

Apple Valley/Victorville Consortium



Analysis of Impediments to Fair Housing Choice (AI)

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B-Adair Consulting and Administrative Services and
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Draft

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Table of Contents

I. Introduction	1
A. Purpose of the Analysis of Impediments to Fair Housing Choice (AI)	1
B. Fair Housing Laws.....	1
1. Federal Law	1
2. California State Law	2
3. Exemptions/Exceptions.....	2
4. Definition of Impediment	2
C. Data Preparation and Funding	3
D. Methodology.....	3
1. Participants and Consultation	3
2. Data Sources	3
3. Community Survey	4
4. Community Workshops	6
5. Public Review.....	7
II. Jurisdictional Background.....	8
A. Demographic Data.....	8
1. Population	8
2. Age Characteristics	8
3. Income	8
a. Households by Income and Race/Ethnicity.....	9
b. Concentrations of Low to Moderate Income	10
4. Racial and Ethnic Composition	12
5. Foreign Born and Linguistic Isolation	12
6. Ethnic Concentrations	13
7. Segregation.....	18
8. Major Employers	18
9. Household Characteristics	19
a. Household Size	19
b. Overcrowding	20
10. Special Needs Populations	21
a. Large Households	21
b. Single Parents and Female-Headed Households	22
c. Elderly and Frail Elderly	22
d. Persons with Disabilities	23
e. People with HIV Infection and AIDS.....	25
f. Persons At-Risk of Homelessness	26
B. Housing Market Conditions	27
1. Housing Growth	27
2. Housing Type and Tenure	27
3. Age and Condition of Housing Stock	28
4. Housing Costs.....	29
5. Projection of Future Housing Needs	30
6. Public and Assisted Housing Needs	30
III. Analysis of Current Fair Housing Programs/Activities	34
A. Previous Analysis of Impediments (AI) for the County of San Bernardino	34

B. Fair Housing Services	36
C. Fair Housing Statistics	37
D. Landlord/Tenant Statistics.....	40
E. Outreach.....	42
F. Fair Housing Initiatives Program (FHIP) Grants	43
G. Enforcement of Fair Housing Laws	43
H. Hate Crimes	44
I. NIMBYism	45
IV. Public Sector Policies	46
A. Land Use Controls and Zoning.....	46
B. Development Code Definitions.....	49
C. Building Codes and Accessibility.....	49
D. Care Facilities.....	50
E. Second Units	51
F. Parking	52
G. Development Impact Fees	54
H. Permit Processing and Fees	54
I. Planning and Zoning Boards	55
J. Transportation.....	55
K. Housing Programs.....	59
V. Private Sector Practices	61
A. Housing Constraints	61
1. Construction Costs	61
2. Land Costs	61
3. Lack of Adequate Infrastructure	61
B. Lending	61
1. Home Mortgage Disclosure Act (HMDA)	62
2. Top Lenders in the City.....	62
3. Community Reinvestment Act.....	63
4. Conventional Financing.....	63
5. Government- Insured Financing.....	66
6. Refinancing	67
7. Foreclosure	68
8. Predatory Lending.....	69
9. Manufactured and Mobile Home Financing	69
10. Home Improvement Loans.....	70
11. Interest Rates and Credit Scores	71
12. Appraisals	71
C. Real Estate	71
1. National Association of Realtors (NAR)	71
2. California Association of Realtors (CAR)	72
3. Code of Ethics	72
4. Realtor Associations	72
5. Multiple Listing Service (MLS) Participation.....	72
6. Apartment Association	73
7. Advertising	73
8. Insurance	73
9. Blockbusting.....	74

10. Steering and Redlining.....	74
11. Covenants, Conditions and Restrictions (CC&Rs).....	75
12. Homeowner Associations.....	75
13. Planned Unit Developments.....	75

VI. Findings and Recommendations..... 77

A. Impediments/Findings & Proposed Actions to Address Impediments	77
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VII. Signature Page 83

Figures (Maps)

1 Low to Moderate Income Areas	11
2 Ethnic Group Concentration (White)	14
3 Ethnic Group Concentration (Black).....	15
4 Ethnic Group Concentration (Hispanic).....	16
5 Ethnic Group Concentration (Asian)	17
6 Transportation Access to Major Employers	57
7 Transportation Access to Community Care Facilities	58

Tables

Page

1 Households by Income Level	9
2 Median Income by Race/Ethnicity.....	10
3 Racial and Ethnic Composition	12
4 Major Employers	19
5 Overcrowding by Race/Ethnicity	20
6 Disabilities Tallied	24
7 Housing Stock Type	27
8 Median Cost of Resale Housing	29
9 Section 8 Vouchers.....	32
10 Assisted Housing Units-Victorville.....	33
11 Apple Valley Fair Housing Complaints: 2003-2005.....	38
12 Victorville Fair Housing Complaints: 2003-2005	40
13 Apple Valley Landlord/Tenant Complaints:2003-2005.....	41
14 Victorville Landlord/Tenant Complaints:2003-2005	42
15 Development Code Standards-Apple Valley	47
16 Development Code Standards-Victorville	48
17 Licensed Community Care Facilities.....	50
18 Conventional Home Purchase Applications by Race of Applicant.....	64
19 Conventional Home Purchase Applications by Income of Applicant.....	65
20 Conventional Home Purchase Applications by Race and Income of Applicant	66
21 Government- Insured Home Purchase Applications	67
22 Conventional Refinancing Applications.....	68
23 Conventional Home Improvement Applications	70

Appendices

Appendix A: Survey, Workshop, and Proof of Consultation

Appendix B: HMDA Data

Appendix C: Public Notice

I. Introduction

As a recipient of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds, the Apple Valley/Victorville Consortium has certified in its Consolidated Plan for FY 2007-2012, per the requirements of 24CFR 570.601(a), that it will:

- Actively further fair housing;
- Conduct an Analysis of Impediments to Fair Housing Choice (AI); and
- Take appropriate actions to overcome the effects of any impediments identified.

The following Analysis of Impediments to Fair Housing Choice (AI) study represents the Consortium's efforts to meet these requirements.

A. Purpose of the Analysis of Impediments to Fair Housing Choice (AI)

As, required by the U.S. Department of Housing and Urban Development (HUD), the AI provides a review of policies, procedures, and practices within the community (in the public and private sectors) that affect the location, availability and accessibility of housing and current residential patterns and conditions related to fair housing choice¹. For purposes of this report, "fair housing choice" is the ability of persons of similar income to have available to them the same housing choices regardless of race, color, age, religion, sex, disability, familial status, marital status, source of income, sexual orientation, national origin, ancestry, or any other arbitrary factors². This definition reflects both federal and State of California fair housing laws described below.

B. Fair Housing Laws³

Fair housing laws seek to protect against discrimination in the housing market, both in property rentals and sales. Discrimination is defined as "action or policies based on prejudice or partiality", and to discriminate is to "make a distinction in favor or against a person on the basis of the group or class to which the person belongs, rather than according to merit"⁴. As described below, federal and state laws combined, cover a variety of fair housing issues and protected classes.

1. Federal Law

Federal fair housing laws prohibit discrimination based on: race, color, religion, national origin, sex/gender, handicap/disability, and familial status. Specific federal legislation and court rulings include:

- **The Civil Rights Act of 1866**- covers only race and was the first legislation of its kind
- **The Federal Fair Housing Act 1968**- covers refusal to rent, sell, or finance
- **The Fair Housing Amendment Act of 1988**- added the protected classes of handicap and familial status

¹ US Department of Housing and Urban Development, Fair Housing Planning Guide, March 1996.

² US Department of Housing and Urban Development, Fair Housing Planning Guide, March 1996.

³ Anthony Schools, California Real Estate Law 2000 and Agency, Ethics, Fair Housing and Trust Fund Handling, 2002.

⁴ Random House Webster's College Dictionary, 1997

- **The Americans with Disabilities Act (ADA)**- covers public accommodations in both businesses and in multi-family housing developments
- ***Shelly v. Kramer 1948***- made it unconstitutional to use deed restrictions to exclude individuals from housing
- ***Jones v. Mayer 1968***- made restrictive covenants illegal and unenforceable

2. California State Law

California state fair housing laws protect the same classes as the federal laws with the addition of marital status, ancestry, source of income, sexual orientation, and arbitrary discrimination. Specific State legislation and regulations include:

- **Unruh Civil Rights Act**- extends to businesses and covers age and arbitrary discrimination
- **California Fair Employment and Housing Act (Rumford Act)**- covers the area of employment and housing, with the exception of single-family houses with no more than one roomer/boarder
- **California Civil Code Section 53**- takes measures against restrictive covenants
- **Department of Real Estate Commissioner's Regulations 2780-2782**- defines disciplinary actions for discrimination, prohibits panic selling and affirms the broker's duty to supervise
- **Business and Professions Code**- covers people who hold licenses, including real estate agents, brokers and loan officers.

3. Exemptions/Exceptions

Individuals who own three houses or less are exempt from Federal Fair Housing Laws as long as the sale or rental is accomplished without a real estate broker and without discriminatory advertising.⁵ This is especially important given that many homeowners attempt to sell their homes without the use of real estate agents. These sales are commonly referred to as For-Sale-By-Owners (FSBO's).

In addition, senior housing complexes that meet specific criteria are exempt from federal fair housing age restriction regulations.

4. Definition of Impediment

HUD's Fair Housing Planning Guide defines impediments to fair housing choice as follows:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin (California Law also includes marital status, ancestry, age, source of income, sexual orientation, or any other arbitrary factor) which restrict housing choices or the availability of housing choices.

⁵ Anthony Schools, Agency, Ethics, Fair Housing and Trust Fund Handling, 2002.

- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of the above mentioned protected classes.

C. Preparation and Funding

The Town of Apple Valley and City of Victorville are each responsible for the administration of Community Development Block Grant (CDBG) funds, with Apple Valley administering the Consortium's HOME funds and preparation of the Consolidated Plan and all associated reports, including the Analysis of Impediments to Fair Housing Choice (AI). The Apple Valley/Victorville Consortium's AI was prepared in collaboration with B-Adair Consulting and Administrative Services, and was funded with CDBG and HOME funds.

D. Methodology and Participants

The methodology of the Consortium's AI is based on recommendations and the suggested format provided in the Fair Housing Planning Guide Volume 1 developed by HUD's Office of Fair Housing and Equal Opportunity. Components of the methodology include: participants and consultation, a community survey, a community workshop and public review, as described below.

1. Participants and Consultation

The following agencies were consulted and participated in the preparation of this document:

- Inland Fair Housing and Mediation Board (IFHMB)- was contacted to obtain information on fair housing complaint data, services provided, and general fair housing related trends
- HUD Office of Fair Housing and Equal Opportunity (FHEO) was contacted to obtain information on fair housing complaints and cases filed within the State of California
- The State Department of Fair Employment and Housing (DFEH) was contacted to obtain information on fair housing complaints and cases filed within the State of California
- The County of San Bernardino was contacted to obtain information on housing programs
- The Town of Apple Valley's Business License Department was contacted to provide information on lenders and insurance companies within the Consortium
- The Apple Valley and Victorville Planning Departments were contacted to provide data pertaining to public policies, housing constraints data, and general planning information

2. Data Sources

Data sources used include:

- Marquis Software Solutions Centrax program was used to provide Home Mortgage Disclosure Act (HMDA) data
- The Federal Bureau of Investigation (FBI) website was accessed to obtain hate crime data

- The US Census (1990 and 2000) and Comprehensive Housing Affordability Strategy (CHAS) data was used to assess demographic, income, and housing trends
- The California Association of Realtors (CAR) website was accessed to obtain information on current market trends
- The Housing Elements and Development Codes of both jurisdictions were reviewed to provide insight on zoning and land use policies
- The Apple Valley/Victorville Consortium FY 2007-2012 Consolidated Plan was used to provide supporting data on demographics, and Consortium programs and strategies

3. Community Survey

The Consortium conducted a community development and fair housing survey from January 2007 through March 2007. Appendix A presents the survey form used.

Apple Valley: Approximately 1,945 surveys were distributed at the following locations:

Location	Address	# Surveys
James A. Woody Community Center	13467 Navajo Rd.	25
Town of Apple Valley Civic Center- Main Lobby	14955 Dale Evans Parkway	25
Town of Apple Valley Park & Rec.- Lobby	14955 Dale Evans Parkway	320
Town of Apple Valley - Council Meeting	14955 Dale Evans Parkway	20
Town of Apple Valley - Planning Commission Meeting	14955 Dale Evans Parkway	20
Town of Apple Valley Therapeutic Programs	13467 Navajo Rd.	30
Town of Apple Valley Therapeutic Programs	14955 Dale Evans Parkway	30
Town of Apple Valley Park & Rec. Meeting	14955 Dale Evans Parkway	10
Town of Apple Valley Website	Ongoing	n/a
Daily Press	Circulation	n/a
Apple Valley News	Circulation	n/a
El Mojave Newspaper	Circulation	n/a
Domestic Violence	15075 Seventh St.	100
Apple Valley Fire Department	22400 Headquarters Rd.	35
Town of Apple Valley Animal Control	13643 Tonikan Rd.	35
Catholic Charities	16051 Kasota Rd.	35
American Red Cross	16248 Desert Knoll Dr, Vic.	35
One 2 One Mentors	16245 Desert Knoll Dr., Vic.	35
Mojave Water Agency	22450 Headquarters Rd.	35
Apple Valley Senior Citizens Club	13188 Central Rd.	35
Agio Real Estate	14820 Dale Evans Parkway	35
Town of Apple Valley Park & Rec. ASAP Program	14955 Dale Evans Parkway	250
Town of Apple Valley Special Event (Park & Rec. Dept.)	14955 Dale Evans Parkway	800
High Desert Homeless Shelter (2 holders)	14049 Amargosa Rd.	35
	Total Distributed:	1,945

A total of 38 surveys were returned from the Town of Apple Valley (a return rate of two percent); nearly all of which responded that they had not experienced housing discrimination in the Town. Ethnicities and income levels of the respondents were as follows:

<u>Race</u>	<u>Percent</u>	<u>Income</u>	<u>Percent</u>
▪ White	75%	▪ \$50,000+ a year	53%
▪ Hispanic	6%	▪ <\$50,000 a year	28%
▪ Black	3%	▪ Not reported	19%
▪ Native Hawaiian	3%		
▪ Asian and White	3%		
▪ Other'	6%		
▪ Not reported	6%		

These percentages are reflective of the Town's overall ethnic makeup. Of the two respondents that experienced discrimination, neither reported the incident to a local, State or federal agency, citing "did not know where to report" and "too much trouble" as reasons.

Victorville: Approximately 16,710 surveys were distributed at the following locations:

<u>Location</u>	<u>Address</u>	<u>Poster</u>	<u># Surveys</u>
Guadalajara Market	15547 7th St.	1	
Video Store	15551 7th St.	1	10
Casa Delicias Market	15557 7th St.	1	10
Treasure Trove	15589 7th St.	1	10
Victorville Library	15011 Circle Drive	2	10
Senior Citizen Center	14874 So. Mojave Dr.	3	30
6th Street Prep School	15476 Sixth St.		420
Academy Elementary School	15907 So. Mojave Dr.		700
Brentwood Elementary School	13962 Hook Blvd.		1,750
Challenger School of Sports and Fitness	14777 Hopland St.		1,225
Del Rey Elementary School	15332 Del Rey Dr.		770
Discovery School of the Arts	13247 Amethyst Rd.		1,260
Endevour School of Exploration	12403 Ridgecrest Rd.		910
Galileo Academy	17000 Silica Dr.		245
Green Tree East Elementary School	17246 Gibraltar Dr.		875
Irwin Elementary School	15907 So Mojave Dr.		105
Liberty Elementary School	12900 Amethyst Rd.		1,295
Lomitas Elementary School	12571 First Ave.		1,120
Mojave Vista Elementary School	16100 Burwood Ave.		1,505
Mountain View Montessori Charter School	12900 Amethyst Rd.		140
Park View Elementary School	13427 Cahuenga Rd.		1,225
Puesta del Sol Elementary School	15887 Academy St.		1,155
Village Elementary School	14711 Mojave Dr.		1,400
Old Town Victorville Archway	7th St	4	
	Total Distributed:	13	16,710

A total of 363 surveys were returned from the City of Victorville (a return rate of two percent). In Victorville, 87 percent (315 people) responded that they had not experienced housing discrimination in the City; eight percent said "Yes", and six percent were "Not Sure". The following ethnicities and income levels were reported:

<u>Race</u>	<u>Percent</u>	<u>Percent</u>	<u>Income</u>	<u>Percent</u>	<u>Percent</u>
	<u>Responding</u>	<u>Responding</u>		<u>Responding</u>	<u>Responding</u>
	<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>
▪ White	29%	22%	▪ \$50,000+ a year	25%	31%
▪ Hispanic	21%	46%	▪ <\$50,000 a year	58%	46%
▪ Black	18%	8%	▪ Not reported	18%	23%
▪ American Indian/Alaskan	4%	1%			
▪ Native Hawaiian	4%	0%			
▪ American Indian/Alaskan and White	4%	0%			
▪ Asian	0%	2%			
▪ Other	18%	12%			
▪ Not reported	4%	9%			

While the percentages are reflective of the City’s overall ethnic makeup, those earning lower incomes appear to be impacted more than those earning higher incomes. Eleven of the respondents knew someone who had been discriminated against and 14 witnessed discriminatory advertising. Eight identified themselves as victims of hate crime of which, three reported the incidents and two did not. Both cited “not knowing where to report” and that reporting “would not make a difference” as reasons for not reporting.

Allegedly the perpetrators of discrimination were landlords (68 percent) and the discrimination occurred in a rental home (68 percent) or apartment complex (46 percent)⁶. The top three biases reported were race (43 percent), familial status (39 percent), and color (21 percent). Six of the people reported the incident, 18 did not report. Of those who said they did not report, the main reasons given were “doesn’t make a difference” (43 percent), “did not know where to report” (32 percent), and “afraid of retaliation” (10 percent).

4. Community Workshops

The Town of Apple Valley held a public workshop on February 22, 2007 to solicit input on the AI. Nine people were in attendance. The major issue identified was absentee landlords not providing adequate management and repairs to their properties. Residents commented that there are many small properties (triplexes, fourplexes) owned by absentee landlords who do not perform proper screening of tenants or adequately maintain the properties. Small rental properties (fewer than 16 units) are also not required to have on-site managers, which has lead to deterioration of the properties.

Two local landlords suggested the following:

- Provide tenant screening
- Enforce landlord accountability by increasing code enforcement efforts
- Increase community policing – officers on bike, etc.

⁶ Some respondents marked more than one answer, so the total does not equal 100 percent.

- Provide rehabilitation assistance to rental properties, including weatherization improvements

The City of Victorville held two public forums for the joint Consolidated Plan/AI process on January 30, 2007. The first workshop was held at 11:00 am at the Victor Valley Transit Center and the second at 6:00 pm in the Victorville City Hall Training Room B. Eight people were in attendance at the first and one person at the second public forum.

Comments received at the forums related to housing needs included:

- Independent living for people with disabilities and seniors that is accessible and affordable is needed
- Rental assistance, security deposit assistance for Section 8, and or rent control
- Fair housing outreach, property management education
- Renters rights education
- Housing for abused seniors and victims of domestic violence
- Transitional housing (ranked highest of all categories on the needs survey)
- Code enforcement (slum lords) and outreach/education to residents to learn who to call
- Zoning changes to encourage development of affordable housing
- Programs to help pay for accessibility (ramps for seniors) improvements
- Need more starter homes with smaller square footage (affordable to first-time buyers)

A copy of the Consortium's workshop flyers and sign in sheets can be found in Appendix A.

5. Public Review

The Draft AI will be available for a 30-day public review beginning October 4, 2007 through November 4, 2007.

The Town Council of Apple Valley will hold a public hearing on November 13, 2007 to adopt the AI. On November 6, 2007, the Victorville City Council will hold a public hearing for adoption of the AI. Respective notices of the 30-day comment period and public hearings were published in the October 4, 2007 edition of the *Daily Press* newspaper, which can be found in Appendix C.

II. Jurisdictional Background

The Town of Apple Valley and City of Victorville are located in the western portion of San Bernardino County within what is known as the Victor Valley. Both jurisdictions are conveniently located off of Interstate 15, north of the San Bernardino Mountains, and are often referred to as part of the high desert.

A. Demographic Data

The following demographic information has been taken from the Consortium's Consolidated Plan for FY 2007-2012. In addition, 1990 and 2000 Census, among other data sources were used to aid in the development of the Consortium's fair housing planning. A summary of background trends indicates the following:

1. Population

While, the Town of Apple Valley and the City of Victorville were similar in population size at the time of the 1980 and 1990 Census; the 2000 Census indicates that Victorville experienced more rapid growth (57 percent) during the 1990s than Apple Valley (approximately 18 percent) and other nearby communities. Current population estimates from the State Department of Finance (DOF) indicate that the Town of Apple Valley and City of Victorville have continued to grow in the last six years, with Victorville (49 percent) outpacing Apple Valley (25 percent). According to the 2006 DOF estimates, the Apple Valley/Victorville Consortium had a combined population of approximately 162,652.

2. Age Characteristics

Age characteristics of Apple Valley and Victorville residents indicate proportions of each age group were very similar in both jurisdictions, with Apple Valley having a slightly older population. Youth made up approximately 26 percent of the population in Apple Valley and 29 percent of the population in Victorville, while seniors made up 16 percent of the population in Apple Valley and 13 percent in Victorville.

3. Income

Income levels influence the ability of a household to afford housing, services and other necessities. Households with lower incomes are limited in their ability to balance housing costs with other needs and often the ability to find housing of adequate size. HUD has established the following income categories:

- Extremely Low Income Households: Households whose gross income is equal to or less than 30 percent of the area median income.
- Low Income Households: Households whose gross income is between 31 percent and 50 percent of the area median income.

- Moderate Income Households: Households whose gross income is between 51 percent and 80 percent of the area median income.
- Above Moderate: Households whose gross income is above 80 percent of the area median income.

While upper income households have more discretionary income to spend on housing, low and moderate-income households are more limited in the range of housing they can afford.

The 1999 median household income reported for the Town of Apple Valley was \$40,421, higher than that of surrounding cities, but slightly lower than countywide median of \$42,066. Victorville’s median income in 1999 was \$36,187, lower than Apple Valley, the County, and most surrounding cities. Both jurisdictions experienced moderate increases in median income between 1990 and 2000. However, Apple Valley experienced the lowest percent change (18 percent) in median income compared with other nearby jurisdictions.

Though income is not a fair housing issue, it plays a major role in obtaining financing for home purchases and home improvements and may affect the location a person chooses to live. Currently, the Town and City offer Downpayment Assistance Programs to ensure lower income households have access to funding for homeownership housing and both jurisdictions coordinate with the County of San Bernardino to provide Section 8 rental assistance for low income renters.

a. Households by Income and Race/Ethnicity

HUD’s Comprehensive Housing Affordability Strategy (CHAS) data indicate that 41.7 percent of households in Apple Valley and 47.2 percent of all households in Victorville earned low and moderate incomes. Table 1 below illustrates households by income.

Table 1: Households by Income Level				
Income Group	Apple Valley		Victorville	
	Total Households	Percent	Total Households	Percent
Extreme Low (0-30%)	2,274	12.2%	3,020	14.3%
Low (31-50%)	2,204	11.9%	3,229	15.3%
Moderate (51-80%)	3,267	17.6%	3,706	17.6%
Above Moderate (80%+)	10,828	58.3%	11,120	52.8%
Total	18,573	100.0%	21,075	100.0%

Source: CHAS Data book 2004

In the Town of Apple Valley, Asians had a considerably higher median income than all other races. However, Asians represented only a small portion of the population (see Table 2). As the smallest racial/ethnic group in Victorville, Native Hawaiian/Pacific Islanders earned the highest median income among all groups. In contrast, as the second largest racial/ethnic group in the Consortium, Hispanics made about \$5,000 less than the overall median in both Apple Valley and Victorville.

Table 2: Median Household Income by Race/Ethnicity			
Race/Ethnicity	Apple Valley	Victorville	San Bernardino County
White	\$42,179	\$39,094	\$45,555
Black	\$32,192	\$29,954	\$35,730
Hispanic or Latino	\$35,554	\$31,029	\$38,068
Asian	\$58,393	\$38,924	\$54,704
American Indian/Alaskan Native	\$44,063	\$27,778	\$37,329
Native Hawaiian/Pac Islander	\$21,250	\$47,273	\$45,134

Source: US Census 2000

b. Concentrations of Low to Moderate Income

An area of low to moderate-income concentration is defined as a census tract or block group where 51 percent or more of the households earn less than 80 percent of the Metropolitan Statistical Area (MSA) area median income. Figure 1 shows the Consortium’s areas of low to moderate-income concentration based on 2000 Census data.

As shown, Apple Valley’s areas of low to moderate-income concentration are located in the north eastern and southern parts of the Town, as well as two block groups in the central part of the Town. In Victorville, the low to moderate-income areas are primarily in the central and southwestern parts of the City.

4. Racial and Ethnic Composition

As shown in Table 3, both the Town of Apple Valley and City of Victorville increased in diversity between 1990 and 2000. In Apple Valley, Black, Hispanic, and Asian residents increased by 140 percent, 73 percent, and 21 percent respectively, while all other ethnicities slightly decreased. In Victorville, the population of all race/ethnic groups increased, with the most dramatic increases in Hispanic, Black, and Asian populations (129 percent, 98 percent, and 62 percent respectively). Despite these changes, White residents still comprised a majority of the population in Apple Valley (70 percent). At 49 percent of the City population, White residents no longer constituted a simple majority in Victorville. Hispanics, which made up 19 percent of the population in Apple Valley, represented 35 percent of the population in Victorville.

Table 3: Racial and Ethnic Composition

Race/Ethnicity	Apple Valley				Victorville			
	# of Persons		% Change	% of 2000 Population	# of Persons		% Change	% of 2000 Population
	1990	2000			1990	2000		
White	37,059	36,710	-0.9	69.7%	25,827	30,382	17.6	49.0%
Black	1,727	4,141	139.8	7.9%	3,750	7,431	98.2	12.0%
Native American	392	357	-8.9	0.7%	323	380	17.6	0.6%
Asian /Pacific Islander	1,043	1,268	21.6	2.4%	1,352	2,202	62.9	3.6%
Other	437	148	-66.1	0.3%	69	143	107.2	0.2%
Hispanic (All Races)	5,813	10,067	73.2	19.1%	9,353	21,426	129.1	34.6%

Source: Census 1990 and 2000

5. Foreign Born and Linguistic Isolation

The 2000 Census reports that approximately eight percent of the Apple Valley residents and 12 percent of the Victorville residents were foreign born.

A linguistically isolated household is one in which all members over 14 years of age has some difficulty with English. In Apple Valley, 2,294 households spoke Spanish (12 percent of all households), of which nearly 12 percent were linguistically isolated (Spanish-speaking only). Of 373 households that spoke Asian languages nearly 29 percent were linguistically isolated.

In Victorville, 4,851 households spoke Spanish (23 percent of all households), of which nearly 17 percent were linguistically isolated. Of the 603 households that spoke Asian languages, 16 percent were linguistically isolated.

Language barriers may prevent residents from accessing services, information, housing, and may also affect educational attainment and employment. Executive Order 13166 ("Improving Access to Services by Persons with Limited English Proficiency") was issued in August 2000, which requires federal agencies to assess and address the needs of otherwise eligible persons seeking access to federally conducted programs and activities who, due to Limited English Proficiency (LEP), cannot fully and equally participate in or benefit from those programs and activities. This requirement passes down to grantees of federal funds as well; therefore, the

Town of Apple Valley and City of Victorville are responsible for ensuring compliance with this regulation for both jurisdictions and their sub-recipients. Currently, public notices, flyers, posters, surveys and program applications are all available in English and Spanish to ensure equal access to LEP persons for the planning and program implementation of the Consortium's CDBG and HOME programs. In addition, translators are available at all public meetings and for questions pertaining to draft and final documents such as the Consolidated Plan, Annual Action Plan, CAPER, Analysis of Impediments to Fair Housing Choice and other documents. The majority of the public service agencies funded each year also provide Spanish translation and are monitored for compliance.

6. Ethnic Concentrations

For purposes of this report, a racial/ethnic concentration is defined as the percentage of residents in a census tract exceeding the countywide average percentage for that particular race/ethnic group. San Bernardino County's racial/ethnic composition is as follows: 44.0 percent White; 39.2 percent Hispanic; 8.8 percent Black; 4.6 percent Asian; and an overall minority population of 56.0 percent. Figures 2 through 5 show minority concentrations for Apple Valley and Victorville.

As shown in the figures, Apple Valley contains a concentration of Black residents in Census Tracts 97.10 (10.3 percent), 97.12 (9.9 percent), and 97.16 (11.2 percent). Apple Valley has no Census tracts with Hispanic or Asian concentrations. With the exception of portions of a few block groups, areas in Apple Valley that contain concentrations of Black residents are not located in low to moderate income areas. This indicates that factors other than income level may be affecting where minority groups are choosing to live.

Victorville contains a concentration of Black residents in Census Tracts 91.04 (12 percent), 99.01 (15.2 percent), 99.02 (11.4 percent), 99.03 (10.5 percent), 100.03 (9.5 percent), and a high concentration in 91.02 (29.6 percent). A high concentration is defined as a Census Tract or block group with twice the County average percentage of population for that particular race/ethnic category. Victorville has one Census tract with an Asian concentration; 91.02 (6.7 percent) and three tracts with Hispanic concentrations; 91.04 (42.1 percent), 98.00 (52.6 percent), and 117.00 (41.6 percent). With the exception of the areas bordering Interstate 15 in Victorville, areas containing concentrations of minority residents are not located in low to moderate income areas.

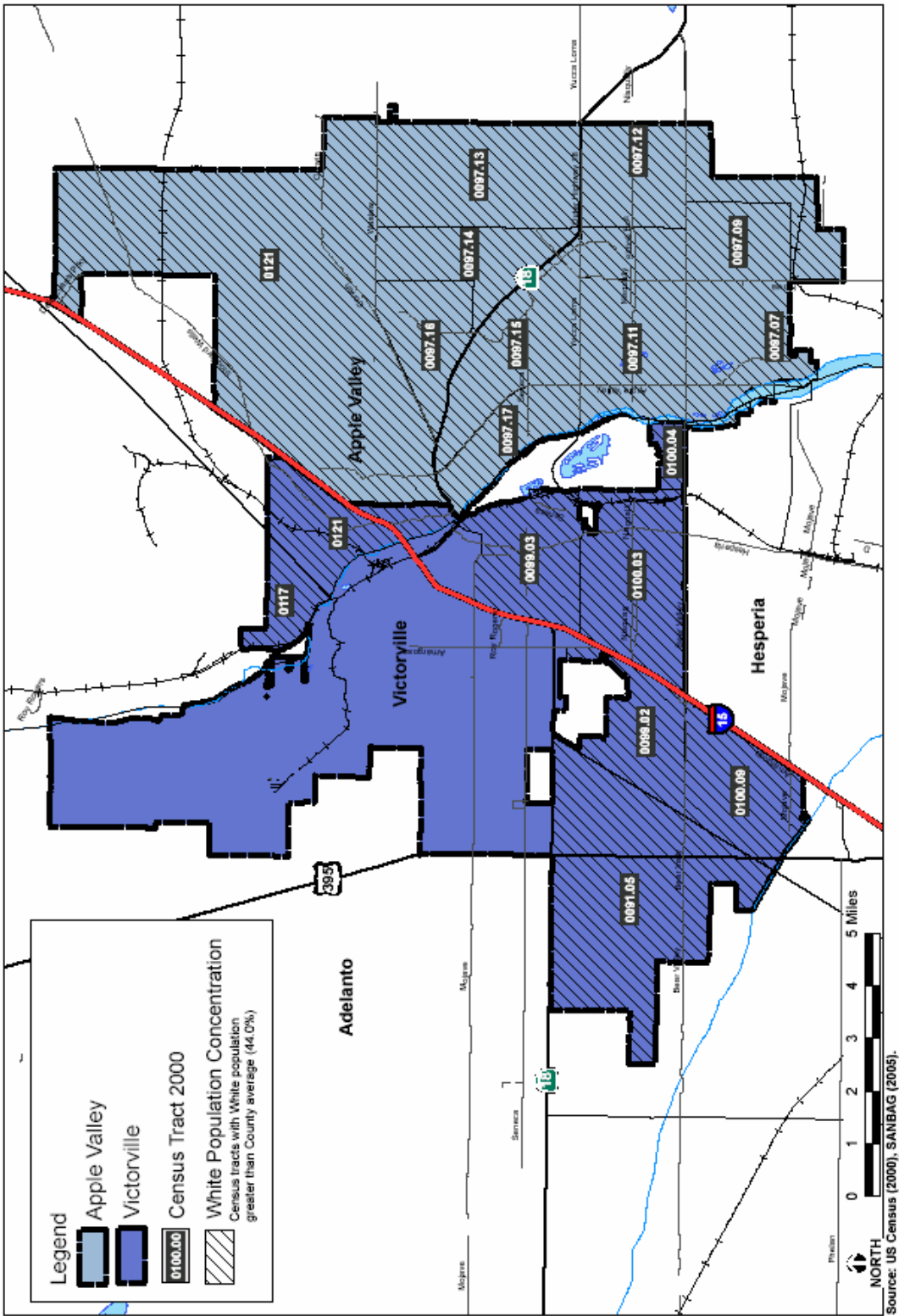


Figure 2
Ethnic Group Concentration (White)

Apple Valley/Victorville Consortium Analysis of Impediments to Fair Housing Choice 2007

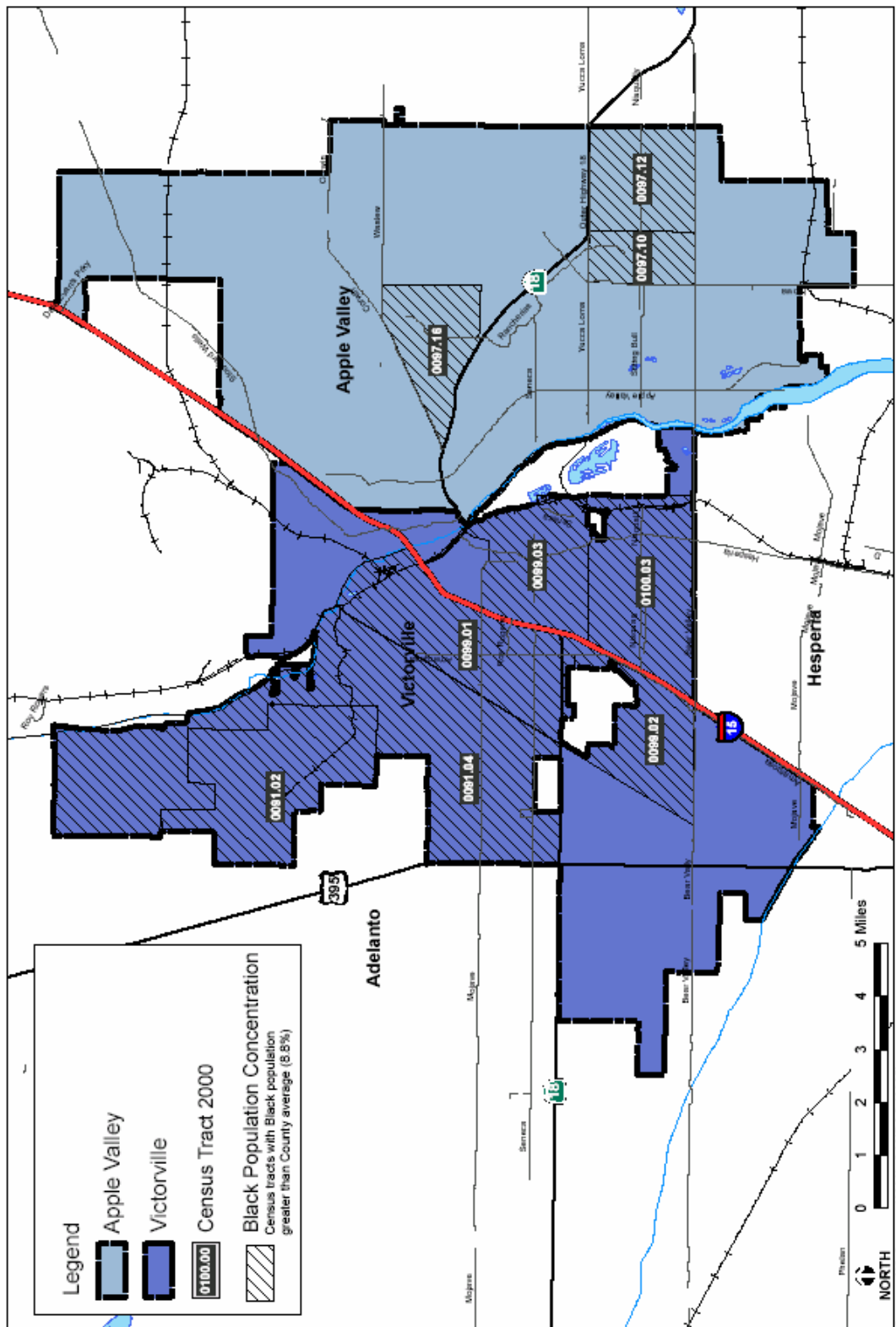


Figure 3
Ethnic Group Concentration (Black)

Apple Valley/Victorville Consortium Analysis of Impediments to Fair Housing Choice 2007

7. Segregation

Residential or neighborhood segregation refers to the degree to which groups live separately from one another. According to a recent article from the Public Policy Institute of California, neighborhood segregation in California is generally on decline and the Inland Empire region, along with San Bernardino County specifically, rank the highest in terms of the proportion of diverse tracts⁷.

The dissimilarity index is a commonly used measure of segregation between two groups, reflecting their relative distributions across neighborhoods (census tracts). It can range in value from 0, indicating complete integration, to 100, indicating complete segregation. In most cities and metro areas, however, the values are somewhere between those extremes.⁸ For the Apple Valley/Victorville Consortium, the following indices of dissimilarity with Whites were reported:

Race/Ethnicity	Apple Valley	Victorville
▪ Black	21.9	13.3
▪ American Indian	22.9	15.6
▪ Asian	18.8	15.7
▪ Native Hawaiian	49.7	31.4
▪ Hispanic	18.2	13.7
▪ Multiracial	12.3	10.5
▪ Other	35.1	25.3

These figures indicate that the Consortium is relatively well integrated, as none of the percentages are over 50 percent; though, the Native Hawaiian indices appear to be higher than those of the other ethnic groups. When a group's population is small, its dissimilarity index may be high even if the group's members are evenly distributed throughout the area.⁹ Given that there are roughly 100 Native Hawaiian's in each jurisdiction that is likely the explanation for the higher indices.

8. Major Employers

According to the respective Finance Department for the Town of Apple Valley and City of Victorville, education and health services are the top employers in both communities. As shown in Table 4, Apple Valley Unified School District and St. Mary Regional Medical Center are the top employers in the Town of Apple Valley, employing a total of 3,079 people. In the City of Victorville, 2,730 people are employed by Victor Valley College, Victor Elementary and Victor Valley Union High School District, while Prime Care Medical/Desert Valley Hospital and Victor Valley Community Hospital employ 1,444 people.

⁷ Sandoval, Juan Onesimo and Hans P. Johnson and Sonya M. Tafoya, Who's Your Neighbor, 2002

⁸ Frey, William H. and Dowell Myers, Census Scope, 2000

⁹ William H. Frey and Dowell Myer's analysis of Census 2000; Census Scope website.

Table 4: Major Employers			
Apple Valley-Employer Name	Number Employed	Victorville-Employer Name	Number Employed
Apple Valley Unified School District	1,825	Victor Valley College	1,100
St. Mary Regional Medical Center	1,254	Prime Care Medical Group/Desert Valley Hospital	900
Wal-Mart Distribution Center #7033	915	Verizon	900
Mountain Satellite/Ironwood Communications	801	Victor Elementary School District	830
Wal-Mart	362	Federal Correction Complex Victorville	820
Target Stores Inc.	210	Victor Valley Union High School District	800
Apple Valley Christian Centers	151	Walmart	600
Albertsons	131	Victor Valley Community Hospital	544
Town of Apple Valley	128	City of Victorville	539

Source: Town of Apple Valley and City of Victorville, Finance Department 2006

Figure 6 illustrates transportation access to major employers in Apple Valley and Victorville. As shown, all of the major employers in each jurisdiction are located on or near public transportation, with the exception of just one employer.

9. Household Characteristics

Information on household characteristics is an important indicator of housing needs in a community and may also provide insight into potential fair housing issues. The Bureau of Census defines a household as all persons who occupy a housing unit, which may include families, singles, or other; boarders are included as part of the primary household by the Census. Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

The number of occupied dwelling units in Apple Valley was 20,161, according to the Census 2000. In Victorville, the number of occupied dwelling units was 22,656.

In Apple Valley 70 percent of the occupied dwelling units were owner occupied and in Victorville 65 percent were owner-occupied, indicating that homeownership opportunities exist within the Consortium.

a. Household Size

Household size is an important indicator of population trends as well as overcrowding in individual housing units. A community's average household size will increase over time if there is a trend toward larger families. In communities where the population is aging, the average household size may actually decline. Additionally, cultural practices may contribute to household size.

According to the 2000 Census, the average household size was 2.90 persons in Apple Valley and 3.03 persons in Victorville. These figures are lower than the County average of 3.15. The average household size is slightly higher for renter-occupied housing at 3.12 in Apple Valley and 3.07 in Victorville.

Additionally, the average household size in both jurisdictions for all ethnic groups other than White/non-Hispanic is over 3.00 people, with Native Hawaiian’s exhibiting the largest average household size of 4.56 in Apple Valley and 4.36 in Victorville. This similarity in average household size is likely cultural given the vast difference in median income for this group; \$21,250 in Apple Valley and \$47,273 in Victorville.

b. Overcrowding

Overcrowding is an indicator of a lack of affordable housing. Unit overcrowding is caused by the combined effect of low earnings and high housing costs in a community, and it reflects the inability of households to buy or rent housing of adequate size.

Generally, for purposes of the Consolidated Plan and AI, overcrowded households are defined as units with more than one person per room, excluding bathrooms, hallways, and porches. Severely overcrowded households have more than 1.5 persons per room.

In Apple Valley, there are approximately 284 owner-occupied housing units that are overcrowded and 181 that are severely overcrowded. In contrast, there are 538 renter-occupied housing units that are overcrowded and 263 that are severely overcrowded.

In Victorville, there are approximately 498 owner-occupied housing units that are overcrowded and 330 that are severely overcrowded. In contrast, there are 854 renter-occupied housing units that are overcrowded and 668 that are severely overcrowded.

Thus, overcrowding and severe overcrowding conditions impact renters more than owners in both Apple Valley and Victorville. In some instances many of these households may be less a reflection of economic necessity and more likely a reflection of cultural preferences where some households choose to have grandparents and other extended family members living within the same house.

For example, 12 percent of Asian households are overcrowded in Apple Valley and 25 percent in Victorville; compared to only four and five percent respective of White households. Yet, in Apple Valley, Asians make considerably higher incomes than other ethnic groups in the town. See Table 5 below.

Table 5: Overcrowding by Race/Ethnicity		
Race/Ethnicity	Percent Overcrowded	
	Apple Valley	Victorville
White	04%	05%
Black	14%	13%
Native American	04%	27%
Asian	12%	25%
Hispanic	16%	22%
Native Hawaiian	100%*	0%
Other	20%	24%
Two or More	9%	22%

Source: Census 2000*only 10 households in the sample

It is also interesting to note that of overcrowded households, the majority are renter-occupied households (63 percent in Apple Valley and 64 percent in Victorville); though the majority of housing in the Consortium is owner-occupied (70 percent in Apple Valley and 65 percent in Victorville). One explanation might be that there are considerably fewer rental units with three or more bedrooms in both jurisdictions.

10. Special Needs Populations

This section discusses the housing needs of different categories of household that are disadvantaged in finding decent, affordable housing and who may also face discrimination. These households include large families, female-headed households, the elderly, and the disabled (including persons with HIV).

a. Large Households

Large households, defined as households with five or more members, usually require units with three or more bedrooms and pay a larger percentage of monthly income for housing. They often have lower incomes and frequently live in overcrowded units.

According to 2000 CHAS data, 2,887 (16 percent) of Apple Valley's households were large families. Of those, 1,799 (62 percent) were owner-households and 1,088 (38 percent) were renter-households. Approximately 43 percent (1,230) of these large families were low to moderate-income.

In Victorville, 3,941 (19 percent) of the households were large families. Of those, 2,535 (64 percent) were owner-households and 1,406 (36 percent) were renter-households. Approximately 61 percent (2,387) of these large families were low to moderate-income.

In Apple Valley, 73.3 percent of the large renter-households reported having one or more housing problems, of which 47.4 percent indicated paying more than 30 percent of their income for rent. The remaining 25.9 percent of the renter-households with housing problems were impacted by overcrowding and substandard housing conditions alone. In comparison, 38.7 percent of the large owner-households reported having one or more housing problems, with 25.9 percent indicated paying more than 30 percent of their income for housing. Therefore, 12.9 percent of the owner-households with housing problems were impacted only by overcrowding and substandard housing conditions.

In Victorville, 75.6 percent of the large renter-households reported having one or more housing problems, of which 40.3 percent indicated paying more than 30 percent of their income for rent. The remaining 35.3 percent of the renter-households with housing problems were impacted by overcrowding and substandard housing conditions alone. In comparison, 45.6 percent of the large owner-households reported having one or more housing problems, with 31.4 percent indicated paying more than 30 percent of their income for housing. Therefore, 14.2 percent of the owner-households with housing problems were impacted only by overcrowding and substandard housing conditions.

The 2000 Census reported 12,640 housing units with three or more bedrooms (84 percent

owner-occupied/16 percent renter-occupied) in Apple Valley and 13,232 housing units with three or more bedrooms (82 percent owner-occupied/18 percent renter-occupied) in Victorville. There are a sufficient number of large homes to accommodate the large households. Given that there are considerably fewer rental units with three or more bedrooms, the affordability of these units may be impacted based on demand.

b. Single-Parents and Female-Headed Households

Single parents comprise a significant portion of lower-income households “in need.” Single-parent households often require special consideration and assistance because they tend to have lower incomes and a greater need for day care, health care, and related facilities.

2000 Census data indicate that 2,284 (12 percent) of the Town of Apple Valley’s total households are headed by single parents. Of these households, 583 (26 percent) were headed by males and 1,701 (74 percent) by females. Of the single-parent female householders (with no husband present and children under 18 years of age) in Apple Valley, 956 live below the poverty level, compared to 154 male householders with no wife present and children under 18.

In Victorville, 3,174 (15 percent) of the City’s total households are headed by single parents. Of these households, 727 (23 percent) are headed by males and 2,447 (77 percent) by females. Of the single-parent female householders (with no husband present and children under 18 years of age) in Victorville, 1,116 live below the poverty level, compared to 205 male householders with no wife present and children under 18 years of age. Thus, single parent females are disproportionately impacted by poverty than single parent males.

c. Elderly and Frail Elderly

The limited incomes of many elderly persons often make it difficult for them to find affordable housing. Many elderly spend a higher percentage of their income for food, housing, medical care, and personal care than non-elderly families, and therefore need some form of housing assistance.

The elderly population comprises about 16 percent of the population in Apple Valley and 13 percent in Victorville, according to the 2000 Census. Elderly is defined as 62 years or older, while frail elderly is an elderly person who is 62 years or older and unable to perform at least 3 activities of daily living. Examples of activities of daily living include, but are not limited to eating, bathing, grooming, and household management activities.

The housing needs of the elderly include supportive housing, such as intermediate care facilities, group homes, and other housing that may include a planned service component. Needed services related to elderly households include: personal care, health care, housekeeping, meal preparation, personal emergency response, and transportation.

According to the 2000 CHAS data, 5,172 elderly households were residing in Apple Valley, the majority of which were owners (87 percent). Among the elderly homeowners, 31.5 percent were paying more than 30 percent of their income for housing and 14.4 percent were paying more than 50 percent of their income for housing.

Overpayment (paying more than 30 percent of income for housing) is more prevalent issue among renters as 54.1 percent of the elderly renter-households in Apple Valley were overpaying for housing, including 28.1 percent paying more than 50 percent of their income for housing.

In 2000, 4,823 elderly households were living in Victorville, 76 percent of which were homeowners. Among the elderly homeowners, 36.2 percent were overpaying for housing, including 18.5 percent paying more than 50 percent of their income for housing

Similar to Apple Valley, overpayment is a bigger concern among elderly renters in Victorville than for elderly homeowners, with 65.7 percent of renters overpaying for housing compared to 40.2 percent of the homeowners overpaying for housing.

In addition to being on fixed incomes and overpaying for housing, 40 percent of the Apple Valley residents with mobility and self care limitations were elderly (1,867 households). Similarly, 39 percent (1,850 households) of the Victorville residents with mobility and self care limitations were elderly. A person with a mobility or self-care limitation is defined as having: 1) a long lasting condition that substantially limits one or more basic physical activities, such as walking, climbing stairs, reaching, lifting, or carrying; and/or 2) a physical, mental, or emotional condition lasting more than six months that creates difficulty with dressing, bathing, or getting around inside the home.

According to the California Department of Social Services, Community Care Licensing Division, 12 residential care facilities for the elderly are located in Apple Valley, with a capacity of 259 beds. In Victorville, 18 facilities offer a total capacity of 410 beds. In addition to residential care facilities, there is one adult day care facility in Apple Valley with a capacity of 60 persons and five facilities in Victorville with a total capacity of 240 persons.

d. Persons with Disabilities

According to the Bureau of the Census, a person is considered to have a disability if he or she has difficulty performing certain functions (seeing, hearing, talking, walking, climbing stairs, and lifting or carrying), or has difficulty with certain social roles (doing school work for children or working at a job for adults). A person, who is unable to perform one or more such activities, uses an assistive device to get around, or who needs assistance from another person to perform basic activities, is considered to have a severe disability.

The 2000 Census data tallied 19,009 people in Apple Valley and 21,716 people in Victorville with a disability.

Affordability, design, location, and discrimination significantly limit the supply of housing available to persons with disabilities. Most homes are inaccessible to people with mobility and sensory limitations. There is a need for housing with widened doorways and hallways, access ramps, larger bedrooms, lowered countertops, and other features necessary for accessibility. Location of housing is also an important factor as many persons with disabilities often rely on public transportation.

Housing and advocacy groups report that people with disabilities are often victims of discrimination in the home-buying market. People with disabilities, whether they work or receive disability income are often perceived to be a greater financial risk than persons without disabilities with similar incomes.

The 2000 CHAS data estimated 4,641 households in Apple Valley and 4,792 households in Victorville as having members with a mobility or self-care limitation. Low to moderate-income households comprised 53 percent of these “disabled” households in Apple Valley and 63 percent of the “disabled” households in Victorville. While 45.8 percent of all disabled households reported having any housing problem in Apple Valley, disabled renters were more impacted (62.3 percent) than owners (38 percent). Elderly persons 75 years of age and over, with low incomes and disabilities were the most impacted of all disabled households in Apple Valley; 78 percent of these households had one or more housing problems.

In Victorville, 51.5 percent of all disabled households reported having one or more housing problems and disabled renters were more impacted (65.3 percent) than owners (43.9 percent). Elderly households were the most impacted of all disabled households with 81.7 percent having one or more housing problems, along with 51.1 percent of the elderly age 75 years or over.

Group housing, shared housing, and other supportive housing options can help meet the needs of persons with disabilities. These housing options often have the advantage of social service support on-site or readily available. Disabilities can also hinder the ability of a person to earn adequate income. The Census estimated that 70 percent of all people with severe disabilities were unemployed and relied on fixed monthly disability incomes that are rarely adequate for the payment of market rate rent.

Table 6 illustrates the disabilities tallied in the 2000 Census. An individual can report more than one disability; thus the numbers of disabilities tallied are higher than the total count of disabled persons. As shown, most disabled residents were affected by physical disabilities (28 percent in Apple Valley and 27 percent in Victorville), followed by employment disabilities at 22 percent for Apple Valley and 21 percent for Victorville.

Disability	Apple Valley				Victorville			
	16 to 64 Years	65 + Years	Total	Percent	16 to 64 Years	65 + Years	Total	Percent
Sensory	964	984	1,948	11%	1,030	1,221	2,251	11%
Physical	3,028	2,115	5,143	28%	3,111	2,377	5,488	27%
Mental	1,676	779	2,455	14%	1,789	1,124	2,913	14%
Self-Care	728	500	1,228	7%	534	743	1,277	6%
Go-outside-home	1,981	1,400	3,381	19%	2,661	1,684	4,345	21%
Employment	3,906	0	3,906	22%	4,423	0	4,423	21%
Total	12,283	5,778	18,061	100%	13,548	7,149	20,697	100%

Source: Census 2000

According to the State Community Care Licensing Division, 18 adult residential facilities with a capacity of 102 beds are located in Apple Valley and 12 facilities with a capacity of 59 beds are

located in Victorville. No adult day care facility designed to meet the needs of functionally impaired adults is located in either jurisdiction. For children with disabilities, six small family homes with a capacity of 24 beds are located in Apple Valley and four small family homes with a capacity of 12 beds are located in Victorville.

e. People with HIV Infection and AIDS

According to the California Center for Health Statistics, HIV disease is not among the 15 leading causes of death for the general population in California or the U.S., but it is an infectious disease that poses a threat to approximately one million Americans. Of those living with HIV, roughly 25 percent are not aware that they are infected and it is growing most rapidly in minority populations. The National Commission on AIDS estimates that approximately one-third to one-half of all people infected with HIV who have developed AIDS are either homeless or are in imminent danger of becoming homeless.

The County's Department of Public Health and Ryan White Program conducted a comprehensive needs assessment that reported statistics by Service region. Apple Valley and Victorville are part of Service Region #6 (San Bernardino Desert). According to this report, a total of 473 cases of AIDS were recorded within the Desert health-planning region and 145 cases of HIV. The combined total of 618 cases represented 5.85 percent of the total cases in the region. Of the cases, 88 percent were among males, 61 percent were among Whites, 22 percent among Hispanics, and 15 percent among Blacks. Over half (62 percent) of the cases were the result of sex between men, followed by drug use injection (13 percent) as the second leading cause.

In addition, there were 334 cases of people living with HIV and AIDS in the Desert Service region; again 5 percent of the total area. According to the County HIV/AIDS Epidemiology Program, there are currently 3,019 living with AIDS in the County as a whole. In contrast, there are fewer than 10 people in Apple Valley and Victorville currently living with AIDS.

Unmet need is defined as individuals who are living with HIV, are aware of their status, and are not receiving regular primary medical care. In 2004, the Riverside/San Bernardino EMA participated in the statewide effort to estimate unmet need. The study estimated that of the people assumed to be living with HIV/AIDS, 55 percent received HIV primary medical care during the specified time period, while 45 percent demonstrated unmet need for HIV primary medical care.

The report also stated that with the decline in deaths outpacing the decline in new cases, the number of prevalent cases will continue to increase. Thus, the HIV care system will need to be expanded to meet the care and treatment needs of people living with HIV/AIDS. While AIDS was once considered a fatal illness, the advances in medicine and medical treatment have enabled individuals with AIDS to live longer, healthier lives. As the number of individuals newly diagnosed with AIDS has been decreasing, the number of individuals living with an AIDS diagnosis continues to increase.

With the closing of one facility (10 bed capacity) in Victorville in January 2007, no facility is available in Apple Valley or Victorville to those with HIV/AIDS. While the nearest facilities to the Apple Valley and Victorville area are located in San Bernardino and Ontario, nearly all of

the dedicated housing programs in the County are operating at capacity with lengthy waiting lists. Supportive housing would provide shelter and necessary care to persons too ill to work and care for themselves, as well as those persons unable to afford hospital or convalescent care. Given that deterioration in health typically leads to an inability to work, and such limited resources, many AIDS patients are at high risk of homelessness.

f. Persons At-Risk of Homelessness

The "at-risk" population is comprised of lower-income families and individuals who, upon loss of employment, would lose their housing and end up residing in shelters or becoming homeless. Lower-income families, especially those earning Extremely Low income (those earning less than 30 percent of the median), are considered to be "at-risk of becoming homeless". These families are generally experiencing a housing cost burden, paying more than 30 percent of their income for housing. In more severe cases, some families pay more than 50 percent of their income for housing. Households paying a greater portion of their income for housing are at a higher risk of becoming homeless due to financial setbacks and a lack of savings, created as a direct result of their housing cost burden.

2000 CHAS data indicated that there were 2,274 extremely low income households in Apple Valley, of these 1,418 were renters and 856 were owners. Of the renters 1,224 (86.3 percent) were paying more than 30 percent of their income for housing and 1,042 (73.5 percent) were paying more than 50 percent. Of the owners 680 (79.4 percent) were paying more than 30 percent of their income for housing and 567 (66.2 percent) were paying more than 50 percent. These households are at risk of becoming homeless based on cost burden.

In Victorville, there were 3,020 extremely low income households, of which 1,892 were renters and 1,128 were owners. Of the renters 1,568 (82.9 percent) were paying more than 30 percent of their income for housing and 1,400 (74 percent) were paying more than 50 percent. Of the owners 839 (74.4 percent) were paying more than 30 percent of their income for housing and 719 (63.7 percent) were paying more than 50 percent. These households are at risk of becoming homeless based on cost burden.

According to 2006 County report on Residents Receiving Aid, 12,042 people (18 percent of the population) in Apple Valley were on some form of aid. 3,406 people of Apple Valley's population are on welfare assistance (cash benefit) provided by the County of San Bernardino; 2,258 received food stamps and Medi-Cal, 5,440 received Medi-Cal only; and 938 received food stamps only.

In Victorville, 20,051 (21 percent of the population) people were on some form of aid. 5,672 people received cash aid; 3,916 received food stamps and Medi-Cal, 8,687 received medical only and 1,776 received food stamps only.

As of January 1, 2006 the annual benefit of all four programs in dollars from the County was \$61,104,564 on the Town of Apple Valley and \$101,351,724 on the City of Victorville. The average annual cost per recipient is \$4,807.56. In addition, the value of childcare paid in January 2006 was \$244,636 for Apple Valley and \$487,747 for Victorville (4 percent and 8 percent of the County total respectively).

The at-risk population for homelessness also includes individuals who are in imminent danger of residing in shelters or being unsheltered because they lack access to permanent housing and do not have an adequate support network such as parents or relatives with whom they could temporarily reside. These individuals, especially battered women and children, runaway, abandoned and foster youth, and those released from penal, mental, or substance abuse facilities require social services such as counseling, rental assistance, and job training to help them make the transition back into society, while remaining off the streets.

B. Housing Market Conditions

Rapidly escalating housing prices in neighboring Los Angeles and Orange Counties during the 1980's caused an influx of residents from these areas to the more affordable housing developments of San Bernardino County and, though current housing market trends have lessened the price gap that existed in the 80's. This section addresses the housing characteristics of the housing supply in Apple Valley and Victorville, including: growth, type and tenure, age, condition, costs, affordability, and availability. The implications of these housing characteristics with respect to housing discrimination are also examined.

1. Housing Growth

According to the 2000 Census, Apple Valley had a housing stock of 20,163 units and Victorville had a housing stock of 22,498 units; however the State Department of Finance 2006 estimates indicate that Apple Valley's housing stock has grown 17.9 percent in the last six years, compared to Victorville's 35.5 percent housing growth.

2. Housing Type and Tenure

Single-family detached units comprised the largest percentage of the housing stock in Apple Valley (77 percent) and in Victorville (68 percent). Multi-family housing units make up only 15 percent of the housing stock in Apple Valley and 13 percent in Victorville. Between 2000 and 2006, all types of housing units in Apple Valley and Victorville increased, with the exception of single-family attached housing and "other" housing units (RV's, boats, etc). See Table 7 below.

Housing Type	Apple Valley				Victorville			
	2000	2006	% Change	% Total	2000	2006	% Change	% Total
Single-Family Attached	726	726	0.00	3%	392	389	-0.77	1%
Single-Family Detached	14,950	18,371	22.88	77%	16,181	23,701	46.47	78%
Multi-Family	3,451	3,643	5.56	15%	3,079	4,619	50.02	15%
Mobile Homes	1,025	1,042	1.66	4%	1,235	1,766	43.00	6%
Other	9	0	-100.00	0	46	0	-100.00	0%
Total	20,161	23,782	17.96	100%	20,933	30,475	45.58	100%

Source: US Census 2000 and State Finance Department Estimates 2006

The number of occupied dwelling units in Apple Valley was 20,161, according to the Census 2000. Of these, 13,078 units (70 percent) were owner-occupied and 5,497 units (30 percent) were renter-occupied. In Victorville, the number of occupied dwelling units was 22,656, according to the Census 2000. Of these, 13,648 units (65 percent) were owner-occupied and 7,392 units (35 percent) were renter-occupied.

The 2000 Census data for tenure by race indicates that in Apple Valley, 74 percent of White households, 50 percent of Black households, 61 percent of Hispanic households, 79 percent of Asian households, 54 percent of American Indian/Alaskan Native households, and 48 percent of Native Hawaiian households were homeowners. Homeownership rates were generally in line with the income distribution among these groups. White and Asian households had larger median incomes and higher homeownership rates. In contrast, Hispanic and Black households had lower median incomes and comparatively lower homeownership rates.

In Victorville, 69 percent of White households, 54 percent of Black households, 61 percent of Hispanic households, 73 percent of Asian households, 55 percent of American Indian/Alaskan Native households, and 72 percent of Native Hawaiian households were homeowners. These percentages are also generally proportionate to median incomes of these groups.

The Consortium's Downpayment and Mortgage Assistance program seeks to increase the opportunity for low to moderate income renter-households to become homeowners.

3. Age and Condition of Housing Stock

Age of housing is often an indicator of housing conditions. Many federal and state programs use age of housing as one factor to determine housing rehabilitation needs.

The majority of the housing units in Apple Valley and Victorville are less than 30 years old. Approximately 35 percent (6,990 units) of Apple Valley's and 29 percent (6,630 units) of Victorville's housing units were built prior to 1979. It is generally accepted that housing over 30 years old needs minor to moderate repairs and upgrading, while housing older than 50 years may become substandard and is apt to need major rehabilitation.

Typically, older units are a source of affordable housing for low and moderate income residents as rents and sales prices are usually lower. It is important for Apple Valley and Victorville to preserve these units as affordable housing through monitoring, code enforcement, and rehabilitation assistance.

Substandard housing units may consist of the following conditions: Structural hazards, poor construction, inadequate maintenance, faulty wiring, plumbing, fire hazards, and inadequate sanitation. The 2000 Census indicated that in Apple Valley, 40 owner-occupied units and 48 renter-occupied units lacked complete plumbing facilities. In Victorville 66 owner-occupied units and 52 renter-occupied units lacked complete plumbing facilities. Given the young age of the housing stock in the Consortium, the number of substandard housing units is limited. Both Apple Valley and Victorville rigorously pursue code enforcement and housing rehabilitation programs to improve and maintain the housing stock.

4. Housing Costs

Housing costs are indicative of housing accessibility for all economic segments of the community. Typically if housing supply exceeds housing demand, housing costs will fall. If housing demand exceeds housing supply, housing costs will rise. In Apple Valley and Victorville, housing costs have continued to rise, though they are still relatively affordable compared to some surrounding jurisdictions. Table 8 shows the median cost of resale housing in Apple Valley and Victorville along with surrounding areas.

Jurisdiction	October 2006	October 2005	% Change
Apple Valley	\$315,000	\$284,250	10.8%
Victorville	\$330,000	\$316,000	4.4%
Adelanto	\$281,750	\$270,000	4.4%
Barstow	\$195,000	\$155,000	25.8%
Hesperia	\$340,000	\$312,000	9.0%
Yucaipa	\$405,250	\$397,250	2.0%
San Bernardino County	\$368,750	\$350,000	5.4%

Source: California Association of Realtors (CAR) 2006

The First-Time Buyer Housing Affordability Index prepared by the California Association of Realtors (CAR) measures the percentage of households who could afford to buy an entry-level home. In the fourth quarter of 2006, the housing affordability index was somewhat lower than the year before with an index of 25 percent for California, 41 percent for the High Desert, and 36 percent for San Bernardino County. In contrast, the affordability index for the United States was 61 percent, showing the drastically higher costs in California.

CAR's report also estimated the minimum income needed to purchase an entry level home at \$477,440 in California during the fourth quarter of 2006 was \$96,760 (based on an adjustable interest rate of 6.36 percent and assuming a 10 percent down payment). The monthly payment for this loan (including taxes and insurance) was \$3,230. While Apple Valley and Victorville have somewhat lower home prices, median incomes reported in the area are approximately half the minimum income identified above.

A snapshot of 2007 rents, based on an internet survey conducted in March 2007, shows a rental range by bedrooms as follows:

Apple Valley

- 1-bed \$515
- 2-beds \$625- \$1,150
- 3-beds \$885-\$1,500
- 4-beds \$1,495-\$1,900
- 5-beds \$1,650-\$2,100

Victorville

- 1-bed \$725- \$785
- 2-beds \$850- \$1,050
- 3-beds \$1,000- \$2,200
- 4-beds \$1,500- \$2,200

Given Apple Valley's median income of \$40,421, Victorville's median income of \$36,187, and the premise that affordability is defined as paying less than 30 percent of one's annual income on housing expenses, affordable monthly housing costs would be \$1,010 in Apple Valley and \$904 in Victorville. Thus in Apple Valley and Victorville, extremely low and low income households with below median incomes may not be able to afford housing of adequate size whether ownership or rental. Moderate income households may be able to rent one- and two-bedroom apartments, though large households in this income category may not be able to afford larger sized units.

5. Projection of Future Housing Needs

State law defines regional share needs for new housing units by jurisdiction and distributes that need to all income groups. According to the Draft Regional Housing needs Assessment, the Town of Apple Valley has a housing construction need of 3,853 units for the 2006-2014 period as follows:

- 904 units for households earning 50 percent or less of the County Area Median Income (AMI)
- 622 units for households earning between 51 and 80 percent of AMI
- 730 units for households earning between 81 and 120 percent of AMI
- 1,597 units for households earning more than 120 percent of AMI

The City of Victorville has been allocated a Draft Regional Housing Need Assessment of 8,543 units for the 2006-2014 period as follows:

- 1,955 units for households earning 50 percent or less of AMI
- 1,389 units for households earning between 51 and 80 percent of AMI
- 1,616 units for households earning between 81 and 120 percent of AMI
- 3,583 units for households earning more than 120 percent of AMI

6. Public and Assisted Housing Needs

All public housing in Apple Valley and Victorville is scattered-site, and owned and/or managed by the Housing Authority of San Bernardino County (HACSB). There are currently 71 units of public housing in Apple Valley (34 of which are HUD owned), comprised of three one-bedroom, eight two-bedroom, 20 three-bedroom, and three four-bedroom units. The remaining 37 units are owned by HACSB and are all two-bedroom units.

There are currently 68 scattered-site units in Victorville, including 16 one-bedroom, 39 two-bedroom, seven three-bedroom, and six four-bedroom units.

The scattered-site public housing program is designed to provide small-scale public housing that blends in with the surrounding neighborhoods. This program targets extremely low income and low income Apple Valley and Victorville residents.

HACSB initiated the Section 8 Homeownership program in 2002. Section 8 participants must meet the program eligibility requirements and complete homeownership education classes prior to closing escrow. Since the program's inception, 46 homes have been sold to Section 8 participants, three of which were in Apple Valley and eight in Victorville.

HACSB's Capital Fund Program provides for a variety of improvements to the public housing stock, including the installation and/or replacement of: security lights, water heaters, evaporative coolers, exterior doors and screens, asphalt parking areas, trash enclosures, carports, and obsolete HVAC systems; and the modernization of vacant units. Many of these improvements are required to correct deficiencies identified by the HUD Real Estate Assessment Center (REAC) during their annual inspections of the properties. All identified Health and Safety deficiencies are addressed and corrected within 24 hours. In addition, the modernization of vacant units provides residents with up-to-date, clean, modern housing. It is the goal of HACSB to maintain the appearance of each neighborhood it owns and inspect all of its units to ensure a good quality appearance.

The Town of Apple Valley and City of Victorville coordinate with HASCB to administer the Section 8 Housing Choice Voucher Program that provides rental subsidies to households earning 50 percent or less of the AMI.

According to HACSB, 364 households from Apple Valley and 821 households from Victorville were receiving Section 8 Housing as of March 2007. Table 9 shows a breakdown by unit size and ethnicity of recipients. As shown, 52 percent of the voucher recipients in Apple Valley were Black, 29 percent were White, and 18 percent were Hispanic. In Victorville, 64 percent of the voucher recipients were Black, 19 percent were White, and 16 percent were Hispanic. Given the ethnic composition of each jurisdiction, Black households appear to be over represented in the Section 8 program. In contrast, Hispanic households may be slightly underrepresented in Victorville, indicating a need for greater outreach efforts.

Table 9: Section 8 Vouchers				
# Bedrooms	Apple Valley	Percent	Victorville	Percent
0 Bedroom	0	0%	0	0%
1 Bedroom	10	3%	105	13%
2 Bedroom	193	53%	201	24%
3 Bedroom	124	34%	293	36%
4 Bedroom	34	9%	190	23%
5 Bedroom	3	1%	26	3%
6 Bedroom	0	0%	5	1%
7 Bedroom	0	0%	1	0%
Total	364	100%	821	100%
Race/ Ethnicity	Apple Valley	Percent	Victorville	Percent
White	106	29%	153	19%
Black	190	52%	527	64%
American Indian	0	0%	2	0%
Hispanic	66	18%	134	16%
Asian	2	1%	4	0%
Native Hawaiian	0	0%	1	0%

Source: Housing Authority County of San Bernardino, 2007

HACSB reported that as of March 2007, approximately 25,000 people were on the waiting list for voucher assistance. The Section 8 list opened for two weeks in March 2007, though it had previously not been open since 2002.

Based on information contained in the “Inventory of Federally Subsidized Low Income Rental Units at Risk of Conversion” compiled by the California Housing Partnership Corporation, no federally assisted, low income rental unit in Apple Valley is at risk of converting to market-rate housing by 2010. In addition, Apple Valley does not have locally subsidized units or units with affordability restrictions or controls.

The Victorville Public Development Corporation (VPDC) is a nonprofit organization formed in November 1990. VPDC’s principal purpose is to assist the City of Victorville and the Victorville Redevelopment Agency (RDA) in the acquisition and development of rental housing for low to moderate income individuals. The Victorville RDA also assists the Northgate Village Apartments through its Rental Subsidy program. The City of Victorville currently has several housing projects that were developed with public subsidies. These projects provide an important source of housing opportunities to extremely low, and low and moderate income households. Table 10 presents a list of publicly assisted housing units in Victorville.

Table 10: Assisted Housing Units- Victorville				
Funding Source	Project	Affordable units	Total Units	Expiration Date
Section 8, CHFA, RDA 20% Set-aside	Northgate Village Apts.	68	140	n/a
Section 8 and FHA	Rodeo Drive Apts.	99	99	2001
Section 8 and FHA	Sherwood Villa Apts.	101	101	2011
MF Mortgage Revenue Bonds	Gold West Apts.	18	88	05/01/2017
MF Mortgage Revenue Bonds	Summer Breeze Apts.	34	168	08/01/2018
MF Mortgage Revenue Bonds	Newporter Apts.	40	200	12/01/2015
MF Mortgage Revenue Bonds	Wimbledon Apts.	58	289	04/20/2031
Section 42 Tax Credit Units	Village Oak Apartments	116	116	n/a
Section 42 Tax Credit Units	Northside Commons	82	83	n/a
Section 42 Tax Credit Units	Kimberley Park Apts.	131	132	n/a
CTCAC, HOME, RDA 20% Set-aside	Impressions at Valley Center	99	100	n/a
CTCAC	Village at Victorville	79	80	n/a
CTCAC	Casa Bella Family Apts.	94	96	n/a

III. Analysis of Current Fair Housing Programs/Activities

Enforcement of the Fair Housing Act is a required component of the Apple Valley/Victorville Consortium's CDBG and HOME Programs. The Town of Apple Valley and City of Victorville have separately contracted with Inland Fair Housing and Mediation Board (IFHMB) to provide the following fair housing services:

- Fair housing information, counseling, mediation/ conciliation and enforcement, and referral of appropriate complaints regarding discrimination in housing.
- Landlord/ tenant and mobile home park information, counseling and mediation services, and referrals to community agencies for further assistance when appropriate.

IFHMB provides community education by attending City- or Town-sponsored events, speaking to school groups, and providing presentations to Realtors, apartment managers, and mortgage bankers.

A. Previous Analysis of Impediments (AI)

Apple Valley: The Town's AI was prepared in 1999. The AI found that although no public policy, program, or standards implemented by the Town have proven to impede housing development or fair housing choice, the Town should strengthen its position by the following fair housing practices:

- Continue to educate rental property owners/managers about their responsibilities under fair housing laws
- Educate tenant households through on-going education programs
- Educate school children about fair housing choice and fair housing laws
- Continue to monitor the lending practices of major financial institutions
- Promote April as "Fair Housing Month"
- Review all standard Town contracts to ensure certain fair housing language is included such as reporting information regarding ethnic, income, etc.
- Conduct training of code enforcement officials to enable them to refer discrimination cases directly to IFHMB.
- Requesting rental property owners receiving financial assistance from the Town to attend a training seminar regarding fair housing practice
- Require IFHMB to conduct a fair housing training session for Town employees
- Display the fair housing logo with advertisements by the Town (i.e. housing notices for housing programs)
- Conduct English-As-A-Second Language classes about fair housing law and its application

Victorville: The City of Victorville's AI was completed in 1999 and it identified needs in the following areas:

- Fears and prejudices are identified through active (direct actions against certain groups) and passive discrimination (when certain persons avoid residing in certain housing units)
- Discrimination due to race and/or color warrants further education of property owners and/or property managers regarding their responsibilities to uphold the housing laws
- Lack of affordable, large family rental housing units enables the marketplace to practice in a discriminatory manner
- Many residents have complained of the inadequacy of the public transportation system. Complaints cite the lack of an efficient busing system in discouraging people from using public transportation. Without an effective public transportation system, those who rely on it, typically low income households are unable to find housing close to their job locations

In April 2003, the City of Victorville updated its AI in accordance with HUD regulations with the intent to ensure compliance with the Consolidated Plan certification requirements to affirmatively further fair housing. As a result of the update, three new impediments were identified. Impediments identified in the update are:

- Deterioration of the existing housing supply
- An on-going housing-job imbalance
- Neighborhood safety and crime prevention
- Inadequacy of public transportation
- Lack of affordable large family rental housing and
- Discrimination due to race and/or color

The 2003 AI identified the strategy to address these impediments as follows:

- Provide units that meet the housing standards to serve as decent, safe and sanitary housing
- Fund police services in target areas servicing low-income neighborhoods
- Review all standard City contracts to ensure certain fair housing language is included, such as reporting information regarding ethnicity. All contracts for housing development should be made available to IFHMB for review
- Conduct training of code enforcement officials to enable them to refer discrimination cases directly to IFHMB
- Require rental property owners receiving financial assistance from the City to attend a training seminar regarding fair housing practices
- Require IFHMB to conduct a fair housing training session for City employees
- Display the fair housing logo with all advertisements taken by the City (Public Notices for CDBG program, etc.)
- Conduct English-As-A-Second Language classes about fair housing law and its application
- Address preserving the existing housing supply

B. Fair Housing Services

IFHMB has provided fair housing services for communities in San Bernardino County for the past 20 years.

As an entitlement jurisdiction, the Consortium has contracted with IFHMB to provide fair housing services. These services are described below:¹⁰

- **Fair Housing:** Provides services to facilitate compliance with Federal and State fair housing laws. These laws prohibit the discrimination of individuals in the sale or rental of housing. Services include information and education, mediation, investigation, and referral of housing discrimination complaints.
- **Education/Outreach:** Provides workshops to community meetings, housing owners/managers, Realtors, newspapers, service organizations, high schools, colleges, English as a second language (ESL) participants and other organizations or persons interested in learning about State and Federal housing laws and how to recognize and avoid housing discrimination and the respective rights and responsibilities.
- **Landlord/Tenant:** Provides information on landlord and tenant rights and responsibilities under the California Civil Code. In addition, the staff offers mediation services to resolve conflicts between tenants and landlords. Housing mediation is a useful tool to promote resolutions to problems and avoid needless litigation in the rental housing industry.
- **HUD Certified Comprehensive Counseling:** Provides counseling to homeowners who are delinquent on FHA loans regarding options available. Conducts pre-purchase and first-time homebuyer education workshops to inform potential homebuyers of the home-buying process and their rights and responsibilities as homeowners. Counsels senior citizens who are interested in reverse equity mortgage programs.
- **Senior Services:** Actively and successfully mediates conflicts between seniors and Social Security, Medi-Cal, utility companies, collection agencies, neighbors, and other areas in dispute. Maintains list of senior housing and board and care homes.
- **Alternative Dispute Resolution (ADR):** California Dispute Resolution Act of 1986 provides the authority for mediation in the legal court system. IFHMB has a contract with the County of San Bernardino to provide mediation with small claims and unlawful detainer lawsuits in all of the courts in San Bernardino County.
- **Mobile Home Mediation:** Provides specialized problem solving (based on Mobile Home Residency Law) that reflects the dual ownership and a unique life style of the mobile home community. Provides in-park workshops for education and to assist residents in filing for refunds on utility and property tax burdens.

¹⁰ IFHMB website, <http://members.aol.com/inmedbd/index.html>

- **Information/Referral:** Provides information based on years of acquired knowledge in the housing field coupled with professional working relationships with other service providers.
- **Radio & Television information:** Presents community service programs in cooperation with local Spanish radio and television stations to inform the audience of the variety of programs offered.
- **Newsletters:** Publishes the West End Senior News and the Fair Housing Quarterly, which is distributed to property owners/management and gives current news and court decisions affecting the rental business.
- **Mediation/Arbitration:** Provides mediation and arbitration services, which are faster, less stressful, and less expensive alternatives to litigation. A mediator is formally trained to act as a neutral intermediary who assists the parties to come to a mutually acceptable conclusion to their dispute. An arbitrator listens to both sides in an informal hearing and then makes a determination, based on law, as to the prevailing party.
- **Transportation Information, Conciliation and Mediation:** Provides services to transportation users who have conflicts with transit providers concerning compliance with the Americans with Disabilities Act of 1990.
- **Staff:** Maintains a staff of 17 permanent trained mediators, including two paralegals and a J.D. Support staff is made up of volunteers. Bilingual services are available.
- **HMDA Monitoring:** Provides HMDA monitoring services to jurisdictions.

IFHMB continues to operate its new satellite office in the Victor Valley four days per week, enhancing the accessibility of fair housing and landlord/tenant mediation services to Apple Valley and Victorville residents.

C. Fair Housing Statistics

According to IFHMB's Annual Reports for FY 2003/04 through FY 2005/06, 56 discrimination complaints were received from Apple Valley and 102 from Victorville. The complaints were mainly related to race, national origin, familial status and disability discrimination, which affected 51 low and moderate income persons in Apple Valley and 95 low and moderate income persons in Victorville. Fair housing complaints received by IFHMB from Apple Valley and Victorville residents from FY 2003/04 through FY 2005/06 are illustrated in Tables 11 and 12.

In Apple Valley, approximately 19 complaints were received each year; however, the majority of complaints were filed by lower income persons (91 percent) and female-headed households (52 percent). Over the past three years, 57 percent of the calls received were from White households, 22 percent from Hispanic households, and 19 percent from Black households. These percentages were relatively consistent with the Town's racial/ethnic composition, though Blacks may be slightly overrepresented given they only make up eight percent of the population and 19 percent of complaints. Consistent with recent State-wide trends, the four

top discrimination biases were familial status (21 percent), disability (21 percent), national origin (20 percent), and disability (11 percent). As shown, IFHMB conciliated 23 percent of the complaints in Apple Valley, while 30 percent were sent to HUD for federal enforcement and 16 percent were sent to the California Department of Fair Employment and Housing (DFEH) for state enforcement.

Table 11: Apple Valley Fair Housing Complaints FY 2003/04-FY 2005/06					
	2003/04	2004/05	2005/06	Total	Percent
<i>Income Level</i>					
Above	1	2	2	5	8.9%
Low	0	4	6	10	17.9%
Very Low	4	7	8	19	33.9%
Extremely Low	8	9	5	22	39.3%
Total	13	22	21	56	100.0%
<i>Race and Ethnicity</i>					
White	24	47	45	116	57.4%
Black	10	17	11	38	18.8%
Hispanic	8	14	22	44	21.8%
Asian	0	0	0	0	0.0%
American Indian	0	0	1	1	0.5%
Pacific Islander	0	0	0	0	0.0%
Other	0	0	0	0	0.0%
Am. Indian & White	0	1	0	1	0.5%
Asian & White	0	0	0	0	0.0%
Black & White	0	0	0	0	0.0%
Amer. Indian & Black	0	0	2	2	1.0%
Total	42	79	81	202	100.0%
Female Headed	7	13	9	29	51.8%
# of Con. Cases	6	6	1	13	23.2%
HUD	5	9	3	17	30.4%
DFEH	2	5	2	9	16.1%
Attorney	0	0	0	0	0.0%
<i>Discrimination Bias</i>					
Source of Income	2	4	0	6	3.4%
Age	1	1	3	5	2.8%
Race	9	12	10	31	17.3%
Gender/Sex	2	8	6	16	8.9%
Marital Status	0	0	1	1	0.6%
Color	4	0	0	4	2.2%
National Origin	8	5	22	35	19.6%
Familial Status	5	21	12	38	21.2%
Disability	12	16	10	38	21.2%
Religion	0	4	1	5	2.8%
Total	43	71	65	179	100.0%
Source: Inland Fair Housing and Mediation Board, 2007					

In Victorville, approximately 34 complaints were received each year and the majority of complaints were filed by lower income persons (93 percent) and female-headed households (57 percent). Over the past three years, 44 percent of the calls received were from Black

households, 37 percent from White households, and 18 percent from Hispanic households. These percentages may reflect a disproportion of potential housing discrimination among Black households and/or lack of fair housing knowledge among the Hispanic households (Blacks makeup 12 percent of the population and 44 percent of complaints and Hispanics make up 34 percent of the population and only 18 percent of complaints).

Consistent with recent State-wide trends, the three top discrimination biases were race (34 percent), disability (30 percent), and familial status (17 percent).

As shown, IFHMB conciliated approximately 27 percent of the complaints, while 29 percent were sent to HUD for federal enforcement and 15 percent were sent to the California Department of Fair Employment and Housing (DFEH) for state enforcement.

In comparison, 325 complaints were received from the County of San Bernardino during the same time period, primarily from lower income persons (90 percent) and female-headed households (52 percent). In the County, 50 percent of the calls received were from White households, 23 percent from Hispanic households, and 21 percent from Black households.

The three top discrimination biases from the County were disability (32 percent), race (21 percent), and national origin (14 percent). IFHMB conciliated approximately 22 percent of the complaints, while 24 percent were sent to HUD for federal enforcement and 17 percent were sent to the California Department of Fair Employment and Housing (DFEH) for state enforcement.

Table 12: Victorville Fair Housing Complaints FY 2003/04-FY 2005/06					
	2003/04	2004/05	2005/06	Total	Percent
<i>Income Level</i>					
Above	4	2	1	7	6.9%
Low	3	3	5	11	10.8%
Very Low	5	16	7	28	27.5%
Extremely Low	20	21	14	55	53.9%
Total	33	42	27	102	100.0%
<i>Race and Ethnicity</i>					
White	20	78	28	126	37.4%
Black	52	50	46	148	43.9%
Hispanic	23	35	2	60	17.8%
Asian	0	0	0	0	0.0%
American Indian	0	0	0	0	0.0%
Pacific Islander	0	0	0	0	0.0%
Other	0	0	0	0	0.0%
Am. Indian & White	0	0	0	0	0.0%
Asian & White	0	0	0	0	0.0%
Black & White	0	0	5	5	1.5%
Amer. Indian & Black	0	0	0	0	0.0%
Total	95	161	81	337	100.0%
Female Headed	24	19	15	58	56.9%
# of Con. Cases	7	14	6	27	26.5%
HUD	11	10	9	30	29.4%
DFEH	4	6	5	15	14.7%
Attorney	4	1	0	5	4.9%
<i>Discrimination Bias</i>					
Source of Income	4	0	6	10	3.0%
Race	54	27	31	112	34.1%
Gender/Sex	3	11	8	22	6.7%
Color	0	4	1	5	1.5%
National Origin	7	8	3	18	5.5%
Familial Status	19	18	19	56	17.1%
Disability	10	65	24	99	30.2%
Religion	0	4	0	4	1.2%
Sexual Orientation	2	0	0	2	0.6%
Total	99	137	92	328	100.0%
Source: Inland Fair Housing and Mediation Board, 2007					

D. Landlord/Tenant Statistics

Landlord/tenant disputes received by IFHMB from Apple Valley and Victorville residents from FY 2003/04 through FY 2005/06 are summarized in Tables 13 and 14, respectively.

In Apple Valley, an average of 257 calls were received annually by IFHMB, the majority of which were filed by White households (58 percent), followed by Black households (20 percent) and Hispanic households (19 percent). The top concerns/complaints involved rights and responsibilities (39 percent), eviction (21 percent), and repairs (18 percent). The majority of

complaints affected low and moderate income people (86 percent). In addition 45 percent of the households were female-headed, 38 percent were disabled, and 15 percent were elderly. IFHMB was able to mediate 28 percent of the complaints. Given that Blacks make up approximately 8 percent of the population of the Town, they may represent a disproportionate number of landlord tenant complaints received by IFHMB.

Table 13: Apple Valley Landlord/Tenant Complaints FY 2003/04- FY 2005/06					
	2003/04	2004/05	2005/06	Total	Percent
Above	26	36	49	111	14.4%
Low	35	52	65	152	19.7%
Very Low	70	75	73	218	28.2%
Extremely Low	128	60	103	291	37.7%
Total	259	223	290	772	100.0%
<i>Race and Ethnicity</i>					
White	523	523	661	1707	58.1%
Black	199	167	234	600	20.4%
Hispanic/Latino	161	148	253	562	19.1%
Asian	4	0	18	22	0.7%
American Indian	0	3	5	8	0.3%
Pacific Islander	0	0	3	3	0.1%
Other	11	0	0	11	0.4%
American Indian & White	0	0	12	12	0.4%
Asian & White	0	0	0	0	0.0%
Black & White	3	7	5	15	0.5%
American Indian & Black	0	0	0	0	0.0%
Total	901	848	1191	2940	100.0%
<i>Special Needs Groups</i>					
Female Headed Household	148	79	121	348	45.1%
Elderly	30	38	47	115	14.9%
Disabled	96	82	113	291	37.7%
# of Information Cases	194	160	199	553	71.6%
# of Mediated Cases	65	63	91	219	28.4%
Source: Inland Fair Housing and Mediation Board, 2007					

In Victorville, an average of 303 calls were received annually, the majority of which were filed by White households (43 percent), followed by Black households (27 percent), and Hispanic households (25 percent). Similar to Apple Valley, the top concerns/complaints involved rights and responsibilities (41 percent), eviction (27 percent), and repairs (16 percent). The majority of complaints affected low and moderate income people (85 percent). In addition, 50 percent of the households were female-headed, 36 percent were disabled, and 13 percent were elderly. IFHMB was able to mediate 30 percent of the complaints. Given that Blacks make up only 12 percent of the population of the City and Hispanics make up 35 percent, Black residents may represent a disproportionate number of landlord tenant complaints received by IFHMB and Hispanics may be underrepresented.

In comparison, 3,883 complaints were received from residents in the County of San Bernardino during the same time period, which were filed mainly by lower income persons (86 percent). Slightly fewer calls were received by female headed households (46 percent) and

disabled (31 percent), though slightly more were from elderly (20 percent). In the County, 53 percent of the calls received were from White households, 26 percent from Hispanic households, and 17 percent from Black households.

	2003/04	2004/05	2005/06	Total	Percent
Above	33	48	51	132	15%
Low	30	51	52	133	15%
Very Low	76	66	98	240	26%
Extremely Low	160	106	137	403	44%
Total	299	271	338	908	100%
<i>Race and Ethnicity</i>					
White	383	542	671	1,596	43%
Black	350	265	398	1,013	27%
Hispanic/Latino	277	292	380	949	25%
Asian	3	18	44	65	2%
American Indian	4	26	19	49	1%
Pacific Islander	11	14	0	25	1%
Other	7	0	0	7	0%
American Indian & White	0	18	8	26	1%
Asian & White	0	0	0	0	0%
Black & White	2	7	10	19	1%
American Indian & Black	0	4	1	5	0%
Mixed	0	0	0	0	0%
Total	1,037	1,186	1,531	3,754	100%
<i>Special Needs Groups</i>					
Female Headed Household	207	110	134	451	50%
Elderly	39	36	47	122	13%
Disabled	97	95	132	324	36%
# of Information Cases	202	188	243	633	70%
# of Mediated Cases	97	83	95	275	30%
Source: Inland Fair Housing and Mediation Board, 2007					

E. Outreach

The majority of services provided by IFHMB are outreach and education related. During FY 2003/04 through FY 2005/06, over 7,000 brochures were provided to Apple Valley and over 8,000 brochures to Victorville residents. In addition, IFHMB conducted approximately 45 fair housing workshops in Apple Valley and 81 in Victorville, including various presentations, trainings, meetings, conferences and other events.

The following activities were conducted monthly in order to provide outreach and education to residents on a consistent basis:

- Fair housing cable outreach
- Fair housing public service announcements
- Fair housing radio program on various stations

- Distribution of fair housing brochures and flyers to public, private, and community groups throughout the area at various events

F. Fair Housing Initiative Program (FHIP) Grants

The Fair Housing Initiatives program (FHIP) was established by the HCD Act of 1987 (amended in 1992), and provides funding to public and private entities formulating or carrying out programs to prevent or eliminate discriminatory housing practices.¹¹

IFHMB has received several FHIP Grants since 1994 to benefit residents in the County of San Bernardino, including Apple Valley and Victorville. Below is a brief synopsis of the grants and allocation amounts received by IFHMB:

- 1994-1996 Testing for Discrimination \$198,000
- 1997-1999 Testing for Discrimination \$200,000
- 2000-2002 Testing for Discrimination \$179,000
- 2003-2004 Education for ESL \$100,000
- 2004-2005 Testing for Discrimination \$178,000
- 2005-2006 Testing for Discrimination \$220,000
- 2006-2008 Testing for Discrimination \$275,000

In Apple Valley, two tests were conducted in FY 2002-2003; both involved race. In Victorville, three tests were conducted, including one in FY 2000-01, one in FY 2001-02, and one in FY 2004-05; all involved race. The outcome of these tests found insufficient evidence to prove discrimination and the cases were closed.

G. Enforcement of Fair Housing Laws

- **Federal:** HUD is responsible for enforcing Federal fair housing laws. In particular, the Office of Fair Housing and Equal Opportunity (FHEO) administers federal laws and establishes national policies that make sure all Americans have equal access to the housing of their choice. Many of the cases received by FHEO are referred to the Fair Housing Assistance Program (FHAP) Partners, which for California includes only the Department of Fair Employment and Housing (DFEH), discussed further under State Enforcement.

According to the San Francisco FHEO Office, two cases in Apple Valley and six cases in Victorville have been filed with HUD from January 2001 to January 2007. In addition, seven cases from Apple Valley and 12 cases from Victorville have been filed with FHAP. The majority of cases in Apple Valley involved race (56 percent), followed by familial status (22 percent). The majority of cases in Victorville involved race (78 percent).

In contrast, 71 cases were filed with HUD from residents the County of San Bernardino and 286 cases were filed with FHAP during the same timeframe. The majority of biases involved race (52 percent), disability (36 percent), national origin (25 percent), and

¹¹ HUD, FEHO, 2006

familial status (15 percent). These percentages are consistent with the majority biases reported by the State and local enforcement (DFEH and IFHMB, respectively).

- **State:** The California Department of Fair Employment and Housing (DFEH) is responsible for enforcing State fair housing laws under the Rumford Act and Unruh Act. DFEH receives, investigates, conciliates complaints, and may render administrative opinions, though a complainant may also file the complaint in court. Complaints must be received within 60 days of the alleged violation.

Apple Valley: According to DFEH, two cases were received from Apple Valley. Both complaints were based on race/color and one also included religion as well. There were three alleged acts (total acts reported exceed the total number of cases filed because some cases are filed under more than one act): eviction (33 percent), refusal to rent (33 percent), and harassment (33 percent). From the two cases received, one had no probable cause to prove the violation and one had successful mediation.

Victorville: According to DFEH, 16 cases were received from Victorville. The complaints were based on race (42 percent), sexual orientation (21 percent), sexual harassment (11 percent), and familial status (11 percent). There were 25 alleged acts with the majority being eviction (40 percent), harassment (28 percent), and unequal terms (24 percent). From the 16 cases received, 38 percent had no probable cause to prove the violation, 19 percent had a successful conciliation, 19 percent had successful mediations, 13 percent withdrew with resolution, and 13 percent of the complainants were not available to pursue further action.

In contrast, 223 cases were received by DFEH from San Bernardino County, most of which were based on race/color (36 percent), physical disability (20 percent), and familial status (12 percent). There were 350 alleged acts with the majority being eviction (35 percent), harassment (23 percent), unequal terms (16 percent), refusal to rent (11 percent), and denied reasonable modification/accommodation (eight percent). From the 223 cases received, 50 percent had no probable cause to prove the violation, 18 percent had a successful conciliation, 10 percent had successful mediations, and 10 percent of the complainants were not available to pursue further action.

- **Local:** The California Department of Real Estate (DRE) is responsible for regulating real estate licensees, as discrimination is a violation of the Business and Professions Code. Currently, statistics pertaining to fair housing discrimination by licensees are not readily available.

H. Hate Crimes¹²

The Federal Bureau of Investigation's (FBI) Uniform Crime Reporting Program collects statistics on hate crimes, as mandated by the Hate Crimes Statistics Act of 1990. Hate crimes are crimes that are committed because of a bias against race, religion, disability, ethnicity, or sexual orientation.

¹² Federal Bureau of Investigation's (FBI) Uniform Crime Reporting Program, 1996-2004

Hate crime statistics for the Apple Valley/Victorville Consortium collected from 1996 through 2004 indicate that 13 hate crimes have been reported in the Consortium during the those eight years (one from Apple Valley and 12 from Victorville). Race was the number one motivator with 10 crimes, followed by two motivated by sexual orientation, and one motivated by religion.

In comparison, the County of San Bernardino reported 24 hate crimes during the same time period. Similarly, race was the number one motivator with 15 crimes, followed by five motivated by ethnicity, two by religion, and two by sexual orientation.

The Apple Valley/Victorville Consortium has averaged two to three hate crimes per year, which does not indicate an adverse or highly discriminatory environment. The pattern of race being the number one bias motivator is consistent with the national trend and other fair housing complaint statistics discussed earlier.

I. NIMBYism

Not-in-My-Back-Yard (NIMBY) is a term used to describe opposition by local residents to construction, typically of affordable housing, though also in public facilities. As the Town of Apple Valley has not had any major multi-family or affordable housing developments in the last five years, this topic has not been an issue. In Victorville, the Impressions at Valley Center development drew some public comments throughout the approval process, though the project was not blocked. Given that many residents of Apple Valley and Victorville came to the high desert for larger homes/lots, open space, rural characteristics, and to flee the crime and congestion associated with surrounding counties, NIMBYism may become an issue as both jurisdictions continue to develop to accommodate the rapidly growing population.

IV. Public Sector Policies

Actions of the public sector can have an impact on the price, availability, and fair housing choices in a community. Land use regulatory controls, site improvement requirements, building codes, fees, and other local programs to improve the quality of housing may serve as a constraint to housing development. Various public policies can affect overall housing availability, adequacy, and affordability. While housing affordability is not defined as a fair housing issue, limited availability of affordable housing may indirectly affect the housing choices available to many of the groups protected by fair housing laws. This section analyzes public policies in the Apple Valley/Victorville Consortium as they relate to fair housing choice.

A. Land Use Controls and Zoning

Table 15 illustrates the Town of Apple Valley's Development Code standards and Table 16 illustrates Victorville's Development Code Standards.

Apple Valley: Apple Valley's Development Code was adopted in 2000. The residential zoning districts and their respective maximum density as established in the Town's Development Code are as follows:

- Very Low Density Residential (R-VLD) (1dwelling unit (du)/5 or more gross acres (ac))
- Residential Agriculture (R-A) (1 du/2.5 to 5 gross ac)
- Low Density Residential (R-LD)(1 du/2.5 to 5 gross ac)
- Estate Residential (R-E) (1 du/1 to 2.5 gross ac)
- Equestrian Residential(R-EQ) (1 du/0.4 to 0.9 net ac)
- Single Family Residential (R-SF) (1 du/0.4 to 0.9 net ac)
- Multi-Family Residential (R-M) (2 to 15 du/net ac)*Projects exceeding 2.5 ac equal up to 20 du/ac
- Planned Residential Development (PRD) (varies)

Apple Valley's land use controls reflect the Town's low density character.

Victorville: Victorville's Development Code was adopted in 1968 with amendments through February 2007. The residential districts and their respective maximum density as established in the Development code are as follows:

- Rural Residential (AE - Exclusive Agriculture) (0-1 du/5 ac)
- Very Low Density Residential (A – Agricultural Residential and SR - Suburban Residential, and R-1B - Single-Family Residential with "B" combining district) (0-2 du/ac)
- Low Density Residential (R-1 - Single0Family Residential) (0-5 du/ac)
- Medium Density Residential (R-2 - Medium Density Residential) (0-8 du/ac)
- High Density Residential (R-3 - High Density Residential, R-3T) (0-15 du/ac)
- Very High Density Residential (R-34, R-4T) (0-20 du/ac)
- Specific Plan (SP) (density varies)
- Urban Conservation (B combining district) (density varies)

Victorville’s Development Code provides for a range of land use designations that accommodate a range of housing types.

Other Housing Provisions: Existing density bonus law requires local governments to grant density bonuses plus at least one incentive or equivalent concession to developments that include a component of housing affordable to lower and moderate income households. Apple Valley and Victorville currently allow density bonuses per state law.

Manufactured homes offer additional affordable housing opportunities to residents. Pursuant to State law, manufactured housing units are permitted by right in any residential district where single-family dwellings are permitted.

Table 15: Development Code Standards - Apple Valley

Districts	Max Lot Coverage	Minimum Lot Size	Minimum Unit Size	Front Yard Setback	Rear Setback	Side Yard Setback	Street Set Back
Very Low Density Residential (R-VLD)	25%	5ac.	1,200 sf	50	40	25	45
Residential Agriculture (R-A)	25%	2.5 ac.	1,200 sf	50	35	25	45
Low Density Residential (R-LD)	25%	2.5 ac.	1,200 sf	50	35	25	45
Estate Residential (R-E)	25%	1 ac.	1,200 sf	45	30	20	40
Equestrian Residential (R-EQ)	30%	18,000 sf	1,200 sf	30	25	15/10	25
Single Family Residential (R-SF)	40%	18,000 sf	1,200 sf	30	25	15/10	25
Multi-Family Residential (R-M)	60%	18,000 sf	600 to 1,200 sf	40	25	10	25
Planned Residential Development (PRD)	50%	PRD	PRD	10	5	6	10

Source: Town of Apple Valley Development Code Chapter 9.28, 2000

Table 16: Development Code Standards - Victorville

Districts	Max Lot Coverage	Minimum Lot Size	Minimum Unit Size	Front Yard Setback	Rear Setback	Side Yard Setback	Street Set Back
Rural Residential (AE)	N/A	5ac.	1,200 sf	25	20	10	10
Very Low Density Residential (A)	40%	1ac.	1,200 sf	25	10	10	10
Very Low Density Residential (SR)	40%	½ ac.	1,200 sf	20	20	5	10
Low Density Residential(R-1)	40%	7,200 sf.	1,200 sf	20	20	5	10
Low Density Residential (R-MPD)	60%	7,200 sf	1,200 sf	20	10	5	10
Medium Density Residential (R-2)	40%	7,200/8,500 sf	Bachelor Apt. – 500 sf 1-2 Bedroom 600 sf	20	20	5	10
High Density Residential (R-3)	40%	7,200/10,000sf	Bachelor Apt. – 500 sf 1-2 Bedroom 600 sf	20/15	20/15	5	10
High Density Residential (R-4)	50%	10,000 sf	Bachelor Apt. – 500 sf 1-2 Bedroom 600 sf	15	15	5	10
Urban Conservation	40%	2.5 ac.	800 sf	20	20	5	10
Specific Plan Brentwood: Low Residential	40%	8,000 sf	800 sf	15	20	5	10
Low-Medium Residential	40%	7,000 sf	800 sf	15	20	5	10
Medium Residential	45%	5,000 sf	1,000 sf	17	15	4	10
Medium-High Residential	45 %	4,000 sf	800 sf	17	15	4.4	10
High Residential	45 %	1 ac.	2,175 sf	15	15	5	10
Specific Plan Fox Fire Ranch: Very Low Residential	40%	10,000 sf	800 sf	25	20	5	10
Low Residential	40%	8,000 sf	800 sf	15	20	5	10
Medium-Low Residential	40%	6,500 sf	800 sf	15	15	5	10
Medium Residential	50%	4,000 sf	800 sf	15	15	5	10
Adult Residential Overlay	50%	4,000 sf	800 sf	15	15	5	10
Specific Plan Mesa Verde (Eagle Ranch): Estate Residential Overlay	40%	15,000 sf	800 sf	30	25	10	10
Low Residential	45%	6,500 sf	800 sf	15	15	5	10
Medium Residential	50%	5,000 sf	800 sf	15	15	5	10
High Residential	50%	10,000 sf	800 sf	15	15	5	10
Specific Plan Old Town: Residential Single Family	.50 FAR	7,100 sf	800 sf	10	10	5	5
Residential Apartment	.80 FAR	3,550 sf	Bachelor Apt. –	10	10	5	5

Table 16: Development Code Standards - Victorville

Districts	Max Lot Coverage	Minimum Lot Size	Minimum Unit Size	Front Yard Setback	Rear Setback	Side Yard Setback	Street Set Back
			500 sf 1-3 bedroom 600 sf Condo or SFR 800 sf				
Specific Plan Rancho Tierra: Estate Residential	40%	18,000 sf	800 sf	25	20	5	10
Very Low Residential	40%	7,000 sf	800 sf	15	20	5	10
Low Residential	40%	6,000 sf	800 sf	15	15	5	10
Medium-Low Residential	50%	5,000 sf	800 sf	15	15	5	10
Medium Residential Overlay	50%	4,000 sf	800 sf	15	10	5	10
High Residential	50%	10,000 sf	1,600 sf	15	15	5	10
Specific Plan Talon Ranch: Low Residential	40%	7,200 sf	800 sf	20	20	5	10
Medium-Low Residential	40%	6,000 sf	800 sf	15	15	5	10
Medium Residential	50%	4,500 sf	800 sf	15	15	5	10
High Residential Overlay	50%	10,000 sf	1,600 sf	15	15	5	10
Specific Plan Vista Verde: Very Low Residential	45%	7,000 sf	800 sf	15	15	5	10
Low Residential	45%	6,000 sf	800 sf	15	15	5	10
Medium-Low Residential	50%	5,00 sf	800 sf	15	15	5	10
Medium Residential	50%	4,000 sf	800 sf	15	15	5	10

Source: City of Victorville General Plan update 2000

B. Development Code Definitions

According to California Housing Element Law, one of the ways communities can promote fair housing is to remove definitions of family that are restrictive.¹³

Neither Apple Valley nor Victorville’s Development Code defines the word “family” and neither appears to have any other restrictive or discriminating policies within the definition section of its development code.

C. Building Codes and Accessibility

The Town of Apple Valley and City of Victorville have both adopted the Current State Uniform Building and International Property Maintenance Code, which is considered to be the minimum necessary to protect the public health, safety, and welfare.

¹³ California Affordable Housing Law Project of the Public Interest Law Project, 2000.

Apple Valley and Victorville comply with all state and federal requirements for accessibility in housing, including new accessibility standards for multi-family buildings (effective July 1, 2005) per SB 1025, which require 10 percent of the total dwelling units in multi-story (townhouse-type) buildings without an elevator that consist of at least four condominium dwelling units or at least three apartment dwelling units to meet accessibility requirements. According to an article in Builder’s Magazine, the new legislation is based on the concept of “visitability”, which means that a house meets three basic requirements; 1) it includes at least one no-step entrance, 2) doors and hallways are wide enough to navigate through, and a bathroom on the first floor is big enough for wheelchair access.¹⁴ Thus, those with disabilities are able to visit non-disabled people.

D. Care Facilities

State law (Lanterman-Petris-Short Act) authorizes residential care facilities serving six or fewer disabled persons or dependent and neglected children on a 24-hour-a-day basis to be considered residential uses and be permitted in all residential zones.¹⁵

According to the California State Department of Social Services, Community Care Licensing Division, 47 facilities in Apple Valley with a capacity of 547 persons and 44 facilities in Victorville with a capacity of 751 persons to serve those with special needs (Table 17).

Table 17: Licensed Community Care Facilities				
Facility Type	Apple Valley		Victorville	
	Facilities	Capacity	Facilities	Capacity
Adult and Elderly Residential				
Adult Day Care	1	60	5	240
Adult Residential	18	102	12	59
Residential Elderly	12	259	18	410
Children’s Care and Residential				
Group Home	10	102	5	30
Small Family Home	6	24	4	12
Total*	47	547	44	751

Source: California Community Licensing Division website, 2006

*includes facilities pending approval and their capacities.

Definitions for the types of facilities listed above are as follows:

- Adult Day Care Facilities (ADCF) are facilities of any capacity that provide programs for frail elderly and developmentally disabled and/or mentally disabled adults in a day care setting.
- Adult Residential Facilities (ARF) are facilities of any capacity that provide 24-hour non-medical care for adults ages 18 through 59, who are unable to provide for their own daily needs. Adults may be physically handicapped, developmentally disabled, and/or mentally disabled.
- Residential Care Facilities for the Elderly (RCFE) provide care, supervision and assistance with activities of daily living, such as bathing and grooming. They may also provide incidental medical services under special care plans. The facilities provide services to persons 60 years of

¹⁴ Gonzales, Manual, Builder and Developer Magazine, June 2005.

¹⁵ California Welfare and Institutions Code Sections 5115-5120

age and over and persons under 60 with compatible needs. RCFEs may also be known as assisted living facilities, retirement homes and board and care homes. The facilities can range in size from six beds or less to over 100 beds.

- Group Homes are facilities of any capacity and provide 24-hour non-medical care and supervision to children in a structured environment. Group Homes provide social, psychological, and behavioral programs for troubled youths.
- Small Family Homes (SFH) provide 24-hour-a-day care in the licensee's family residence for six or fewer children who are mentally disabled, developmentally disabled, or physically handicapped, and who require special care and supervision as a result of such disabilities.

Apple Valley: Apple Valley's Development Code allows residential care facilities serving six or fewer persons in all residential zones by right. For those facilities with seven beds or more, the Town requires a Conditional Use Permit in order to address any limited impacts a facility may have on the surrounding properties. Handicapped residential care facilities are permitted by right (Handicapped Residential Care Facilities are defined as residential care facilities, community care facilities, intermediate care facilities, foster homes, or other group homes serving persons as defined in Title 42, section 3602(H) of the Federal Fair Housing Act). Community care facilities are subject to applicable provisions of the Uniform Building Code and State Health and Safety provisions.

As there are 47 licensed community care facilities currently located in Apple Valley, the Town's policies on licensed care facilities do not appear to pose an impediment on the development of these types of residential facilities.

Victorville: Victorville's Development Code does not define or specifically state how or where residential care facilities are permitted; though nursing and/or rest homes serving six or fewer persons are permitted by conditional use in the R-1, R-3, and mixed density districts and by right in the R-2 district. The City's definition of day care center or day nursery includes care facilities. Victorville's Development Code allows family day care centers (up to 14 children less than 24 hours per day) by right in the A, SR, R1, MDR, and RMPD by right. Conditional use permits are required in the C1, C2 and CA zones and they are prohibited in all other zone districts.

As there are 44 licensed community care facilities currently located in Victorville, the City's policies on licensed care facilities do not appear to pose an impediment on the development of these types of residential facilities; though definitions of each type of facilities could be more clearly spelled out to avoid confusion.

Figure 7 shows transportation access to community care facilities in the Consortium. As shown, care facilities are disbursed throughout both jurisdictions and are located along or near public transportation routes.

E. Second Units

Second units are either attached or detached dwelling units that provide complete independent living facilities for one or more persons, including permanent areas for living, sleeping, cooking,

and sanitation. Second units are often an alternative source of affordable housing for very low income households.

California law requires local jurisdictions to adopt ordinances that establish the conditions under which second units are permitted. Second units cannot be prohibited in all 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. As a result of local jurisdictions imposing obstacles to make second units nearly impossible to build, recent legislation, Assembly Bill (AB) 1866, was passed. This law provides that after July 1, 2003, the permit process for second units is ministerial, which means without a public hearing or discretionary approval if the application meets the standards established in the ordinance.¹⁶ A jurisdiction may not establish standards for second units that are more stringent than outlined in State law.

Apple Valley permits second dwelling units and guest houses in all residential zones by special use permit (SUP) with the exception of the Multi-Family R-M district where they are prohibited. Second dwelling units are not permitted on lots less than one acre in size in any residential district. This minimum lot size applies to approximately 1,755 vacant, residential properties in the Town. Overall, there are 5,573 residential zoned properties, within the existing Town boundaries, equal to and greater than one (1) acre in size. The second unit must be at least 950 square feet if detached from the main unit. If the second unit is attached, the total floor area shall not exceed 30 percent of the main unit's living area. Neither attached nor detached second dwelling units are allowed to exceed 1,200 square feet or include more than two bedrooms and one bath. This minimum lot size for second units is somewhat high compared to other cities; however given the number of parcels that are equal to or greater than one acre, the requirement is not overly restrictive.

Victorville Second units on residential lots are prohibited within the City for the reasons set forth in Subsection 2 of Section 18.13.040 of the Development Code. Such reasons include occupancy restrictions that would require constant monitoring, the need for additional off street parking, increasing densities beyond what the General Plan allows. The City does permit accessory guest houses or dwelling units within a commercial use occupied by an owner or lessee in all zones except AE, R2, R3, R4, RMPD, C1, C2, CM, IPD, M1, M2, and PC. However, the units are not allowed to have kitchen or cooking facilities. The R-1 and RMPD zone also require that not more than one room in a dwelling unit be rented to a lodger and no room shall be rented to more than two persons. While the City has legally justified their procedure, these conditions may be a potential impediment to the development of affordable housing.

F. Parking Requirements

When parking requirements are high, housing development costs tend to increase, restricting the range of housing types available in a community. Typically, the concern for high parking requirements relates only to multi-family housing.

The Consortium's parking requirements are as follows:

¹⁶ California Housing Law Project, 2000-2001, printed via Internet in 2006

Apple Valley

- For Single-Family Detached and duplex Dwellings: Two enclosed garage spaces per unit.
- For Multi-Family and Single Family Attached Dwellings (Apartments, Condos, Town homes, or Similar Units):
 - Studios- One covered per unit and one open space per unit
 - One and two bedrooms- Two enclosed spaces per unit and .5 uncovered guest spaces per unit
 - Three or more bedrooms- Two enclosed spaces per unit 1 uncovered space per unit and .5 uncovered guest spaces per unit
- Mobile Home Parks: Two spaces per site/unit (may be in tandem), plus one guest space for every 10 sites

Apple Valley's parking requirements are comparable to those required of surrounding communities.

Victorville

- Single-Family Residential Dwellings: (a) A minimum of a two-car private garage shall be provided for every dwelling unit. (b) In every residential mobile home planned development district, two off-street parking spaces which may be in tandem shall be provided for each dwelling unit, shall be within a garage, carport or covered by an awning.
- Multiple-Family Residential Dwellings: (a) There shall be a minimum parking space ratio of two spaces per dwelling unit, one-half of which shall be in a garage or carport. All off-street parking should be developed in close proximity to the units which parking is to serve, so as to reduce the need to park on public rights-of-way. Where carports are constructed in lieu of required garages, a minimum of 150 cubic feet of storage space shall be provided therein or other areas as approved by the director of planning. (b) Individually owned dwelling units, such as within condominiums, cooperatives or town house multiple-family residential projects, shall have a minimum of one covered parking space for one bedroom dwelling units and two covered parking spaces for two or more bedroom dwelling units. In addition, all such residential projects shall provide one uncovered parking space for each two dwelling units. (c) Each mobile home space in a mobile home park shall have two adjoining parking spaces which may be in tandem, and additional guest parking shall be provided on the basis of one space for each five dwelling units.

Victorville's parking requirements are comparable to those required of surrounding communities.

G. Development Impact Fees

Rapid population growth and economic expansion have driven infrastructure demand and thus, impact fees have become an important component of local budgets to meeting this demand.

Apple Valley has adopted two development impact fees - a Transportation Impact Fee and a Park Impact Fee (Quimby fee). The current Transportation Impact Fee is \$5,301 for a detached dwelling unit and the current Park Impact Fee is \$3,085 for a detached dwelling unit, \$2,514 per single family attached unit (condo/townhome), and \$2,007 per mobile home unit. New fees proposed by the City's recent Development Impact Fee Study, which were recently adopted include:

- Animal Control Facilities: \$54.84 per detached dwelling unit
- Law Enforcement Facilities: \$147.64 per detached dwelling unit
- Storm Drainage Facilities: \$1,581.87 per detached dwelling unit
- Sanitary Sewer Collection System: \$2,127.09 per detached dwelling unit
- General Government Facilities: \$407.07 per detached dwelling unit
- Aquatics Facilities: \$84.37 per detached dwelling unit
- Public Meeting Facilities: \$261.54 per detached dwelling unit

Therefore, the total proposed development impact fee for a detached dwelling unit is \$13,050.42 per detached dwelling unit (Single-Family).

Victorville's Development Impact Fees (updated in 2006) are as follows:

- Single-Family (DU) \$10,947.21
- Multi-Family (DU) \$7,405.16

In comparison, Fontana has a park development fee of \$6,500 for single family dwellings \$5,981 per townhome/condo, \$5,139 per apartment and \$5,476 per mobile home. In addition, they have a circulation fee of \$4,510 for single family dwellings and \$2,760 for multifamily dwellings.

H. Permit Processing and Fees

The evaluation and review process required by Town and City may also contribute to the cost of housing in that holding costs incurred by developers are ultimately manifested in the unit's selling price or rent.

Apple Valley's average permit processing time takes between 30 and 60 days to complete; unless an appeal must go to the Council, which adds roughly 45 days. For projects or requests that are anticipated to have no environmental impacts or effects, the time frame is usually closer to the 30 day period. For those projects or activities that may have some environmental impacts that must be mitigated, the time frame is closer to the 60 day period. For large projects or developments that will involve the preparation of an Environmental Impact Report (EIR), the time needed to create and review that document must be added to the time frames noted above. Review of new development typically takes six to eight weeks from submission of a complete application.

Victorville's average processing time for residential development is currently three to four weeks for the first plan check. In an effort to remove financial barriers to affordable housing, the Building plan-check review fee schedule has remained essentially unchanged since 1997. And, once a particular home has been plan checked by all applicable City departments, any subsequent structures that are identical shall only be assessed 30 percent of the established plan check review fee of the first structure. Review of new development typically takes two to three months.

The planning review fees for residential housing projects of Apple Valley and Victorville are comparable to those of surrounding cities.

I. Planning and Zoning Boards

The Town of Apple Valley's Planning Commission consists of five members and meets every first and third Wednesday of each month at 6:00 p.m.

The City of Victorville's Planning Commission reviews all projects developed in the City. This Commission also consists of five members and meets the second and fourth Wednesdays of the month at 7:00 p.m.

J. Transportation

The Town of Apple Valley and City of Victorville are members of the Victor Valley Transit Authority (VVTA). The (VVTA) is a joint powers agency comprised of the cities of Adelanto, Hesperia, Victorville, the Town of Apple Valley, and the County of San Bernardino. The VVTA provides multiple occupancy vehicle service to the Consortium and surrounding community. It is the intent of this service to reduce traffic congestion, vehicle miles traveled and vehicle trips.

Currently, 13 VVTA bus routes serve the Town/City and surrounding communities as follows:

- **Route 21** serves the Tri-Community area, including the Mall Of Victor Valley, the area of Phelan, Serrano High School and the Wrightwood Community Center.
- **Route 22** serves the area of Helendale and provides transit link from the Lorene Transit Pt to the Victor Valley Hospital, St. Mary's Hospital, and Silver Lakes Market.
- **Route 23** links from the Apple Valley Post office to the Crossroads Center, through the Town Center Circulator which includes Lucerne Valley High School, Lucerne Valley Post Office, the Library and Senior Center then links to Moss Park through Hwy 247 and back to the Apple Valley Post Office.
- **Route 31** serves the area of Adelanto, with links from El Mirage and Bellflower Chamberlaine, the Adelanto Hub Bartlett, through Palmdale, Hwy 395 to Palmdale Rd where the Target store is located and then to the Lorene Transit Pt., located near the Victor Plaza, the City Hall and arriving back at the Adelanto Hub Bartlett.

- **Route 32** serves the same link as route 31 except it does not link through Stevens Kemper.
- **Route 40** serves the Apple Valley North area with links from Apple Valley Post Office, near the Vista Campana Middle School, Walmart, through Hwy 18 Thunderbird and arriving at the Apple Valley Quinnault.
- **Route 41** provides links to the Lorene Transit Point, the Victor Valley Jr. High, St. Mary's Hospital and the Victor Valley Transit Center.
- **Route 42** serves the area from Apple Valley to the St. Mary's Hospital with links from Apple Valley Quinnault, Vista Campana Middle School, Outer Hwy 18 North, St. Mary's Hospital, Outer HWY 18 South, Walmart and the Apple Valley Post Office.
- **Route 43** has two routes the first route links from the Mall of Victor Valley, through Bear Valley Rd. where Walmart, the Desert Valley Hospital are located then by the Victor Valley College and back to the Mall of Victor Valley. The second route departs from the Apple Valley Quinnault near the Apple Valley Post Office, through Kiowa Bear Valley, down Bear Valley road where Target is located then to the Victor Valley College Transit point and then back to the Apple Valley Quinnault.
- **Route 44** departs from the Mall of Victor Valley through the area of Hesperia which includes the Hesperia City Hall, Hesperia Post Office, Mojave High School, Sultana High School and then back to the Mall.
- **Route 45** serves the area of Victorville and Hesperia with links from the Rite Aid near Lorene Transit Point, Victorville Post Office, Victor Valley College, Public Health Department, the Hesperia Post office and back to Victor Valley College.
- **Route 51** links through the Victorville Circulator which include stops at the Victor Plaza, near Target, Victorville City Hall, Victor Valley High School, Victor Valley Hospital, Victorville Post Office and back to the Lorene Transit Pt.
- **Route 52** links through the area of Victorville and the Mall with stops near the Victor Plaza, the Chuck E. Cheese and the Mall of Victor Valley.

Victorville Direct Access Transit is a direct access service that is available for the disabled who are certified riders. Reservations may be made from one day to 14 days in advance and are taken from 8:00 a.m. to 5:00 p.m. Monday through Friday.

As shown in Figures 6 and 7 there is adequate transportation access to major employers and care facilities in the Apple Valley/Victorville Consortium area.

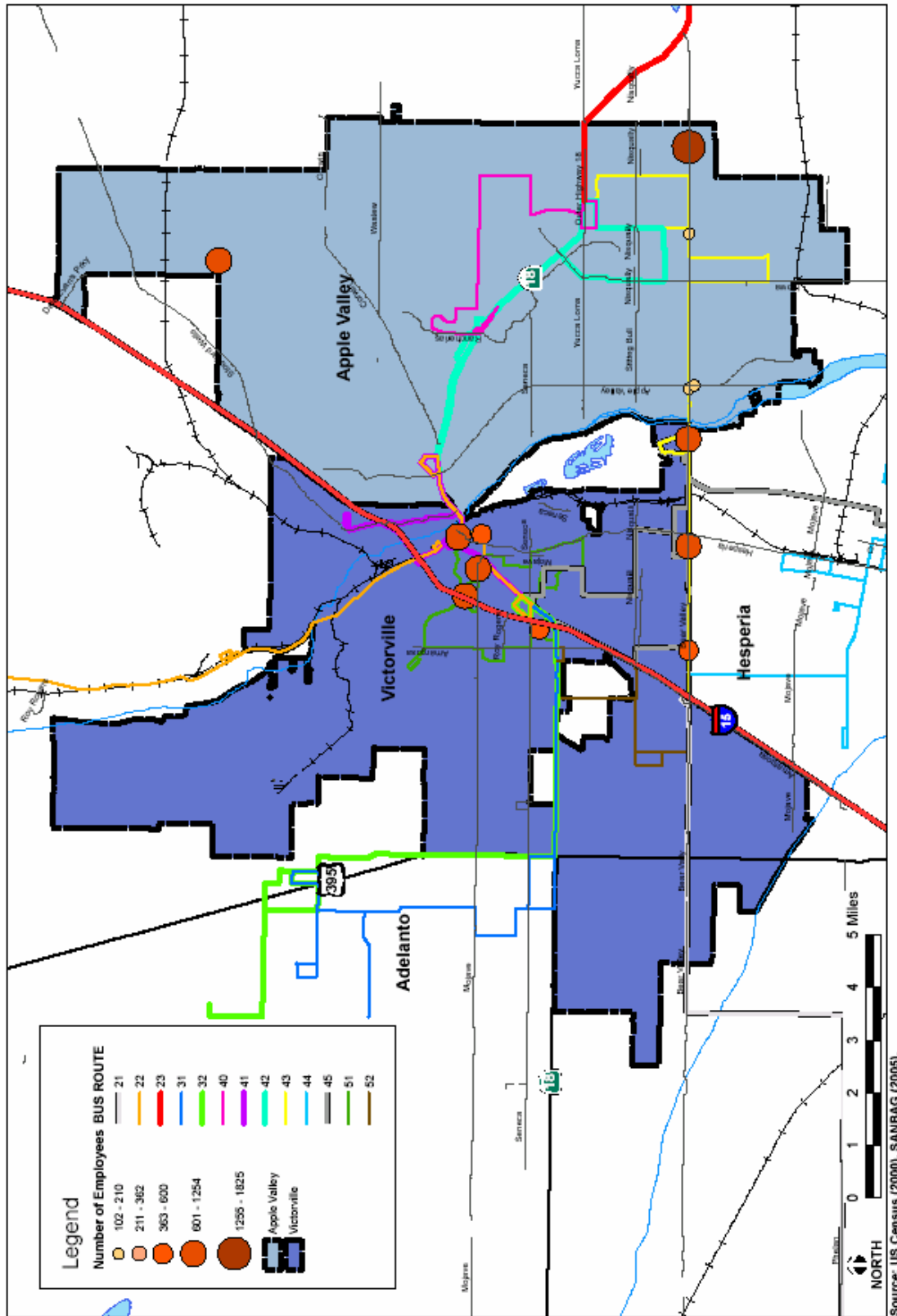


Figure 6
 Transportation Access to Major Employers

Apple Valley/Victorville Consortium Analysis of Impediments to Fair Housing Choice 2007

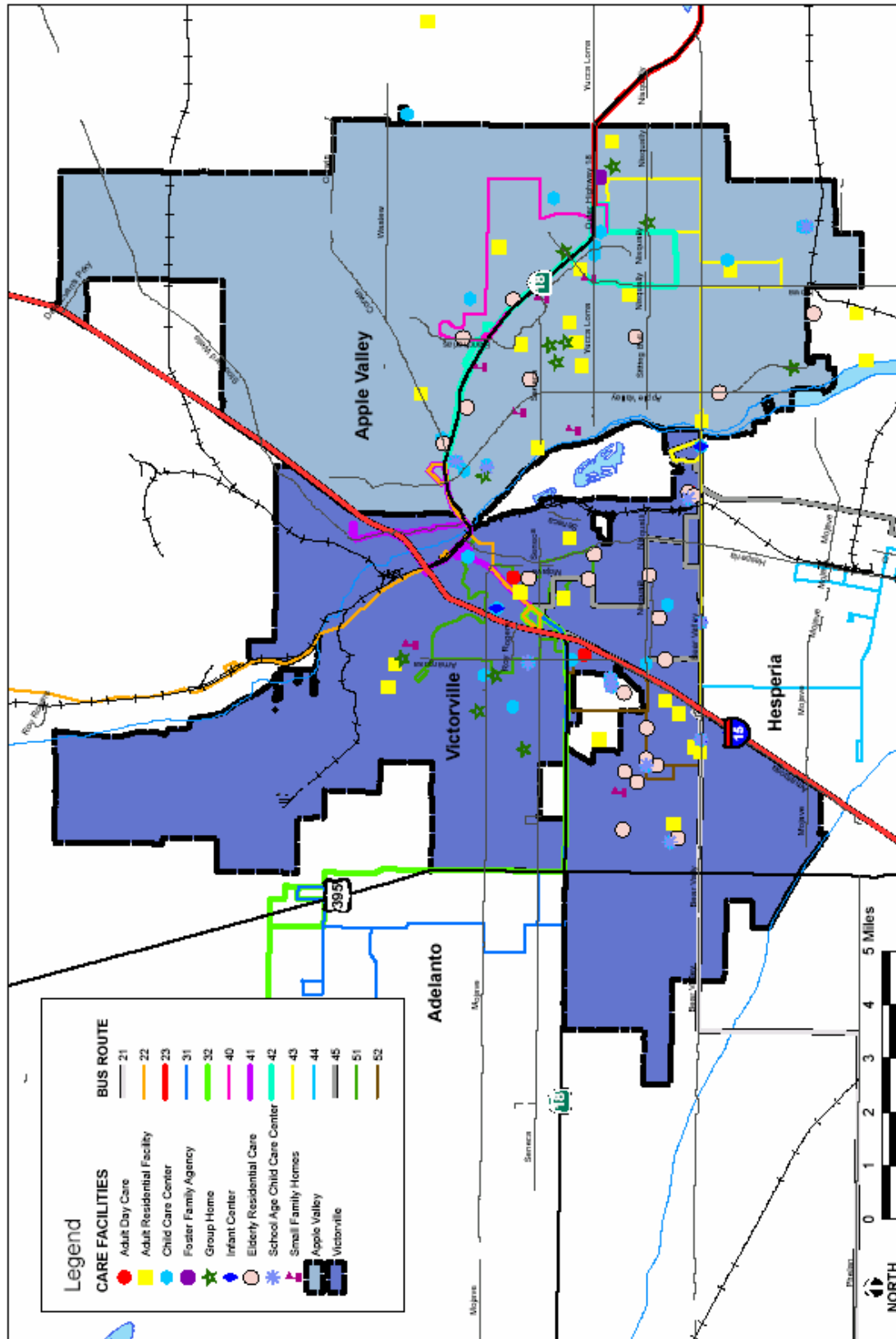


Figure 7
Transportation Access to Community Care Facilities

Apple Valley/Victorville Consortium Analysis of Impediments to Fair Housing Choice 2007

K. Housing Programs

The Consortium currently provides a variety of housing programs for residents. The following are programs to assist low and moderate income renter- and owner-households in the Town of Apple Valley and City of Victorville:

- **Section 8 Housing Choice Voucher:** Administered by the Housing Authority of San Bernardino County (HACSB), the Section 8 Housing Choice Voucher program extends rental subsidies to low income (50 percent AMI) families and elderly who spend more than 50 percent of their income on rent, live in substandard housing, or have been displaced. The subsidy represents the difference between 30 percent of the monthly income and the allowable rent determined by the Section 8 program.
- **Fair Housing Services:** Administered through contract with Inland Fair Housing and Mediation Board (IFHMB), fair housing services are provided to all residents who request counseling, resource referral, complaint investigation, and public education on all forms of housing discrimination.
- **Home Improvement Programs:** The Town of Apple Valley and City of Victorville offer the following home improvement programs for residents in the respective jurisdictions:
 - **Residential Rehabilitation Loan Program (RRLP):** Administered by the Town of Apple Valley, the Residential Rehabilitation Loan Program assists residents by providing zero interest deferred loans of up to \$20,000 to correct code violations and unsafe housing conditions.
 - **Senior Home Repair Program (SHRP):** Administered by the City of Victorville, this program is implemented by the Finance and Building and Safety Departments. The program provides grants up to \$10,000 to low-income homeowners who are: at least 60 years of age; or handicapped; or permanently disabled to make home repairs to correct code violations and unsafe conditions.
 - **Old Town Owner Occupied Residential Rehabilitation Program:** Offered by the City of Victorville, this program is implemented by the Economic Development Department. The program assists residents by providing zero interest deferred loans of up to \$40,000 to correct code violations, unsafe conditions and other eligible repairs.
- **Homeownership Programs:** The Town of Apple Valley and City of Victorville offer the following programs:
 - **Downpayment Assistance Program (DAP):** Administered by the Town of Apple Valley, this program provides downpayment assistance of up to \$40,000 to low and very low income homebuyers purchasing a home within the Apple Valley. The assistance is in a form of a zero interest loan deferred for a maximum term of 30 years.

- **Mortgage Assistance Program (MAP):** Offered by the City of Victorville, this program is implemented by the Economic Development Department. The program provides deferred payment second mortgages (up to \$45,000) to qualified households to secure financing towards the purchase of a home in the City.
- **The Community Housing Development Organization (CHDO) Program:** The Consortium assists community-based nonprofit organizations established for the expressed purpose of providing affordable rental housing opportunities to individuals and/or households earning 80 percent or less than the area median income level established by HUD. Financial assistance to nonprofit organizations certified as CHDOs can be for acquisition, rehabilitation, and new construction of affordable housing units.

The Town of Apple Valley markets its Downpayment Assistance Program through news releases, lender's trainings, the Town's website, and coordination with Inland Fair Housing and Mediation Board, a non-profit agency, to offer a free homebuyer training to all our DAP interested applicants. Marketing materials are provided to lenders, realtors and other interested parties about the programs available through the Town for its residents include pamphlets, brochures, press releases, the Apple Valley Newsletter, and handouts/flyers at community events. There is currently a list of interested participants of over 300 people.

There is not currently an official marketing plan for the RRLP (rehab) loan because there has been a constant waiting list for the past 5 years. However, at every event held by the Town flyers and brochures are provided about existing programs. Information is also available on the website and distributed to all the non-profit agencies at least twice a year.

The City of Victorville markets its Mortgage Assistance Program by partnering with approved lenders and Apple Valley, as well as posting information on its website.

The City's Senior Home Repair Program does not currently have an implemented marketing strategy, as it has maintained a waiting list since 1997. The waiting list is currently 144 residents long. Approximately 20 to 25 homes assisted a year with residential rehabilitation. The program targets residents that are 60 or older or handicapped/disabled, low income home owners. Several presentations have been made to senior mobile home parks to promote and inform residents of the program, including a booth at the County fair during Senior Citizen Day.

V. Private Sector Practices

Many private sector factors affect the cost of housing and constrain the provision of affordable units in the Apple Valley/Victorville Consortium.

A. Housing Constraints

This section assesses the effect of various barriers on the production and affordability of housing in the Apple Valley/Victorville region. Local government cannot control many factors that tend to restrict housing supply especially those that relate to regional, national, and international economy. Various factors not under the control of local government influence the cost, supply, and distribution of housing. These include land costs, construction costs, and financing costs.

1. Land Costs

The cost of developable land has a direct impact on the cost of a new housing unit. The higher the cost of land, the higher the price or rent of a new unit will be. Particularly for multi-family development, developers often seek to obtain local government approval for the largest number of units allowable on a given parcel of land. This allows a developer to spread the costs for off-site infrastructure improvements (streets, water lines, etc.) and other construction and financing costs. In the high desert region, land is more readily available and therefore comparatively less expensive than in other regions. While this factor has a beneficial impact on affordability, it also discourages multi-family construction.

2. Construction Costs

Construction costs present another significant expenditure in the production of affordable housing. While construction costs comprise a substantial portion of the overall development costs, the costs are relatively consistent throughout San Bernardino County and the region, and would not constitute an actual constraint to development in Apple Valley and Victorville.

3. Lack of Adequate Infrastructure

A primary constraint to the expansion of the housing supply is inadequate infrastructure to support development. The immediate impact of infrastructure deficiencies on housing production can be seen in a regulated action imposed by the State Region Water Quality Control Board that restricts the development of over two units per acre in those areas not served by sewers. To the greatest extent possible, both Apple Valley and Victorville are considering undertaking master improvements through alternative financing mechanisms to provide roads, water, fire protection, law enforcement, schools, parks, and other services necessary in the development of affordable housing.

B. Lending

Equal access to credit for the purchase or improvement of a home is essential to fair housing choice. Home mortgage interest rates have remained relatively low throughout the past five

years and a variety of programs are available to many people who would not have qualified in the past. A fixed rate 30-year loan for a new home has an interest rate from six to seven percent depending on the credit score of the applicant. Yet, lower rates are often available through Graduated Payment Mortgages, Adjustable Rate Mortgages, and Buy-Down Mortgages, though there is recent concern that these lower interest loans are linked to foreclosure trends. Examples of discrimination in mortgage lending include:¹⁷

- Refusal to make a mortgage loan.
- Refusal to provide information regarding loans.
- Imposing different terms or conditions on a loan, such as different interest rates, points, or fees.
- Discrimination in appraising property.
- Refusal to purchase a loan or set different terms or conditions for purchasing a loan.

1. The Home Mortgage Disclosure Act (HMDA)

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and is implemented by the Federal Reserve Board's Regulation C. This regulation provides the public loan data that can be used to assist in the following:¹⁸

- In determining whether financial institutions are serving the housing needs of their communities;
- In distributing public-sector investments so as to attract private investment to areas where it is needed; and
- In identifying possible discriminatory lending patterns.

Using the loan data submitted by these financial institutions, the Federal Financial Institutions Examination Council (FFIEC) creates aggregate and disclosure reports for each metropolitan area (MA) that are available to the public.¹⁹ This AI analyzes 2005 HMDA data to identify possible discriminatory lending patterns and to determine if access to financing is available in the Consortium.

2. Top Lenders in the Consortium

According to the 2005 HMDA data, the top five mortgage lenders in the Consortium were:

Apple Valley

1. Countrywide Home Loans
2. Pulte Mortgage LLC
3. National City Bank of Indiana
4. WMC Mortgage Corp.
5. Washington Mutual Bank

¹⁷ HUD/FHEO website <http://www.hud.gov/offices/fheo/lending/index.cfm>

¹⁸ <http://www.ffiec.gov/hmda/history.htm>

¹⁹ <http://www.ffiec.gov/hmda/history.htm>

Victorville

1. Countrywide Home Loans
2. National City Bank of Indiana
3. WMC Mortgage Corp.
4. Lehman Brothers Bank
5. New Century Mortgage Corporation

Combined, these lenders originated approximately 25 percent of all conventional home purchase loan applications in Apple Valley and 29 percent in Victorville. With the exception of Pulte Mortgage, these are also the same top lenders in the County of San Bernardino. The majority of these lenders are direct lenders as opposed to brokerages that tend to charge higher fees and are often associated with sub-prime lending. However, direct lenders tend to have stricter requirements, which may not serve the needs of those with lower credit scores.

3. The Community Reinvestment Act (CRA)

The Community Reinvestment Act (CRA) was enacted in 1977 to encourage financial institutions to help meet the credit needs of their communities, including low and moderate income neighborhoods, consistent with safe and sound lending practices.²⁰

According to CRA data, the Washington Mutual, Lehman Brothers, and National City Bank of Indiana received either outstanding or satisfactory ratings. There was no data available for the other institutions.

4. Conventional Financing

According to the 2005 HMDA data, 8,350 conventional loan applications were received for the purchase of homes in Apple Valley, with 54 percent approved, 15 percent denied, and 11 percent withdrawn or closed. In Victorville 21,790 conventional loan applications were received, with 54 percent approved, 14 percent denied, and 13 percent withdrawn or closed. Lending patterns in Apple Valley and in Victorville are similar. These patterns are consistent with County-wide patterns, where approval rates were at 52 percent, 15 percent of the applications were denied and 12 percent were withdrawn or closed.

Table 18 illustrates that the majority of loan applications in Apple Valley were filed by Whites (31 percent) and Hispanics (29 percent). In Victorville, the majority of loan applications were filed by Hispanics (34 percent) and Whites (21 percent). These lending patterns demonstrate that an increased proportion of Hispanics are entering the homeownership market.

Comparing approval rates by ethnicity in Apple Valley, Blacks had the lowest approval rate of 52 percent and the highest denial rate of 27 percent. In Victorville, Blacks also had the lowest approval rate of 55 percent and the highest denial rate of 20 percent. These patterns are similar to the County of San Bernardino approval rate for Blacks (54 percent, 22 percent denial and 14 percent withdrawn/closed). Blacks made up six percent of the applications in Apple Valley and eight percent in Victorville.

²⁰ Office of Thrift Supervision, US Department of the Treasury

Table 18: Conventional Home Purchase Applications by Race of Applicant (2005)								
Race/Ethnic Group	Total		Approved		Denied		Withdrawn/Closed	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Apple Valley								
Native American	162	2%	93	57%	30	19%	25	15%
Asian	505	6%	323	64%	72	14%	52	10%
Black	547	7%	286	52%	150	27%	63	12%
Pacific Islander	66	1%	45	68%	15	23%	4	6%
Hispanic	2,410	29%	1,416	59%	428	18%	280	12%
White	2,572	31%	1,586	62%	339	13%	289	11%
Not Available	2,090	25%	758	36%	240	11%	203	10%
Total	8,352	100%	4,507	54%	1,274	15%	916	11%
Victorville								
Native American	501	2%	304	61%	65	13%	86	17%
Asian	1,855	8%	1,118	60%	234	13%	256	14%
Black	1,854	8%	1,023	55%	366	20%	263	14%
Pacific Islander	262	1%	165	63%	35	13%	25	10%
Hispanic	7,585	34%	4,435	58%	1,231	16%	1,047	14%
White	4,437	20%	2,621	59%	573	13%	580	13%
Not Available	6,031	27%	2,391	40%	670	11%	611	10%
Total	22,525	100%	12,057	54%	3,174	14%	2,868	13%

Source: HMDA data obtained through Marquis Software Solutions, Centrax HMDA 2005.

Table 19 compares approval and denial rates by applicant income level for Apple Valley and Victorville. As shown, those earning less than 50 percent of the AMI had the lowest approval rates and highest denial rates in both jurisdictions, though they only represented two percent of all applications received in Apple Valley and one percent of all applications received in Victorville. The low representation of this income group was likely due to their inability to afford the high payments associated with the housing prices. While the majority of applications came from those earning above 120 percent of the AMI in both jurisdictions, approval rates and denial rates are within a few percentage points from those in lower income categories, indicating little disparity among income levels.

Table 19: Conventional Home Purchase Applications by Income of Applicant (2005)								
Applicant Income	Total		Approved		Denied		Withdrawn/ Closed	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Apple Valley								
< 50%	147	2%	67	46%	40	27%	26	18%
50% to < 80%	492	6%	273	55%	106	22%	58	12%
80% to < 100%	688	8%	425	62%	120	17%	57	8%
100% to < 120%	1,002	12%	596	59%	162	16%	134	13%
> = 120%	4,814	58%	2,848	59%	805	17%	691	14%
Not Available	1,207	14%	285	24%	30	2%	70	6%
Total	8,350	100%	4,494	54%	1,263	15%	1,036	12%
Victorville								
< 50%	194	1%	94	48%	40	21%	40	21%
50% to < 80%	1,037	5%	554	53%	182	18%	138	13%
80% to < 100%	1,710	8%	997	58%	236	14%	221	13%
100% to < 120%	2,973	14%	1,764	59%	418	14%	410	14%
> = 120%	13,120	60%	7,768	59%	2,074	16%	1,781	14%
Not Available	2,756	13%	414	15%	101	4%	150	5%
Total	21,790	100%	11,591	53%	3,051	14%	2,740	13%

Source: HMDA data obtained through Marquis Software Solutions, Centrax HMDA 2005.

Further analysis is shown in Table 20, which compares approval rates by race/ethnicity, controlling for income. HMDA data shows that in Apple Valley, Blacks had the lowest approval rate among all races/ethnicities at 55 percent, followed by Hispanics at 59 percent. Within the income group of those earning less than 50 percent AMI, Blacks had the highest approval rate at 80 percent, whereas Hispanics had the lowest approval rate at 33 percent. Conventional thinking would conclude that approval rate increases as income increases. However, in Apple Valley, the highest income group (above 120 percent AMI) had lower approval rates than moderate income applicants (100-120 percent AMI). This lending pattern typically reflects households in the upper income group seeking to buy high-end homes that are beyond their means, despite their high incomes.

In Victorville, Blacks also had the lowest approval rate among all races/ethnicities at 55 percent, followed by Hispanics at 56 percent. When controlling for income, Asians earning less than 50 percent AMI had the lowest approval rate at 29 percent.

Further data pertaining to gender is provided in Appendix B, which indicates little disparity in approval/denial rates based on gender, although males represented a slightly higher proportion of the applications in each jurisdiction.

Table 20: Conventional Home Purchase Applications by Race & Income of Applicant (2005)

Applicant Income (% MFI)	Asian		Blacks		Hispanic		White		Pacific Islander	
	Total	% Apprvd	Total	% Apprvd	Total	% Apprvd	Total	% Apprvd	Total	% Apprvd
Apple Valley										
<50%	4	75%	10	80%	33	33%	61	52%	0	0%
50%-80%	26	65%	41	46%	121	55%	195	60%	0	0%
80%-100%	15	60%	44	57%	265	61%	225	64%	5	100%
100%-120%	30	77%	60	48%	376	57%	320	65%	3	100%
120%+	351	62%	317	56%	1,489	60%	1,619	61%	26	62%
N/A	49	67%	14	64%	130	58%	152	66%	1	100%
Total	475	64%	486	55%	2,414	59%	2,572	62%	35	71%
Victorville										
<50%	7	29%	17	41%	63	57%	53	49%	0	0%
50%-80%	38	45%	80	43%	467	57%	222	55%	5	60%
80%-100%	81	57%	164	57%	772	59%	359	59%	1	0%
100%-120%	143	61%	239	52%	1,413	60%	598	58%	17	76%
120%+	1,391	61%	1,114	56%	4,556	59%	3,043	61%	109	58%
N/A	84	58%	55	58%	314	46%	162	42%	7	71%
Total	1,744	60%	1,669	55%	7,585	56%	4,237	62%	139	60%

Source: HMDA data obtained through Marquis Software Solutions, Centrax HMDA 2005.

5. Government- Insured Financing

Table 21 illustrates that considerably fewer people applied for government-insured home purchase loans. In Apple Valley only 173 government-insured loan applications were filed compared to 8,350 conventional home purchase loan applications. Similarly, In Victorville, only 516 government-insured loan applications were received compared to 21,790 conventional loan applications. As housing prices continued to increase, the income limits and caps on home values for government-insured loan programs mean that few applicants and homes for sale in the market would meet these requirements.

Use of government-insured loans is also limited countywide. During the same period, the County of San Bernardino received considerably fewer applications for government-insured loans (1,880) compared to 157,284 conventional loan applications. The overall approval rate for government-insured home purchase applications was 38 percent in Apple Valley, 47 percent in Victorville, and 41 percent in the County, somewhat lower than the approval rates for conventional home purchase loans (54 percent, 54 percent, and 52 percent, respectively).

In contrast to conventional home purchase applications, government-insured loans offered the the highest approval rate for Hispanics in Apple Valley (58 percent). However, Blacks had the lowest approval rate at 14 percent. Asians in Apple Valley, as shown earlier, tend to earn higher incomes and therefore few would qualify for government-insured loans.

In Victorville, Asians and Native Americans had the highest approval rates, at 63 percent and 60 percent, respectively.

Table 21: Government- Insured Home Purchase Applications (2005)

Race/Ethnic Group	Total		Approved		Denied		Withdrawn/Closed	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Apple Valley								
Native American	2	1%	1	50%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%
Blacks	7	4%	1	14%	2	29%	3	43%
Pacific Islander	0	0%	0	0%	0	0%	0	0%
Hispanic	38	22%	22	58%	4	11%	5	13%
White	84	49%	36	43%	7	8%	9	11%
Not Available	40	23%	6	15%	3	8%	2	5%
Total	171	100%	66	39%	16	9%	19	11%
Victorville								
Native American	10	2%	6	60%	0	0%	2	20%
Asian	8	2%	5	63%	1	13%	1	13%
Blacks	34	7%	20	59%	0	0%	8	24%
Pacific Islander	4	1%	2	50%	1	25%	1	25%
Hispanic	135	27%	79	59%	8	6%	20	15%
White	170	33%	85	50%	27	16%	19	11%
Not Available	148	29%	41	28%	8	5%	17	11%
Total	509	100%	238	47%	45	9%	68	13%
Source: HMDA data obtained through Marquis Software Solutions, Centrax HMDA 2005.								

6. Refinancing

Consistent with the national trend, refinanced loan applications were filed in record high numbers, with 12,562 applications received in Apple Valley and 24,988 in Victorville and 244,783 in the County. As shown in Table 22, approval rates were relatively consistent across all racial/ethnic groups in both jurisdictions, with an overall approval rate of 44 percent in Apple Valley and 45 percent in Victorville. The overall approval rate on conventional refinancing loans for the County was 47 percent.

Given the low-interest rates and favorable terms associated with government-insured loans, refinancing of such loans is rarely pursued.

Table 22: Conventional Refinancing Applications (2005)

Race/Ethnic Group	Total		Approved		Denied		Withdrawn/Closed	
	#	# of Total	#	%	#	%	#	%
	Apple Valley							
Native American	120	1%	58	48%	23	19%	30	25%
Asian	128	1%	65	51%	22	17%	25	20%
Black	674	5%	329	49%	156	23%	123	18%
Pacific Islander	68	1%	32	47%	18	26%	10	15%
Hispanic	1,682	13%	851	51%	339	20%	337	20%
White	5,134	41%	2,656	52%	764	15%	1,010	20%
Not Available	4,756	38%	1,511	32%	856	18%	1,212	25%
Total	12,562	100%	5,502	44%	2,178	17%	2,747	22%
Victorville								
Native American	312	1%	153	49%	68	2%	68	2%
Asian	595	2%	322	54%	120	20%	80	13%
Black	2,042	8%	996	49%	492	24%	358	18%
Pacific Islander	197	1%	97	49%	42	21%	42	21%
Hispanic	5,429	22%	2,820	52%	1,050	19%	912	17%
White	7,380	30%	3,882	53%	1,988	27%	1,385	19%
Not Available	9,033	36%	2,873	32%	1,825	20%	2,079	23%
Total	24,988	100%	11,143	40%	5,585	20%	4,924	18%

Source: HMDA data obtained through Marquis Software Solutions, Centrax HMDA 2005.

7. Foreclosure

The escalating housing prices between 2000 and 2005 had led to many homebuyers resorting to risky financing schemes in order to purchase a home. Many of these schemes involve adjustable rates, zero downpayment, and/or negative amortization, which in the short-term might have afforded many households the opportunity to purchase a home, but in the long-term often put these buyers at risk of foreclosure. As interest rates continue to rise and home prices stabilizing or even decreasing, many households are faced with unexpected increases in mortgage payments but are unable to sell the homes for prices that would cover their remaining loan balances. Foreclosure is imminent to many of these households.

Notice of default and trustee sale information from Land America Lawyers Title indicated in February 2007, 29 notices were recorded for the Town of Apple Valley and 44 for the City of Victorville. Loan amounts in Apple Valley ranged from \$35,000 to \$504,000 with delinquent amounts ranging from \$1,869 to \$41,427. In Victorville, loan amounts ranged from \$20,700 to \$360,900 with delinquent amounts ranging from \$1,611 to \$16,760. Thus, delinquency can affect a wide range of outstanding loan amounts and the delinquent amounts also vary.

According to a recent study conducted by Freddie Mac and Roper Public Affairs and Media, more than 60 percent of late-paying borrowers are unaware of the payment options available to them to help avoid foreclosure on their homes. While more than 75 percent of delinquent

borrowers recall being contacted by their mortgage lender, many chose not to respond because they did not believe their lender could help them, or they did not have enough funds to make their payment. Embarrassment and fear also factored into the decision not to seek help²¹.

8. Predatory Lending

Predatory mortgage lending involves a wide array of abusive practices. According to the Center for Responsible Lending, the seven signs of predatory lending are.²²

- Excessive fees
- Abusive prepayment penalties
- Kickbacks to brokers
- Loan flipping
- Unnecessary products
- Mandatory arbitration
- Steering and targeting

Predatory lending is a fair housing issue because of the unequal lending terms. Without access to detailed lending data that provides loan terms for each application, assessment of predatory lending is not feasible.

According to the Department of Real Estate, most predatory lending occurs in the 'sub-prime mortgage market', which refers to the segment of the mortgage market dedicated to borrowers who do not qualify for prime rates due to prior or present credit problems.²³ Given few sub-prime lenders operating within the Consortium, predatory lending may not be a significant issue in Apple Valley and Victorville. However, the higher approval rates for Blacks in Apple Valley earning less than 50 percent of AMI may raise cause for concern.

In July 1, 2002, Governor Gray Davis signed AB 489, the Predatory Lending Bill, which prohibited *predatory lending practices*, such as:

- Flipping (the frequent making of new loans to refinance existing loans)
- Packing (the selling of additional products without the borrower's informed consent)
- Charging excessive fees

9. Manufactured and Mobile Home Financing

While manufactured and mobile homes offer an affordable form of housing based on relatively lower listing prices, financing costs associated with the purchase of mobile homes are usually higher than conventional homes. Manufactured home mortgage financing is usually structured as personal consumer loans, which carry higher interest rates and shorter terms than real estate loans. In addition, these loans often contain predatory terms in the form of single-premium credit insurance, high points and fees, kickbacks, and fraudulent applications.²⁴ In

²¹ California Association of Realtors, 2005

²² Center for Responsible Lending, 2006

²³ Real Estate Bulletin, Spring 2002

²⁴ Center for Responsible Lending, 2006

addition, space rents are factored into the monthly payment, often making the cost to own a manufactured or mobile home comparable to a conventional mortgage or apartment rental. Given that Apple Valley has 8 mobile home parks and Victorville has 10, this issue is not likely to be a major concern while home prices are relatively low.

10. Home Improvement Loans

According to the 2005 HMDA data, 1,700 conventional loan applications for home improvement were received for Apple Valley, of which only 50 percent were approved. Typically, approval rates for home improvement loans are lower than for home purchases because many homeowners already have high debt-to-income ratios as a result of the purchase loans. However, it is interesting to note that Hispanics had a significantly higher approval rate than the other races (75 percent). In Victorville, 3,711 conventional loan applications for home improvement were received, of which only 43 percent were approved. In comparison, 46 percent of home improvement loan applications in the County were approved. Table 23 illustrates the disposition of conventional home improvement loan applications for Apple Valley and Victorville.

Government-insured loans for home improvement are not common. In fact, there were only seven applications received from Apple Valley and six from Victorville.

Table 23: Conventional Home Improvement Applications (2005)								
Race/Ethnic Group	Total		Approved		Denied		Withdrawn/Closed	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Apple Valley								
Native American	28	2%	10	36%	7	25%	9	32%
Asian	20	1%	8	40%	8	40%	4	20%
Black	120	7%	53	44%	43	36%	20	17%
Pacific Islander	13	1%	4	31%	4	31%	5	38%
Hispanic	243	14%	183	75%	67	28%	34	14%
White	799	47%	401	50%	161	20%	161	20%
Not Available	477	28%	186	39%	139	29%	107	22%
Total	1,700	100%	845	50%	429	25%	340	20%
Victorville								
Native American	73	2%	26	36%	33	45%	14	19%
Asian	57	2%	29	51%	16	28%	7	12%
Black	339	9%	126	37%	136	40%	63	19%
Pacific Islander	38	1%	26	68%	9	24%	2	5%
Hispanic	902	24%	403	45%	294	33%	150	17%
White	1,248	34%	570	46%	336	27%	231	19%
Not Available	1,054	28%	401	38%	331	31%	235	22%
Total	3,711	100%	1,581	43%	1,155	31%	702	19%

Source: HMDA data obtained through Marquis Software Solutions, Centrax HMDA 2005.

11. Interest Rates and Credit Scores

Interest rates and credit scores are a major part of obtaining financing. Interest rates are determined by national policies and economic conditions. Credit scores also affect loan approval, interest rates associated with the loan, as well as the type of loan an applicant will be given. Applicants with higher credit scores are generally given conventional loans with desirable terms, while applicants with lower and moderate credit ratings may revert to government-insured loans and/or receive higher fees and less favorable loan terms. Applicants with lower scores typically receive higher interest rates as a result of being perceived as a higher risk to the lender. While local governments are limited in how they can influence interest rates and/or the terms of the loans, education and outreach efforts can be made to inform residents of their financial risks and responsibilities. Many cities offer interest buy-down programs or downpayment and closing cost assistance to help offset the burden of higher interest rates and fees to first-time homebuyers.

12. Appraisals

Appraisal reports are used by banks to determine whether or not a property is worth the amount of the loan they will be funding. Appraisals are typically based on the comparable sales of properties in the surrounding neighborhood. Other factors taken into consideration include: the age of the structure, any improvements made, location, purchase price of the contract, and seller concessions. Some neighborhoods with higher concentrations of minorities may appraise lower than like properties in neighborhoods with lower concentrations. Unfortunately, this practice is geared toward a neighborhood not an applicant and therefore, not a direct violation of fair housing law that can easily be addressed. One impact of this practice, however, is that it tends to keep property values lower in a given neighborhood, thereby restricting the amount of equity and capital available to those residents.

C. Real Estate

According to the National Fair Housing Alliance (NFHA), at least 3.7 million instances of housing discrimination occur each year, but more than 99 percent go unreported. In addition, NFHA has determined three patterns of discrimination in the housing market:²⁵

1. Denial of services to African- Americans and Latinos;
2. Offering financial incentives to Whites but not Blacks or Hispanics; and
3. Steering potential homebuyers on the basis of race.

Many avenues are available to regulate the real estate market.

1. 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.

²⁵ CAR Newslines, April 2006

2. California Association of Realtors (CAR)

The sellers must sign the Residential Listing Agreement and Seller's Advisory forms to disclose their understanding of fair housing laws and practice of nondiscrimination. However, enforcement is difficult because a seller may have multiple offers and choose one based on bias.

3. 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." Only real estate agents that belong to NAR are allowed to use the Realtor® designation.

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."²⁶

4. Realtor Associations

Realtor associations are generally the first line of contact for real estate agents to obtain fair housing education. Complaints involving agents or brokers may be filed with these associations. Statistical data on the nature and extent of discriminatory practices is not available to the public. The Apple Valley/Victorville Consortium is served by the Victor Valley Association of Realtors (VVAR), which has a fair housing link on its website containing pertinent information for agents, buyers, and sellers.

5. Multiple Listing Service (MLS) Participation

No one can be denied access to the MLS based on the protected classes covered by fair housing laws. Each local realtor association provides access to various multiple listing services (MLS) depending on the specific area they serve. While many brokers have arrangements that allow their agents to access the MLS systems used by other associations, the exclusive use of only one MLS limits the properties an agent will find for his/her clients, which might lead to the perception of steering.

The Apple Valley/Victorville Consortium is served by the Victor Valley MLS (VVMLS). An example of how limited MLS access may affect residents in the Consortium is: If a buyer wants to purchase a home in Apple Valley/Victorville, but uses an agent who only has access to the Barstow MLS, chances are that he/she would be shown very few listings in the area of choice.

²⁶ NAR Website

6. Apartment Association

The California Apartment Association (CAA) is the country's largest statewide trade association for rental property owners and managers. The CAA serves rental property owners and managers throughout California. Under the umbrella agency, various apartment associations cover specific geographic areas. The Apple Valley/Victorville Consortium is served by the Apartment Association Greater Inland Empire (AAGIE). AAGIE provides a wide range of services to its members including legislative advocacy, resident screening, property management information and counseling, along with a variety of seminars on topics such as legal issues, maintenance techniques, and continuing education.²⁷ Fair housing information and training is also provided to property management companies by this organization.

7. Advertising

Language in advertising has recently become an issue in the real estate market. Advertisements cannot include discriminatory references such as describing residents or the neighborhood in racial/ethnic terms. Other forms of discrimination in advertising include phrases such as: "perfect for couples with no children (familial status)", "Christians preferred (religion)", and/or "must speak English (race/national origin)".

One major Southern California publisher has settled potential fair housing claims by ending a policy of printing landlords' classified ads that indicate discrimination based on source of income (e.g. advertising containing the phrase: "No Section 8").²⁸ Section 8 recipients often include the elderly, people with disabilities, people trying to transition from welfare to work, and working families with low and moderate incomes have especially been impacted by this type of discriminatory advertising.

8. Insurance

According to the Urban Institute, recent studies have shown that, compared to homeowners in predominantly White-occupied neighborhoods, homeowners in minority neighborhoods are less likely to have private home insurance, are more likely to have policies that provide less coverage in case of a loss, and are likely to pay more for similar policies. This study explores one possible source of these differences by testing for discrimination on the part of home insurance agents against homebuyers in minority neighborhoods who seek insurance quotes. Examples of areas where differential treatment may occur include:

- Quotes
- Policy type
- Replacement cost coverage on the dwelling (which pays, up to a limit, the cost of rebuilding the home when it is damaged)
- All-perils coverage (which covers damage to the dwelling under most circumstances)
- Optional coverage
- Replacement cost coverage on contents (which pays the cost of replacing personal property in case of damage)

²⁷ www.aagie.com, 2005

²⁸ National Fair Housing Advocate Online, 2002.

- Guaranteed replacement cost coverage on the dwelling (which pays, with no limit, the cost of rebuilding the home when it is damaged)
- Premiums
- Requirements to obtain quotes (i.e. Agents in Phoenix were three percentage points more likely to tell testers with homes in Hispanic neighborhoods that a quote "was not guaranteed without an inspection")
- Service (written and verbal quotes rather than verbal quotes alone)

Additional information pertaining to insurance redlining can be found below in the Steering and Redlining, Section 10.

9. Blockbusting

Blockbusting involves an agent claiming that property values will drop because members of minority groups are moving into the neighborhood. The agent tries to persuade the homeowner to let him/her sell the house before the values drop, and the agent then gains a commission. Over the last three years, HUD's Fair Housing Division had received 45 complaints of blockbusting throughout the country though none was proven.²⁹ While these complaints were not proven nor were they cited as occurring in California, they indicate that the perception and/or practice of blockbusting may exist.

10. Steering and Redlining

Steering and redlining are practices that discriminate in both rental and ownership housing markets. Steering is the practice of directing a home-seeker into or out of a particular neighborhood or complex based on the race of the home-seeker and the predominant racial makeup in the neighborhood. An example of steering is a real estate agent saying to a home-seeker, "You would be better off living in this area of town – the schools are nearly all White there," or "I don't think you would like this neighborhood – there are not any other Asians living here."

Redlining is the act of eliminating particular areas from the business of renting or selling, or from receiving certain services, such as financing and insurance. For example, it is illegal to refuse to provide financing for the sale of a house merely because of the racial composition of the neighborhood where the house is located.³⁰

State regulations require insurers to file certain basic data to verify whether an insurer is heeding or violating prohibitions against redlining. Under current law, the California State Department of Insurance must issue an annual report summarizing the data filed for the previous calendar year. The reports summarize each insurer's record in all underserved zip codes combined, which makes it difficult to pinpoint where individual companies may be engaged in redlining. The Insurance Department reports have shown great disparities between the rate at which insurance companies write policies in minority and low income communities versus the rate at which they write policies elsewhere in the state³¹.

²⁹ Holloway, Lynette New York Times, 2006.

³⁰ Fair Housing Hotline Project, March 2004

³¹ Consumers Union, 2003

11. Covenants, Conditions, and Restrictions (CC&Rs)

Covenants, Conditions, and Restrictions (CC&Rs) are restrictive covenants that involve voluntary agreements, which run with the land they are associated with. The Statute of Frauds (Civil Code Section 1624) requires them to be in writing, because they involve real property. They must also be recorded in the County where the property is located in order to bind future owners. Owners of parcels may agree amongst themselves as to the restrictions on use, but in order to be enforceable they must be reasonable. *Shelly v. Kraemer* (1948) held that racial restrictions are void and unenforceable, as they violate the equal protection clause of the Fourteenth Amendment³².

In the past, Covenants, Conditions, and Restrictions (CC&Rs) were used to exclude certain groups such as minorities from equal access to housing within a community. Today, any discriminatory use of CC&Rs would not be as blatant; however other provisions such as rules affecting families with children and disabled persons needing accommodations may be present.

12. Homeowners Associations

Homeowner associations and management companies enact rules to protect the quality of life for their residents, but sometimes these rules may be discriminatory. Typical rules and restrictions that are considered discriminatory include: restricting children to certain portions of an Association's common area and setting age limitations on certain facilities inside the Association. Despite the fact that associations and their governing entities are private, nonprofit corporations or organizations, California State and Federal courts have applied anti-discrimination statutes such that condominium associations are bound by statutes such as the Fair Housing Act, California Government Code § 12955, and California Civil Code §§ 51-52. Under such statutes, associations cannot discriminate against families or children, unless there is a legitimate health, safety, or business reason.³³

In a recent federal case, *Housing Rights Center, et al. v. Rivera Town Homes, et al.*, CV02-5163PA, the Housing Rights Center and seven families sued a condominium association, and its property management company, alleging that Rivera Town Homes discriminated against the Plaintiffs on the basis of familial status. More specifically, the plaintiffs alleged that Rivera Town Homes enforced a rule prohibiting children from playing in the Association's common areas, which included grass covered yards and balconies.³⁴

13. Planned Unit Developments

Nearly one-quarter of California's housing stock is located within common interest developments (CIDs), which include planned unit developments (PUDs).³⁵ These types of developments provide many goods and services traditionally supplied by local governments, including garbage collection, street cleaning, street lighting, and security patrol. Their homeowner associations also levy assessments, adjudicate disputes and regulate land use

³² California Real Estate Law, 2000

³³ Discrimination Considerations of Homeowner Associations, Brian D. Moreno, Esq., 2004

³⁴ Discrimination Considerations of Homeowner Associations, Brian D. Moreno, Esq., 2004

³⁵ PPIC Research Brief #83, 2004

and other aspects of community life within their boundaries. On average, their residents are older, more prosperous and less racially and ethnically diverse than residents in comparable neighborhoods. Income diversity in planned developments is greater than might be expected. Although planned developments do not contribute significantly to the state's overall residential segregation, warns that this pattern may change over time as CIDs account for more of the state's total housing stock.³⁶

According to the Planning Departments of Apple Valley and Victorville, there is one residential Planned Development and three residential specific plans in the Town and 27 (6 of which are inactive and 5 under construction) in Victorville. Many of these developments may be governed by Homeowner Associations and CC&Rs, though data is not available at this time regarding such information. Minutes taken from the Town Council Meeting on September 28, 2004 indicated that citizens had some concerns over PUD's, their relationship to higher densities, and expressed a desire to learn more about them.

³⁶ PPIC Research Brief #83, 2004

VI. Findings & Recommendations

A. Impediments/Findings & Proposed Actions to Address Impediments

The following is a list of key conclusions of potential impediments identified in the Apple Valley/Victorville Consortium AI:

1. Among survey respondents that experienced discrimination, many did not report the incident, because they “did not know where to report” or “did not feel it would make a difference”. While this is not necessarily an impediment to finding housing of one’s choice, it does indicate a potential lack of fair housing knowledge and that the Consortium may wish to address through increased outreach and education.

Action 1:

The Consortium will provide fair housing outreach and education services that will include, but not be limited to at least one of the following components: press releases, public service announcements, cable TV, radio, and newspaper outreach, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach and education will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 1, 5, 6, 7, and 8)

2. Among the overcrowded households in the Consortium, the majority were renter-occupied households (63 percent in Apple Valley and 64 percent in Victorville). This may be an indication of a lack of affordable rental units of adequate size to meet the needs of renter households in each jurisdiction.

Action 2:

The Consortium will continue working with developers to identify and pursue all available funding to develop affordable housing, to include large family rentals, units for seniors and the disabled. (Finding 2 and 4)

3. Given the ethnic composition of each jurisdiction, where Black residents make up a relatively small proportion of the population, Black households appear to be over represented in Section 8 voucher distribution in Apple Valley and Victorville. Hispanic households may be slightly underrepresented in Victorville, though not in Apple Valley; indicating a need for greater outreach efforts to other ethnic groups and better coordination with the San Bernardino County Housing Authority to ensure a more even distribution of vouchers.

Action 3:

The Consortium will encourage the San Bernardino County Housing Authority to provide outreach efforts to ensure a more even distribution of Section 8 vouchers relative to the ethnic concentration of each member jurisdiction. (Finding 3)

4. Affordability, design, location, and discrimination significantly limit the supply of housing available to persons with disabilities. Most homes are inaccessible to people with mobility and sensory limitations. This may be of potential concern as complaints of discrimination based on disability have risen over the past few years and senior housing is limited in the Consortium.

Action 4:

The Consortium will continue working with developers to identify and pursue all available funding to develop affordable housing, to include large family rentals, units for seniors and the disabled. (Finding 2 and 4)

5. Most of the fair housing and landlord/tenant complaints from Apple Valley and Victorville were filed by lower income persons and female-headed households, indicating that these groups may be disproportionately impacted by fair housing issues.

Action 5:

a.) The Consortium will provide fair housing outreach and education services that will include, but not be limited to at least one of the following components: press releases, public service announcements, cable TV, radio, and newspaper outreach, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach and education will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 1, 5, 6, 7, and 8)

b.) The Consortium will provide landlord/tenant rights outreach, education and mediation services that will include, but not be limited to at least one of the following components: press releases, public service announcements, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach, education and mediation will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 5, 6, 7, 8 and 9)

6. Consistent with recent State-wide trends, the top four discrimination biases in Apple Valley and Victorville were national origin, race, familial status, and disability. As these

protected classes may be more susceptible to discrimination, the Consortium may need to focus outreach and education efforts in these areas.

Action 6:

a.) The Consortium will provide fair housing outreach and education services that will include, but not be limited to at least one of the following components: press releases, public service announcements, cable TV, radio, and newspaper outreach, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach and education will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 1, 5, 6, 7, and 8)

b.) The Consortium will provide landlord/tenant rights outreach, education and mediation services that will include, but not be limited to at least one of the following components: press releases, public service announcements, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach, education and mediation will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 5, 6, 7, 8 and 9)

7. Fair Housing complaints and Landlord/Tenant complaints from Apple Valley indicate that Blacks may be slightly overrepresented given they make up only eight percent of the population and 19 percent of the fair housing complaints and 20 percent of the landlord/tenant complaints. As this group may be more susceptible to discrimination, the Consortium may need to focus outreach and education efforts to this group.

Action 7:

a.) The Consortium will provide fair housing outreach and education services that will include, but not be limited to at least one of the following components: press releases, public service announcements, cable TV, radio, and newspaper outreach, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach and education will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 1, 5, 6, 7, and 8)

b.) The Consortium will provide landlord/tenant rights outreach, education and mediation services that will include, but not be limited to at least one of the following

components: press releases, public service announcements, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach, education and mediation will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 5, 6, 7, 8 and 9)

8. Fair Housing complaints and Landlord/Tenant complaints from Victorville reflected a disproportion of potential housing discrimination among Black households and/or a lack of fair housing knowledge among Hispanic households (Blacks makeup 12 percent of the population, 44 percent of fair housing complaints, and 27 percent of landlord tenant complaints. In contrast, Hispanics make up 34 percent of the population, only 18 percent of fair housing complaints, and 25 percent of landlord/tenant complaints). Thus, the Consortium may need to focus outreach and education efforts to these groups.

Action 8:

a.) The Consortium will provide fair housing outreach and education services that will include, but not be limited to at least one of the following components: press releases, public service announcements, cable TV, radio, and newspaper outreach, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach and education will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 1, 5, 6, 7, and 8)

b.) The Consortium will provide landlord/tenant rights outreach, education and mediation services that will include, but not be limited to at least one of the following components: press releases, public service announcements, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach, education and mediation will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 5, 6, 7, 8 and 9)

9. The majority of landlord/tenant complaints from Apple Valley and Victorville involved rights and responsibilities, eviction, and repairs indicating that the Consortium may need to focus outreach and education efforts in these areas.

Action 9:

The Consortium will provide landlord/tenant rights outreach, education and mediation services that will include, but not be limited to at least one of the following components: press releases, public service announcements, updates in newsletters and/or other publications, events at the annual fair housing celebration, organized meetings or events relating to fair housing, and participation in community events such as fairs and trade shows. This outreach, education and mediation will be targeted to: 1) populations, as outlined in the AI, likely to experience discrimination or be under represented; 2) housing providers (i.e. landlords, property managers, realtors, lending institutions, and managers of public housing); 3) elected and appointed officials of each jurisdiction; and 4) the general public. (Finding 5, 6, 7, 8 and 9)

10. While the City of Victorville has legally justified their prohibition of second dwelling units, these restrictive conditions may be a potential impediment to the development of affordable housing in the future which should be monitored.

Action 10:

The City of Victorville will monitor the impact of prohibiting second dwelling units to determine if, at any time, the policy becomes an impediment to fair housing. (Finding 10)

11. Approval rates by ethnicity in Apple Valley and Victorville indicate that Blacks have lower approval rates than other ethnicities. Given the various factors that contribute to approval rates (credit scores, debt to income ratios, etc.) it is difficult to determine the true reason for this disparity. Thus, the Consortium may need to focus education and outreach efforts in this area or even monitor this issue more thoroughly.

Action 11:

The Consortium will support organizations that provide financial literacy education and outreach to minorities, especially Blacks, in order to improve loan applicant credit worthiness. In addition, the Consortium will monitor and assess HMDA data and if necessary, will seek more specific data in an attempt to detect unlawful activities related to mortgage lending. (Finding 11)

12. Given that many residents of Apple Valley and Victorville came to the high desert for larger homes/lots, open space, rural characteristics, and to flee the crime and congestion associated with surrounding counties, NIMBYism may become an issue as both jurisdictions continue to develop to accommodate the rapidly growing population, which may need to be monitored in the future.

Action 12:

The Consortium will work with and encourage housing developers to include community outreach programs as a part of their predevelopment process. Actions could include informational meetings in the neighborhood, door-to-door outreach, contact with existing neighborhood organizations, sponsoring tours of existing affordable housing, and dissemination of information regarding the need for and benefits of affordable housing. In addition, the Consortium could conduct briefings and work sessions with each jurisdiction's Town/City Council to provide decision makers with more information on the Consortiums affordable housing needs and the impact of past and current affordable housing developments. (Finding 12)

VII. Signature Page

I, James Cox, hereby certify that this Analysis of Impediments to Fair Housing Choice (AI) for the Apple Valley/Victorville Consortium represents the Town's conclusions about impediments to fair housing choice, as well as actions necessary to address any identified impediments.

James Cox
Interim Town Manager, Town of Apple Valley

Date

I, Jon B. Roberts, hereby certify that this Analysis of Impediments to Fair Housing Choice (AI) for the Apple Valley/Victorville Consortium represents the City's conclusions about impediments to fair housing choice, as well as actions necessary to address any identified impediments.

Jon B. Roberts
City Manager, City of Victorville

Date

Appendix A
Survey, Workshop, and Proof of Consultation

Appendix B
HMDA Data

Appendix C
Proof of Publication