pool during 2011, while every other race/ethnic group was underrepresented.

**Table 26: Demographics of Loan Application vs. Total Population (2011)**

	Percent of Applicant Pool	Percent of Total Population	Variation
White	88.9%	63.6%	25.3%
Black	1.2%	4.2%	-3.0%
Hispanic	7.7%	25.3%	-17.6%
Asian	2.2%	4.3%	-2.1%

Note: Percent of total population estimates are based on 2011 applicant data and compared to total population estimates from the 2010 Census.

Source: Bureau of the Census, 2010; www.lendingpatterns.com, 2013.

In addition to looking at whether access to lending is equal, it is important to analyze lending outcomes for any signs of potential discrimination by race/ethnicity. As discussed above, approval rates for loans generally increased as household income increased; however, lending outcomes should not vary significantly by race/ethnicity among applicants of the same income level. Table 27 summarizes lending outcomes in the City by race/ethnicity and income level.

**Table 27: Lending Patterns by Race/Ethnicity (2007 and 2011)**

	Approved		Denied		Withdrawn/Incomplete	
	2007	2011	2007	2011	2007	2011
<b>White</b>						
Low (0-49% AMI)	40.7%	59.5%	43.5%	26.1%	15.7%	14.4%
Moderate (50-79% AMI)	56.8%	56.8%	32.1%	26.2%	11.2%	17.0%
Middle (80-119% AMI)	61.0%	58.0%	26.6%	24.3%	12.4%	17.8%
Upper (≥120% AMI)	67.9%	64.6%	20.8%	19.8%	11.3%	15.7%
<b>Black</b>						
Low (0-49% AMI)	44.4%	40.0%	33.3%	60.0%	22.2%	--
Moderate (50-79% AMI)	53.8%	40.0%	30.8%	20.0%	15.4%	40.0%
Middle (80-119% AMI)	44.2%	77.8%	46.2%	22.2%	9.6%	0.0%
Upper (≥120% AMI)	48.9%	69.2%	35.0%	23.1%	16.1%	7.7%
<b>Hispanic</b>						
Low (0-49% AMI)	30.6%	51.1%	50.0%	29.8%	19.4%	19.1%
Moderate (50-79% AMI)	45.6%	61.2%	43.0%	22.4%	11.4%	16.3%
Middle (80-119% AMI)	52.9%	64.7%	36.1%	15.7%	11.0%	19.6%
Upper (≥120% AMI)	53.3%	61.9%	32.2%	21.4%	14.4%	16.7%
<b>Asian</b>						
Low (0-49% AMI)	--	71.4%	--	14.3%	--	14.3%
Moderate (50-79% AMI)	50.0%	40.0%	50.0%	40.0%	0.0%	20.0%
Middle (80-119% AMI)	58.8%	50.0%	29.4%	25.0%	11.8%	25.0%
Upper (≥120% AMI)	52.1%	65.2%	30.3%	19.6%	17.6%	15.2%

Source: www.lendingpatterns.com, 2013.

In Palm Springs, the rate at which applications were withdrawn and incomplete was slightly higher among Hispanic applicants in both 2007 and 2011 and White applicants generally had the highest approval rates. Hispanics, meanwhile, had the lowest approval rates across all income categories in 2007; however, by 2011, approval rates for Hispanic applicants were more on par with the approval rates for White

applicants. Very few Black and Asian households submitted loan applications during 2011; lending patterns and trends for these households can therefore not be discerned.

### 3.4 Lending Patterns by Census Tract Characteristics

#### 3.4.1 Income Level

To identify potential geographic differences in mortgage lending activities, an analysis of the HMDA data was conducted by census tract. Based on the Census, HMDA defines the following income levels:<sup>17</sup>

- Low Income Tract – Tract Median Income ≤ 49 percent MFI
- Moderate Income Tract – Tract Median Income between 50 and 79 percent MFI
- Middle Income Tract – Tract Median Income between 80 and 119 percent MFI
- Upper Income Tract – Tract Median Income ≥ 120 percent MFI

In 2007 and 2011, none of the census tracts within the City of Palm Springs were categorized as Low Income by HMDA. The majority of loan applications were submitted by residents from the City's middle income tracts. Table 28 summarizes the loan approval and denial rates of census tracts by income level in 2007 and 2011. In 2007, approval rates generally increased and denial rates decreased as census tract income increased. However, in 2011, approval rates were consistent among all census tracts.

**Table 28: Outcomes Based on Census Tract Income (2007 and 2011)**

Tract Income Level	Total Applicants		Approved		Denied		Other	
	#	%	#	%	#	%	#	%
<b>2007</b>								
Low	0	--	--	--	--	--	--	--
Moderate	3,010	31.0%	1,710	56.8%	859	28.5%	441	14.7%
Middle	4,144	42.7%	2,385	57.6%	1,129	27.2%	630	15.2%
Upper	2,557	26.3%	1,680	65.7%	572	22.4%	305	11.9%
Total	9,711	100.0%	5,775	59.5%	2,560	26.4%	1,376	14.2%
<b>2011</b>								
Low	0	--	--	--	--	--	--	--
Moderate	1,007	25.6%	619	61.5%	213	21.2%	175	17.4%
Middle	1,540	39.1%	944	61.3%	328	21.3%	268	17.4%
Upper	1,394	35.4%	846	60.7%	334	24.0%	214	15.4%
Total	3,941	100.0%	2,409	61.1%	875	22.2%	657	16.7%

Source: www.lendingpatterns.com, 2013.

<sup>17</sup> These income definitions are different from those used by HUD to determine Low and Moderate Income Areas.

### 3.4.2 Minority Population

HMDA also provides the minority population percentage within each census tract. Much of Palm Springs is made up of census tracts where less than 40 percent of the residents are minorities. Table 29 summarizes the home loan approval and denial rates of census tracts by the proportion of minority residents during 2007 and 2011. In 2007, approval rates decreased and denial rates increased as the percentage of minority residents within each census tract increased. By 2011, however, these trends had somewhat reversed with approval rates generally increasing and denial rates decreasing as the percentage of minority residents within each census tract increased.

**Table 29: Outcomes Based on Minority Population Census Tract (2007 and 2011)**

Tract Income Level	Total Applicants		Approved		Denied		Other	
	#	%	#	%	#	%	#	%
<b>2007</b>								
0-19% Minority	3,443	35.5%	2,226	64.7%	807	23.4%	410	11.9%
20-39% Minority	3,152	32.5%	1,865	59.2%	863	27.4%	424	13.5%
40-59% Minority	2,652	27.3%	1,480	55.8%	706	26.6%	466	17.6%
60-79% Minority	292	3.0%	122	41.8%	115	39.4%	55	18.8%
80-100% Minority	172	1.8%	82	47.7%	69	40.1%	21	12.2%
<b>Total</b>	<b>9,711</b>	<b>100.0%</b>	<b>5,775</b>	<b>59.5%</b>	<b>2,560</b>	<b>26.4%</b>	<b>1,376</b>	<b>14.2%</b>
<b>2011</b>								
0-19% Minority	1,729	43.9%	1,026	59.3%	426	24.6%	277	16.0%
20-39% Minority	1,198	30.4%	750	62.6%	256	21.4%	192	16.0%
40-59% Minority	942	23.9%	585	62.1%	179	19.0%	178	18.9%
60-79% Minority	54	1.4%	38	70.4%	9	16.7%	7	13.0%
80-100% Minority	18	0.5%	10	55.6%	5	27.8%	3	16.7%
<b>Total</b>	<b>3,941</b>	<b>100.0%</b>	<b>2,409</b>	<b>61.1%</b>	<b>875</b>	<b>22.2%</b>	<b>657</b>	<b>16.7%</b>

Source: www.lendingpatterns.com, 2013.

### 3.5 Major Lenders

In 2011, the top ten mortgage lenders in the City of Palm Springs received approximately 58 percent of all loan applications. Among these lenders, Wells Fargo and Bank of America received the most applications—about 28 percent of the market share in the City. Table 30 summarizes the top lenders in the City as well as available underwriting outcomes in 2007 and 2011.

The overall approval rate for all lenders in the City has remained essentially the same (at around 60 percent) since 2007. Most of 2011's top lenders had approval rates comparable to the overall rate, with the exception of Ally Bank, which had a significantly lower approval rate (48 percent), and Franklin Loan Center, which has a significantly higher approval rate (85 percent). While high approval rates do not necessarily indicate wrongdoing by a specific institution, they can be a sign of aggressive lending practices on the part of the lender. In particular, smaller, less prominent financial institutions with significantly high approval rates may be a concern.

**Table 30: Top Lenders (2007 and 2011)**

(% of MFI)	Overall Market Share		Approved		Denied		Withdrawn or Closed	
	2007	2011	2007	2011	2007	2011	2007	2011
	Wells Fargo Bank	6.7%	17.1%	73.4%	63.6%	16.7%	18.2%	9.9%
Bank of America	7.3%	11.0%	80.1%	53.0%	18.3%	31.3%	1.7%	15.7%
JP Morgan Chase Bank	2.3%	8.7%	75.3%	61.9%	20.7%	35.5%	4.0%	2.6%
Prospect Mortgage, LLC	--	6.7%	--	67.6%	--	6.5%	--	26.0%
Franklin Loan Center	--	4.0%	--	84.8%	--	13.3%	--	1.9%
Flagstar Bank FSB	--	2.9%	--	76.7%	--	19.0%	--	4.3%
U.S. Bank	--	2.4%	--	64.2%	--	16.8%	--	18.9%
Ally Bank	--	2.1%	--	47.6%	--	25.0%	--	27.4%
Union Bank	--	1.5%	--	53.3%	--	36.7%	--	10.0%
Quicken Loans, Inc.	--	1.5%	--	78.9%	--	21.1%	--	0.0%
All Lenders	100.0%	100.0%	59.5%	61.1%	26.4%	22.2%	14.2%	16.7%

Source: www.lendingpatterns.com, 2013.

Note: The table identifies the top ten lenders of 2011. Some of these lenders were not top lenders in 2007 and market share data is not available. Furthermore, not all top lenders from 2007 are identified above.

Under current banking regulations, lenders are required to hold a given interest rate for a borrower for a period of 60 days. Borrowers, however, are under no obligation to actually follow through on the loan during this time and can withdraw their application. In mortgage lending, fallout refers to a loan application that is withdrawn by the borrower before the loan is finalized. Typically for-profit lenders should have little fallout and none that varies by race, ethnicity or gender. Several top lenders in the City had higher than average rates of withdrawn or incomplete applications. A significant disparity in fallout could suggest screening, differential processing, HMDA Action misclassification and/or the potential of discouragement of minority applications.

Closed applications refer to applications that are closed by the lender due to incompleteness. In instances where a loan application is incomplete, lenders are required to send written notification to the applicant and request the missing information be turned over within a designated timeframe. If this notice is given and the applicant does not comply within the specified time, the lender can close the application for incompleteness. A high rate of incomplete loans can indicate a lack of financial literacy on the part of the borrower. Several studies have correlated financial literacy with a borrower’s income level. Specifically, lower-income individuals were the least knowledgeable about finance.<sup>18</sup> Insufficient lender assistance during the application process can also lead to high levels of incomplete applications. The lack of lender assistance may be discriminatory in motive or outcome, however, HMDA data cannot be used to prove motive. During 2011, two institutions had significantly higher than average rates of withdrawn and incomplete applications—Ally Bank and Prospect Mortgage, LLC.

### 3.6 Subprime Lending

According to the Federal Reserve, “prime” mortgages are offered to persons with excellent credit and employment history and income adequate to support the loan amount. “Subprime” loans are loans to borrowers who have less-than-perfect credit history, poor employment history, or other factors such as limited income. By providing loans to those who do not meet the critical standards for borrowers in the prime market, subprime lending can and does serve a critical role in increasing levels of homeownership.

<sup>18</sup> Collins, Michael. “Education Levels and Mortgage Application Outcomes: Evidence of Financial Literacy.” University of Wisconsin-Madison, Department of Consumer Science, (2009).

Households that are interested in buying a home but have blemishes in their credit record, insufficient credit history, or non-traditional income sources, may be otherwise unable to purchase a home. The subprime loan market offers these borrowers opportunities to obtain loans that they would be unable to realize in the prime loan market.

Subprime lenders generally offer interest rates that are higher than those in the prime market and often lack the regulatory oversight required for prime lenders because they are not owned by regulated financial institutions. In the recent past, however, many large and well-known banks became involved in the subprime market either through acquisitions of other firms or by initiating subprime loans directly. Though the subprime market usually follows the same guiding principles as the prime market, a number of specific risk factors are associated with this market. According to a joint HUD/Department of the Treasury report, subprime lending generally has the following characteristics:<sup>19</sup>

- **Higher Risk:** Lenders experience higher loan defaults and losses by subprime borrowers than by prime borrowers.
- **Lower Loan Amounts:** On average, loans in the subprime mortgage market are smaller than loans in the prime market.
- **Higher Costs to Originate:** Subprime loans may be more costly to originate than prime loans since they often require additional review of credit history, a higher rate of rejected or withdrawn applications and fixed costs such as appraisals, that represent a higher percentage of a smaller loan.
- **Faster Prepayments:** Subprime mortgages tend to be prepaid at a much faster rate than prime mortgages.
- **Higher Fees:** Subprime loans tend to have significantly higher fees due to the factors listed above.

Subprime lending can both impede and extend fair housing choice. On the one hand, subprime loans extend credit to borrowers who potentially could not otherwise finance housing. The increased access to credit by previously underserved consumers and communities contributed to record high levels of homeownership among minorities and lower income groups. On the other hand, these loans left many lower income and minority borrowers exposed to default and foreclosure risk. Since foreclosures destabilize neighborhoods and subprime borrowers are often from lower income and minority areas, mounting evidence suggests that classes protected by fair housing faced the brunt of the recent subprime and mortgage lending market collapse.<sup>20</sup>

While HMDA data does not classify loans as subprime, it does track the interest rate spread on loans. An interest rate spread refers to the difference between two related interest rates. For HMDA data, spread specifically refers to the difference between the annual percentage rate (APR) for a loan and the yield on a comparable-maturity Treasury security. In 2005, the Federal Reserve Board required lenders to begin reporting rate spreads for loans whose APR was above the Treasury benchmark. Loans with a reported spread are typically referred to as higher-priced or subprime loans.

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<sup>19</sup> U.S. Department of Housing and Urban Development. *Unequal Burden In Los Angeles: Income and Racial Disparities in Subprime Lending*. April 2000.

<sup>20</sup> *Foreclosure Exposure: A Study of Racial and Income Disparities in Home Mortgage Lending in 172 American Cities*. Association of Community Organizations for Reform Now. September 2007.



**Table 31: Reported Spread on Loans by Race/Ethnicity  
(2007 and 2011)**

Race/Ethnicity	Frequency of Spread		Average Spread	
	2007	2011	2007	2011
White	11.7%	3.4%	4.11	2.37
Black	19.1%	8.7%	4.54	2.53
Hispanic	25.6%	7.4%	4.71	2.28
Asian	17.2%	2.4%	3.69	1.56
<b>Total</b>	<b>13.8%</b>	<b>3.5%</b>	<b>4.27</b>	<b>2.43</b>

Source: www.lendingpatterns.com, 2013.

The frequency of loans with reported spread has decreased substantially since 2007. About 14 percent of loans in 2007 had a reported spread, but by 2011, only four percent of loans reported a spread. While the incidence of subprime loans has decreased overall, Blacks and Hispanics continue to be more likely to receive subprime loans than other racial/ethnic groups.

Since 2007, not only has there been a decline in the number of subprime loans issued, there has also been a decrease in the magnitude of spread reported on these loans. Generally, the higher the reported spread on a loan, the worse that loan is compared to a standard prime loan. In 2007, the average reported spread for a subprime loan was just over four points; by 2011, the average reported spread had dropped to just over two points. While the reported magnitude of spread for subprime loans decreased overall, they remained high for Black applicants in 2011.

### 3.6.1 Predatory Lending

With an active housing market, potential predatory lending practices by financial institutions may arise. Predatory lending involves abusive loan practices usually targeting minority applicants or those with less-than-perfect credit histories. The predatory practices typically include higher fees, hidden costs, and unnecessary insurance and larger repayments due in later years. One of the most common predatory lending practices is placing borrowers into higher interest rate loans than called for by their credit status. Although the borrowers may be eligible for a loan in the “prime” market, they are directed into more expensive and higher fee loans in the “subprime” market. In the other cases, fraudulent appraisal data is used to mislead homebuyers into purchasing over-valued homes, or misrepresented financial data is used to encourage homebuyers into assuming a larger loan than can be afforded. Both cases almost inevitably result in foreclosure.

In recent years, predatory lending has also penetrated the home improvement financing market. Seniors and minority homeowners are typically the targets of this type of lending. In general, home improvement financing is more difficult to obtain than home purchase financing. Many homeowners have a debt-to-income ratio that is too high to qualify for home improvement loans in the prime market and become targets of predatory lending in the subprime market. Seniors have been swindled into installing unnecessary devices or making unnecessary improvements that are bundled with unreasonable financing terms.

Predatory lending is a growing fair housing issue. Predatory lenders who discriminate get some scrutiny under the Fair Housing Act of 1968, which requires equal treatment in terms and conditions of housing opportunities and credit regardless of race, religion, color, national origin, family status, or disability. This applies to loan originators as well as the secondary market. The Equal Credit Opportunity Act of 1972 requires equal treatment in loan terms and availability of credit for all of the above categories, as well as

age, sex, and marital status. Lenders that engage in predatory lending would violate these Acts if they target minority or elderly households to buy at higher prices and unequal loan products, treat loans for protected classes differently than those of comparably credit-worthy White applicants, or have policies or practices that have a disproportionate effect on the protected classes.

Data available to investigate the presence of predatory lending is extremely limited. At present, HMDA data are the most comprehensive data available for evaluating lending practices. However, as discussed before, HMDA data lack the financial details of the loan terms to conclude that any kind of predatory lending has actually occurred. There is an effort at the national level to push for increased reporting requirements in order to identify and curb predatory lending.

The State of California has enacted additional measures designed to stem the tide of predatory lending practices. A law (Senate Bill 537) signed by Governor Gray Davis provided a new funding mechanism for local district attorneys' offices to establish special units to investigate and prosecute real estate fraud cases. The law enabled county governments to establish real estate fraud protection units. Furthermore, Governor Davis signed AB 489 in October 2001, a predatory lending reform bill. The law prevents a lender from basing the loan strictly on the borrower's home equity as opposed to the ability to repay the loan. The law also outlaws some balloon payments and prevents refinancing unless it results in an identifiable benefit to the borrower.

Predatory lending and unsound investment practices, central to the current home foreclosure crisis, are resulting in a credit crunch that has spread well beyond the housing market, now impacting the cost of credit for local government borrowing and local property tax revenues. In response, the U.S. House of Representatives passed legislation H.R.3915 in 2007, which would prohibit certain predatory lending practices and make it easier for consumers to renegotiate predatory mortgage loans. The U.S. Senate introduced similar legislation in late 2007 (S.2454). The Mortgage Reform and Anti-Predatory Lending Act (H.R.1728) was passed in the House in May 2009 and amends the Truth in Lending Act to specify duty of care standards for originators of residential mortgages. The law also prescribed minimum standards for residential mortgage loans and directs the Secretary of Housing and Urban Development (HUD) to establish a grants program to provide legal assistance to low and moderate income homeowners and tenants and prohibits specified practices, including:

- Certain prepayment penalties;
- Single premium credit insurance;
- Mandatory arbitration (except reverse mortgages);
- Mortgage loan provisions that waive a statutory cause of action by the consumer; and
- Mortgages with negative amortization.<sup>21</sup>

In addition to anti-predatory lending laws, the Mortgage Forgiveness Debt Relief Act was enacted in 2007 and allows for the exclusion of income realized as a result of modification of the terms of a mortgage or foreclosure on a taxpayer's principal residence.

While subprime lending cannot in and of itself be described as "predatory," studies have shown a high incidence of predatory lending in the subprime market.<sup>22</sup> Unlike in the prime lending market, overly high

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<sup>21</sup> In negative amortization, a borrower pays monthly mortgage payments that are lower than the required interest payments and include no principal payments. The shortage in monthly payments is added to the principle loan. Therefore, the longer the borrower holds that loan, the more they owe the lender despite making monthly payments.

<sup>22</sup> Stolen Wealth, Inequities in California's Subprime Mortgage Market. California Reinvestment Committee. November 2001.

approval rates in the subprime market is a potential cause for concern when the target clients are considered high risk. High approval rates may indicate aggressive lending practices. Table 30 summarizes the approval rates of top lenders in Palm Springs. Of these top lenders, Franklin Loan Center (85 percent), Flagstar Bank (78 percent) and Quicken Loans (79 percent) all had approval rates significantly higher than the overall average rate for all lenders (61 percent). Information on the credit worthiness of applicants who went through these lenders is not available. However, Quicken Loans is the largest online retail mortgage lender in the nation.

### 3.7 Purchased Loans

Secondary mortgage marketing is the term used for pricing, buying, selling, securitizing and trading residential mortgages. The secondary market is an informal process of different financial institutions buying and selling home mortgages. The secondary market exists to provide a venue for lending institutions to raise the capital required to make additional loans.

#### 3.7.1 History

In the 1960s, as interest rates became unstable, housing starts declined and the nation faced capital shortages as many regions, including California, had more demand for mortgage credit than the lenders could fund. The need for new sources of capital promoted Congress to reorganize the Federal National Mortgage Association (FNMA) into two entities: a private corporation (today's FNMA) and a government agency, the Government National Mortgage Association (GNMA). In 1970, Congress chartered the Federal Home Loan Mortgage Corporation (FHLMC) to purchase conventional loans. Both FHLMC and FNMA have the same goals: to increase the liquidity of the mortgage market and make homeownership more widely available to the average citizen. The two organizations work to standardize the documentation, underwriting and financing of home loans nationwide. They purchased loans from originators, hold them and issue their own debt to replenish the cash. They are, essentially, very large, massive savings and loan organizations. These two organizations set the standards for the purchase of home loans by private lenders in the U.S.

#### 3.7.2 Fair Housing Concerns

During the peak of the housing market, the practice of selling mortgage loans by the originators (lenders that initially provided the loans to the borrowers) to other lenders and investors was prevalent. Predatory lending was rampant, with lenders utilizing liberal underwriting criteria or falsified documents to push loan sales to people who could not afford the loans. The originating lenders were able to minimize their financial risk by immediately selling the loans to other lenders or investors on the secondary market.

Table 32 shows the various loan types purchased in Palm Springs, as well as the race/ethnicity of the applicant. In 2011, Black applicants were the most likely to have their loans purchased.

Loan Type	White	Black	Asian	Hispanic
Government-Backed Purchase	23.7%	38.5%	27.3%	30.8%
Conventional Purchase	16.1%	56.5%	16.7%	15.5%
Refinance	6.4%	0.0%	9.8%	12.4%
Home Improvement	7.8%	0.0%	0.0%	11.1%

Source: www.lendingpatterns.com, 2013.

## 3.8 Review of Lending Patterns by Specific Lender

Because the lending outcomes of some of the top lenders in Palm Springs vary, this section looks at the underwriting outcomes of the City's major lenders.

### 3.8.1 Wells Fargo

Wells Fargo was the top lender in the City in 2011, capturing 11 percent of the market share in Palm Springs. The overall approval rate for this institution was 53 percent, lower than the average for all lenders (61 percent). During 2011, Black applicants specifically had a noticeably lower approval rate (50 percent) than the overall applicant pool (61 percent). Fallout rates for this bank were moderate (18 percent); however, rates were higher among Asian and Hispanic applicants (27 percent and 25 percent, respectively), which may be indicative of potential language barriers.

### 3.8.2 Bank of America

Bank of America was the second most prolific lender in the City, capturing nine percent of the market share in 2011. The overall approval rate for this institution (53 percent) was also lower than the average for all lenders (61 percent). Lending outcomes for this financial institution did not vary significantly by race/ethnicity of the applicant.

### 3.8.3 JP Morgan Chase Bank

JP Morgan Chase Bank was also a top lender in the City, behind Wells Fargo and Bank of America. During 2011, JP Morgan Chase Bank captured approximately nine percent of the market share in the City. The overall approval rate for this institution was 62 percent and similar to the average for all lenders. Lending outcomes for this financial institution did not vary significantly by race/ethnicity of the applicant.

### 3.8.4 Franklin Loan Center

Franklin Loan Center is the internet's leading website for home loans. Franklin Loan Center was a top lender in the City and had the highest approval rate of all top lenders in 2011. The approval rate for this lender (85 percent) is significantly higher than the average for all lenders (61 percent) and White applicants represented the majority of all applicants for this institution (92 percent). This could indicate that loans from this institution are not equally accessible to persons of all races/ethnicities.

### 3.8.5 Flagstar Bank

Flagstar Bank was also one of Palm Springs' top lenders and, like Franklin Loan Center, had a noticeably high approval rate in 2011. The approval rate for this lender (77 percent) is significantly higher than the average for all lenders (61 percent). White applicants also represented the majority all of the applicants for this institution (88 percent). This could indicate that loans from this institution are not equally accessible to persons of all races/ethnicities.

## 3.9 Foreclosures

Palm Springs, similar to many communities in California, has been impacted by the foreclosure crisis between 2007 and 2012. Many of the foreclosed homes have not been properly maintained or secured by the lenders and have become targets of theft and loitering. The economic recession brought on by the

mortgage crisis also resulted in unemployment in the City, affecting the ability of many households in obtaining decent and affordable housing.

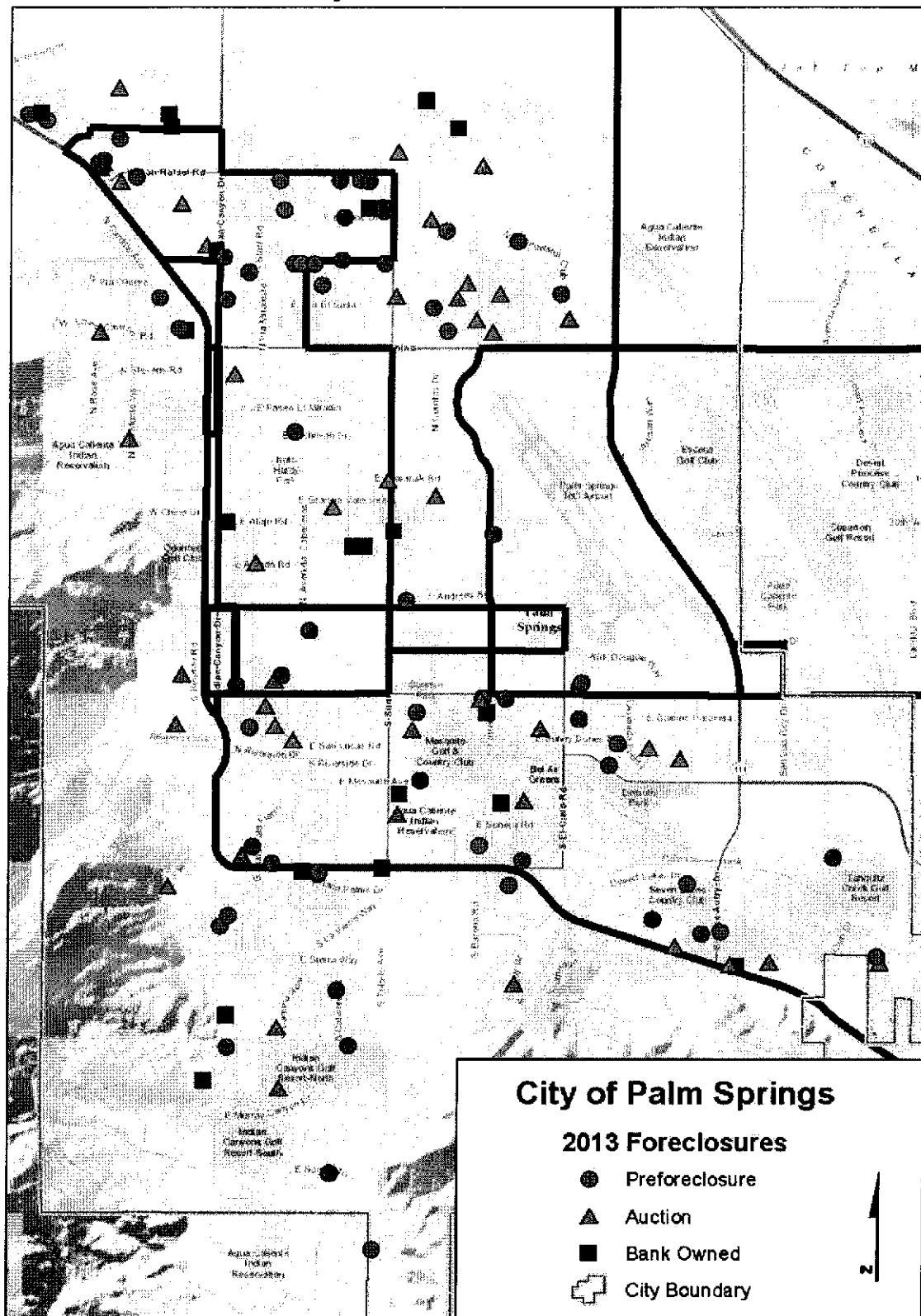
Foreclosure occurs when households fall behind on one or more scheduled mortgage payments. The foreclosure process can be halted if the homeowner is able to bring their mortgage payments current. If payments cannot be resumed or the debt cannot be resolved, the lender can legally use the foreclosure process to repossess (take over) the home. When this happens, the homeowners must move out of the property. If the home is worth less than the total amount owed on the mortgage loan, a deficiency judgment could be pursued. If that happens, the homeowner would lose their home and also would owe the home lender an additional amount. Figure 12 illustrates the location of all the properties within the City that were in the foreclosure process as of July 2013. As shown, foreclosures are distributed fairly even throughout the City.

Homes can be in various stages of foreclosure. Typically, the foreclosure process begins with the issuance of a Notice of Default (NOD). An NOD serves as an official notification to a borrower that he or she is behind in their mortgage payments, and if the payments are not paid up, the lender will seize the home. In California, lenders will not usually file an NOD until a borrower is at least 90 days behind in making payments. As of July 2013, 69 properties in Palm Springs were in this pre-foreclosure stage.

Once an NOD has been filed, borrowers are given a specific time period, typically three months, in which they can bring their mortgage payments current. If payments are not made current at the end of this specified time period, a Notice of Trustee Sale (NTS) will be prepared and published in a newspaper. An NTS is a formal notification of the sale of a foreclosure property. In California, the NTS is filed 90 days following an NOD when a property owner has failed to make a property loan current. Once an NTS has been filed, a property can then be sold at public auction. According to foreclosure records, 44 properties in Palm Springs were in the auction stage of the foreclosure process.

Many properties, however, are unable to be sold at public auction. In the event of an unsuccessful sale at auction, a property becomes classified as Real Estate Owned (REO) and ownership of it reverts back to the mortgage company or lender. In July 2013, the City of Palm Springs had a total of 22 bank-owned properties.

Figure 12: Foreclosures (2013)



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# Chapter 4

## Current Fair Housing Profile

This chapter provides an overview of the institutional structure of the housing industry in governing fair housing practices of its members. Fair housing services for renters and homebuyers are available to Palm Springs residents and recent fair housing complaints, violations, and suits to determine trends in the City are also assessed.

### 4.1 Fair Housing Practices in the Ownership Housing Market

#### 4.1.1 Homeownership Process

One of the main challenges in owning a home versus renting a home is the process. Buying a house takes considerably more time and effort than finding a home to rent. The major legal and financial implications surrounding the process also intimidate potential buyers. Typically, people are overwhelmed by the unique terminology, number of steps required, and financial considerations involved. The process is costly and fair housing issues may surface anytime during this process.

#### Advertising

The first thing a potential buyer is likely to do when they consider buying a home is search advertisements either in magazines, newspapers, or the Internet to get a feel for what the market offers. Language in advertising has recently become an issue within the realm of real estate. Advertisements cannot include discriminatory references such as the use of words describing:

- Current or potential residents
- Neighbors or the neighborhood in racial or ethnic terms
- Adults preferred
- Perfect for empty nesters
- Conveniently located by a Catholic Church
- Ideal for married couples without kids

Even the use of models in ads has been questioned, based on the idea that it appears to appeal to a certain race. Additionally, selecting media or locations for advertising that deny information on listings to certain segments of the housing market may also be considered discriminatory. Even if an agent does not intend to discriminate in an ad, it would still be considered a violation to suggest to a reader whether or not a protected class is preferred. As a reminder to choose words carefully, the Multiple Listing Service (MLS) now prompts a fair housing message when a new listing is being added.

As part of this AI preparation, for-sale listings were reviewed on the MLS. Of a total of 250 listings reviewed, just four listings included references to something other than the physical description of the available home and amenities and services included (Table 33). All four advertisements were targeted specifically at families through the identification of nearby schools, or a description of the property as being better suited for a family.



**Table 33: Potential Discrimination in Listings of For-Sale Homes**

Discrimination Type	Number of Listings	Potentially Discriminatory Language*
No Discriminatory Language	246	n/a
Household Size/ Family Related	4	The property is unique and has many possibilities for a family or patient care. Recreation room is available for you to enjoy with your family. Location is prime... close to shopping, restaurants, airport, downtown, city park, high school, & city library. Close to Great Parks and Schools! Open and Comfortable Layout with plenty of room to Entertain All your Family & Friends!

Source: www.realtor.com, accessed August, 2013.

\*Examples are direct quotes from the listings (including punctuation and emphasis).

Advertising has become a sensitive area in real estate. In some instances advertisements published in non-English languages may make those who speak English uncomfortable, yet when ads are only placed in English they place non-English speaking residents at a disadvantage. While real estate advertising can be published in other languages, by law an English version of the ad must also be published, and monitoring this requirement is difficult, if not impossible.

Even if an agent does not intend to discriminate in an ad, it would still be considered a violation to suggest to a reader whether or not a particular group is preferred. Recent litigation has also set precedence for violations in advertisements that hold publishers, newspapers, Multiple Listing Services, real estate agents, and brokers accountable for discriminatory ads.

**Lending**

Initially, buyers must find a lender that will qualify them for a loan. This part of the process entails an application, credit check, ability to repay, amount eligible for, choosing the type and terms of the loan, etc. Applicants are requested to provide a lot of sensitive information including their gender, ethnicity, income level, age, and familial status. Most of this information is used for reporting purposes required of lenders by the Community Reinvestment Act (CRA) and the Home Mortgage Disclosure Act (HMDA); however it does not guarantee that individual loan officers or underwriters will not misuse the information.

A report on mortgage lending discrimination by the Urban Land Institute (ULI) illustrates four basic stages in which discrimination can occur: advertising/outreach, pre-application inquiries, loan approval/denial and terms/ conditions, and loan administration. A number of different individuals take part in the various stages of this process and any of them may potentially discriminate.

**Appraisals**

Banks order appraisal reports to determine whether or not a property is worth the amount of the loan they will be giving. Generally speaking, appraisals are based on the comparable sales of properties within the neighborhood of the property being appraised. Other factors are taken into consideration, such as the age of the structure, any improvements made, location, general economic influences, etc. However,

during the mortgage lending and refinancing frenzy prior to 2008, there have been reports of inflated home values in order to entice refinancing.

### **Real Estate Agents**

Finding a realtor is normally the next step, which can be done by looking in newspapers, searching the Internet, and primarily through referrals. The agent will find the home that fits their needs, desires and budget based on the amount they are qualified for by the lending institution.

Realtors may act as agents of discrimination. Some, unintentionally or possibly intentionally, may steer the potential buyer to particular neighborhoods by encouraging the buyer to look into certain areas; others may simply choose to show the buyer all choices available.

However, the California Association of Realtors (CAR) has included language on many of their forms disclosing fair housing laws to those involved. Many Realtor Associations also host fair housing trainings/seminars to educate their members on the provisions and liabilities of Fair Housing Law. The Equal Opportunity Housing Symbol is also located on all forms as a reminder.

### **Sellers**

A seller may not want to sell his/her house to certain purchasers or may want to accept offers only from a preferred group. The Residential Listing Agreement and Seller's Advisory forms that sellers must sign disclose their understanding of Fair Housing Law and practice of nondiscrimination.

### **Covenants, Conditions, and Restrictions (CC&Rs)**

In the past, Covenants, Conditions, and Restrictions (CC&Rs) were used to exclude certain groups such as minorities from equal access to housing in a community. Today, the California Department of Real Estate reviews CC&Rs for all subdivisions of five or more lots, or condominiums of five or more units. This review is authorized by the Subdivided Lands Act and mandated by the Business Professions Code, Section 11000. The review includes a wide range of issues, including compliance with fair housing law.

The review must be completed and approved before the Department of Real Estate will issue a final subdivision public report. This report is required before a real estate broker can sell the units, and each prospective buyer must be issued a copy of the report. If the CC&Rs are not approved, the Department of Real Estate will issue a "deficiency notice", requiring the CC&R be revised.

Communities with old subdivisions or condominium developments may still contain CC&Rs that do not comply with the fair housing law. However, provisions in the CC&Rs that violate the fair housing law are not enforceable.

### **Insurance**

Insurance agents are provided with underwriting guidelines for the companies they work for to determine whether or not a company will sell insurance to a particular applicant. Currently, underwriting guidelines are not public information; however, consumers have begun to seek access to these underwriting guidelines to monitor discriminatory policies. Some states are being more responsive than others to this demand and have recently required companies file their underwriting guidelines with the state department of insurance, which would then make the information public. Texas is one state that has

mandated this reporting and its office has made some significant findings regarding discriminatory insurance underwriting guidelines.

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

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

The California Fair Access to Insurance Requirements (FAIR) Plan was created by the Legislature in 1968 after the brush fires and riots of the 1960s made it difficult for some people to purchase fire insurance due to hazards beyond their control. The FAIR Plan is designed to make property insurance more readily available to people who have difficulty obtaining it from private insurers because their property is considered "high risk." However, since the 1994 Northridge earthquakes and El Niño storms, many homeowners also face difficulty with acquiring earthquake and fire insurance.

### **Credit and FICO Scores**

Credit history is one of the most important factors in obtaining a home purchase loan. Credit scores determine loan approval, interest rates associated with the loan, as well as the type of loan an applicant will be given. Applicants with high credit scores are generally given conventional loans, while lower and moderate range scores revert to FHA or other government-backed loans. Applicants with lower scores also receive higher interest rates on the loans as a result of being perceived as a higher risk to the lender, and may even be required to pay points depending on the type of lending institution used.

Fair Isaac and Company (FICO), which is the company used by the Experian (formerly TRW) credit bureau to calculate credit scores, has set the standard for the scoring of credit history. Trans-Union and Equifax are two other credit bureaus that also provide credit scores, though they are typically used to a lesser degree. In short, points are awarded or deducted based on certain items such as how long one has had credit cards, whether one makes payments on time, if credit balances are near maximum, etc. Typically, the scores range from the 300s to around 850, with higher scores demonstrating lower risk. Lower credit scores require a more thorough review than higher scores and mortgage lenders will often not even consider a score below 600.

FICO scores became more heavily relied-on by lenders when studies conducted show that borrowers with scores above 680 almost always make payments on time, while borrowers with scores below 600 seemed fairly certain to develop problems. Some of the factors that affect a FICO score are:

- Delinquencies
- New accounts (opened within the last twelve months)
- Length of credit history (a longer history of established credit is better than a short history)
- Balances on revolving credit accounts

- Public records, such as tax liens, judgments, or bankruptcies
- Credit card balances
- Number of inquiries
- Number and types of revolving accounts

However, the current mortgage lending crunch resulted (in part) from lenders providing mortgage financing to borrowers who were not credit worthy or steering borrowers who could have qualified for lower cost loans to the subprime market.

#### **4.1.2 National Association of REALTORS® (NAR)**

The National Association of REALTORS® (NAR) has developed a Fair Housing Program to provide resources and guidance to REALTORS® in ensuring equal professional services for all people. The term REALTOR® identifies a licensed professional in real estate who is a member of the NAR; however, not all licensed real estate brokers and salespersons are members of the NAR.

##### **Code of Ethics**

Article 10 of the NAR Code of Ethics provides that "REALTORS® shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, or national origin. REALTORS® shall not be a party to any plan or agreement to discriminate against any person or persons on the basis of race, color, religion, sex, handicap, familial status, or national origin."

A REALTOR® pledges to conduct business in keeping with the spirit and letter of the Code of Ethics. Article 10 imposes obligations upon REALTORS® and is also a firm statement of support for equal opportunity in housing. A REALTOR® who suspects discrimination is instructed to call the local Board of REALTORS®. Local Boards of REALTORS® will accept complaints alleging violations of the Code of Ethics filed by a home seeker who alleges discriminatory treatment in the availability, purchase or rental of housing. Local Boards of REALTORS® have a responsibility to enforce the Code of Ethics through professional standards procedures and corrective action in cases where a violation of the Code of Ethics is proven to have occurred.

Additionally, Standard of Practice Article 10-1 states that "REALTORS® shall not volunteer information regarding the racial, religious or ethnic composition of any neighborhood and shall not engage in any activity which may result in panic selling. REALTORS® shall not print, display or circulate any statement or advertisement with respect to the selling or renting of a property that indicates any preference, limitations or discrimination based on race, color, religion, sex, handicap, familial status, or national origin."

##### **Diversity Certification**



NAR has created a diversity certification, "At Home with Diversity: One America" to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR "At Home with Diversity" course. The certification will signal to customers that the real estate professional has been trained on working with diversity in today's real estate markets. The coursework provides valuable business planning tools to assist real estate professionals in reaching out and marketing to a

diverse housing market. The NAR course focuses on diversity awareness, building cross-cultural skills, and developing a business diversity plan.

#### **4.1.3 California Department of Real Estate (DRE)**

The California Department of Real Estate (DRE) is the licensing authority for real estate brokers and salespersons. As noted earlier, not all licensed brokers and salespersons are members of the National or California Association of REALTORS®.

The DRE has adopted education requirements that include courses in ethics and in fair housing. To renew a real estate license, each licensee is required to complete 45 hours of continuing education, including three hours in each of the four mandated areas: Agency, Ethics, Trust Fund, and Fair Housing. The fair housing course contains information that will enable an agent to identify and avoid discriminatory practices when providing real estate services to clients.

The law requires, as part of the 45 hours of continuing education, completion of five mandatory three-hour courses in Agency, Ethics, Trust Fund Handling and Fair Housing and Risk Management. These licensees will also be required to complete a minimum of 18 additional hours of courses related to consumer protection. The remaining hours required to fulfill the 45 hours of continuing education may be related to either consumer service or consumer protection, at the option of the licensee.

#### **4.1.4 California Association of REALTORS® (CAR)**

The California Association of REALTORS® (CAR) is a trade association of realtors statewide. As members of organized real estate, realtors also subscribe to a strict code of ethics as noted above. CAR has recently created the position of Equal Opportunity/Cultural Diversity Coordinator. CAR holds three meetings per year for its general membership, and the meetings typically include sessions on fair housing issues. Current outreach efforts in the Southern California area are directed to underserved communities and state-licensed brokers and sales persons who are not members of the CAR.

#### **REALTOR® Associations Serving the City of Palm Springs**

##### **Inland Valleys Association of REALTORS®**

The Inland Valleys Association of REALTORS® (IVAR) serves realtors in Palm Springs as part of the Inland Empire. The Association covers Riverside and San Bernardino Counties, including 6,000 members in over 1,000 offices. While the Association does not provide any fair housing related courses or workshops, the Association does have an Equal Opportunities Committee that oversees fair housing issues.

##### **California Desert Association of REALTORS®**

The California Desert Association of REALTORS® (CDAR) serves realtors and affiliated industry professionals throughout the Coachella Valley. The Association has grown to represent over 4,000 REALTORS®, commercial practitioners, and affiliates throughout the valley from Palm Springs to Coachella. The Association provides fair housing course to members which is part of the continuing education requirement for real estate license renewal. This course is offered approximately once every quarter. The Association also has a Housing Opportunities Committee and a Local Government Affairs Committee that oversees fair housing issues for the organization.

##### **Palm Springs Regional Association of REALTORS®**

The Palm Springs Association of Realtors has been active in Palm Springs since 1929 and currently serves over 1,200 members. The Association occasionally offers workshops to realtors in conjunction with County

of Riverside Fair Housing Council and also reports any unfair housing practices to the Fair Housing Council of Riverside County.

## **4.2 Fair Housing Practices in the Rental Housing Market**

### **4.2.1 The Apartment Rental Process**

While the process of renting an apartment may be less expensive and burdensome up front than the home buying process, it may still be just as time-consuming and potential renters may face discrimination during various stages of the rental process.

#### **Advertising**

Palm Springs, like most parts of California, has an active rental housing market. Many rental properties have low vacancy rates and do not require published advertising. Often, vacancy is announced either via word of mouth of existing tenants or a for-rent sign outside the property. Unless one happens to drive by the neighborhood or have friends or families currently residing at the property, one may not have access to information regarding vacancy. Furthermore, this practice tends to intensify segregation of neighborhoods and properties that already have a high concentration of a racial/ethnic group. When advertising is done, no checks-and-balances mechanism exists to ensure English advertising is provided.

As part of this AI preparation, rental listings were reviewed. A number of rental listings in Palm Springs contain potentially discriminatory language, such as encouraging or discouraging family living, or potentially discouraging persons with disabilities by emphasizing a no-pet policy without clarifications that service/companion animals are allowed.

Like with ad listings for for-sale homes, rental advertisements cannot include discriminatory references. Of a total of 250 rental listings surveyed in August 2013 for the City, 44 advertisements were found to contain potentially discriminatory language (Table 34). The problematic language typically involved references to pets (25 ads) and references to household size or children (15 ads).

Under California's fair housing law, source of income is a protected class. It is, therefore, considered unlawful to prefer, limit, or discriminate against a specific income source for a potential homebuyer. Section 8 is not included as a part of this protected class, however, and rental advertisements that specifically state Section 8 vouchers are not accepted are considered legal. There were few indications of income-based discrimination in the rental listings in the City. Of the 13 advertisements found that make reference to a potential tenant's income source, most specifically stated that Section 8 was accepted or made reference to an applicant's credit history.

More common in Palm Springs were rental advertisements with references to pets. Persons with disabilities are one of the protected classes under fair housing law, and apartments must allow "service animals" and "companion animals," under certain conditions. Service animals are animals that are individually trained to perform tasks for people with disabilities such as guiding people who are blind, alerting people who are deaf, pulling wheelchairs, alerting and protecting a person who is having a seizure, or performing other special tasks. Service animals are working animals, not pets. Companion animals, also referred to as assistive or therapeutic animals, can assist individuals with disabilities in their daily living and as with service animals, help disabled persons overcome the limitations of their disabilities and the barriers in their environment.

Persons with disabilities have the right to ask their housing provider to make a reasonable accommodation in a “no pets” policy in order to allow for the use of a companion or service animal. However, in the case of rental ads that specifically state “no pets,” some disabled persons may not be aware of their right to ask for an exception to this rule. Because of this, a person with a disability may see themselves as limited in their housing options and a “no pets” policy could, therefore, be interpreted as potentially discriminatory. Of the rental listings surveyed, 25 ads included language to specifically ban pets.

A total of five ads included potentially discriminatory language based on arbitrary factors. For example, a number of these ads used language to target individuals with certain personalities and/or skill sets.

<b>Table 34: Potential Discrimination in Listings of Homes for Rent</b>		
<b>Discrimination Type</b>	<b>Number of Listings</b>	<b>Potentially Discriminatory Language*</b>
No Discriminatory Language	206	n/a
Disability Related	25	no dogs. Please be aware that this is strictly a no pet complex. SORRY NO PETS Cat OK - no dogs Sorry, No Pets! No pets allowed at this unit. Cat OK Sorry,,,NO DOGS *** NO PETS*****
Income Related	13	Section 8 Welcome Will consider HUD qualified applicants accepted upon approval. Owner looking for long term resident/s with good credit history Section 8 OK Section 8 Accepted. Section 8 Housing
Household Size/ Family Related	15	Playground CLOSE TO SCHOOLS located near Raymond Cree Middle School we are located in walking distance to Elementary and Middle Schools Neighbors are all family oriented no loud parties. Looking for 1 quiet person. Suitable for one person who is employed with good references and credit. If your looking for Schools we are just 10 min from the Nellie Coffman Middle School and Cathedral City High School. Located near a middle school There's a playground This nice unit is located near a middle school
Spanish Only Ads	1	n/a
Miscellaneous	5	Looking for a good clean, reliable, tenant with a good rental history. professional, non-smoker, no drugs, sober Non-smokers are preferred

Source: www.realtor.com, accessed August, 2013.

\*Examples are direct quotes from the listings (including punctuation and emphasis).

### **Responding to Ads**

Differential treatment of those responding to advertisements is a growing fair housing concern. In a 2011 study conducted nationally, comprehensive audit-style experiments via email correspondence were used to test for racial discrimination in the rental housing market. This study was particularly unique because it tested for two variables—discrimination based on race *and* social class. By responding to online rental listings using names associated with a particular racial/ethnic group and varying message content grammatically to indicate differing levels of education and/or income (i.e. social class), researchers found that, overall, Blacks continued to experience statistically significant levels of discrimination in the rental housing market. This discrimination was even more pronounced when the housing inquiry was made to look like it originated from a Black individual of a lower social class.<sup>23</sup>

### **Viewing the Unit**

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

### **Credit/Income Check**

Landlords may ask the potential renters to provide credit references, lists of previous addresses and landlords, and employment history/salary. The criteria for tenant selection, if any, are typically not known to those seeking to rent. Many landlords often use credit history as an excuse when trying to exclude certain groups. Legislation provides for applicants to receive a copy of the report used to evaluate applications.

### **The Lease**

Most apartments are rented under either a lease agreement or a month-to-month rental agreement. A lease is favorable from a tenant's point of view for two reasons: the tenant is assured the right to live there for a specific period of time and the tenant has an established rent during that period. Most other provisions of a lease protect the landlord. Information written in a lease or rental agreement includes the rental rate, required deposit, length of occupancy, apartment rules, and termination requirements.

Typically, the lease or rental agreement is a standard form completed for all units within the same building. However, the enforcement of the rules contained in the lease or agreement may not be standard for all tenants. A landlord may choose to strictly enforce the rules for certain tenants based on arbitrary factors, such as race, presence of children, or disability. In recent years, complaints regarding tenant harassment through strict enforcement of lease agreements as a means of evicting tenants have increased significantly.

Lease-related language barriers can impede fair housing choice if landlords and tenants do not speak the same language. In California, applicants and tenants have the right to negotiate lease terms primarily in Spanish, Chinese, Tagalog, Vietnamese or Korean. If a language barrier exists, the landlord must give the tenant a written translation of the proposed lease or rental agreement in the language used in the negotiation before the tenant signs it.<sup>24</sup> This rule applies to lease terms of one month or longer and

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<sup>23</sup> Do Landlords Discriminate in the Rental Housing Market? Evidence from an Internet Field Experiment in U.S. cities. Andrew Hanson and Zackary Hawley. May 2011.

<sup>24</sup> California Civil Code Section 1632(b)



whether the negotiations are oral or in writing. Also, the landlord must provide the translation whether or not the tenant requests it. The translation must include every term and condition in the lease or rental agreement. A translation is not required if the tenant provides his or her own adult interpreter.

### **Security Deposit**

A security deposit is also typically required. To deter "less-than-desirable" tenants, a landlord may ask for a deposit higher than for others. Tenants may also face differential treatment when vacating the units. The landlord may choose to return a smaller portion of the security deposit to some tenants, claiming excessive wear and tear. A landlord may also require that persons with disabilities pay an additional pet rent for their service animals, a monthly surcharge for pets, or a deposit, which is also a discriminatory act.

### **During the Tenancy**

During tenancy, the most common forms of discrimination a tenant may face are based on familial status, race, national origin, sex, or disability. Usually this type of discrimination appears in the form of varying enforcement of rules, overly strict rules for children, excessive occupancy standards, refusal to make a reasonable accommodation for handicapped access, refusal to make necessary repairs, eviction notices, illegal entry, rent increases, or harassment. These actions may be used as a way to force undesirable tenants to move on their own without the landlord having to make an eviction.

### **4.2.2 California Apartment Association - Apartment Association Greater Inland Empire (AAGIE)**

Located in Rancho Cucamonga, the Apartment Association of the Greater Inland Empire serves communities within San Bernardino, Riverside County and the Coachella Valley. The Association publishes a monthly newsletter, "**AAGIE**", that provides information to apartment owners and managers. The Association provides a number of services including forms, referrals to vendors, educational courses and workshops including the California Certified Residential Manager (CCRM) course.

The California Apartment Association has developed the California Certified Residential Manager (CCRM) program to provide a comprehensive series of courses geared towards improving the approach, attitude and professional skills of on-site property managers and other interested individuals. The CCRM program consists of 31.5 hours of training that includes fair housing and ethics along with the following nine course topics:

- Preparing the Property for Market
- Professional Leasing Skills and the Application Process
- The Move-in Process, Rent Collection and Notices
- Resident Issues and Ending the Tenancy
- Professional Skills for Supervisors
- Maintenance Management: Maintaining a Property
- Liability and Risk Management: Protecting the Investment
- Fair Housing: It's the Law
- Ethics in Property Management

In order to be certified one must successfully score 75 percent or higher on the comprehensive CCRM final exam.

AAGIE offers CCRM courses throughout the year with members receiving a discounted fee. Free legal services are also provided to members and new members receive an information packet regarding landlord responsibilities and other information related to apartment ownership and management including fair housing.

### **4.2.3 The National Association of Residential Property Managers (NARPM)**

The National Association of Residential Property Managers promotes a high standard of property management business ethics, professionalism and fair housing practices within the residential property management field. NARPM is an association of real estate professionals who are experienced in managing single-family and small residential properties. Members of the association adhere to a strict Code of Ethics to meet the needs of the community, which include the following duties:

- Protect the public from fraud, misrepresentation, and unethical practices of property managers.
- Adhere to the Federal Fair Housing statutes.
- Protect the fiduciary relationship of the client.
- Treat all tenants professionally and ethically.
- Manage the property in accordance with the safety and habitability standards of the community.
- Hold all funds received in compliance with state law with full disclosure to the client.

In addition to promoting high standards of business ethics, professionalism and fair housing practices, the Association also certifies its members in the standards and practices of the residential property management industry and promotes continuing professional education.

NARPM offers three designations to qualified property managers and property management firms:

- Residential Management Professional, RMP ®
- Master Property Manager, MPM ®
- Certified Residential Management Company, CRMC ®

Various educational courses are offered as part of attaining these designations including the following fair housing and landlord/tenant law courses:

- Ethics (required for all members every four years)
- Habitability Standards and Maintenance
- Marketing
- Tenancy
- ADA Fair Housing
- Lead-Based Paint Law

### **4.2.4 Western Manufactured Housing Communities Association (WMA)**

Western Manufactured Housing Communities Association (WMA) is a nonprofit organization created in 1945 for the exclusive purpose of promoting and protecting the interests of owners, operators and developers of manufactured home communities in California. WMA assists its members in the operations of successful manufactured home communities in today's complex business and regulatory environment. WMA has over 1,700 member parks located in all 58 counties of California.

WMA offers an award winning manager accreditation program as well as numerous continuing education opportunities. The Manufactured Home Community Manager (MCM) program is a manager accreditation program that provides information on effective community operations. WMA's industry experts give

managers intensive training on law affecting the industry, maintenance standards, HCD inspections, discrimination, mediation, disaster planning, and a full range of other vital subjects. In addition, WMA offers the following services:

- Toll-free hotline for day-to-day management advice
- Resident Screening Program
- Group Workers' Compensation Program
- Legal Advice
- Industry Referrals
- Manager Referral Service
- Educational seminars on a variety of key topics

#### **4.2.5 Housing Authority of the County of Riverside**

The Housing Authority of the County of Riverside oversees the Section 8 Rental Assistance Program in Palm Springs. There is no public housing located in the City. New and relocating Section 8 recipients receive a briefing package that includes information on fair housing laws, rights and responsibilities as well as contact information if a tenant has a complaint. If a tenant has a fair housing issue, the individual is referred to the Fair Housing Council of Riverside County. The Fair Housing Council also provides staff training on fair housing issue to Housing Authority staff approximately once a year.

### **4.3 Fair Housing Services**

Typically, fair housing services for renters and homebuyers include the investigation and resolution of housing discrimination complaints, discrimination auditing/testing, and education and outreach including the dissemination of fair housing information such as written material, workshops, and seminars. Landlord/tenant counseling is another fair housing service which involves informing landlords and tenants of their rights and responsibilities under the California Civil Code and mediating conflicts between tenants and landlords.

This section provides an overview of current fair housing services in Palms Springs.

#### **4.3.1 The Fair Housing Council of Riverside County**

Palm Springs contracts with the Fair Housing Council of Riverside County to provide fair housing and landlord/tenant services for residents. The Fair Housing Council of Riverside County operates four offices within Riverside County with a local satellite office in Palm Springs. Services provided by the Fair Housing Council of Riverside County services include anti-discrimination investigations, landlord/tenant mediation services, training and technical assistance, workshops and seminars, and housing discrimination audits and tests.

##### **Training, Education, and Outreach**

As part of its services to the City, the Fair Housing Council of Riverside County has been involved in outreach activities in Palm Springs including the provision of informational materials, brochures, newsletters, and referrals related to fair housing. In addition, the Fair Housing Council of Riverside County representatives recently<sup>25</sup> attended or hosted the following events:

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25 Activities that occurred in fiscal year 2011/12. Source: Fair Housing Council of Riverside County.

- Hosted various homebuyer education workshops
- Conducted site visits with Code Enforcement officers
- Attended meetings at Roy's Resource Center, Desert Crest Apartments, and a Housing for Persons with Aids (HOPWA) collaboration.
- Conducted fair housing trainings and presentations at their office location Palm Springs and the Desert Aids Project (DAP).
- Attended a Palm Springs City Council meeting

The Fair Housing Council of Riverside distributed copies of the agency's brochure and information on fair housing to the Palm Springs City Hall, Palm Springs Mizell Senior Center, Palm Springs Police Department, Chamber of Commerce, Palm Regional Association of REALTORS®, Palm Springs Library, and Palm Springs Bureau of Tourism.

### **Fair Housing Complaints, Violations, and Suits Fair Housing Complaints Violations and Suits**

The Fair Housing Council of Riverside County is the primary agency that handles fair housing complaints filed by Palm Springs residents. The following discussion summarizes results of fair housing services and testing conducted in Palm Springs by the Fair Housing Council and evaluates the nature and extent of fair housing and landlord/tenant complaints in the City. Table 35 displays the number and type of housing inquires and complaints, as well as the findings and outcomes of the cases from FY 2007/2008 to FY 2011/2012.

A total of 139 fair housing complaints were filed between FY 2007/2008 to FY 2011/2012. Discrimination complaints generally fluctuated between 10 to 45 complaints per year. During the past five years, issues related to disability status continued to comprise the largest proportion of all complaints (48 cases in the past five years). According to the Fair Housing Council of Riverside County, this trend is due to several factors: the community's large senior population, a disability related complaint can comprise large spectrum of issues (including physical, mental and AIDS related factors), and the fact that many disabled residents are becoming more aware of their fair rights and responsibilities.

Issues concerning either the client's race or ethnicity also accounted for a significant number of complaints (19 cases). Consistent with the City's demographics, the vast majority of all complaints within Palm Springs over the past five years were made by White residents (64 percent) followed by Hispanic residents (21 percent) and African American residents (nine percent). Asian residents accounted for less than one percent of all complaints, while residents classified as 'other' accounted for four percent of all cases. Given the small overall proportion of African American residents in the community (four percent), African Americans may be considered disproportionately affected by fair housing issues.

Fair housing complaints also affected female-headed households to a higher degree than male-headed households. Female-headed households may face a greater degree of impediments to fair housing due to their lower income levels and childcare needs. In addition, the vast majority of fair housing complaints in the City originated from low income households.

According to Fair Housing Council of Riverside County, of all the cases investigated by the Council in the past five years, the majority were successfully resolved through counseling or education.

<b>Table 35: Discrimination Cases, Finding and Dispositions</b>							
Fair Housing Services	# Assisted					Total	Percent
	2007/08	2008/09	2009/10	2010/11	2011/12		
<b>Discrimination Category</b>							
Age	1	4	3	0	0	8	5.8%
Ancestry	0	0	0	0	0	0	0.0%
Arbitrary	1	5	8	3	0	17	12.2%
Color	0	0	1	0	0	1	0.7%
Familial Status	5	1	2	2	1	11	7.9%
Gender	0	0	0	0	0	0	0.0%
Marital Status	0	0	2	0	1	3	2.2%
Mental Disability	0	0	3	0	1	4	2.9%
National Origin	0	1	1	1	1	4	2.9%
Physical Disability	1	9	14	21	3	48	34.5%
Race	7	6	0	4	2	19	13.7%
Religion	0	0	0	0	0	0	0.0%
Sex	0	0	0	5	0	5	3.6%
Sexual Orientation	1	2	3	8	1	15	10.8%
Source of Income	1	0	1	1	0	3	2.2%
Rent	0	0	0	0	0	0	0.0%
Rumford/Unruh	1	0	0	0	0	1	0.7%
<b>Race/Ethnicity</b>							
American Indian/ Alaskan & Black	0	0	0	0	0	0	0.0%
Asian	0	0	1	0	0	1	0.7%
Black Non-Hispanic	1	5	2	5	0	13	9.4%
Black & Hispanic	0	0	0	0	0	0	0.0%
Black & White	0	0	0	0	0	0	0.0%
Hispanic	3	3	19	4	0	29	20.9%
White Non-Hispanic	12	20	14	34	9	89	64.0%
Chose Not to Respond	0	0	0	0	1	1	0.7%
Other	2	0	2	2	0	6	4.3%
<b>Income</b>							
Very low	3	6	15	27	4	55	39.6%
Low	10	16	15	11	5	57	41.0%
Moderate	5	5	8	5	1	24	17.3%
High	0	1	0	2	0	3	2.2%
<b>Head of Household</b>							
Male	2	N/A*	16	20	6	42	45.2%
Female	15	N/A*	22	25	4	51	54.8%
<b>Household Type**</b>							
Senior	2	4	1	1	2	10	22.2%
Female Headed Household	0	6	2	10	1	19	42.2%
Disabled	0	6	3	5	2	16	35.6%
<b>Type of Caller</b>							
Tenant	14	N/A*	36	43	10	103	92.8%

<b>Table 35: Discrimination Cases, Finding and Dispositions</b>							
Fair Housing Services	# Assisted					Total	Percent
	2007/08	2008/09	2009/10	2010/11	2011/12		
Owner/Manager	4	N/A*	1	2	0	7	6.3%
Other	0	N/A*	1	0	0	1	0.9%
<b>Outcome</b>							
Education	9	14	9	17	4	53	38.1%
Counseled	8	13	24	16	6	67	48.2%
DFEH/HUD	1	1	2	10	0	14	10.1%
Attorney	0	0	0	0	0	0	0.0%
Conciliated	0	0	3	2	0	5	3.6%
<b>Total Complaints</b>	<b>18</b>	<b>28</b>	<b>38</b>	<b>45</b>	<b>10</b>	<b>139</b>	<b>100.0%</b>

Source: Fair Housing Council of Riverside County, Inc. (FHRC), 2013

Notes:

\* The Fair Housing Council of Riverside County did not track head of household and type of caller statistics in fiscal year 2008/09.

\*\*Household type statistics do not add up to the total number of complaints per fiscal year.

**Examples of Fair Housing Complaints**

The following discussion provides examples of recent fair housing complaints in Palm Springs handled by the Fair Housing Council of Riverside County and the options available for their resolution.

<b>Table 36: Selected Case Summaries</b>	
Case Summary	Factors of Allegation, Finding, and Disposition
<p><b>Complainant:</b> Caucasian, male with disabilities, in-place tenant</p> <p><b>Allegation:</b> Physical disability discrimination</p> <p><b>Housing Practice:</b> Good Faith and Fair Dealing clause</p>	<p><b>Facts:</b> A discrimination complaint was reported to the Fair Housing Council of Riverside by a disabled Caucasian male. The complainant alleges discrimination based on his disability, in which he stated that over a time period of three months he had made numerous requests, verbally and in writing, for non-emergency repairs but has been ignored by the manger. According to the complainant, the manager of the apartment complex informed him that if he continues with his complaining he will be evicted.</p> <p><b>Finding:</b> Sustains allegation</p> <p><b>Disposition:</b> Successful education/counseling</p>
<p><b>Complainant:</b> Caucasian, female with disabilities, in-place tenant</p> <p><b>Allegation:</b> Physical disability discrimination</p> <p><b>Housing Practice:</b> Reasonable accommodation</p>	<p><b>Facts:</b> A discrimination complaint was reported to the Fair Housing Council of Riverside by a disabled Caucasian female requesting information on her rights when requesting to make a change to her rental agreement due to her disability. According to the complainant, her son visits and stays the weekend in her apartment with his dog because she and disabled and he comes to take care of her. The complainant mentioned that management notified her that the her son's pet could not be allowed to stay in the apartment complex because the pet was not on her rental agreement so according to the manager she is in violation of her agreement.</p> <p><b>Finding:</b> Sustains allegation</p> <p><b>Disposition:</b> Successful education/counseling</p>

<b>Table 36: Selected Case Summaries</b>	
Case Summary	Factors of Allegation, Finding, and Disposition
<p><b>Complainant:</b> Caucasian, male with disabilities, in-place tenant</p> <p><b>Allegation:</b> Physical disability discrimination</p> <p><b>Housing Practice:</b> Reasonable accommodation</p>	<p><b>Facts:</b> FHCRC received a call from a disabled Caucasian male alleging discrimination based on his disability; he is a tenant living with HIV/AIDS. He stated that he has lived in his current residence for the past two years and has made numerous requests for repairs. One of these requests was in response to the fact that his refrigerator had malfunctioned. He stated he had shared his medical condition with the manager, and made her aware that it was imperative for his refrigerator to be operating correctly because he needs to store his medication and food. After about a month, his refrigerator was replaced but by then food and medication had spoiled. The complainant said he noticed other tenants were getting their repair requests completed in a timely manner: he felt his requests were ignored.</p> <p><b>Finding:</b> Sustains allegation</p> <p><b>Disposition:</b> Successful conciliation</p>
<p><b>Complainant:</b> Caucasian, female with disabilities, in-place tenant</p> <p><b>Allegation:</b> Physical disability discrimination</p> <p><b>Housing Practice:</b> Reasonable accommodation</p>	<p><b>Facts:</b> FHCRC received a call from a disabled Caucasian female alleging discrimination based on her disability. She had requested repairs be made to the floors in her unit, which were not level and were spongy, causing her problems walking with her walker. She stated that she had made numerous requests for the repairs to be made, but to no avail, and that eventually she received a 60-day notice to move. She also stated that other tenants have required maintenance or repairs and have had them corrected without any retaliatory procedures.</p> <p><b>Finding:</b> Sustains allegation</p> <p><b>Disposition:</b> DFEH/HUD</p>
<p><b>Complainant:</b> Caucasian, female with disabilities, in-place tenant</p> <p><b>Allegation:</b> Physical disability discrimination</p> <p><b>Housing Practice:</b> Reasonable accommodation</p>	<p><b>Facts:</b> FHCRC received a call from a disabled Caucasian female requesting information on her right to reasonable modifications based on her disability. The complainant uses a wheelchair and it was very difficult for her to get in and out of her unit even though she is downstairs. There is an area in the community where one must step down, in which she was afraid her chair might tilt over. She stated that she had asked the manager if a ramp could be installed and that they denied her request.</p> <p><b>Finding:</b> Sustains allegation</p> <p><b>Disposition:</b> Successful education</p>
<p><b>Complainant:</b> Caucasian, female with disabilities, in-place tenant</p> <p><b>Allegation:</b> : Physical disability discrimination</p> <p><b>Housing Practice:</b> Reasonable accommodation</p>	<p><b>Facts:</b> FHCRC received a call from a disabled Caucasian female who is on a fixed income and lives in a low income housing community. The complainant has a physical disability and had an assigned parking space in front of her unit since she moved in. When a new manager took over at the community she lives in they tried to reassign her parking space to another resident.</p> <p><b>Finding:</b> Sustains allegation</p> <p><b>Disposition:</b> Successful education/counseling</p>

Table 36: Selected Case Summaries	
Case Summary	Factors of Allegation, Finding, and Disposition
<p><b>Complainant:</b> Caucasian, male with disabilities, in-place tenant</p> <p><b>Allegation:</b> Sexual orientation discrimination</p> <p><b>Housing Practice:</b> Reasonable accommodation</p>	<p><b>Facts:</b> FHCRRC received a call from a disabled Caucasian male alleging discrimination based on his sexual orientation. The tenant complains that the management is ignoring his requests to have repairs made because of his sexual preferences. He claimed that other residents have their repair issues addressed in a timely manner and he feels he is being treated differently. Additionally, the tenant felt very uncomfortable overall and was looking to move out as a solution.</p> <p><b>Finding:</b> Sustains allegation</p> <p><b>Disposition:</b> Successful education/counseling</p>

Source: Fair Housing Council of Riverside County, Inc. (FHCRRC), 2013

### 4.3.2 Tenant/Landlord Disputes

In addition to fair housing complaints, Palm Springs residents receive assistance from the Fair Housing Council of Riverside County for tenant/landlord dispute resolution services (Table 37). Between FY 2007/2008 to FY 2011/2012, the Fair Housing Council of Riverside County handled 2,593 complaints or requests for assistance. On average, the number of complaints fluctuates between 319 and 645 complaints each year. The majority of complaints in Palm Springs over the past four years are related to repairs, evictions, issues with notices, and disputes over leases or rental agreements. Over the last five years the number of complaints has increased. In 2011/2012, the number of landlord/tenant disputes relating to evictions increased noticeably, as the number of issues related to disagreements with lease and rental terms.

Of the all the landlord tenant disputes that occurred in Palms Springs over the last five years, the majority originated from White households (62 percent), followed by Hispanic households (26 percent) and African American households (nine percent). As was the case for fair housing complaints, the proportion of African American households requesting tenant/landlord mediation services is slightly overrepresented compared to the overall racial and ethnic composition of the community.

The vast majority of all tenant/landlord disputes originated from low income households. In addition, most tenant/landlord complaints or disputes were made by female-headed households

Table 37: Landlord/Tenant Mediation Services							
Fair Housing Services	# Assisted					Total	Percent
	2007/08	2008/09	2009/10	2010/11	2011/12		
<b>Case Categories</b>							
Eviction	91	79	57	35	114	376	10.5%
Occupancy Standards	0	6	2	15	19	42	1.2%
Repairs	137	174	119	198	203	831	23.1%
Deposits	24	38	27	46	95	230	6.4%
Entering/Harassment	15	18	18	30	46	127	3.5%
Late Fees	0	1	3	4	1	9	0.3%
Lead	0	0	0	0	0	0	0.0%
Lease/Rental Terms	63	106	30	17	79	295	8.2%
Mobile Homes	5	1	4	8	5	23	0.6%
Mold	1	5	14	22	25	67	1.9%
Affordable Housing	0	0	0	0	18	18	0.5%
Rental Assistance	0	0	0	160	7	167	4.6%
Rent Increase	2	12	2	13	12	41	1.1%



<b>Table 37: Landlord/Tenant Mediation Services</b>							
Fair Housing Services	# Assisted					Total	Percent
	2007/08	2008/09	2009/10	2010/11	2011/12		
Homeless Assistance Referrals	0	0	0	2	19	21	0.6%
Habitability	2	9	6	1	2	20	0.6%
Notices	4	29	31	238	112	414	11.5%
Section 8 Issues	0	6	0	0	7	13	0.4%
Section 8 Information	3	0	1	2	0	6	0.2%
Foreclosure Issues	0	0	0	0	8	8	0.2%
Other	90	90	79	378	251	888	24.7%
<b>Race/Ethnicity*</b>							
American Indian/Alaska & Black	0	0	0	2	0	2	0.1%
American Indian/White	0	1	0	0	0	1	0.0%
Black and Hispanic	0		0	7	5	12	0.3%
Native American/Alaska Native	0	6	0	0	5	11	0.3%
Asian	0	8	2	21	3	34	1.0%
Black Non-Hispanic	43	66	35	66	92	302	8.5%
Black and White	0	0	1	0	0	1	0.0%
Native Hawaiian/Pacific Islander	0	0	1	0	26	27	0.8%
Other Multiple Race Hispanic	0	0	0	0	4	4	0.1%
Unknown Other (Other Multi Race/Non-Hispanic)	0	0	0	0	19	19	0.5%
Chose Not to Respond	0	0	0	6	0	6	0.2%
Hispanic	87	96	191	327	216	917	25.7%
White Non-Hispanic	284	394	159	732	646	2,215	62.0%
Other	5	3	4	8	0	20	0.6%
<b>Income</b>							
Very low	44	67	71	664	499	1,345	37.8%
Low	225	322	213	301	325	1,386	38.9%
Moderate	133	181	65	118	132	629	17.7%
High	--	4	44	86	67	201	5.6%
<b>Head of Household</b>							
Female	173	N/A	163	295	342	973	51.6%
Male	130	N/A	157	323	303	913	48.4%
<b>Household Type</b>							
Senior	1	5	4	2	8	20	4.8%
FHH	0	60	2	73	39	174	41.8%
Disabled	0	7	7	77	131	222	53.4%
<b>Type of Caller</b>							
In-Place Tenant	248	N/A	272	563	596	1,679	88.7%
Owner	72	N/A	47	48	11	178	9.4%
Other/n/a	0	N/A	1	7	28	36	1.9%
<b>Total Complaints</b>	<b>437</b>	<b>574</b>	<b>319</b>	<b>618</b>	<b>645</b>	<b>2,593</b>	<b>100.0%</b>

Source: Fair Housing Council of Riverside County (FHRC), 2013

Notes:

\*FY 2007/08 and 2011/12 race/ethnicity data is incomplete; therefore, the total number of complaints exceeds the total number of clients documented by race/ethnicity.

### 4.3.3 Fair Housing Testing

Between FY 2011/2012 and 2012/2013, the Fair Housing Council of Riverside conducted a total of eight tests in Riverside County. The tests were related to three different protected classes: disability (five tests), race (two tests), and familial status (one test). Most of the tests involved rental housing (seven tests) and one test involved for sale housing.

Of the eight tests, a total of three tested positive and showed findings of discrimination. As shown in Table 38, the three positive results were from rental sites, with two of the results related to disability, and one result related to race.

**Table 38: Fair Housing Testing (FY 2011/12 to 2012/13)**

	Basis			Outcome	
	Disability	Race	Familial Status	Positive	No Discrimination
Rental	5	1	1	3	2
Sales	0	1	0	0	1

Source: Fair Housing Council of Riverside County (FHCRC), 2013.

### California State Department of Fair Employment and Housing (DFEH)

The Fair Housing Council of Riverside County works in partnership with HUD and the State Department of Fair Employment and Housing (DFEH). After a person calls in for a complaint, an interview takes place, documentation is obtained and issues are discussed to decide on the course of action to proceed. Mediation/conciliation is first offered as a viable alternative to litigation. If the mediation/conciliation is successful, the case is closed after a brief case follow-up. If the mediation/conciliation is unsuccessful, the case is then referred to DFEH or HUD. If during case development further investigation is deemed necessary, testing may be performed. Once the investigation is completed, the complainant is advised of the alternatives available in proceeding with the complaint, which include: mediation/conciliation, administrative filing with HUD or DFEH, referral for consideration to the Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, or referral to a private attorney for possible litigation.

According to DFEH, a total of 17 cases in Palm Springs were filed from calendar year 2007 through 2012 (the most recent information available). The largest number of cases (five) occurred in 2008 with four or less cases per year occurring since that period. Most cases in Palm Springs in recent years are related to an AIDS related to various physical and mental disabilities. The bases for the discrimination included eviction, denial of a reasonable accommodation, refusal to rent, and unequal terms (each complainant can list up to four suspected bases for discrimination).

Of the complaints received, 14 were closed with no probable cause, two were successfully conciliated and two were transferred to court; pre-trial settlement.

**Table 39: California State Department of Fair Employment and Housing Cases in Palm Springs**

Protected Class/Prohibited Acts/Outcome	2007	2008	2009	2010	2011	2012	Total
<b>Protected Class</b>							
Race/Color	0	0	0	0	1	0	1
National Origin/Ancestry	1	0	0	0	0	1	2
Mental Disability	0	1	2	0	0	0	3
Physical Disability - Limbs	0	1	2	1	0	0	4
Physical Disability - Other	0	0	2	0	2	0	4
Physical Disability - Sight	0	1	0	0		0	1
Physical Disability - Speech/Respirator	0	0	0	1	0	0	1
Familial Status (Children)	0	2	0	0	0	0	2
Retaliation - for Protesting	0	0	0	0	0	1	1
Sexual Orientation	1	1	0	0	0	0	2
Sex - Other Allegations	0	1	0	0	0	0	1
Other	0	0	0	0	0	1	1
<b>Total</b>	<b>2</b>	<b>7</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>23</b>
<b>Prohibited Act (up to four acts for each case)</b>							
Refusal to Rent	1	2	0	0	0	1	4
Eviction	1	1	3	1	2	0	8
Unequal Terms	0	4	0	0	0	0	4
Denied Reasonable Modification/Accommodation	0	1	3	2	2	0	8
Other	0	0	0	0	0	1	1
<b>Total</b>	<b>2</b>	<b>8</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>25</b>
<b>Outcome</b>							
Complainant not available	0	0	1	0	0	0	1
Investigated and Dismissed - Withdrawn	0	0	0	0	0	1	1
No probable cause	3	2	4	1	3	1	14
Successful Conciliation	2	0	0	0	0	0	2
Transferred to Court; Pre-Trial Settlement	0	0	0	0	0	2	2
<b>Total</b>	<b>5</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>20</b>

Source: California Department of Fair Employment and Housing. October 2013.

### Fair Housing Workshop

At the August 22, 2013 fair housing workshop, several Palm Springs residents commented on some of the fair housing issues and complaints they had experienced. Comments included fair housing issues related to landlords giving preferential treatment to tenants of a particular race/ethnicity, discrimination of person with special needs, landlord intimidation, and lack of building maintenance. In addition, the Fair Housing Council of Riverside County noted a number of issues, including the increase in substandard housing units in the City, the ongoing issue of improperly trained property managers, and discrimination based on race/ethnicity. A complete summary of the comments provided at the workshop are provided in Appendix A.

Palm Springs City staff, members of the CDBG Citizen Advisory Committee (CAC), commission members from the City's Human Rights and Parks and Recreation Commissions, service providers, and the Fair

Housing Council of Riverside County attended the workshop to help explore issues regarding fair housing laws and concerns as well as provide information for fair housing and resolution services.

#### 4.4 U.S. Department of Housing and Urban Development

The U.S. Department of Housing and Urban Development (HUD) maintains a record of all housing discrimination complaints for jurisdictions, including the City of Palm Springs. According to the HUD website, any person who feels their housing rights have been violated may submit a complaint to HUD via phone, mail or the Internet. These grievances can be filed on the basis of race, color, national origin, sex, disability, religion, familial status and retaliation. HUD refers complaints to the California DEFH, which has 30 days to address the complaint. As a substantially equivalent agency, DFEH's findings are usually accepted by HUD. Thereafter, HUD tracks the complaint and its issues and outcomes as a "dually filed" complaint.

From 2007 to 2012, 24 fair housing cases were recorded by HUD in Palm Springs. Cases involving discrimination based on disability and retaliation were the most common (Table 40). Cases concerning race, national origin, sex, religion and familial status were also reported. The number of discrimination cases recorded has decreased since 2007, with only one reported case in 2012.

A total of 24 fair housing cases were closed in the City between 2007 and 2012, according to HUD. The majority of these cases (17 cases) were found to have no probable cause and subsequently closed. An additional three cases were closed after successful conciliation or resolution and one case was withdrawn without resolution (Table 41).

**Table 40: Basis for Discrimination of Cases filed with HUD (2007-2012)**

Year	Race	Color	National Origin	Sex	Sex Orientation	Disability	Religion	Familial/ Marital Status	Retaliation	Total
2007	0	0	2	0	0	3	1	0	0	5
2008	1	0	0	2	0	2	0	1	0	5
2009	0	0	0	0	0	4	0	1	0	5
2010	1	0	0	0	0	4	0	0	1	5
2011	0	0	0	1	0	2	0	0	3	3
2012	0	0	0	0	0	1	0	0	0	1
<b>Total</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>16</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>24</b>

Source: Department of Housing and Urban Development (HUD), 2013.

**Table 41: Disposition of Fair Housing Cases Filed with HUD (2007-2012)**

Closing Category	Admin Closure	Conciliated or Resolved	No Cause	Unable to Locate Complaint	FHAP Judicial Dismissal	Withdrawn Without Resolution	Compensation for Conciliation or Resolution	Total
2007	0	0	5	0	0	0	--	5
2008	0	0	4	1	0	0	--	5
2009	0	1	2	0	2	0	\$14,500	5
2010	0	2	3	0	0	0	\$1,000	5
2011	0	0	3	0	0	0	--	3
2012	0	0	0	0	0	1	--	1
<b>Total</b>	<b>0</b>	<b>3</b>	<b>17</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>\$15,500</b>	<b>24</b>

Source: Department of Housing and Urban Development (HUD), 2013.

## 4.5 Hate Crimes

Hate crimes are crimes committed because of a bias against race, religion, disability, ethnicity, or sexual orientation. In an attempt to determine the scope and nature of hate crimes, the Federal Bureau of Investigation's (FBI) Uniform Crime Reporting Program collects statistics on these incidents.

To a certain degree, hate crimes are an indicator of the environmental context of discrimination. These crimes should be reported to the Police or Sheriff's department. On the other hand, a hate incident is an action or behavior that is motivated by hate but is protected by the First Amendment right to freedom of expression. Examples of hate incidents can include name calling, epithets, distribution of hate material in public places, and the display of offensive hate-motivated material on one's property. The freedom guaranteed by the U.S. Constitution, such as the freedom of speech, allows hateful rhetoric as long as it does not interfere with the civil rights of others. Only when these incidents escalate can they be considered an actual crime.

Hate crime statistics compiled by the Federal Bureau of Investigation (FBI) show that a total of 49 hate crimes were committed in Palm Springs over the five-year period between 2007 and 2011. The majority of the hate crimes committed in the City were based on sexual orientation (Table 42). In Riverside County as a whole, race based hate crimes were the most prevalent.

Overall, the incidence of reported hate crimes in the City during this time period was slightly more than one per 1,000 people (1.10 per 1,000 persons). Statistically, the likelihood of hate crimes was significantly higher in the City than in the County, which had an incidence rate of 0.03 per 1,000 persons between 2007 and 2011. It should be noted, however, that these statistics may also reflect a higher incidence of reporting crime in certain communities.

<b>Table 42: FBI Hate Crime Statistics 2007-2011</b>						
<b>Basis of Complaints</b>	<b>Race</b>	<b>Religion</b>	<b>Sexual Orientation</b>	<b>Ethnicity</b>	<b>Disability</b>	<b>Total</b>
<b>Palm Springs</b>						
2007	4	0	7	0	0	11
2008	1	1	6	0	0	8
2009	0	1	3	0	0	4
2010	2	0	14	0	0	16
2011	1	3	5	1	0	10
<b>Total</b>	<b>8</b>	<b>5</b>	<b>35</b>	<b>1</b>	<b>0</b>	<b>49</b>
<b>Riverside County</b>						
2007	8	5	1	2	0	16
2008	6	1	3	2	0	12
2009	11	2	1	1	0	15
2010	5	2	1	2	0	10
2011	1	2	2	0	0	5
<b>Total</b>	<b>31</b>	<b>12</b>	<b>8</b>	<b>7</b>	<b>0</b>	<b>58</b>

Source: U.S. Department of Justice Federal Bureau of Investigation, 2007-2011.

The City of Palm Springs Police Department also maintains records of hate crime statistics. Between 2007 and 2012, 55 hate crimes were committed within the City. The highest number of hate crimes that were committed occurred in 2010 (16 hate crimes) compared to the lowest amount of four hate crimes committed in 2009 (Table 43).

**Table 43: Palm Springs Police Department  
Hate Crime Statistics 2007-2012**

Year	# of Hate Crimes
2007	11
2008	8
2009	4
2010	16
2011	10
2012	6
<b>Total</b>	<b>55</b>

Source: Palm Springs Police Department, 2013.

Services available to victims include certain rights under the California Constitution's Victim's Bill of Rights (i.e. information about the prosecution of the perpetrator, right to present a victim impact statement at the time of sentencing), and restitution for any loss, damage, or injury incurred.

The Palm Springs Human Rights Commission is a volunteer, nine-member commission whose responsibility is to promote improved relations, civic peace, inter-group understanding, and acceptance, respect and participation of all persons in the community. Responsibilities include developing and community education forums, human rights informational material, sponsoring town hall forums with the Palm Springs Police Department, and investigating and mediating instances of discrimination of groups or individuals.

## 4.6 NIMBYism

Many people agree that a variety of housing should be available for people with special needs, such as homeless shelters, affordable housing, and group homes for people with disabilities. However, whether or not these types of housing should be located within their own community is another matter. The following discussion on Not-in-My-Back-Yard sentiment (NIMBYism) is not specific to the City of Palm Springs and the discussion is included below simply to provide context for the analysis of SB 1721 and SB 2 that concludes this chapter.

NIMBYism can serve as the most significant constraint to the development of affordable or even market-rate multi-family housing. NIMBYism describes opposition by residents and public officials alike to additional or different kinds of housing units in their neighborhoods and communities. The NIMBY syndrome often is widespread, deeply ingrained, easily translatable into political actions, and intentionally exclusionary and growth inhibiting. NIMBY sentiment can reflect concerns about property values, service levels, community ambience, the environment, or public health and safety. It can also reflect racial or ethnic prejudice masquerading under the guise of a legitimate concern. NIMBYism can manifest itself as opposition to specific types of housing, as general opposition to changes in the community, or as opposition to any and all development.

Community opposition to high-density housing, affordable housing, and housing for persons with special needs (disabilities and homeless) is directly linked to the lack of such housing options for residents in need. In particular, community opposition is typically strongest against high-density affordable housing and group homes for persons with mental disabilities.

Community residents who are especially concerned about the influx of members of racial and ethnic minority groups sometimes justify their objections on the basis of supposedly objective impacts like lowered property values and increased service costs. Racial and ethnic prejudice often is one root of NIMBYism, although NIMBY concerns still exist where racial or ethnic differences are not involved. The California legislature has passed various Anti-NIMBYism housing bills to prevent communities from rejecting affordable housing projects, including:

- **SB 1721:** The bill stipulates that a local agency shall not disapprove an affordable housing development project, including agricultural worker housing, or condition approval, including through the use of design review standards, in a manner that renders the project infeasible for development for the use of very low, low or moderate income households.
- **SB 2:** Expands the Housing Accountability Act, to prohibit localities from denying a proposal to build an emergency shelter, transitional housing or supportive housing if it is needed and otherwise consistent with the locality's zoning and development standards.



## Chapter 5

# Public Policies

Public policies established at the regional and local levels can affect housing development and therefore may have an impact on the range and location of housing choices available to residents. Fair housing laws are designed to encourage an inclusive living environment and active community participation. An assessment of the public policies and practices enacted by the City of Palm Springs can help determine potential impediments to fair housing opportunity. This section presents an overview of government regulations, policies, and practices enacted by the City that may impact fair housing choice.

### 5.1 Policies and Programs Affecting Housing Development

The General Plan of a jurisdiction establishes a vision for the community and provides long-range goals and policies to guide the development in achieving that vision. Two of the seven State-mandated General Plan elements – Housing and Land Use Elements – have a direct impact on the local housing market in terms of the amount and range of housing choice. The Zoning Ordinance, which implements the Land Use Element, is another important document that influences the amount and type of housing available in a community – the availability of housing choice.

#### 5.1.1 Housing Element Law and Compliance

As one of the State-mandated elements of the local General Plan, the Housing Element is the only element with specific statutory requirements and is subject to review by the State Department of Housing and Community Development (HCD) for compliance with State law. Enacted in 1969, Housing Element law requires that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law acknowledges that, for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. Specifically, the Housing Element must:

- Identify adequate sites which will be made available through appropriate zoning and development standards and with services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels in order to meet the community's housing goals;
- Assist in the development of adequate housing to meet the needs of low and moderate income households;
- Address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing;
- Conserve and improve the condition of the existing affordable housing stock; and
- Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, disability, sexual orientation, gender identification, or any other arbitrary factor.



### **Compliance Status**

A Housing Element found by HCD to be in compliance with State law is presumed to have adequately addressed its policy constraints. According to HCD, the City of Palm Springs adopted a Housing Element in 2010 that was found to be in compliance with State law for the 2008-2014 planning period. The City is currently in the process of updating its Housing Element and has every intention of pursuing HCD certification for its 2013-2021 Housing Element.

### **5.1.2 Land Use Element**

The Land Use Element of a General Plan designates the general distribution, location, and extent of uses for land planned for housing, business, industry, open space, and public or community facilities. As it applies to housing, the Land Use Element establishes a range of residential land use categories, specifies densities (typically expressed as dwelling units per acre [du/ac]), and suggests the types of housing appropriate in a community. Residential development is implemented through the zoning districts and development standards specified in the jurisdiction's zoning ordinance.

#### **Residential Densities**

A number of factors, governmental and non-governmental, affect the supply and cost of housing in a local housing market. The governmental factor that most directly influences these market conditions is the allowable density range of residentially designated land. In general, higher densities allow developers to take advantage of economies of scale, reduce the per-unit cost of land and improvements, and reduce developments costs associated with new housing construction. Reasonable density standards ensure the opportunity for higher-density residential uses to be developed within a community, increasing the feasibility of producing affordable housing. Minimum required densities in multi-family zones ensure that land zoned for multi-family use, the supply of which is often limited, will be developed as efficiently as possible for multi-family uses.

Table 44 presents a summary of allowable densities by land use type within the City of Palm Springs. The City's Land Use Element allows for a range of single-family (up to 15.0 du/ac) and multi-family (6.1 to 30.0 du/ac) residential uses. In addition, the City allows for residential development up to 70.0 du/ac, with the approval of a Planned Development District or Specific Plan, in the Downtown Central Core subarea of the Central Business District.

<b>Table 44: Land Use Categories &amp; Permitted Density</b>		
<b>Land Use</b>	<b>Density (du/ac)</b>	<b>Residential Type</b>
<b>Residential Land Use Designations</b>		
Estate Residential	0.0-2.0	Large-lot, single-family residences that are custom in design.
Very Low Density Residential	2.1-4.0	Typical single-family detached residential development.
Low Density Residential	4.1-6.0	Typical single-family detached residential development.
Medium Density Residential	6.1-15.0	Single-family attached, single-family detached, patio homes, duplexes, townhomes, multiple-family, and mobilehome projects.
High Density Residential	15.1-30.0	Duplexes, townhomes, and apartments.
<b>Commercial Land Use Designations</b>		
Small Hotel Resort Commercial	10.0	New residential uses or conversion of small hotels to residential uses are permitted as long as they comply with the conversion requirements outlined within the City's Zoning Code.
<b>Mixed Use Designations</b>		
Central Business District <sup>1</sup>	21.0-30.0	Mix of commercial, residential, and office uses at a higher concentration, density, and intensity than in other areas of the City.
Mixed-Use/Multi-Use	15.0	Mixed use projects often contain retail or office uses on the ground floor with commercial, office, or residential uses on the floors above. Multi-use projects, which lend themselves more to stand-alone horizontal development with adjacent differing uses, are better suited to larger parcels.

Source: City of Palm Springs General Plan Land Use Element, 2007.

Notes:

The Central Business District is subdivided into zones or areas that provide for diversity in development standards and land use intensities: Downtown, Downtown Central Core, and the Downtown Outer Core. The Downtown Central Core may also accommodate up to 70 dwelling units per acre for residential or hotel uses if a Planned Development District or Specific Plan is prepared and approved.

### 5.1.3 Zoning Ordinance

The Zoning Ordinance implements the General Plan by establishing zoning districts that correspond with General Plan land use designations. Development standards and permitted uses in each zoning district are specified to govern the density, type, and design of different land uses for the protection of public health, safety, and welfare (Government Code, Sections 65800-65863). Several aspects of the Zoning Ordinance that may affect a person's access to housing or limit the range of housing choices available are described below.

As part of the Housing Element update, jurisdictions are required to evaluate their land use policies, zoning provisions, and development regulations, and make proactive efforts to mitigate any constraints identified. The following review is based on the current Zoning Ordinances as of the writing of this AI.

### **Definition of Family**

A community's Zoning Ordinance can potentially restrict access to housing for households failing to qualify as a "family" by the definition specified in the Zoning Ordinance. For instance, a landlord may refuse to rent to a "nontraditional" family based on the zoning definition of a family. A landlord may also use the definition of a family as an excuse for refusing to rent to a household based on other hidden reasons, such as household size. Even if the code provides a broad definition, deciding what constitutes a "family" should be avoided by jurisdictions to prevent confusion or give the impression of restrictiveness.

California court cases<sup>26</sup> have ruled that a definition of "family" that: 1) limits the number of persons in a family; 2) specifies how members of the family are related (i.e. by blood, marriage or adoption, etc.), or 3) a group of not more than a certain number of unrelated persons as a single housekeeping unit, is invalid. Court rulings stated that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the jurisdiction, and therefore violates rights of privacy under the California Constitution. A Zoning Ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons. Furthermore, a zoning provision cannot regulate or enforce the number of persons constituting a family. The City of Palm Springs Zoning Ordinance defines "family" as "an individual or two (2) or more persons living together as a single housekeeping unit in a single dwelling unit." This definition does not constitute an impediment to fair housing.

### **Density Bonus**

California Government Code Section 65915 provides that a local government shall grant a density bonus of at least 20 percent (five percent for condominiums) and an additional incentive, or financially equivalent incentive(s), to a developer of a housing development agreeing to provide at least:

- Ten percent of the units for lower income households;
- Five percent of the units for very low income households;
- Ten percent of the condominium units for moderate income households;
- A senior citizen housing development; or
- Qualified donations of land, condominium conversions, and child care facilities.

The density bonus law also applies to senior housing projects and projects which include a child care facility. In addition to the density bonus stated above, the statute includes a sliding scale that requires:

- An additional 2.5 percent density bonus for each additional increase of one percent Very Low income units above the initial five percent threshold;
- A density increase of 1.5 percent for each additional one percent increase in Low income units above the initial 10 percent threshold; and
- A one percent density increase for each one percent increase in Moderate income units above the initial 10 percent threshold.

<sup>26</sup> City of Santa Barbara v. Adamson (1980), City of Chula Vista v. Pagard (1981), among others.

These bonuses reach a maximum density bonus of 35 percent when a project provides either 11 percent Very Low income units, 20 percent Low income units, or 40 percent Moderate income units. In addition to a density bonus, developers may also be eligible for one of the following concessions or incentives:

- Reductions in site development standards and modifications of zoning and architectural design requirements, including reduced setbacks and parking standards;
- Mixed used zoning that will reduce the cost of the housing, if the non-residential uses are compatible with the housing development and other development in the area; and
- Other regulatory incentives or concessions that result in "identifiable, financially sufficient, and actual cost reductions."

As of August 2013, the City of Palm Springs does not have an adopted Density Bonus Ordinance in accordance with State law in place. However, the City's 2008-2014 Housing Element includes a program to revise the Zoning Ordinance to create a Density Bonus Ordinance and incentives program. Specifying the density bonus provisions and types of incentives and concessions available in the Zoning Ordinance provides certainty to developers.

### **Parking Requirements**

Communities that require an especially high number of parking spaces per dwelling unit can negatively impact the feasibility of producing affordable housing or housing for special needs groups by reducing the achievable number of dwelling units per acre, increasing development costs, and thus restricting the range of housing types constructed in a community. Typically, the concern for high parking requirements is limited to multiple-family, affordable, or senior housing.

City parking requirements are designed to ensure that on-site spaces are available to accommodate vehicles owned by residents. The City's Zoning Code requires that two parking spaces, within a garage or carport, be provided for every single-family unit. The City requires multiple-family units to have one primary space for studio units, 1.25 spaces for one-bedroom units, 1.5 spaces for two-bedroom units, and 0.75 space per bedroom for units with three or more bedrooms. One space must be covered, but not enclosed by a garage. Multiple-family housing must have 1 guest parking space for each 4 units.

As an incentive for mixed-use projects, the City offers reductions in its parking requirements. In the Central Business District, dual use of parking spaces is encouraged wherever possible to encourage the development of centralized parking to serve the needs of the public, as opposed to the scattered development of parking adjacent to a building. Moreover, increased parking flexibility is provided by possible administrative relief that reduces parking space widths, the payment of in-lieu fees, or the creation of a Specific Parking Plan. Overall, the reduction of parking requirements results in a greater percentage of developable land and an increased ability to incorporate housing.


Jurisdictions will also sometimes establish minimum standards and requirements for handicapped parking. The City of Palm Springs defers to handicapped parking requirements and standards outlined in Title 24 of the California Building Code. Parking requirements for the City of Palm Springs are comparable to surrounding jurisdictions and do not constitute a potential impediment to fair housing choice.

**Variety of Housing Opportunity**

To ensure fair housing choice in a community, a Zoning Ordinance should provide for a range of housing types, including single-family, multiple-family, accessory dwelling units, mobile and manufactured homes, licensed residential care facilities, emergency shelters, supportive housing, transitional housing, single room occupancy (SRO) units, and farm employee housing. Table 45 provides a summary of each jurisdiction’s Zoning Ordinance as it relates to ensuring a variety of housing opportunities.

**Table 45: Variety of Housing Opportunity**

Housing Type	G-R-5	R-1	R-G-A	R-2	R-3/R-4	R-MHP
Single-family	P	P	P	P	--	--
Multiple-family	--	--	P	P	P	--
Accessory Dwelling	C	C	C	C	--	--
Manufactured Housing	--	P	P	P	--	--
Residential Care Facilities						
Emergency Shelters						
Transitional Housing						
Supportive Housing						
Single Room Occupancy (SRO)						

Notes: P – Permitted; C – Conditional or Special Use Permit.  Potential impediments.  
 Source: Palm Springs Zoning Ordinance, 2013.

Single- and Multiple-Family Uses

Single- and multiple-family housing types include detached and attached single-family homes, duplexes or half-plexes, town homes, condominiums, and rental apartments. The Zoning Ordinance should specify the zones in which each of these uses would be permitted by right.

Accessory Dwelling Units

Accessory dwelling units are attached or detached dwelling units that provide complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, cooking and sanitation. Second units may be an alternative source of affordable housing for lower income households and seniors. These units typically rent for less than apartments of comparable size.

California law requires local jurisdictions to adopt ordinances that establish the conditions under which second units are permitted. Second units cannot be prohibited in residential zones unless a local jurisdiction establishes that such action may limit housing opportunities in the region and finds that second units would adversely affect the public health, safety, and welfare in residential zones. The State’s second unit law also requires use of a ministerial, rather than discretionary, process for reviewing and approving second units. A ministerial process is intended to reduce permit processing time frames and development costs because proposed second units that are in compliance with local zoning standards can be approved without a public hearing.

Because second dwelling units can be an important source of suitable type of housing for seniors and persons with disabilities, overly restrictive or conflicting provisions for these units can impede housing options. In 2011, the City of Palm Springs adopted an Accessory Apartment Housing Ordinance. The Ordinance conditionally permitted accessory dwellings in the G-R-5, R-1, R-G-A, and R-2 zones and

established specific standards for their development. These provisions are not in accordance with State law and may be considered a potential fair housing impediment.

Manufactured Housing

State law requires local governments to permit manufactured or mobile homes meeting federal safety and construction standards on a permanent foundation in all single-family residential zoning districts (Section 65852.3 of the California Government Code). A local jurisdiction's Zoning Ordinance should be compliant with this law. The Zoning Code does not define manufactured housing, but treats manufactured housing like any other single-family home and permits them in all residential zones. Because these units can be a source of housing for lower income individuals, including seniors and the disabled, overly restrictive regulation of these uses can indirectly impede housing choice.

Residential Care Facilities

The Lanterman Developmental Disabilities Services Act (Sections 5115 and 5116 of the California Welfare and Institutions Code) declares that mentally and physically disabled persons are entitled to live in normal residential surroundings and that the use of property for the care of six or fewer disabled persons is a residential use for zoning purposes. A state-authorized, certified, or licensed family care home, foster home, or group home serving six or fewer persons with disabilities or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones. No local agency can impose stricter zoning or building and safety standards on these homes (commonly referred to as "group" homes) of six or fewer persons with disabilities than are required of the other permitted residential uses in the zone. The Lanterman Act covers only licensed residential care facilities. The California Housing Element law was recently amended (SB 2) to address the provision of transitional and supportive housing, which covers also non-licensed housing facilities for persons with disabilities. This topic is discussed later.

The Palm Springs Zoning Code does not define, permit, or prohibit residential care facilities. However, Palm Springs adheres to State law requirements on this housing type and presently has 26 residential care facilities for the elderly currently operating within the City. Regardless, no provision for, or overly restrictive regulation of, residential care facilities can indirectly impede fair housing choice.

Emergency Shelters

An emergency shelter provides housing with minimal supportive services for homeless persons and is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay (Health and Safety Code Section 50801[e]).

State law requires jurisdictions to identify adequate sites for housing which will be made available through appropriate zoning and development standards to facilitate and encourage the development of a variety of housing types for all income levels, including emergency shelters and transitional housing (Government Code Section 65583[c][1]). Changes to State law (SB 2) in 2008, require that local jurisdictions make provisions in the zoning code to permit emergency shelters by right and with a ministerial approval process in at least one zoning district where adequate capacity is available to accommodate at least one year-round shelter. Local jurisdictions may, however, establish limited and objective standards to regulate the development of emergency shelters.

The City of Palm Springs Zoning Ordinance does not explicitly include any provisions for emergency shelters. However, the Zoning Ordinance does permit emergency shelters anywhere in the community

through the application of the Planned Development District. Regardless, this may still constitute a potential impediment to fair housing.

Transitional and Supportive Housing

State law (SB 2) requires local jurisdictions to address the provisions for transitional and supportive housing. Transitional housing is defined as buildings configured as rental housing developments but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months (California Health and Safety Code Section 50675.2[h]).

Supportive housing is defined as housing with no limit on length of stay that is occupied by a target population and that is linked to onsite or offsite services that assist 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 (California Health and Safety Code 50675.14 [b]). Target population means persons, including persons with disabilities, and families who are "homeless," as that term is defined by Section 11302 of Title 42 of the United States Code, or who are "homeless youth," as that term is defined by paragraph (2) of subdivision (e) of Section 11139.3 of the Government Code.

Pursuant to SB 2, transitional and supportive housing constitutes a residential use and therefore local governments cannot treat it differently from other types of residential uses (e.g., requiring a use permit when other residential uses of similar function do not require a use permit). The Palm Springs Zoning Ordinance does not currently include any explicit provisions for transitional or supportive housing. However, the Zoning Code permits transitional housing anywhere in the community through the application of the Planned Development District. Supportive and transitional housing provides additional housing options for people with disabilities, a protected class of the population. To facilitate and encourage the provision of transitional and supportive housing in the City and mitigate this potential fair housing impediment, the Palm Springs Zoning Ordinance should be amended to define and explicitly provide for the development of transitional and supportive housing, consistent with SB 2.

Single-Room Occupancy (SRO)

AB 2634 amending the State Housing Element law also mandates that local jurisdictions address the provision of housing options for Extremely Low income households. SRO units are small, one-room units intended for occupancy by a single individual. California HCD considers SRO units to be a suitable housing type to meet the needs of Extremely Low income individuals. It is distinct from a studio or efficiency unit in that each is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other. SRO units are one of the most traditional forms of affordable private housing for lower income individuals, including seniors and persons with disabilities. These protected classes are required to have suitable housing options and SROs provide these options. Currently, the City of Palm Springs does not explicitly define or allow SRO units. This could be a potential fair housing impediment.

Farm Employee Housing

The California Employee Housing Act requires that housing for six or fewer employees be treated as a regular residential use. The Employee Housing Act further defines housing for agricultural workers consisting of 36 beds or 12 units as an accessory agricultural use in agricultural zones, subject to the same permit process as the primary agricultural use.

There is no commercial farming in the City, nor has there been in a number of years. No Agricultural General Plan or Zoning designations are included in the City's General Plan or Zoning Ordinance. The urban nature of development in the City is not conducive to farming activities, and it is improbable that farming would occur in the vicinity in the future. Farming in the Coachella Valley occurs 20 or more miles to the southeast, in the east Valley.

## **5.2 Building, Occupancy, Health and Safety Codes**

### **5.2.1 Building Codes**

Building codes, such as the California Building Standards Code<sup>27</sup>, are necessary to protect public health, safety, and welfare. However, local codes that require substantial improvements to a building might not be warranted and deter housing construction and/or neighborhood improvement.

The California Building Standards Code is published every three years by order of the California legislature. The Code applies to all jurisdictions in the State of California unless otherwise annotated. Adoption of the triennial compilation of Codes is not only a legal mandate, it also ensures the highest available level of safety for citizens and that all construction and maintenance of structures meets the highest standards of quality.

The City of Palm Springs has adopted the 2010 California Building Standards Code. The City has amended portions of these codes—primarily to enhance fire protection within the City. None of these amendments would impede fair housing choice.

### **5.2.2 Occupancy Standards**

Disputes over occupancy standards are typical tenant/landlord and fair housing issues. Families with children and large households are often discriminated in the housing market, particularly in the rental housing market, because landlords are reluctant or flatly refuse to rent to such households. Establishing a strict occupancy standard either by the local jurisdictions or by landlords on the rental agreements may be a violation of fair housing practices.

In general, no State or federal regulations govern occupancy standards. The State Department of Fair Employment and Housing (DFEH) uses the "two-plus-one" rule in considering the number of persons per housing unit – two persons per bedroom plus an additional person per unit. Using this rule, a landlord cannot restrict occupancy to fewer than three persons for a one-bedroom unit or five persons for a two-bedroom unit, etc. Other issues such as lack of parking or gender of the children occupying one bedroom should not be factors considered by the landlord when renting to a household. While DFEH also uses other factors, such as the age of the occupants and size of rooms, to consider the appropriate standard, the two-plus-one rule is generally followed. Other guidelines are also used as occupancy standards – the California Fire Code and the California Housing Code. The 2010 Fire Code allows one person per 200 square feet of building floor area. The Uniform Housing Code (2007 edition) outlined a standard of one person for every 50 square feet of bedroom space.<sup>28</sup> These standards are typically more

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<sup>27</sup> California Building Code, adopted by the Building Standards Commission, is actually a set of uniform building, electrical, mechanical, and other codes adopted by professional associations such as the International Conference of Building Officials, and amended to include California-specific requirements.

<sup>28</sup> It should be noted that the 2010 California Residential Code does not include an occupancy standard.



liberal than the “two-plus-one” rule. The City of Palm Springs has not adopted any additional standard that overtly limits the number of people who can occupy a housing unit.

### 5.3 Affordable Housing Development

In general, many minority and special needs households are disproportionately affected by a lack of adequate and affordable housing in a region. While affordability issues are not directly fair housing issues, expanding access to housing choices for these groups cannot ignore the affordability factor. Insofar as rent-restricted or non-restricted low-cost housing is concentrated in certain geographic locations, access to housing by lower income and minority groups in other areas is limited and can therefore be an indirect impediment to fair housing choice. Furthermore, various permit processing and development impact fees charged by local government results in increased housing costs and can be a barrier to the development of affordable housing. These issues are examined in the subsections below.

#### 5.3.1 Siting of Affordable Housing

Affordable housing units in the City are dispersed throughout the City (Figure 8 on page 2-30).

#### 5.3.2 Development Fees

Housing construction imposes certain short- and long-term costs upon local government, such as the cost of providing planning services and inspections. As a result, jurisdictions rely upon various planning and development fees to recoup costs and ensure that essential services and infrastructure are available when needed. Planning fees for the City of Palm Springs and neighboring jurisdictions are summarized in Table 46. As shown, fees vary widely based on the needs of each jurisdiction.

**Table 46: Application and Permit Processing Fees**

Fee Type	Cathedral City	Desert Hot Springs	Palm Desert	Palm Springs	Rancho Mirage	Riverside County
General Plan Amendment	\$2,570	\$6,820	\$1,230	\$6,678	\$3,930	\$7,480
Zoning Amendment	\$2,570	\$6,750	\$1,230	\$6,320	\$3,715	\$3,649
Use Permit	\$2,170	\$2,960	\$2,915	\$7,551	\$5,203	\$9,647
Site Plan/Design Review	\$2,270	\$3,900	\$168	n/a	\$3,891	n/a
Tentative Parcel Map	\$2,170	\$5,532	\$950	\$7,374	\$1,888	\$5,742 + \$98 per lot
Tentative Tract Map	\$2,980	\$12,750	\$2,915	\$9,432	\$4,414	\$11,369 + \$102 per lot + \$20 per acre

Source:  
 City of Cathedral City Planning Department Fee Schedule, 2005.  
 City of Desert Hot Springs Fee Schedule, 2007.  
 City of Palm Desert Housing Element, 2006.  
 City of Palm Springs Comprehensive Fee Schedule, 2013.  
 City of Rancho Mirage Planning Fees Summary, 2007.  
 County of Riverside Planning Department Fee Schedule, 2013.

Jurisdictions also charge a variety of impact fees to offset the cost of providing infrastructure and public facilities that are required to serve new development. Until 1978, property taxes were the primary revenue source for financing the construction of infrastructure and improvements required to support new residential development. The passage of Proposition 13 in 1978 has limited a local jurisdiction’s ability to

raise property taxes and significantly lowered the ad valorem tax rate, increasing reliance on other funding sources to provide infrastructure, public improvements, and public services. An alternative funding source widely used among local governments in California is the development impact fee, which is collected for a variety of improvements including water and sewer facilities, parks, and transportation improvements. To enact an impact fee, State law requires that the local jurisdiction demonstrate the "nexus" between the type of development in question and the impact being mitigated by the proposed fee. Also, the amount of the fee must be roughly proportional to the impact caused by the development. Nevertheless, development impact fees today have become a significant cost factor in housing development.

California's high residential development fees contribute to its high housing costs and prices. Among California jurisdictions, fees account for an average of ten percent of the median price of new single-family homes. The effects of reduced fees on housing affordability, however, would vary widely depending on the amount of the fee reduction and on current home prices. As things now stand, those jurisdictions that do the most to accommodate California's housing production needs are also the most dependent on development fees to finance growth-supporting infrastructure, and thus, can least afford to reduce their fees. Conversely, those jurisdictions in which fees are low relative to housing prices tend to be less dependent on fees and can most afford to reduce them, should they so desire.

The contribution of fees to home prices varies temporally as well as spatially. When times are good, housing production tends to lag behind demand, especially in coastal markets. Housing prices during such periods are chiefly affected by the balance between supply and demand and are much less affected by construction and development costs. When economic times are bad, as they are today in most parts of California, and demand is weak, housing prices are more sharply affected by the prices of construction inputs, including fees. The strength of the economy and housing market also determines the degree of fee shifting and who ultimately pays fees. During strong economic times, it is the final homebuyer or renter who ends up paying housing development fees; the builder or developer is mostly an intermediary. During recessionary periods, the burden of paying of fees may be shifted to the landowner and may result in lower land prices.

## **5.4 Other Land Use Policies, Programs, and Controls**

Land use policies, programs, and controls can impede or facilitate housing development and can have implications for fair housing choice in a community. Inclusionary housing policies can facilitate new affordable housing projects, while growth management programs and Article 34 of the California Constitution can impede new affordable housing development.

### **5.4.1 Growth Management Programs**

Growth management programs facilitate well-planned development and ensure that the necessary services and facilities for residents are provided. However, a growth management program may act as a constraint if it prevents a jurisdiction from addressing its housing needs, which could indirectly impede fair housing choice. These programs range from general policies that require the expansion of public facilities and services concurrent with new development, to policies that establish urban growth boundaries (the outermost extent of anticipated urban development), to numerical limitations on the number of dwelling units that may be permitted annually.

The City of Palm Springs does not have a growth management ordinance or policy that restricts the number of dwelling units that may be constructed within a given period of time. State housing law mandates a jurisdiction facilitate the development of a variety of housing to meet the jurisdiction's fair

share of regional housing needs. Any growth management measure that would compromise a jurisdiction's ability to meet its regional housing needs may have an exclusionary effect of limiting housing choices and opportunities of regional residents, or concentrating such opportunities in other areas of the region.

#### **5.4.2 Inclusionary Housing Programs**

Inclusionary housing describes a local government requirement that a specified percentage of new housing units be reserved for, and affordable to, lower and moderate income households. The goal of inclusionary housing programs is to increase the supply of affordable housing commensurate with new market-rate development in a jurisdiction. This can result in improved regional jobs-housing balances and foster greater economic and racial integration within a community. The policy is most effective in areas experiencing rapid growth and a strong demand for housing. The City of Palm Springs does not have an inclusionary housing ordinance.

### **5.5 Policies Causing Displacement or Affect Housing Choice of Minorities and Persons with Disabilities**

Local government policies could result in displacement or affect representation of minorities or the disabled. Policy areas that could have these effects include reasonable accommodation procedures, occupancy standards, and redevelopment.

#### **5.5.1 Reasonable Accommodation**

Under State and federal law, local governments are required to "reasonably accommodate" housing for persons with disabilities when exercising planning and zoning powers. Jurisdictions must grant variances and zoning changes if necessary to make new construction or rehabilitation of housing for persons with disabilities feasible but are not required to fundamentally alter their Zoning Ordinance.

Although most local governments are aware of State and Federal requirements to allow reasonable accommodations, if specific policies or procedures are not adopted by a jurisdiction or a jurisdiction requires a public hearing or discretionary decision, residents with disabilities may be unintentionally displaced or discriminated against. The City of Palm Springs does not currently have a formal Reasonable Accommodations Ordinance in place. The City will amend the Zoning Code to create a Reasonable Accommodations Ordinance that allows modifications to new and rehabilitated projects that maximize accessibility for persons with disabilities.

A jurisdiction's definition of a disabled person can be considered an impediment to fair housing if it is not consistent with the definition of disability provided under the Fair Housing Act. The Act defines disabled person as "those individuals with mental or physical impairments that substantially limit one or more major life activities." The Palm Springs Zoning Ordinance does not define "disability" or "disabled person."

#### **5.5.2 Redevelopment Agencies**

Until recently, redevelopment activity facilitated by policies and programs implemented by city/county redevelopment agencies could have impacted protected classes either through direct displacement or by limiting housing options in redevelopment project areas. However, the State of California dissolved redevelopment agencies effective February 1, 2012. Prior to dissolution, redevelopment had been used by the City as a tool to remove blighted conditions, provide economic opportunities, create housing for lower

and moderate income residents, renovate or replace deteriorated or dilapidated structures, develop vacant infill and under-used properties, and provide public infrastructure and other improvements to support private investment in deteriorated areas of Palm Springs. Prior to 2012, the City focused its redevelopment efforts on the Palm Springs Convention Center and surrounding parcels, where the City and Agency facilitated the development of several new hotels, a new entry plaza, the remodel of the Convention Center itself and the remodel of the Wyndham Hotel. Implementation of redevelopment project plans had also provided a means for increasing housing choices for lower and moderate income residents and those with special needs through the redevelopment housing set-aside funds. However, with the dissolution of redevelopment, such funding source is no longer available.

## **5.6 Local Housing Authority**

The Housing Authority of the County of Riverside (HACR) administers the Housing Choice Voucher Program for the City of Palm Springs. HACR owns and operates public housing in the City, including Calle de Carlos and the Racquet Club in Palm Springs. The availability and use of Housing Choice Vouchers and public housing units must also adhere to fair housing laws.

For Housing Choice Vouchers, the Housing Act mandates that not less than 75 percent of new admissions must have incomes at or below 30 percent of the Area Median Income (AMI). The remaining balance of 25 percent may have incomes up to 80 percent of the AMI. For public housing, the Housing Act mandates that not less than 40 percent of new admissions must have incomes at or below 30 percent of the AMI. The balance of 60 percent of new admissions may have incomes up to 80 percent of the AMI. Since HACR also operates a Housing Choice Voucher program, admissions of households at or below 30 percent AMI to the voucher program during a HACR fiscal year that exceed the 75 percent minimum target requirement for the voucher program can be credited against the HACR's basic targeting requirement in the public housing program for the same fiscal year, subject to specific certain requirements.

Section 16(a)(3)(B) of the United States Housing Act mandates that public housing authorities adopt an admissions policy that promotes the de-concentration of poverty in public housing. HUD emphasizes that the goal of de-concentration is to foster the development of mixed-income communities within public housing. In mixed-income settings, lower income residents are provided with working-family role models and greater access to employment and information networks. This goal is accomplished through income-targeting and de-concentration policies. HACR has adopted an admissions policy that promotes the de-concentration of poverty in public housing.

The following local preferences are applied to Housing Choice Voucher applicants on the waiting list:

- Riverside County Residency Preference: If you live or work in Riverside County, including homeless, you are considered to be a resident (verification must be provided); and
- Rent burdened or homeless: If you are paying at least 30% of your gross monthly income toward rent in a form that is verifiable (i.e. cancelled checks, money order receipts etc.)
- Working Families with minor or dependent children or Elderly families or Disabled families: To be considered a "Working family with minor or dependent children" for the purpose of meeting the waiting list preference the head of household or spouse/co-head is employed and is working at least 32 hours per week at California minimum wage or higher for the last 60 days, or receiving Unemployment, State Disability or Workman's Compensation. To be considered an "Elderly family" for the purpose of meeting the waiting list preference the head of household or spouse/co-head must be 62 years of age or older. To be considered a "Disabled family" for the purpose of meeting the waiting list preference the head of household or spouse/co-head must

meet HUD's definition of disability.

For project based voucher (PBV) assistance (i.e. public housing), HACR has a preference for households who resided in the community prior to conversion to PBV, and continue to reside in the community, who are currently eligible for participation in the PBV program.

## 5.7 California Environmental Quality Act (CEQA)

CEQA is California's broadest environmental law as it applies to all discretionary projects proposed to be conducted or approved by a public agency, including private projects that require government approval. The primary purpose of CEQA is to disclose to the public the significant environmental effects of proposed project. CEQA also requires that public agencies disclose to the public the decision making process utilized to approve projects and is intended to enhance public participation in the environmental review process.

In October 2011, the Governor signed into law SB 226, which allows for streamlined CEQA review for certain infill development projects, including some Transit Oriented Developments (TODs). The statute allows an exemption or limited environmental review of projects that meet certain criteria and are consistent with earlier policy documents such as General Plans, Specific Plans, or Master Plans. Subsequent environmental review of qualifying projects is limited to new or substantially greater impacts not adequately addressed in an earlier CEQA document.

The streamlined environmental process allowed by SB 226 makes it possible for the environmental impacts of a paper document like a General Plan, Specific Plan, or Master Plan area to be analyzed long before a physical development project is proposed. Because SB 226 does not include a time limit, CEQA's environmental review and public comment requirements could be satisfied by a document prepared years prior to the proposal of a specific development proposal. Because infill and TOD projects are often proposed in under-served lower income and minority neighborhoods, the disjointed disclosure of potential environmental impacts resulting from SB 226 has potential for disproportionate adverse impacts on protected classes.

## 5.8 Community Participation

Palm Springs values resident perspectives on how well the city government and staff are serving the community's needs. The Palm Springs City Council relies on the volunteer members of twelve Boards and Commissions to provide advice and assistance in many areas of City services.

The Commissions and Boards have been established to:

1. Advise the City Council on matters within their area of interest;
2. Enable more attention to be given to specific issues and problems;
3. Act as a channel of communication between City government and the public;
4. Provide a greater opportunity for citizen participation in the affairs of City government, and,
5. Make decisions on matters where the City Council has granted them authority to act.

Commission and board members are resident volunteers appointed by the City Council with the City Council conducting annual interviews for vacant positions in April/May. Terms are for three years in duration however, existing commissioners are eligible for an additional reappointment, provided that the total number of years on such Commission or Board does not exceed seven.

Nominations for appointment to a City Board or Commission are made by any member of the City Council at a public meeting. Appointees must be residents and registered voters at the time of, and during, their appointment. In addition, candidates must demonstrate that they have adequate background, experience and education to be enthusiastic and knowledgeable commissioners who will exercise sound judgments. Other factors in the process include selecting candidates who reflect the social, ethnic and cultural diversity of the community. Applicants may apply for no more than two Commissions.

Boards and Commissions related to planning and housing issues are described below.

### **Planning Commission**

The Planning Commission is comprised of seven members that review applications and construction plans for development and reviews and recommends action on all matters concerning the City's General Plan, Capital Improvement Program, zoning regulations and environmental matters. On items requiring public hearings, it receives public testimony and considers public opinion. Most of the Commission's decisions are final, and are subject to appeal to the City Council.

The Planning Commission meets on the second and fourth Wednesdays of each month in the Council Chamber with staff support provided by the Planning Department.

### **Human Rights Commission**

The Human Rights Commission is a volunteer, nine-member commission whose responsibility is to promote improved relations, civic peace, inter-group understanding, and acceptance, respect and participation of all persons in the community. Responsibilities include developing educational materials, community education forums, and investigating and mediating instances of discrimination of groups or individuals. The Human Rights Commission, meet on the second Monday of the month in the Large Conference Hall at City Hall with staff support provided by the Director of Neighborhood and Community Relations.

### **Rent Review Commission:**

The Rent Review Commission is comprised of five members, which does not have regularly scheduled meetings, but meets as needed. The Commission is empowered to hear and decide petitions for hardship rent increases, interpret the rent control ordinance of the City, rule upon the propriety of actions or proposed actions under the terms of the ordinance, and make recommendations to the City Council on matters relating to rent control. The decisions of this group are final and may not be appealed to the City Council. Staff support is provided by the Community and Economic Development Department. No instances of illegal rental convictions have been observed by the Rent Review Commission.<sup>29</sup>

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<sup>29</sup> Dale Cook, Community Development Administrator. October 2013.

While providing fair housing education for the public and housing professionals is critical, ensuring City staff understand fair housing laws and are sensitive to the discrimination issues is equally important. The City of Palm Springs requires all new hires to undergo diversity and cultural education. Current staff members also attend additional two, two and a half hour sessions annually. Sensitivity training is a form of education that attempts to make a person more aware of oneself and others. Such training often incorporates principles of non-discrimination and cultural diversity. The City has bi-lingual capabilities to serve Spanish speaking residents, but staff makes every effort to accommodate other language requests whenever possible.



## Chapter 6 Progress Since Last AI

The 2005 AI identified a number of fair housing issues in Palm Springs and outlined actions the City would take to mitigate or eliminate these barriers. The following table reviews the accomplishments the City has made in carrying out these actions.

**Table 47: Progress Since Previous AI**

Impediments to be addressed	Goals	Strategies to Meet the Goals	Accomplishments
<p><b>Housing and Household Characteristics</b></p>	<p><b>Expanding Affordable Housing Opportunities</b></p>	<p>1: The City will continue to provide homeownership opportunities in the. The City will focus outreach efforts towards moderate income households, particularly to Hispanic households, since they have more difficulty obtaining financing.</p>	<p>The Lease-Purchase Home Ownership Assistance Program that the City participates with Pacific Housing and Finance Agency had been temporarily suspended due to Internal Revenue Services tax code review.</p> <p>The City has provided first-time homeownership opportunities to six households through its RDA down-payment assistance efforts in the Desert Highland and Cottonwood-Chuckwalla neighborhoods. The City/Agency announced the availability of the homes through local electronic and print media outlets, City's website, City's Government Access Cable Station and marketing packets to the seven major employers of 200+ employees. Favorable public response was received with all five homes being sold to Hispanic households.</p> <p>Additionally, the Fair Housing Council offers free first-time homebuyers workshops open to all County residents at least once a month, including workshops in Spanish.</p> <p>Both the City and the Fair Housing Council's bilingual staff members are also available for Spanish speaking clients.</p>
<p><b>Housing and Household Characteristics</b></p>	<p><b>Expanding Affordable Housing Opportunities</b></p>	<p>2: The City will continue to facilitate the development of housing for all income groups within the community. Palm Springs will focus on facilitating affordable housing development through a combination of financial and regulatory assistance.</p>	<p>The City continues to provide affordable housing financial assistance to developers regardless of the location of their project. Housing projects are evaluated and given merit on a case-by-case basis after analyzing the project. The criteria include percentage of units dedicated as affordable, level of</p>



CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

**Table 47: Progress Since Previous AI**

Impediments to be addressed	Goals	Strategies to Meet the Goals	Accomplishments
			<p>affordability and project costs with respect to a reasonable rate of return on the private-sector investment. Greater details can be found in the Affordable Housing narrative which follows this section.</p> <p>The City initiated a Comprehensive Affordable Housing Strategy (Strategy) in 1999, as a result of a Market Analysis for Affordable Housing. Developing such a strategy in a cohesive, coordinated fashion with the Affordable Housing Analysis has allowed the City to be proactive in the creation of its affordable housing and take the initiative in meeting the needs of the community as well as its Regulatory requirements.</p> <p>Additionally, the Strategy built upon the data generated in the completed Affordable Housing Analysis, and provided concrete, achievable housing goals, objectives and policies for incorporation in the City's Housing Element Update. The primary purpose of the Housing Element Update is to ensure sufficient opportunities, and few implements to the development of affordable housing. The Update has been approved with the State Housing and Community Development Department (HCD).</p>
<p><b>Housing and Household Characteristics</b></p>	<p><b>Expanding Affordable Housing Opportunities</b></p>	<p>3. The City will work with the fair housing service provider or other housing service agency to regularly hold a credit workshop(s) for households entering or re-entering the rental market and those entering the home ownership market. Credit history information, the apartment rental process, home ownership process and fair housing rights and responsibilities will be discussed.</p>	<p>Since March of 2003, the Fair Housing Council begin providing monthly Homebuyers Workshops throughout Riverside County to educate individuals and families on the home buying process, financing available and remedies to obstacles to home ownership (i.e., poor credit, no down payment, insufficient length of employment, etc.). As well, affordable housing providers provide one-on-one credit counseling to applicants of their developments. Most recently, the Council facilitated a Community Workshop – 'Save Your Home From Foreclosure' which the flyer (both English and Spanish) was circulated to all CDBG Subrecipients, other community agencies and City's Community Preservation Officers who in turned were encouraged to distribute further within their respective organization and client-base.</p>

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**CITY OF PALM SPRINGS** Analysis of Impediments to Fair Housing Choice

**Table 47: Progress Since Previous AI**

Impediments to be addressed	Goals	Strategies to Meet the Goals	Accomplishments
			<p>Additionally, the Fair Housing Council frequently conducts multiple educational workshops, distributes literature, and meets with clients in Palm Springs in order to promote understanding fair housing rights and homeownership opportunities, and mediate existing housing issues.</p> <p>The City has periodically partnered, and will continue to partner, with FHCRC in offering Fairs and Workshops, especially Code Enforcement staff Fair Housing Re-Fresher Training.</p>
<b>Housing and Household Characteristics</b>	<b>Rehabilitation Assistance</b>	4: The City will continue to provide rehabilitation assistance for owner- housing in the community through its Home Repair Program. The City will ensure that information about these programs be provided in the City's brochures and advertisements in English and Spanish. The City will examine the feasibility of providing information about these programs in languages other than English on the City's website.	<p>The City through its Agency's Set-Aside Housing funds has an open process for its multi-family rental rehabilitation financial assistance program. The Home Repair Program provides grants to homeowners. Both programs are publicized by way of the City's website that is accessible 24 hours a day, 7 days a week.</p> <p>The City has expanded its homeowner-occupied Home Repair Program marketing outreach by placing display advertisement in the local Palm Springs weekly geo-targeted newspaper, specialty mobile home newspaper and providing its program materials in Spanish. The City provides the program's brochure on its website, and the website has Spanish translation capability.</p>
<b>Housing and Household Characteristics</b>	<b>Access to Information</b>	5: The City will work to expand its website to provide additional links to housing services and resources, such as a link to the fair housing service provider and a link to the Fannie Mae Foundation that offers free guides and resources for first-time home buyers in English, Spanish, and other languages.	The City's website on an ongoing basis expands its links to partner services and resources which provides a comprehensive list of housing services and resources.
<b>Public Policies</b>	<b>Public Policies and Programs</b>	6: As an ongoing effort the City will continue to pursue affordable housing development programs identified in the 2013-2021 Housing Element. To the extent feasible, the City will facilitate the development of housing affordable to lower and moderate income households according to the Regional Housing Needs Allocation identified in the Housing Element.	<p>The City will continue its endeavors to balance the affordable housing choices and opportunities throughout the community in achieving its RHNA goals as outlined in the City's 2007 Comprehensive Update of the General Plan and its Housing Element subsection.</p> <p>The City is currently in the process of updating its 2007 General</p>

CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

**Table 47: Progress Since Previous AI**

Impediments to be addressed	Goals	Strategies to Meet the Goals	Accomplishments
<b>Public Policies</b>	<b>Public Policies and Programs</b>	7: The Palm Springs zoning ordinance does not directly address transitional housing and emergency shelters. To address State law requirements, as part of the zoning ordinance update, Palm Springs will revise the zoning code to address the placement of emergency shelters and transitional housing in appropriate zone(s). If a conditional use permit process is required, the City will ensure that such process facilitates compatibility of such facilities with adjacent land uses and requires the same findings as other special needs housing.	<p>Plan Housing Element subsection for the 5<sup>th</sup> cycle of the Regional Housing Needs Allocation (RHNA) which covers the 2013 – 2021 period. The expected completion is in the fall of 2013.</p> <p>The City has addressed the transitional housing and emergency shelters as a part of its 2007 Comprehensive Update of the General Plan and its current 2006 - 2014 Housing Element subsection which has been adopted by City Council and certified by the State HCD.</p> <p>State law requires cities to identify adequate sites and standards to facilitate and encourage the development of emergency shelters and transitional housing. The State HCD requires that each city designate a zone where such uses are conditionally permitted as well as provide and ensure that the conditions and process facilitate and encourage such uses. The City's Zoning Code permits emergency shelters and transitional housing anywhere in the community through the application of the Planned Development District (PDD). The PDD process ensure that such process facilitates compatibility of such facilities with adjacent land uses and requires the same findings as other special needs housing.</p> <p>However, SB 2 passed in 2008 has changed the requirements for emergency shelters and transitional housing. Emergency shelters must be permitted by right in at least one zone and transitional/supportive housing meeting Health and Safety Code definitions must be treated as a residential use and be permitted in the same manner as similar uses in the same zones.</p>
<b>Public Policies</b>	<b>Public Policies and Programs</b>	8: SB520, effective 2002, requires jurisdictions to analyze and remove potential constraints to housing for persons with disabilities. The current Palm Springs zoning ordinance does not include a classification or definition for community care facilities. As part of the zoning ordinance update, the City will amend the zoning code to permit the siting of	<p>The City has addressed the residential/community care facilities as a part of its 2007 Comprehensive Update of the General Plan and its 2006 – 2014 Housing Element subsection which has been adopted by City Council and certified by the State HCD.</p> <p>To ensure housing opportunities for disabled persons, state law requires licensed residential care facilities serving six or fewer</p>

**CITY OF PALM SPRINGS** Analysis of Impediments to Fair Housing Choice

**Table 47: Progress Since Previous AI**

Impediments to be addressed	Goals	Strategies to Meet the Goals	Accomplishments
		residential/community care facilities in an appropriate zone in the community.	<p>disabled people be allowed by right in all residential zones, and not be subject to more stringent development standards, fees, taxes and permit procedures than required of the same type of housing in the same zone. The City's Zoning Code does not define, permit or prohibit such uses; however, the City adheres to state law requirements and presently has many residential care facilities for the elderly.</p> <p>The residential/community care facilities is being addressed by the Planning Services Department through its outreach to impacted neighborhoods in the city on a broader scope in relation to a Sober-Living Ordinance.</p>
<b>Public Policies</b>	<b>Public Policies and Programs</b>	9: The City will amend the zoning ordinance to comply with State law regarding the provision of second units and density bonuses. Recent changes in State law require local jurisdictions remove the conditional use permit process for second/accessory units. Such units must be approved via a ministerial process when meeting the specific conditions. In addition, the City will update the City's density bonus provisions to comply with SB 1818.	<p>The City has addressed the second/accessory units and its density bonus provisions as a part of its 2007 Comprehensive Update of the General Plan and its 2006 – 2014 Housing Element subsection has been adopted by City Council and certified by the State HCD.</p> <p>State law requires local governments to adopt an administrative approval process for accessory dwelling units, unless the City Council has adopted specific findings that preclude such uses due to adverse impacts on the public's health, safety and welfare. The City allows accessory dwelling units in residential zones pursuant to a conditional use permit. However, to comply with AB1866, the City needs to completely revise its accessory dwelling unit ordinance (e.g., including redefine accessory dwelling unit, development standards and permitting process) to comply with state law.</p> <p>In 2009, the Planning Commission conducted a Study Session on the second/accessory units zoning ordinance which was recommended as a part of their on-going Work Plan.</p> <p>The City approves density bonuses for residential projects that add up to 25% of the units in a project otherwise allowed for in a particular zone when affordability targets are met as specified in</p>

CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

**Table 47: Progress Since Previous AI**

Impediments to be addressed	Goals	Strategies to Meet the Goals	Accomplishments
			state law. The City is allowed to enact a density bonus ordinance with additional incentives above the minimum specified in state law, but not more restrictive. Senate Bill 1818 amended state law by lowering the affordable housing requirement and increasing the bonus and incentives. Density bonuses are discussed in the City's Development Review Committee and during the pre-application phase.
<b>Access to Financing</b>	<b>Outreach to Lenders</b>	10: The City will work with local lenders and government institutions to provide outreach to lower income residents about conventional and government-backed financing. The City will encourage local lenders to provide information in English and Spanish.	The City routinely works with its partners to outreach within those underserved markets of the community about conventional and government backed financing. The City has also added information to its website about 'Affordable Housing Opportunities' and 'Affordable Housing Resources' which identifies various types of assistance and financing available within the community.
<b>Access to Financing</b>	<b>Outreach to Lenders</b>	11: The City will encourage lenders, particularly local lenders, to sponsor home buying workshops in Palm Springs. The City will encourage local lenders to provide information in variety of languages including English and Spanish.	The City collaborates with Fair Housing Council to facilitates Homebuyers Workshops in educating individuals and families on the home buying process, financing available and remedies to obstacles to homeownership (i.e., poor credit, no down payment, insufficient length of employment, etc.) which local lenders participates. Most of the workshop materials are available in English and Spanish. Most recently, the Council facilitated a Community Workshop – 'Save Your Home From Foreclosure' which the flyer (both English and Spanish) was circulated to all CDBG Subrecipients, other community agencies and City's Community Preservation Officers who in turned were encouraged to distribute further within their respective organization and client-base.  The Fair Housing Council operated educational booths at the Apartment Association of the Greater Inland Empire Trade Shows and distributed literature at various real estate offices.
<b>Fair Housing Complaints and Services</b>	<b>Fair Housing Services and Outreach</b>	12: The City will work with the fair housing service provider or other housing service agency to hold an annual fair housing educational training for local apartment associations and realtor associations,	The City joins with the Fair Housing Council annually in celebrating National Fair Housing Month in April which brings the community together in highlighting and promoting local fair housing partnerships.

**CITY OF PALM SPRINGS** Analysis of Impediments to Fair Housing Choice

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Impediments to be addressed	Goals	Strategies to Meet the Goals	Accomplishments
		including, the Inland Valleys Association of Realtors, the California Desert Association of Realtors, the Palm Springs Association of Realtors and the Apartment Association of the Greater Inland Empire. Workshops will cover topics such as fair housing law, rights and responsibilities, and fair housing resources,	<p>In 2007, the National Fair Housing Month celebration was expanded by the City/Agency joining with the Council as a major partner of Fair Housing Conference – ‘Fair Housing is good business’. City Staff had actively participated on its Planning Committee, a VIP financial sponsorship and City discount rates at the Convention Center. The Mayor of Palm Springs welcomed the two-hundred attendees to the City and the beautifully renovated Palm Springs Convention Center. Ms. Kim Kendrick, HUD Assistant Secretary, as the keynote speaker set the enthusiastic tone for the day-long sessions. This event was attended by property managers, policy-makers, housing officials, realtors, attorneys and others in the housing industry.</p> <p>The City has periodically partnered, and will continue to partner, with FHCRC in offering Fairs and Workshops, especially Code Enforcement staff Fair Housing Re-Fresher Training.</p>
<b>Fair Housing Complaints and Services</b>	<b>Fair Housing Services and Outreach</b>	13: The City will discuss the feasibility of encouraging the fair housing service provider to annually conduct testing on the rental, lending and home buying processes and report findings to the City.	The financial limitations within both entities have delayed the implementation of such testing for the foreseeable future. However in conjunction with the Riverside County Economic Development Agency and the Housing Authority of Riverside County, Fair Housing Council has been under contract to conduct testing in the sale and/or the housing rental markets within targeted areas throughout the county.
<b>Fair Housing Complaints and Services</b>	<b>Fair Housing Services and Outreach</b>	14: The City will examine the feasibility of requiring developers of new housing in Palm Springs or new owner of an existing rental property to submit an affirmative marketing plan or attend a fair housing workshop.	The City’s financial participation is typically layered with other federal and state housing resources which require such affirmative marketing plan and/or on-site management’s continuing education requirement of fair housing training.

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# Chapter 7

## Fair Housing

### Action Plan

This chapter builds upon the analysis in the previous chapters, summarizes conclusions, and outlines the City's commitment to actions for addressing impediments to fair housing for the upcoming fair housing planning period.

## 7.1 Impediments Carried Forward from 2005 AI

### 7.1.1 Impediments Related to Demographics

#### Changes in Racial/Ethnic Profile

Palm Springs has experienced noticeable changes in regards to race and ethnicity. According to the Census, White residents continue to comprise the largest racial/ethnic group in the City, followed by Hispanic residents. However, the proportion of White residents has declined considerably—from 73 percent in 1990 to 64 percent in 2010. By contrast, the proportion of Hispanic residents has increased from 19 percent in 1990 to 25 percent in 2010. In addition, approximately 21 percent of Palm Springs residents in 2011 were born outside the United States. Among these foreign-born residents, 54 percent emigrated from Latin America, 20 percent were born in Asia, and 17 percent hailed from Europe. Foreign-born residents may have difficulty accessing housing due to language barriers or the potential biases of local landlords. In addition, foreign-born landlords may also have biases and preferences of their own that exclude other residents.

#### Changes in Age Profile

Since 1990, the proportion of college aged (18-24 years) and young adults (25-44 years) in the community have declined. This age group typically consists of students, recent college graduates, or people who have just entered the job market. This indicates finding affordable housing and employment opportunities may be a challenge for younger adults.

#### Disparities in Household Income

Compared to other racial and ethnic groups within Palm Springs, a higher proportion of Hispanic households and Black households earned less than 80 percent of the area MFI. According to 2006-2010 CHAS data, 63 percent of Hispanic households and 51 percent of Black households earned less than 80 percent of the area MFI, compared to the citywide average of 45 percent.

Elderly and large households were also more likely to earn lower and moderate incomes (less than 80 percent of the area MFI) than any other household type in Palm Springs. Large families had the highest proportion of low income households at 33 percent—Citywide approximately 15 percent of households were considered low income. Meanwhile, elderly households had the highest proportion of extremely low income households at 13 percent. Citywide approximately 11 percent of households were considered extremely low income.



A significantly higher proportion of renter households (almost 36 percent) earned extremely low and low incomes compared to just 19 percent of home owners.

Lower and moderate income areas in Palm Springs are primarily concentrated in the northwestern portion of the City, west of Sunrise Way and north of Ramon Road. There is also a noticeable lower and moderate income area located in an eastern section of the City off Palm Canyon Drive near the Tahquitz Creek Golf Resort.

### **Households in Poverty**

According to the 2007-2011 ACS, 793 families were estimated as living below the poverty level, representing nine percent of all families in the City. Of these families in poverty, 592 were families with children. These families included 149 married couple families with children (25 percent), 299 female-headed single- parent householders with children (51 percent), and 144 other types of households with children (24 percent).

### **Overcrowding**

Approximately three percent of all households in Palm Springs were overcrowded in 2011, representing a decrease of forty-six percent since 2000. Furthermore, approximately one percent of all households in Palm Springs were severely overcrowded in 2011, compared to four percent of households in 2000, representing a decrease of 82 percent. Overcrowding in the City varies considerably by tenure. A higher proportion of renter-households (13 percent) experienced overcrowded living conditions when compared to owner-households (three percent). Renter-households also experienced the highest degree of severely overcrowded living conditions. Approximately nine percent of renter-households were severely crowded compared to only one percent of owner-households.

### **HIV/AIDS**

As of December 2012, approximately 3,374 individuals are currently alive and living with AIDS in Riverside County.<sup>30</sup> Approximately 1,712 HIV positive individuals are also living in the County. Riverside County has the fifth highest number of HIV cases and sixth highest number of AIDS cases of any county in the state and a substantial proportion of this population resides in Palm Springs. As of February 2013, there were 1,158 individuals currently living with AIDS and 606 persons living with HIV in the Palm Springs/North Palm Springs area, representing approximately 35 percent of all AIDS/HIV cases within Riverside County. Persons living with HIV/AIDS sometimes face biases and misunderstanding about their illness that may affect their access to housing. These individuals may also be targets for hate crimes.

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<sup>30</sup> Aaron Gardner, Research Specialist. Epidemiology of HIV/AIDS in Riverside County, 2012. County of Riverside Department of Public Health, Epidemiology & Program Evaluation, February 2, 2013.

### Housing Affordability

As is the case for many Southern California communities, with the exception of mobile homes, home prices in Palm Springs are not affordable to lower income households and only a limited number of homes are within the price range of moderate income households. When comparing current home prices and market rate rents in the City, it is evident that extremely low and very low income households in Palm Springs have limited housing options. Some low income households and most moderate income households are able to afford market rate rents in the City, however, larger households may find that securing adequately sized units is still a challenge. Homeownership is generally beyond the reach of most lower and moderate income households.

---

**Actions:**

- The City will continue to facilitate the development of housing for all income groups within the community. Palm Springs will focus on facilitating affordable housing development through regulatory assistance.
- The City will continue to provide rehabilitation assistance for owner- housing in the community through its Home Repair Program. The City will ensure that information about these programs be provided in the City's brochures and advertisements in English and Spanish. The City provides information about these programs in languages other than English on the City's website.
- The City will work to expand its website to provide additional links to housing services and resources, such as links to free guides and resources for first-time home buyers in English, Spanish, and other languages.
- The City will examine the feasibility of requiring developers of new housing in Palm Springs or new owners of an existing rental property to submit an affirmative marketing plan or attend a fair housing workshop.
- Promote economic development activities to improve employment skills and create high-paying jobs throughout the City.

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**Time Frame:** Ongoing

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**Responsible Agencies:** Fair Housing Council of Riverside County, Community and Economic Development Department, Building and Safety Department and Planning Services Department

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**Funding Sources:** General fund and CDBG

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## 7.1.2 Impediments Related to Lending Practices

### Monitoring of Lending Practices

In reviewing the Home Mortgage Disclosure Act (HMDA) data, several issues in lending patterns with potential fair housing implications were identified:

- **Government Backed Loans:** Only a very small number of households utilized government-backed home loans to achieve home ownership. The number of applications for government-backed home purchase loans in the City was significantly lower than the number of applications for conventional home purchase loans in 2011. Only 311 home purchase applications for government-backed loans (for example, FHA, VA) were submitted in Palm Springs. This may be due to a lack of information regarding these programs or the home sales price limits for these loans.

- **Hispanics Underrepresented in Applicant Pool:** The applicant pool for mortgage lending should be reflective of the demographics of a municipality. When one racial/ethnic group is overrepresented or underrepresented in the total applicant pool, it could be an indicator of a possible fair housing issue. Such a finding may be a sign that access to mortgage lending is not equal for all individuals. In 2011, White applicants were overrepresented in the applicant pool while Hispanics were underrepresented.
- **Discrepancies in Lending Outcomes by Race:** In Palm Springs, the rate at which applications were withdrawn and incomplete was slightly higher among Hispanic applicants in both 2007 and 2011. White applicants generally had the highest approval rates in both 2007 and 2011. Hispanics, meanwhile, had the lowest approval rates across all income categories in 2007; however, by 2011, approval rates for Hispanic applicants were on par with the approval rates for White applicants.
- **Discrepancies in Lending Outcomes by Lender:** Approval rates differed somewhat by lender. Overall, approval rates for all lenders in the City increased minimally from 60 percent in 2007 to 61 percent in 2011. Most of the top lenders had approval rates comparable to the overall rate. However, Ally Bank had a significantly lower approval rate (48 percent) while Franklin Loan Center had a significantly higher approval rate (85 percent). While high approval rates do not necessarily indicate wrongdoing by a specific institution, they can be a sign of aggressive lending practices on the part of the lender. In particular, smaller, less prominent financial institutions with significantly high approval rates may be a concern.
- In mortgage lending, fallout refers to a loan application that is withdrawn by the borrower before the loan is finalized. Typically for-profit lenders should have little fallout and none that varies by race, ethnicity or gender. A significant disparity in fallout could suggest screening, differential processing, HMDA Action misclassification and/or the potential of discouragement of minority applications. A high rate of incomplete loans can indicate a lack of financial literacy on the part of the borrower. Insufficient lender assistance during the application process can also lead to high levels of incomplete applications. During 2011, two institutions had significantly higher than average rates of withdrawn and incomplete applications—Ally Bank and Prospect Mortgage, LLC.
- Fallout rates for Wells Fargo (the City's top lender) were moderate (18 percent), however, rates were higher among Asian and Hispanic applicants (27 percent and 25 percent, respectively), which may be indicative of potential language barriers.
- Two of the City's top lenders with approval rates (Franklin Loan Center-85 percent and Flagstar Bank-77 percent) significantly higher than the average for all lenders (61 percent) had applicant pools that were comprised almost entirely of White applicants (92 percent or higher). This could indicate that loans from these institutions are not equally accessible to persons of all races/ethnicities.
- **Discrepancies in Subprime Lending by Race/Ethnicity:** During 2007, in the midst of the housing market collapse, the incidence of subprime lending in the City was fairly high. Approximately 14 percent of all loans issued in Palm Springs could be considered subprime, based on reported spread. White applicants were the least likely to receive subprime loans (12 percent) while Hispanic applicants were the most likely (26 percent). By 2011, the frequency of subprime loans had decreased substantially. Only about four percent of loans in the City could be considered subprime, based on the reported spread. While the incidence of subprime loans has decreased overall, Blacks and Hispanics continue to be more likely to receive subprime loans than

Whites and Asians.

- Since 2007, not only has there been a decline in the number of subprime loans issued, there has also been a decrease in the magnitude of spread reported on these loans. Generally, the higher the reported spread on a loan, the worse that loan is compared to a standard prime loan. In 2007, the average reported spread for a subprime loan was just over four points; by 2011, the average reported spread had dropped to just over two points. While the reported magnitude of spread for subprime loans decreased overall, they remained noticeably higher for Black applicants.
- **Predatory Lending:** While subprime lending cannot in and of itself be described as "predatory," studies have shown a high incidence of predatory lending in the subprime market. Unlike in the prime lending market, overly high approval rates in the subprime market is a potential cause for concern when the target clients are considered high risk. High approval rates may indicate aggressive lending practices. Of the City's top lenders, Franklin Loan Center (85 percent), Flagstar Bank (78 percent) and Quicken Loans (79 percent) had approval rates noticeably higher than the overall average for all lenders (61 percent).
- **Discrepancies in Loans Purchased by Race/Ethnicity:** "Purchased loans" refers to the practice for originating lenders to minimize their financial risk by selling the loans to other lenders or investors on the secondary market. This practice is a primary contributing factor to the housing market implosion and foreclosure crisis. In Palm Springs, Black applicants were significantly more likely to have their loans purchased in 2011.

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**Actions:**

- The City will continue to provide homeownership opportunities in the community by promoting the Mortgage Credit Certificate Program (MCC) and Riverside County's Neighborhood Stabilization Homeownership Program (NSHP). The City will focus outreach efforts towards moderate income households, particularly to Hispanic households, since they have more difficulty obtaining financing.
- The City will work with the fair housing service provider or other housing service agency to regularly hold a credit workshop(s) for households entering or re-entering the rental market and those entering the home ownership market. Credit history information, the apartment rental process, home ownership process and fair housing rights and responsibilities will be discussed.
- The City will work to expand its website to provide additional links to housing services and resources, such as links to free guides and resources for first-time home buyers in English, Spanish, and other languages.
- The City will work with local lenders and government institutions to provide outreach to lower income residents about conventional and government-backed financing. The City will encourage local lenders to provide information in English and Spanish.
- The City will encourage lenders, particularly local lenders, to sponsor home buying workshops in Palm Springs. The City will encourage local lenders to provide information in variety of languages including English and Spanish.
- The City will examine the feasibility of requiring developers of new housing in Palm Springs or new owners of an existing rental property to submit an affirmative marketing plan or attend a fair housing workshop.
- Coordinate with agencies that provide foreclosure assistance.

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**Time Frame:** Ongoing

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<b>Responsible Agencies:</b> Community and Economic Development Department and Fair Housing Council of Riverside County
<b>Funding Sources:</b> General fund and CDBG

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### 7.1.3 Impediments Related to Discrimination

#### Advertisements

Descriptions of available housing in advertisements should be limited to a physical description of the unit and its amenities. However, a number of rental listings in Palm Springs contain potentially discriminatory language, such as encouraging or discouraging family living, or potentially discouraging persons with disabilities by emphasizing a no-pet policy without clarifications that service/companion animals are allowed. Of a total of 250 rental listings surveyed in August 2013 for the City, 44 advertisements were found to contain potentially discriminatory language (Table 34). The problematic language typically involved references to pets (25 ads) and references to household size or children (15 ads).

#### Fair Housing Complaints and Disputes

**By Race/Ethnicity:** Consistent with the City's demographics, the vast majority of all complaints within Palm Springs over the past five years were made by White residents (64 percent) followed by Hispanic residents (21 percent) and African American residents (nine percent). Asian residents accounted for less than one percent of all complaints, while residents classified as 'other' accounted for four percent of all cases. Given the small overall proportion of African American residents in the community (four percent), African Americans may be considered disproportionately affected by fair housing issues.

**By Other Household Characteristics:** Fair housing complaints also affected female-headed households to a higher degree than male-headed households. Female-headed households may face a greater degree of impediments to fair housing due to their lower income levels and childcare needs. In addition, the vast majority of fair housing complaints in the City originated from low income households.

FY 2007/2008 to FY 2011/2012, the Fair Housing Council of Riverside County handled 3,899 complaints or requests for assistance. On average, the number of complaints fluctuates between 800 and 1,100 complaints each year. The majority of complaints in Palm Springs over the past four years were related to evictions, repairs, and disputes over leases or rental agreements.

Between FY 2011/2012 and 2012/2013, the Fair Housing Council of Riverside conducted a total of eight fair housing tests in Riverside County. The tests were related to three different protected classes: disability (five tests), race (two tests), and familial status (one test). Most of the tests involved rental housing (seven tests) and one test involved for sale housing. Of the eight tests, a total of three tested positive and showed findings of discrimination. As shown in Table 38, the three positive results were from rental sites, with two of the results related to disability, and one result related to race.

According to the DFEH, a total of 17 cases in Palm Springs were opened from fiscal year 2007 to 2012. Most cases were related to various physical and mental disabilities. Of the 17 complaints received, 14 were closed with no probable cause, two were successfully conciliated, two were transferred to court; pre-trial settlement and one was withdrawn without resolution.

At the August 22, 2013 fair housing workshop, several Palm Springs residents commented on some of the fair housing issues and complaints they had experienced. Comments included fair housing issues related to landlords giving preferential treatment to tenants of a particular race/ethnicity, discrimination of person

with special needs, landlord intimidation, and lack of building maintenance. In addition, the Fair Housing Council of Riverside County noted a number of issues, including the increase in substandard housing units in the City, the ongoing issue of improperly trained property managers, and discrimination based on race/ethnicity. A complete summary of the comments provided at the workshop are provided in Appendix A.

According to FBI crime statistics, hate crimes consistently take place in the City. A total of 50 hate crimes were committed in Palm Springs over the five-year period between 2007 and 2011. Overall, the incidence of reported hate crimes in the City during this time period was slightly more than one per 1,000 people (1.12 per 1,000 persons). Statistically, the likelihood of hate crimes was significantly higher in the City than in the County, which had an incidence rate of 0.03 per 1,000 persons between 2007 and 2011. It should be noted, however, that these statistics may also reflect a higher incidence of reporting crime in certain communities.

**Access to Services**

While the Fair Housing Council of Riverside County has actively distributed information, promoted fair housing information within Palm Springs, and provided workshops to various agencies near and within Palm Springs, the Fair Housing Council has not recently conducted any resident community workshops and training activities within Palm Springs.

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<b>Actions:</b>
<ul style="list-style-type: none"><li>• Provide fair housing outreach and education to newspapers, listing agencies, real estate associations, apartment owners/managers associations, and homeowners association, etc.</li><li>• The City will discuss the feasibility of encouraging the fair housing service provider to conduct testing on the rental, lending and home buying processes and report findings to the City.</li><li>• The City will examine the feasibility of requiring developers of new housing in Palm Springs or new owners of an existing rental property to submit an affirmative marketing plan or attend a fair housing workshop.</li></ul>
<b>Time Frame:</b> Ongoing
<b>Responsible Agencies:</b> Fair Housing Council of Riverside County
<b>Funding Sources:</b> CDBG

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**7.1.4 Impediments Related to Public Policies**

**Community Care Facilities**

The Palm Springs Zoning Code does not define, permit, or prohibit residential care facilities. No provision for, or overly restrictive regulation of, residential care facilities can indirectly impede fair housing choice.

**Emergency Shelters, Transitional Housing and Supportive Housing**

The City of Palm Springs Zoning Ordinance does not explicitly include any provisions for emergency shelters. However, the Zoning Ordinance does permit emergency shelters anywhere in the community through the application of the Planned Development District. Regardless, this may still constitute a potential impediment to fair housing.

The Palm Springs Zoning Ordinance does not currently include any explicit provisions for transitional or supportive housing. However, the Zoning Code permits transitional housing anywhere in the community through the application of the Planned Development District. To facilitate and encourage the provision of transitional and supportive housing in the City and mitigate this potential fair housing impediment, the Palm Springs Zoning Ordinance should be amended to define and explicitly provide for the development of transitional and supportive housing, consistent with SB 2.

**Accessory Apartments**

California law requires local jurisdictions to adopt ordinances that establish the conditions under which second units are permitted. The State’s second unit law also requires use of a ministerial, rather than discretionary, process for reviewing and approving second units. In 2011, the City of Palm Springs adopted an Accessory Apartment Housing Ordinance. The Ordinance conditionally permitted accessory dwellings in the G-R-5, R-1, R-G-A, and R-2 zones and established specific standards for their development. This Ordinance needs to be revised further to reflect the provisions of State law that require such units be reviewed via a ministerial review process.

<b>Actions:</b>
<ul style="list-style-type: none"> <li>• Make appropriate code amendments to address the provision of a range of housing options pursuant to State laws as outlined above and discussed in this AI.</li> </ul>
<b>Time Frame:</b>
<b>Responsible Agencies:</b> Planning Services Department
<b>Funding Sources:</b> General Fund

## 7.2 New Impediments

### 7.2.1 Impediments Related to Public Policies

#### Development Regulations

A jurisdiction’s development regulations directly regulate the types of housing that can be located within the community. Restrictive development regulations may limit the range of housing choices available for all but may disproportionately impact the available options for persons with special needs. Furthermore, development regulations should be reviewed and updated periodically to comply with changes in State laws. A review of the development regulations for the City of Palm Springs is summarized below. Discussions of this review have been provided in detail under the Public Policies chapter of this report.

- **Density Bonus:** As of August 2013, the City of Palm Springs does not have an adopted Density Bonus Ordinance in accordance with State law in place. However, the City’s 2008-2014 Housing Element includes a program to revise the Zoning Ordinance to create a Density Bonus Ordinance and incentives program.
- **Single Room Occupancy (SRO) Housing:** Currently, the City of Palm Springs does not explicitly define or allow SRO units. This could be a potential fair housing impediment.
- **Reasonable Accommodations:** Although most local governments are aware of State and Federal requirements to allow reasonable accommodations, if specific policies or procedures are not adopted by a jurisdiction or a jurisdiction requires a public hearing or discretionary decision, residents with disabilities may be unintentionally displaced or discriminated against. The City of

Palm Springs does not currently have a formal Reasonable Accommodations Ordinance in place.

---

**Actions:**

- Update the Housing Element according to statutory deadlines and pursue certification of compliance by the State Department of Housing and Community Development (HCD).
- Make appropriate code amendments to address the provision of a range of housing options pursuant to State laws as outlined above and discussed in this AI.

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**Time Frame:**

---

**Responsible Agencies:** Planning Services Department

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**Funding Sources:** General Fund

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# Chapter 8

## Signature Page

I, David H. Ready, hereby certify that this Analysis of Impediments to Fair Housing Choice for the City of Palm Springs represents the City's conclusions about impediments to fair housing choice, as well as actions necessary to address any identified impediments.

\_\_\_\_\_  
David H. Ready  
City Manager

\_\_\_\_\_  
Date

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# Appendix A

## Community Outreach

This Analysis of Impediments to Fair Housing Choice (AI) has been developed to identify ways to facilitate fair and equal access to housing for all Palm Springs residents. As part of the development of the AI, the Palm Springs Community and Economic Development Department conducted an extensive community outreach program that included a community workshop for which the City invited participation by residents, service providers, realtors, lenders, apartment associations, apartment owners, managers and tenants. Press releases regarding the workshop were sent to both the electronic and print media which included The Desert Sun, the Press Enterprise, the Public Record (legal paper), Desert Post Weekly, television stations (KMIR, KESQ, KPSI, KVER Univision, KUNA Telemundo, and KPSP Desert TV) and radio stations (Desert Radio Group and KWXY).

Fair housing needs and issues identified by City staff, elected officials, lenders, apartment owners, realtors, and service providers, as well as input from residents, has been incorporated throughout the AI. This section, describes the community outreach program conducted by the Community and Economic Development Department to help formulate the AI.

### A.1 Community Workshop

Approximately 270 public and private agencies either directly or indirectly involved with fair housing issues in Palm Springs were invited to service providers, faith based organizations, local housing and social service providers, financial institutions, residential developers, Palm Springs City staff, members of the CDBG Citizen Advisory Committee (CAC), and County government agencies.

A community workshop was conducted in Palm Springs on August 22, 2013 for the AI, after a direct mailing was sent to approximately 270 agencies. Several key agencies were also contacted by email and information about the workshop and fair housing survey was included on the City's website.

Representatives from the following agencies attended the workshop and provided input:

- City of Palm Springs CDBG Citizen Advisory Committee
- City of Palm Springs Human Rights Commission
- City of Palm Springs Parks and Recreation Commission
- City of Palm Springs staff
- Desert AIDS Project
- Fair Housing Council of Riverside County
- Mizell Senior Center
- SafeHouse of the Desert – Harrison House
- Shelter From the Storm

In addition, residents were also present at to discuss fair housing concerns. Appropriate input from the workshop has been incorporated into the AI. The key comments are provided below.

- A representative from the Desert AIDS Projects spoke of an issue in which clients have been shown entirely different units and in better condition than the units they eventually occupy.

- What are the possibilities of restricting special needs housing in the City as LGBT only and would such a restriction be a fair housing issue?
- Issue discussed of persons with HIV/AIDS facing discrimination in the form of restrictions.
- A representative from the Harrison House spoke of an issue with accommodating emotional support pets, in which they were unsure if they had to accept multiple pets per one resident. Based on their research, they discovered that legally they only have to accept one pet.
- Changes in the City's demographics have been noticed. Specifically, changes in the number of families and the age distribution. The impacts of these changes on housing and other aspect of the community have also become increasingly apparent.
- The creation of some type of desert wide home owners association would be beneficial.

**Fair Housing Council of Riverside County, Inc. (FHCRC)**

- Palm Springs is one of the top cities in the area with substandard living issues. A lot of properties are not being properly looked after, which began with the rise in foreclosure issues and became problematic for both owners and renters. However, owners of rental properties are often strictly focused on making money. The substandard units are often rented to minorities or persons with disabilities who may have limits in terms of what they can afford.
- Given the increase in the amount of clients they serve and types of issues being faced, there have been more requests for education training. This is important as most property managers are not California Certified Residential Managers (CCRM) and are mostly people who already may have lived on the properties. The FHCRC offers education services to any group.
- Multifamily complexes must display a fair housing poster. The FHCRC is hoping to push the City to make the posters available as a way to further support fair housing education.
- Within the last year the FHCRC has noticed an increase in the number cases with race being an issue. For example, a lot of hispanic property owners will rent only to other hispanics or whites who are bilingual, but not to blacks. One specific company operating in the City, which was not named, is responsible for a large amount of this type of discrimination as it is simply how they operate. The FHCRC is currently involved in fighting back against this company and its practices.
- Discussed a case in which a client with two pit bulls keep them at property as the landlord claimed such a breed was not covered under the property's insurance. This is an issue that is increasingly being seen by the FHCRC. It was discussed that a landlord is not able to restrict dogs unless they can prove the property insurance may be revoked.



# Appendix B Public Notice and Outreach Materials

The Desert Sun  
750 N Gene Aulry Trail  
Palm Springs, CA 92262  
760-778-4578 / Fax 760-778-4731

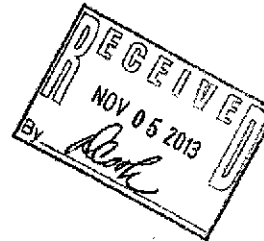
### Certificate of Publication

State Of California ss:  
County of Riverside

Advertiser:

CITY OF PALM SPRINGS/LEGALS  
PO BOX 2743  
PALM SPRINGS CA 922632

2000380443



I am over the age of 18 years old, a citizen of the United States and not a party to, or have interest in this matter. I hereby certify that the attached advertisement appeared in said newspaper (set in type not smaller than non pariel) in each and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

Newspaper: .The Desert Sun

10/13/2013

I acknowledge that I am a principal clerk of the printer of The Desert Sun, printed and published weekly in the City of Palm Springs, County of Riverside, State of California. The Desert Sun was adjudicated a newspaper of general circulation on March 24, 1988 by the Superior Court of the County of Riverside, State of California Case No. 191236.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 13th day of October, 2013 in Palm Springs, California.

Declarant's Signature

No 1880  
NOTICE OF AVAILABILITY  
CITY OF PALM SPRINGS  
COMMUNITY DEVELOPMENT BLOCK  
GRANT (CDBG)  
Analysis of Impediments to Fair Housing  
Choice - Administrative Draft

An Administrative Draft of the City's Analysis of Impediments (AI) To Fair Housing Choice has been prepared, in accordance with the U.S. Dept. of Housing & Urban Development (HUD) Regulations. The Analysis is a comprehensive review of a jurisdiction's ordinances, policies, procedures, practices and how those items have bearing on the location, availability and accessibility of housing and housing choice.

The draft AI is available to the public for a 30-day comment period commencing Tuesday, October 15, 2013 at the City's Community & Economic Development Department, 3200 E. Tahquitz Canyon Way, as well as the Main Library/Ratherfield Room, 308 S Sunrise Way, during normal business hours. Interested parties may submit written comments to Dale Cook, Community Development Administrator, City of Palm Springs, Community & Economic Development Department, P.O. Box 2743, Palm Springs, CA 92263-2743, Dale.Cook@cityofpalm Springs.gov, or 760-323-3199 TDD 760-324-6527 through Thursday, November 14, 2013. All comments will be reviewed and considered, and if applicable or necessary, revisions will be made to the draft.

The City promotes fair housing and does not discriminate on the basis of any reason that is not related to a bona fide qualification in admission or access to, or treatment or employment in, its federally assisted programs and activities. It is the intention of the City to comply with the Americans with Disabilities Act (ADA) in all respects. Persons with disabilities who require auxiliary aids or special assistance beyond what is normally provided in utilizing City facilities, programs, services or activities, who require this document be provided in an accessible format or who would like information on the City's compliance in every reasonable manner. Please contact Mr. Cook, as referenced above, and provide at least 48 hours notice to identify one's particular needs and to determine if accommodation is feasible.

Si necesita ayuda con esta carta, por favor llame a la Ciudad de Palm Springs y puede hablar con Nueve Pagar telefono 760.323.8245.

James Thompson  
City Clerk  
Published: 10/13/13

CELEBRATING  
**PALM SPRINGS** **75** YEARS  
**News Release**

Contact: Amy Blaisdell  
Communications Director  
City of Palm Springs  
(760) 323-8250

Like no place else.™

### Fair Housing Workshop Slated for Aug. 22

July 20, 2013

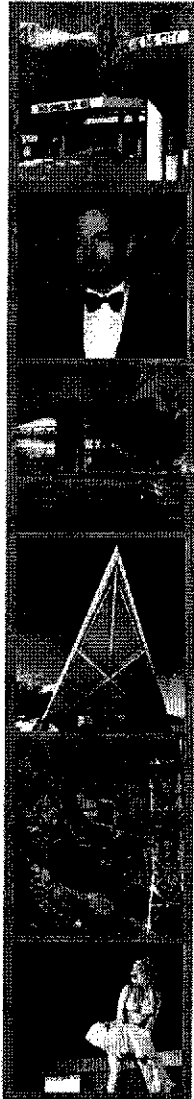
The City of Palm Springs Community Development Block Grant (CDBG) Citizens Advisory Committee will conduct a workshop on **Thursday, Aug. 22** to discuss fair housing options in our community.

The meeting will be held from **3 – 5 p.m.** in the Stergios Community Room at Desert Regional Medical Center, 1140 N. Indian Canyon Drive.

Everyone in the Palm Springs community is invited to attend and share their experience about fair housing choices, whether trying to buy, sell or finance a home or apartment – as a tenant, homeowner or landlord.

The City is currently in the process of updating its current Analysis of Impediments to the Fair Housing Choice.

For more information, contact Dale Cook, the City's Community Development Administrator at (760) 864-9527.





# Fair Housing Workshop

Thursday, August 22, 2013

3:00 PM to 5:00 PM



**1140 North Indian Canyon Drive, Palm Springs  
Bell Tower - Stergios Building - Community Room**

The City of Palm Springs' Community Development Block Grant (CDBG) Citizens Advisory Committee (CAC) invites your participation in a community workshop to discuss fair housing choices.

*What is fair housing?*

*A condition in which individuals of similar income levels in the same housing market have a like range of choices regardless of race, color, national origin, ancestry, religion, sex, disability, familial status, marital status, sexual orientation, source of income, or any other arbitrary factor.*

**For information or accommodations, please contact:**

Dale Cook, Community Development Administrator  
760-323-8198, TDD 760-864-9527 or  
Dale.Cook@palmspringsca.gov

**Please provide at least 48 hours notice to clarify one's particular need(s) and to determine if accommodation is feasible.**







**Fair Housing Workshop**

**Thursday, August 22, 2013 - 3:00 PM to 5:00 PM**



**1140 North Indian Canyon Drive, Palm Springs  
Bell Tower - Sturgious Building - Community Room**

The City of Palm Springs' Community Development Block Grant (CDBG) Citizens Advisory Committee (CAC) invites your participation in a community workshop to discuss fair housing choices.

For information or accommodations, please contact:

Dale Cook, Community Development Administrator  
760-323-8198, TDD 760-864-9527 or  
Dale.Cook@palm Springsca.gov



Please provide at least 48 hours notice to clarify one's particular need(s)  
and to determine if accommodation is feasible.



*City of Palm Springs*  
Community & Economic Development  
Post Office Box 2743  
Palm Springs, CA 92263-2743




Return Service Requested

Name & Address Label




**Fair Housing Workshop**

The City of Palm Springs' Community Development Block Grant (CDBG) Citizens Advisory Committee (CAC) invites your participation in a workshop to discuss fair housing choices.




**Fair Housing Workshop**  
*What is fair housing?*

A condition in which individuals of similar income levels in the same housing market have a like range of choices regardless of race, color, national origin, ancestry, religion, sex, disability, marital status, more of sexes, sexual orientation, source of income or any other arbitrary factor.








**Fair Housing Workshop**

The City is updating its Analysis of Impediments to Fair Housing Choice. Community stakeholders are invited, especially those of very low-to-moderate income and of color, are welcome to share their experiences about fair housing choices.


**Fair Housing Workshop**  
Thursday, August 22, 2013  
4:00 PM to 5:00 PM  
**DISNEY REGIONAL MEDICAL CENTER**  
1140 North Indian Canyon Drive, Palm Springs  
Bell Tower - Surgical Building - Community Room

**Fair Housing Workshop**

For information or accommodations, please contact:

Dale Cook,  
Community Development Administrator  
760-324-6138, TDD 760-344-8527 or  
Dale.Cook@palm-springs.gov



---

**Workshop to discuss  
fair housing options**

PALM SPRINGS — The Palm Springs Community Development Block Grant Citizens Advisory Committee will hold a workshop from 3 to 5 p.m. on Thursday, Aug. 22 in the Stergios Community Room at Desert Regional Medical Center, 1140 N. Indian Canyon Drive, to discuss fair housing options in the city.

The public is invited to attend and offer input on housing experiences as a renter, landlord, or homeowner.

The city is updating its current "Analysis of Impediments to the Fair Housing Choice" which provides fair housing barriers and conditions.

Information: (760) 864-9527

*Xochitl Peña*

Desert Sun

08/21/13



## Fair Housing Workshop



**Thursday, August 22, 2013  
3:00PM to 5:00PM**



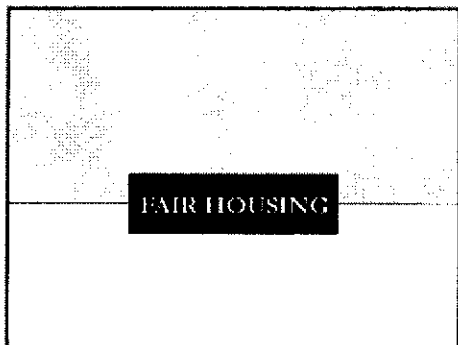
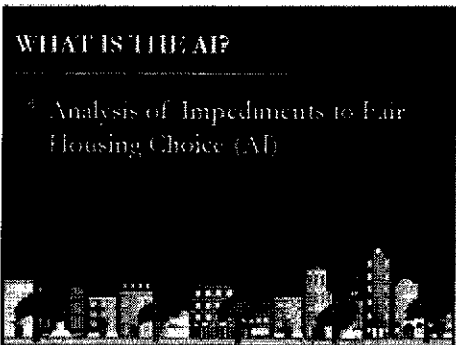
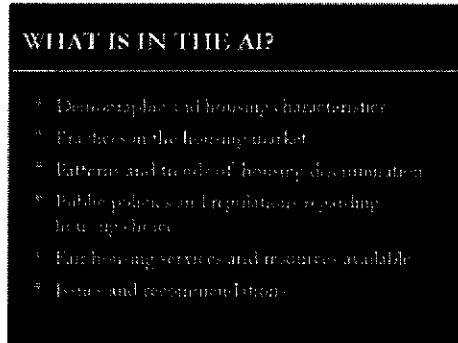
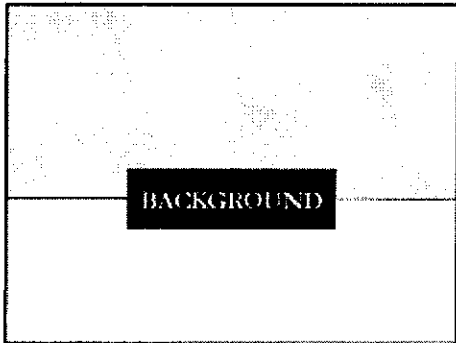
- I. **Welcome**..... Carolyn Caldwell, FACHE  
Desert Regional Medical Center  
Chief Executive Officer
- II. **Introductions**..... Dale Cook,  
Community Development Administrator
- III. **Workshop Purpose**..... Sid Craig,  
CDBG Citizen Advisory Committee (CAC) Member
- IV. **Presentation**..... Veronica Tam, AICP  
Veronica Tam and Associates, Inc.

- ◆ *AI Background*
- ◆ *What is Fair Housing?*
- ◆ *Palm Springs Today*
- ◆ *How Can You Participate?*
- ◆ *Test Your Fair Housing Knowledge*
- ◆ *Discussion*

### V. **Adjournment**

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





**DEFINITION**

*Fair housing* describes a condition in which individuals of similar means have the same housing market choice. The market choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, age, marital status, familial status, source of income, sexual orientation, or any other arbitrary barrier. Profits do not impede or restrict housing choice because of protected class status.

**OTHER CALIFORNIA LAWS**

- Section 51 Unruh Civil Rights Act
  - \* Age
- Section 1949.3 Immigration Status
- Section 51.7 RAIPHA Act
  - \* Prohibition on Verbal use of Intimidation

**FEDERAL FAIR HOUSING LAW**

- Race
- Color
- Religion
- Sex (Gender) not sexual Harassment
- Quid Pro Quo
- Creating a hostile work environment
- National Origin
- Familial Status
- Disability (Physical and Mental)
- Age (40+) (not 18-24)
- Familial Status and co-dependent household
- Employment
- Source of Income

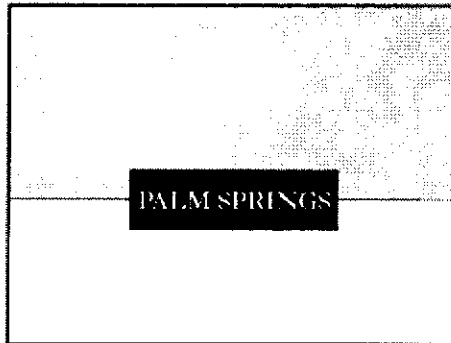
**WHAT IS NOT FAIR HOUSING?**

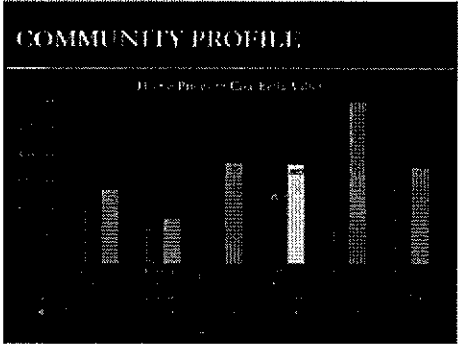
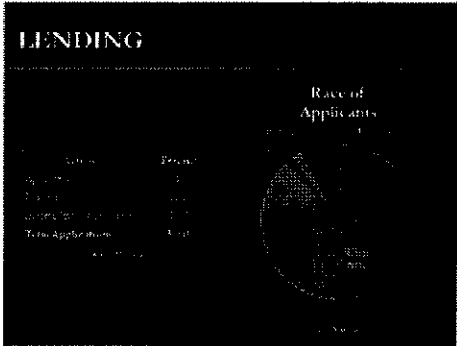
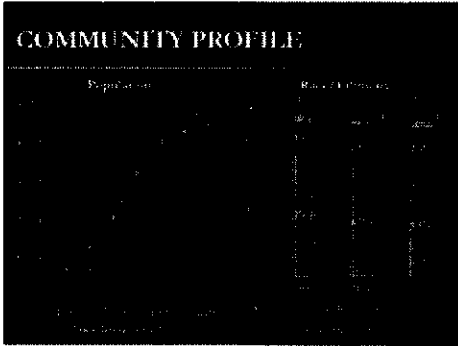
- Affordability
  - \* Low income is not a protected class
  - \* Affordability issues are not fair housing issues unless affordability impacts a protected class
- Tenant-Landlord Issues
  - \* Tenant-landlord disputes are not fair housing issues unless the dispute impacts a protected class

**CALIFORNIA FAIR HOUSING LAW**

California Fair Employment and Housing Act 1964 (FEHA)

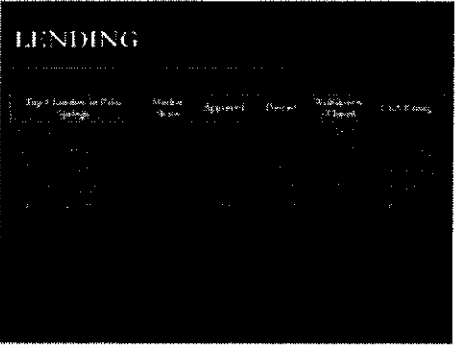
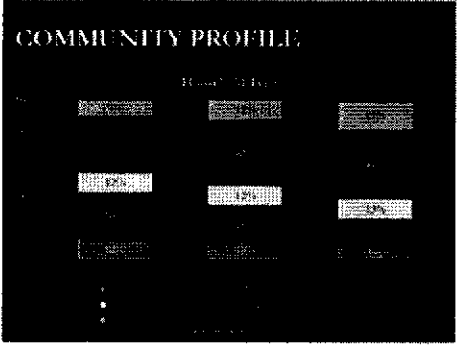
- Marital Status
- Age
- Sexual Orientation
- Family Status

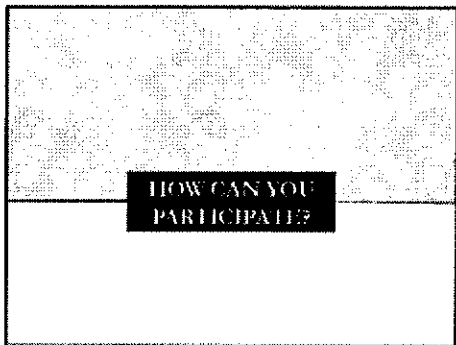
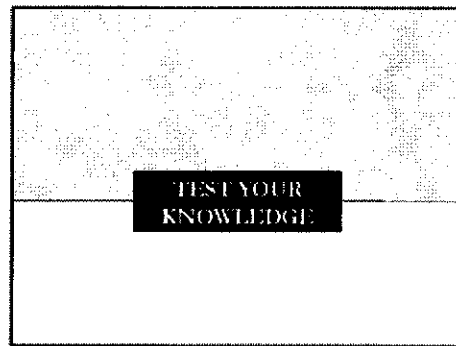
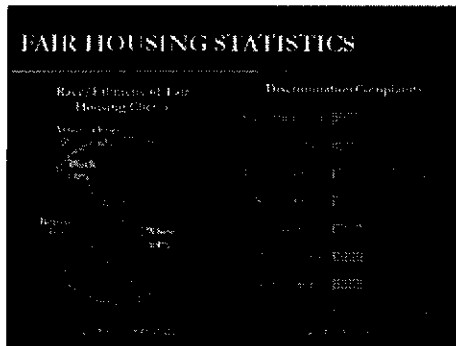




### LENDING

- Community Reinvestment Act
  - Designed to encourage financial institutions to help meet the credit needs of all segments of their communities including low- and moderate-income neighborhoods.
  - CR's Rating of various areas and grade of lending institutions varies in low- and moderate income neighborhoods.



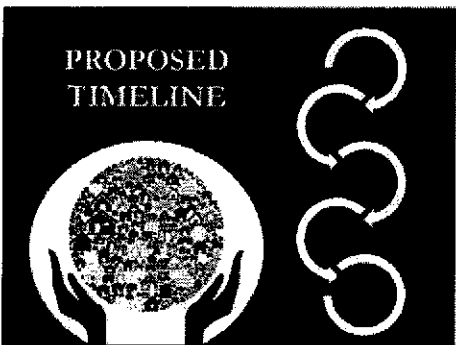


### SCENARIO #1

A landlord refuses to rent to Hispanic tenants. Is this OK?

This is OK.

This is not OK.



### SCENARIO #1

A landlord refuses to rent to Hispanic tenants. Is this OK?

This is OK.



SCENARIO #2

A landlord will not allow you to rent a unit because you do not have a job. Is this OK?

- This is OK
- This is not OK

SCENARIO #3

A prospective tenant brings her emotional support animal to an apartment community. However, the landlord refuses to allow the animal into the leasing office. Is this OK?

- This is OK
- This is not OK

SCENARIO #2

A landlord will not allow you to rent a unit because you do not have credit. Is this OK?

- This is OK

SCENARIO #4

The advertised rent for a one-bedroom apartment is \$1,000. When a landlord finds out that the unit will be occupied by three people, she raises the rent to \$1,250. Is this OK?

- This is OK
- This is not OK

SCENARIO #3

A prospective tenant brings her emotional support animal to an apartment community. However, the landlord refuses to allow the animal into the leasing office. Is this OK?

- This is OK
- This is not OK

SCENARIO #4

The advertised rent for a one-bedroom apartment is \$1,000. When a landlord finds out that the unit will be occupied by three people, she raises the rent to \$1,250. Is this OK?

- This is OK

**SCENARIO #5**

A disabled tenant asks to have grab bars installed in a bathroom. The landlord agrees but asks the tenant to pay for it herself. Is this OK?

- This is OK
- This is not OK

**SCENARIO #6**

An apartment building is located in a predominantly Hispanic neighborhood. To advertise a vacant unit, the landlord only publishes advertisements in a Spanish newspaper. Is this OK?

- This is OK

**SCENARIO #5**

A disabled tenant asks to have grab bars installed in a bathroom. The landlord agrees but asks the tenant to pay for it herself. Is this OK?

- This is not OK

**SCENARIO #7**

A landlord requires an application fee of \$25 per person for two people or \$25 per married couple. Is this OK?

- This is OK
- This is not OK

**SCENARIO #6**

An apartment building is located in a predominantly Hispanic neighborhood. To advertise a vacant unit, the landlord only publishes advertisements in a Spanish newspaper. Is this OK?

- This is OK
- This is not OK

**SCENARIO #7**

A landlord requires an application fee of \$25 per person for two people or \$25 per married couple. Is this OK?

- This is OK



- TOPICS**
- Fair housing trends/issues
  - Opportunities and constraints
  - Housing choices available
  - Ideas to further promote fair housing?

CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

City of Palm Springs  
Community & Economic Development Department

Community Development Block Grant  
Citizens' Advisory Committee  
Fair Housing Workshop

Thursday, August 22, 2013, 3pm to 5pm -  
Desert Regional Medical Center

ATTENDEES -

ORGANIZATION	CONTACT PERSON	ADDRESS, CITY, ZIP+4	AREA CODE/ PHONE #, FAX # & EMAIL
Desert AIDS Project	Housing Case manager nichelle Austin	1695 N. SUNRISE WAY PS, CA 92262	P 760 323 2118 ex 215 F 760 929 1375 E N.AUSTIN@desertaidproject.org
Fair Housing Council of Riverside	Program Manager Monica Lopez	3933 Mission Inn Ave Riverside, CA 92501	P 951-682-6581 F E mlopez@fairhousing.org
PS Parks and Rec Commission	Carol Davis + Daughter		P (760) 4132613 F E caroldavis84@yahoo.com
Mizell Sr. Center Human Rights Commission	Jack Newby	480 S. Sunrise Way PS, CA 92262	P 760-323-5889 F E jacknewby@ps.org
Harrison House Silver House of the Desert	Nicole Dante/Angie Beltran	72-675 La Canada Way Thousand Oaks, CA 92027	P (805) 626-4799 F E ndante@harrisonhouse.org
CPS COBG CAC Human Rights Commission Shelter from The Storm	Sid Craig	PS	P F E SidRCraig@aol.com
CPS COBG CAC PS Parks & Rec Comm Veterans Org	Clifford Reed	PS	P F E ReedCliff3639@yahoo.com
CPS	Dale Cook	PS	P F E Dale.Cook@palspringsca.gov

# CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

The following mailing list was used to invite participants to the Fair Housing Workshop held on August 22, 2013.

AIDS Assistance Program  
Post Office Box 4182  
Palm Springs, CA 92263

One Voice of Peace  
522 S. Sunrise Way, Ste 32  
Palm Springs, CA 92264

Palm Springs USO Center  
210 N El Cieco RD, STE 102  
Palm Springs, CA 92262-6936

Family YMCA of he Desert  
43-930 San Pablo Avenue  
Palm Desert, CA 92262

Fair Housing Council of Riverside  
County  
3933 Mission Inn Ave  
Riverside, CA 92501

P.S.U.S.D./Adult School  
980 E. Tahquitz-Canyon Way  
Palm Springs, CA 92262

Desert Healthcare Foundation  
1140 N. Indian Canyon Drive  
Palm Springs, CA 92262

VillageFest  
Post Office Box 2743  
Palm Springs, CA 92263-2743

Mizell Senior Center  
480 Sunrise Way, South  
Palm Springs, CA 92262

The Well of the Desert  
Post Office Box 5311  
Palm Springs, CA 92263-5312

Alano Club of the Desert  
Post Office Box 1691  
Palm Springs, CA 92263

Desert Samaritans  
For The Elderly  
Post Office Box 10967  
Palm Desert, CA 92255-0967

Demuth Community Center  
3601 E. Mesquite Avenue  
Palm Springs, CA 92264-3535

The Ranch Recovery  
7885 Annandale Avenue  
Desert Hot Springs, CA 92240

Boys & Girls Club of Palm Springs  
450 S. Sunrise Way  
Palm Springs, CA 92262

College of the Desert Foundation  
43-500 Monterey Avenue  
Palm Desert, CA 92260

DesertArc  
73-255 Country Club Drive  
Palm Desert, CA 92260-2309

Stroke Recovery Center  
2800 E. Alejo Road  
Palm Springs, CA 92262-6253

Martha's Village & Kitchen  
83-791 Date Avenue  
Indio, CA 92201-4737

Housing Authority of Riverside  
5555 Arlington Avenue  
Riverside, CA 92504

Animal Samaritans, S.P.C.A., Inc.  
72-307 Ramon Road  
Thousand Palms, CA 92274

We Tip, Inc.  
Post Office Box 1296  
Rancho Cucamonga, CA 91729-1296

DHS Community Task Force  
Sober Age Center  
12991 Acacia Avenue  
Desert Hot Springs, CA 92240

Palm Springs Public Library  
300 Sunrise Way  
Palm Springs, CA 92262-7699

**CITY OF PALM SPRINGS** Analysis of Impediments to Fair Housing Choice

Temple Isaiah  
332 W. Alejo Road  
Palm Springs, CA 92262

Shelter From The Storm, Inc.  
73555 Alessandro Drive  
Palm Desert, CA 92260-3635

Jewish Family Service of SD  
Desert SOS  
400 S Farrell Dr, Ste B205  
Palm Springs, CA 92262

Catholic Charities, S.B./Riverside  
83180 Requa Ave #9  
Indio, CA 92201-4659

Alice-in-Wonderland  
Volunteer Service, Inc.  
555 El Placer Road #3  
Palm Springs, CA 92264

ABC Recovery Center, Inc.  
44-374 Palm Street  
Indio, CA 92201

Jewish Family Services  
801 E Tahquitz-Canyon Wy, Ste 202  
Palm Springs, CA 92264

United Cerebral Palsy  
35-325 Date Palm Drive  
Cathedral City, CA 92234

Barbara Sinatra  
Children's Center  
39000 Bob Hope Drive  
Rancho Mirage, CA 92270-3235

Big Brothers, Big Sisters  
42600 Cook Street #200B  
Palm Desert, CA 92260

Coachella Valley Housing Coalition  
45701 Monroe Street, Suite G  
Indio, CA 92201

Desert AIDS Project  
Attn: Housing Coordinator  
1695 N. Sunrise Way  
Palm Springs, CA 92262

Episcopal Community Services  
555 S. Sunrise Way, Suite 213  
Palm Springs, CA 92264

LINC Housing  
110 Pine Avenue, Suite 525  
Long Beach, CA 90802-4422

Desert Women for Equality  
555 S. Sunrise Way, Ste 211  
Palm Springs, CA 92264

Bel Desierto Neighborhood  
695 E. Chia Road  
Palm Springs, CA 92262

CASA for Riverside County, Inc.  
Post Office Box 3008  
Indio, CA 92202-3008

Volunteer Center  
of Riverside County  
Post Office Box 5376  
Riverside, CA 92517-5376

Riverside County  
Dept. of Community Action  
2038 Iowa Avenue Suite B102  
Riverside, CA 92507

The Light Foundation  
1243 Gene Autry Tr., Ste 115  
Palm Springs, CA 92262

Tiempo de Los Ninos  
355 W. Mountain View  
Palm Springs, CA 92262

Television Production Class  
1480 N. Indian Canyon  
Palm Springs, CA 92262

Sunline Transit Agency  
32-505 Harry Oliver Trail  
Thousand Palms, CA 92276

Latino Community  
on Alcohol & Drug Abuse  
83-844 Hopi Avenue  
Indio, CA 92201

Girl Scouts of San Gorgonio Council  
1751 Plum Lane  
Redlands, CA 92374-4533

Camp of Champions  
64477 Spyglass Avenue  
Desert Hot Springs, CA 92240

Gilda's Club Desert Cities  
67-625 E. Palm Canyon Drive, #7A  
Cathedral City, CA 92234

# CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

Habitat For Humanity Of CV  
34500 Gateway Dr, Ste 100  
Palm Desert, CA 92255

AmeriCorps VISTA  
Rebuilding Together Riverside  
4092 10<sup>th</sup> Street  
Riverside, CA 92501-3560

John F. Kennedy Memorial  
Foundation  
73-555 San Geronio Way  
Palm Desert, CA 92260

Mosquito & Vector Control Dist.  
43-420 Trader Place  
Indio, CA 92201

Community Crisis & Help Line  
611 S. Palm Canyon Drive  
Palm Springs, CA 92263

Coachella Valley Symphony  
P.O. Box 10727  
Palm Desert, CA 92255-0727

Working Wonders  
35325 Date Palm Dr, #145  
Cathedral City, CA 92234

Desert Best Friend's Closet  
75048 Gerald Ford Dr, Ste 102  
Palm Desert, CA 92211

Pro-Active Land Development  
755 Camino Street  
Palm Springs, CA 92262-4156

Smooth Transition, Inc.  
19310 Jesse LN STE 100  
Riverside, CA 92508

Pegasus Riding Academy  
35-450b Pegasus Court  
Palm Desert, CA 92211

Operation Push Out  
3975 Eldorado Blvd.  
Palm Springs, CA 92262

Desert Healthcare  
Smile Factory  
1140 N. Indian Canyon Drive  
Palm Springs, CA 92262

Palm Springs AYSO Reg. 80  
710 S. Williams Road  
Palm Springs, CA 92264

Palm Springs Historical Society  
221 South Palm Canyon Avenue  
Palm Springs, CA 92262

The Center  
611 S. Palm Canyon Drive  
Suite 201  
Palm Springs, CA 92264

RMA Services  
1505 N. Wishon Avenue  
Fresno, CA 93728

Operation SafeHouse  
72710 East Lynn Street  
Thousand Palms, CA 92276

Grid Alternatives  
1257 Columbia Ave. Suite D5  
Riverside, CA 92507

Cielo Vista Elementary School  
650 S. Paseo Dorotea  
Palm Springs, CA 92264

Arthritis Foundation  
P.O. Box 1395  
Rancho Mirage, CA 92270-1050

Community Investment Corporation  
P.O. Box 1454  
Riverside, CA 92502-1454

Palm Springs Air Museum  
745 N. Gene Autry Trail  
Palm Springs, CA 92262

Tai Chi Education & Research  
Institute  
3001 North Chuperosa Road  
Palm Springs, CA 92262

Friends of the Desert Mountains  
P.O. Box 1281  
Palm Desert, CA 92261

The Eight Foundation  
1243 Gene Autry Trail. Ste 115  
Palm Springs, CA 92262

Inland Empire Women's Business  
Cntr  
202 E. Airport Drive, Suite 155  
San Bernardino, CA 92408

# CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

Weil Institute  
of Critical Care Medicine  
35-100 Bob Hope Drive  
Rancho Mirage, CA 92270

Sahara Park Residents Assoc  
78 Nile Street  
Palm Springs, CA 92264

Warm Sands Neighborhood Org.  
1959 Ledo Circle  
Palm Springs, CA 92262

Desert Highland Gateway Estates  
Community Action Assoc  
329 Bon Air Dr  
Palm Springs, CA 92262-1411

TRIP  
6296 Rivercrest Drive, Suite K  
Riverside, CA 92507

Neighborhood Housing Svc.  
1390 North D Street  
San Bernardino, CA 92405

Making of Music  
41461 Trinity Circle  
Indio, CA 92203

American Red Cross  
P.O. Box 55040  
Riverside, CA 92517

American Red Cross  
41-951 Corporate Way, Suite B  
Palm Desert, CA 92260

Riverside County EDA  
1325 Spruce St., Ste. 400  
Riverside, CA 92507

Inland Empire Fair Housing  
10681 Foothill Blvd, Ste 101  
Rancho Cucamonga, CA 91730

Las Palmas Foundation/CARE  
3200 Baristo Road  
Palm Springs, CA 92262

Desert Blind &  
Handicapped Assn. Inc.  
36399 Cathedral Canyon Dr #7  
Cathedral city, CA 92234

FIND Food Bank, Inc.  
83775 Citrus Ave  
Indio, CA 92201

Coachella Valley Rescue Mission  
47-518 Van Buren, PO Box 10660  
Indio, CA 92202-2564

PS Sunup Rotary Foundation  
1999 S. Caliente Road  
Palm Springs, CA 92264-0310

ACT for MS  
73-710 Fred Waring Drive, #118  
Palm Desert, CA 92260

Smiles for Seniors Foundation  
P.O. Box 1113  
Yucaipa, CA 92399

Racquet Club West Neighborhood  
540 West Yorba Road  
Palm Springs, CA 92262-1968

Rebirth Temple of Faith  
1243 N. Gene Autry Tr., Ste 115  
Palm Springs, CA 92262

Raymond Cree Middle School  
1011 Vista Chino  
Palm Springs, CA 92262

Father Joe's Villages  
Attn: Mathew Packard  
3350 E Street  
San Diego, CA 92102

Coachella Valley Chapter  
Attention: Branch Manager  
41-905 Boardwalk #X-3  
Palm Desert, CA 92211-9092

Apartment Association Greater  
Inland Empire  
Attention: Fair Housing Coordinator  
10630 Town Center Drive, Suite 116  
Rancho Cucamonga, CA 91730

CA Desert Assoc. of Realtors  
Attn: Branch Manager  
44475 Monterey Avenue  
Palm Desert, CA 92260

SoCal Development Corp.  
Attention: Branch Manager  
9065 Haven Avenue, Suite#100  
Rancho Cucamonga, CA 91730

PS Regional Association of Realtors  
Attn: Sam Schenk, Exec Dir  
4045 E. Ramon Rd.  
Palm Springs, CA 92264



**CITY OF PALM SPRINGS** Analysis of Impediments to Fair Housing Choice

Palm Springs Chamber of Commerce  
190 West Amado Road  
Palm Springs CA 92262

Chabad of Palm Springs  
425 Avenida Ortega  
Palm Springs, CA 92262

1<sup>st</sup> Southern Baptist Church  
111 E Vista Chino  
Palm Springs, CA 92262

Greater New Bethel Church of-God in  
Christ  
303 W Tramview Rd  
Palm Springs, CA 92262

La Luz del Mundo – Light of World  
Church  
3989 N Indian Canyon Dr  
Palm Springs, CA 92262

Bloom in the Desert Ministries  
400 S El Cielo Rd, Ste. G  
Palm Springs, CA 92262

Desert Chapel  
630 S. Sunrise Way  
Palm Springs, CA 92262

Ajalon Baptist Church  
433 Tramview Road  
Palm Springs, CA 92262

The Desert Synagogue  
1068 N. Palm Canyon Drive  
Palm Springs, CA 92262

First Baptist Church  
588 Las Vegas Road  
Palm Springs, CA 92262

Church of Religious Science  
2100 E. Racquet Club Road  
Palm Springs, CA 92262

First Church of Christ Science  
605 South Riverside Drive  
Palm Springs, CA 92262

Louis & Florance Kitsis Jewish Community  
Center  
332 W. Alejo Road  
Palm Springs, CA 92262

Lily of the Valley Worship Center  
P.O. Box 2363  
Palm Springs, CA 92263-2363

Our Lady of Guadalupe Catholic  
Church  
204 S. Calle El Segundo  
Palm Springs, CA 92262

Our Lady of Solitude Catholic Church  
151 W. Alejo Road  
Palm Springs, CA 92262

Our Savior’s Community Lutheran  
Church  
1020 E. Ramon Road  
Palm Springs, CA 92264

Palm Springs Baptist Church  
1696 E. El Cielo Road,  
Palm Springs, CA 92262

Seventh Day Adventist Church  
620 S. Sunrise Way  
Palm Springs, CA 92264

Jehovah’s Witness  
2100 E. Vista Chino  
Palm Springs, CA 92262

St. Theresa Catholic Church  
2800 E. Ramon Road  
Palm Springs, CA 92264

Greater Palm Springs Realty  
1276 N Palm Canyon Dr, Ste 208  
Palm Springs, California 92262

Unity Church in the Desert  
815 S. Camino Real  
Palm Springs, CA 92262

United Methodist Church  
1555 E. Alejo Road  
Palm Springs, CA 92262

Desert Management  
400 S Farrell Dr # B201  
Palm Springs, CA 92262

Valley Wide Funding  
Ed Lotstein - Senior Loan Officer  
44800 Village Court,  
Palm Desert, CA 92260

Ingrid Baddour & Assoc  
Attention: Ingrid Baddour  
1401 N Palm Canyon Dr # 200  
Palm Springs, CA 92262

# CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

Cosmopolitan Realty  
550 Camino Sur  
Palm Springs, CA 92262

Brooks & Nix Realty  
Attention: Susie Brooks  
271 N Monterey Rd  
Palm Springs, CA 92262

Paramount Properties  
Attention: Donald Cannata  
777 E Tahquitz Canyon Way  
Palm Springs, CA 92262

Prudential Real Estate  
Attention: Michael Deveau  
2905 E Tahquitz Canyon Way  
Palm Springs, CA 92262

Advantage Realty Association  
Attention: Louis Da Silva  
1729 E Palm Canyon Dr  
Palm Springs, CA 92264

Desert Real Estate Service  
277 E Alejo Rd  
Palm Springs, CA 92262

Fred Sands Desert Realty  
Attention: Rudy Dangcil  
1555 S Palm Canyon Dr.  
Palm Springs, CA 92262

De Carlo Land Consultants  
Attention: Frank De Carlo  
4264 E Calle San Raphael  
Palm Springs, CA 92264

Resort Realty  
Attention: Marcia Dowler  
190 E Palm Canyon Dr # A  
Palm Springs, CA 92264

Tarbell Realtors  
Attention: Dale Erickson  
211 E Palm Canyon Dr  
Palm Springs, CA 92264

P S Realty Mountain Shadows  
Attention: Renee Foster  
2000 Golf Club Dr  
Palm Springs, CA 92264

Futerer Investments  
Attention: Joanne Futerer  
590 W Chino Canyon Rd  
Palm Springs, CA 92262

Smoke Tree Realty  
Attention: Scott Gerrie  
440 S El Cielo Rd # 10  
Palm Springs, CA 92262

Re/Max Of The Desert  
Attention: John Graham  
501 S Palm Canyon Dr  
Palm Springs, CA 92264

Realty Executives  
Attention: Richard Grommon  
440 S El Cielo Rd # 10  
Palm Springs, CA 92262

Prudential California Realty  
Attention: Hank Hampton  
2905 E Tahquitz Canyon Way  
Palm Springs, CA 92262

West World Properties  
Attention: Katrina Heinrich  
1345 N Palm Canyon Dr  
Palm Springs, CA 92262

Maryellen Hill & Assoc  
Attention: Maryellen Hill  
1111 E Tahquitz Cyn Way # 120  
Palm Springs, CA 92262

Huckfeldt Realty  
2207 E Sonora Rd  
Palm Springs, CA 92264

John Stiles & Associates  
3001 E Tahquitz Canyon Way  
Palm Springs, CA 92262

Fey's Canyon Realtors  
Attention: Robert Fey  
1001 S Palm Canyon Dr  
Palm Springs, CA 92262

Mesquite Realty  
555 S Sunrise Way # 303  
Palm Springs, CA 92264

Smoketree Properties  
Attention: Donna Kassler  
1729 E Palm Canyon Dr # 109  
Palm Springs, CA 92264

Locations Realty  
Attention: Edward Leao  
1012 Saint Bimini Circle  
Palm Springs, CA 92264

Realty Executives  
Attention: Jeff Litton  
285 N Palm Canyon Dr # 545  
Palm Springs, CA 92262

Classic Homes  
Attention: Charles Long  
2045 E Tahquitz Canyon Way  
Palm Springs, CA 92262

Lyle Realtors  
Attention: Scott Lyle  
1111 E Tahquitz Canyon # 109  
Palm Springs, CA 92262

**CITY OF PALM SPRINGS** Analysis of Impediments to Fair Housing Choice

Palm Springs Town & Country Realty  
2578 S Sierra Madre  
Palm Springs, CA 92264

Properties Unlimited  
Attention: Liz Pallviny  
355 Ridge Rd  
Palm Springs, CA 92264

Patmore Associates  
Attention: Geraldine Patmore  
1466 Plato Circle  
Palm Springs, CA 92264

Marilyn Perlin Realtors  
Attention: Louis Perlin  
453 E Tahquitz Canyon Way  
Palm Springs, CA 92262

Real Estate Firm  
Attention: Kathy Reed  
495 E Twin Palms Dr  
Palm Springs, CA 92264

Rental Connection  
190 E Palm Canyon Dr  
Palm Springs, CA 92264

Century 21 P S Realty Inc  
1001 N Palm Canyon Dr  
Palm Springs, CA 92262  
Attention: Cens Rasmussen

Jim Sharpe Real Estate  
Attention: Jim Sharpe  
1558 N Palm Canyon Dr  
Palm Springs, CA 92262

Canyon Sands Homeowners Assn  
Attention: Alma Spedrich  
2269 Miramonte Circle  
Palm Springs, CA 92264

Chopsy Samuelson Realty  
Attention: Samuelson Chopsy  
1729 E Palm Canyon Dr # 100  
Palm Springs, CA 92264

Rabobank America, N.A.  
Attention: Branch Manager  
1111 E. Tahquitz Canyon Way C  
Palm Springs, CA 92262

Pacific Premier Bank  
Attention: Branch Manager  
1711 E. Palm Canyon Drive  
Palm Springs, CA 92264

Sundance Properties  
Attn: Branch Manager  
555 S. Sunrise Way, Ste. 200  
Palm Springs, CA 92264

Prudential California Realty  
Attn: Branch Manager  
72895 Fred Waring Dr  
Palm Desert, CA 92260

Chase Bank  
Attention: Branch Manager  
499 S PALM CANYON DR  
PALM SPRINGS, CA 92262

Bank of America  
Attention: Branch Manager  
750A N. Palm Canyon Drive  
Palm Springs, CA 92262

Chase Bank  
Attention: Branch Manager  
72-605 US Highway 111  
Palm Desert, CA 92260

Bank of America  
Attention: Branch Manager  
1751 N Sunrise Way  
Palm Springs, CA 92262

Bank of America  
Attention: Branch Manager  
588 S Palm Canyon Dr  
Palm Springs, CA 92264

Bank of America  
Attention: Branch Manager  
1801 E Palm Canyon Dr  
Palm Springs, CA 92264

Bank of America  
Attention: Branch Manager  
5601 E. Ramon Road  
Palm Springs, CA 92264

U.S. Bank  
Attention: Branch Manager  
1793 E Palm Canyon Dr  
Palm Springs, CA 92264

U.S. Bank  
Attention: Branch Manager  
72-260 Highway 111  
Palm Desert, CA 92260

Wells Fargo  
Attention: Branch Manager  
1717 E. Vista Chino  
Palm Springs, CA 92262

Wells Fargo  
Attention: Branch Manager  
543 S Palm Canyon Drive  
Palm Springs, CA 92264

Wells Fargo  
Attention: Branch Manager  
1733 E. Palm Canyon Drive  
Palm Springs, CA 92264

Wells Fargo  
Attention: Branch Manager  
4733 E Palm Canyon Drive  
Palm Springs, CA 92264

# CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

Wells Fargo  
Attention: Branch Manager  
1753 N. Sunrise Way  
Palm Springs, CA 92262

Wells Fargo  
Attention: Branch Manager  
2465 E. Palm Canyon Drive  
Palm Springs, CA 92264

Wells Fargo  
Attention: Branch Manager  
5200 E. Ramon Road  
Palm Springs, CA 92264

Union Bank  
Attention: Branch Manager  
500 S. Indian Canyon Drive  
Palm Springs, CA 92264

BBVA Compas  
Attention: Branch Manager  
420 S. Palm Canyon Drive  
Palm Springs, CA 92262

Pacific Western Bank  
Attention: Branch Manager  
Pacific Western Bank  
601 E. Tahquitz Canyon Way, #1  
Palm Springs, CA 92264

Citibank  
Attention: Branch Manager  
1675 E. Palm Canyon Drive  
Palm Springs, CA 92264

Guaranty Bank  
Attention: Branch Manager  
420 S. Palm Canyon Drive  
Palm Springs, CA 92262

Fair Housing Council of Riverside  
County  
655 N. Palm Canyon, Ste. A  
Palm Springs, CA 92264

Agua Caliente Band of Cahuilla Indians  
Attention: Laura Fregozo  
5401 Dinah Shore Drive  
Palm Springs, CA 92264

American Legion-Owen Coffman Pst.  
#519  
Attention: Albert Martinez  
400 N. Belardo Rd  
Palm Springs, CA 92262-5654

Desert Business Association  
Attention: Kerry Hendrix  
611 S. Palm Canyon Dr, #7556  
Palm Springs, CA 92264

Palm Springs Lion Club  
Attention: Cathy Brant  
PO Box 654  
Palm Springs, CA 92263

Palm Springs Unified School District  
Attention: Christine Anderson,  
Superintendent  
980 E. Tahquitz Canyon Way #101  
Palm Springs, CA 92262-6786

Palm Springs Woman's Club  
Attention: Tammy Franklin, President  
314 S. Cahuilla Road  
Palm Springs, CA 92262

Rotary Club of Palm Springs  
Attention: Anita Grey, President  
PO Box 171  
Palm Springs, CA 92263-0171

Lennar Homes  
Attention: Tara Conklin, V.P.Sales&Mktg  
980 Montecito Drive, Suite 302  
Corona, CA 92879

Martin Enterprises Construction Inc.  
(MEC)  
Attention: Shaun Martin  
1402 Sunflower Circle North  
Palm Springs, CA 92262

Nexus Res. Communities, Inc.  
Attention: Garth Erdossy  
1 MacArthur Place Ste 300  
Santa Ana, CA 92707

Wessman Development Company  
Attention: John Wessman  
555 S. Sunrise Way Ste. 200  
Palm Springs, CA 92264

American Lenders  
Attention: Sheila Joseph  
401 S. El Cielo Road, # 120  
Palm Springs, CA 92262

Bank of Southern California  
Attention: Christy Majors, Loan Officer  
333 N. Palm Canyon Drive, #102  
Palm Springs, CA 92262

Contempo Lending  
Attention: John A. Evans  
475 E. Tahquitz Canyon Way  
Palm Springs, CA 92262

The Banking Res. Center & CV Realty  
Attention: James Nelson  
42335 Washington St., Suite F-130  
Palm Desert, CA 92211

Palm Spring View Estates  
Attention: Naomi Stadt, Manager  
6300 Bolero Dr  
Palm Springs, CA 92264-6343

Santiago Sun Canyon Estates  
Attention: Tandra Grace  
22840 Sterling Ave Office  
Palm Springs, CA 92262

Palm Springs Homes & Leasing  
Attention: Donna Larson  
3501 E. Ramon Road  
Palm Springs, CA 92264

## CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

Coldwell Banker Residential Brokerage  
Attention: Tom Ogle  
1081 N. Palm Canyon Drive  
Palm Springs, CA 92262

Dave Kandel Realty  
2825 E. Tahquitz Cyn Way Ste 102  
Palm Springs, CA 92262-6975

HOM Sotheby's International Realty  
Attention: Brady Sandahl  
111 S. Palm Canyon Drive  
Palm Springs, CA 92262

HOM Sotheby's International Realty  
Attention: Patrick J. Lynn  
111 S. Palm Canyon Drive  
Palm Springs, CA 92262

HOM Sotheby's International Realty  
Attention: Sharon Teunis  
111 S. Palm Canyon Drive  
Palm Springs, CA 92262

Keller Williams Realty  
Attention: Alvin Fuchs  
70005 Mirage Cove Drive  
Rancho Mirage, CA 92270

Keller Williams Realty  
Attention: David Pye  
435 N. Palm Canyon Drive  
Palm Springs, CA 92262

Las Palmas Realty  
Attention: Elizabeth Glass  
2625 Cardillo Ave.  
Palm Springs, CA 92262

Lawyers Title  
Attention: Whitney Adkins, Branch  
Manager  
1555 S. Palm Canyon Drive, D101  
Palm Springs, CA 92264

Luxury Homes by Keller Williams Realty  
Attention: Michael C. Hilgenberg  
435 N. Palm Canyon Drive  
Palm Springs, CA 92262

McLean Company Rentals  
Attention: Michael McLean, Owner  
477 S. Palm Canyon Dr Ste 1  
Palm Springs, CA 92262-7316

PIA Realty Group  
Attention: Lisa Molinar  
27 La Plaza  
Palm Springs, CA 92262

Scott Lyle Realtors  
Attention: Scott Lyle, Owner  
483 North Palm Canyon Drive  
Palm Springs, CA 92262-0113

The Realty Trust  
Attention: Scott Timberlake  
120 W. Arenas Road  
Palm Springs, CA 92262

Windermere Real Estate Coachella  
Valley  
Attention: David Cantwell  
850 N. Palm Canyon Drive  
Palm Springs, CA 92262

Interfaith Spiritual Center Worldwide  
Attention: Dr. Sharron Stroud  
PO Box 2102  
Palm Springs, CA 92263

Palm Springs Presybyterian Church  
Attention: Christine Dickerson, Pastor  
815 S. Camino Real  
Palm Springs, CA 92264

St. Paul in the Desert  
Attention: Rev. Andrew Green  
125 W. El Alameda  
Palm Springs, CA 92262

Always Best Care Senior Services  
Attention: Bonnie Zwack, Owner  
42240 Green Way, Suite A  
Palm Desert, CA 92211

Coachella Valley Economic Partnership  
Attention: Lesa Bodnar  
3111 E. Tahquitz Canyon Way  
Palm Springs, CA 92262

Goodwill Southern California  
Attention: Angela Gardner, Regional  
Director of WCD  
68-100 E. Ramon Road Suite A-9  
Cathedral City, CA 92234

Guide Dogs of the Desert  
Attention: Kim Laidlaw, Deputy Executive  
Officer  
PO Box 1692  
Palm Springs, CA 92263-1692

Inland Regional Center  
Attention: Carol Fitzgibbons, Director  
1365 S. Waterman Avenue  
San Bernardino, CA 92408

Lifecare Solutions  
Attention: Candido Berrato  
72216 Northshore St. #104  
Thousand Palms, CA 92276

National Multiple Sclerosis Society  
Attention: Suellen Evavold  
73-710 Fred Waring Drive, Suite 103  
Palm Desert, CA 92260

Riverside County Workforce Dvlp Ctr.  
Attention: Wendy Frederick  
44-199 Monroe St., Suite B  
Indio, CA 92201

The SoCal Coyotes  
Attention: Laurie B. Miller  
4375 Calle de Ricardo, Suite A  
Palm Springs, CA 92264

# CITY OF PALM SPRINGS Analysis of Impediments to Fair Housing Choice

Eldorado Palms Estates  
6000 E. Palm Canyon Drive  
Palm Springs, CA 92264

Palm Canyon Mobile Club  
1880 S. Palm Canyon  
Palm Springs, CA92264

Horizon Village Mobile Homes  
3575 E. Palm Canyon Drive  
Palm Springs, CA 92264

Safari Mobile Home Park  
249 Newport Drive  
Palm Springs, CA 92264

Ramon Mobile Home Park  
1441 E. Ramon Road  
Palm Springs, CA 92264

Parkview Mobile Estates  
393 W. Mesquite Avenue  
Palm Springs, CA 92264

Sahara Mobile Home Park  
1955 Camino Real  
Palm Springs, CA92264

Golden Sands  
1900 San Rafael  
Palm Springs, CA 92264

Sunrise Village Mobile Homes  
1500 San Rafael Road  
Palm Springs, CA 92264

BRAND, DORE  
10834 Portofino Place  
LOS ANGELES, CA 90077

Palm Canyon Resorts, LLC  
6253 Hollywood Blvd., Ste 204  
LOS ANGELES, CA 90028

PALM SPRINGS INVEST  
1667 E. LINCOLN AVE  
ORANGE, CA 92865

PUENTE, GRAVEL M.  
504 S. CHAPEL AVE  
ALHAMBRA, CA 91801

David Shipley  
Post Office Box 1455  
PALM SPRINGS, CA 92263

Millennium Housing  
1910 So. Archibald  
Ontario, CA 91761

SAFARI PARK, INC.  
2601 Cherokee Way  
PALM SPRINGS, CA 92264

John Williams Apartments  
P.O.Box 1751  
PALM SPRINGS, CA0

BRAND, DORE  
10834 Portofino Place  
LOS ANGELES, CA 90077

Ronald J. Mayle  
10 Novato Terrace  
RANCHO MIRAGE, CA 92270

Wessman Holdings LLC  
555 S Sunrise Way, Ste 200  
PALM SPRINGS, CA 92264

Palm Canyon Resorts, LLC  
6253 Hollywood Blvd., Ste 204  
LOS ANGELES, CA 90028

Randall Guy  
P.O. BOX 13409  
Burton, WA 98013

KORNLAND BUILDING  
22231 MULHOLLAND HWY102  
CALABASAS, CA 91302

ROY GUBATAN  
5150 Overland Avenue  
CULVER CITY, CA 90230

Palm Springs Auto Wash  
300 N. Indian Canyon Drive  
PALM SPRINGS, CA 92262

Chesapeake Real Estate Value Invest II  
10880 Wilshire Blvd, Ste 1750  
LOS ANGELES, CA 90024

Live By the Parks, Inc.  
61736 Onaga Trail  
Joshua Tree, CA 92252

**CITY OF PALM SPRINGS** Analysis of Impediments to Fair Housing Choice

RP Management  
2786 E. Tahquita-Canyon  
PALM SPRINGS, CA 92262

Tahquitz Associates  
26 N. State Street  
Salt Lake City, UT 84103

HELEN M. VAUGHT  
525 THORNHILL RD #4  
PALM SPRINGS, CA 92262

GLEN YAMAMOTO  
21613 Talisman Street  
Torrance, CA 90503