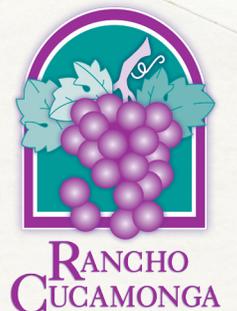


City of Rancho Cucamonga Analysis of Impediments to Fair Housing Choice

2010–2015



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1. Introduction

Equal access to housing of one’s choice is fundamental to each person in meeting their essential needs and pursuing personal, educational, employment, or other goals. Recognizing this fundamental right, the federal government and State of California have established fair housing as a protected right. This section provides the legal statutes governing fair housing and the concept of impediments, and the coverage of this study.

A. Background to Fair Housing

Forty years ago, Congress passed the Fair Housing Act. This landmark legislation prohibits discrimination in public and private housing markets that is based on race, color, national origin, religion, sex, disability, or familial status. One of the basic principles in the Fair Housing Act and the Housing and Community Development Act of 1974 is that cities must take steps to advance fair housing, not just to avoid discriminating.

Fair housing is about much more than avoiding discriminatory practices and legal action. We all have friends, family members, coworkers, and acquaintances who ask these questions at some point in their lives:

- Can I find decent rental housing for my family and children even though I have a housing choice voucher?
- Will our aging parents be able to use public transit to access medical facilities and supportive services?
- Will our children feel safe at school and be treated fairly regardless of disability, race, or religious belief?
- Will I be treated fairly in securing a home loan and not be subject to questionable loans?
- Can I feel safe in my neighborhood from gangs, hate crimes, and other discriminatory behaviors?
- Can I find an accessible home or add a ramp to lead up to the front door that will allow my parents to visit or stay at home with us?

These questions deal with real life issues that are fair housing concerns. When considered from this perspective, fair housing is concerned with how to create an inclusive community for all residents, where no group is privileged above any other, where everyone has equal opportunity to meet their needs, and where everyone is safe and secure at home, work, or school.

Goal of Fair Housing

The goal of the fair housing movement is to support and promote inclusive, diverse communities of choice: communities and neighborhoods where families choose to live; where housing and schools are stable and well supported; where employment is accessible; and where all racial and ethnic groups and persons with disabilities are an integral part of the larger community.

1. FAIR HOUSING LAW

The modern fair housing movement is rooted in a series of laws enacted over the past forty years by the federal government and state of California. These laws have been supplemented or interpreted through a number of court decisions over the years. These laws are briefly summarized below.

The Civil Rights Act of 1964

This law and the Fair Housing Amendments Act of 1988 are the primary federal laws that prohibit discrimination in the sale, rental, lease, or negotiation for property on the basis of race, color, religion, sex, or national origin. Whereas the Civil Rights Act contained provisions protecting people from housing discrimination, amendments later extended protection to families with children and disabled people. The Fair Housing Act also addresses requirements to accommodate disabled people.

Civil Rights Acts of 1959

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

The Fair Employment and Housing Act of 1963

This statute prohibits discrimination in the sale, rental, lease, negotiation, or financing of housing based on race, color, religion, sex, marital status, national origin, and ancestry. The California Fair Housing Act of 1992 brought state laws into conformity with the Federal Fair Housing Act, added protections for people with "mental and physical disabilities" and "familial status," and required housing providers to allow for reasonable accommodations. State law was also recently changed to add protections for source of income.

The Ralph Civil Rights Act of 1976

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

2. DEFINING FAIR HOUSING AND IMPEDIMENTS

The concept of “fair housing” and its practical application to local governments and the housing market has changed over time in response to state and federal laws, court decisions, and public opinion. In light of fair housing legislation passed at the federal and state levels, as well as consultation with HUD and professionals providing fair housing services, the following definition of fair housing is used for this report:

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

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

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

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

To affirmatively promote equal housing opportunity, a community must proactively work to remove or mitigate impediments to fair housing choice. Furthermore, in order to be eligible for certain federal funds (such as those under HUD’s Community Planning and Development formula grants), a jurisdiction must: 1) certify its commitment to actively further fair housing choice; 2) maintain fair housing records; and 3) conduct an analysis of impediments to fair housing and report on its progress annually.

Rancho Cucamonga is dedicated to providing fair housing opportunities to residents and ensuring compliance with applicable laws.

B. Scope and Organization of Report

Federal law requires jurisdictions that receive federal funds for community development activities to assess, on a periodic basis, the status of fair housing in their community. As a recipient of Community Development Block Grant (CDBG) funds, the City of Rancho Cucamonga is required to update its Analysis of Impediments to Fair Housing, last updated in 2002, and report on the findings and progress in furthering fair housing opportunity in the Consolidated Annual Performance Evaluation Report.

The purpose of this report, Analysis of Impediments to Fair Housing (AI), is to identify actual and potential impediments to fair and equal housing opportunities within Rancho Cucamonga. This AI provides an overview of the laws, regulations, conditions, or other possible obstacles that may affect access to housing and other public services and facilities in Rancho Cucamonga. The scope, analysis, and format used in this report adhere to recommendations of the *Fair Housing Planning Guide* published by HUD.

The Rancho Cucamonga AI contains five chapters:

- **Chapter 1-Introduction.** This chapter defines fair housing, provides an overview of relevant laws affecting fair housing in the community, summarizes public participation, and explains the purpose of this report.
- **Chapter 2-Community Profile.** This chapter presents population, housing, economic, and special needs characteristics in Rancho Cucamonga. This chapter provides a broad overview and understanding of the community so that housing needs are clearly defined.
- **Chapter 3-Public Policies.** This chapter analyzes a range of public activities that may impede fair housing choice, including governmental land use, development regulations, and community development activities. Potential impediments to fair housing choice are discussed.
- **Chapter 4-Fair Housing Status.** This chapter identifies trends in the disposition of home loans in Rancho Cucamonga, fair housing complaints, testing results, possible barriers to fair housing choice, and public comments received from the City's outreach efforts.
- **Chapter 5-Fair Housing Plan.** This chapter summarizes recommendations to further fair housing opportunity in Rancho Cucamonga. These actions are specific, with implementing timeframes.

This report concludes with a signature page and statement certifying the City of Rancho Cucamonga's official conclusions regarding impediments to fair housing choice and the actions necessary to address impediments.

C. Public Participation

The City values citizen input on how well city government serves its residents. The City Council relies on its Planning Commission, advisory commissions, and boards to provide advice and recommendations in areas of City services. The public participation effort for the 2010 AI adhered to the City's Citizen Participation Plan for the Consolidated Plan and consisted of public hearings before the City Council as described below.

The City published a notice in the local newspaper that stated on June 2, 2010, the City Council will consider the City's update to the Analysis of Impediments to Fair Housing Choice (the "AI"). The AI provides an overview of laws, regulations, or other obstacles that may affect accessibility to housing in Rancho Cucamonga. The AI involves:

- A comprehensive review of Rancho Cucamonga's laws, regulations, and administrative policies, procedures, and practices;
- An assessment of how those laws affect the location, availability, and accessibility of housing; and
- An assessment of conditions, both public and private, that affects fair housing choice.

The AI was made available for a 30-day public review period beginning on Monday, May 3, 2010, and ending on Wednesday, June 2, 2010. Copies of the AI were available at the Rancho Cucamonga Planning Department.

Comments received will be incorporated into the final AI.

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2. Community Profile

To provide a context for evaluating fair housing opportunity, this chapter provides an overview of Rancho Cucamonga and discusses a variety of demographic, economic, housing, and special needs characteristics and trends to identify issues that may raise fair housing concerns in the city.

A. Demographic Profile

1. POPULATION TRENDS

Incorporated in 1977, the City of Rancho Cucamonga was formed through the merger of three formerly unincorporated communities—Alta Loma, Cucamonga, and Etiwanda. Population growth trends in Rancho Cucamonga showed a steep population increase during the 1980s (84 percent) following incorporation. During the 1990s and early 2000s, the City’s population increased by an equally high number due to the development of master planned communities and infill projects.

The City of Rancho Cucamonga will continue to experience significant population growth. According to the Southern California Association of Government’s (SCAG), the City’s population will increase to 172,409 by 2010 as shown in Figure 2-1. According to the 2010 Rancho Cucamonga General Plan, the City projects a buildout of 203,800 residents in 2030.

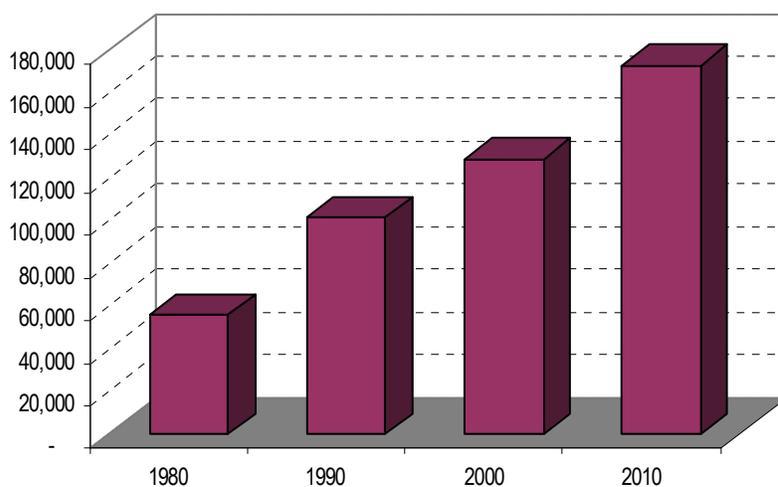


Figure 2-1 Population Growth in Rancho Cucamonga

2. AGE CHARACTERISTICS

Housing needs are related to residents’ age. Traditionally, young adults prefer apartments, condominiums, and smaller single-family units that are affordable, while middle-aged adults prefer larger homes that can accommodate children. Seniors often prefer smaller condominiums and single-family units that are more affordable and have relatively fewer maintenance needs. These age characteristics can help provide insight into current and future housing needs.

Age and Fair Housing

Age is a protected class under fair housing law. Persons may encounter discrimination when selecting housing if a property owner or manager makes decisions based on the age of the applicant. For example, a property manager may limit the number of children or prohibit children, prefer working-age single adults (rather than college age adults), or discourage seniors that may have disabilities. Housing providers are within their rights to establish reasonable occupancy limits and rules for tenants, but those rules cannot be based on the age of the resident.

Summarized below in Table 2-1, the City of Rancho Cucamonga can be characterized as a predominantly family-oriented community with a large number of younger and middle-aged households with children. The median age of residents is approximately 32 years, which is slightly higher than the County median age of 30 years. During the 2000–2007 timeframe, young adults (18–34), middle-age adults (45–54 years) and seniors (65 years+) increased the fastest in terms of percentage growth.

**Table 2-1
Age Characteristics and Trends**

Age Group	2000		2007		Change Number 2000-07
	No. of Persons	Percent of Total	No. of Persons	Percent of Total	
<5	8,779	7%	10,684	7%	22%
5–17	29,428	23%	32,485	20%	10%
18–24	12,657	10%	17,882	11%	41%
25–34	18,115	14%	25,669	16%	42%
35–44	24,872	19%	24,960	16%	0%
45–54	18,628	15%	24,819	15%	33%
55–64	7,890	6%	13,299	8%	69%
65+	7,792	6%	10,551	7%	35%
Total	128,161	100%	160,349	100%	25%

Source: 2000 Census; 2006–2008 ACS.

The City of Rancho Cucamonga’s age profile indicates a continued strong demand for single-family and detached units that offer opportunities for homeownership. Moreover, much of the City’s residential development capacity is for single-family homes. However, with the large proportion of working adults ages 45–64 (including seniors), some may eventually seek to downsize to attached or multiple-family housing. In particular, the largest increase in population was adults nearing retirement age.

3. RACIAL AND ETHNIC COMPOSITION

Southern California has a diverse, multicultural population. Like many communities within southern California, the City of Rancho Cucamonga is gradually becoming more racially and ethnically diverse. Between 2000 and 2007, the City’s demographic makeup shifted from a white majority to a plurality, with no particular group comprising above 50 percent of the population. These changes have implications for furthering fair housing.

Shown in Table 2-2, Rancho Cucamonga’s Asian population increased the fastest, doubling in number and increasing to 10 percent of the City’s population in 2007. Meanwhile, the number of African Americans and Hispanics also increased in number by more than 40 percent. Whites still increased in number, but declined as a percentage of total population. These trends are expected to continue into the foreseeable future.

**Table 2-2
Racial and Ethnicity Trends**

Race and Ethnicity	2000		2007		Change in Number 2000–07
	No. of Persons	Percent of Total	No. of Persons	Percent of Total	
White	69,400	54%	73,820	46%	6%
Hispanic	35,558	28%	52,146	33%	43%
Asian	7,309	7%	15,298	10%	109%
Black	9,674	6%	13,814	9%	47%
Other	6,220	5%	5,341	3%	-14%
Total	128,161	100%	160,419	100%	25%

Source: 2000 Census; 2006–2008 ACS.

Fair housing concerns tend to occur more often when one or more race and ethnic groups are separated from one another in different neighborhoods. A high concentration occurs when the proportion of one race and ethnic group in a census block group in Rancho Cucamonga is 50 percent higher than that group’s representation in San Bernardino County’s population. A very high concentration occurs when the percentage of that race and ethnic group is at least double its representation in San Bernardino County.

As shown on the following page in Figure 2-2, Hispanic residents are highly concentrated within southwestern Rancho Cucamonga. High concentrations of Asian and Pacific Islander residents are also located in the northern and southwest portions of Rancho Cucamonga. African American or Black residents are concentrated in northeastern Rancho Cucamonga and in an industrial and commercial area southeast of Interstate 15.

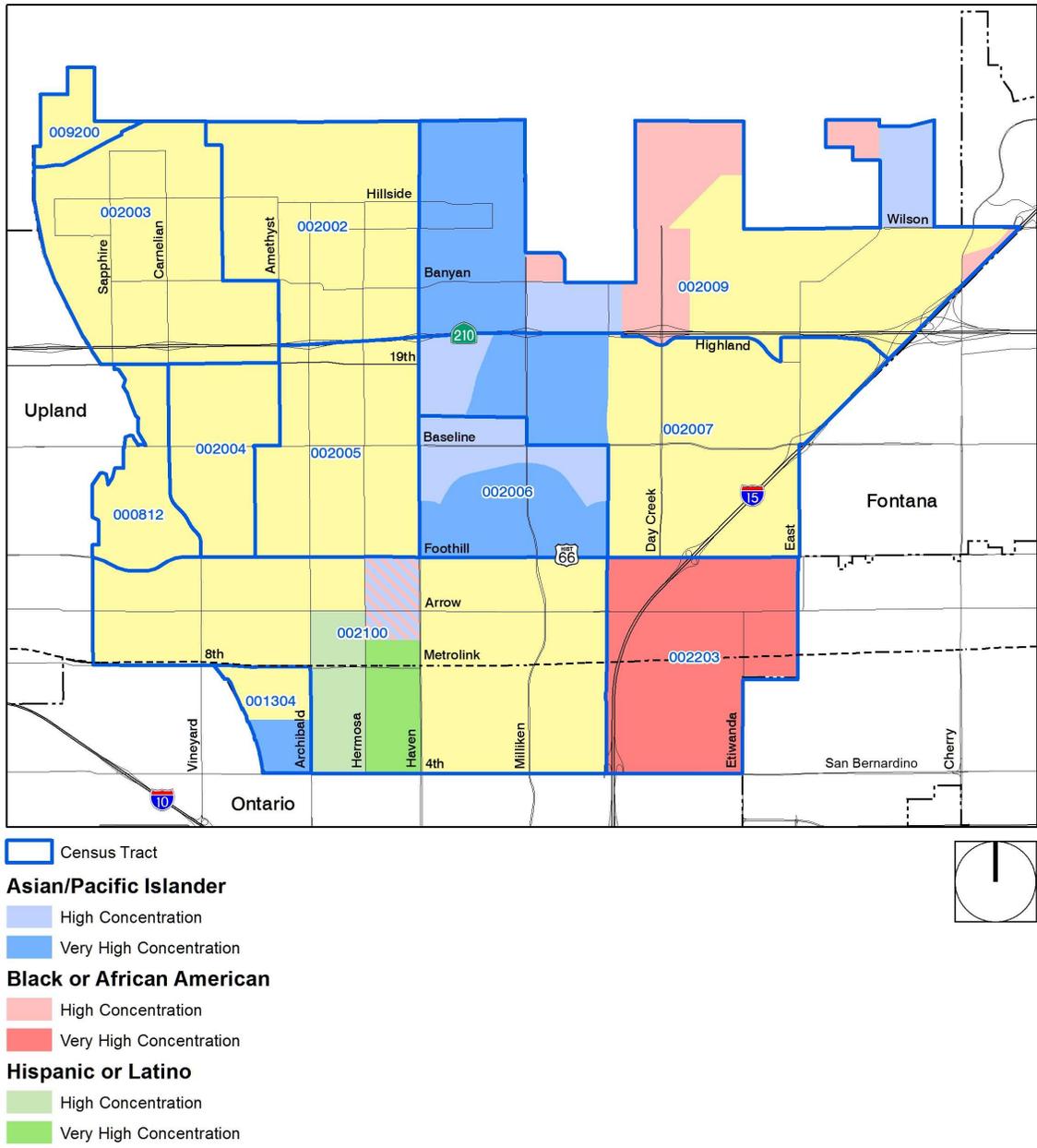


Figure 2-2 Concentrations of Race and Ethnic Populations

4. RESIDENTIAL RACIAL AND ETHNIC INTEGRATION

Separation of race/ethnic groups has historically been linked to segregation. However, people choose to live in different areas for a wide variety of reasons—the quality of local schools, housing prices, access to transportation, and affiliation with those of similar backgrounds. Reflecting the complexity of people’s choice of where to live, the following statistical tests have been used to measure integration within a community.

- **Dissimilarity Index**—this index represents the percentage of one group that would have to move into a new neighborhood to achieve perfect integration with another group. An index score ranges from 0–100. A value of 60 (or above) is considered very high where two groups live predominantly in different areas, values of 40 or 50 are considered moderate, and values of 30 or below are low.
- **Isolation Index**—this index represents the percentage of same-group population in the neighborhood where the average member of a racial/ethnic group lives. An index score can range in value from 0, meaning that group is dispersed and has vast exposure to other groups, to 100, which indicates that the group is entirely isolated from other groups. Based on this index, only Whites are isolated.
- **Linguistic Isolation**—Even if different race and ethnic groups live nearby, people may be linguistically isolated if they are unable to read or speak English well. According to the census, of the 19 percent of households who speak Spanish at home, 6 percent do not speak English very well or not at all. Of the 6% of households who speak Asian languages at home, 25 percent do not have a command of the English language.

Table 2-3 summarizes the measures of integration in Rancho Cucamonga. Overall, although there are pockets of concentrations and indications of linguistic isolation mentioned above, the City’s population is generally well integrated and live in close proximity to one another in the community.

**Table 2-3
Measures of Integration**

Race/Ethnic Groups	Dissimilarity Index				Isolation Index
	White	Black	Hispanic	Asian	
White	N/A	21.8	18.3	20.4	57.2
Black	21.8	N/A	9.0	16.7	9.8
Hispanic	18.3	9.0	N/A	21.1	30.8
Asian	20.4	16.7	21.1	N/A	8.2

Source: Lewis Mumford Center, 2000.

B. Household Characteristics

Household characteristics influence housing needs in Rancho Cucamonga. For example, families with young children typically seek the living space and the financial investment that single-family homeownership has to offer. In contrast, single-person households tend to desire apartments, condominiums, and townhomes that are generally easier to maintain. This section analyzes these characteristics to better understand housing needs.

Families and Fair Housing

Familial status is a protected class under fair housing law. It is illegal for a landlord to refuse to rent to a single parent or family with children. Typical reasons that have been determined discriminatory include: 1) refusing to rent to single parents with children (perhaps due to fear of financial solvency) 2) refusing to rent to single males (for fear of the unit becoming a bachelor pad); 3) not allowing children to play outside or requiring families to live in certain parts of the complex; or 4) making rules that have a disproportionate impact on one or more groups of households.

1. HOUSEHOLD TYPE

Shown in Table 2-4, the number of households in Rancho Cucamonga increased from 41,067 in 2000 to 52,121 in 2007, a 27 percent increase. Family households with children continue to account for the highest percentage of households in the community. However, in recent years, the number of single persons and all other households (unrelated individuals sharing housing) have increased the greatest in percentage growth.

Despite the increase in the number of households, the average size of households in Rancho Cucamonga has remained at about three persons. The increase in small and large families was offset by the numeric increase in single persons; therefore, the average size of households remained the same. This pattern is typical of a mature community and should continue. Table 2-4 summarizes changes in Rancho Cucamonga's household types.

**Table 2-4
Household Characteristics and Trends**

Household Type	2000		2007		Percent Change 2000-08
	No. of Hhlds	Percent of Total	No. of Hhlds	Percent of Total	
Married w/ Children	14,240	35%	14,931	29%	5%
Married w/o Children	10,513	26%	13,693	26%	30%
Other Families	7,518	18%	9,278	18%	23%
Single Persons	6,904	17%	11,325	22%	64%
All Others	1,892	5%	2,894	6%	53%
Total	41,067	100%	52,121	100%	27%
Household Size					
Single Persons	6,904	17%	11,325	22%	64%
Small Families	27,311	67%	33,630	65%	23%
Large Families	6,852	17%	7,166	14%	5%

Source: 2000 Census; 2006–2008 ACS.

2. OCCUPATIONS HELD BY RESIDENTS

The City of Rancho Cucamonga is one of the more affluent communities in San Bernardino County. City residents have historically had a lower unemployment rate and higher median wage than in the County as a whole. With the change in the economy in recent years, the unemployment rate has increased to 9.5 percent as of 2010. The City’s unemployment rate is much less than the unemployment rate of 14.4 percent in San Bernardino County.

Table 2-5 shows the occupations held by Rancho Cucamonga residents and associated median wages for full-time employees. According to the 2006–2008 American Community Survey (ACS), three general occupational classifications make up nearly three quarters of the workforce. The most common full-time occupations are sales/office (median wage of \$43,000), management (median wage of \$72,000), and professional occupations (median wage of \$64,000).



**Table 2-5
Resident Occupations and Incomes**

Occupation Type	Full-Time Jobs	Percent of Workforce	Median Full Time Wage
Management, business, financial occupations	10,978	20.5%	\$72,252
Professional and related occupations	11,098	20.7%	\$64,494
Sales and office-related occupations	15,928	29.7%	\$42,890
Various service related occupations	5,776	10.8%	\$42,409
Production, transportation, and material moving	5,009	9.3%	\$42,257
Construction, extraction, maintenance, and repair	4,764	8.9%	\$48,453
Farming, fishing, and forestry occupations	67	0.1%	\$30,563
Total Employment	53,620	100%	\$51,998

Source: 2006–2008 ACS.

Compared to other communities in the County of San Bernardino, a larger percentage of Rancho Cucamonga residents hold management and professional occupations than residents in most communities and the county. The higher wages obviously translate into a greater ability to afford the newer and more expensive homes that are being built in the community.

3. HOUSEHOLD INCOME

Compared to communities throughout San Bernardino County, the City of Rancho Cucamonga is a relatively affluent community. In 2008, the median family income (MFI) for its households was \$76,979, which is one of the highest incomes of all communities in San Bernardino. This is due in part to the development of highly amenitized master planned communities that have attracted a more wealthy population over the years.

For housing and community development planning purposes, the federal government has established various household income categories to evaluate housing need. The income thresholds for each category are based on the median area income for communities in San Bernardino County of \$64,500 for a four-person household as of 2009. This translates into the following income thresholds for a four-person household.

- Very Low: earning below 30 percent or \$20,000
- Low: earning 31 to 50 percent of MFI or \$33,300
- Moderate: earning 51 to 80 percent of MFI or \$53,300
- Middle: earning 81 to 120 percent of MFI or \$71,000
- Above Middle: earning over 120 percent of MFI

Table 2-6 shows the income distribution of Rancho Cucamonga households by federal income categories as of the 2000 Census. No reliable updates of this data are available until the 2010 Census. The household income distribution differs by tenure. The majority of homeowners in Rancho Cucamonga earn either moderate or above moderate incomes. In contrast, the majority of renters earn extremely low, very low, or lower incomes.

**Table 2-6
Household Income by Tenure**

Income Group	Owners		Renters		Total	
	No. of hhlds	% of Total	No. of hhlds	% of Total	No. of hhlds	% of Total
Very Low	930	3%	1,365	11%	2,295	6%
Low	1,195	4%	1,130	9%	2,325	6%
Moderate	2,245	8%	2,255	19%	4,500	11%
Middle	4,575	16%	2,825	23%	7,400	18%
Above	19,870	69%	4,590	38%	24,460	60%
Total	28,815	100%	12,165	100%	40,980	100%

Source: Comprehensive Housing Affordability Strategy, Census 2000.

Income by Household Characteristics

Table 2-7 analyzes patterns in household income by race/ethnic and demographic characteristic according to the 2000 Census. It should be noted that equivalent data on household income by household type is not available until the 2010 Census. Income differences are not necessarily a fair housing concern, but just a means to identify differences that, in combination with housing opportunities, may represent a concern.

In 2000, the percentage of each race and ethnic group that earned very low, low, and moderate income was approximately the same. With respect to household type, Rancho Cucamonga’s elderly households have a larger percentage of very low and low income residents, which is expected given retirement incomes. There are variations in income distribution among the other groups, but the variation among other groups is relatively minor.

**Table 2-7
Household Income Patterns**

Household Characteristic	Income Levels			
	Very Low <30% MFI	Low <50% MFI	Moderate <80% MFI	Above >80% MFI
Race/Ethnicity				
White	5%	5%	10%	80%
Hispanic	7%	7%	14%	72%
Asian	7%	5%	11%	76%
Black	6%	7%	12%	75%
All	6%	6%	11%	78%
Type				
Elderly	14%	14%	20%	52%
Small Families	3%	4%	9%	84%
Large Families	4%	5%	11%	80%
All Others	9%	6%	12%	73%

Source: US Census, 2000.

Concentrations of minority groups are located in lower and moderate income areas of the community. The highest concentration of low and moderate income households is in southeast Rancho Cucamonga, primarily east of Interstate 15. This concentration coincides with a very high concentration of Black residents. Other high concentrations of low and moderate income households are in the southwestern part of the City, west of Haven, which corresponds with a high concentration of Hispanic residents. Figure 2-3 illustrates these patterns in Rancho Cucamonga.

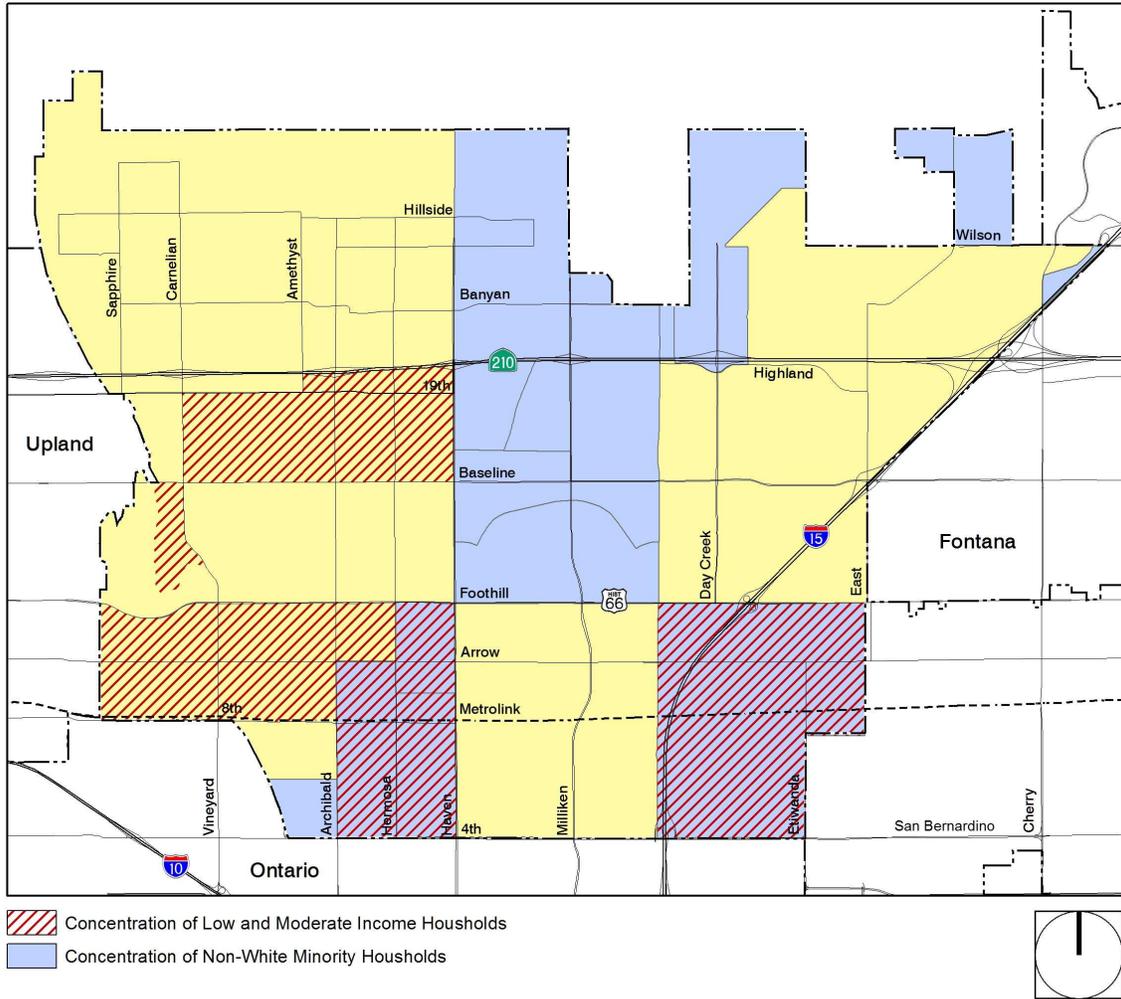


Figure 2-3 Low-Moderate Income Household Concentrations

4. SPECIAL NEEDS HOUSEHOLDS

Certain households have a greater challenge finding suitable housing in a community or receiving fair housing treatment from housing providers due to special circumstances. These circumstances include employment or source of income, family type, disability, or other characteristic. The following discussion describes and analyzes the housing needs of seniors, people with disabilities, families, and homeless people.

Senior Households

The 2005–2007 ACS identified that 10,186 persons age 65 years or older lived in Rancho Cucamonga and comprised 6 percent of the population. This equals a total of 5,576 senior households or approximately 11 percent of all households. Seniors generally have a much higher prevalence of housing and supportive service needs due to their lower income level and higher rates of mobility and self-care limitations. Communities face the same challenges in meeting their needs.

Housing choices for disabled seniors may be limited due to special mobility needs, interior accessibility, access to public transportation, and access to health care. With respect to services, the City provides senior homeowners with housing assistance in the form of home modification and improvement programs to help ensure that seniors can safely “age in place.” The City allocates public funds to subsidize senior housing and home rehabilitation. Seniors in the community can also access a range of supportive services operated out of the James L. Brulte Senior Center.

Family Households

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

In 2007, Rancho Cucamonga had 5,160 single-parent households with children, representing 10 percent of total households. Rancho Cucamonga is also home to 13,511 large households with five or more members, of which 62 percent own their homes. Single-parent households often live on a single income. Furthermore, their housing choices may also be influenced by access to child care, health care, and other family supportive services. Large households are usually families with two or more children or extended family members. Large households have greater difficulty finding large enough housing and thus may overpay or live in overcrowded conditions.

Persons with Disabilities

The Americans with Disabilities Act defines a disability as a “physical or mental impairment that substantially limits one or more major life activities.” In 2007, the City of Rancho Cucamonga had 14,642 residents that reported a sensory, physical, mental, self-care, mobility, and/or employment disability. Although disabilities are often associated with age, 10,756 disabled residents in the City were not elderly residents. Nevertheless, the total number of disabled residents will likely increase with the gradual aging of baby boomers.

Disabled persons often have special housing needs with regard to affordability, accessibility, or proximity to public transportation. Many disabled persons live on fixed incomes, thus limiting their ability to afford housing. Persons with a disability may also have limited housing choices (e.g., single-story homes or developments with elevators). Someone with a visual impairment may require a home that allows service animals. Moreover, some property managers may avoid renting to a disabled person because of the cost of modifications needed, fear of liability and legal action if the complex is not wholly accessible, or a strict no-pets policy.

Homeless People

Homelessness is a pressing issue for many cities and the varied dimensions involved have implications for fair housing. People who are homeless may be chronically homeless (perhaps due to substance abuse) or situationally homeless resulting from job loss, arguments with family or friends, incarceration, or violence. In 2007, the Community Action Partnership counted 122 homeless people who resided in Rancho Cucamonga.

Homeless people face critical housing needs due to their very low incomes and the lack of appropriate types of housing. This demographic group may also encounter discriminatory housing practices when landlords refuse to rent to formerly homeless persons due to poor credit history. Property managers often require an income three times the rent and reject housing applicants with poor credit histories or records of eviction. In addition, this group often needs transitional and permanent supportive housing, a type of housing that is often in short supply in a community.

To address the City's homeless special needs population, Rancho Cucamonga annually utilizes 15 percent of its federal allocation of community development block grants to provide public and supportive services to prevent homelessness and/or aid those who are homeless or at risk of becoming homeless. As required by federal regulations, these funds are directed to persons in need (as 51 percent of those served must be low and moderate income), especially those with special needs.

C. Housing Profile

Fair housing is furthered when a range in types and prices of housing are available. Fair housing is concerned with whether people, regardless of status, are treated equally in the rental, sale, or occupancy of housing. To that end, this section provides an overview of the housing market and the dynamics that affect housing availability in Rancho Cucamonga.

1. HOUSING GROWTH AND TYPE

Rancho Cucamonga has historically benefitted from significant planned growth in housing. Fueled by available land, high demand, and master plan approvals during the late 1990s and early 2000s, the City of Rancho Cucamonga has built out a number of large housing tracts in recent years. These approvals have resulted in a significant growth in the number of housing units and population added to the community.

According to the Department of Finance, the majority of homes in Rancho Cucamonga are single-family detached. However, the greatest increase in housing stock since 2000 was multiple-family projects. Although some multiple-family projects include three- and four-bedroom units, the most common sizes are smaller units. Since 2006, however, housing production has declined in response to the economic recession and housing market.

Looking forward, uncertainty in the financial and housing markets will continue to slow housing construction. However, according to the 2010 General Plan, the City’s buildout increased 14 percent to 63,253 housing units. Much of the increase in housing units will be due to the increased acreage and density allowed in the City’s new mixed-use neighborhoods. Table 2-8 compares the number and type of housing units in 2000 and 2008.



**Table 2-8
Housing Trends, 2000–2008**

Product Type	2000		2008		Change in Number of Units 2000–08
	Number of Units	Percent of Units	Number of Units	Percent of Units	
Single-family					
Detached Units	29,220	69%	35,575	65%	22%
Attached Units	2,532	6%	3,161	6%	25%
Multi-family Units	9,010	18%	14,987	27%	66%
Mobile Homes	1,372	3%	1,380	3%	1%

Source: California Department of Finance, 2000 and 2008.

2. TENURE AND VACANCY

Housing tenure refers to the occupancy of a residence, whether it is owner or renter occupied. Generally, homeowners are older, have higher incomes, and have larger families. A community’s tenure profile also influences resident mobility, with renters more likely to change residence than owners. The housing vacancy rate is a measure of the availability of adequate and affordable housing, with low vacancy rates indicating a shortage of housing and higher vacancy rates reflecting an oversupply of housing.

Shown in Table 2-9, the number of housing units rented in Rancho Cucamonga has increased by 39 percent since 2000 alone. The reason for a greater increase in renter-occupied units (versus ownership) is due to the higher production of multiple-family units (e.g., senior and family apartments and condominium projects) built during recent years. Still, the number of single-family residences built is approximately twice as high as the number of multiple-family residences built during the same period.

Vacancies are an indication of the balance between the supply of housing with residents’ preferences for different types and prices of housing. A vacancy of 3–5 percent is considered optimal. Some vacancies are needed to provide opportunities for new residents and for current residents with changing housing needs. The ACS reports that housing vacancy rates have doubled to 6 percent since 2000 and are now likely higher.

**Table 2-9
Housing Tenure Trends**

Tenure of Units	2000		2008		Percent Change in Units
	Number of Units	Percent of Units	Number of Units	Percent of Units	
Owned	28,814	70%	35,203	68%	22%
Rented	12,162	30%	16,918	32%	39%
Total	40,976	100%	52,121	100%	27%
Vacancy	3%		6%		--

Source: 2000 Census; 2006–2008 ACS.

The increase in housing vacancy rates reflect, in part, the downturn in the housing market and rising foreclosures that have impacted much of southern California, including the City of Rancho Cucamonga. Although the housing market has more or less stabilized throughout the region, the economy has not, and unemployment is still very high. Housing prices and vacancy rates will likely remain higher than optimal until at least 2011.

3. HOUSING AGE AND CONDITION

The City of Rancho Cucamonga is known for an exceptionally high quality of housing stock. The condition of the housing stock is a reflection of the community’s values, neighborhood quality, and desire and financial capability of property owners to maintain their homes and apartments. Providing safe and attractive housing improves quality of life for residents and helps maintain the City’s image for investment.

As a developing community, the City has a relatively newer housing stock. The vast majority of single-family homes, condominiums, and apartments were built since 1970. Housing age can be indicator of housing conditions. Housing units over 30 years old are more likely to need minor rehabilitation than newer units. Homes over 50 years of age are more likely to need substantial rehabilitation (e.g., plumbing, electrical system, or structural improvements). Fewer than 9 percent of homes were built before 1970, and these units are most likely in need of some rehabilitation.

Several definitions of what constitutes substandard housing exist. Generally, substandard housing refers to housing units that lack complete kitchens, heating, or complete plumbing facilities; have lead-based paint or structural defects; or are dilapidated or boarded up. According to the 2000 Census (the latest survey available on many indicators), Rancho Cucamonga has several hundred substandard units. This number does not reflect foreclosed homes with substandard conditions that have occurred since the census.

To provide more policy direction, a focused building-by-building survey of multiple-family units and a survey of select single-family neighborhoods were conducted in Rancho Cucamonga. The survey, summarized below, found that 4 percent of single-family homes and 2 percent of multiple-family units required significant rehabilitation and reinvestment. These homes are generally older and may include foreclosures as well.

**Table 2-10
Condition of the Housing Stock**

Quality Indicator	Single-Family Homes	Multifamily Homes
Good Condition	65%	67%
Minor Maintenance	18%	21%
Moderate Maintenance	13%	10%
Substantial Maintenance	4%	2%
Total	100%	100%

Source: 2006–2008 ACS

4. HOUSING PRICES

As one of the more desirable communities in the Inland Empire, Rancho Cucamonga has higher housing prices and rents. Table 2-11 shows median sales prices by zip code for April 2008 to April 2009 by housing type. From April 2008 to April 2009, the median home price in Rancho Cucamonga was \$353,000 for a single-family home, down from a height of \$554,000 in 2007. Similarly, condominium prices have declined from \$335,000 in 2007 to approximately 208,000 for a condominium in 2009.

**Table 2-11
Home Sales Prices in Rancho Cucamonga**

Zip Code	Single-Family Detached			Condominiums		
	Number of Units	Median Price	Change 08–09	Number of Units	Median Price	Change 08–09
91701	28	\$306,000	-17.3%	4	\$144,000	+4.9%
91730	51	\$285,000	-20.8%	18	\$176,000	-33.1%
91737	17	\$400,000	+1.0%	2	\$240,000	N/A
91739	40	\$405,000	-18.8%	5	\$320,000	+17.5%
Total	136	\$353,000	-18.1%	29	\$208,000	+4.9%

Source: DataQuick, 2009.

Although the sales prices of single-family homes have dramatically declined since 2006 due to economic recession, the rents charged for apartment units have not declined as much. Apartment rents vary by location, size of unit, and amenities. Table 2-12 summarizes housing rental prices in May 2009 by the size of the unit. According to Zilpy.com, apartment rents varied from approximately \$900 to \$2,200 per unit in 2009.

**Table 2-12
Apartment Rents in Rancho Cucamonga**

Number of Bedrooms	Number of Units	Average Sq. Ft. per Unit	Median Rent Apartments	Section 8 Rents
Studio	22	607	\$905	\$765
1	490	768	\$995	\$835
2	644	1,062	\$1,295	\$974
3	603	1,515	\$1,700	\$1,383
4 beds	313	2,301	\$2,200	\$1,617

Source: Zilpy, May 2009.

5. INVENTORY OF RESTRICTED PROJECTS

Certain housing projects in the City are deed-restricted to remain affordable to lower income households. As of January 1, 2010, 1,953 restricted and publicly assisted affordable units are in Rancho Cucamonga. Table 2-13 is an inventory of City-assisted multiple-family projects. Figure 2-4 shows the location of affordable housing in Rancho Cucamonga.

Table 2-13
Assisted Multiple-Family Projects

Name	Type	Financial Assistance	Assisted Units
1. Villa Del Norte	Family	RDA	87
2. Las Casitas	Family	RDA	14
3. Rancho Verde Village	Family	RDA	104
4. Mountainside Apts	Family	RDA	188
5. Monterey Village	Family	RDA	110
6. Olen Jones	Senior	RDA	96
7. Pepperwood Apts	Family	RDA	228
8. Villa Pacifica	Senior	RDA	158
9. Heritage Pointe	Senior	RDA	48
10. Olen Jones Senior Apts	Senior	RDA, HOME, LIHTC	96
11. Sunset Heights	Family	RDA	116
12. Parkview Place Apts	Family	MRB	30
13. Mountain View Apts	Family	MRB	54
14. Sycamore Terrance	Family	MRB	26
15. Evergreen Apts	Family	MRB	79
16. Waterbrook Apts	Family	MRB	76
17. Villaggio at Route 66	Family	RDA, LIHTC	131
18. San Sevaine Villas	Family	RDA, LIHTC	223
19. Rancho Verde Expansion	Family	RDA	40
Total	--	--	1,775

Source: City of Rancho Cucamonga 2010–2015 Consolidated Plan

Notations:

MRB = Mortgage Revenue Bond

RDA = Redevelopment Agency Low and Moderate Income Housing Fund

HOME = HOME Investment Partnership Program

LIHTC = Low Income Housing Tax Credit Program

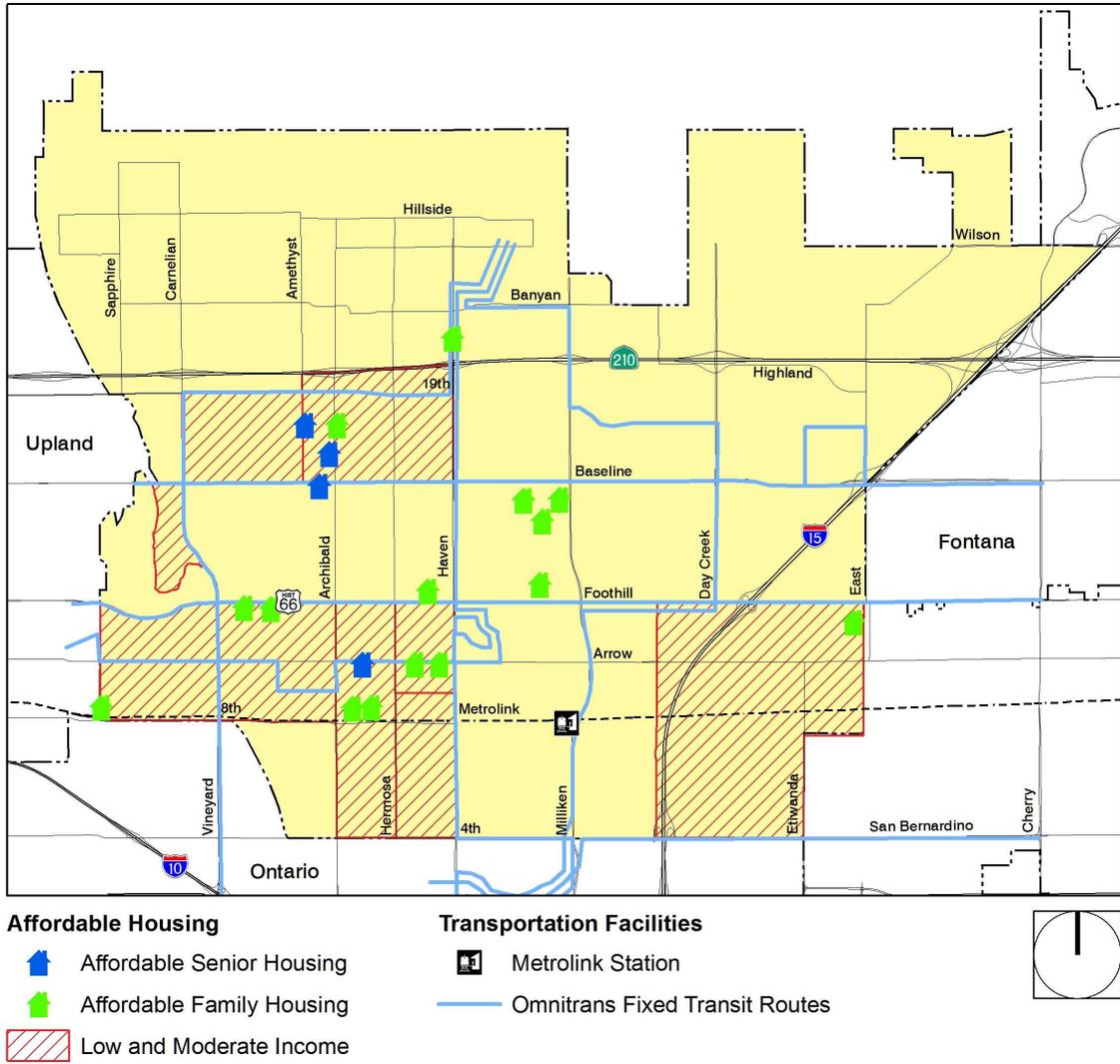


Figure 2-4 Affordable Housing and Low and Moderate Income Concentration

6. HOUSING AFFORDABILITY

High housing costs are a concern in that they can price lower-income families out of the market, cause extreme housing cost burdens, or make it difficult to afford other necessities of life. However, housing affordability alone is not necessarily a fair housing issue. Fair housing concerns may arise only when housing (un)affordability is a result of unequal treatment of similarly situated individuals protected under fair housing law.

Housing affordability is often based on a federal government definition. According to the US Census and federal housing guidelines, a housing unit is considered affordable when a household pays no more than 30 percent of gross income for housing. This figure typically includes standard housing allowances for utilities, insurance, etc. The income to housing cost ratio may be slightly higher for homeowners, as some of the housing costs are tax deductible. Table 2-14 shows the maximum affordable rent for housing.

**Table 2-14
Housing Affordability**

Income Group	Income		Affordable Price	
	Definition ¹	Threshold	Ownership ²	Rental ³
Very Low	< 30% MFI	\$20,000	\$41,000	\$450
Low	31–50% MFI	\$33,300	\$88,000	\$732
Moderate	51–80% MFI	\$53,300	\$164,000	\$1,182
Middle	81–120% MFI	\$79,900	\$266,000	\$1,797

Source: Rancho Cucamonga Housing Element, 2008–2014.

¹ Income levels and limits derived from official Department of Housing and Urban Development, published by the Department of Housing and Community Development, 2009. Assumes federal, not state, income thresholds.

² Assumes an expenditure of 35% housing cost burden, a mortgage loan with a 10% down payment, 30-year term, 7% interest rate, and standard housing cost allowances for insurance, property taxes, and other fees.

³ Median rents based on June 2009 rents taken from www.zillow.com. Rental payments assume no more than 30% of income spent on rent and utilities.

Given a median housing sales prices of about \$353,000 for a single-family home, \$208,000 for a condominium, and \$1,300 for an apartment, the affordability of housing can be determined. Generally speaking, the median priced home is generally affordable to above moderate income households, although smaller homes with less amenities could be afforded by moderate income households. Moderate income households can generally afford the median priced condominium and the majority of apartments in Rancho Cucamonga. Lower income households can also afford apartments and, in some cases, lower cost condominiums in Rancho Cucamonga.

7. HOUSING PROBLEMS

Housing problems typically refer to housing overpayment, housing overcrowding, and substandard housing (which was discussed on page 21.) Housing overpayment occurs when households pay 30 percent or more of income for housing costs. Moderate overpayment occurs when housing costs are 30 to 50 percent of one’s income; severe overpayment occurs if payments exceed 50 percent of income. Overcrowding refers to a situation where more than one person occupies a habitable room in a home, and severe overcrowding occurs if more than 1.5 persons occupy a room.

During the 2000s, housing overpayment increased throughout California. Housing prices and rents increased far faster than personal income, resulting in a higher percentage of households overpaying for housing. For those who purchased or refinanced homes with adjustable rate mortgages, overpayment became an increasing concern. In 2008, 51 percent of Rancho Cucamonga homeowners overpaid for housing, up from 37 percent in 2000. Among renters, 54 percent overpay for housing (of which half severely overpay for rental housing), which is up from 38 percent in 2000.

Shown in Table 2-15, only 3 percent of all Rancho Cucamonga households lived in moderately overcrowded situations, and less than 1 percent lived in severely overcrowded conditions. While housing overcrowding is more prevalent in renter households, it does not appear to be a widespread problem, indicating that the unit size and cost generally corresponds to household size and income. However, with recent trends in foreclosures, the overcrowding rate would be expected to increase in the community.

**Table 2-15
Housing Problems**

Households	Overpayment		Overcrowding	
	Renters	Owners	Renters	Owners
None	7,524	15,036	15,771	34,381
Moderate	4,800	9,539	977	695
Severe	4,159	6,260	149	127
Total	16,843	30,835	16,897	35,203
Percent of Households with Housing Problems				
None	46 %	49%	93%	96%
Moderate	29%	31%	6%	3%
Severe	25%	20%	<1%	<1%

Source: 2006–2008 ACS

Note: Homeowner overpayment is for those with a mortgage.

3. Public Policies

Government policies, administrative practices, and procedures affect the amount, type, affordability, and accessibility of housing in Rancho Cucamonga. This chapter reviews the various ways that Rancho Cucamonga exercises control over land use, zoning, building design, redevelopment, and other aspects that influence housing in Rancho Cucamonga.

A. General Plan Land Use Policy

California law requires each county and city to prepare a General Plan to guide long-range decisions on community development. The General Plan Land Use Element allows a variety of residential uses that are appropriate to serve resident needs. Table 3-1 summarizes the type of housing intended for each General Plan Land Use and corresponding zoning district. Additional guidance with respect to allowable land uses is set forth in Specific Plans in certain areas of the community.

**Table 3-1
Residential General Plan Designations**

General Plan Land Use Designation	Zoning District	Density	Residential Development Type and Density
Very Low	VL	0.1 to 2 du/ac	Accommodates single-family detached homes, with a minimum lot size of 20,000 square feet
Low	L	2 to 4 du/ac	Accommodates single-family detached homes, with a minimum lot size of 7,200 square feet
Low-Medium	LM	4 to 8 du/ac	Accommodates single-family detached and attached homes, or multiple-family uses (i.e., apartments, townhomes, and condominiums).
Medium	M	8 to 14 du/ac	Accommodates multiple-family uses (i.e., apartments, townhomes, and condominiums).
Medium-High	MH	14 to 24 du/ac	Accommodates multiple-family uses (i.e., apartments, townhomes, and condominiums).
High	H	24 to 30 du/ac	Accommodates high density multiple-family uses (i.e., apartments, townhomes, and condominiums).
Mixed Use	MU	8 to 30 du/ac	Accommodates a mix of residential and non-residential uses at a range of intensities and densities

Source: City of Rancho Cucamonga General Plan Land Use Element, 2010.

1. SPECIFIC/COMMUNITY PLANS

The General Plan land use designations and zoning districts apply uniformly throughout the community. However, to address unique issues inherent to different parts of the community, the General Plan allows for Specific Plans and Planned Community Zonings. A description of Specific Plans and Planned Community Zonings and the applications of ones allowing residential uses in Rancho Cucamonga are summarized below.

- Specific Plans.** Rancho Cucamonga’s three Specific Plans allow for flexibility in design and customized development standards tailored to specific needs and conditions. The Specific Plan is one of the most creative tools available for guiding and regulating development. Development regulations for specific plans are incorporated into the Rancho Cucamonga Development Code. In some cases, such as the Terra Vista and Victoria communities, these plans allow for flexibility in trading densities among different areas without a general plan amendment.
- Planned Community Zoning.** Planned Community Zoning may be thought of as a less comprehensive form of a Specific Plan. It does allow custom design and development regulations, but its scope can be limited to only those aspects of the plan that deviate from conventional zoning requirements. It may include as many land use categories as are needed to implement the applicable General Plan designations. It is typically accompanied by thorough design guidelines.

Table 3-2 below summarizes the specific plans and community zoning that allow for residential uses in Rancho Cucamonga.

**Table 3-2
Specific Plans and Planned Community Zoning**

Specific Plans	Planned Communities
Etiwanda North: accommodates predominantly lower density residential developments.	Caryn: accommodated predominantly lower density residential.
Etiwanda: accommodates predominantly lower density residential developments.	Terra Vista: accommodates a mix of residential and commercial uses in four neighborhoods totaling 1,321 acres, which are linked by a greenway.
Foothill Boulevard: provides a balanced and unified pattern of residential and mixed development along Foothill Boulevard.	Victoria: encompasses 2,150 acres and provides for a series of residential villages and related support uses, designed around a central park.

Source: City of Rancho Cucamonga General Plan Land Use Element, 2010.

Allowable Residential Uses

The California Government Code requires all local and county governments to facilitate and encourage opportunities for a variety of housing types that may be suitable for households of varying income levels and special needs. Local policies allowing housing types for persons of all income levels and backgrounds helps to increase housing choice and ensure that no one is excluded from a community due to protected status.

The City of Rancho Cucamonga’s Development Code determines the types of housing and residential uses allowed in each zoning district of the community. Table 3-2 shows the various types of housing permitted.

**Table 3-3
Housing Permitted in Residential Zones**

Housing Type	Zone					
	VL	L	LM	M	MH	H
Conventional Housing						
Single-Family Detached	P	P	P	P*	NP	NP
Single-Family Attached	NP	NP	P	P	P	P
Multiple-Family Housing	NP	NP	P*	P	P	P
Mobile Home Parks	C	C	C	C	C	C
Manufactured Unit	NP	P	P	P	P	P
Guest House	P	P	P	NP	NP	NP
Second Unit	P	P	P	NP	NP	NP
Lodging Unit	P	P	P	NP	NP	NP
Special Needs Housing						
Residential Care Facility						
Serving < 6 clients	P	P	P	P	P	P
Serving 7 or more	NP	NP	C	C	C	C
Student Housing	C	C	C	C	C	C
Convalescent Center	NP	NP	C	C	C	C
Family Day Care						
Serving < 8 clients	P	P	P	P	P	P
Serving 8 or more	C	C	C	C	C	C
Transitional Housing	NP	NP	NP	NP	NP	NP
Emergency Shelters	NP	NP	NP	NP	NP	NP
Permanent Supportive	NP	NP	NP	NP	NP	NP

Source: Rancho Cucamonga Development Code.

P=Permitted Use, P*=Permitted with Optional Development Standards, C=Conditional Use Permit; NP = Currently Not Permitted

2. RESIDENTIAL USES

The 2010 General Plan and Development Code allow a range of conventional housing products—single-family, second units, mobile homes and manufactured housing, apartments, townhomes, and mixed use housing. Each use and the zone where it is allowed are summarized below.

Single-Family Residential

Single-family detached homes are permitted by right in three lower density residential zones. As discussed later, single-family residential homes are allowed to adhere to one of two development standards—basic and optional standards. Housing can be built at higher densities when following optional development standards in the medium density zone. Although many residents desire detached dwellings, attached products (typically condominiums) offer more affordable homeownership opportunities. Single-family attached homes include duplexes, triplexes, and townhomes. Single-family attached homes are not permitted in the lowest density zones, but are permitted by right in the LM, M, MH, and H zones.

Second Units

The Rancho Cucamonga Development Code defines a second unit as an accessory detached or attached dwelling unit that provides complete, independent living facilities for one or more persons. The City permits second units on parcels of 10,000 units or more in the VL, L, and LM zones as a by-right use with a ministerial process. For lots less than 20,000 square feet, the maximum second unit size is 640 square feet; for larger lots the maximum size is 940 square feet. Historically, the local water district did not issue new water connections to second units on lots smaller than 20,000 square feet. Discussions with City staff indicated that this practice is no longer in effect and thus is not a constraint to development of second units.

Caretaker Units and Guest Houses

Caretaker units and guest quarters can provide an additional type of housing, particularly for agricultural or estate homes, that is generally more affordable to lower income residents in Rancho Cucamonga. A caretaker unit is an accessory unit to a primary building that is intended for a caretaker, security guard, or similar position that benefits from onsite living quarters. Guest houses are limited to 640 square feet, but cannot have kitchen facilities nor be rented. The purpose of guest houses is to provide temporary housing for nonpaying guests of the occupants of the primary home. Both caretaker quarters and guest houses can be permitted by right as an accessory use in the VL, L, and LM zones.

Mobile Homes and Manufactured Housing

State law requires cities to allow mobile home parks within at least one designated zone. A mobile home park consists of mobile homes constructed in accordance with the Health and Safety Code. To that end, mobile home parks are conditionally permitted in all residential zones. State law also requires jurisdictions to permit mobile and manufactured units on single-family lots when the unit meets the location and design standards established for single-family uses in the Development Code. The City permits individual mobile home and manufactured homes on permanent foundations on a single lot in all residential zones except the VL zone.

Apartments

Multiple-family apartments are permitted by right in three zones—the M, MH, and H zones. Apartments and similar multiple-family housing products are permitted in the LM zone, provided such residential uses achieve the optional development standards in the Municipal Code. The allowance of apartments within a city is a key requirement of the California Department of Housing and Community Development, as this is the most feasible type of housing that can be affordable to lower income households. The City of Rancho Cucamonga has approved a number of apartment projects, including affordable projects, in recent years.

Mixed Use

Pursuant to the 2010 General Plan, the City has adopted a Mixed Use designation in recognition that portions of Rancho Cucamonga are evolving into more urban places, and that the community desires the creation of new, more sustainable development forms. Mixed Use development approaches offer opportunities for people to live close to work or near transit stops, to walk to neighborhood stores and parks, to enjoy indoor and outdoor entertainment close to home, and to experience exciting pedestrian districts. Mixed Use development may occur in either vertical or horizontal forms.

To facilitate this type of development, specific plans and community plans set forth flexible development standards for a particular project or physical or environmental constraints. The maximum floor area ratio established by the General Plan is set at 1.0 with a probable floor area ratio of 0.40. The density varies widely among the 13 Mixed Use districts, with housing allowed anywhere between 14 and 100 units per acre. Further refinement of the City’s various zoning districts or creation of new districts will be needed to facilitate and encourage mixed uses envisioned by the 2010 General Plan.

3. RESIDENTIAL CARE FACILITIES

The Welfare and Institutions Code (Lanterman-Petris Act) and the Health and Safety Code (Community Care Facilities Act) are both explicit in that it is state policy that people with disabilities are entitled to live in normal residential settings like people without disabilities. These laws are therefore intended to encourage cities to enact policies, development codes, permit processes, and administrative regulations that encourage the development of housing needed for people with disabilities so that they have the opportunity to live in any residential neighborhood.

Residential care facilities covered under these acts include residential care facility for the elderly, social rehabilitation facilities, foster care, certain treatment facilities, and many others. According to the Department of Social Services, the City of Rancho Cucamonga has 36 facilities serving about 600 clients with disabilities. As shown on the following page, these facilities are distributed throughout the City and not unduly concentrated within low-moderate income areas. The City's policy is to observe the standard concentration regulations that are set forth by the Department of Social Services and in State law.

The Health and Safety Code (§§ 1500 et seq.) requires that licensed community care facilities serving six or fewer persons be (1) treated the same as a residential use, (2) allowed by right in all residential zones, and (3) treated the same with respect to regulations, fees, taxes, and permit processes as other residential uses in the same zone. The Health and Safety Code extends this protection to other care facilities serving six or fewer clients. These include residential care facilities for the elderly (§§ 1569.84 et seq.), alcoholism or drug abuse recovery or treatment facilities (§§ 11834.22 et seq.), and congregate care facilities (§§ 1267.16 et seq.).

The Development Code currently defines residential care facilities as any home, group care facility, or similar facility for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual. This definition complies with relevant sections of California law. The City permits such facilities serving six or fewer persons by right as directed by State law in all residential zones and conditionally allows care facilities serving seven or more persons in four zones—LM, M, MH, and H. These facilities are treated like any other residential use in the same zone.

Figure 3-1 on the following page illustrates the relationship of residential care facilities to the City's low and moderate income concentrations and major transit routes in the community.

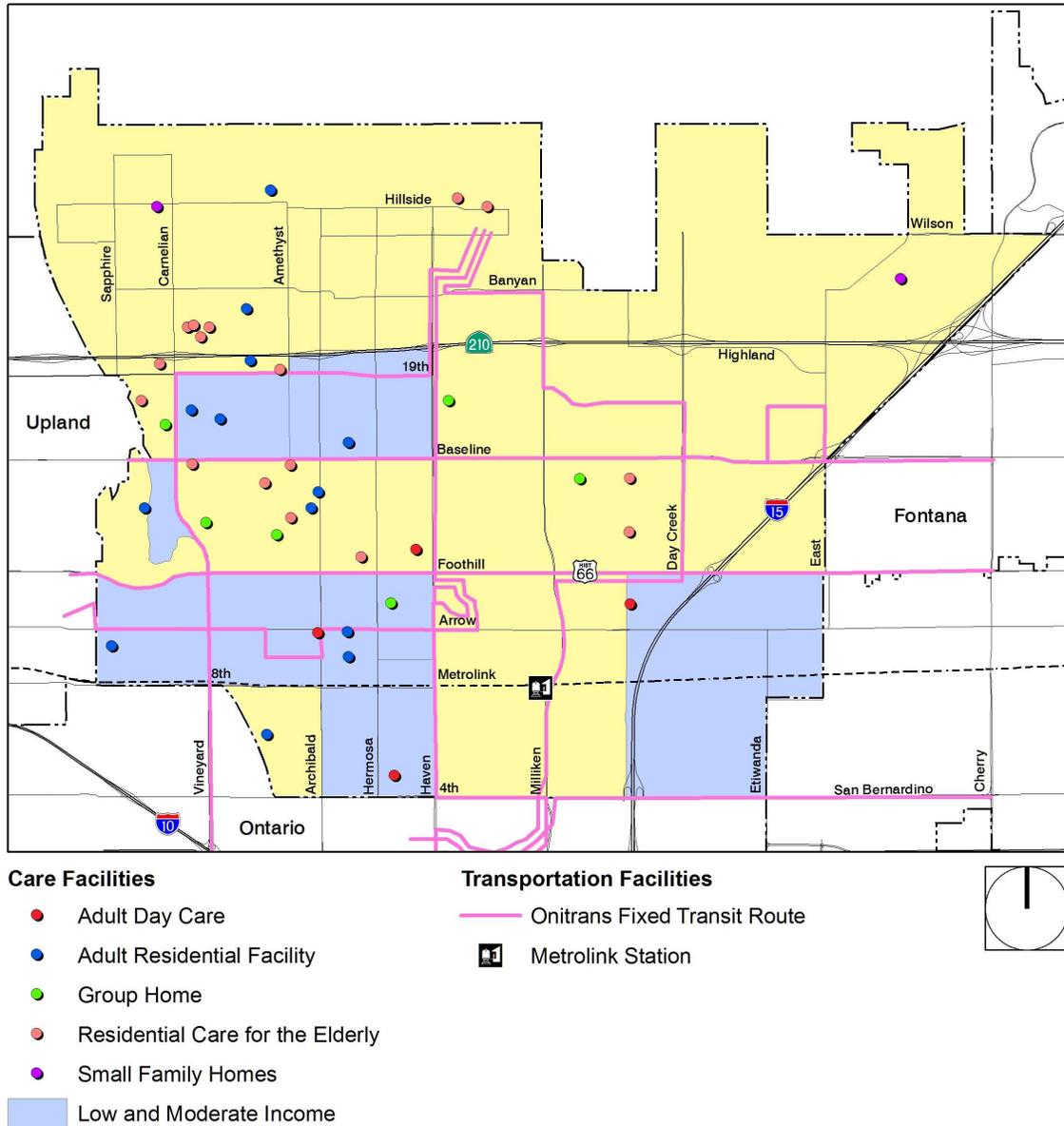


Figure 3-1 Dispersion of Residential Care Facilities

4. HOUSING FOR HOMELESS PEOPLE

The City of Rancho Cucamonga recognizes the problem of homelessness in the community, the complex causes associated with homelessness, and the need for specialized facilities and supportive services to meet this need. State law has fundamentally changed the way communities address this need. The Government Code requires that jurisdictions specify at least one zone where a year-round emergency shelter can be permitted as a by-right use. Transitional housing and supportive housing must be treated like any other residential use subject to the same regulations as other residential uses.

The following describe how housing for homeless people is currently provided for in Rancho Cucamonga as well as the changes proposed.

- ***Emergency Shelter.*** The City conditionally permits emergency shelters in the General Commercial District (citywide) and parts of the General Industrial District (Subareas 1, 3, 4, and 5). To comply with recent changes to State law pursuant to Senate Bill 2, the 2008–2014 Housing Element proposes to allow such uses as a by-right use in the General Commercial (GC) Zone with development and operational standards as allowed under State law.
- ***Transitional Housing.*** The City currently does not permit transitional housing in the community. To comply with recent changes to State law pursuant to Senate Bill 2, the 2008–2014 Housing Element has a program to amend the Municipal Code to permit transitional housing serving up to six clients like residential care facilities as a by-right use in all residential zones. For larger facilities serving more than seven clients where the use operates like multiple-family projects, such uses will be permitted where multiple-family projects are permitted.
- ***Supportive Housing.*** The City currently does not permit supportive housing in the community. To comply with recent changes to State law pursuant to Senate Bill 2, the 2008–2014 Housing Element has a program to amend the Municipal Code to permit supportive housing serving up to six clients like residential care facilities as a by-right use in all residential zones. For larger facilities serving more than seven clients where such use operates like multiple-family projects, such uses will be permitted where multiple-family projects are permitted.

The above changes to the Rancho Cucamonga Development Code will be implemented within one year of adoption of the 2008–2014 Housing Element. The 2008–2014 Housing Element is currently under review by the Department of Housing and Community Development and these programs are included as implementation items scheduled as noted above.

B. Development Policy

The Rancho Cucamonga Development Code regulates the type, location, density, and scale of residential development. The Development Code is designed to protect and promote the health, safety, and general welfare of residents; preserve the character and integrity of residential neighborhoods; and implement policies of the General Plan.

1. DEVELOPMENT STANDARDS

The City’s residential development standards are arranged into two general categories—basic and optional. These standards are used in conjunction with the Absolute Policies and Design Guidelines during the residential land development/design review process. However, additional variations are allowed to encourage and facilitate mixed-use developments.

- **Basic Standards.** The Basic Development Standards apply to all residential projects and are intended to ensure quality residential projects. A residential development over four units per acre is generally limited to the midpoint of the allowable density range. The development standards and density are intended to create a development that will be compatible and provide for proper transitions from sensitive or less intense residential development.
- **Optional Standards.** Optional Standards are intended to provide high standards for the development of projects of superior quality and compatibility. Optional standards allow development at the higher end of the designated density range. However, the standards and development expectations are higher than the basic standards in order to ensure proper transitions and buffers from lower intense residential uses. The final density allowed in any residential district is determined by the City’s design review process and public hearings.
- **Mixed-Use Standards.** Mixed Use District development proposals in Rancho Cucamonga are required to be approved through master plan procedures. Existing development standards for each land use category are the basis of standards for each category within a mixed-use development plan, but they may be modified by the City during the master plan review process. Development agreements between the property owners and the City may also be used as implementation measures for any amended standards or review procedures.

Table 3-4 on the following page provides a summary of basic and optional development standards for residential uses in Rancho Cucamonga.

**Table 3-4
Residential Development Standards**

Type of Standard	Zoning Designation					
	Very Low	Low	Low-Medium	Medium	Medium High	High
Density Range (du/ac)¹						
Basic Standards	Up to 2	Up to 4	Up to 6	Up to 11	Up to 19	Up to 27
Optional Standards		2-4	4-8	6-14	11-24	19-30
Minimum Lot Size (sq. ft.)						
Basic Standards	20,000	7,200	5,000	3 acres ²	3 acres ²	3 acres ²
Optional Standards		5 acres	5 acres	5 acres	5 acres	5 acres
Maximum Lot Coverage	25%	40%	50%	50%	50%	50%
Minimum Unit Size (sq. ft.)						
+ Single-Family (Att/Detached)	1,000	1,000	1,000	1,000	1,000	1,000
+ Multiple-family Studio	550	550	550	550	550	550
+ Multiple-family 1-bdrm	650	650	650	650	650	650
+ Multiple-family 2-bdrm	800	800	800	800	800	800
+ Multiple-family 3-bdrm	950	950	950	950	950	950
Maximum Height³						
Basic Standards	35 ft.	35 ft.	35 ft.	35 ft. ⁴	40 ft. ⁴	50 ft. ⁴
Optional Standards		35 ft.	35 ft.	35 ft. ⁴	40 ft. ⁴	55 ft. ⁴
Setbacks (feet)						
+ Front Yard (average)	42	37	32	37	Not Required	
+ Rear Yard (feet)	60	20	15	10 ⁵	Not Required	
Building Separation	Not Required		25 ft.	10-30ft. ⁶	10-30ft. ⁶	10-30ft. ⁶
Open Space						
+ Private Space (1 st /2 nd floor)	2,000/NR	1,000/NR	300/150	255/150	150/100	150/100
+ Common Space (minimum)	Not Required			30%	30%	30%
Optional Standards	None	5%	10%	35%	35%	35%
+ Usable Open Space	65%	60%	40%	35%	35%	35%
Optional Standards	None	60%	45%	40%	40%	40%

Source: City of Rancho Cucamonga Development Code, 2010.

¹ Density ranges shown are those permitted following the basic development standards. Higher densities can be achieved if additional optional development standards are complied with.

² On existing lots of record, parcels less than 3 acres in size or those without the required minimum frontage may only be developed at the lowest end of the permitted density range.

³ In hillside areas height is limited to 30 feet.

⁴ Multiple-family buildings are limited to one story if they are within 100 feet of a VL or L district.

⁵ Add 10 feet, for a total of a 20-foot setback, if adjacent to a VL, L, or LM district.

⁶ Building separation varies depending on situation—e.g., front-to-front patio without sidewalk (10 feet) to front-to-front with common patio wall (30 feet)—per Development Code Section 17.08.040-E.

2. PARKING REQUIREMENTS

Local government parking requirements are often cited by various organizations as potential constraints to the development of housing, particularly multiple-family rental housing. However, adequate parking requirements are necessary to not only ensure adequate vehicle storage space for residents and their guests, but also to maintain the quality and safety of the housing project.

The Rancho Cucamonga Development Code has established parking requirements that relate to the intended use and number of bedrooms or units (and by extension potential drivers). Existing parking standards are listed by residential development type in Table 3-5. Guest parking spaces are required at a ratio of one parking space for each four multifamily units.

**Table 3-5
Residential Parking Standards**

Unit Type	Per Unit Requirement
Single-Family Detached	2 enclosed spaces per unit
Second Unit	1 enclosed space per bdrm
Cluster Development (Townhome, Mobile home, etc.)	
Studio	1.3 parking spaces, of which at least 1 space is covered
One Bedroom	1.5 parking spaces, of which at least 1 space is covered
Two Bedrooms	1.8 parking spaces, of which at least 1 space is covered
Three Bedrooms	2.0 parking spaces, of which at least 2 spaces are covered
Four or more Bedrooms	2.3 parking spaces, of which at least 2 spaces are covered

Source: Rancho Cucamonga Development Code.

A covered space can be in a carport or garage.

In recognition of the need to offer parking standards tailored specifically to the likely number of vehicles owned by residents, the City has adopted an Affordable Housing Incentives program that mirrors State density bonus law. Density bonus projects are eligible for reduced parking standards as an incentive for providing affordable housing. A density bonus project is allowed to provide 1.0 onsite space for a studio or one-bedroom unit, 2.0 onsite spaces for a two- or three-bedroom unit, and 2.5 onsite spaces for a four or more bedroom unit. These numbers are inclusive of both guest parking and handicapped/disabled person parking.

How Can Parking Requirements Be a Fair Housing Issue?

On June 26, 2004, the Court entered the consent decree against the San Buenaventura Housing Authority for failure to make reasonable accommodation for parking. The Court found that the Housing Authority discriminated against a former tenant who is mobility impaired and required the use of a walker, when it refused to grant a reasonable accommodation for accessible parking at a housing complex it owns and manages.

3. AFFORDABLE HOUSING INCENTIVES

The City of Rancho Cucamonga provides several incentives for affordable housing development in accordance with Government Code Sections 65915–65918 and other portions of the Development Code. The primary incentives available that facilitate affordable housing are below.

Density Bonus

State law requires cities to grant a density bonus of 20 percent above the maximum permitted density in the General Plan if a project provides at least 5 percent of the units affordable for very low income households or 10 percent at rates affordable to low income households. If 10 percent of condominiums are restricted to moderate income households, the project is eligible for a 5 percent density bonus. A sliding scale allowing additional density bonuses above the 20 percent threshold (up to 35 percent maximum) is available for qualified projects. Any project that meets the State density bonus criteria is also entitled to receive one to three concessions based on the percentage of restricted units and affordability.

Senior Housing Overlay District

The Senior Housing Overlay District offers incentives to encourage the development of affordable housing for seniors earning up to 80 percent of MFI. The Development Code defines a senior household for this overlay as a married couple in which at least one spouse is age 55 or over or an unmarried household in which all members are age 55 or over. The Municipal Code does not prescribe the percentage of units to be restricted as affordable. The Development Code provides incentives such as required onsite parking, fee waivers/reductions, and a density bonus if the project complies with State density bonus law. To remove the appearance of a potential fair housing impediment, the definition of a senior household should be based on age alone, rather than the marital status of a senior.

Financial and Regulatory Incentives

Rancho Cucamonga offers other financial and regulatory incentives to help facilitate housing. Similar to other nonaffordable projects, the City does implement procedures for variance and minor exceptions that allow for a modification of development standards where unique property hardships exist and can create a hardship in complying with the Development Code. The characteristics must be unique to the property. The Planning Director may approve up to a 10 percent reduction in applicable development standards and a 25 percent reduction in parking. Under a variance, the Planning Commission may offer additional reductions in standards. The City has an established history in working with property owners where feasible to modify standards that make projects feasible provided the proposed project meets the City's expectations for quality and compatibility.

4. BUILDING CODES AND ACCESSIBILITY

Rancho Cucamonga has adopted the 2007 California Building Code with local amendments. The Code is a set of uniform health and safety regulations that cover buildings and various systems, including mechanical, plumbing, electrical, and fire safety. They are generally considered to be the minimum acceptable standards for public health and safety. The code includes various chapters related to mechanical, plumbing, electrical, and other topics.

Under State law, jurisdictions are allowed to make local, more restricted amendments to the California Building Code provided they are necessary due to local climatic, geological, or topographic conditions. Rancho Cucamonga has made local amendments to address fire hazards, wind hazards, and seismic hazards. These amendments are important to addressing special structural needs for building along the urban-wildlife interface in a hot and dry climate and an area of frequent seismic activity.

Building Design and the Fair Housing Act

The City's adopted Building Code contains and incorporates the latest accessibility standards required by the State and Federal government in compliance with applicable laws. In brief, the Americans with Disabilities Act (ADA) requires that new covered multifamily housing consisting of four or more units with an elevator be designed and constructed to be accessible. All units must comply with seven design and construction requirements of the Fair Housing Act:

- Accessible entrance on an accessible route
- Accessible public and common-use areas
- Usable doors
- Accessible route into and through the dwelling unit
- Accessible switches, outlets, thermostats, and environmental controls
- Reinforced walls in bathrooms
- Usable kitchens and bathrooms

To afford persons with disabilities the right to live in a suitable home under the Fair Housing Act, a housing provider may allow a reasonable accommodation. This is a change in rules, policies, practices, or services so that a person with a disability will have an equal opportunity to use and enjoy a dwelling unit or common space. Housing providers are not required to make changes that would fundamentally alter the program or create an undue financial and administrative burden. For instance, a housing provider could accommodate a tenant with a mobility impairment by fulfilling the tenant's request for a reserved parking space in front of the entrance to their unit, even though all parking is unreserved.

The housing provider may also allow for a reasonable modification. A reasonable modification is a structural modification that is made to allow persons with disabilities the full enjoyment of the housing and related facilities. Examples of a reasonable modification would include allowing a person with a disability to: install a ramp into a building, lower the entry threshold of a unit, or install grab bars in a bathroom. Reasonable modifications are usually made at the resident's expense. However, if one lives in federally assisted housing or the covered multifamily project was built without required accommodations, the housing provider may be required to pay a portion or all the costs for the modification.

Building Code Interpretation

Questions may arise regarding the interpretation of building codes or accessibility standards. The Municipal Code establishes a Housing Advisory and Appeals Board consisting of 3 members and 2 alternates who are qualified by experience and training to make recommendations pertaining to building construction and who are not employees of the City. The Building and Safety Official is an ex officio member and acts as Secretary to the Board, but will not vote. The Board adopts rules of procedure for conducting its business, and shall render all decisions and findings in writing to the appellant with a duplicate copy to the Building Official.

In conversations with City staff, there have been no recent examples or cases where the Housing Advisory and Appeals Board has been convened to address interpretations of either the Building Code or the Housing Code. The City's administrative practice is to use the informal building permit approval process to address potential accessibility issues as they arise. Nonetheless, the City of Rancho Cucamonga is in the process of putting together a work program, as part of the 2008–2014 Housing Element, to develop a reasonable accommodation process that would apply in Rancho Cucamonga. This program would standardize the process of requesting and addressing the need for reasonable accommodations.

The federal Fair Housing Act and California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodation in building codes, zoning/land use regulations, and administrative practices to afford disabled persons an equal opportunity to use and enjoy a dwelling. In 2001, the State Attorney General also issued a letter encouraging local governments to adopt a reasonable accommodation procedure. The 2008–2014 Housing Element includes a program for the City to create a reasonable accommodation ordinance that would specify the process for obtaining a reasonable accommodation, the required findings, and other procedural aspects to assist in this matter.

5. RESIDENTIAL GROWTH MANAGEMENT REVIEW SYSTEM

The Municipal Code (Section 17.06.030) has instituted a residential growth management review system that applies to residential development projects that will result in the subdivision of residential lots and/or the construction of new residential dwelling units and mobile home parks. However, exemptions to the ordinance are allowed for developments involving four units or less, residential land divisions involving four lots or less, and government-subsidized senior citizen housing projects.

Approval Criteria

All residential development projects not specifically exempted in Rancho Cucamonga are required to be processed under the growth management review procedure set forth in Section 17.060.010 of the Development Code. This procedure contains additional criteria based upon community objectives expressed as General Plan policies. These criteria are:

- **Absolute Policies.** Each project must satisfy absolute policies intended to ensure neighborhood compatibility, compliance with adopted plans, adequacy of public facilities and services, and protection of the public environment and public health.
- **Development Standards.** Each project must adhere to residential development standards that address topics such as minimum requirements for setback, lot area, building height, open space, and other standards that address the livability of the project.
- **Design Guidelines.** Each residential project must also adhere to City design goals that encourage the orderly and harmonious appearance of structures and property, including neighborhood compatibility, site planning, architecture, and landscaping.

To initiate the process, the Developer files an application for Residential Development Review with the Planning Department on a form prescribed by the Planning Director. After the forms are complete and reviewed for accuracy, a public hearing before the Planning Commission is scheduled. The Planning Commission can approve the project only if specific (and generally standard) findings have been made that are outlined in the Municipal Code.

The Development Code exempts certain projects from meeting these requirements—residential developments (single-family units, duplexes, and triplexes) involving a total of four units or less and government-assisted senior citizen projects. While this permitting and development practice has historically not been a constraint, it nonetheless considers family apartments differently than senior apartment projects and thus could be considered a potential impediment to fair housing in Rancho Cucamonga.

C. Housing and Neighborhood Policy

The City of Rancho Cucamonga implements a wide variety of housing strategies that are intended to encourage the construction of new housing, offer rental assistance, preserve existing housing choices in the community, focus reinvestment into redevelopment project areas, and address other requirements of State and Federal law. This section summarizes some of the pertinent requirements the City addresses.

1. PUBLIC HOUSING

The Housing Authority of the County of San Bernardino administers the Housing Choice Voucher program for Rancho Cucamonga. This program provides lower income households with subsidies for rental housing. This program helps residents living in substandard housing afford to move to safer homes and to reduce the burden on lower income households severely overpaying for housing. Voucher recipients may also receive supportive services to help them become economically self-sufficient. In 2009, 91 Rancho Cucamonga residents participated in the program.

Although the federal government issues many rental vouchers to communities, the number of eligible residents far exceed the number of available vouchers. Therefore, the Housing Authority of San Bernardino (HACSB) has adopted policies to allocate vouchers only to those considered most in need based on admission preferences. At least 75 percent of all vouchers must be allocated to extremely low income households and the remainder must be allocated to very low income households. The HACSB has additional preferences for veterans and their families. Applicants on the waiting list with equal preference status are selected by a lottery technique.

The Housing Authority manages 12 public housing units and issues vouchers to 136 households, of which 100 are for one-bedroom units. HACSB has four admissions preferences for public housing and vouchers. In order of priority, these preferences are:

- 1) veterans and veteran's families;
- 2) working families and those unable to work because of age or disability;
- 3) residents who live and/or work in the jurisdiction; and
- 4) households that contribute to meeting income goals.

Under the current contract with HACSB, the City of Rancho Cucamonga does not have the ability to set its own preferences, reallocate project-based vouchers to other uses (permanent supportive housing or apartments), or apply for or make other programmatic adjustments.

2. HOUSING ELEMENT COMPLIANCE

The State of California is unique for its requirement of a Housing Element. Enacted in 1969, State housing element law (Government Code Section 65583 et seq.) requires that local governments adequately plan to meet the existing and projected housing needs of all economic segments of their community through the preparation of a Housing Element. The Housing Element is intended to guide local government policies and programs to encourage the development, maintenance, and improvement of housing.

The Rancho Cucamonga 2008–2014 Housing Element has six goals:

1. Allow and create new opportunities that enable a broad range of housing types, maintain a balanced supply of ownership and rental units, and provide sufficient numbers of dwelling units to accommodate expected new household formations.
2. Provide housing opportunities that meet the needs of all economic segments of the community including very low, low, and moderate income households and special needs groups.
3. Provide quality residential environments which contribute to a well-functioning community by ensuring residential development which is not only attractive in design, but which functions to protect the public safety and welfare, and provide benefits to the community.
4. Conserve and improve the existing housing stock, including structures of historic significance, and eliminate the causes and spread of blight by encouraging the investment of public and private funds in housing rehabilitation and public improvements.
5. Where possible, eliminate governmental constraints to the production, maintenance, and improvement of housing.
6. Promote equal housing opportunities for all economic segments of the community regardless of race, sex, or religion.

To further these housing and community development goals, the Rancho Cucamonga Housing Element lists 25 different housing programs to be implemented during the planning period of 2008 through 2014.

The City of Rancho Cucamonga’s Housing Element has been submitted to the California Department of Housing and Community Development for review. City staff are presently working with the state to address specific comments. Once these comments have been addressed, the City expects to receive a letter of compliance that the Department finds that the Housing Element is in substantial compliance with State housing element law.

A fundamental part of the 2008–2014 Housing Element is the Regional Housing Needs Assessment, referred to as the RHNA. The City of Rancho Cucamonga is allocated a RHNA construction goal of 1,282 housing units for the 2006–2014 planning period. Of that total, the RHNA is divided into four household income groups based upon State guidelines. The housing units must accommodate the following affordability guidelines:

- 317 units of housing affordable to very low income households
- 216 units of housing affordable to low income households
- 245 units of housing affordable to moderate income households
- 504 units of housing affordable to above moderate income households

State law allows cities to obtain credits towards its Housing Element RHNA goals in three ways: 1) counting housing units constructed, building permits issued, and projects approved during the planning period; 2) counting qualified projects that have been substantially rehabilitated, preserved, or where the City has purchased affordability covenants; and 3) setting aside adequately zoned land for housing.

The table below summarizes how the City will meet its obligations. The City has identified additional vacant land that has adequate zoning and development standards in place to accommodate the remaining need for housing affordable to very low, low, and moderate income households. The Housing Element provides additional information about this requirement.

**Table 3-6
Strategy to Address the RHNA**

Approved Projects	Income Level			
	Very Low	Low	Mod.	Above
Construction				
Villaggio on Route 66	66	65	0	35
San Sevaine Villas	109	55	59	2
Rancho Verde East	19	21	0	0
Market Rate Units	0	0	0	2,018
Subtotal	194	141	59	2,055
Conservation				
Multifamily Housing (New Affordability Agreement)				
Monterey Village	15	15	0	0
Mountainside	15	15	0	0
Subtotal	30	30	0	0
Total Credits	224	171	59	2,055
2006–2014 RHNA	317	216	245	504
Balance of RHNA	93	45	186	0

3. HOUSING PRESERVATION

The Fair Housing Guide identifies that activities causing displacement (e.g., revitalization of neighborhoods, tax increases, demolition of subsidized housing, replacement policies, etc.) can affect opportunities of minority households or individuals with disabilities to select housing that is appropriate, accessible, and suitable to their needs. Policies that encourage the conversion of apartments to condominiums and/or the demolition of mobile homes can restrict housing choices as well.

Condominium Conversion

The City of Rancho Cucamonga regulates the conversions of apartments to condominiums so as to encourage a balanced supply and price of rental and ownership housing, maintain and encourage the supply of affordable rental and ownership housing for low and moderate income persons, and promote the residential stability and quality of the community by developing neighborhood identity, discouraging displacement of residents, and facilitating affordable rental and home ownership opportunities.

As a means of preserving the City's rental housing stock, the City has established a Condominium Conversion Ordinance consistent with State law guidelines. The Condominium Conversion Ordinance does not require a vacancy rate threshold to trigger the appropriate number of units allowed for conversion. Rather the Ordinance establishes a maximum annual limit equal to no more than one-half the number of multifamily rental dwellings added to the City's housing stock during the preceding year, for the number of multifamily rental units that may be converted to ownership type.

Mobile Home Preservation

Mobile home parks are often occupied by seniors or families with limited incomes. Pursuant to Government Code Section 65863.7, the preservation of mobile home units is encouraged in Rancho Cucamonga as such units provide an additional source of affordable housing. The City has not adopted an ordinance to preclude the conversion of mobile home parks but, in conjunction with State law regulations for relocation and preservation, provides financial resources to encourage their preservation.

The Redevelopment Agency implements a Mobile Home Rental Assistance Program that provides up to \$100 per month toward the rent of a mobile home space for households earning at or below 60 percent of the MFI and paying 30 percent or more of their income on housing. In addition, the City administers a Mobile Home Accord, which serves as a rent stabilization agreement between the City and the eight mobile home park owners. In 2009, the Accord for a seven-year participation agreement was renewed and all eight mobile home parks in the City participated in the Accord.

Preservation of Publicly Assisted Units

Six publicly assisted housing projects with a total of 313 units may be at risk of losing rent subsidies or converting to market rate by 2014. Specifically, many households residing in publicly assisted housing are extremely low income households with limited housing opportunities elsewhere. To meet the needs of lower income households, the City's draft Housing Element sets forth a program to address this issue as follows:

1. Continue to keep in contact with the owners of projects with units due to convert to market rate to determine the status of their projects;
2. Continue to contact the owners of all units at risk and discussed options for retaining restricted affordable units;
3. Work with private and non-profit agencies interested in purchasing and/or managing units at-risk. On a case-by-case basis, provide technical assistance to these organizations;
4. On a case-by-case basis as opportunities arise, enter into agreements with property owners to preserve existing affordable housing units; and
5. Purchase, or assist in the purchase, of projects that include units at-risk, as funds are available.

Neighborhood Stabilization

The Housing and Economic Recovery Act of 2008 ("HERA") appropriated funds for the redevelopment of abandoned and foreclosed homes and residential properties. Grants under HERA are considered CDBG funds and are implemented through the Neighborhood Stabilization Program ("NSP"). NSP funding is determined by a statewide formula that consider factors such as the number of loans that are in foreclosure, subprime, in default, or delinquent, and then factored in local criteria such as local foreclosure estimates and local vacancy rates.

The City of Rancho Cucamonga is a direct recipient of NSP funds and received \$2.1 million to address foreclosure issues within the community. The City's NSP program operates two activities: 1) an Acquisition/Rehabilitation and Resale – First Time Homebuyer Program where acquired properties will be available to households earning up to 120 percent of the AMI, and 2) an Acquisition/Rehabilitation and Reuse – Affordable Housing Program where acquired properties will be available to households earning below 50 percent of the AMI. These programs are available in selected census tracts experiencing a high foreclosure risk.

4. REDEVELOPMENT POLICY

State redevelopment law requires that all redevelopment agencies in California set aside 20 percent of the tax increment received from a redevelopment project area into a low and moderate income housing fund. Tax increment funds are required to be used for blight elimination, economic development, and housing and community development purposes. Agencies must use housing funds for the purpose of increasing, improving, and preserving the area’s affordable housing units.

Generally, redevelopment law requires that 15 percent of the units constructed within the redevelopment project area must be affordable to low and moderate income residents, 6 percent available to persons of very low income and 9 percent affordable to persons of low or moderate income. There are further restrictions as to the proportion that can be spent on seniors versus families based on the relative proportions each group makes up in the City. Projects can be spent within or outside the redevelopment project areas, although the credits for such activity vary accordingly.

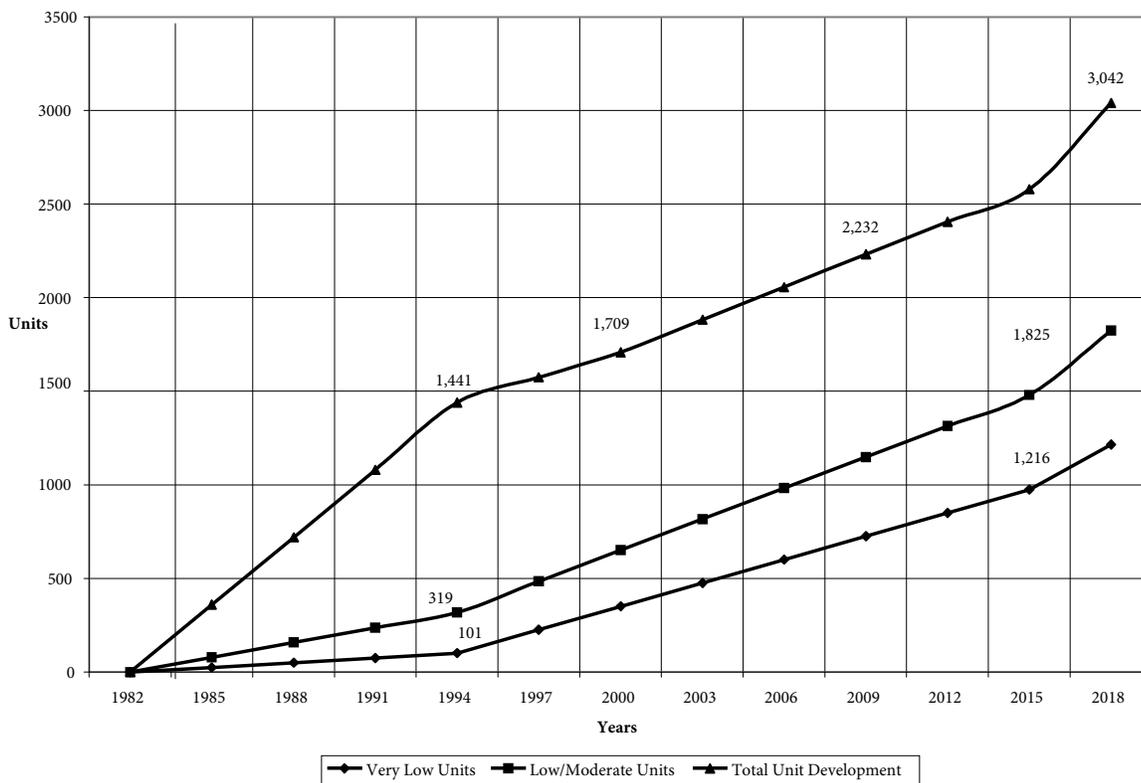
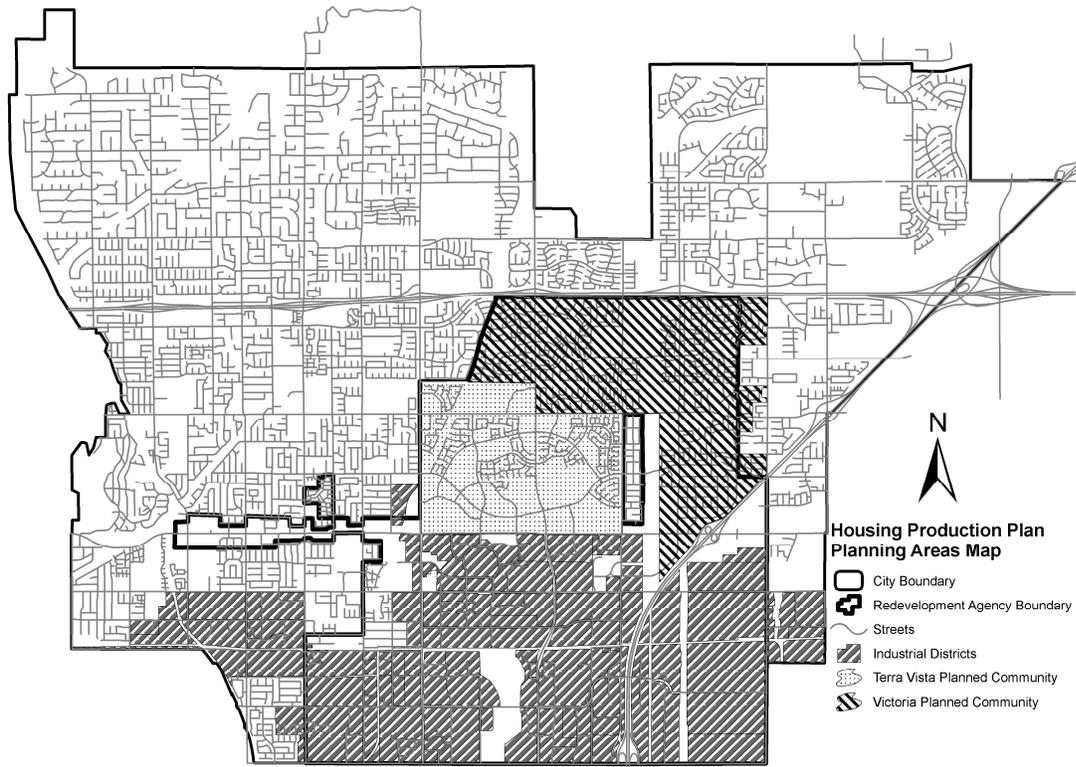
In the 1980s, the City entered into a settlement agreement with the Western Center for Law and Poverty to further clarify how tax increment funds should be spent for affordable housing. Table 3-7 shows the percentage breakdown by affordability level. In other words, if the RDA allocates resources to 100 units of housing, the affordability requirement of the units are as follows: 17 units for households with Level I incomes, 34 units for households with Level 2 incomes, 34 units for households with Level III income, and 17 units for households with level IV income.

**Table 3-7
Redevelopment Housing Production Requirements**

Income Level	Income Threshold	Affordability Allocation
Level I	< 35% of AMI	1/6 of units (17%)
Level II	36%–45% of AMI	1/3 of units (34%)
Level III	46%–60% of AMI	1/3 of units (33%)
Level IV	61%–90% of AMI*	1/6 of units (17%)

Source: Redevelopment Implementation Plan, Annual Report.

As of January 1, 2010, a total of 2,424 restricted, affordable units have been provided to meet the RDA's affordability obligation. Of these, 1,403 units are located within the redevelopment project area. The following page illustrates the location of the City’s redevelopment project areas. In addition, a chart is provided showing the buildout of the redevelopment project areas of 3,042 units and the number of units, according to the settlement agreement, according to the very low, low, and moderate income affordability categories under State redevelopment law.



D. Local Government Services

The Americans with Disabilities Act guarantees equal opportunity for people with disabilities in buildings, employment, transportation, government services, and telecommunications. This section highlights those areas that directly affect the City and the provision of services.

1. PUBLIC BUILDINGS

People with disabilities are often unable to fully participate in the activities of City government, such as public meetings, unable to attend functions, and unable to gain access to programs and services. Title II of ADA requires city governments to ensure all of their programs, services, and activities, when viewed in their entirety, are accessible to people with disabilities. There are many ways to address this requirement. When choosing between possible options, however, city governments must give priority to the choices that offer services, programs, and activities in the most integrated setting appropriate. In addition, all newly constructed local government facilities must be fully accessible to people with disabilities.

Rancho Cucamonga is committed to making public buildings accessible to further opportunities to people with disabilities, as required by the ADA. The City’s mission statement reflects its commitment to “ensure that its programs, services, and facilities are accessible to all members of and visitors to the community.” With this broad mission statement, the City’s ADA Consultant Team initiated Phase I of the ADA Compliance Program with the purpose of encompassing programs and activities associated with civic buildings and recreational facilities within the community.

The City created a Transition Plan that incorporates these activities into a single document to guide ongoing efforts to comply with the letter and spirit of ADA and implementing regulations. The City’s ADA Coordinator indicated that all of the improvements envisioned in the Transition Plan are complete. Given the recent incorporation of the community, most of the public facilities are recently constructed buildings and generally compliant. However, as the buildings age and need to be rehabilitated, renovated, or adapted to different uses, care is taken to ensure that the latest in accessibility features are incorporated.

In addition, the City of Rancho Cucamonga routinely allocates a portion of its CDBG funds and other funding sources to complete site improvements that improve access for people with disabilities to various public buildings. These improvements include full sidewalks, ramps in addition to steps, curb cuts, and other accessibility features. Parking spaces reserved for people with a disability are also provided at each public facility. As the need arises, other building modifications are also made.

Public Accommodations

The Justice Department entered into a settlement agreement with the West End YMCA, which covers branches in Ontario, Chino, Upland, and Rancho Cucamonga. The settlement agreement was against West End YMCA for terminating a child from its after-school child care program because the child has autism. Under the agreement, the West End YMCA will implement policies and procedures to ensure that children with disabilities are afforded a full and equal opportunity to participate in and benefit from child care services. Written policies will be included in the YMCA’s parent handbooks, and staff involved in child care decisions will be trained on ADA obligations. The West End YMCA also agreed to pay monetary damages to the complainant.

2. PARKS AND RECREATION

The City of Rancho Cucamonga has approximately 334 acres of developed parkland. An additional 47 acres of special use facilities have been developed. The City's park system also consists of approximately 293 acres of trails and bikeways that connect residences to park, recreational, and community facilities. The City's park system consists of a hierarchy of parks and special use facilities that are intended to be distributed among the community and provide a variety of recreational opportunities for residents.

To ensure equality in services, the City maintains a park standard of 5.0 acres of parkland for every 1,000 residents. Moreover, each park type has criteria for size and intended service area radius (expressed in $\frac{1}{4}$ mile). In general, most residential areas of the City are within the established service radius of a neighborhood park or community park. The area northeast of Chaffey College bordered by Deer Creek is not within any service area of parks. Also, areas southeast of Interstate 15 are not within the service areas of City parks, but two proposed parks should address that deficiency.

Making all City park facilities and recreational programs accessible to people of all abilities is also a very high priority in Rancho Cucamonga. The City is gradually retrofitting all park facilities in order to be accessible to people with disabilities. Through partnerships, collaborations, and reasonably-priced classes, the City offers recreational and social opportunities for those with developmental and physical disabilities through the "IncredABLES/Special Needs" programming.

The City of Rancho Cucamonga offers the following classes to residents with disabilities:

- **Rising Stars.** Rising Stars provides therapeutic and recreational horseback riding lessons to physically and mentally challenged children and adults. Horseback riding improves balance, self-discipline, and self-confidence.
- **Classes.** The Community Services Department offers recreational classes in Gymnastics, Star Performers, dancing, martial arts, cooking, and sports (e.g., basketball). Sports lessons vary throughout the year.
- **Special Events.** The City also offers special events such as a Prom, Festival of the Arts, and Friday Night Fund Club. These activities provide opportunities for residents with disabilities to come together for activities.

City-sponsored opportunities for recreation for people of all abilities are promoted on the City's website and through a publication, *The Grapevine*, which is mailed to residents each month. Additional recreational opportunities are offered by community organizations.

3. TRANSIT SERVICES

Accessibility to public transit is a factor in housing choice for many households, especially lower income and senior households that may have limited or no access to a personal vehicle. For these households, access to public transit can be critical for employment and necessities such as grocery shopping, health care, and other routine activities of daily life. This section analyzes the transit system in Rancho Cucamonga and its role in furthering fair housing opportunity within the community.

Transit agencies that receive federal funds are required to prepare a short-range transportation plan that demonstrates that no persons are subject to discrimination in the level and quality of transportation services and/or transit-related benefits based on protected status. Under this requirement, transit providers often examine transit needs in light of changes in demographics and land use patterns, the importance of destinations within a service area, and funding capacity to expand or adjust services.

Omnitrans is responsible for providing the majority of transit services in Rancho Cucamonga and cities in San Bernardino County through a joint powers agreement of the County and 15 cities. Omnitrans complies with the appropriate ADA requirements; it does not discriminate against people with disabilities in the provision of their services. Omnitrans complies with requirements for accessible new vehicles, makes good faith efforts to purchase/lease accessible used buses, remanufactures buses in an accessible manner, and provides paratransit where fixed-route service is offered.

Omnitrans offers Access, a public transportation service designed to provide equal access to public transportation for persons who are physically or cognitively unable to use regular bus service. Access provides curb-to-curb service for up to a ¾-mile radius on either side of an existing bus route seven days a week. Service is available on the same days and times that routes in the area operate. Access service allows riders to bring aboard a service animal or a personal care attendant for free. Riders can also bring aboard a wheelchair or mobility device within a specified weight limit.

Approximately 8 percent of the population in the Omnitrans service area is 65 years and older. The need for accessible transit and paratransit services and discounted fares will increase as the population ages in place. This trend will become more apparent as the current baby boomers reach 75 years of age and rely more on transit service. Based on projections of the transportation disability population and ridership demand, and in the absence of any (demand management) interventions, travel demand for Access is projected to increase by 36 percent between 2005 and 2015.

Title VI of the 1964 Civil Rights Act requires public transit agencies receiving federal funds to ensure that they are furthering fair opportunity and equal access to transit services without regard to race or the economic status of the residents. Specifically, transit providers are required to demonstrate that no persons served with transit are subject to discrimination in the level or quality of transportation services and/or transit-related benefits based on protected status of the individual served.

Omnitrans periodically prepares the Short-Range Transportation Plan (SRTP) to “provide the San Bernardino Valley with comprehensive mass transportation services which maximize customer use, comfort, safety, and satisfaction while efficiently using financial and other resources in an environmentally sensitive manner.” The plan sets forth 13 principles to further define the purpose and direction for service policies and design standards. The following “equity principle” is particularly salient:

....the guidelines should promote the availability of a basic level of transit mobility to all residents of the Omnitrans service area, particularly those without access to other modes of transportation. This principle also includes the provision of appropriate municipal infrastructure to support this basic level of service in all communities (e.g., streets designated for use by transit vehicles, accessible bus stops and shelters, and appropriate use of transit priority measures). This principle also ensures compliance with Federal Title VI requirements.

Omnitrans operates a grid service network with routes spaced at one-mile intervals, resulting in equitable transit service coverage, with most urban areas of the San Bernardino Valley within ½ mile of a transit route. Omnitrans focuses on high ridership corridors that coincidentally have high concentrations of economically disadvantaged persons. ADA-complementary paratransit service is provided within ¾ mile of a regular transit route in accordance with federal regulations. Care has been taken in SRTP to incorporate Scenario 1: Financially Constrained Service Plan, to maintain transit service in low-income and minority neighborhoods.

This AI includes an additional spatial analysis of employment centers and residential neighborhoods (Figures 3-2 and 3-3 on the following pages). While residential neighborhoods appear well served (except for north of the I-210), several employment centers south of Arrow Highway need additional transit coverage. The City could work with Omnitrans to incorporate these route adjustments as part of their 2014 update to the short-range transportation plan.

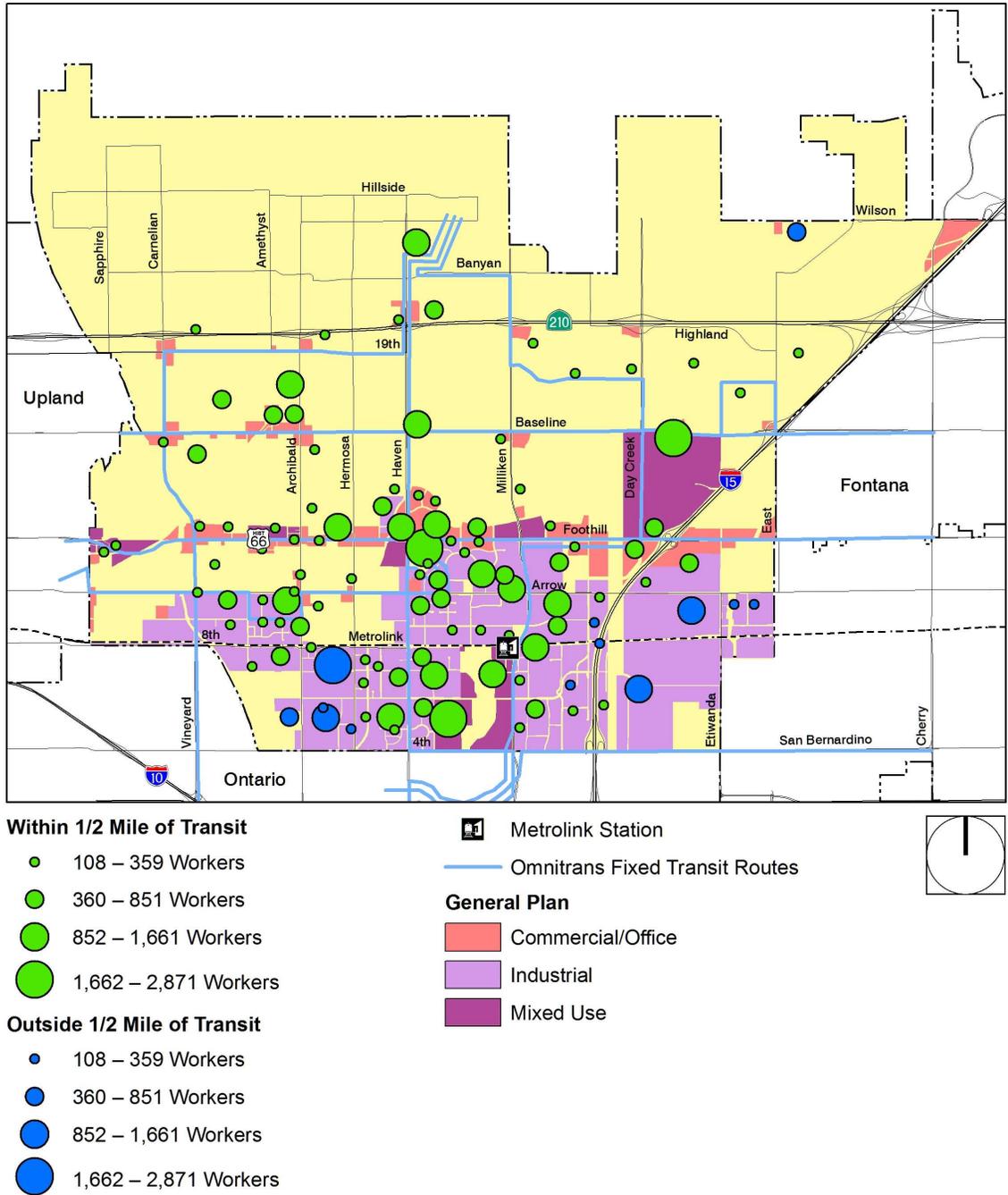


Figure 3-2 Transit Accessibility to Employment Centers

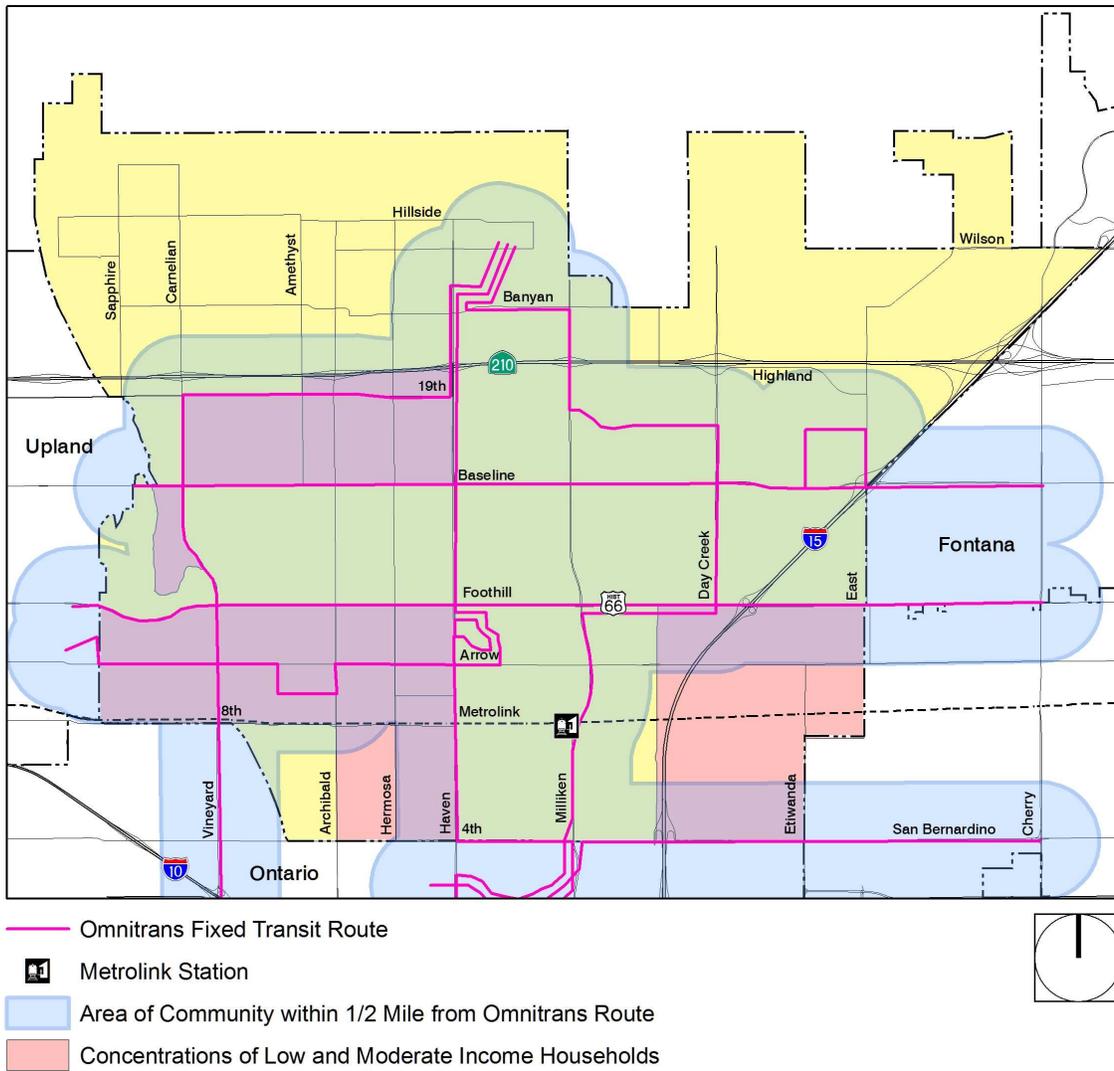


Figure 3-3 Transit Accessibility to Residential Neighborhoods

4. COMMUNITY DEVELOPMENT POLICY

The City of Rancho Cucamonga is committed to creating a viable urban community, with decent housing, a suitable living environment, and expanding economic opportunities. This assessment includes all parts of the community such as public improvements, public facilities, public services, and economic development. This section highlights each focused neighborhood qualifying for enhanced assistance as well as some of the proactive efforts to expand fair housing opportunity.

Based on 2000 Census data there are 9 Low and Moderate Income Census Tract Block Groups, which can be grouped into 3 distinct Target Areas.

Target Area 1

Target Area 1, known as Southwest Cucamonga, is bordered by Foothill Boulevard, Haven Avenue, and the City boundary to the west and south. This Target Area includes 20,991 residents, of which 46 percent are low-moderate income, and 45 percent are Hispanic. The Area includes 7,652 units, predominantly older single-family homes, and industrial uses. Many of the residential structures require routine to major rehabilitation work.

Target Area 2

Target Area 2, located in southeasterly Cucamonga, is south of Foothill Boulevard and east of Rochester Avenue, extending to the City boundary to the east and south. The Target Area contains 1,472 residents, of which 44 percent are low and moderate income, and 42 percent are of Hispanic ethnicity. The Area includes 488 units, predominantly older single-family homes, and industrial uses. Many of the residential structures require routine to major rehabilitation work. A new workforce housing complex, built by the NHDC with support from the RDA, is under construction.

Target Area 3

Target Area 3 is centrally located within the Cucamonga area of the City, is bordered by the 210 Freeway to the north, Base Line Road to the south, Haven Avenue to the east, and Carnelian Avenue to the west; an additional portion of the Target Area is located in the Red Hill area west of Carnelian Avenue and south of Base Line Road. According to the 2000 Census, the population character of this Target Area includes a total population of 15,411 persons, of which 33 percent are low- and moderate-income, and 23 percent are of Hispanic ethnicity. The area contains 5,955 units consisting of a mix of older and relatively newer single-family homes, and several mobile home parks. Many of these residential structures require routine minor rehabilitation work, while some require major rehabilitation.

Figure 3-4 on the following page shows the location of these areas.

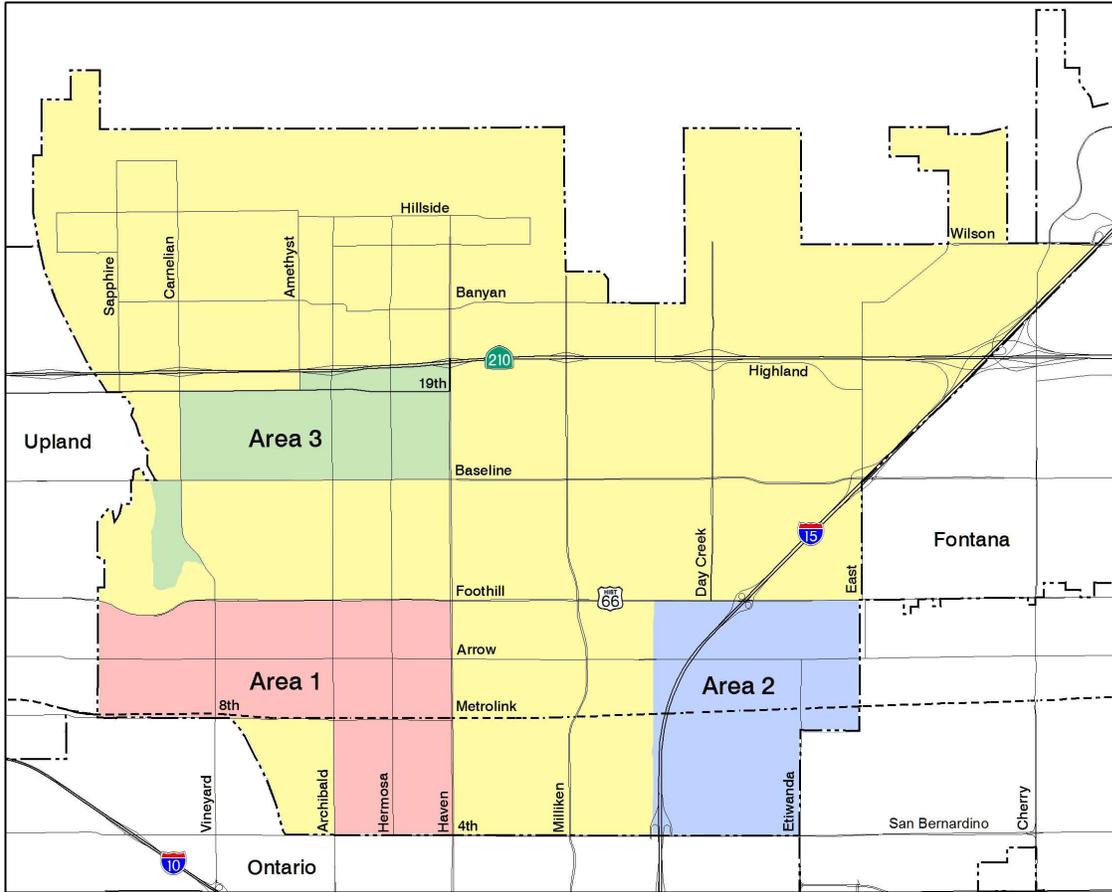


Figure 3-4 Target Reinvestment Areas

Improvements to Improve Target Areas

Although the specific needs differ throughout the target areas, these neighborhoods are generally in need of community facilities, parks, and recreation areas, infrastructure improvements, housing services, and community services. The 2010–2015 Consolidated Plan proposes the following policies and programs to improve these target areas.

Policy 4.3: Assist the NHDC First-Time Homebuyer Program. The City Redevelopment Agency will provide funds to NHDC to construct and rehabilitate homes and deed restrict them to very low income families (earning 45% to 60% of MFI) in the Northtown target neighborhood.

Policy 5.2: Provide sewer connections to owner occupied, single-family, lower and moderate-income homeowners in southwest Rancho Cucamonga. The program will offer a zero interest, deferred payment loan of approximately \$16,000 to \$21,000 to eligible households.

Policy 10.1: Support improvements in qualified target areas that include street reconstruction, new sidewalk additions, and repair to existing sidewalks throughout target neighborhoods.

Policy 16.2: Support the City's Code Enforcement and Graffiti Removal Program operating in qualified target areas. Effective graffiti removal functions to alleviate conditions of slum and blight in target neighborhoods.

Additional policies and programs can be found in the City's Redevelopment Implementation Plan, Housing Element, and other City plans.

4. Fair Housing Status

This chapter provides an overview of the housing industry in governing fair housing practices of its members, fair housing services available to residents in Rancho Cucamonga, and recent fair housing complaints and concerns.

A. Homeownership Market

Housing advocates have recently focused increasingly on advertisements that include discriminatory references or preferences for certain types of tenants. These include:

- Adults preferred
- Perfect for empty nesters
- Conveniently located near a Catholic church
- Ideal for married couples without children

Part of the American dream involves owning a home in a safe neighborhood near community amenities. Homeownership is believed to enhance one's sense of well-being as it provides a sense of security and belonging. Homeownership helps residents accumulate wealth through the appreciation of a home over time. Homeownership is often a means to strengthen neighborhoods, because residents with a greater stake in their community will be more active in decisions affecting their future and community. Whatever the reason, ensuring fair housing is an important way to improve the quality of life of residents and the community.

1. OVERVIEW OF HOME BUYING PROCESS

Purchasing a home is a challenging process. The time required to find a home, the major legal and financial implications surrounding the process, the number of steps required, and financial issues to be considered are overwhelming to the would-be homeowner. Not only is the process costly, but fair housing issues may arise in many ways during the process. Discriminatory practices can occur in the following steps during the homebuying process. These are: 1) advertising homes; 2) the lending process; 3) appraisal process; and 4) real estate agents and sellers.

Advertising

The first step in buying a home is to search advertisements in magazines, newspapers, or the Internet for what the market offers. Advertising has become a sensitive issue in the real estate and rental housing market because it may indicate preferences for certain tenants. Recent litigation has held publishers, newspapers, multiple listing service, real estate agents, and brokers accountable for discriminatory real estate advertisements. Advertising can be discriminatory if it suggests a preferred tenant, publishes in only certain languages, or restricts the media or locations for advertising. The key is whether the advertisement appeals to one segment of the population and unduly alienates other groups from seeking the same home.

Lending Practices

Initially, buyers must locate a lender that will qualify them for a loan. Lenders will review prospective borrowers based on a credit check, income level, assets, and the like. Discrimination can occur if lenders treat equally qualified individuals in a different manner, giving different loan terms, preferred rates, denying a loan based on a factor not related to ability to pay and risk, or treating minorities in harsher terms such as initiating foreclosure if any payment is late or by making loans at terms that encourage defaults. Credit history often determines the interest rate and type of loan. Applicants with high credit scores often receive conventional loans, while those with lower to moderate credit often use government-backed loans or subprime loans, many of which have higher interest rates on the loans as a result of being perceived as a higher risk to the lender.

Appraisals

Banks order appraisal reports to determine whether a property is worth the amount of the requested loan. Generally, residential property appraisals are based on the comparable sales prices of properties surrounding the neighborhood of the subject property. Other factors such as structure age, condition, and location, are considered. Homes in some neighborhoods with higher concentrations of minorities or poverty may appraise lower than similar properties in neighborhoods with lower concentrations due to crime and declining neighborhood attractiveness. This causes lower property values in a given neighborhood, restricting the amount of equity and capital available to those residents. Lower appraisals due to discrimination can make it exceptionally difficult to secure a loan to finance normal improvements to a property.

Real Estate Agents and Sellers

Finding a real estate agent is normally the next step. Real estate agents may intentionally or unintentionally discriminate by steering a potential buyer to particular neighborhoods; others may choose not to show the buyer all choices available. Agents may also discriminate by who they agree to represent, who they turn away, and the comments they make about clients. Even if an agent follows fair housing practices, a seller may not want to sell his/her house to certain people protected under Fair Housing laws. The Residential Listing Agreement and Seller's Advisory forms that sellers must sign disclose their understanding of fair housing laws and practices of discrimination. Yet enforcement is difficult. Although a seller will usually choose the best offer in price, in a multiple offer situation, a seller could easily discriminate under the guise of other characteristics.

2. REGULATORY OVERSIGHT

Given the complex and far-reaching nature of the real estate industry, numerous government agencies are involved. Each organization has some responsibility for furthering fair housing. The organizations that exercise oversight and their policies, practices, and programs are described below.

Association of Realtors

The National Association of Realtors (NAR) is a consortium of realtors that represents the real estate industry at the local, state, and national level. NAR members must subscribe to its Code of Ethics and a Model Affirmative Fair Housing Marketing Plan developed by HUD. The term “realtor” identifies a licensed real estate professional who pledges to conduct business consistent with the Code of Ethics. The California Association of Realtors (CAR) is the statewide arm of NAR, and the Inland Valley Association of Realtors is the main association serving the City of Rancho Cucamonga and surrounding communities. Complaints involving agents or brokers may be filed with these associations.

California Department of Real Estate

The California Department of Real Estate (DRE) is the licensing authority for real estate brokers and salespersons. The DRE is responsible for investigating complaints alleging possible violations of the real estate law or the Subdivided Lands Law. DRE also monitors real estate licensees conducting business as mortgage lenders/brokers. DRE has the authority to grant, suspend or revoke a license, issue a restricted license, or file an Order to Desist and Refrain. The DRE also publishes monthly a list of names of persons and businesses that are conducting real estate activities without a license. DRE also reviews Covenants, Conditions, and Restrictions for all subdivisions of five or more lots, or condominiums of five or more units to ensure that discriminatory language is not included.

California Department of Insurance

The California Department of Insurance is responsible for regulating the insurance business, investigating complaints against firms and individuals in the insurance industry, and protecting consumers. With respect to home insurance, the CDI, insurance industry, community economic development organizations, and advocates formed the California Organized Investment Network. This collaboration was formed in lieu of State legislation that would have required insurance companies to invest in underserved communities, similar to the federal Community Reinvestment Act that applies to the banking industry. The CDI also provides broad level industry and consumer protection for auto, life, and other types of insurance.

3. HOUSING MARKET OVERVIEW

Perhaps at no other time in recent memory has the residential housing market in southern California, not to mention the state, undergone such volatility as in the past five years. Fueled by historically low interest rates and unprecedented soaring of home values, tens of thousands of homeowners in Rancho Cucamonga took advantage of low interest rates to refinance their home loans. Tens of thousands of residents also purchased homes. Figure 4-1 shown below illustrates trends in home loans since 2003.

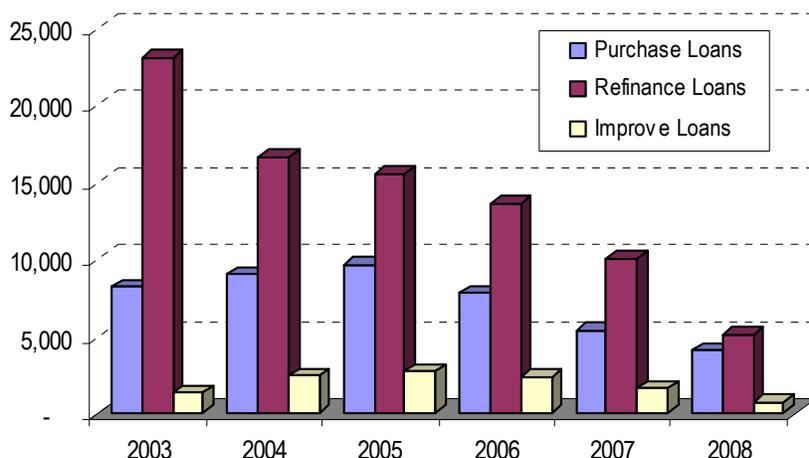


Figure 4-1 Trends in Home Loans, 2003–2008

With seemingly endless inflation in housing values and prices, financial institutions offered increasingly creative loan packages to allow people to buy homes. “No down” variable-rate loan packages or adjustable rate loans (ARMs) became increasingly common. Once the national economy began to recede, housing values plummeted. For homeowners who recently purchased their homes with ARMs, many had insufficient equity to refinance variable rate loans. At the same time, rising unemployment rates also left homeowners with the inability to pay existing mortgages or ARMs.

The combination of easy credit and market speculation eventually led to an unprecedented level of foreclosures. In 2009, foreclosures remain a key issue in Rancho Cucamonga. According to DataQuick, 1,386 notices of default were issued to Rancho Cucamonga homeowners in 2007, 2,195 in 2008, and 1,278 in the first five months of 2009. During this period, foreclosures increased from 425 homes in 2007 homes to 1,125 homes in 2008, to a projected 941 in 2009. Although the market is showing signs of recovery as of 2010, half of the homes advertised today are short sales or foreclosures.

Loan Disposition by Tract Characteristics

Analysis of home mortgage loans is often used to identify the outcomes of the lending process—what type of loans were approved and denied, the characteristics of borrowers, and where buyers purchased their home. Various statistical techniques are often used—including simple statistics, chi-square tests, or more formal linear regression models. Whereas none of these statistics can prove equal opportunity or discrimination, they do provide an indication of characteristics and trends that may suggest further study, testing, or targeting of local government programs.

Table 4-1 shows the number of home loan applications and percentage of loans originated (lender-approved loans and applicant-approved loans). For conventional loans, a higher percentage of upper income applicants had loans originated than middle-income applicants—a finding consistent with expectations that income is a key factor in securing an approved loan. The data also showed that, when income is held constant, tracts with a medium percentage of minority households seemed to have lower loan origination rates as a whole compared against tracts with a low percentage of minorities.

With respect to government-backed FHA loans, the differences in loan origination rates among similarly situated tracts were largely erased. Moreover, applicants with FHA financing also had significantly higher loan origination rates than those who applied with conventional financing. This could be because prospective buyers, under the FHA terms, are better risks for lending institutions as they are backed by the Federal government. In this light, the differences in loan origination rates among buyers with conventional financing raises fair housing questions that may merit study.

Table 4-1
Home Loan Patterns by Tract

Tract Characteristics	Conventional Loans		Government Backed	
	No. of Applicant	Percent Originated	No. of Applicant	Percent Originated
Income				
Upper (120% + MFI)	1,921	55%	570	62%
Middle (81–120% MFI)	336	46%	187	63%
Lower < 80% MFI	N/A	N/A	N/A	N/A
Minority				
20-49% of tract	1,778	55%	510	61%
50-79% of tract	479	47%	247	65%
80% plus tract	N/A	N/A	N/A	N/A
Total	3,014	53%	757	62%

Source: FFIEC, 2008

Loan Disposition by Household Characteristics

Fair housing concerns tend to arise when similarly situated applicants have different lending outcomes. For instance, if two applicants (Asian and Black) had similar incomes, one would generally assume that they had the same chance of securing a loan, all other things being equal. If that is not the case, these differences could raise questions about whether the difference in loan outcome is a fair housing concern or whether other differences (such as credit scores) account for the difference.

Table 4-2 displays lending outcomes by race/ethnicity and income level. With respect to home mortgage loans, Home Mortgage Disclosure Act (HMDA) data show the lowest loan origination rates among low income buyers (with the exception of Hispanics) but the highest loan origination rates were for middle-income applicants. Among each group, Asians and Whites had the highest loan origination rates. For home refinancing, middle income households had the highest origination rates. Across all three categories, Asians and Whites had the highest loan origination rates.

**Table 4-2
Home Loan Patterns by Applicant**

Loans by Race and Ethnicity	Low Income		Middle Income		Upper Income	
	Total Loans	% Origin.	Total Loans	% Origin.	Total Loans	% Origin.
Home Purchase						
Asian	31	48%	78	60%	378	55%
Black	11	55%	18	61%	109	47%
Hispanic	47	60%	134	49%	455	49%
N/A	27	41%	76	54%	352	52%
White	76	46%	256	71%	1,014	59%
Refinancing Loans						
Asian	11	36%	53	36%	227	39%
Black	22	18%	52	44%	195	25%
Hispanic	120	32%	233	30%	631	28%
N/A	78	37%	157	39%	577	37%
White	168	42%	354	48%	1,276	49%

Source: FFIEC, 2008.

Black and Hispanics typically have the lowest loan origination rates as in past years, but the pattern was not universal across all income categories. This also could be because the HMDA data show that the vast majority of Asian applicants did not choose to use FHA-backed products, which typically have a higher loan origination rate than all other products. Other anomalies in the data could not be explained. As the housing and lending market further stabilize, additional inquiry should be done.

B. Rental Housing Market

Many residents of Rancho Cucamonga will not choose to purchase homes. In some cases, a household may be seeking to build up financial reserves. In others, households may wish to downsize and seek rental accommodations. Still in others, new residents may seek temporary accommodations during transitions in employment. Regardless of the reasons, providing a wide range of rental accommodations and ensuring fair housing opportunities for renters are important to improve the quality of life in the community. This section describes the process of seeking rental housing and highlights complaints in Rancho Cucamonga that raise fair housing concerns.

1. OVERVIEW OF HOME RENTAL PROCESS

Finding a suitable home to rent, although not as financially challenging as a home purchase, is still a challenging process. Quality apartments can be hard to find and affordable single-family residences even harder to find. Moreover, fair housing issues may arise in many ways during the process. Discriminatory practices can occur in the following steps during the home renting process. These steps are: 1) advertising of rentals; 2) viewing the unit; 3) qualifying for the lease; 4) administration of the lease terms; and 5) dealing with issues that arise over the course of tenancy.

Advertising

The main sources of information on rentals are newspaper advertisements, word of mouth, signs, apartment guides, the Internet, and apartment brokers. Publishers, newspapers, and Internet sites have been increasingly held accountable by advocates and the courts for discriminatory ads. Advertising can suggest a preferred tenant by suggesting preferred residents, using models, publishing in certain languages, or restricting media or locations for advertising. Advertisements cannot include discriminatory references that describe current or potential residents, the neighbors, or the neighborhood in racial/ethnic terms or other terms suggesting preferences.

Viewing the Unit

Viewing the unit is the most obvious place for discrimination because landlords or managers may discriminate based on race or disability, or judge on appearance whether a potential renter is reliable or may violate any of the rules. For example, if a student is wearing a T-shirt with a heavy metal band on the front design, a landlord may fear that loud music will be played. If a prospective tenant arrives with many children, the landlord may be concerned that the children may disturb other renters. The prospective tenant may have an accent or wear religious symbols or jewelry that may be deciding factors on whether the landlord prefers to rent the unit.

Qualifying for the Lease

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

Administration of the Lease

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

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

During the Tenancy

During tenancy, the most common forms of discrimination are based on familial status, race, national origin, sex, or disability. Usually these types of discrimination appear in differential enforcement of rules, overly strict rules for children, excessive occupancy standards, refusal to make a reasonable accommodation for handicapped access, refusal to make necessary repairs, eviction notices, illegal entry, very frequent rent increases, or harassment. These actions may be used as a way to force undesirable tenants to move on their own without the landlord having to make an eviction. In some cases, landlords have the ability to raise rents as frequently as possible if not in conflict with a lease agreement, State law, or done in retaliation.

2. RENTAL HOUSING COMPLAINTS

The City contracts with IFHMB to answer landlord/tenant questions and pursue fair housing complaints. Table 4-3 summarizes the types of fair housing complaints received by the IFHMB since 2001. The primary cause of discrimination complaints have historically been based on the race and ethnicity of the complainant. Beginning in the mid 2000s, the trend in fair housing complaints has generally shifted to issues of disability.

The demographics of the complainants generally mirror the population of Rancho Cucamonga. Whites comprise 42 percent of the complaints. Blacks and Hispanics comprise 29 percent and 24 percent of the complaints, respectively. Lower income households typically comprise approximately 80 percent of all complaints, which is expected given that moderate income and above households typically own homes.

**Table 4-3
Fair Housing Complaints, 2000–2008**

Causes	Fiscal Year						
	07/08	06/07	05/06	04/05	03/04	02/03	01/02
Income Source	2	2	0	0	1	1	6
Age	1	4	1	4	6	2	2
Race	2	27	19	16	27	16	22
Sex	1	7	3	0	0	4	3
Marital Status	0	2	3	0	0	3	3
Ancestry	0	2	0	0	0	0	0
Color	0	1	0	0	5	0	2
National Origin	1	5	8	12	5	8	15
Familial Status	0	13	4	5	0	10	13
Disability	11	54	24	32	19	28	13
Religion	0	0	0	0	0	1	0
Sexual Orientation	1	1	2	0	2	0	0
Total	19	118	64	69	65	73	79
Major Causes							
Race/Color/Natnl	3	35	27	28	37	24	39
Disability	11	54	24	32	19	28	13
Familial Status	-	13	4	5	-	10	13
Other	5	16	9	4	9	11	14

Source: Inland Fair Housing and Mediation Board, 2009.

To some degree, the change in the type of housing discrimination inquiries is not due to a new trend or increased levels of discrimination. Rather, it could reflect an evolution in fair housing law, the passage of new laws, and/of an expanded application of law to circumstances faced by people. As society acquires a greater understanding of the subtleties of personal and societal bias, our definition of “discrimination” and “fair housing” and the applications of these concepts to everyday life will change.

3. FAIR HOUSING SERVICES

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

The City of Rancho Cucamonga contracts with the Inland Fair Housing and Mediation Board (IFHMB) to provide fair housing and landlord/tenant services. Services provided by the IFHMB include the following.

Education

Fair Housing education is a major component of IFHMB’s program, with a goal of providing the knowledge of fair housing to all partners of the housing industry. Fair Housing outreach is provided through radio programming, mass media, brochures, workshops, and the IFHMB Web site. IFHMB also holds a community presentation and workshop as part of the National Fair Housing Month each year.

Senior Services

The IFHMB mediates conflicts between seniors and Social Security, Medi-Cal, utility companies, collection agencies, neighbors, and other parties in dispute. The IFHMB provides a Care Referral Service and assistance with HEAP and Homeowner/Renter Assistance. A list of senior housing and board and care homes is maintained and available.

Home Counseling

The IFHMB offers various counseling services to homeowners residing in client communities. This includes first-time homebuying education, prebuying counseling, mortgage default counseling, and reverse equity mortgage counseling for seniors. In recent years, the IFHMB has been focusing on conducting hundreds of counseling interviews each year to address foreclosures in the region.

Enforcement

The IFHMB works in partnership with HUD and the State Department of Fair Employment and Housing (DFEH) to address potential fair housing issues for its clients. In addition to answering routine landlord-tenant inquiries, the IFHMB undertakes detailed case resolution services. Services include landlord-tenant mediation, prelitigation mediation services, alternative dispute resolution services, and mobile home mediation services.

Fair Housing Complaints and Testing

After a person calls IFHMB with a complaint, an interview takes place, documentation is obtained, and issues are discussed to decide on the course to proceed. Mediation/conciliation is offered as a viable alternative to litigation. If the mediation/conciliation is successful, the case is closed after a brief case follow-up. If the mediation/conciliation is unsuccessful, the case is referred to DFEH or HUD. If during case development further investigation is necessary, testing may be performed.

Once the initial investigation is completed, the complainant is advised of the alternatives available in proceeding with the fair housing complaint. As mentioned earlier, options include mediation/conciliation, administrative filing with HUD or DFEH, referral for consideration to the Department of Justice, Civil Rights Division, Housing and Civil Enforcement Section, or referral to a private attorney for possible litigation. Once the complaint has been referred, IFHMB monitors the case to its final outcome.

The following graphic is a simplified presentation of how the IFHMB addresses fair housing concerns in Rancho Cucamonga.

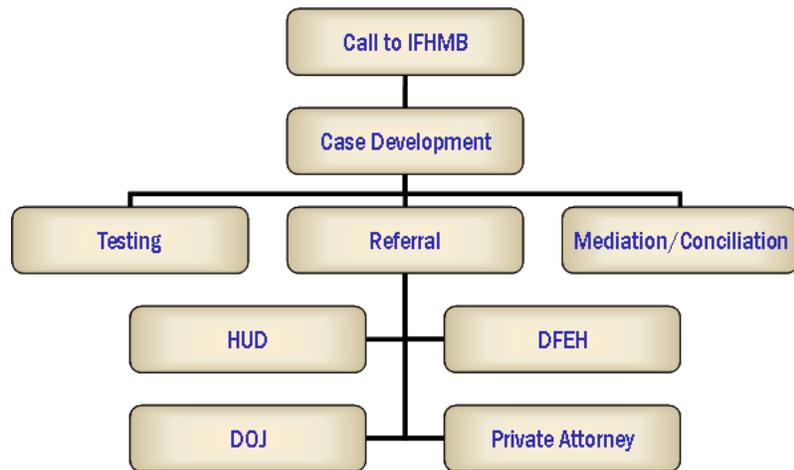


Figure 4-2 Process for Resolving a Fair Housing Complaint

With respect to statistics and trends, the Inland Fair Housing and Mediation Board referred an average of approximately 25 referrals to HUD or DFEH annually in FY 2001/2002 and FY 2002/2003. Since then, however, caseload has significantly declined; an average of eight cases are referred to DFEH or HUD each year with very little variation among the years.

4. REGULATORY OVERSIGHT

Many agencies oversee the apartment rental process and related practices. These organizations provide fair housing services and education to property owners and tenants regarding their rights, responsibilities, and other regulatory and enforcement matters. The primary organizations involved include the California Apartment Association and Apartment Association of the Greater Inland Empire, State Department of Employment and Fair Housing, and the Inland Fair Housing and Mediation Board.

Apartment Association of the Greater Inland Empire

The Apartment Association of the Greater Inland Empire serves the east San Gabriel Valley and Inland Empire. The Association has more than 1,000 members and publishes a monthly magazine, AGGIE. The Association provides a wide variety of educational courses and workshops, including the Certificate in Residential Management. This course provides training in the fundamentals of rental property management including specific coursework in fair housing and ethics. AGGIE also provides information over the phone and referrals regarding fair housing issues.

California Association of Realtors

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

California Department of Employment and Fair Housing

The Department of Fair Employment and Housing (DFEH) is the largest state civil rights agency in the country. It was established by the legislature in 1959 as the Division of Fair Employment Practices and was initially part of the Department of Industrial Relations. DFEH is charged with enforcing California's comprehensive employment, housing, public accommodations and public service nondiscrimination laws, and the state's bias-related hate violence law. DFEH's statutory mandate is to protect the people of California from discrimination in employment, housing, and public accommodations. DFEH provides technical assistance to employers and housing providers regarding their responsibilities under the law, investigates discrimination complaints, and pursues litigation.

C. Hate Crimes and Harassment

The goal of fair housing is more than simply ensuring housing opportunity. More broadly, fair housing is intended to also promote inclusive, diverse communities of choice—where families can choose to live, where housing and schools are stable and well supported, where employment is accessible, and where all racial and ethnic groups and persons with disabilities are an integral part of the community. The absence of violence in our community contributes to this goal. This section examines this topic in greater detail.

1. HATE CRIMES AND INCIDENTS

Hate crimes are violent acts committed against people, property, or organizations motivated by the group they belong to or identify with. Hate crimes become a fair housing concern when residents are intimidated or harassed at their residence or neighborhood, and therefore cause an environment of fear so people will not consider moving into certain neighborhoods, or leave for fear of harassment or physical harm.

State law defines hate crime as a criminal act committed, in whole or part, because of the actual or perceived characteristics of the victim—disability, gender, nationality, race or ethnicity, religion, sexual orientation, or association with a person of group with one or more of these actual or perceived characteristics. The State Fair Housing Act and Federal Fair Housing Act makes it a crime to threaten, harass, intimidate, or act violently toward a person who has exercised their right to free housing choice.

However, a hate incident should not be confused with a hate crime. A hate incident is an action or behavior that is motivated by hate but is protected by the First Amendment right to freedom of expression. Examples of hate incidents can include name calling, epithets, distribution of hate material, and the display of offensive hate-motivated material. This type of behavior, though offensive, occurs every day in all communities. The freedom guaranteed by the US Constitution allows hateful rhetoric as long as it does not interfere with the civil rights of others or escalate to a crime.

According to the Uniform Crime Reports published by the FBI, there have been no reported hate crimes in Rancho Cucamonga in many years—an unexpected finding given the sheer size of the community. San Bernardino County Sheriff's Department staff confirmed this finding, but also noted that hate crimes are sometimes not reported to them or, if they are, they could be inadvertently reported under broader categories of crimes. This type of problem exists in many cities today. Therefore, the AI recommends that City staff work with the San Bernardino County Sheriff's Department to examine and verify that recordkeeping is adequate in this regard.

2. SCHOOL HARASSMENT

In recent years, schools have experienced rising levels of violence that have become of considerable concern to parents. Violence at school is no longer confined to inner cities but is widespread, affecting communities of every size, location, and demographic. Indeed, perhaps a better measure of success of a safe and inclusive community is not only the absence of hate crimes and incidents, but also the absence of such harassment at public schools.

As a large community, the City of Rancho Cucamonga is currently served by five different school districts:

- ***Etiwanda School District*** provides 12 elementary and 4 intermediate schools serving northeast Rancho Cucamonga.
- ***Central School District*** provides five elementary schools and two middle schools serving central Rancho Cucamonga.
- ***Alta Loma School District*** provides eight elementary schools and two middle schools serving northern Rancho Cucamonga.
- ***Cucamonga School District*** provides two elementary schools and one intermediate school serving central Rancho Cucamonga.
- ***Chaffey Joint Union High School District*** serves students from Ontario, Montclair, Rancho Cucamonga, and other cities.

In response to an epidemic of harassment and violence at schools across the country, the California State Legislature passed the California Student Safety and Violence Prevention Act of 2000. This landmark act prohibits discrimination and harassment at public schools on the same grounds used to define hate crimes under California law. The intent of the law is intended to not only decrease the amount of violence and harassment, but also the growing epidemic of suicides caused by malicious behavior of students.

The California Healthy Kids Survey (CHKS) is a comprehensive youth risk-behavior and -resilience data collection service for all California schools. Every school district in California is required to conduct the survey in order to comply with the No Child Left Behind Act, Title IV, of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301). The CHKS provides local schools and communities with data to identify the needs of youth and to guide efforts to meet those needs. Among other topics, this survey asks the following questions about the prevalence of harassment at schools.

- Whether students have been harassed due to their race/ethnicity, disability, religion, sexual orientation, or other characteristic
- The degree to which students have experienced bullying
- Whether or not students are affiliated with a gang
- To what degree students feel safe at school.

Measures of School Harassment

As shown below, nearly one-third of all 7th-grade students are harassed by other students, which is consistent with the statewide average. Typically, harassment is most frequent in the intermediate school years as children are dealing with unique pressures, such as puberty, growing influence of peers, and other concerns. By 9th and 11th grade, however, students attending Rancho Cucamonga school districts are harassed at much lower rate than experienced in schools across the state.

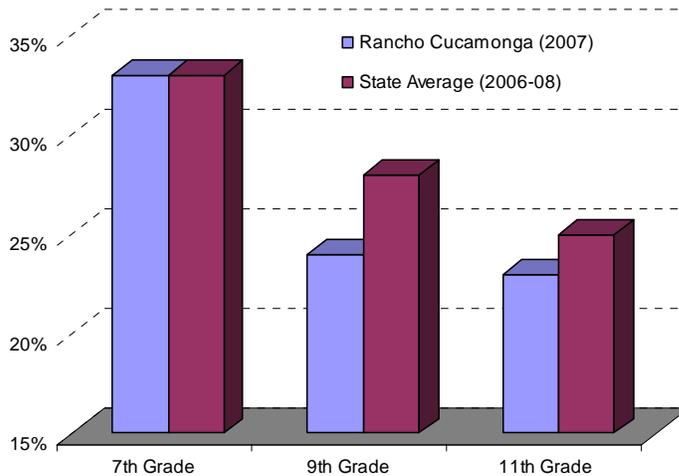


Figure 4-3 Proportion of Students Harassed at Local Schools

Table 4-4 shows that one-third of students experience harassment each year. Race and ethnicity are the most common reasons for student harassment, accounting for 17% to 26% of all harassment claims. About 10% of students also report harassment for religious beliefs, gender, and sexual orientation. Regardless of the reason for bias or the severity of the incidence, these statistics underscore the problem of harassment at public schools.

**Table 4-4
Percentage of Students Harassed**

Basis of Harassment	School District				
	Etiwanda	Alta Loma	Cucamonga	Central	Chaffey
Race/Ethnicity	22%	18%	26%	18%	17%
Religion	12%	8%	11%	11%	9%
Gender	12%	12%	10%	12%	9%
Sexual Orient	10%	13%	8%	13%	8%
Disability	7%	5%	5%	7%	5%
Total	33%	32%	34%	33%	24%

Source: Healthy Kids Survey, 2007.

D. Program Evaluation

An important part of fair housing planning is reporting on the progress made and accomplishments in achieving the goals and objectives contained in the 2001 Analysis of Impediments to Fair Housing. This analysis helps indicate which housing programs are no longer needed, programs that need to be modified, and whether new programs need to be introduced.

Expanding Housing Opportunity (Actions 1–3)

The 2001 AI recommended three actions to improve housing opportunities. These were: 1) continue to provide homeownership opportunities by promoting the First Time Homebuyer Program; 2) continue to facilitate the development of affordable housing throughout the community, and 3) develop a “HMDA-like” monitoring system of the Redevelopment Agency’s lending practices for the First Time Homebuyer Program. Outreach for these programs was to be targeted to minorities in multiple languages.

The City contracts with Neighborhood Housing Services of the Inland Empire to provide homebuyer counseling for its First-time Homebuyer program. The City recently completed and helped finance several affordable family and senior projects listed in this AI. Projects are distributed throughout the community, within and outside of target areas, to avoid impactation. Marketing targets minorities and low-moderate income buyers. This is now an ongoing program and no current impediment remains.

Rehabilitation Assistance (Actions 4–6)

The 2001 AI proposed to continue to provide rehabilitation assistance for owner occupied and investor-owned single-family housing and multiple-family housing in the community. Furthermore, the AI recommended that information about these programs is provided in Spanish and English. Bilingual staff should also be available regarding code enforcement, housing rehabilitation, and other housing services.

These initiatives are now ongoing programs in the City’s housing element. As part of the draft 2010–2015 Consolidated Plan, these efforts are also being focused in three targeted areas (low-moderate and minority concentrations) to improve housing opportunities for residents living there. This is now an ongoing program and no current impediment remains.

Access to Information (Action 7)

The 2001 AI proposed to The City will expand its website to provide additional links to housing services and resources, such as fair housing servicers and others. Through separate contracts, the City contracts with IFHMB and NHSIE to provide the lead for such services. This issue is no longer considered an unaddressed impediment.

Public Policies (Actions 8–9)

The 2001 AI proposed that the City provide developers with federal fair housing guide information regarding accessibility requirements as part of the land entitlement process. The City may also consider incorporating accessibility compliance as part of the entitlement process. The AI also proposed that the City continue to pursue affordable housing development opportunities identified in the 2000-2005 Housing Element.

With the adoption of the 2007 California Building Code, the City has adopted the latest ADA requirements that comply with Federal and State fair housing and accessibility requirements. Developers are required to show compliance with these statutes as part of the application process. The City continues to pursue affordable housing projects as required by State housing element and redevelopment agency law. This is no longer an impediment.

Outreach to Lenders (Actions 10–12)

The 2001 AI proposed that the City increase outreach to lenders in three ways: 1) work with local lenders and government entities to provide outreach, in English and Spanish, to lower income residents about government-backed financing; 2) encourage lenders, particularly local lenders, to hold bilingual home buying workshops in the city; and 3) explore regional effort to study predatory lending issues and support State and Federal initiatives to address predatory lending practices.

The City has established contracts with NHSIE and Inland Fair Housing and Mediation Board to address these recommendations. This is no longer an impediment. The City also supports regional efforts to study predatory lending and much has been published in recent years.

Fair Housing Services (Actions 13–15)

The 2001 AI recommended that the Fair Housing Service Provider continue to conduct fair housing workshops for residents, apartment owners, and property managers. Encourage coordination with real estate associations. In addition, they will monitor complaints regarding unfair lending and assess lending patterns using the HMDA and other data sources. Finally, the City will work with a fair housing service provider to perform more tests.

Under the City's contract with the Inland Fair Housing and Mediation Board, the agency is required to perform all of the above tasks. Progress is reported on a periodic basis to the City and annual results are tallied and included in the Consolidated Annual Performance Evaluation Report.

5. Fair Housing Plan

Previous chapters of this AI examined changes in Rancho Cucamonga during the 1990s, analyzed public policies for impediments to fair housing, and documented fair housing in the community. Building upon the prior analysis, this chapter draws conclusions and makes recommendations to improve housing opportunity in Rancho Cucamonga.

A. Summary

1. DEMOGRAPHIC CHARACTERISTICS

Rancho Cucamonga has undergone significant population growth, increasing by more than 20,000 during the 2000s as master planned communities were constructed. This population growth has brought forth changes in the City’s population, including a growing minority population (Hispanic, Black, and Asian), an increase in baby boomers and echo boomers, and a proportional increase in special needs households. These demographic changes present different challenges for communities, such as Rancho Cucamonga, in affirmatively furthering fair housing.

Rancho Cucamonga’s housing market has dramatically changed since 2000. Following nearly a decade in unprecedented increases in housing prices and rents, the economic downturn and financial markets have caused the housing market to plummet. Foreclosures are at an all-time high and those who purchased overvalued homes during the market runup are paying very high cost burdens that exceed more than 30 percent of their income. These changes place a difficult burden on special needs groups, such as seniors, families, homeless people, people with a disability, and others.

2. PUBLIC POLICIES AND IMPEDIMENTS

An important part of furthering fair housing is to analyze public policies that may contribute or detract from fair housing opportunities. Public policies refer to land use regulations, housing policies, transit accessibility, and other factors that may potentially impact housing opportunity in the community. This 2010–2015 AI report includes an analysis of land use and zoning policies, development policy, housing policy, and local government services to identify actual and potential impediments to fair housing.

The City of Rancho Cucamonga is known for its provision of a broad range of housing opportunities for residents in all walks of life. The careful attention to planning the community has resulted in an exceptional quality of life afforded to those who live, work, and visit the community. This AI

study concluded that several policies, programs, and administrative practices directly or indirectly limited fair housing opportunity in the City. Provisions of the Municipal Code that need to be updated include the provision of housing opportunities for people who are homeless, definitions used in the growth management procedures and senior housing overlay, and other technical clarifications within the development code. Transit services need to be adjusted to cover underserved areas in the City.

3. HOUSING OPPORTUNITIES

Part of the American dream involves owning or renting a home in a safe neighborhood near community amenities. Rancho Cucamonga enjoys a homeownership rate of 68 percent—a remarkable statistic for a city its size. Analysis of HMDA data indicates that lending outcomes are higher for Whites and Asians and lower for Blacks and Hispanics, even after controlling for differences in household income. Lending patterns are influenced by financial institutions, but the persistence of a gap is a concern.

Because many households cannot afford housing, ensuring adequate rental housing opportunities and fair housing remain important goals. During the past seven years, the Inland Fair Housing and Mediation Board has assisted hundreds of residents with landlord/tenant issues. In past years, complaints due to discriminatory treatment based on race and ethnicity were the top concern. In recent years, complaints based on disability status have supplemented race and ethnicity as the primary fair housing concern. This is due in part to the changing legislative context of fair housing.

4. ENVIRONMENTAL FACTORS

Rancho Cucamonga is noted as one of the safest communities of its size. With respect to fair housing, there have been no reported hate crimes in nearly a decade. Rancho Cucamonga's schools are known to be much safer in comparison to schools throughout the County and State and in fact, are one of the key reasons that residents move to Rancho Cucamonga. The fact that the City has no reported hate crimes and has relatively lower school violence confirms that these issues are not impediments to fair housing in the City. Although improvements are suggested in safety programs, the City maintains a strong reputation for being a family-friendly community.

B. Housing Plan

Rancho Cucamonga is a progressive community with respect to the provision of a range of housing opportunities and its proactive stance to ensure the fair treatment of people in the rental, sale, occupancy, and financing of housing. The following recommendations are offered to continue advancing fair housing opportunities in Rancho Cucamonga.

1. CHANGES TO DEVELOPMENT CODE

The California Legislature has passed new statutes to facilitate and encourage the development of housing for homeless people. The Government Code requires that jurisdictions specify at least one zone where a year-round emergency shelter can be permitted as a by-right use. Transitional housing and permanent supportive housing must also be treated like any other residential use in the same zone and are subject to the same regulations as other residential uses located in the same zone.

The draft 2008–2014 Housing Element proposes to allow emergency shelters as a by-right use in the General Commercial (GC) Zone with development and operational standards as allowed under State law. The Housing Element also proposes to permit transitional and supportive housing serving up to six clients like residential care facilities as a by-right use in all residential zones. For larger facilities serving seven or more clients where the use operates like multiple-family projects, such uses will be permitted where multiple-family projects are permitted.

- Timing: One year after adoption of the Housing Element
- Responsibility: Planning Department

2. REASONABLE ACCOMMODATION

The Federal Fair Housing Act and California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodation in building codes, zoning/land use regulations, and administrative practices to afford disabled persons an equal opportunity to use a dwelling. In 2001, the State Attorney General also issued a letter encouraging local governments to adopt a reasonable accommodation procedure. Housing Element law also now requires local governments to affirmatively further fair housing for people with disabilities.

Rancho Cucamonga has an active program to make its facilities, programs, and services accessible to residents. For housing projects, the City also already has the mechanisms in the municipal codes (e.g., administrative exceptions) to make reasonable accommodations. However, HCD will require more affirmative action as a prerequisite for approval of the housing

element. The draft 2008–2014 Housing Element therefore includes a program to create a reasonable accommodation ordinance that would specify the process for obtaining an accommodation and required findings.

- Timing: One year after adoption of the Housing Element
- Responsibility: Planning Department

3. PERMITTING PROCESSES

The City’s residential growth management review system has been an effective tool for ensuring high quality development. All residential projects are required to adhere to “absolute policies” intended to ensure neighborhood compatibility, compliance with adopted plans, adequacy of public facilities and services, and protection of the public environment and public health. Moreover, each project must adhere to residential development standards and design guidelines to ensure project livability. Exemptions to the growth management review system are allowed for developments, such as a government-subsidized senior housing project.

Fair housing law discourages treating the approval of housing projects differently based on the intended occupants of the project. The current system gives a preference (in the form of an exemption) for affordable *senior* housing, while affordable *family* housing projects must adhere to the growth management review system requirements. To avoid a potential fair housing concern in treating projects differently based on intended occupants, the exemption should be either extended to affordable family housing or the exemption for senior housing should be deleted so that senior and family are treated equally with respect to zoning and permitting.

- Timing: One year after adoption of the Housing Element
- Responsibility: Planning Department

4. SENIOR HOUSING OVERLAY

The Senior Housing Overlay District offers incentives to encourage the development of affordable housing for seniors earning up to 80 percent of MFI. The Development Code defines a senior household for purposes of this overlay as a married couple in which at least one spouse is age 55 or over or an unmarried household in which all members are age 55 or over. For projects that satisfy this occupancy and income standard, the Development Code allows incentives such reduced parking, fee waivers/ reductions, and a density bonus if the project complies with State law.

Fair housing law discourages treating the approval of housing projects or granting of incentives differently based on the marital status of occupants. There does not appear to be a clear rationale for why marital status should

be a distinguishing factor in how a senior development project should qualify for incentives. The State density bonus law provides for such incentives, and marital status is not a prequalification. To avoid a potential fair housing concern, the City may wish to eliminate the clause related to marital status so as not to constrain housing choices for seniors.

- Timing: One year after adoption of the Housing Element
- Responsibility: Planning Department

5. TRANSIT SERVICE

Accessibility to public transit is a factor in housing choice for many households, especially lower income and senior households that may have limited or no access to a personal vehicle. For these households, access to public transit can be critical for employment and necessities such as grocery shopping, health care, and other routine activities of daily life. Transit agencies that receive federal funds must demonstrate that no persons are subject to discrimination in the level and quality of transportation services and/or transit-related benefits based on protected status.

Omnitrans has developed a grid service network with routes spaced at one-mile intervals, resulting in generally equitable transit service coverage, with most urban areas of the San Bernardino Valley within ½ mile of a transit route. ADA-complementary paratransit service is provided within ¾ mile of a scheduled regular transit route in accordance with Federal regulations. Residential areas north of the I-210 and several employment centers south of Arrow Route need additional transit coverage. The City should work with Omnitrans to incorporate these route adjustments as part of their 2014 update to the short-range transportation plan.

- Timing: FY 2012 (in time for the next SRTP update)
- Responsibility: Planning Department

6. FAIR HOUSING COMPLAINTS

Historically, the primary reason for housing discrimination complaints were race and ethnicity of the tenant. Beginning in the mid 2000s, the trend shifted to disability. This trend is not due to increased levels of discrimination but instead on a series of court decisions and expanded application of these court decisions to everyday life. For instance, new court decisions have made it clear that housing providers must be significantly more proactive in making reasonable accommodations to people with a disability (e.g. such as allowing preferred parking for parking spaces).

As communities acquire a greater understanding of the subtleties of personal and societal bias, through either court decisions or personal

experience, notions of “discrimination and fair housing” will change. To keep up with the latest trends, the City should work with the IFHMB to adjust its public education programs, as needed, to focus on issues affecting people with disabilities. This may come in the form of outreach, posters, brochures or other media. It is unclear whether this will be a new initiative or a redirecting of current resources.

- Timing: FY 2012 (as part of update to IFHMB contract)
- Responsibility: Planning Department

7. FAIR LENDING PRACTICES

Fair housing concerns tend to arise when similarly situated applicants have different lending outcomes. Home Mortgage Disclosure Act data show the lowest loan origination rates among low income buyers (with the exception of Hispanics) but the highest loan origination rates were for middle-income applicants. Black and Hispanics have the lowest loan origination rates as in past years, even after controlling for differences in household income. Whereas these statistics do not prove equal opportunity or discrimination, they do provide an indication of characteristics and trends that may suggest further study, testing, or targeting of local government programs.

While many studies point to the need to work with lending institutions to improve equal lending outcomes for homebuyers, the majority of loans originated for home purchases are done at locations far away from Rancho Cucamonga. Therefore, the City has little control over loan disposition. However, the City has a greater ability to affect loans issued locally. The RDA administers a First Time Homebuyer program, which makes available up to \$80,000 to income eligible applicants citywide and contracts with Neighborhood Housing Services of the Inland Empire (NHSIE) for homebuyer education. To address the potential of equal lending outcomes, the City could work through NHSIE to implement strategies in this regard.

- Timing: FY 2011 (as part of update to their contract)
- Responsibility: Planning Department

8. HATE CRIMES

Hate crimes are violent acts committed against people, property, or organizations motivated by the group they belong to or identify with. According to the Uniform Crime Reports published by the FBI, there have been no reported hate crimes in Rancho Cucamonga in many years—an unexpected finding given the sheer size of the community. San Bernardino County Sheriff’s Department staff confirmed this finding, but also noted that hate crimes are sometimes not reported to them or, if they are, they could be inadvertently reported under broader categories of crimes. This

same type of problem exists in many cities today. Therefore, the AI recommends that City staff work with the San Bernardino County Sheriff Department to ensure that recordkeeping is adequate in this regard so that the number of hate crimes can be accounted for.

- Timing: Ongoing as part of annual contract negotiations
- Responsibility: Planning Department, City Manager

9. SCHOOL VIOLENCE

Rancho Cucamonga is known for its safe and high performing schools. In recent years, schools across the country have experienced rising levels of violence that have become of considerable concern to parents. Although Rancho Cucamonga schools are safer than most, still more than one in five students report being harassed every year due to their religion, disability, race/ethnicity, and other protected class. The City currently works with a number of agencies to further a safe school environment. The City should continue working with the Police Department to make schools the safest possible. This might include augmenting the school resource officer program, developing model programs (e.g., Building Bridges Program developed by the Orange County Human Relations Commission), or pursue other innovative efforts as needed.

- Timing: Ongoing
- Responsibility: Planning and Community Services Departments

10. RECORDKEEPING

Local governments are required under fair housing law to keep and maintain appropriate records so that fair housing issues can be identified and effectively addressed through appropriate interventions. During the course of this study, certain data needed to diagnose potential concerns (e.g., hate crimes, landlord/tenant complaints, etc.) was not available. Although the costs of data acquisition and maintenance can be high, the City should look into modifying contracts with their service agencies to ensure that the appropriate type of data are readily available.

- Timing: FY 2012 (as part of update to IFHMB contract)
- Responsibility: Planning Department

C. Signature Page

I, hereby certify that this 2010–2015 Analysis of Impediments to Fair Housing Choice for the City of Rancho Cucamonga represents the City’s conclusions about actual and potential impediments to fair housing choice, as well as actions that will be implemented to address them.



Mayor, Dr. Donald Kurth, MD.

6/2/10

Date

