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Chapter 1: Introduction

Equal access to housing is fundamental to each person in meeting essential needs and pursuing personal, educational, employment, or other goals. In recognition of equal housing access as a fundamental right, the federal government and the State of California have both established fair housing choice as a right protected by law.

This report presents a demographic profile of the City of Alhambra, assesses the extent of housing needs among specific income groups, and evaluates the availability of a range of housing choices for residents. This report also analyzes the conditions in the private market and public sector that may limit the range of housing choices or impede a person's access to housing. As the name of the report suggests the document reviews “impediments” to fair housing. While this report also assesses the nature and extent of housing discrimination, the focus is on identifying impediments that may prevent equal housing access and developing solutions to mitigate or remove such impediments.

A. Background

Located in the San Gabriel Valley, Alhambra is a densely developed urban community encompassing 7.6 square miles. Originally part of a large ranch owned by Benjamin “don Benito” Wilson, the City of Alhambra incorporated in 1903. Located on the eastern edge of Los Angeles, the City is now known as the “Gateway to the San Gabriel Valley." The San Gabriel Valley was one of the fastest growing regions in Los Angeles County during the last part of the twentieth century. Surrounding communities include the cities of South Pasadena and San Marino to the north, the city of Monterey Park to the south, the city of San Gabriel to the east, and the city of Los Angeles to the west.

Alhambra experienced its first significant growth during the 1920s, when the population more than tripled from 9,000 to 29,000 residents. Alhambra continued to grow much more slowly through the next decades. Between 1980 and 1990, however, the City experienced another growth spurt, increasing in population by almost 27 percent to 82,000 residents. Population growth leveled off during the last 20 years, with only a slight increase (less than five percent) between 1990 and 2000 but a decrease (three percent) in population between 2000 and 2010.

Housing in Alhambra originally consisted almost entirely of single-family homes. However, as the City grew and vacant land became increasingly limited, higher-density housing was necessary to accommodate a growing population. During the 1960s, modern apartment buildings began to replace single-family residential structures, and now nearly half of the housing stock in the City consists of multi-family housing.

Alhambra’s population has become increasingly ethnically diverse during the last two decades. Asians represented the largest proportion of residents at the time of the 1990 Census, with a 37 percent share of the population, followed by 36 percent for Hispanics and 24 percent for Whites. In 2000, the Census revealed that the Asian population had grown to 47 percent, while the proportion of Hispanics remained relatively stable at 36 percent. The White population declined the most between 1990 and 2000, decreasing from 24 percent to 14 percent of the total population. By the 2010 Census, the proportion of Asian population grew to 53 percent, with a corresponding decline in the White population (10 percent of the City total).
B. Fair Housing Legal Framework

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

1. Federal Laws

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

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

Specifically, it is unlawful to:

- Refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, disability, familial status, or national origin.

- Discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, sex, disability, familial status, or national origin.

- Make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, disability, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination.

- Represent to any person because of race, color, religion, sex, disability, familial status, or national origin that any dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available.

- For profit, induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, sex, disability, familial status, or national origin.

Reasonable Accommodations and Accessibility

The Fair Housing Amendments Act requires owners of housing facilities to make “reasonable accommodations” (exceptions) in their rules, policies, and operations to give people with disabilities equal housing opportunities. For example, a landlord with a "no pets" policy may be required to grant an exception to this rule and allow an individual who is blind to keep a guide dog in the residence. The Fair Housing Act also requires landlords to allow tenants with
disabilities to make reasonable access-related modifications to their private living space, as well as to common use spaces, at the tenant’s own expense. Finally, the Act requires that new multi-family housing with four or more units be designed and built to allow access for persons with disabilities. This includes accessible common use areas, doors that are wide enough for wheelchairs, kitchens and bathrooms that allow a person using a wheelchair to maneuver, and other adaptable features within the units.

HUD Final Rule on Equal Access to Housing in HUD Programs

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

2. California Laws

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

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

The following categories are protected by FEHA:

- Race or color
- Ancestry or national origin
- Sex
- Marital status
- Source of income
- Sexual orientation
- Familial status (households with children under 18 years of age)
- Religion
- Mental/physical disability
- Medical condition
- Age

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

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

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

And, finally, California Civil Code Section 1940.3 prohibits landlords from questioning potential residents about their immigration or citizenship status. Landlords in most states are free to inquire about a potential tenant’s immigration status and to reject applicants who are in the United States illegally.¹ In addition, this law forbids local jurisdictions from passing laws that direct landlords to make inquiries about a person’s citizenship or immigration status.

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

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

3. Fair Housing Defined

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

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

Housing Issues, Affordability, and Fair Housing

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

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

4. Fair Housing Impediments

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

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

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

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

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

C. Purpose of Report

This Analysis of Impediments (AI) to Fair Housing Choice provides an overview of laws, regulations, conditions, and other possible obstacles that may affect an individual’s or household’s access to housing in Alhambra. The AI includes:

- A comprehensive review of Alhambra’s laws, regulations, and administrative policies, procedures, and practices, and an assessment of how they affect the location, availability, and accessibility of housing; and
- An assessment of conditions, both public and private, affecting fair housing choice.

The scope of analysis and the format used for this AI adhere to recommendations contained in the Fair Housing Planning Guide developed by HUD.
D. Organization of Report

The AI is divided into six chapters:

Chapter 1: Introduction - Defines “fair housing” and explains the purpose of this report.

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

Chapter 3: Lending Practices - Analyzes private activities that may impede fair housing in Alhambra.

Chapter 4: Public Policies and Practices - Evaluates various public policies and actions that may impede fair housing choice in Alhambra.

Chapter 5: Fair Housing Practices - Evaluates the fair housing services available to residents and identifies fair housing complaints and violations in Alhambra.

Chapter 6: Progress since Last AI - Reviews the City’s progress in mitigating the impediments identified in the previous AI.

Chapter 7: Fair Housing Action Plan - Provides conclusions and recommendations about fair housing issues in Alhambra.

At the end of this report, a signature page includes the signature of the City Manager and a statement certifying that the AI represents Alhambra’s official conclusions regarding impediments to fair housing choice and the actions necessary to address identified impediments.

E. Data Sources

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

- Census data (1990-2010) and American Community Surveys\(^2\)
- City of Alhambra General Plan
- City of Alhambra Zoning Code
- Home Mortgage Disclosure Act (HMDA) data regarding lending patterns in 2011
- Dataquick housing sales activity data
- Metropolitan Transportation Authority (Metro) bus routes
- 2010-2015 Alhambra Consolidated Plan

\(^2\) The 2010 Census no longer provides detailed demographic or housing data through the “long form”. Instead, the Census Bureau conducts a series of American Community Surveys (ACS) to collect detailed data. The ACS surveys different variables at different schedules (e.g. every year, every three years, or every five years) depending on the size of the community. Multiple sets of ACS data are required to compile the data for Alhambra in this report.
F. Public Participation

This AI Report has been developed to provide an overview of laws, regulations, conditions, or other possible obstacles that may affect an individual’s or a household’s access to housing. As part of this effort, the report incorporates the issues and concerns of residents, housing professionals, and service providers. To assure the report responds to community needs, development of the AI includes a community outreach program consisting of a public workshop and a meeting of the City Council.

1. Public Meeting

Alhambra residents and public and private agencies either directly or indirectly involved with fair housing issues in Alhambra were invited to attend a public meeting before the Housing and Community Development Citizen Advisory Committee (HCDA) on March 5, 2013 at 7:00 p.m. at City Hall, 111 South First Street, Alhambra, CA. The meeting provided the opportunity for the Alhambra community to gain awareness of fair housing laws, and for resident and service agencies to share fair housing issues and concerns. To ensure that the fair housing concerns of low- and moderate-income and special needs residents were addressed, individual invitation letters were distributed via mail, fax, and email if available, to agencies and organizations that serve the low- and moderate-income and special needs community. Assisted housing developments in the City were also included in the list as these developments serve low-income seniors. Agencies and organizations included in the invitations were:

- Housing Rights Center
- Joslyn Senior Center - City Of Alhambra
- Ability First/East Los Angeles Center
- Eastern Los Angeles Regional Center
- Merci: Mentally & Educationally Retarded Citizens Incorporated
- Family Resource Center
- Esperanza Charities, Inc.
- Los Angeles County Public Social Services - San Gabriel Valley District
- People for People
- Asian American Christian Counseling
- Asian Pacific Family Center (APFC)
- Inter-Cultural Social and Education Services, Inc. (ISESI)
- Center for Aging Resources Heritage Clinic-Pasadena
- Los Angeles County Department of Health Services - Public Health Alcohol & Drug Program Administration
- Catholic Charities-San Gabriel Valley Region
- Lutheran Social Services of Southern California
- Santa Anita Family Service
- Burke Manor (Senior Housing)
- Plaza on Main (Senior Housing)
- TELACU Las Palmas Manor (Senior Housing)
- Wysong Plaza (Senior Housing)
- Alhambra Convalescent Home (Nursing Home)
- Atherton Baptist Homes (Senior Housing/Assisted Living)
- The Alhambra Retirement Community (Assisted Living/Nursing Home)
- Marguerite Gardens (A California P.E.O. Home)
- Summerville at Alhambra (Senior Housing/Assisted Living)
- Scripps Kensington (Senior Housing/Assisted Living/Nursing Home)
One resident attended the workshop on March 5, 2013 and provided comments on fair housing issues in Alhambra. Comments received are summarized in Appendix A.

2. Public Review

During a 30-day public review period (April 5 through May 6, 2013), the draft AI document was made available at the following locations:

- Alhambra City Hall (111 South First Street, Alhambra, CA)
- Alhambra Public Library (101 South First Street, Alhambra, CA)
- Alhambra City website at www.cityofalhambra.org


One written letter was received by the City regarding the draft AI. The comments and the City’s response are provided in Appendix A.
Chapter 2: Community Profile

A key fair housing goal is to foster an inclusive environment, where all people have the opportunity to find adequate and suitable housing. This chapter provides an overview of Alhambra’s residents and housing stock, including population, economic, and housing trends which help to identify housing needs specific to Alhambra. This overview will provide the context for discussing and evaluating fair housing in the following chapters.

A. Demographic Profile

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

1. Population Growth

Incorporated in 1903, Alhambra experienced its first major growth period during the 1920s, when total population grew more than three-fold from 9,000 to 29,000 residents. Between 1950 and 1980, the City’s population growth was slow but stable. In the 1980s, however, the City experienced another growth spurt, as the population increased by almost 27 percent to 82,000 residents. Population growth has slowed significantly since 1990, increasing by just five percent between 1990 and 2010 (3,698 residents).

According to the Census, Alhambra’s population was 83,809 persons in 2010, representing a decline of three percent since 2000. Population growth in the region was limited overall during the 2000s, during which the nearby cities of El Monte and Glendale also experienced a decline in population (of two percent each), as did San Gabriel (less than one percent). Growth in the region was minimal with Pasadena growing by two percent and only three percent growth in the County overall (Table 1).

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1990-2000</td>
<td>2000-2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alhambra</td>
<td>82,106</td>
<td>85,804</td>
<td>83,089</td>
<td>4.50%</td>
</tr>
<tr>
<td>El Monte</td>
<td>106,209</td>
<td>115,965</td>
<td>113,475</td>
<td>9.19%</td>
</tr>
<tr>
<td>Glendale</td>
<td>180,038</td>
<td>194,973</td>
<td>191,719</td>
<td>8.30%</td>
</tr>
<tr>
<td>Monterey Park</td>
<td>60,738</td>
<td>60,051</td>
<td>60,265</td>
<td>-1.13%</td>
</tr>
<tr>
<td>Pasadena</td>
<td>131,591</td>
<td>133,936</td>
<td>137,122</td>
<td>1.78%</td>
</tr>
<tr>
<td>San Gabriel</td>
<td>37,120</td>
<td>39,804</td>
<td>39,718</td>
<td>7.23%</td>
</tr>
<tr>
<td>Los Angeles County</td>
<td>8,863,164</td>
<td>9,519,338</td>
<td>9,818,605</td>
<td>7.40%</td>
</tr>
</tbody>
</table>

Table 1: Population Growth

2. Age Characteristics

Housing demand is affected by the age characteristics of a community, among other factors. Traditionally, young adults prefer apartments, condominiums, and smaller single-family homes that are affordable. Middle-age adults typically prefer larger homes as they begin to raise families. However, as children leave home, seniors often prefer smaller, moderate-cost condominiums and single-family homes with less extensive maintenance needs. In recent years, the escalating housing prices in Southern California have meant that many young families find it increasingly difficult to find adequately-sized homes at affordable prices.

Age and fair housing intersect when managers or property owners make housing decisions based on the age of residents. For example, managers and property owners may prefer to rent to mature residents, limit the number of children in their complex, or discourage older residents due to their disabilities. While a housing provider may establish reasonable occupancy limits and set reasonable rules about the behavior of tenants, those rules cannot single out children for restrictions that do not apply also to adults.

Table 2 shows the age characteristics of Alhambra residents since 1990. The Census data indicates that the Alhambra population is aging. Between 1990 and 2010, the percentage of residents above age 35 increased while the percentage of children and young adults decreased. The median age in Alhambra was 39.3 years old, according to the 2010 Census, a notable increase compared to a median age of 35 years recorded by the 2000 Census.

<table>
<thead>
<tr>
<th>Age Group (years)</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent of Total</td>
<td>Number</td>
</tr>
<tr>
<td>&lt;5</td>
<td>5,863</td>
<td>7.1%</td>
<td>5,350</td>
</tr>
<tr>
<td>5-14</td>
<td>9,687</td>
<td>11.8%</td>
<td>10,687</td>
</tr>
<tr>
<td>15-24</td>
<td>13,262</td>
<td>16.2%</td>
<td>11,462</td>
</tr>
<tr>
<td>25-34</td>
<td>17,230</td>
<td>21.0%</td>
<td>15,435</td>
</tr>
<tr>
<td>35-44</td>
<td>12,285</td>
<td>15.0%</td>
<td>13,766</td>
</tr>
<tr>
<td>45-54</td>
<td>7,129</td>
<td>8.7%</td>
<td>11,043</td>
</tr>
<tr>
<td>55-64</td>
<td>6,003</td>
<td>7.3%</td>
<td>6,745</td>
</tr>
<tr>
<td>65+</td>
<td>10,647</td>
<td>13.0%</td>
<td>11,316</td>
</tr>
<tr>
<td>Total</td>
<td>82,106</td>
<td>100.0%</td>
<td>85,804</td>
</tr>
</tbody>
</table>


3. Race and Ethnic Characteristics

Between 1990 and 2010, the racial and ethnic makeup of the City’s residents changed significantly. Most notable among the changes was the increase in Alhambra’s Asian population. In 1990, Asians and Hispanics were equally represented in the City (at just over 35 percent each). By 2010, the proportion of Asian residents had increased substantially to 53 percent of the population. Asians are now the most predominant racial/ethnic group in the City (Table 3).
Table 3: Race and Ethnicity

<table>
<thead>
<tr>
<th>Race</th>
<th>1990 Number</th>
<th>Percent of Total</th>
<th>2000 Number</th>
<th>Percent of Total</th>
<th>2010 Number</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>30,715</td>
<td>37.4%</td>
<td>40,328</td>
<td>47.0%</td>
<td>43,614</td>
<td>52.5%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>29,626</td>
<td>36.1%</td>
<td>30,453</td>
<td>35.5%</td>
<td>28,582</td>
<td>34.4%</td>
</tr>
<tr>
<td>White</td>
<td>19,924</td>
<td>24.3%</td>
<td>11,881</td>
<td>13.8%</td>
<td>8,346</td>
<td>10.0%</td>
</tr>
<tr>
<td>African American</td>
<td>1,482</td>
<td>1.8%</td>
<td>1,255</td>
<td>1.5%</td>
<td>1,078</td>
<td>1.3%</td>
</tr>
<tr>
<td>Other</td>
<td>359</td>
<td>0.4%</td>
<td>1,887</td>
<td>2.2%</td>
<td>1,469</td>
<td>1.8%</td>
</tr>
<tr>
<td>Total</td>
<td>82,106</td>
<td>100.0%</td>
<td>85,804</td>
<td>100.0%</td>
<td>83,089</td>
<td>100.0%</td>
</tr>
</tbody>
</table>


Much of the growth in Alhambra is attributable to immigration. Between 1990 and 2011, the foreign-born population increased from approximately 39,000 to 44,175, representing more than half of the City’s population.³ Foreign-born residents may have difficulty accessing housing due to language barriers or foreign-born landlords advertise vacancies only in their native languages.

Areas of Minority Concentration

A concentration is defined as a Census block group with above the countywide average of a particular racial/ethnic group. However, Asians are a majority group in the City of Alhambra and are distributed throughout the City. Every block group in the City had above the countywide average of Asian residents (13.5 percent).

Figure 1 illustrates the concentration of Hispanic residents by Census block group. Concentrations of Hispanic residents are at the western end of the City, west of Fremont Avenue.

No concentration of White or African American populations exists in the City.

Figure 1: Concentrations of Hispanic Population
**Linguistic Isolation**

Reflective of the demographics in the City, 74 percent of all Alhambra residents speak languages other than English at home, and 51 percent speak English “less than very well.”

<table>
<thead>
<tr>
<th>Language Ability</th>
<th>Asian and Pacific Islander</th>
<th>Spanish or Spanish Creole</th>
<th>Other Indo-European</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>Speak English “very well”</td>
<td>13,624</td>
<td>36.6%</td>
<td>13,652</td>
<td>69.8%</td>
</tr>
<tr>
<td>Speak English less than “very well”</td>
<td>23,599</td>
<td>63.4%</td>
<td>5,907</td>
<td>30.2%</td>
</tr>
<tr>
<td>Total</td>
<td>37,223</td>
<td>100.0%</td>
<td>19,559</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: American Community Survey 2006-2010.

Linguistic isolation is more severe among Asians than among Hispanics. Approximately 25 percent of Alhambra residents speak Spanish at home, of which 30 percent speak English “less than very well.” In comparison, 47 percent of Alhambra residents speak Asian languages at home. Approximately 63 percent of residents who speak Asian languages at home speak English “less than very well”.

**Figure 2: Language Spoken at Home**

Source: American Community Survey 2006-2010.
B. Household Profile

Information on household characteristics aids in understanding changing housing needs. The Bureau of the Census defines a household as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood, and unrelated individuals living together. Various household characteristics may affect equal access to housing, including household type and size, income level, and the presence of persons with special needs.

1. Household Composition and Size

Different household types generally have different housing needs. Seniors or young adults typically comprise a majority of single-person households and tend to reside in apartment units, condominiums or smaller single-family homes. Families, meanwhile, often prefer single-family homes. Household size can be an indicator of changes in population or use of housing. An increase in household size can indicate a greater number of large families or a trend toward overcrowded housing units. A decrease in household size, on the other hand, may reflect a greater number of elderly or single-person households or a decrease in family size. Household composition and size are often two interrelated factors. Communities that have a large proportion of families with children tend to have a larger average household size. Such communities have a greater need for larger units with adequate open space and recreational opportunities for children.

The 2010 Census reported 29,217 households in Alhambra, a minimal increase of less than one percent since 2000. Between 2000 and 2010, household composition in the City remained essentially unchanged, with only the proportion of “other” households experiencing a significant increase (14 percent). Family households remained the predominant household type, accounting for more than 71 percent of all households.

<table>
<thead>
<tr>
<th>Household Type</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>Percent Change in Households</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>Total Households</td>
<td>27,839</td>
<td>100%</td>
<td>29,111</td>
<td>100%</td>
</tr>
<tr>
<td>Families</td>
<td>19,328</td>
<td>69%</td>
<td>20,669</td>
<td>71%</td>
</tr>
<tr>
<td>Singles</td>
<td>6,529</td>
<td>23%</td>
<td>6,562</td>
<td>23%</td>
</tr>
<tr>
<td>Other</td>
<td>1,982</td>
<td>7%</td>
<td>1,880</td>
<td>6%</td>
</tr>
<tr>
<td>Average Household Size</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Family Size</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Between 2000 and 2010, the average household size decreased slightly, from 2.88 to 2.82, as did the average family size in the City, from 3.41 to 3.30. These decreases were consistent with the decrease in overall population. Average household and family size in the City are slightly smaller than for Los Angeles County as a whole, which had an average household size of 2.98 and an average family size of 3.58 in 2010.
C. Income Profile

Household income is the most important factor determining a household’s ability to balance housing costs with other basic life necessities. A stable income is the means by which most individuals and families finance current consumption and make provision for the future through saving and investment. The level of cash income can be used as an indicator of the standard of living for most of the population.

Households with lower incomes are limited in their ability to balance housing costs with other needs and often the ability to find housing of adequate size. While economic factors that affect a household’s housing choice are not a fair housing issue per se, the relationships among household income, household type, race/ethnicity, and other factors often create misconceptions and biases that raise fair housing concerns.

For purposes of most housing and community development activities, HUD has established the four income categories based on the Area Median Income (AMI) for the Metropolitan Statistical Area (MSA). HUD income definitions differ from the State of California income definitions. Table 6 compares the HUD and State income categories. This AI report is a HUD-mandated study and therefore HUD income definitions are used. For other housing documents of the City, the State income definitions may be used, depending on the housing programs and funding sources in question.

Table 6: Income Categories

<table>
<thead>
<tr>
<th>HUD Definition</th>
<th>State of California Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Low-Income</td>
<td>Extremely Low-Income Less than 30% of AMI</td>
</tr>
<tr>
<td>Low-Income</td>
<td>Very Low-Income 31-50% of AMI</td>
</tr>
<tr>
<td>Moderate-Income</td>
<td>Low-Income 51-80% of AMI</td>
</tr>
<tr>
<td>Middle/Upper-Income</td>
<td>Moderate-Income 81-120% of AMI</td>
</tr>
<tr>
<td>Above Moderate-Income</td>
<td>Greater than 120% of AMI</td>
</tr>
</tbody>
</table>

Source: Department of Housing and Urban Development and California Department of Housing and Community Development, 2013.

1. Median Household Income

According to the 2006-2010 American Community Survey (ACS), Alhambra households had a median income of $51,527. Table 7 displays median household income in the City and Los Angeles County, as recorded by the 2000 Census and the 2006-2010 ACS. Overall, the median household income in County as a whole was higher than in the City. Both the City and the County experienced significant increases in median income between 2000 and 2010 and both at similar rates.
Table 7: Median Household Income (2000-2010)

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Median Household Income</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2000</td>
<td>2006-2010</td>
</tr>
<tr>
<td>Alhambra</td>
<td>$39,213</td>
<td>$51,527</td>
</tr>
<tr>
<td>Los Angeles County</td>
<td>$42,819</td>
<td>$55,476</td>
</tr>
</tbody>
</table>


2. Income Distribution

HUD periodically receives "custom tabulations" of Census data from the U.S. Census Bureau that are largely not available through standard Census products. The most recent estimates are derived from the 2005-2009 ACS Five-Year Estimates. These data, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low income households. The CHAS cross-tabulates the Census data to reveal household income in a community in relation to the AMI. As defined by CHAS, housing problems include:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; and
- Severe housing cost burden, including utilities, exceeding 50 percent of gross income.

According to the CHAS data in Table 8, 29 percent of Alhambra households were within the extremely low-income (30 percent AMI) and low-income (50 percent AMI) categories and 20 percent were within the moderate-income (80 percent AMI) category. The majority of Alhambra households (51 percent) were within the middle/upper-income category (greater than 80 percent AMI). Proportions of households by income category were similar in the County as a whole.

Table 8: Income Distribution (2005-2009)

<table>
<thead>
<tr>
<th>City/Area</th>
<th>Total Households</th>
<th>% Extremely Low Income</th>
<th>% Low Income</th>
<th>% Moderate Income</th>
<th>% Middle/ Upper Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alhambra</td>
<td>29,090</td>
<td>15.2%</td>
<td>13.9%</td>
<td>20.3%</td>
<td>50.6%</td>
</tr>
<tr>
<td>Los Angeles County</td>
<td>3,178,275</td>
<td>16.7%</td>
<td>14.2%</td>
<td>17.7%</td>
<td>51.4%</td>
</tr>
</tbody>
</table>

Note: Data presented in this table is based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100% count due to the need to extrapolate sample data out to total households. Interpretations of this data should focus on the proportion of households in need of assistance rather than on precise numbers.


3. Household Income by Household Type

Household income often varies by household type. As shown, in Table 9, elderly households had the highest proportion of extremely low-income households, at 29 percent. Elderly households also had the highest proportion of households that earned less than 80 percent of the AMI (65 percent). This is of particular concern to the City because of Alhambra’s increasing senior population.
Table 9: Housing Assistance Needs of Low and Moderate Income Households (2005-2009)

<table>
<thead>
<tr>
<th>Household by Type, Income, and Housing Problem</th>
<th>Renters</th>
<th>Owners</th>
<th>Total Households</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Elderly</td>
<td>Small Families</td>
<td>Large Families</td>
</tr>
<tr>
<td>Extremely Low Income (0-30% AMI)</td>
<td>930</td>
<td>1,420</td>
<td>140</td>
</tr>
<tr>
<td># With Housing Problems</td>
<td>635</td>
<td>1,350</td>
<td>140</td>
</tr>
<tr>
<td>% With Housing Problems</td>
<td>68%</td>
<td>95%</td>
<td>100%</td>
</tr>
<tr>
<td>Low Income (31-50% AMI)</td>
<td>560</td>
<td>1,630</td>
<td>150</td>
</tr>
<tr>
<td># With Housing Problems</td>
<td>505</td>
<td>1,480</td>
<td>130</td>
</tr>
<tr>
<td>% With Housing Problems</td>
<td>90%</td>
<td>91%</td>
<td>87%</td>
</tr>
<tr>
<td>Moderate Income (51-80% AMI)</td>
<td>405</td>
<td>2,005</td>
<td>345</td>
</tr>
<tr>
<td># With Housing Problems</td>
<td>265</td>
<td>1,280</td>
<td>295</td>
</tr>
<tr>
<td>% With Housing Problems</td>
<td>65%</td>
<td>64%</td>
<td>86%</td>
</tr>
<tr>
<td>Middle/Upper Income (80%+ AMI)</td>
<td>525</td>
<td>3,110</td>
<td>625</td>
</tr>
<tr>
<td># With Housing Problems</td>
<td>30</td>
<td>695</td>
<td>365</td>
</tr>
<tr>
<td>% With Housing Problems</td>
<td>6%</td>
<td>22%</td>
<td>58%</td>
</tr>
<tr>
<td>Total Households</td>
<td>2,420</td>
<td>8,165</td>
<td>1,260</td>
</tr>
<tr>
<td># With Housing Problems</td>
<td>1,435</td>
<td>4,805</td>
<td>930</td>
</tr>
<tr>
<td>% With Housing Problems</td>
<td>59%</td>
<td>59%</td>
<td>74%</td>
</tr>
</tbody>
</table>

Note: Data presented in this table is based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100% count due to the need to extrapolate sample data out to total households. Interpretations of this data should focus on the proportion of households in need of assistance rather than on precise numbers.

4. Income Distribution by Race/Ethnicity

Race/ethnicity is also a characteristic that often is related to housing need. This is because different race/ethnic groups may earn different incomes. Overall, middle/upper income households comprised approximately 51 percent of all households in Alhambra from 2005-2009 (Table 10). However, certain groups had higher proportions of low and moderate income households. At 54 percent, Asian households had a higher percentage of low and moderate income households, compared to 49 percent of all households. Since Asian households now make up a majority of the City’s total households, this discrepancy may be of concern to the City.

Table 10: Income by Race/Ethnicity (2005-2009)

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Total HHs</th>
<th>Non-Hispanic White</th>
<th>Hispanic or Latino</th>
<th>Black or African American</th>
<th>Asian</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HHs</td>
<td>Percent</td>
<td>HHs</td>
<td>Percent</td>
<td>HHs</td>
</tr>
<tr>
<td>Extremely Low</td>
<td>15.2%</td>
<td>495</td>
<td>1,100</td>
<td>11.3%</td>
<td>30</td>
</tr>
<tr>
<td>Low</td>
<td>14.0%</td>
<td>480</td>
<td>1,250</td>
<td>12.8%</td>
<td>50</td>
</tr>
<tr>
<td>Moderate</td>
<td>20.1%</td>
<td>730</td>
<td>2,255</td>
<td>23.2%</td>
<td>105</td>
</tr>
<tr>
<td>Middle/Upper</td>
<td>50.7%</td>
<td>2,620</td>
<td>5,130</td>
<td>52.7%</td>
<td>265</td>
</tr>
<tr>
<td>Total Households</td>
<td>28,640</td>
<td>4,325</td>
<td>9,735</td>
<td>100.0%</td>
<td>450</td>
</tr>
</tbody>
</table>


5. Concentrations of Low and Moderate Income Population

HUD defines a Low and Moderate Income area as a census tract or block group where over 51 percent of the population is Low and Moderate Income. Figure 3 identifies the low and moderate income areas in the City by census block group. A low and moderate income area is defined as a census block group with 51 percent or more low and moderate income persons. As shown in Figure 3, low- and moderate-income residents are generally located in the central area of the City, along with two block groups in the southeast part of the City.
Figure 3: Concentration of Low and Moderate Income Population
D. Special Needs Households

Certain households, because of their special characteristics and needs, may require special accommodations and may have difficulty finding housing due to special needs. Special needs groups include seniors, persons with disabilities, persons with HIV/AIDS, families with children, single-parent households, large households, homeless persons and persons at-risk of homelessness, and farm workers.

1. Seniors

Seniors (persons age 65 and above) are gradually becoming a more substantial segment of a community's population. Elderly households are vulnerable to housing problems and housing discrimination due to limited income, prevalence of physical or mental disabilities, limited mobility, and high health care costs. The elderly, and particularly those with disabilities, may face increased difficulty in finding housing accommodations, and may become victims of housing discrimination or fraud.

According to 2010 Census data, an estimated 29 percent of households in the City had at least one individual who was 65 years of age or older (Table 9). Countywide, about 24 percent of households had at least one senior member.

According to the 2010 Census, 14 percent of all residents in the City were ages 65 and over, while in the County residents of the same age group represented only 11 percent of the total population (Table 11). According to CHAS data, approximately 65 percent of elderly households in the City had low and moderate incomes, while the County had a slightly lower proportion of elderly households with lower and moderate incomes (60 percent) (Table 11). Furthermore, 41 percent of all elderly households in the City experienced housing problems such as cost burden or substandard housing. Housing problems were significantly more prevalent among elderly renter-households than elderly owner-households in both the City and the County.

<table>
<thead>
<tr>
<th>Area</th>
<th>% of Population</th>
<th>With a Disability</th>
<th>Low/Moderate Income Households</th>
<th>Households with Housing Problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alhambra</td>
<td>14.3%</td>
<td>36.4%</td>
<td>65.4%</td>
<td>41.4%</td>
</tr>
<tr>
<td>Los Angeles County</td>
<td>10.9%</td>
<td>38.6%</td>
<td>60.4%</td>
<td>45.5%</td>
</tr>
</tbody>
</table>

Sources: Bureau of the Census, 2010; American Community Survey, 2009-2011; and HUD Comprehensive Housing Affordability Strategy (CHAS), based on 2005-2009 ACS.

Resources

The Community Services Senior Division offers a variety of programs and activities for adults age 60 and over, including recreation, social services, nutrition and transportation. As a designated Focal Point by the Los Angeles County Area Agency on Aging for the Southwest San Gabriel Valley Community Services Area, the Joslyn Center (located at 210 N. Chapel Avenue) serves as a central access point for information and services to assist Alhambra seniors and their family members.

Among the services offered by the City at the Joslyn Center, the Case Management Project offers comprehensive services to help senior residents live independently and safely in their
homes for as long as possible. Services include referrals (medical, counseling and mental health; free legal consultations with an elder law attorney related to wills, trusts, probate and other estate planning matters; in-home services; transportation; caregiver resources, nutritional referrals, etc.). Residents can also benefit from various food related programs at the Center, including group grocery runs, a home-delivered meals program, and a weekday senior nutrition lunch program.

The City maintains a calendar of monthly outings and activities available to residents on its website and also makes available the Senior Scene newsletter at the Joselyn Center, which highlights programs, services and activities offered by the City. A complete listing of additional resources for the City’s seniors can be found online at:

http://www.cityofalhambra.org/government/parks_recreation/senior_services/index.html

Various housing opportunities are also available to the City’s senior residents, including:

- Burke Manor: 15 N. 3rd St.
- Plaza on Main: 333 W. Main St.
- Telecu Las Palmas Manor: 89 S. Chapel Ave.
- Wysong Plaza: 111 N. Chapel Ave.
- La Valencia Senior Apartments: 51 N. Valencia St.
- Woodward Manor: 200 N. Fifth St.

In addition to the senior housing developments above, seniors in the City are also served by a number of licensed residential care facilities. Figure 7 on page 43 illustrates the location of licensed residential care facilities located in Alhambra, including all adult and child care related facilities. As shown, the City has eight residential care facilities for the elderly; these facilities have the capacity to serve 761 persons. Four adult day care facilities with a capacity to serve 190 persons and six adult residential facilities with a capacity to serve 24 persons are also located in the City.

2. Persons with Disabilities

The Americans with Disabilities Act (ADA) defines a disability as a “physical or mental impairment that substantially limits one or more major life activities.” Fair housing choice for persons with disabilities can be compromised based on the nature of their disability. Persons with physical disabilities may face discrimination in the housing market because of the use of wheelchairs, need for home modifications to improve accessibility, or other forms of assistance. Landlords/owners sometimes fear that a unit may sustain wheelchair damage or may refuse to exempt disabled tenants with service/guide animals from a no-pet policy. A major barrier to housing for people with mental disabilities is opposition based on the stigma of mental disability. Landlords often refuse to rent to tenants with a history of mental illness. Neighbors may object when a house becomes a group home for persons with mental disabilities. While housing discrimination is not covered by the ADA, the Fair Housing Act prohibits housing discrimination against persons with disabilities, including persons with HIV/AIDS.

According to the 2009-2011 ACS, approximately nine percent of the population in both the City and County has one or more disabilities (Table 12). Special housing needs for persons with disabilities fall into two general categories: physical design to address mobility impairments and in-home social, educational, and medical support to address developmental and mental impairments. Among persons living with disabilities in Alhambra, ambulatory disabilities were
most prevalent (60 percent), followed by independent living disabilities (53 percent), and
cognitive disabilities (38 percent).

Table 12: Persons with Disabilities Profile (2009-2011)

<table>
<thead>
<tr>
<th>Area</th>
<th>% of Population</th>
<th>Hearing Disability</th>
<th>Vision Disability</th>
<th>Cognitive Disability</th>
<th>Ambulatory Disability</th>
<th>Self-Care Disability</th>
<th>Independent Living Disability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alhambra</td>
<td>8.8%</td>
<td>33.4%</td>
<td>19.8%</td>
<td>38.4%</td>
<td>60.3%</td>
<td>30.2%</td>
<td>52.9%</td>
</tr>
<tr>
<td>Los Angeles County</td>
<td>9.3%</td>
<td>26.5%</td>
<td>20.0%</td>
<td>38.3%</td>
<td>56.4%</td>
<td>27.9%</td>
<td>43.4%</td>
</tr>
</tbody>
</table>


Persons with Developmental Disabilities

State housing law identifies persons with developmental disabilities as a special needs group. As defined by federal law, “developmental disability” means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self-sufficiency;
- Reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census does not record developmental disabilities. According to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent. This equates to 1,246 persons in Alhambra with developmental disabilities, based on the 2010 Census population.

According to the State’s Department of Developmental Services, as of November 2012, approximately 689 Alhambra residents with developmental disabilities were being assisted at the Developmental Center and Regional Center. Most of these individuals were residing in a private home with their parent of guardian and 294 of these persons with developmental disabilities were under the age of 18.

Resources

From a housing perspective, there are several different housing needs of disabled persons. For those disabled with a developmental or mental disability, one of the most significant problems is securing affordable housing that meets their specialized needs. Housing needs can range from institutional care facilities to facilities that support partial or full independence (such as group care homes). Supportive services such as daily living skills and employment assistance need to be integrated into the housing situation also. The disabled person with a mobility limitation
requires housing that is physically accessible. Examples of accessibility in housing include widened doorways and hallways, ramps leading to doorways, modifications to bathrooms and kitchens (lowered countertops, grab bars, adjustable shower heads, etc.) and special sensory devices (smoke alarms, flashing lights, etc.).

To help meet the needs of the disabled population, the City has a number of residential care facilities that provide supportive services to persons with disabilities. According to the California Department of Social Services, Community Care Licensing Division, there are four adult day care facilities, six adult residential facilities, and eight residential care facilities for the elderly located in Alhambra. The location of these facilities can be found in Figure 7 on page 43. The adult day care facilities have the capacity to serve 190 persons, the residential care facilities have the capacity to serve 24 persons, and the residential care facilities for the elderly have the capacity to serve 761 persons.

The Alhambra Zoning Ordinance defines a residential care facility as “any family home or group care facility for 24-hour non-medical 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 individuals, excluding jails and other detention facilities.” Alhambra permits community care facilities for six or fewer persons by right in all residential zones and conditionally in commercial zones. The City conditionally allows facilities serving more than six persons in the R-3 and commercial zones.

In addition, the City refers special needs individuals to Mentally and Educationally Retarded Citizens, Inc. (MERCI). MERCI accommodates 50 persons ages 1 to 18, and adults in age-specific programs. The City also refers special needs individuals to the School of Fashion & Design for Developmentally Disabled. The school teaches self-sufficiency skills through craft-making. The crafts and home décor items that are created are sold in the boutique that students operate with supervision.

The Fair Housing Act, as amended in 1988, requires that cities and counties provide reasonable accommodation to rules, policies, practices, and procedures where such accommodation may be necessary to afford individuals with disabilities equal housing opportunities. While fair housing laws intend that all people have equal access to housing, the law also recognizes that people with disabilities may need extra tools to achieve equality. Reasonable accommodation is one of the tools intended to further housing opportunities for people with disabilities. For developers and providers of housing for people with disabilities who are often confronted with siting or use restrictions, reasonable accommodation provides a means of requesting from the local government flexibility in the application of land use, zoning, and building code regulations or, in some instances, even a waiver of certain restrictions or requirements because it is necessary to achieve equal access to housing. Cities and counties are required to consider requests for accommodations related to housing for people with disabilities and provide the accommodation when it is determined to be “reasonable” based on fair housing laws and the case law interpreting the statutes.

The City is in the process of amending the Zoning Ordinance to establish a formal reasonable accommodations procedure. The amendment is expected to be completed by the summer of 2013.
3. **Families with Children**

Families with children often face housing discrimination by landlords who fear that children will cause property damage. Some landlords may also have cultural biases against children of opposite sex sharing a bedroom. Differential treatments such as limiting the number of children in a complex or confining children to a specific location are also fair housing concerns.

According to the 2010 Census, approximately 28 percent of all households in Alhambra have children under the age of 18 and about six percent of total households are female-headed households with children.

**Resources**

A variety of city programs and services are available for children and young adults in the community. Among the programs offered, the City’s Community Services Department manages various after-school youth recreation programs at nine school sites throughout the City. Other programs include various children and teen library activities, homework help, league and recreation sports, youth volunteer opportunities, youth job training and employment opportunities, youth counseling services. The City also maintains a list of daycares and preschools on its website. A complete listing of additional resources for the City’s children and young adults can be found online at:

http://www.cityofalhambra.org/community/YouthPage.html

The City also offers several housing programs that benefit families in Alhambra, including the City’s First-Time Homebuyer Program and Housing Rehabilitation Program.

4. **Single-Parent Households**

Single-parent households often require special consideration and assistance as a result of their greater need for affordable housing, as well as accessible day care, health care, and other supportive services. Due to their relatively lower per-capita income and higher living expenses such as day-care, single-parent households have limited opportunities for finding affordable, decent, and safe housing. In 2010, approximately 2,338 single-parent households resided within Alhambra, representing eight percent of the City’s households.

Single-parent households, especially single mothers, may also be discriminated against in the rental housing market. At times, landlords may be concerned about the ability of such households to make regular rent payments and therefore, may require more stringent credit checks or higher security deposit for women. In 2010, an estimated 1,725 female-headed, single-parent households with children under age 18 lived in the City, representing approximately six percent of all households in the City. The number and proportion of female single-parent households with children has declined slightly since 2000, when Alhambra was home to approximately 2,198 female-headed single-parent households, comprising about seven percent of the population at the time.

Data from the 2006-2010 American Community Survey (ACS) indicates that approximately 14 percent (242 households) of the City’s female-headed households with children had incomes below the poverty level.
Resources

Limited household income constrains the ability of these households to afford adequate housing and provide for childcare, health care, and other necessities. Finding adequate and affordable childcare is also pressing issue for many families with children and single parent households in particular. The City maintains a compressive list of daycares and preschools located in Alhambra on its website, along with referral assistance, youth program details, and child support services located in the City and surrounding areas. A complete listing of additional resources for the City’s childcare and child support services can be found online at:

http://www.cityofalhambra.org/community/child_services.html

5. Large Households

Large households are defined as having five or more members. These households are usually families with two or more children or families with extended family members such as in-laws or grandparents. It can also include multiple families living in one housing unit in order to save on housing costs. Large households are a special needs group because the availability of adequately sized, affordable housing units is often limited. To save for necessities such as food, clothing, and medical care, lower and moderate-income large households may reside in smaller units, resulting in overcrowding. Furthermore, families with children, especially those who are renters, may face discrimination or differential treatment in the housing market. For example, some landlords may charge large households a higher rent or security deposit, limit the number of children in a complex, confine them to a specific location, limit the time children can play outdoors, or choose not to rent to families with children altogether, which would violate fair housing laws.

The 2010 Census reported 4,100 large households in Alhambra, representing approximately 14 percent of all households. Among the City’s large households, 51 percent were renter-households, while 49 percent owned their own home.

Resources

The City’s large households can benefit from programs and services that provide assistance to lower and moderate income households in general, such as the Housing Choice Voucher program, which offers rental assistance to residents. The City’s First-Time Homebuyer Program and Housing Rehabilitation Program may also benefit large households. A list of housing resources is made available to residents through the Housing Division on the City’s website.

6. Homeless Persons

According to HUD, a person is considered homeless if they are not imprisoned and: (1) lack a fixed, regular, and adequate nighttime residence; (2) their primary nighttime residence is a publicly or privately operated shelter designed for temporary living arrangements, or an institution that provides a temporary residence for individuals who should otherwise be institutionalized; or (3) a public or private place not designed for or ordinarily used as a regular sleeping accommodation.

Homeless persons often have a very difficult time finding housing once they have moved from transitional housing or other assistance program. Housing affordability for those who were formerly homeless is challenging from an economics standpoint, but this demographic group
may also encounter fair housing issues when landlords refuse to rent to formerly homeless persons. The perception may be that they are more economically (and sometimes mentally) unstable.

In 2013, LAHSA oversaw a group of volunteers who performed a homeless count in the City in February 2013. According to this count, volunteers found 10 homeless adults, four unaccompanied homeless youth, three cars and one camper that looked as though a homeless individual or individuals were living inside, and two makeshift shelters in the City.

**Resources**

The City of Alhambra recognizes the need for ongoing supportive services and development of affordable housing to prevent homelessness, particularly for extremely low-income households (households making less than 30 percent AMI). The City has cooperative relationships with non-profit organizations, such as the Housing Rights Center, the Los Angeles Homeless Service Authority, and the Greater Pasadena Housing and Homeless Network. Below, in Table 13, is a list of service providers to which homeless persons are referred.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Location</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Images Emergency Shelter</td>
<td>3804 S. Broadway Place Los Angeles</td>
<td>Emergency Shelter</td>
</tr>
<tr>
<td>Midnight Mission</td>
<td>601 S. San Pedro St. Los Angeles</td>
<td>Emergency Shelter</td>
</tr>
<tr>
<td>Covenant House</td>
<td>1325 N. Western Ave. Hollywood</td>
<td>Emergency Shelter serving 18-24 year olds</td>
</tr>
<tr>
<td>Emmanuel Baptist Rescue Mission</td>
<td>530 E. Fifth St. Los Angeles</td>
<td>Emergency Shelter</td>
</tr>
<tr>
<td>Missionary of Charity</td>
<td>10950 California Ave. Lynwood</td>
<td>Emergency Shelter serving pregnant women</td>
</tr>
<tr>
<td>Los Angeles Mission Ann Douglas Center</td>
<td>303 E. Fifth St. Los Angeles</td>
<td>Emergency Shelter Drug/Rehab Services</td>
</tr>
<tr>
<td>Salvation Army Safe Harbor</td>
<td>721 E. Fifth St. Los Angeles</td>
<td>Drug/Alcohol Rehab Services, serving women only</td>
</tr>
<tr>
<td>Harbor Light</td>
<td>809 E. Fifth St. Los Angeles</td>
<td>Drug/Alcohol Rehab Services, serving men only</td>
</tr>
<tr>
<td>Higher Goals</td>
<td>10510 S. Vermont Ave. Los Angeles</td>
<td>Emergency Shelter</td>
</tr>
<tr>
<td>Drug/Alcohol Abuse Referral Center</td>
<td>11411 Valley Blvd. El Monte</td>
<td>Drug/Alcohol Rehab Services</td>
</tr>
</tbody>
</table>

Source: Alhambra Police Department, 2012
7. Persons with HIV/AIDS

Persons with HIV/AIDS face an array of barriers to obtaining and maintaining affordable, stable housing. For persons living with HIV/AIDS, access to safe, affordable housing is as important to their general health and well-being as access to quality health care. For many, the persistent shortage of stable housing can be the primary barrier to consistent medical care and treatment. In addition, persons with HIV/AIDS may also be targets of hate crimes, which are discussed later in this document. Despite federal and state anti-discrimination laws, many people face illegal eviction from their homes when their illness is exposed. Stigmatism associated with their illness and possible sexual orientation can add to the difficulty of obtaining and maintaining housing. The Fair Housing Amendments Act of 1988, which is primarily enforced by HUD, prohibits housing discrimination against persons with disabilities, including persons with HIV/AIDS.

Persons with HIV/AIDS require a broad range of services, including counseling, medical care, in-home care, transportation, and food, in addition to stable housing. Today, persons with HIV/AIDS live longer and require longer provision of services and housing. Stable housing promotes improved health, sobriety, decreased drug abuse, and a return to paid employment and productive social activities resulting in an improved quality of life. Furthermore, stable housing is shown to be cost-effective for the community in that it helps to decrease risk factors that can lead to HIV and AIDS transmission.

According to the 2011 Annual HIV Surveillance Report by the Los Angeles County Public Health Department, Division of HIV and STD Programs/HIV Epidemiology, approximately 113 persons were diagnosed with HIV/AIDS in Alhambra between 2007 and 2011. The 2011 report does not include demographic information for persons living with HIV/AIDS in the City; however, such estimates are available for the San Gabriel Service Planning Area (SPA 3). As of December 31, 2011, the majority of persons living with HIV/AIDS in SPA 3 were male (84 percent), with most persons between the ages of 40-59 (60 percent), and Hispanic (54 percent). National studies have shown that at least 25 percent of people afflicted with severe (i.e. disabling) AIDS will be in need of supportive housing at some time during their illness.

Resources

The Housing Opportunities for Persons with AIDS (HOPWA) program is a federally funded housing program designed to address the specific housing needs of persons living with HIV/AIDS and their families. The Los Angeles Housing Department administers the HOPWA grant for 29 agencies and four housing authorities to provide housing-related supportive services and rental assistance programs to low-income, homeless, and at-risk homeless persons living with HIV/AIDS in Los Angeles County. HOPWA provides funding for emergency, transitional, and permanent housing. The Comprehensive Housing Information & Referrals for People Living with HIV/AIDS (CHIRP/LA) is funded through HOPWA and provides a housing information and referral service for people living with HIV/AIDS in Los Angeles County.

The Division of HIV and STD Programs (DHSP) coordinates the overall response to HIV/AIDS in Los Angeles County in collaboration with community-based organizations, governmental bodies, advocates and people living with HIV/AIDS. DHSP’s main funding sources come from the Health Resources and Services Administration (HRSA), the Centers for Disease Control and Prevention (CDC), the State of California Office of AIDS, and the Los Angeles County general funds. Several other funding sources support special projects or research studies. These include funding from Substance Abuse and Mental Health Services Administration (SAMHSA), National
Institutes of Health (NIH), and California HIV/AIDS Research Program (CHRP). DHSP utilizes these fiscal resources to manage over 200 contracts within a network of more than 100 community-based organizations and County departments in an effort to maximize access to quality services for people living with HIV/AIDS.

The Division of HIV and STD Programs, Los Angeles County Department of Public Health, HIV Care and Treatment Service Utilization: 2010 Year End Report, published in March 2012 identifies the following additional housing assistance programs and related services for persons living with HIV/AIDS and their families:

- **Core Medical Services**: medical outpatient services; medical specialty; oral health care; mental health, psychiatry; mental health, psychotherapy, case management, medical; hospice and skilled nursing services; early intervention services; substance abuse treatment; ADAP enrollment; and case management, home-based services.

- **Support services**: case management, psychological; substance abuse, residential; nutrition support; residential, transitional; medical transportation; language services; case management, transitional; and benefits specialty.

### E. Housing Profile

A discussion of fair housing choice must be preceded by an assessment of the housing market. A diverse housing stock that includes a mix of conventional and specialized housing helps ensure that all households, regardless of their income level, age group, and familial status, have the opportunity to find suitable housing. This section provides an overview of the characteristics of the local and regional housing markets.

The Census Bureau defines a housing unit as a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or, if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall.

### 1. Housing Growth

Housing growth in Alhambra has been similar to other cities in the San Gabriel Valley, but is generally lower than Los Angeles County as a whole due to the City's built-out character. Housing growth slowed in recent years because of the limited amount of available vacant land in the City. In addition, the economic recession drastically inhibited housing growth in Alhambra. With few remaining vacant sites for housing, the City has added only 846 units since 2000, generally by way of small infill developments.

According to the 2010 Census, Alhambra had 30,915 housing units in 2010, an increase of approximately three percent from 2000. The City's growth rate during this period was comparable to housing growth in Glendale, Monterey Park, and San Gabriel, but slower than residential growth in Pasadena and the County of Los Angeles overall.
### Table 14: Housing Stock Growth

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Alhambra</td>
<td>29,604</td>
<td>30,069</td>
<td>30,915</td>
<td>1.57%</td>
<td>2.81%</td>
</tr>
<tr>
<td>El Monte</td>
<td>27,142</td>
<td>27,758</td>
<td>29,069</td>
<td>2.27%</td>
<td>4.72%</td>
</tr>
<tr>
<td>Glendale</td>
<td>72,114</td>
<td>73,713</td>
<td>76,269</td>
<td>2.22%</td>
<td>3.47%</td>
</tr>
<tr>
<td>Monterey Park</td>
<td>20,298</td>
<td>20,209</td>
<td>20,850</td>
<td>-0.44%</td>
<td>3.17%</td>
</tr>
<tr>
<td>Pasadena</td>
<td>53,032</td>
<td>54,132</td>
<td>59,551</td>
<td>2.07%</td>
<td>10.01%</td>
</tr>
<tr>
<td>San Gabriel</td>
<td>12,736</td>
<td>12,909</td>
<td>13,237</td>
<td>1.36%</td>
<td>2.54%</td>
</tr>
<tr>
<td>Los Angeles County</td>
<td>3,163,310</td>
<td>3,270,909</td>
<td>3,445,076</td>
<td>3.40%</td>
<td>5.32%</td>
</tr>
</tbody>
</table>


### 2. Housing Type

A community’s housing stock is primarily comprised of three categories: single-family dwelling units, multi-family dwelling units, and other types of units such as mobile homes. Single-family homes continue to make up a majority of the City’s housing stock (57 percent). Attached single-family homes (such as townhomes or planned unit developments) in particular are becoming increasingly popular in the community. To a large extent, housing growth in Alhambra and other San Gabriel Valley communities is due to the trend of recycling single-family properties into higher intensity townhome developments. The most common development trend in the City is the demolition of a single-family home and subsequent construction of three or four townhome units on the same site. As shown in Table 15, single-family attached homes now represent over 28 percent of single-family structures in the City and about 13 percent of all housing units.

### Table 15: Housing Characteristics and Trends

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>2000</th>
<th></th>
<th>2010</th>
<th></th>
<th>Percent Change in Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Units</td>
<td>Percent of Total</td>
<td>Number of Units</td>
<td>Percent of Total</td>
<td></td>
</tr>
<tr>
<td>Single-Family Detached</td>
<td>12,770</td>
<td>42.4%</td>
<td>13,605</td>
<td>44.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Single-Family Attached</td>
<td>3,270</td>
<td>10.9%</td>
<td>3,809</td>
<td>12.5%</td>
<td>16.5%</td>
</tr>
<tr>
<td>Total Single-Family</td>
<td>16,040</td>
<td>53.3%</td>
<td>17,414</td>
<td>57.0%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Multi-Family 2-4 Units</td>
<td>3,955</td>
<td>13.1%</td>
<td>3,654</td>
<td>11.9%</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Multi-Family 5+ Units</td>
<td>10,074</td>
<td>33.5%</td>
<td>9,453</td>
<td>31.0%</td>
<td>-6.2%</td>
</tr>
<tr>
<td>Total Multi-Family</td>
<td>14,029</td>
<td>46.6%</td>
<td>13,107</td>
<td>42.9%</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Mobile Homes, Trailer &amp; Other</td>
<td>17</td>
<td>0.1%</td>
<td>30</td>
<td>0.1%</td>
<td>76.5%</td>
</tr>
<tr>
<td>Total</td>
<td>30,086</td>
<td>100.0%</td>
<td>30,551</td>
<td>100.0%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

3. Housing Tenure

Tenure in the housing industry typically refers to the occupancy of a housing unit - whether the unit is owner-occupied or an occupied rental unit. Tenure preferences are primarily related to household income, composition, and ages of the household members; housing cost burden is generally more prevalent among renters than among owners. However, the extremely high costs of homeownership in Southern California also create high levels of housing cost burden among owners. The tenure distribution (owner versus renter) of a community’s housing stock influences several aspects of the local housing market. Tenure choices are primarily related to household income, composition, and age of the householder. Residential mobility is also influenced by tenure, with owner-occupied housing evidencing a much lower turnover rate than rental housing.

According to the 2010 Census, 59 percent of Alhambra households were renters, while 41 percent owned their homes. The number of renter-occupied units decreased two percent between 2000 and 2010, while owner-occupied units increased by four percent. In general, housing discrimination issues are more prevalent in the rental housing market since renters are more likely to be subject to conditions in the housing market that are beyond their control.

Housing vacancy rates - the number of vacant units compared to the total number of units - reveal the housing supply and demand for a city. A certain number of vacant units are needed to moderate the cost of housing, allow sufficient choice for residents and provide an incentive for unit upkeep and repair. Vacancy rates are generally higher among rental properties, as rental units have greater attrition than owner-occupied units. A healthy vacancy rate is one which permits sufficient choice and mobility among a variety of housing units is considered to be two to three percent for ownership units and five to six percent for rental units. Low vacancy rates can indicate a heightened likelihood of housing discrimination as the number of house-seekers increases while the number of available units remains relatively constant. Managers and sellers are then able to choose occupants based on possible biases because the applicant pool is large. The 2010 Census estimates an overall vacancy rate for Alhambra of six percent in 2010, providing a healthy margin to allow for mobility.

Table 16: Housing Tenure

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Occupied</td>
<td>28,239</td>
<td>100%</td>
<td>29,111</td>
<td>100%</td>
<td>29,217</td>
<td>100%</td>
<td>3.1%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>11,463</td>
<td>41%</td>
<td>11,421</td>
<td>39%</td>
<td>11,916</td>
<td>40.8%</td>
<td>-0.4%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>16,776</td>
<td>59%</td>
<td>17,690</td>
<td>61%</td>
<td>17,301</td>
<td>59.2%</td>
<td>5.2%</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Vacancy Rates</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Vacancy</td>
<td>4%</td>
<td></td>
<td>2%</td>
<td></td>
<td>5%</td>
<td></td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Owner Vacancy</td>
<td>2%</td>
<td></td>
<td>1%</td>
<td></td>
<td>1%</td>
<td></td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Overall Vacancy</td>
<td>5%</td>
<td></td>
<td>3%</td>
<td></td>
<td>6%</td>
<td></td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Note: Overall Vacancy Rates include other vacancies in addition to owner/rental, including seasonal, other, and rented or sold but not occupied.
4. Housing Condition

Assessing housing conditions in the City can provide the basis for developing policies and programs to maintain and preserve the quality of the housing stock. Housing age can indicate general housing conditions within a community. Housing is subject to gradual deterioration over time. Deteriorating housing can depress neighboring property values, discourage reinvestment, and eventually impact the quality of life in a neighborhood.

Most residential structures over 30 years of age will require minor repair and modernization improvements, while units over 50 years of age are more likely to require major rehabilitation such as roofing, plumbing, and electrical system repairs. Generally, a housing unit exceeds its useful life after 70 years of age if not properly maintained.

The age of the City’s housing stock, as defined by the year the units were built, is shown in Figure 4. As of 2010, approximately 80 percent of all housing units in the City were built prior to 1979, making the vast majority of housing in Alhambra 30 years old or older. The City was built out rather quickly following its incorporation in 1903 and a significant number of homes in the community may be in need of rehabilitation, based on age alone. Only about nine percent of the units in Alhambra were built after 1990.

Figure 4: Age of Housing Stock

![Age of Housing Stock](chart)


Given the age of the housing stock, and keeping in mind that maintenance can be economically and physically difficult for elderly homeowners, the City offers an array of rehabilitation grants and loans for low- and moderate-income households to maintain their homes. In order to reach a broad range of participants in the program, flyers are distributed in multiple languages.
Substandard Conditions

The City allocates CDBG funds to the Code Enforcement program annually. During the 2011-2012 program year, 3,077 code violations were investigated, of which 585 violations were located in low- and moderate-income areas. Among the violations investigated, 831 were complaints received by the Code Enforcement division, including 128 complaints in areas identified as low- and moderate-income areas. Of all complaints received in the low- and moderate-income areas, 105 (82 percent) were confirmed and the violators were notified. In addition to complaints received, the Code Enforcement staff observed 2,246 code violations in the field. Among these observed violations, 457 violations were located within the low- and moderate-income areas.

In 2012, the Code Enforcement Department estimated that 25 percent of the City’s housing stock needed to be rehabilitated, which translates to approximately 7,729 units based on 2010 Census data. The City’s Housing Division works with Code Enforcement to identify units that need to be upgraded and encourages property owners to apply for City assistance.

Given the racial/ethnic composition of the City population, City programs must be equipped to handle multi-lingual services. Particularly for code enforcement services, residents may feel intimidated if Code Enforcement staff does not provide adequate explanation of the citations and where the residents may obtain assistance. The Code Enforcement Department can provide explanation of available services in multiple languages. The City conducts marketing in multiple languages to reach all segments of the community on its housing programs.

Lead-Based Paint Hazards

Housing age is the key variable used to estimate the number of housing units with lead-based paint (LBP). Starting in 1978, the federal government prohibited the use of LBP on residential property. Housing constructed prior to 1978, however, is at-risk of containing LBP. According to the 2007-2011 ACS, an estimated 24,505 units (representing 80 percent of the housing stock) in the City were constructed prior to 1980.

The potential for housing to contain LBP varies depending on the age of the housing unit. National studies estimate that 75 percent of all residential structures built prior to 1970 contain LBP. Housing built prior to 1940, however, is much more likely to contain LBP (estimated at 90 percent of housing units). About 62 percent of housing units built between 1960 and 1979 are estimated to contain LBP. Table 17 estimates the number of housing units in Alhambra containing LBP utilizing the assumptions outlined above. It should be noted, however, that not all units with LBP present a hazard. Properties most at risk include structures with deteriorated paint, chewable paint surfaces, friction paint surfaces, and deteriorated units with leaky roofs and plumbing.
Table 17: Lead-Based Paint Estimates (2006-2010)

<table>
<thead>
<tr>
<th>Year Built</th>
<th>Percent</th>
<th>Estimated No. of Units with LBP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Units</td>
<td>with LBP</td>
</tr>
<tr>
<td>1960-1979</td>
<td>7,064</td>
<td>62% ± 10% 4,380 ± 706</td>
</tr>
<tr>
<td>1940-1959</td>
<td>9,015</td>
<td>80% ± 10% 7,212 ± 902</td>
</tr>
<tr>
<td>Before 1940</td>
<td>8,426</td>
<td>90% ± 10% 7,583 ± 843</td>
</tr>
<tr>
<td>Total Units</td>
<td>24,505</td>
<td>62% ± 10% 15,193 ± 2,451</td>
</tr>
</tbody>
</table>


The Los Angeles County Childhood Lead Poisoning Prevention Program (CLPPP) was established in 1991, as a result of the California legislature mandating that the California Department of Health Services (CDHS) develop and enact a standard of care for identifying and managing children with elevated blood lead levels. CLPPP, funded by the CDHS, is operated by the Los Angeles County Department of Public Health. The Los Angeles CLPPP team includes public health nurses, health educators, epidemiology staff, and registered environmental health specialists. The team works closely together to ensure nursing and environmental case management and follow-up for lead-burdened children; to promote screening; and to carry out primary prevention, targeted outreach and education, and surveillance activities. The Los Angeles County CLPPP does not identify Alhambra as a high risk area for lead poisoning. According to the County Health Department’s Childhood Lead Poisoning Prevention Program, there were only 17 reported cases of lead poisoning in Alhambra between 2006 and 2010.

The City of Alhambra requires that all City-funded rehabilitation of buildings built before 1978 be tested for lead-based paint, and abated if necessary. Lead-based paint warnings are distributed with applications for assistance. All applicants are required to sign and return the lead-based paint warning to verify that they have read its contents and are aware of the dangers lead-based paint presents. The rehabilitation programs are designed in such a way that if lead-based paint is found to be in a housing unit and poses a threat to its occupants, it will be removed per HUD lead-based paint regulations and the cost incorporated into the housing program that is assisting the applicant.

F. Housing Cost and Affordability

Many housing problems such as housing overpayment or overcrowded housing are directly related to the cost of housing in a community. If housing costs are high relative to household income, a correspondingly high prevalence of housing problems occurs. This section evaluates the affordability of the housing stock in Alhambra to lower and moderate income households. However, housing affordability alone is not necessarily a fair housing issue. Only when housing affordability issues interact with other factors covered under fair housing laws, such as household type, composition, and race/ethnicity do fair housing concerns arise.

1. Ownership Housing Costs

Regional housing market demand and convenient freeway access to employment centers have placed strong demand on the for-sale housing market in Alhambra. Figure 5 compares the median sales price of single-family homes in Alhambra and surrounding jurisdictions in 2011 and 2012.
Overall, home prices in the region have remained fairly stable in recent years. In 2012, the median sales price of a single-family home in Alhambra was $399,000, compared to $388,000 in 2011. The value of for-sale housing in 2012 was 17 percent higher in Alhambra than the County overall. The median home values of the surrounding jurisdictions also exceed the County median.

2. Rental Housing Costs

Information on current rental rates in the City was obtained through a review of advertisements on Craigslist from October 2012. Available rental housing ranged from single room studios to four-bedroom units. The majority of available units in the City were one- and two-bedroom units. Table 18 summarizes average apartment rents by unit size. Overall, 155 units of varying sizes were listed as available for rent in October 2012 for an average rent of $1,312.

<table>
<thead>
<tr>
<th>Size</th>
<th>Number Advertised</th>
<th>Average Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>8</td>
<td>$719</td>
</tr>
<tr>
<td>One Bedroom</td>
<td>54</td>
<td>$1,069</td>
</tr>
<tr>
<td>Two Bedroom</td>
<td>69</td>
<td>$1,386</td>
</tr>
<tr>
<td>Three Bedroom</td>
<td>23</td>
<td>$1,843</td>
</tr>
<tr>
<td>Four+ Bedroom</td>
<td>1</td>
<td>$1,895</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>155</strong></td>
<td><strong>$1,312</strong></td>
</tr>
</tbody>
</table>

Source: Craigslist, Search performed on October 17, 2012.

3. Housing Affordability

Housing affordability can be inferred by comparing the cost of renting or owning a home in a community with the maximum affordable housing costs for households at different income levels. Taken together, this information can generally show who can afford what size and type
of housing and indicate the type of households most likely to experience overcrowding and overpayment.

While housing affordability alone is not a fair housing issue, fair housing concerns may arise when housing affordability interacts with factors covered under the fair housing laws, such as household type, composition, and race/ethnicity.

The federal Department of Housing and Urban Development (HUD) conducts annual household income surveys nationwide to determine a household’s eligibility for federal housing assistance. Households in the lower end of each category can afford less by comparison than those at the upper end. Table 19 shows the annual household income by household size and generally, the maximum affordable housing payment based on the standard of 30 to 35 percent of household income. General cost assumptions for utilities, taxes, and property insurance are also shown.

Table 19: Housing Affordability Matrix – Los Angeles County (2013)

<table>
<thead>
<tr>
<th>Household</th>
<th>Annual Income</th>
<th>Affordable Costs</th>
<th>Utilities</th>
<th>Taxes and Insurance</th>
<th>Affordable Rent</th>
<th>Affordable Home Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Rental Ownership</td>
<td>Renters</td>
<td>Owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extremely Low Income (under 30% AMI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-Person</td>
<td>$17,950</td>
<td>$449</td>
<td>$449</td>
<td>$76</td>
<td>$82</td>
<td>$90</td>
</tr>
<tr>
<td>2-Person</td>
<td>$20,500</td>
<td>$513</td>
<td>$513</td>
<td>$88</td>
<td>$101</td>
<td>$103</td>
</tr>
<tr>
<td>3-Person</td>
<td>$23,050</td>
<td>$576</td>
<td>$576</td>
<td>$106</td>
<td>$114</td>
<td>$115</td>
</tr>
<tr>
<td>4-Person</td>
<td>$25,600</td>
<td>$640</td>
<td>$640</td>
<td>$127</td>
<td>$127</td>
<td>$128</td>
</tr>
<tr>
<td>5-Person</td>
<td>$27,650</td>
<td>$691</td>
<td>$691</td>
<td>$146</td>
<td>$137</td>
<td>$138</td>
</tr>
<tr>
<td>Low Income (31 to 50% AMI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-Person</td>
<td>$29,900</td>
<td>$748</td>
<td>$748</td>
<td>$76</td>
<td>$82</td>
<td>$150</td>
</tr>
<tr>
<td>2-Person</td>
<td>$34,200</td>
<td>$855</td>
<td>$855</td>
<td>$88</td>
<td>$101</td>
<td>$171</td>
</tr>
<tr>
<td>3-Person</td>
<td>$38,450</td>
<td>$961</td>
<td>$961</td>
<td>$106</td>
<td>$114</td>
<td>$192</td>
</tr>
<tr>
<td>4-Person</td>
<td>$42,700</td>
<td>$1,068</td>
<td>$1,068</td>
<td>$127</td>
<td>$127</td>
<td>$214</td>
</tr>
<tr>
<td>5-Person</td>
<td>$46,150</td>
<td>$1,154</td>
<td>$1,154</td>
<td>$146</td>
<td>$137</td>
<td>$231</td>
</tr>
<tr>
<td>Moderate Income (51 to 80% AMI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-Person</td>
<td>$47,850</td>
<td>$1,196</td>
<td>$1,196</td>
<td>$76</td>
<td>$82</td>
<td>$239</td>
</tr>
<tr>
<td>2-Person</td>
<td>$54,650</td>
<td>$1,366</td>
<td>$1,366</td>
<td>$88</td>
<td>$101</td>
<td>$273</td>
</tr>
<tr>
<td>3-Person</td>
<td>$61,500</td>
<td>$1,538</td>
<td>$1,538</td>
<td>$106</td>
<td>$114</td>
<td>$308</td>
</tr>
<tr>
<td>4-Person</td>
<td>$68,300</td>
<td>$1,708</td>
<td>$1,708</td>
<td>$127</td>
<td>$127</td>
<td>$342</td>
</tr>
<tr>
<td>5-Person</td>
<td>$73,800</td>
<td>$1,845</td>
<td>$1,845</td>
<td>$146</td>
<td>$137</td>
<td>$369</td>
</tr>
<tr>
<td>Median Income (81 to 100% AMI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-Person</td>
<td>$45,350</td>
<td>$1,134</td>
<td>$1,323</td>
<td>$76</td>
<td>$82</td>
<td>$265</td>
</tr>
<tr>
<td>2-Person</td>
<td>$51,850</td>
<td>$1,296</td>
<td>$1,512</td>
<td>$88</td>
<td>$101</td>
<td>$302</td>
</tr>
<tr>
<td>3-Person</td>
<td>$58,300</td>
<td>$1,458</td>
<td>$1,700</td>
<td>$106</td>
<td>$114</td>
<td>$340</td>
</tr>
<tr>
<td>4-Person</td>
<td>$64,800</td>
<td>$1,620</td>
<td>$1,890</td>
<td>$127</td>
<td>$127</td>
<td>$378</td>
</tr>
<tr>
<td>5-Person</td>
<td>$70,000</td>
<td>$1,750</td>
<td>$2,042</td>
<td>$146</td>
<td>$137</td>
<td>$408</td>
</tr>
</tbody>
</table>
Table 19: Housing Affordability Matrix - Los Angeles County (2013)

<table>
<thead>
<tr>
<th>Household</th>
<th>Annual Income</th>
<th>Rental</th>
<th>Ownership</th>
<th>Affordable Rent</th>
<th>Affordable Home Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above Moderate Income (100 to 120% AMI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-Person</td>
<td>$54,450</td>
<td>$1,361</td>
<td>$1,588</td>
<td>$76</td>
<td>$318</td>
</tr>
<tr>
<td>2-Person</td>
<td>$62,200</td>
<td>$1,555</td>
<td>$1,814</td>
<td>$88</td>
<td>$101</td>
</tr>
<tr>
<td>3-Person</td>
<td>$70,000</td>
<td>$1,750</td>
<td>$2,042</td>
<td>$106</td>
<td>$114</td>
</tr>
<tr>
<td>4-Person</td>
<td>$77,750</td>
<td>$1,944</td>
<td>$2,268</td>
<td>$127</td>
<td>$127</td>
</tr>
<tr>
<td>5-Person</td>
<td>$83,950</td>
<td>$2,099</td>
<td>$2,449</td>
<td>$146</td>
<td>$137</td>
</tr>
</tbody>
</table>

Assumptions:
2. Health and Safety code definitions of affordable housing costs (between 30 and 35 percent of household income depending on tenure and income level).
3. HUD utility allowances.
4. 20 percent of monthly affordable cost for taxes and insurance.
5. 10 percent down payment.
6. Four percent interest rate for a 30-year fixed-rate mortgage loan.
7. Taxes and insurance apply to owner costs only; renters do not usually pay taxes or insurance.

Sources: HUD/HCD Income Limits, 2013.

G. Housing Problems

A continuing priority of communities is enhancing or maintaining the quality of life for residents. HUD assesses housing need within a community according to several criteria: (1) the number of households that are paying too much for housing; (2) the number of households living in overcrowded units; and (3) the number of households living in substandard housing conditions. Table 9, presented earlier on page 17 summarizes the extent of households facing some kind of housing problems. CHAS data provide further details on housing cost burden and overcrowding. These conditions are discussed below.

1. Overcrowding

Some households may not be able to accommodate high cost burdens for housing, but may instead accept smaller housing or reside with other individuals or families in the same home. Potential fair housing issues emerge if non-traditional households are discouraged or denied housing due to a perception of overcrowding.

In general, “overcrowding” is defined as a housing unit occupied by more than one person per room (including living and dining rooms but excluding kitchen and bathrooms). Moderate overcrowding refers to 1.0 to 1.5 persons per room and severe overcrowding occurs when a home has 1.5 or more occupants per room. Household overcrowding is reflective of various living situations: (1) a family lives in a home that is too small; (2) a family chooses to house extended family members; or (3) unrelated individuals or families are doubling up to afford housing. Not only is overcrowding a potential fair housing concern, it can strain physical facilities and the delivery of public services, reduce the quality of the physical environment, contribute to a shortage of parking, and accelerate the deterioration of homes.

According to the ACS, nine percent of Alhambra households experienced overcrowding, with three percent experiencing severe overcrowding. Overcrowding was far more prevalent among renters, with nearly 12 percent of renters living in overcrowded units, compared to just five
percent of owners. Overcrowding has decreased in Alhambra since 2000, when 25 percent of total households lived in overcrowded conditions.

2. Housing Cost Burden

Housing overpayment is an important issue for Alhambra residents. According to the federal government, any housing condition where a household spends more than 30 percent of income on housing is considered overpayment. A cost burden of 30 to 50 percent is considered moderate overpayment; payment in excess of 50 percent of income is considered severe overpayment. Overpaying is an important housing issue because paying too much for housing leaves less money available for emergency expenditures.

According to 2005-2009 CHAS data, in Alhambra, housing cost burden is more prevalent among renter households (55 percent) than owner-households (49 percent). Renter-households were also more likely to experience severe housing cost burden, spending 50 percent or more of household income on housing, with 25 percent of renters experiencing severe housing cost burden compared to 22 percent of owners. Housing cost burden typically is linked to income levels. Cost burden by lower-income households occurs when housing costs increase faster than income.

3. Disproportionate Housing Needs by Tenure and Household Type

Elderly Households: Elderly households, particularly elderly renter-households, in Alhambra were disproportionately affected by housing problems.

- Elderly renter-households were disproportionately affected by housing problems (59 percent), compared to elderly owner-households (29 percent) and all households (49 percent).
- Elderly renter-households were also significantly more likely to experience a housing cost burden (59 percent), compared to elderly owner-households (27 percent) and all households (44 percent).

Family Households: Large households, especially large renter-households, were disproportionately affected by housing problems. Specifically:

- Large family renter-households were substantially more likely to be affected by housing problems (75 percent), compared to all households (49 percent).
- Small family renter-households were also disproportionately affected by housing problems (59 percent), compared to all households (49 percent).

4. Disproportionate Housing Needs by Race

According to CHAS data, between 2005 and 2009, households of a certain race/ethnicity had a disproportionate level of housing problems in Alhambra. Specifically:

- Asian households (54 percent) were most likely to have one or more housing problems, in comparison the percentage of all households (49 percent).
Black households with extremely-low and very-low incomes had the highest percentages of households with housing problems of all race and income categories (100 percent each). However, the number of Black households in Alhambra is limited.

H. Assisted Housing

To further fair housing in Alhambra, the City provides a range of housing options for all persons. Housing opportunities include conventional single-family and multi-family housing. For those with special needs, however, the City also provides a large inventory of subsidized housing, community care facilities, emergency shelters and transitional housing, as well as other treatment and recovery centers. This section inventories the range of housing opportunities for persons with special needs and displays their general location.

1. Housing Choice Voucher (Section 8) Rental Assistance

Despite popular perception, most of the nation’s affordable housing stock is not in public housing projects but in privately owned and operated developments subsidized by the federal government. The Housing Choice Voucher program (more commonly known as Section 8) is a rent subsidy program that helps lower income families and seniors pay rents of private units. Section 8 tenants pay a minimum of 30 percent of their income for rent and the local housing authority pays the difference up to the payment standard established by the Housing Authority of the County of Los Angeles. The program offers lower income households the opportunity to obtain affordable, privately owned rental housing and to increase their housing choices. The Housing Authority establishes payment standards based on HUD Fair Market Rents. The owner’s asking price must be supported by comparable rents in the area. Any amount in excess of the payment standard is paid by the program participant.

Voucher Recipients

The Housing Authority of the County of Los Angles (HACoLA) administers the Section 8 Housing Choice Voucher Program for Alhambra residents. The Section 8 Housing Choice Voucher Program provides rental subsidies to low-income families which spend more than 30 percent of their gross income on housing costs. The program pays the difference between 30 percent of the recipients’ monthly income and the federally approved payment standard.

As of 2012, 607 Alhambra households receive Section 8 Housing Choice vouchers, a significant increase of 35 percent compared to the 450 voucher recipients reported in 2007. The diversity of voucher recipients has also improved somewhat compared to 2007 when 62 percent of the recipients were Asian. For the distribution of Section 8 assistance within the City, HACoLA has established two preferences: residents of Alhambra and non-residents working in Alhambra.
Table 20: Race/Ethnicity of Voucher Recipients

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>% of Section 8 Recipients</th>
<th>% of 2010 Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black and Other Races</td>
<td>7%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Asian or Pacific Islander</td>
<td>59%</td>
<td>52.5%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>31%</td>
<td>34.4%</td>
</tr>
<tr>
<td>White</td>
<td>3%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Housing Authority of the County of Los Angeles, 2012 and 2010 Census

**Waiting List**

The County Housing Authority’s Section 8 waiting list has been closed. With limited funding and a long waiting list, HACoLA is not able to estimate the length of wait, according to information posted on its website.

**2. Assisted Housing Projects**

Publicly subsidized affordable housing provides the largest supply of affordable housing in most communities. Apartment projects can receive housing assistance from a variety of sources to ensure that rents are affordable to lower-income households. In exchange for public assistance, owners are typically required to reserve a portion or all of the units as housing affordable to lower-income households. The length of use restrictions is dependent upon the funding program. In 2012, six affordable rental housing developments were located in the City, providing 367 affordable units to lower-income households.

As in typical urban environments throughout the country, however, areas designated for high density housing in the City are usually adjacent to areas designated for commercial and industrial uses. Lower and moderate income households tend to live in high density areas, where the lower land costs per unit (i.e. more units on a piece of property) can result in lower development costs and associated lower housing payments. Therefore, the location of publicly assisted housing is partly the result of economic feasibility. The locations of assisted housing projects are identified in Figure 6. As shown in Figure 6, most senior and affordable housing developments are concentrated in the downtown area partly due to the City’s downtown revitalization efforts and partly because the most appropriate locations for senior housing are where services are concentrated.
Table 21: Assisted Rental Housing in Alhambra

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Tenant Type</th>
<th># of Affordable Units</th>
<th>Funding Program</th>
<th>Earliest Conversion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wysong Plaza 111 N. Chapel Ave.</td>
<td>Elderly</td>
<td>94</td>
<td>HUD Section 202</td>
<td>March 2029 March 2013</td>
</tr>
<tr>
<td>TELACU Las Palmas Manor 89 S. Chapel Ave.</td>
<td>Elderly</td>
<td>67</td>
<td>HUD Section 202</td>
<td>August 2049</td>
</tr>
<tr>
<td>Burke Manor 15 N. Third St.</td>
<td>Elderly</td>
<td>74</td>
<td>HUD Section 202</td>
<td>January 2034 January 2014</td>
</tr>
<tr>
<td>Plaza on Main 333 W. Main St.</td>
<td>Elderly</td>
<td>110</td>
<td>HOME and Set-Aside</td>
<td>March 2027</td>
</tr>
<tr>
<td>17 S. Olive Ave.</td>
<td>Elderly</td>
<td>11</td>
<td>HOME and Set-Aside</td>
<td>March 2027</td>
</tr>
<tr>
<td>15 N. Valencia St.</td>
<td>Elderly</td>
<td>11</td>
<td>HOME and Set-Aside</td>
<td>2063</td>
</tr>
</tbody>
</table>

Source: City of Alhambra
Figure 6: Location of Affordable Housing
3. Licensed Community Residential Care Facilities

Persons with special needs, such as the elderly and those with disabilities, must also have access to housing in a community. Community care facilities provide a supportive housing environment to persons with special needs in a group situation. Restrictions that prevent this type of housing represent a fair housing concern.

According to the State of California Community Care Licensing Division of the State's Department of Social Services, as of October 2012, there were 14 State-licensed community care facilities with a total capacity of 785 beds in Alhambra (Table 22). The locations of these facilities are shown in Figure 7. A number of senior residential care facilities are located along Main Street and Garfield Avenue, near public transit routes and supportive services. Adult residential care facilities are distributed throughout the City.

<table>
<thead>
<tr>
<th>Type</th>
<th>Number of Facilities</th>
<th>Total Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Residential Facility</td>
<td>6</td>
<td>24</td>
</tr>
<tr>
<td>Residential Care for the Elderly</td>
<td>6</td>
<td>218</td>
</tr>
<tr>
<td>Residential Care for the Elderly—Continuing Care Contracts</td>
<td>2</td>
<td>543</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14</strong></td>
<td><strong>785</strong></td>
</tr>
</tbody>
</table>

Source: State of California Department of Social Services, Community Care Licensing Division, 2012.
Figure 7: Location of Community Care Facilities

City of Alhambra
Licensed Care Facility
- Adult Residential
- Residential Care for Elderly
- Residential Care for Elderly (Con Care)

- Major Road
- Alhambra Boundary
I. Provision of Services and Accessibility to Public Transit

Public transit is relevant to the issue of fair housing as access to public transit is of paramount importance to households affected by low incomes and rising housing prices. Public transit should link lower income persons, who are often transit dependent, to major employers where job opportunities exist. Access to employment via public transportation can reduce welfare usage rates and increase housing mobility, which enables residents to locate housing outside of traditionally lower and moderate income neighborhoods. The lack of a relationship between public transit, employment opportunities, and affordable housing may impede fair housing choice because persons who depend on public transit will have limited choices regarding places to live. In addition, elderly and disabled persons also often rely on public transit to visit doctors, go shopping, or attend activities at community facilities. Public transit that provides a link between job opportunities, public services, and affordable housing helps to ensure that transit-dependent residents have adequate opportunity to access housing, services, and jobs.

1. Public Transit

Metro Services

The Los Angeles County Metropolitan Transportation Authority (Metro) provides public transportation services in Alhambra and to other communities throughout Los Angeles County, with linkages to Orange County. For disabled passengers who are unable to use the regular bus service, the Metro-sponsored Access Paratransit Service provides door-to-door transportation in Alhambra. Thirteen Metro bus lines serve the Alhambra area.

- Metro Line 70/Rapid Line 770: Line 70 and Rapid Line 770 travel between downtown Los Angeles and the El Monte bus station through Boyle Heights, Monterey Park, and El Monte. The routes traverse the southernmost portion of Alhambra along the border with Monterey Park.
- Metro Line 76: Line 76 travels between downtown Los Angeles and the El Monte bus station. The bus line generally runs along Valley Boulevard through Lincoln Heights, Alhambra, Rosemead, and El Monte.
- Metro Line 78/378: Lines 78 and 378 travel between downtown Los Angeles and Arcadia. Within Alhambra, the routes generally follow Huntington Drive into the City and continue on Main Street.
- Metro Line 176: Line 176 travels between Highland Park and Montebello. Within Alhambra, stops at Main & Garfield with connections to/from the cities of Glassel Park, Highland Park, South Pasadena (Mission & Fairoaks), San Gabriel, Rosemead and El Monte.
- Metro Line 256: Lines 256 travels between Commerce and Altadena. Within Alhambra, the route stops at Commonwealth & Fremont and Baystate & Garfield with connections from the cities of Paramount, Southgate, Bell Gardens, Commerce and East L.A.
- Metro Line 258: Line 258 travels between the City of Paramount north into Alhambra, traveling through South Gate, East Los Angeles, and Monterey Park. Within Alhambra, line follows Fremont Avenue to Main Street.
- Metro Line 260/Rapid Line 762: Lines 260 and 762 travel between the Artesia Blue Line Station in the City of Compton through Lynwood, Maywood, East Los Angeles, Monterey Park, Alhambra, and Pasadena. Within Alhambra, the lines follow the same route along Atlantic Boulevard.
- Metro Line 485: Line 485 is an express route between downtown Los Angeles and Altadena. The line travels on Valley Boulevard to Main Street north to Altadena.
- Metro Line 487: Lines 487 is an express route between downtown Los Angeles and Sierra Madre. The route travels along the I-10 freeway and on New Ramona Avenue through Alhambra.
- Metro Line 489: Line 489 is an express route between downtown Los Angeles and the city of San Gabriel. The route travels along the I-10 freeway through Alhambra.

Metro supports the needs of the disabled community by ensuring that all bus lines are accessible through wheelchair lifts and by ensuring that the rail system is ADA-compliant for passengers with hearing, mobility, and visual impairments. In addition, Metro offers reduced fares to disabled passengers. To assist persons with visual impairments, Metro provides Braille-encoded and large type Metro Flash Books for signaling the correct bus.

**Montebello Transit**

Montebello Bus Lines is the third largest municipal bus system in Los Angeles County, behind Long Beach and Santa Monica. With a fleet of 66 buses, the agency serves the communities of Alhambra, Bell Gardens, Boyle Heights, Commerce, Downtown Los Angeles, East Los Angeles, La Mirada, Montebello, Monterey Park, Pico Rivera, Rosemead, San Marino, South Gate, South San Gabriel, and Whittier. Montebello Municipal Bus Route 30 travels between South Gate and San Marino. Within Alhambra, the route runs along Garfield Avenue.

**Alhambra Community Transit (ACT) Shuttle**

ACT is the local shuttle operator for two routes serving Alhambra, known as the green and the blue lines. The green line runs in both directions, in a loop through the City. The blue line runs from the northeastern part of Alhambra to just outside its southwestern border at the Cal State Los Angeles Metrolink stop. ACT connects the City with Cal State University Los Angeles, the Metro Busway and a Metrolink station, schools, parks, shopping centers, and community facilities. Fares are $0.25, and buses are equipped with lifts to serve passengers in wheelchairs.

**Access Paratransit**

Metro also provides funding to Access Services Incorporated, a paratransit service for individuals whose disabilities prevent them from using regular buses or rail service. Access Paratransit operates seven days a week, from 4:00 a.m. to midnight in most areas of Los Angeles County. This shared ride service operates curb-to-curb and utilizes a fleet of small buses, mini-vans, and taxis, in which on an average weekday up to 750 vehicles are in service. Fares are distance-based and range from $2.25 (less than 20 miles) to $3.00 (more than 20 miles) for each one-way trip. Riders must schedule trip reservations one day in advance from the desired pick-up time.
Figure 8: Public Transit and Major Employers

City of Alhambra

- Major Employer
- Mass Transit Line (Route No.)
- Major Road
- Alhambra Boundary
- Other City Boundary
2. Major Employers

Located at the gateway to the San Gabriel Valley, Alhambra’s location contributes to create a broad economic base. Alhambra is home to a variety of employers located throughout the City, with nearly 5,073 active businesses as of Fiscal Year 2010-2011. Table 23 lists the ten largest employers in the City. As indicated in Figure 8, most of the City’s top employers are located along transit routes.

<table>
<thead>
<tr>
<th>Business</th>
<th>Type of Business</th>
<th>Number of Employees</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles County Public Works</td>
<td>Government</td>
<td>3,600</td>
<td>900 South Fremont Ave</td>
</tr>
<tr>
<td>Alhambra City Schools</td>
<td>Education</td>
<td>2,136</td>
<td>Various locations (District Office - 15 West Alhambra Rd)</td>
</tr>
<tr>
<td>SBC</td>
<td>Industrial</td>
<td>2,136</td>
<td>210 N. Garfield Ave</td>
</tr>
<tr>
<td>County of Los Angeles (at The Alhambra)</td>
<td>Government</td>
<td>1,500</td>
<td>1000 South Fremont Ave</td>
</tr>
<tr>
<td>Edison Company</td>
<td>Public Utility</td>
<td>800</td>
<td>501 Marengo Ave</td>
</tr>
<tr>
<td>Alhambra City Hall</td>
<td>Government</td>
<td>650</td>
<td>111 South First St</td>
</tr>
<tr>
<td>Alhambra Hospital</td>
<td>Hospital</td>
<td>600</td>
<td>100 South Raymond Ave</td>
</tr>
<tr>
<td>USC School of Medicine (at the Alhambra)</td>
<td>Hospital</td>
<td>600</td>
<td>1000 S. Fremont Ave</td>
</tr>
<tr>
<td>International Extrusion</td>
<td>Metal Industries</td>
<td>600</td>
<td>1000 S Meridian Ave</td>
</tr>
<tr>
<td>Empire Building Maintenance</td>
<td>Maintenance</td>
<td>420</td>
<td>624 South Palm Ave</td>
</tr>
</tbody>
</table>


3. Affordable Housing

Figure 6 illustrates the location of the City’s affordable housing projects in relation to regional transit services. Affordable housing projects in the City are situated along transit routes with easy access to services.

4. Public Schools

As part of President Johnson’s “War on Poverty,” the Elementary and Secondary Education Act (ESEA) was passed in 1965. It is often regarded as the most far-reaching federal legislation affecting education ever passed by Congress. The act is an extensive statute that funds primary and secondary education, while emphasizing equal access to education and establishing high standards and accountability. A major component of ESEA is a series of programs typically referred to as “Title I.” Title I programs distribute funding to schools and school districts with a high percentage of students from low income families. To qualify as a Title I school, a school typically must have around 40 percent or more of its students coming from families who are low income. The programs also give priority to schools that are in obvious need of funds, low-achieving schools, and schools that demonstrate a commitment to improving their education standards and test scores.

The Alhambra Unified School District (AUSD) serves the City of Alhambra, most of the City of Monterey Park, and parts of the Cities of San Gabriel and Rosemead. As all of the public schools within AUSD are considered Title I schools, they are evenly distributed throughout the City (Figure 9). Residents are able to have equal access to the additional Title I resources.
Figure 9: Distribution of Title I Schools

City of Alhambra

- Title I Schools
- Low / Moderate Income* 
- Block Group
- Census Tract
- Alhambra Boundary
- Major Road

* Low/Moderate Income population greater than 51%. Source: U.S. Census 2010, American Community Survey.
5. Access to Public and Supportive Services

In 1993, the City conducted an evaluation of all public facilities for accessibility, and developed a transition plan for mitigating or removing the physical barriers and obstacles that impede accessibility. Through the City’s capital improvement planning process, the City pursues the recommended improvements based on the priority of need, cost, and available funding. Overall, implementation of the transition plan lags behind the previously developed schedule due to the lack of funding, coupled with the increasing extent of various pressing needs in the City and inflation of construction/rehabilitation costs (combined with the requirements of Davis-Bacon and lead-based paint). The City will continue to pursue accessibility improvements based on need and availability of funding.

In 2003, the City utilized CDBG funds to demolish the playground at Alhambra Park and replace it with new turf and equipment, and to enhance handicap accessibility. In 2005 and 2006, the City focused on public facility improvements, including street and sidewalk improvements, handicapped ramps, and related items. In 2007, the disabled parking spaces at the Joslyn Center were restriped to locate disabled parking closer to the entrance. A crosswalk has been installed for access from the parking spaces to the ramp.

In City Hall, a number of improvements have been made to increase accessibility. The City has placed the International Symbol of Accessibility Signage on doors and entrances to the building and Council Chambers. Doors were permanently removed from the entry/exit route to employee work areas so that they are accessible to persons with disabilities. The City also completed the City Hall restroom remodel project, which has made the public restrooms at City Hall ADA compliant. In addition, the drinking fountains were removed and replaced with ADA compliant drinking fountains, located just outside the new restrooms on each floor. The City has also installed continuous interior handrails in the stairways located in the north and south ends of the building. Furthermore, the City continues to pursue improvements to City streets, installing ADA compliant ramps and curb cuts throughout the City.
Chapter 3: Lending Practices

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

A. Background

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

1. Legislative Protection

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

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

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

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

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

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

**Conventional versus Government-Backed Financing**

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

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

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

**Financial Stability Act**

The Financial Stability Act of 2009 established the Making Home Affordable Program, which assists eligible homeowners who can no longer afford their home with mortgage loan modifications and other options, including short sale or deed-in-lieu of foreclosure. The program is targeted toward homeowners facing foreclosure and homeowners who are unemployed or “underwater” (i.e., homeowners who owe more on their mortgage than their home is worth). The Making Home Affordable Program includes several options for homeowners in need of assistance:
- The Home Affordable Modification Program (HAMP) reduces a homeowner’s monthly mortgage payment to 31 percent of their verified gross (pre-tax) income to make their payments more affordable.

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

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

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

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

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

**Helping Families Save Their Homes Act**

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

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

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

**Fraud Enforcement and Recovery Act**

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

**B. Overall Lending Patterns**

1. **Data and Methodology**

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

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

Table 24 summarizes the disposition of loan applications submitted to financial institutions in 2007 (beginning of the housing crisis) and 2011 (most recent HMDA data available) for home purchase, refinance, and home improvement loans in Alhambra. Included is information on loan applications that were approved and originated, approved but not accepted by the applicant, denied, withdrawn by the applicant, or incomplete.
2. Home Purchase Loans

In 2011, a total of 328 households applied for conventional loans to purchase homes in the City, compared to 909 households in 2007. The substantial decrease in lending activity is reflective of lending trends throughout the country. Housing prices, both in the region and nationwide, peaked in 2006, and 2007 marked the start of the housing market's steep decline. Mortgage lending in 2007, while not as vigorous as in the previous year, was still active. However, in the following years, lending activity slowed down dramatically to match the lack of activity in the housing market.

In 2011, the approval rate for conventional home purchase loans was approximately 74 percent, while 11 percent of applications were denied. This reflects a slight increase from 2007, when 71 percent of conventional home loan applications were approved and 19 percent were denied. When the housing market began to show signs of collapse and foreclosures were on the rise, many financial institutions instituted stricter approval criteria for potential borrowers, which should have caused approval rates to drop somewhat. However, the applicant pool for mortgage lending in recent years has also become smaller and increasingly selective. These applicants have generally been in much better shape financially than applicants from previous years, when the housing bubble attracted a wider range of potential borrowers.

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

Government-backed loans have more lenient credit score requirements, lower downpayment requirements, and are available to those with recent bankruptcies. However, these loans may also carry higher interest rates and most require homebuyers to purchase mortgage insurance. Furthermore, government-backed loans have strict limits on the amount a homebuyer can borrow for the purchase of a home. In competitive and high-end housing markets, many of the homes available for purchase exceed the maximum allowable loan amount, making government-backed loans much less popular. A majority of the City's households were classified as moderate and upper income households (according to Table 8 on page 16) and Alhambra's housing market remains relatively high end for the region. These factors have made government-backed loans a less practical option for homebuyers in the City.
The number of applications for government-backed home purchase loans was significantly lower than the number of applications for conventional home purchase loans in 2011. Approximately 29% of home purchase applications were submitted in the City through government-backed loans (for example, FHA, VA), while no such applications were submitted in 2007. Approval rates were considerably lower than those for conventional home purchase loans in the City; only 48% of government-backed loan applications were approved while 35% percent were denied.

3. Home Improvement Loans

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

In 2011, 96 applications for home improvement loans were received in the City. Of these applications, 57% percent were approved and 22% percent were denied. Home improvement financing in the City was much more active in 2007, when 250 applications for home improvement loans were filed by Alhambra residents. Approval rates for this type of loan were nearly the same in 2007 and 2011.

4. Refinancing

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

The majority of loan applications submitted in the City in 2011 were for refinancing existing home loans (2,085 applications). About 69% percent of these applications were approved, while 11% percent were denied. Refinance lending was more active in 2011 as 2,085 applications for refinancing were filed compared to 1,944 applications in 2007. Approval rates for such loans increased considerably between 2007 and 2011, from 59 percent to 69 percent.

C. Lending Patterns by Race/Ethnicity and Income Level

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

The applicant pool for mortgage lending should be reflective of the demographics of a municipality. When one racial/ethnic group is overrepresented or underrepresented in the total
applicant pool, it could be an indicator of a possible fair housing issue. Such a finding may be a sign that access to mortgage lending is not equal for all individuals. As shown in Table 25, Asian applicants were overrepresented in the applicant pools in the City during 2011.

Table 25: Demographics of Loan Applicants vs. Total Population (2011)

<table>
<thead>
<tr>
<th></th>
<th>Percent of Applicant Pool</th>
<th>Percent of Total Population</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>16.1%</td>
<td>10.0%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Black</td>
<td>0.3%</td>
<td>1.3%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>20.7%</td>
<td>34.4%</td>
<td>-13.7%</td>
</tr>
<tr>
<td>Asian</td>
<td>62.9%</td>
<td>52.5%</td>
<td>10.4%</td>
</tr>
</tbody>
</table>

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

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

Table 26 below summarizes lending outcomes by race/ethnicity and income in the City. In Alhambra, the rate at which applications were withdrawn and incomplete was relatively consistent across all races/ethnicities and income levels in both 2007 and 2011. Asian applicants generally had the highest approval rates in both 2007 and 2011. Hispanics, meanwhile, had the lowest approval rates across all income categories in 2007; however, by 2011, approval rates for Hispanic applicants were on par with the approval rates for White applicants. However, Hispanic applicants were still more likely than other applicants to be denied loans in 2011. The number of Black loan applicants in the City during 2011 was very small (under ten applicants); lending patterns and trends for this particular group can therefore not be discerned.

Table 26: Lending Patterns by Race/Ethnicity (2007 and 2011)

<table>
<thead>
<tr>
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<tr>
<td>White</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (0-49% AMI)</td>
<td>57.1%</td>
<td>56.3%</td>
<td>42.9%</td>
<td>18.8%</td>
<td>0.0%</td>
<td>25.0%</td>
</tr>
<tr>
<td>Moderate (50-79% AMI)</td>
<td>66.7%</td>
<td>69.8%</td>
<td>22.2%</td>
<td>18.6%</td>
<td>11.1%</td>
<td>11.6%</td>
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<tr>
<td>Middle (80-119% AMI)</td>
<td>67.3%</td>
<td>66.2%</td>
<td>26.5%</td>
<td>13.5%</td>
<td>6.1%</td>
<td>20.3%</td>
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<tr>
<td>Upper (≥120% AMI)</td>
<td>61.3%</td>
<td>74.0%</td>
<td>22.6%</td>
<td>11.1%</td>
<td>16.1%</td>
<td>14.9%</td>
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<tr>
<td>Black</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Low (0-49% AMI)</td>
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<td>--</td>
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<tr>
<td>Moderate (50-79% AMI)</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100.0%</td>
<td>33.3%</td>
<td>0.0%</td>
<td>66.7%</td>
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<tr>
<td>Middle (80-119% AMI)</td>
<td>22.2%</td>
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<td>77.8%</td>
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<td>0.0%</td>
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<tr>
<td>Upper (≥120% AMI)</td>
<td>62.1%</td>
<td>100.0%</td>
<td>37.9%</td>
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</table>
### Table 26: Lending Patterns by Race/Ethnicity (2007 and 2011)

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Hispanic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (0-49% AMI)</td>
<td>25.0%</td>
<td>66.7%</td>
<td>22.7%</td>
<td>63.6%</td>
<td>8.3%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Moderate (50-79% AMI)</td>
<td>39.4%</td>
<td>48.5%</td>
<td>29.8%</td>
<td>49.1%</td>
<td>12.1%</td>
<td>21.1%</td>
</tr>
<tr>
<td>Middle (80-119% AMI)</td>
<td>53.8%</td>
<td>30.2%</td>
<td>10.2%</td>
<td>73.1%</td>
<td>16.0%</td>
<td>16.7%</td>
</tr>
<tr>
<td>Upper (≥120% AMI)</td>
<td>58.3%</td>
<td>27.2%</td>
<td>13.9%</td>
<td>68.6%</td>
<td>14.5%</td>
<td>17.5%</td>
</tr>
<tr>
<td><strong>Asian</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (0-49% AMI)</td>
<td>40.0%</td>
<td>60.0%</td>
<td>13.6%</td>
<td>72.7%</td>
<td>0.0%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Moderate (50-79% AMI)</td>
<td>82.7%</td>
<td>9.6%</td>
<td>16.8%</td>
<td>61.1%</td>
<td>7.7%</td>
<td>22.2%</td>
</tr>
<tr>
<td>Middle (80-119% AMI)</td>
<td>72.8%</td>
<td>21.7%</td>
<td>14.0%</td>
<td>72.0%</td>
<td>10.9%</td>
<td>14.0%</td>
</tr>
<tr>
<td>Upper (≥120% AMI)</td>
<td>74.7%</td>
<td>16.2%</td>
<td>12.9%</td>
<td>73.7%</td>
<td>9.1%</td>
<td>13.4%</td>
</tr>
</tbody>
</table>


While this analysis provides a more in-depth look at lending patterns, it does not conclusively explain any of the discrepancies observed. Aside from income, many other factors can contribute to the availability of financing, including credit history, the availability and amount of a down payment, and knowledge of the home buying process. HMDA data does not provide insight into these other factors.

### D. Lending Patterns by Census Tract Characteristics

#### 1. Income Level

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

- Low Income Tract - Tract Median Income \( \leq 49 \) percent AMI
- Moderate Income Tract - Tract Median Income between 50 and 79 percent AMI
- Middle Income Tract - Tract Median Income between 80 and 119 percent AMI
- Upper Income Tract - Tract Median Income \( \geq 120 \) percent AMI

In 2007 and 2011, none of the census tracts within the City of Alhambra were categorized as Low Income by HMDA. A majority of loan applications were submitted by residents from the City’s middle income tracts. Table 27 summarizes the loan approval and denial rates of census tracts by income level in 2007 and 2011. In 2007, approval rates declined as the income level of the tract increased. Denial rates also increased as census tract income increased. This lending pattern may indicate that households were buying beyond their means to locate in “nicer” neighborhoods and therefore encounter more issues when trying to qualify for loans.

---

4 These income definitions are different from those used by HUD to determine Low and Moderate Income Areas.
By 2011, this trend had completely reversed. Home loan approval rates increased and denial rates decreased as the income level of the census tract increased. Higher income households are more likely to qualify for and be approved for loans, so this trend is to be expected.

### Table 27: Outcomes Based on Census Tract Income (2007 and 2011)

<table>
<thead>
<tr>
<th>Tract Income Level</th>
<th>Total Applicants</th>
<th>Approved</th>
<th>Denied</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
<td>#</td>
<td>%</td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Moderate</td>
<td>667</td>
<td>21.5%</td>
<td>431</td>
<td>64.6%</td>
</tr>
<tr>
<td>Middle</td>
<td>1,993</td>
<td>64.2%</td>
<td>1,229</td>
<td>61.7%</td>
</tr>
<tr>
<td>Upper</td>
<td>443</td>
<td>14.3%</td>
<td>266</td>
<td>60.0%</td>
</tr>
<tr>
<td>Total</td>
<td>3,103</td>
<td>100.0%</td>
<td>1,926</td>
<td>62.1%</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Moderate</td>
<td>486</td>
<td>19.1%</td>
<td>326</td>
<td>67.1%</td>
</tr>
<tr>
<td>Middle</td>
<td>1,666</td>
<td>65.6%</td>
<td>1,141</td>
<td>68.5%</td>
</tr>
<tr>
<td>Upper</td>
<td>386</td>
<td>15.2%</td>
<td>278</td>
<td>72.0%</td>
</tr>
<tr>
<td>Total</td>
<td>2,538</td>
<td>100.0%</td>
<td>1,745</td>
<td>68.8%</td>
</tr>
</tbody>
</table>


2. **Minority Population**

HMDA also provides the minority population percentage within each census tract. Much of Alhambra is made up of census tracts where 80 percent to 100 percent of the residents are minorities. Table 28 summarizes the home loan approval and denial rates of census tracts by the proportion of minority residents during 2007 and 2011. In 2007, approval and denial rates were fairly similar across all census tracts. However, in 2011, there was a notable discrepancy in approval rates between census tracts with 60 to 79 percent minority populations (74 percent approval) and tracts with 80 to 100 percent minority populations (68 percent approval).

### Table 28: Outcomes Based on Minority Population of Census Tract (2007 and 2011)

<table>
<thead>
<tr>
<th>Tract Income Level</th>
<th>Total Applicants</th>
<th>Approved</th>
<th>Denied</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
<td>#</td>
<td>%</td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-19% Minority</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>20-39% Minority</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>40-59% Minority</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>60-79% Minority</td>
<td>481</td>
<td>15.5%</td>
<td>302</td>
<td>62.8%</td>
</tr>
<tr>
<td>80-100% Minority</td>
<td>2,622</td>
<td>84.5%</td>
<td>1,624</td>
<td>61.9%</td>
</tr>
<tr>
<td>Total</td>
<td>3,103</td>
<td>100.0%</td>
<td>1,926</td>
<td>62.1%</td>
</tr>
</tbody>
</table>
### Table 28: Outcomes Based on Minority Population of Census Tract (2007 and 2011)

<table>
<thead>
<tr>
<th>Tract Income Level</th>
<th>Total Applicants</th>
<th>Approved</th>
<th>Denied</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
<td>#</td>
<td>%</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-19% Minority</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>20-39% Minority</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>40-59% Minority</td>
<td>0</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>60-79% Minority</td>
<td>517</td>
<td>20.4%</td>
<td>380</td>
<td>73.5%</td>
</tr>
<tr>
<td>80-100% Minority</td>
<td>2,021</td>
<td>79.6%</td>
<td>1,365</td>
<td>67.5%</td>
</tr>
<tr>
<td>Total</td>
<td>2,538</td>
<td>100.0%</td>
<td>1,745</td>
<td>68.8%</td>
</tr>
</tbody>
</table>


### E. Major Lenders

In 2011, the top ten mortgage lenders in the City of Alhambra received approximately 58 percent of all loan applications. Among these lenders, Wells Fargo and JP Morgan Chase Bank received the most applications—about 28 percent of the market share. Table 29 summarizes the top lenders in the City as well as their underwriting outcomes during 2011.

### Table 29: Top Lenders (2007 and 2011)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wells Fargo Bank</td>
<td>6.3%</td>
<td>15.8%</td>
<td>82.1%</td>
<td>66.8%</td>
<td>12.8%</td>
<td>13.3%</td>
</tr>
<tr>
<td>JP Morgan Chase Bank</td>
<td>3.7%</td>
<td>11.8%</td>
<td>67.8%</td>
<td>71.0%</td>
<td>27.8%</td>
<td>27.7%</td>
</tr>
<tr>
<td>Bank of America</td>
<td>8.5%</td>
<td>8.8%</td>
<td>82.6%</td>
<td>61.6%</td>
<td>15.5%</td>
<td>18.8%</td>
</tr>
<tr>
<td>Flagstar Bank FSB</td>
<td>--</td>
<td>5.5%</td>
<td>--</td>
<td>85.0%</td>
<td>--</td>
<td>11.4%</td>
</tr>
<tr>
<td>Citimortgage, Inc.</td>
<td>5.9%</td>
<td>5.1%</td>
<td>70.7%</td>
<td>63.1%</td>
<td>6.0%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Citibank NA</td>
<td>2.9%</td>
<td>3.2%</td>
<td>62.9%</td>
<td>67.5%</td>
<td>24.7%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ally Bank</td>
<td>--</td>
<td>2.4%</td>
<td>--</td>
<td>41.0%</td>
<td>--</td>
<td>34.4%</td>
</tr>
<tr>
<td>PMC Bancorp</td>
<td>--</td>
<td>1.9%</td>
<td>--</td>
<td>71.4%</td>
<td>--</td>
<td>4.1%</td>
</tr>
<tr>
<td>Greenlight Financial Services</td>
<td>--</td>
<td>1.9%</td>
<td>--</td>
<td>66.0%</td>
<td>--</td>
<td>19.1%</td>
</tr>
<tr>
<td>East West BK</td>
<td>--</td>
<td>1.7%</td>
<td>--</td>
<td>62.8%</td>
<td>--</td>
<td>34.9%</td>
</tr>
<tr>
<td>All Lenders</td>
<td>100.0%</td>
<td>100.0%</td>
<td>62.1%</td>
<td>68.8%</td>
<td>23.9%</td>
<td>15.4%</td>
</tr>
</tbody>
</table>


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

Overall, approval rates for all lenders in the City increased from 62 percent in 2007 to 69 percent in 2011. Most of the top lenders had approval rates comparable to the overall rate, with the exception of Ally Bank, which had a significantly lower approval rate (41 percent) and Flagstar Bank FSB, which has a significantly higher approval rate (85 percent). While high approval rates do not necessarily indicate wrongdoing by a specific institution, they can be a sign of aggressive lending practices on the part of the lender. In particular, smaller, less prominent financial institutions with significantly high approval rates may be a concern.
Under current banking regulations, lenders are required to hold a given interest rate for a borrower for a period of 60 days. Borrowers, however, are under no obligation to actually follow through on the loan during this time and can withdraw their application. In mortgage lending, fallout refers to a loan application that is withdrawn by the borrower before the loan is finalized. Typically for-profit lenders should have little fallout and none that varies by race, ethnicity or gender. Several top lenders in the City had higher than average rates of withdrawn or incomplete applications. A significant disparity in fallout could suggest screening, differential processing, HMDA Action misclassification and/or the potential of discouragement of minority applications.

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

During 2011, four institutions had significantly higher than average rates of withdrawn and incomplete applications—Citimortgage, Inc., Citibank NA, Ally Bank, and PMC Bancorp. Ally Bank also had a significantly high denial rate in comparison to the overall rate for all lenders (35 percent versus 15 percent).

Within the City, some financial institutions appeared to be more popular among certain racial/ethnic groups (Table 30). Hispanic applicants in the City, for example, were much more likely to favor smaller, less established financial institutions. In 2011, Hispanic applicants made up about 19 percent of the applicant pool for all lenders. However, Greenlight Financial Services (40 percent) and Ally Bank (38 percent) had substantially higher proportions of Hispanic applicants.

Asian applicants in the City also seemed to prefer smaller banks. The top five lenders for Asian loan applicants in Alhambra were all lesser know financial institutions. Asians represented approximately 53 percent of the total applicant pool for all lenders in 2011. However, Asians comprised the vast majority of the applicant pool for East West Bank, Summit Mortgage Bankers, Flagstar Bank, JMAC Lending, and PMC Bancorp (over 75 percent).

While the correlation between minority applicants and smaller banks does not mean a violation of fair lending laws, it does raise concerns about the equality of access to mortgage financing. Smaller community banks often have more flexibility in their selection process and applicants with less than stellar credit and flawed financial histories may be more successful in securing mortgage financing at these smaller institutions than at larger established banks. Large banks with a strong nationwide presence, however, do have several advantages. They are closely regulated by the federal government and have a wide array of resources available to borrowers. The tendency for certain smaller banks to attract non-White applicants may indicate that access to financing, especially at larger banks, is not equal for applicants of all races/ethnicities.

Table 30: Top Lenders by Race/Ethnicity of Applicant (2011)

<table>
<thead>
<tr>
<th>Lender</th>
<th>% of Total Applicants</th>
<th>Lender</th>
<th>% of Total Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenlight Financial Services</td>
<td>40.4%</td>
<td>East West BK</td>
<td>97.7%</td>
</tr>
<tr>
<td>Ally Bank</td>
<td>37.7%</td>
<td>Summit Mortgage Bankers, Inc.</td>
<td>96.9%</td>
</tr>
<tr>
<td>Wells Fargo Bank NA</td>
<td>26.0%</td>
<td>Flagstar BK NA</td>
<td>82.1%</td>
</tr>
<tr>
<td>JP Morgan Chase BK NA</td>
<td>26.0%</td>
<td>JMAC Lending</td>
<td>80.6%</td>
</tr>
<tr>
<td>Bank of America NA</td>
<td>22.3%</td>
<td>PMC Bancorp</td>
<td>77.6%</td>
</tr>
<tr>
<td>All Lenders</td>
<td>18.9%</td>
<td>All Lenders</td>
<td>52.9%</td>
</tr>
</tbody>
</table>


F. Subprime Lending

According to the Federal Reserve, “prime” mortgages are offered to persons with excellent credit and employment history and income adequate to support the loan amount. “Subprime” loans are loans to borrowers who have less-than-perfect credit history, poor employment history, or other factors such as limited income. By providing loans to those who do not meet the critical standards for borrowers in the prime market, subprime lending can and does serve a critical role in increasing levels of homeownership. Households that are interested in buying a home but have blemishes in their credit record, insufficient credit history, or non-traditional income sources, may be otherwise unable to purchase a home. The subprime loan market offers these borrowers opportunities to obtain loans that they would be unable to realize in the prime loan market.

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

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

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Higher Fees: Subprime loans tend to have significantly higher fees due to the factors listed above.

Subprime lending can both impede and extend fair housing choice. On the one hand, subprime loans extend credit to borrowers who potentially could not otherwise finance housing. The increased access to credit by previously underserved consumers and communities contributed to record high levels of homeownership among minorities and lower income groups. On the other hand, these loans left many lower income and minority borrowers exposed to default and foreclosure risk. Since foreclosures destabilize neighborhoods and subprime borrowers are often from lower income and minority areas, mounting evidence suggests that classes protected by fair housing faced the brunt of the recent subprime and mortgage lending market collapse.7

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

<table>
<thead>
<tr>
<th></th>
<th>Frequency of Spread</th>
<th>Average Spread</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>10.53%</td>
<td>1.68%</td>
</tr>
<tr>
<td>Black</td>
<td>7.69%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>14.33%</td>
<td>2.78%</td>
</tr>
<tr>
<td>Asian</td>
<td>3.61%</td>
<td>0.36%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8.19%</strong></td>
<td><strong>1.16%</strong></td>
</tr>
</tbody>
</table>


The frequency of loans with reported spread has decreased substantially since 2007. About eight percent of loans in 2007 had a reported spread, but by 2011, only one percent of loans reported a spread. While the incidence of subprime loans has decreased overall, Hispanics continue to be more likely to receive subprime loans than any other race/ethnic group.

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

---

1. Predatory Lending

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

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

Predatory lending is a growing fair housing issue. Predatory lenders who discriminate get some scrutiny under the Fair Housing Act of 1968, which requires equal treatment in terms and conditions of housing opportunities and credit regardless of race, religion, color, national origin, family status, or disability. This applies to loan originators as well as the secondary market. The Equal Credit Opportunity Act of 1972 requires equal treatment in loan terms and availability of credit for all of the above categories, as well as age, sex, and marital status. Lenders that engage in predatory lending would violate these Acts if they target minority or elderly households to buy at higher prices and unequal loan products, treat loans for protected classes differently than those of comparably credit-worthy White applicants, or have policies or practices that have a disproportionate effect on the protected classes.

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

The State of California has enacted additional measures designed to stem the tide of predatory lending practices. A law (Senate Bill 537) signed by Governor Gray Davis provided a new funding mechanism for local district attorneys’ offices to establish special units to investigate and prosecute real estate fraud cases. The law enabled county governments to establish real estate fraud protection units. Furthermore, Governor Davis signed AB 489 in October 2001, a predatory lending reform bill. The law prevents a lender from basing the loan strictly on the borrower’s home equity as opposed to the ability to repay the loan. The law also outlaws some balloon payments and prevents refinancing unless it results in an identifiable benefit to the borrower.
Predatory lending and unsound investment practices, central to the current home foreclosure crisis, are resulting in a credit crunch that has spread well beyond the housing market, now impacting the cost of credit for local government borrowing and local property tax revenues. In response, the U.S. House of Representatives passed legislation H.R.3915 in 2007, which would prohibit certain predatory lending practices and make it easier for consumers to renegotiate predatory mortgage loans. The U.S. Senate introduced similar legislation in late 2007 (S.2454). The Mortgage Reform and Anti-Predatory Lending Act (H.R.1728) was passed in the House in May 2009 and amends the Truth in Lending Act to specify duty of care standards for originators of residential mortgages. The law also prescribed minimum standards for residential mortgage loans and directs the Secretary of Housing and Urban Development (HUD) to establish a grants program to provide legal assistance to low and moderate income homeowners and tenants and prohibits specified practices, including:

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

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

While subprime lending cannot in and of itself be described as “predatory,” studies have shown a high incidence of predatory lending in the subprime market. Unlike in the prime lending market, overly high approval rates in the subprime market is a potential cause for concern when the target clients are considered high risk. High approval rates may indicate aggressive lending practices. Table 29 summarizes the approval rates of top lenders in Alhambra. Of these top lenders, Flagstar Bank had a notably high approval rate (over 85 percent), while JP Morgan Chase Bank and PMC Bancorp both had approval rates of approximately 71 percent, only two percentage points higher than the overall average rate for all lenders of 69 percent.

G. Purchased Loans

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

1. History

In the 1960s, as interest rates became unstable, housing starts declined and the nation faced capital shortages as many regions, including California, had more demand for mortgage credit than the lenders could fund. The need for new sources of capital promoted Congress to reorganize the Federal National Mortgage Association (FNMA) into two entities: a private

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

corporation (today’s FNMA) and a government agency, the Government National Mortgage Association (GNMA). In 1970, Congress charted the Federal Home Loan Mortgage Corporation (FHLMC) to purchase conventional loans. Both FHLMC and FNMA have the same goals: to increase the liquidity of the mortgage market and make homeownership more widely available to the average citizen. The two organizations work to standardize the documentation, underwriting and financing of home loans nationwide. They purchased loans from originators, hold them and issue their own debt to replenish the cash. They are, essentially, very large, massive savings and loan organizations. These two organizations set the standards for the purchase of home loans by private lenders in the U.S.

2. Fair Housing Concerns

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

Table 32 shows the various loan types purchased in Alhambra, as well as the race/ethnicity of applicants, in 2011. For home purchase loans, Hispanic applicants were the most likely to have their loans purchased.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>White</th>
<th>Black</th>
<th>Asian</th>
<th>Hispanic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government-Backed Purchase</td>
<td>33.3%</td>
<td>0.0%</td>
<td>10.0%</td>
<td>55.6%</td>
</tr>
<tr>
<td>Conventional Purchase</td>
<td>18.9%</td>
<td>--</td>
<td>14.8%</td>
<td>26.1%</td>
</tr>
<tr>
<td>Refinance</td>
<td>12.4%</td>
<td>16.7%</td>
<td>13.7%</td>
<td>9.4%</td>
</tr>
<tr>
<td>Home Improvement</td>
<td>11.8%</td>
<td>--</td>
<td>16.7%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>


H. Review of Lending Patterns by Specific Lender

Because the applicant profiles of some of the top lenders in Alhambra differ so significantly, this section looks at the underwriting outcomes of some of the major lenders in both jurisdictions.

1. Wells Fargo

Wells Fargo was the top lender in the City in 2011, capturing 16 percent of the market share in Alhambra. The overall approval rate for this institution was 67 percent and generally on par with the average for all lenders. During 2011, Hispanic applicants had a noticeably lower approval rate (52 percent compared to 67 percent overall) than applicants of any other race/ethnic group. Fallout rates for this bank were also high (31 percent), but consistent across all racial/ethnic categories.

2. JP Morgan Chase Bank

JP Morgan Chase Bank was the second most prolific lender in the City, behind Wells Fargo. During 2011, JP Morgan Chase Bank captured approximately 12 percent of the market share in
the City. The overall approval rate for this institution was 71 percent and similar to the average for all lenders. Hispanic applicants had the highest approval rate (77 percent) and lowest denial rate (22 percent) for this lender. White applicants, however, had significantly lower approval rates (54 percent compared to 71 percent overall) and higher denial rates (43 percent versus 28 percent overall) than all other applicants. Fallout rates among this lender were very low overall (three percent) and consistent among all race/ethnic categories.

3. Bank of America

Bank of America was also a top lender in the City, capturing nine percent of the market share in 2011. The overall approval rate for this institution (61 percent) was slightly lower than the average for all lenders (69 percent).

Approval rates were noticeably higher for White applicants at this lending institution (82 percent versus 61 percent overall) than for applicants of any other race/ethnicity. Meanwhile, Asian applicants made up the majority of the applicant pool for this bank but had the lowest approval rate (57 percent) and highest rate of fallout (24 percent).

4. Greenlight Financial Services

Greenlight Financial Services was a top ten lender in the City overall and the top lender for Hispanic applicants in 2011. The approval rate for this lender (66 percent) was on par with the average for all lenders (69 percent).

Among Hispanic and White applicants, approval, denial, and fallout rates were equal and comparable to the average for all race/ethnicity groups. The approval rate among Asian applicants was moderately less than the overall average; however, the denial rate for Asians was double the overall average (38 percent versus 19 percent overall).

5. East West Bank

East West Bank was the tenth most prolific lender in the City overall and the top lender for Asian applicants in 2011. The approval rate for this lender (63 percent) slightly less than the average for all lenders (69 percent).

Asian applicants represented nearly all of the applicants for this institution (98 percent). The approval rate for Asian applicants (62 percent) was on par with the overall average for this lender, as was the denial rate (36 percent versus 35 percent overall).

I. Foreclosures

Foreclosure occurs when households fall behind on one or more scheduled mortgage payments. The foreclosure process can be halted if the homeowner is able to bring their mortgage payments current. If payments cannot be resumed or the debt cannot be resolved, the lender can legally use the foreclosure process to repossess (take over) the home. When this happens, the homeowners must move out of the property. If the home is worth less than the total amount owed on the mortgage loan, a deficiency judgment could be pursued. If that happens, the homeowner would lose their home and also would owe the home lender an additional amount.
Figure 10 illustrates the location of all the properties within the City that were in the foreclosure process as of January 2013. As shown, foreclosures are not concentrated in specific neighborhoods.

Homes can be in various stages of foreclosure. Typically, the foreclosure process begins with the issuance of a Notice of Default (NOD). An NOD serves as an official notification to a borrower that he or she is behind in their mortgage payments, and if the payments are not paid up, the lender will seize the home. In California, lenders will not usually file an NOD until a borrower is at least 90 days behind in making payments. As of January 2013, 40 properties in Alhambra were in this pre-foreclosure stage.

Once an NOD has been filed, borrowers are given a specific time period, typically three months, in which they can bring their mortgage payments current. If payments are not made current at the end of this specified time period, a Notice of Trustee Sale (NTS) will be prepared and published in a newspaper. An NTS is a formal notification of the sale of a foreclosure property. In California, the NTS is filed 90 days following an NOD when a property owner has failed to make a property loan current. Once an NTS has been filed, a property can then be sold at public auction. According to foreclosure records, 59 properties in Alhambra were in the auction stage of the foreclosure process.

Many properties, however, are unable to be sold at public auction. In the event of an unsuccessful sale at auction, a property becomes classified as Real Estate Owned (REO) and ownership of it reverts back to the mortgage company or lender. In January 2013, the City of Alhambra had a total of six bank-owned properties.
Figure 10: Location of Foreclosures as of January 2013
Chapter 4: Public Policies and Practices

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

A. Policies and Programs Affecting Housing Development

The General Plan of a jurisdiction establishes a vision for the community and provides long-range goals and policies to guide the development in achieving that vision. Two of the seven State-mandated General Plan elements - Housing and Land Use Elements - have a direct impact on the local housing market in terms of the amount and range of housing choice. The Zoning Ordinance, which implements the Land Use Element, is another important document that influences the amount and type of housing available in a community - the availability of housing choice. The Alhambra General Plan Housing Element and other elements, Zoning Code, Consolidated Plan, and other documents have been reviewed to evaluate the following potential impediments to fair housing choice and affordable housing development:

- Local zoning, building, occupancy, and health and safety codes
- Public policies and building approvals that add to the cost of housing development
- Moratoriums or growth management plans
- Residential development fees
- Administrative policies affecting housing activities or community development resources for areas of minority concentration, or policies that inhibit employment of minorities or individuals with disabilities
- Community representation on planning and zoning boards and commissions

1. Housing Element Law and Compliance

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

- Identify adequate sites which will be made available through appropriate zoning and development standards and with services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels in order to meet the community’s housing goals;
- Assist in the development of adequate housing to meet the needs of low and moderate income households;
- Address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing;

- Conserve and improve the condition of the existing affordable housing stock; and

- Promote housing opportunities for all persons.

**Compliance Status**

A Housing Element found by HCD to be in compliance with State law is presumed to have adequately addressed its policy constraints. According to HCD, the City of Alhambra adopted a Housing Element in 2009 that was in compliance with State law for the 2008-2014 planning period. The City is currently in the process of updating the Housing Element for the 2013-2021 planning period.

2. **General Plan Land Use Element**

A number of factors, governmental and non-governmental, affect the supply and cost of housing in a local housing market. The governmental factor that most directly influences these market conditions is the allowable density range of residentially designated land. Minimum required densities in multi-family zones ensure that land zoned for multi-family use, the supply of which is often limited, will be developed as efficiently as possible for multi-family uses.

Higher-density housing also reduces land costs on a per-unit basis and thus facilitates the development of affordable housing. Restrictive zoning that requires unusually large lots and building size can substantially increase housing costs and impede housing production. Reasonable density standards ensure the opportunity for higher-density residential uses to be developed within a community, increasing the feasibility of producing affordable housing. While housing affordability alone is not a fair housing issue, many low- and moderate-income households are disproportionately concentrated in groups protected under the fair housing laws, such as persons with disabilities and minorities. When the availability of affordable housing is limited, indirectly affecting the housing choices available to groups protected by fair housing laws, fair housing concerns may arise.

The General Plan Land Use Element provides a range of residential development opportunities that are implemented through the City's existing R-1, R-2, and R-3 zones, as shown in Table 33. Housing supply and costs are affected by the amount of land designated for residential use and the density at which development is permitted. Two-thirds of the acreage in Alhambra is designated for residential use.
Table 33: Residential Land Use Designations

<table>
<thead>
<tr>
<th>General Plan Land Use Category</th>
<th>Corresponding Zone Districts</th>
<th>Maximum Densities</th>
<th>Typical Residential Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Density Residential (LDR)</td>
<td>R-1</td>
<td>5 du/acre</td>
<td>Single-family detached residential development</td>
</tr>
<tr>
<td>Medium Density Residential (MDR)</td>
<td>R-2</td>
<td>12 du/acre</td>
<td>Attached or detached units, often single-family residences, duplexes, tripplexes, and fourplexes</td>
</tr>
<tr>
<td>High Density Residential (HDR)</td>
<td>R-3, CPD</td>
<td>30 du/acre</td>
<td>A variety of multi-family housing types, including garden style units, townhouses, apartments, and condominiums</td>
</tr>
<tr>
<td>CBD and Valley Specific Plan</td>
<td>43 du/ac</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: City of Alhambra General Plan Land Use Element, Alhambra Zoning Ordinance, Valley Boulevard Corridor Specific Plan, 2013.

Maximum densities permitted in the R-3 zone vary by location. For example, parcels with frontage only on Curtis or Electric Lanes have a density limit of 12 units per acre. All properties within 50 feet of properties designated as Low Density Residential or Medium Density Residential are permitted a maximum density of 18 units per acre and 24 units per acre, respectively. Parcels containing less than 20,000 square feet are permitted a maximum density of 24 units per acre, whereas parcels larger than 20,000 square feet can accommodate up to 30 units per acre, thus encouraging the consolidation of smaller lots for larger developments.

Residential uses are also conditionally permitted in the Commercial Planned Development (CPD) and Central Business District (CBD) zones. In the CPD zone, residential uses must be proposed in conjunction with commercial uses. Such residential uses are subject to the development regulations associated with the R-3 zone. Development standards for all zones are discussed in detail below. In the CBD zone, residential uses on parcels of less than 20,000 square feet may be developed at a density consistent with the High Density Residential designation (13-30 units per acre) and the provisions of the R-3 zone. Residential development on CBD parcels of 20,000 square feet or greater may be developed at a density of up to 43 units per acre. The Valley Boulevard Specific Plan provides for up to 43 units per acre, allowing both single-family and multi-family developments.

3. Zoning Ordinance

Jurisdictions are required to evaluate their land use policies, zoning provisions, and development regulations, and make proactive efforts to mitigate any constraints identified.

Definition of Family

A community's Zoning Ordinance can potentially restrict access to housing for households failing to qualify as a “family” by the definition specified in the Zoning Ordinance. For instance, a landlord may refuse to rent to a “nontraditional” family based on the zoning definition of a family. A landlord may also use the definition of a family as an excuse for refusing to rent to a household based on other hidden reasons, such as household size. Even if the code provides a broad definition, deciding what constitutes a “family” should be avoided by jurisdictions to prevent confusion or give the impression of restrictiveness.
California court cases have ruled that a definition of “family” that: 1) limits the number of persons in a family; 2) specifies how members of the family are related (i.e. by blood, marriage or adoption, etc.), or 3) a group of not more than a certain number of unrelated persons as a single housekeeping unit, is invalid. Court rulings stated that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the jurisdiction, and therefore violates rights of privacy under the California Constitution. A Zoning Ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons. Furthermore, a zoning provision cannot regulate or enforce the number of persons constituting a family.

The Alhambra Zoning Ordinance defines a family as “one or more individuals occupying a dwelling unit and living as a single household unit.” This definition does not violate any fair housing laws.

Density Bonus

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

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

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

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

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

- Reductions in site development standards and modifications of zoning and architectural design requirements, including reduced setbacks and parking standards;
- Mixed use zoning that will reduce the cost of the housing, if the non-residential uses are compatible with the housing development and other development in the area; and

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- Other regulatory incentives or concessions that result in "identifiable, financially sufficient, and actual cost reductions."

In March 2008, the City amended their density bonus ordinance to comply with State law.

**Parking Requirements**

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

For single-family developments, the Zoning Ordinance requires two parking spaces within an enclosed garage. Multi-family residential parking requirements in the R-2 and R-3 zones increase based on the square footage of each unit, and guest parking is also required in the R-3 zone. Development in the Downtown area is higher density in nature and has underground parking that fulfills this requirement. These parking standards are comparable to those found in other Southern California cities.

<table>
<thead>
<tr>
<th>Table 34: Parking Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone</td>
</tr>
<tr>
<td>R-1</td>
</tr>
<tr>
<td>R-2</td>
</tr>
<tr>
<td>R-3</td>
</tr>
<tr>
<td>R-3</td>
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<tr>
<td>R-3</td>
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<tr>
<td>R-3</td>
</tr>
<tr>
<td>R-3</td>
</tr>
</tbody>
</table>


In addition, the City provides flexibility in parking standards by allowing developments to apply for a reduction of requirements if uses have different time-of-day demands for parking facilities. A parking reduction may be approved in cases where parties wish to establish shared parking arrangements. The applicant is responsible for demonstrating the appropriate reduction in the total number of required parking spaces, and documentation must be submitted to substantiate the reasons for the requested parking reduction. Parking reductions in the areas zoned CBD or R-3 and where the permitted height is 75 feet can include any of the following:
- Spaces may not be required to be enclosed;
- One-third of the spaces may be compact size;
- The number of spaces required for one-bedroom units may be reduced by up to 25 percent; and
- The number of spaces required for efficiency units may be reduced by up to 33 percent.

**Variety of Housing Opportunity**

To ensure fair housing choice in a community, a Zoning Ordinance should provide for a range of housing types, including single-family, multiple-family, second dwelling units, mobile and manufactured homes, licensed residential care facilities, emergency shelters, supportive housing, transitional housing, single room occupancy (SRO) units, and farm employee housing. Table 35 identifies zones in which residential uses are permitted and conditionally permitted in Alhambra.

**Table 35: Permitted Uses in Zoning Regulations**

<table>
<thead>
<tr>
<th>Uses</th>
<th>R-1</th>
<th>R-2</th>
<th>R-3</th>
<th>PO</th>
<th>CPD</th>
<th>CBD</th>
<th>Valley SP</th>
<th>IPD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential Uses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One Family Homes</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>A</td>
<td>C*</td>
<td>C*</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Multi-Family Housing</td>
<td>-</td>
<td>P</td>
<td>P</td>
<td>C*</td>
<td>C*</td>
<td>C*</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Mobile Homes</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>-</td>
<td>C</td>
<td>C</td>
<td>P</td>
<td>-</td>
</tr>
<tr>
<td>Second Units</td>
<td>P*</td>
<td>P*</td>
<td>P*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Residential Care Facility</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Six or fewer persons</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>-</td>
</tr>
<tr>
<td>Seven or more persons</td>
<td>-</td>
<td>-</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>-</td>
</tr>
<tr>
<td><strong>Other Residential Uses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Shelters</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>P¹</td>
<td>P¹</td>
</tr>
<tr>
<td>Boardinghouse</td>
<td>-</td>
<td>-</td>
<td>P</td>
<td>-</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>-</td>
</tr>
<tr>
<td>Rest Homes</td>
<td>-</td>
<td>-</td>
<td>C</td>
<td>-</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>-</td>
</tr>
</tbody>
</table>

P = Automatically permitted use  
A = Accessory Use. Use permitted only if accessory to another primary use on the same site  
C = Conditional Use. Use eligible for consideration under the conditional use procedures and permitted only if the conditional use permit is approved, subject to the specific conditions of such permit.  
* = Use shall be subject to special conditions or specific restrictions as listed in this section.  
- = Not a permitted use.  

Note:  
1. Permitted only within portions of the designated zone.

**Single- and Multi-Family Uses**

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

Zoning Ordinances should also avoid “pyramid or cumulative zoning” (e.g. permitting lower-density single-family uses in zones intended for higher density multi-family uses). Pyramid or cumulative zoning schemes could limit the amount of lower-cost multiple-family residential uses.
in a community and be a potential impediment to fair housing choice. The City of Alhambra allows single-family residential uses in multiple-family zones, which could potentially reduce the amount of land available for multi-family housing. Allowing or requiring a lower density use in a zone that can accommodate higher density uses is regulated by State law (AB 2292). A local government is required to make a finding that an action that results in a density reduction, rezoning, or downzoning is consistent with its Housing Element, particularly in relation to the jurisdiction’s ability to accommodate its share of regional housing needs.

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

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

The City of Alhambra adopted a second unit ordinance in 2005 in accordance with California Government Code § 65852.2. The ordinance permits development of second units on certain parcels in the R-1 zone, and throughout the R-2 and R-3 zones with an administrative permit. Second units may be approved in the R-1 district when at least one of the property’s boundaries abuts property other than R-1, provided, however, that no property boundary borders any property zoned Open Space (OS). The review process for second units is ministerial, i.e., reviewed against fixed, objective and quantifiable standards. Design Review Board approval is also required. However, the Design Review Board may not impose any conditions that would unreasonably restrict the ability of an applicant to create a residential second unit. No Planning Commission review, Residential Planned Development Permit, Conditional Use Permit or other public notification, review or comment is required.

Manufactured Housing
State law requires local governments to permit manufactured or mobile homes meeting federal safety and construction standards on a permanent foundation in all single-family residential zoning districts (Section 65852.3 of the California Government Code). A local jurisdiction’s Zoning Ordinance should be compliant with this law.

Individual mobile homes installed on a permanent foundation are treated as single-family dwellings in Alhambra. As such, they are permitted by right in the R-1, R-2, R-3 and residential areas of the Valley Boulevard Corridor Specific Plan. Individual mobile homes are also conditionally permitted in the CPD and CBD zones, and are subject to all of the property development standards required by the zone in which they are located.

Residential Care Facilities
The Lanterman Developmental Disabilities Services Act (Sections 5115 and 5116 of the California Welfare and Institutions Code) declares that mentally and physically disabled persons are entitled to live in normal residential surroundings and that the use of property for the care of
six or fewer disabled persons is a residential use for zoning purposes. A state-authorized, certified, or licensed family care home, foster home, or group home serving six or fewer persons with disabilities or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones. No local agency can impose stricter zoning or building and safety standards on these homes (commonly referred to as “group” homes) of six or fewer persons with disabilities than are required of the other permitted residential uses in the zone. The Lanterman Act covers only licensed residential care facilities.

The Alhambra Zoning Ordinance defines a residential care facility as “any family home or group care facility for 24-hour non-medical 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 individuals, excluding jails and other detention facilities.” Alhambra permits community care facilities for six or fewer persons by right in all residential zones and conditionally in commercial zones. The City conditionally allows facilities serving more than six persons in the R-3 and commercial zones.

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

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

The City of Alhambra amended its Zoning Ordinance in 2011 to permit the development of emergency shelters in the Valley Boulevard Corridor Specific Plan (VSP) and Industrial Planned Development (IPD) zones. Emergency shelters are permitted in the VSP zone within the area bounded by Vega Street to the west and New Avenue to the east. Within the IPD zone, emergency shelters are permitted in the area bounded by Orange Street to the north, Mission Road to the south, Raymond Avenue to the east, and Palm Avenue to the west. Emergency shelter facilities must also meet the following development standards:

- Emergency shelters must not be located within 300 feet of another emergency shelter facility or 1,000 feet of any residential care facility, public park or public school.
- Emergency shelters must be located within one-quarter mile of a designated public transit stop.
- The maximum capacity of the facility cannot exceed 12 beds.
- The maximum density must be at least one resident per 150 square feet, up to a maximum of 12 residents.
- On-site client intake and waiting area cannot be in a location adjacent to a public right-of-way, must be screened from public view, and provide consideration for weather.
- On-site personnel must be present during operating hours.
The facility may not intake a client that is known to be wanted by the police or has been convicted of a violent offense. Background checks must also be performed on all prospective clients using the Megan’s Law database.

Clients may not keep alcoholic beverages, illegal substances or drugs, or weapons at the shelter facility. The emergency shelter operator must conduct routine inspections for these items and report their findings to the Alhambra Police Department.

A minimum of 30 square feet of personal space must be provided for each client bed.

A communal restroom facility with at least two toilets, one shower, and one sink must be provided for every 12 clients residing at an emergency shelter.

Interior and/or exterior common space for on-site clients to congregate must be provided on the property at a ratio of not less than 15 square feet per occupant or a minimum overall area of four hundred square feet, whichever is greater.

Each emergency shelter must provide telephone(s) for the use of the on-site clients.

The emergency shelter operator is responsible for ensuring that any food service or on-site meal preparation areas comply with all applicable requirements of the city and the Los Angeles County Health Department.

The emergency shelter must provide laundry facilities adequate for the number of clients.

Any provision of on-site outdoor storage must be fully screened from all public rights-of-way and on-site parking lots.

Off-street parking must be provided at the ratio of one on-site parking space for every five beds, one space for each bedroom intended for families, plus one additional space per staff member.

Bicycle racks that allow for the secure storage of bicycles must be provided. Bicycle racks must accommodate at least one bicycle storage space for every five beds. All bicycle racks are required to be on-site and located in an area that is not visible from the public right-of-way.

Each emergency shelter must provide exterior lighting on pedestrian pathways and parking lots on the property for safety.

On-site landscaping must be installed and maintained in accordance with the requirements contained in the Municipal Code.

The emergency shelter operator is required to submit a management and security plan for review and approval of the Director of Development Services and the Alhambra Chief of Police.

There must be a refuse storage area that is completely enclosed with masonry walls not less than five feet high with a solid-gated opening and that is large enough to accommodate a standard sized trash bin adequate for the parcel.

Transitional and Supportive Housing

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

Supportive housing is defined as housing with no limit on length of stay that is occupied by a target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community (California Health and Safety Code 50675.14 [b]). Target population means persons, including persons with disabilities, and families who are "homeless," as that term is defined by Section 11302 of Title 42 of the United States Code.
States Code, or who are "homeless youth," as that term is defined by paragraph (2) of subdivision (e) of Section 11139.3 of the Government Code.

Pursuant to SB 2, transitional and supportive housing constitutes a residential use and therefore local governments cannot treat it differently from other types of residential uses (e.g., requiring a use permit when other residential uses of similar function do not require a use permit). The City of Alhambra’s Zoning Ordinance does not include any specific provisions for transitional or supportive housing. However, the City does allow the establishment of transitional and supportive housing that functions as residential uses in residential zones, with processes consistent with those of similar residential uses. Supportive and transitional housing provides additional housing options for persons with disabilities, a protected class under fair housing laws.

**Single Room Occupancy Housing (SRO)**

AB 2634 amending the State Housing Element law also mandates that local jurisdictions address the provision of housing options for Extremely Low income households. SRO units are small, one-room units intended for occupancy by a single individual and are considered a suitable housing type to meet the needs of Extremely Low income individuals. It is distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other. SRO units are one of the most traditional forms of affordable private housing for lower income individuals, including seniors and persons with disabilities (protected classes under fair housing laws). Currently, the City of Alhambra Zoning Ordinance does not include any specific provisions for SRO housing. The City will amend its Zoning Ordinance to define and specifically provide for the development of SRO units.

**B. Building, Occupancy, Health and Safety Codes**

1. **Building Codes**

Building codes, such as the California Building Standards Code\(^\text{11}\), are necessary to protect public health, safety, and welfare. However, local codes that require substantial improvements to a building might not be warranted and deter housing construction and/or neighborhood improvement.

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

The City has adopted the 2010 Los Angeles County Building Code as amended, which is based on the California Uniform Building, Plumbing, Mechanical, and Electrical Codes. The City has also adopted the Uniform Housing Code, 1988 Edition, recommended by the Department of Housing and Urban Development. The City has made some minor amendments to the Los Angeles County Building Code to tailor the code to Alhambra. However, no restrictions or amendments have been adopted that would constrain the development of housing. Enforcement

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\(^\text{11}\) California Building Code, adopted by the a Building Standards Commission, is actually a set of uniform building, electrical, mechanical, and other codes adopted by professional associations such as the International Conference of Building Officials, and amended to include California-specific requirements.
of building code standards does not constrain the production or improvement of housing in Alhambra but instead serves to maintain the condition of the City’s neighborhoods. Further, the California Building Code is adopted by many cities throughout Southern California and does not, in general, pose a constraint to residential development.

2. Occupancy Standards

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

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

The City of Alhambra has not established any occupancy standards and does not limit the number of people who can occupy a housing unit.

C. Affordable Housing Development

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

1. Siting of Affordable Housing

As shown in Figure 6, most senior and affordable housing developments are concentrated in the downtown area partly due to the City’s downtown revitalization efforts and partly because the most appropriate locations for senior housing are where services are concentrated. The City has a large rental housing stock as well as condominiums and townhomes located throughout the City. Apartments, condominiums, and townhomes are generally affordable to moderate income households in the City at market rates.
2. Development Fees

Housing construction imposes certain short- and long-term costs upon local government, such as the cost of providing planning services and inspections. As a result, jurisdictions rely upon various planning and development fees to recoup costs and ensure that essential services and infrastructure are available when needed. Planning fees for the City of Alhambra are compared to fees of neighboring jurisdictions in Table 36.

Table 36: Planning and Development Fees

<table>
<thead>
<tr>
<th>Action/Activity</th>
<th>Alhambra</th>
<th>Neighboring Jurisdictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Development Permit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential—New SFR</td>
<td>$979</td>
<td>n/a</td>
</tr>
<tr>
<td>Residential—2nd Story + Additions</td>
<td>$1,480</td>
<td></td>
</tr>
<tr>
<td>Conditional Use Permit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base Fee</td>
<td>$1,024</td>
<td>$890 to $4,190</td>
</tr>
<tr>
<td>Each 2,500 sf of building or use</td>
<td>$71</td>
<td></td>
</tr>
<tr>
<td>Planning Variance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First variance</td>
<td>$953</td>
<td>$340 to $4,190</td>
</tr>
<tr>
<td>Each additional variance</td>
<td>$203</td>
<td></td>
</tr>
<tr>
<td>First modification</td>
<td>$198</td>
<td></td>
</tr>
<tr>
<td>Each additional modification</td>
<td>$25</td>
<td></td>
</tr>
<tr>
<td>General Plan Amendment</td>
<td>$1,060</td>
<td>$960 to $14,490</td>
</tr>
<tr>
<td>Specific Plan Amendment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Major</td>
<td>$1,161</td>
<td>$840</td>
</tr>
<tr>
<td>Minor</td>
<td>$877</td>
<td></td>
</tr>
<tr>
<td>Zone Change</td>
<td>$1,024</td>
<td>$840 to $15,190</td>
</tr>
<tr>
<td>Subdivisions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tentative Tract/Parcel Map - New Construction</td>
<td>$1,308 (1st 4 units + $101 each additional unit)</td>
<td>$890 to $4,330</td>
</tr>
<tr>
<td>Lot Line Adjustment</td>
<td>$507</td>
<td>$420 to $600</td>
</tr>
<tr>
<td>Preliminary Design Review</td>
<td>$117</td>
<td>n/a</td>
</tr>
<tr>
<td>Second Unit Review</td>
<td>$259</td>
<td>n/a</td>
</tr>
<tr>
<td>Zoning Clearance</td>
<td>$259</td>
<td>$310</td>
</tr>
</tbody>
</table>

Source: City of Alhambra, City of El Monte, City of Glendale, City of Monterey Park, City of Pasadena, City of San Gabriel, 2013.

Fees charged in Alhambra are, in general, comparable to those of surrounding communities in Los Angeles County. A survey of neighboring jurisdictions (El Monte, Glendale, Monterey Park, Pasadena, and San Gabriel) indicates that permit fees in Alhambra are low in comparison to those charged by most neighboring cities; however, slightly higher in comparison to Monterey Park. The fees charged by the City of Alhambra are considered moderate, comparable to fees throughout the region and therefore not constraining development in Alhambra.

Jurisdictions also charge a variety of impact fees to offset the cost of providing infrastructure and public facilities that are required to serve new development. Until 1978, property taxes were the
primary revenue source for financing the construction of infrastructure and improvements required to support new residential development. The passage of Proposition 13 in 1978 has limited a local jurisdiction’s ability to raise property taxes and significantly lowered the ad valorem tax rate, increasing reliance on other funding sources to provide infrastructure, public improvements, and public services. An alternative funding source widely used among local governments in California is the development impact fee, which is collected for a variety of improvements including water and sewer facilities, parks, and transportation improvements. To enact an impact fee, State law requires that the local jurisdiction demonstrate the “nexus” between the type of development in question and the impact being mitigated by the proposed fee. Also, the amount of the fee must be roughly proportional to the impact caused by the development. Nevertheless, development impact fees today have become a significant cost factor in housing development.

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

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

Like all cities, Alhambra abides by State law with respect to fees and exactions. The City charges a limited number of impact fees to ensure that services and infrastructure are in place to serve the planned developments. Although impact fees and requirements for offsite improvements add to the cost of housing, these fees and requirements are necessary to maintain the quality of life within a community.

Alhambra’s impact fees include a new construction fee, water connection fees, a sewer connection fee, and school fees. The new construction fee helps maintain the City’s parks for use by the public. In addition to the City fees, Los Angeles County provides sewer to the City, and charges a related sewer connection fee. The fees are intended to provide funds to recoup the cost of providing infrastructure to the developments, while not unduly constraining the feasibility of both market-rate and affordable housing. As such, utility and sanitation fees are not required of units replacing existing units that were demolished from the lot, only on units that yield a net increase in the number of units on the lot. In addition, residential developments of more than five units are required to install public art on site, or pay an in-lieu fee based on building valuation. Public art installed on site must be worth at least $2,500. Affordable and senior housing developments are exempt from the public art requirement.
D. Other Land Use Policies, Programs, and Controls

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

1. Article 34

Article 34 of the State Constitution requires a majority vote of the electorate to approve the development, construction, or acquisition by a public body of any “low rent housing project” within that jurisdiction. In other words, for any projects where at least 50 percent of the occupants are low income and rents are restricted to affordable levels, the jurisdiction must seek voter approval known as “Article 34 Authority” to authorize that number of units. The City of Alhambra does not have Article 34 Authority.

In the past, Article 34 may have prevented certain projects from being built. In practice, most public agencies have learned how to structure projects to avoid triggering Article 34, such as limiting public assistance to 49 percent of the units in the project. Furthermore, the State legislature has enacted Sections 37001, 37001.3, and 37001.5 of the Health and Safety Code to clarify ambiguities relating to the scope of the applicability of Article 34 which now exist.

2. Growth Management Programs

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

The City of Alhambra does not have a growth management ordinance or policies that restrict the number of dwelling units that may be constructed within a given period of time. State housing law mandates a jurisdiction facilitate the development of a variety of housing to meet the jurisdiction’s fair share of regional housing needs. Any growth management measure that would compromise a jurisdiction’s ability to meet its regional housing needs may have an exclusionary effect of limiting housing choices and opportunities of regional residents, or concentrating such opportunities in other areas of the region.

3. Inclusionary Housing

Inclusionary housing describes a local government requirement that a specified percentage of new housing units be reserved for, and affordable to, lower and moderate income households. The goal of inclusionary housing programs is to increase the supply of affordable housing commensurate with new market-rate development in a jurisdiction. This can result in improved regional jobs-housing balances and foster greater economic and racial integration within a community. The policy is most effective in areas experiencing rapid growth and a strong demand for housing.
Inclusionary programs can be voluntary or mandatory. Voluntary programs typically require developers to negotiate with public officials but do not specifically mandate the provision of affordable units. Mandatory programs are usually codified in the Zoning Ordinance, and developers are required to enter into a development agreement specifying the required number of affordable housing units or payment of applicable in-lieu fees\(^\text{12}\) prior to obtaining a building permit.

The City of Alhambra does not have an inclusionary housing program in place.

E. Policies Causing Displacement or Affect Housing Choice of Minorities and Persons with Disabilities

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

1. Reasonable Accommodation

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

Although most local governments are aware of State and Federal requirements to allow reasonable accommodations, if specific policies or procedures are not adopted by a jurisdiction or a jurisdiction requires a public hearing or discretionary decision, residents with disabilities residents may be unintentionally displaced or discriminated against. The City is in the process of amending the Zoning Ordinance to establish a formal reasonable accommodations procedure. The amendment is expected to be completed by the summer of 2013.

A jurisdiction’s definition of a disabled person can be considered an impediment to fair housing if it is not consistent with the definition of disability provided under the Fair Housing Act. The Act defines disabled person as “those individuals with mental or physical impairments that substantially limit one or more major life activities.” Currently, the City’s Zoning Ordinance does not define “disability” or “disabled person.” The reasonable accommodation ordinance in progress will define disabled person according to the Americans with Disabilities Act.

2. Redevelopment Agency

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

\(^{12}\) An in-lieu fee is the payment of a specified sum of money instead of constructing the required number of affordable housing units. The fee is used to finance affordable housing elsewhere in a community.
economic opportunities, create housing for lower and moderate income residents, renovate or replace deteriorated or dilapidated structures, develop vacant infill and under-used properties, and provide public infrastructure and other improvements to support private investment in deteriorated areas of the City. Implementation of redevelopment project plans had provided a means for increasing housing choices for lower and moderate income residents and those with special needs.

3. Administrative Policies

The City of Alhambra revised its employment policies to include the category of “disabled” as a protected group. The City’s Grievance Procedures, Personnel Rules and Regulations were also amended to specifically include a provision of special accommodations for disabled individuals to attend personnel hearings and appeals relative to personnel complaints.

F. Local Housing Authorities

The Housing Authority of the County of Los Angeles (HACoLA) serves in Los Angeles County, administering both the Section 8 Housing Choice Voucher and Public Housing Programs. The availability and use of Housing Choice Vouchers and public housing units must also adhere to fair housing laws.

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

Section 16(a)(3)(B) of the United States Housing Act mandates that public housing authorities adopt an admissions policy that promotes the de-concentration of poverty in public housing. HUD emphasizes that the goal of de-concentration is to foster the development of mixed-income communities within public housing. In mixed-income settings, lower income residents are provided with working-family role models and greater access to employment and information networks. This goal is accomplished through income-targeting and de-concentration policies. HACoLA also utilizes Socialserve.com, an affordable housing property listing service that encourages owner participation in the Housing Choice Voucher program, reduces the difficulty of locating housing for voucher holders, and encourages de-concentration among assisted families. HACoLA uses Socialserve.com to place a low-poverty indicator on rental search results to assist families with finding units located outside areas of poverty concentration areas.
HACoLA applies the following local preferences to Housing Choice Voucher and public housing applicants on the waiting list pursuant to 24 CFR 960.206:

- Families who qualify for Set-Aside, Targeted, or Special Programs administered by the Housing Authority
- Families previously assisted by the Housing Authority whose assistance was terminated due to insufficient funding
- Victims of declared disasters, whether due to natural calamity (e.g. earthquake), civil disturbance, or other causes recognized by the federal government.
- Families or individuals who are certified as displaced due to the action of a federal government agency or local government agencies
- Families referred from law enforcement agencies, which may include victims of domestic violence, those involuntarily displaced to avoid reprisals, or those displaced due to being the victim of a hate crime
- Families who live and/or work in the Housing Authority’s jurisdiction

G. Community Participation

Adequate community involvement and representation are important to overcoming and identifying impediments to fair housing or other factors that may restrict access to housing. Decisions regarding housing development in the City are typically made by the City Council, Planning Commission, Housing and Community Development Act Citizen Advisory Committee, Design Review Board, and Parks and Recreation Commission. The role of each of these bodies is discussed below.

1. City Council

City residents elect the City Council to guide the policy affairs of the community. The City Council must provide an environment that stimulates participation in the governing processes and must conduct the affairs of the City openly and responsively. The Council consists of five members elected at-large from five geographic districts of the City to serve four-year terms. The City holds municipal elections in November every two years on even-numbered years. Under a rotational system adopted in 1984, each of the Council members serves as Mayor for a nine-month period. The City Council appoints the City Manager, City Attorney, and City Commission Members. The Council also now serves as the Successor Agency to the City’s former Redevelopment Agency. The City Council meets the second and fourth Monday of each month in the City Hall Council Chambers.

2. Planning Commission

The Alhambra City Planning Commission guides the City’s planning processes; their work includes identification of planning-related problems and opportunities, review of plans for projects requiring zoning changes, variances, or subdivision approval. The Commission consists of 10 individuals appointed by the City Council from the community. The Commission meets the first and third Monday of each month in the City Hall Council Chambers.
3. Housing and Community Development Act Citizen Advisory Committee

The Housing and Community Development Act Citizen Advisory Committee (HCDA) is a group of ten Alhambra citizens appointed by the City Council, and based upon the needs of the community, to make recommendations to the Council regarding the expenditure of HUD funds and the administration of the CDBG- and HOME-funded programs. Meetings of the HCDA are open to the public and the citizens of Alhambra are invited to attend and participate in the discussion of the policy. HCDA meets on the first Tuesday of each month.

4. Design Review Board

The Design Review Board consists of five members appointed by the City Council. Members of the Board must have experience in one of the design professions, including architecture, construction, interior design, planning, or landscape architecture. The Design Review Board makes recommendations to the Planning Commission on design-related aspects of projects. The Board meets on the second and fourth Tuesday of each month.

5. Parks and Recreation Commission

The Parks and Recreation Advisory Commission oversees the management and use of parklands and recreational facilities in the City of Alhambra, as well as the wide variety of community events and programs coordinated by the Community Services Department. The Commission consists of ten members, two appointed by each City Council member. Meetings are held on the first Thursday of the month at the Joslyn Senior Center, 210 N. Chapel Avenue, Alhambra.

6. Sensitivity Training and Multi-Lingual Capabilities

An important strategy for expanding housing choices for all residents is to ensure that residents’ concerns are heard. Community participation can be limited or enhanced by actions or inaction by a public agency. A broader range of residents may feel more comfortable approaching an agency with concerns or suggestions if that agency offers sensitivity or diversity training to its staff members that typically interface with the public. In addition, if there is a mismatch between the linguistic capabilities of staff members and the native languages of local residents, non-English speaking residents may be unintentionally excluded from the decision making process. Another factor that may affect community participation is the inadequacy of an agency or public facility to accommodate residents with various disabilities.

While providing fair housing education for the public and housing professionals is critical, ensuring City staff understand fair housing laws and are sensitive to the discrimination issues is equally important. The City of Alhambra sponsors periodic sensitivity training for staff members who interface with the public. Sensitivity training is a form of education that attempts to make a person more aware of oneself and others. Such training often incorporates principles of non-discrimination and cultural diversity. The City also has multi-lingual capabilities to serve Spanish and Chinese speaking residents.
Chapter 5: Fair Housing Practices

This chapter provides an overview of the institutional structure of the housing industry with regard to fair housing practices. In addition, this chapter discusses the fair housing services available to residents in the City of Alhambra, as well as the nature and extent of fair housing complaints received by the fair housing provider. Typically, fair housing services encompass the investigation and resolution of housing discrimination complaints, discrimination auditing/testing, and education and outreach, including the dissemination of fair housing information. Tenant/landlord counseling services are usually offered by fair housing service providers but are not considered fair housing services.

A. Fair Housing Practices in the Homeownership Market

Part of the American dream involves owning a home in the neighborhood of one’s choice. Homeownership is believed to enhance one’s sense of well-being, is a primary way to accumulate wealth, and is believed to strengthen neighborhoods, because residents with a greater stake in their community will be more active in decisions affecting the future of their community. Not all Americans, however, have always enjoyed equal access to homeownership due to credit market distortions, “redlining,” steering, and predatory lending practices.

On December 5, 1996, HUD and the National Association of REALTORS® (NAR) entered into a Fair Housing Partnership. Article VII of the HUD/NAR Fair Housing Partnership Resolution provides that HUD and NAR develop a Model Affirmative Fair Housing Marketing Plan for use by members of the NAR to satisfy HUD’s Affirmative Fair Housing Marketing regulations. Yet there is still much room for discrimination in the housing market. This section analyzes potential impediments to fair housing in the homeownership sector.

1. The Homeownership Process

The following discussions describe the process of homebuying and likely situations when a person/household may encounter housing discrimination. However, much of this process occurs in the private housing market over which local jurisdictions have little control or authority to regulate. The recourse lies in the ability of the contracted fair housing service providers in monitoring these activities, identifying the perpetrators, and taking appropriate reconciliation or legal actions.

Advertising

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

- Current or potential residents;
- Neighbors or the neighborhood in racial or ethnic terms;
- Adults preferred;
- Perfect for empty nesters;
- Conveniently located by a Catholic Church; or
- Ideal for married couples without kids.
In a survey of online listings for homes available for purchase in Alhambra in March 2013, a small percentage of advertisements included potentially discriminatory language.

Of a total of 58 listings, 20 listings included references to something other than the physical description of the available home and amenities and services included (Table 37). All of the advertisements were targeted specifically at families through the identification of school districts and nearby schools.

<table>
<thead>
<tr>
<th>Discrimination Type</th>
<th>Number of Listings</th>
<th>Potentially Discriminatory Language*</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Discriminatory Language</td>
<td>38</td>
<td>n/a</td>
</tr>
</tbody>
</table>

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

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

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

### Lending

Initially, buyers must find a lender that will qualify them for a loan. This part of the process entails an application, credit check, ability to repay, amount eligible for, choosing the type and terms of the loan, etc. Applicants are requested to provide a lot of sensitive information including their gender, ethnicity, income level, age, and familial status. Most of this information is used for reporting purposes required of lenders by the Community Reinvestment Act (CRA) and the Home Mortgage Disclosure Act (HMDA). However, analysis of lending data over the last decade has led many to conclude that lower income households and minorities have been targeted for predatory lending.

Lending discrimination can occur during advertising/outreach, pre-application inquiries, loan approval/denial and terms/conditions, and loan administration. Further areas of potential discrimination include: differences in the level of encouragement, financial assistance, types of loans recommended, amount of down payment required, and level of customer service provided.
**Appraisals**

Banks order appraisal reports to determine whether or not a property is worth the amount of the loan they will be giving. Generally speaking, appraisals are based on the comparable sales of properties within the neighborhood of the property being appraised. Other factors are taken into consideration, such as the age of the structure, any improvements made, location, general economic influences, etc. However, during the mortgage lending and refinancing frenzy prior to 2008, there have been reports of inflated home values in order to entice refinancing.

**Real Estate Agents**

Real estate professionals may act as agents of discrimination. Some unintentionally, or possibly intentionally, may steer a potential buyer to particular neighborhoods by encouraging the buyer to look into certain areas; 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 their clients.

The California Association of REALTORS® (CAR) has included language on many standard forms disclosing fair housing laws to those involved. Many REALTOR® Associations also host fair housing trainings/seminars to educate members on the provisions and liabilities of fair housing laws, and the Equal Opportunity Housing Symbol is also printed on all CAR forms as a reminder.

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

Covenants, Conditions, and Restrictions (CC&Rs), are restrictive promises that involve voluntary agreements, which run with the land they are associated with and are listed in a recorded Declaration of Restrictions. The Statute of Frauds (Civil Code Section 1624) requires them to be in writing, because they involve real property. They must also be recorded in the County where the property is located in order to bind future owners. Owners of parcels may agree amongst themselves as to the restrictions on use, but in order to be enforceable they must be reasonable.

The California Department of Real Estate reviews CC&Rs for all subdivisions of five or more lots, or condominiums of five or more units. This review is authorized by the Subdivided Lands Act and mandated by the Business Professions Code, Section 11000. The review includes a wide range of issues, including compliance with fair housing law. The review must be completed and approved before the Department of Real Estate will issue a final subdivision public report. This report is required before a real estate broker or anyone can sell the units, and each prospective buyer must be issued a copy of the report. If the CC&Rs are not approved, the Department of Real Estate will issue a “deficiency notice”, requiring the CC&Rs be revised. CC&Rs are void if they are unlawful, impossible to perform or are in restraint on alienation (a clause that prohibits someone from selling or transferring his/her property). However, older subdivisions and condominium/townhome developments may contain illegal clauses which are enforced by the homeowners associations.

**Homeowners Insurance Industry**

Insurance is the cornerstone of credit. Without insurance, banks and other financial institutions lend less. Fewer loans leads to fewer new homes constructed and more existing homeowners
will forgo repairs leaving buildings to deteriorate faster.\textsuperscript{13} Many traditional industry underwriting practices which may have some legitimate business purpose also adversely affect lower income and minority households and neighborhoods. For example, if a company excludes older homes from coverage, lower income and minority households who can only afford to buy in older neighborhoods may be disproportionately affected. Another example includes private mortgage insurance (PMI). PMI obtained by applicants from Community Reinvestment Act (CRA) protected neighborhoods is known to reduce lender risk. Redlining of lower income and minority neighborhoods can occur if otherwise qualified applicants are denied or encouraged to obtain PMI.\textsuperscript{14} Underwriting guidelines are not public information; however, consumers have begun to seek access to these underwriting guidelines to learn if certain companies have discriminatory policies.

The California Fair Access to Insurance Requirements (FAIR) Plan was created by the Legislature in 1968 after the brush fires and riots of the 1960s made it difficult for some people to purchase fire insurance due to hazards beyond their control. The FAIR Plan is designed to make property insurance more readily available to people who have difficulty obtaining it from private insurers because their property is considered "high risk."

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

**Credit and FICO Scores**

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

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

FICO scores became more heavily relied on by lenders when studies conducted show that borrowers with scores above 680 almost always make payments on time, while borrowers with

\begin{itemize}
\item \textsuperscript{13} National Advisory Panel on Insurance in Riot Affected Areas, 1968.
\item \textsuperscript{14} “Borrower and Neighborhood Racial Characteristics and Financial Institution Financial Application Screening”; Mester, Loretta J; Journal of Real Estate Finance and Economics; 9 241-243; 1994
\end{itemize}
scores below 600 seemed fairly certain to develop problems. Some of the factors that affect a FICO score are:

- Delinquencies
- New accounts (opened within the last twelve months)
- Length of credit history (a longer history of established credit is better than a short history)
- Balances on revolving credit accounts
- Public records, such as tax liens, judgments, or bankruptcies
- Credit card balances
- Number of inquiries
- Number and types of revolving accounts

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

2. National Association of REALTORS® (NAR)

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

Code of Ethics

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

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

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

NAR has created a diversity certification, “At Home with Diversity: One America” to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR “At Home with Diversity” course. The certification will signal to customers that the real estate professional has been trained on working with diversity in today’s real estate markets. The coursework provides valuable business planning tools to assist real estate professionals in reaching out and marketing to a diverse housing market. The NAR course focuses on diversity awareness, building cross-cultural skills, and developing a business diversity plan.

3. California Department of Real Estate (DRE)

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

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

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

4. California Association of REALTORS® (CAR)

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

REALTOR® Associations Serving the City of Alhambra

REALTOR® Associations are generally the first line of contact for real estate agents who need continuing education courses, legal forms, career development, and other daily work necessities. The frequency and availability of courses varies amongst these associations, and local association membership is generally determined by the location of the broker for which an agent works. Complaints involving agents or brokers may be filed with these associations.

Monitoring of services by these associations is difficult as detailed statistics of the education/services the agencies provide or statistical information pertaining to the members is
Complaints against members are handled by the associations as follows. First, all complaints must be in writing. Once a complaint is received, a grievance committee reviews the complaint to decide if it warrants further investigation. If further investigation is necessary, a professional standards hearing with all parties involved takes place. If the member is found guilty of a violation, the member may be expelled from the association, and the California Department of Real Estate is notified.

B. Fair Housing Practices in the Rental Housing Market

1. Rental Process

Advertising

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

A large number of rental listings in Alhambra contain potentially discriminatory language, such as encouraging or discouraging family living, or potentially discouraging persons with disabilities by emphasizing a no-pet policy without clarifications that service/companion animals are allowed.

Like with ad listings for for-sale homes, rental advertisements cannot include discriminatory references. Of a total of 210 rental listings surveyed in March 2013 for the City, 98 advertisements were found to contain potentially discriminatory language (Table 38). The problematic language typically involved references to household size or children (45 ads) and references to pets (46 ads).

Under California’s fair housing law, source of income is a protected class. It is, therefore, considered unlawful to prefer, limit, or discriminate against a specific income source for a potential homebuyer. Section 8 is not included as a part of this protected class, however, and rental advertisements that specifically state Section 8 vouchers are not accepted are considered legal. There were few indications of income-based discrimination in the rental listings in the City. Of the 14 advertisements found that make reference to a potential tenant’s income source, most specifically stated that Section 8 was accepted or not accepted or made reference to an applicant’s employment status.

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

Persons with disabilities have the right to ask their housing provider to make a reasonable accommodation in a “no pets” policy in order to allow for the use of a companion or service animal. However, in the case of rental ads that specifically state “no pets,” some disabled persons may not be aware of their right to ask for an exception to this rule. Because of this, a person with a disability may see themselves as limited in their housing options and a “no pets” policy could, therefore, be interpreted as potentially discriminatory. Of the rental listings surveyed, 44 ads included language to specifically ban pets.

A total of 19 ads included potentially discriminatory language based on arbitrary factors. For example, a number of these ads used language to target individuals with certain personalities and/or skill sets.

Table 38: Potential Discrimination in Listings of Homes for Rent

<table>
<thead>
<tr>
<th>Discrimination Type</th>
<th>Number of Listings</th>
<th>Potentially Discriminatory Language¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Discriminatory Language</td>
<td>99</td>
<td>n/a</td>
</tr>
<tr>
<td>Disability Related</td>
<td>46</td>
<td>No Pets.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>There is a No pet policy.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NO PETS ALLOWED.</td>
</tr>
<tr>
<td>Income Related</td>
<td>14</td>
<td>Section 8 also considered!</td>
</tr>
<tr>
<td></td>
<td></td>
<td>We Welcome Section 8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NO SECTION 8.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SINGLE STUDENT or SINGLE FULLTIME EMPLOYEE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The living situation is great for students or</td>
</tr>
<tr>
<td></td>
<td></td>
<td>young working professionals who need housing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>on a budget.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Must make $3375 per month, live at current</td>
</tr>
<tr>
<td></td>
<td></td>
<td>residence more than 1 year, and work at</td>
</tr>
<tr>
<td></td>
<td></td>
<td>current employment for more than 1 year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Prefer student or working class</td>
</tr>
<tr>
<td>Household Size/ Family</td>
<td>45</td>
<td>Walking distance to high school.</td>
</tr>
<tr>
<td>Related</td>
<td></td>
<td>MAXIMUM OF 3-4 PEOPLE.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>While you are here, why not have your child</td>
</tr>
<tr>
<td></td>
<td></td>
<td>attend the excellent, award winning schools</td>
</tr>
<tr>
<td></td>
<td></td>
<td>nearby?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Great schools: Alhambra High School and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Baldwin Ideal for 1 or 2 people.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Located in north Alhambra in very nice</td>
</tr>
<tr>
<td></td>
<td></td>
<td>neighborhood, 1 minute to school.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NEAR STORY PARK, PLAYGROUNDS.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The home is considered under the Alhambra</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unified School District (AUSD). Boundary</td>
</tr>
<tr>
<td></td>
<td></td>
<td>maps put the home at Ramona Elementary</td>
</tr>
<tr>
<td></td>
<td></td>
<td>School (grades K-8) &amp; Alhambra High (grades</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9-12). Walking to school</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Conveniently located next to schools.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Family oriented home - Nearby schools are</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Emery Park elementary and Alhambra High</td>
</tr>
<tr>
<td></td>
<td></td>
<td>school. The house is located next to Garfield</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Elementary. Close to schools - Just a half</td>
</tr>
<tr>
<td></td>
<td></td>
<td>block from Garfield Elametry School and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>three blocks from Alhambra High School.</td>
</tr>
<tr>
<td>Chinese Only Ads²</td>
<td>2</td>
<td>n/a</td>
</tr>
</tbody>
</table>
Table 38: Potential Discrimination in Listings of Homes for Rent

<table>
<thead>
<tr>
<th>Discrimination Type</th>
<th>Number of Listings</th>
<th>Potentially Discriminatory Language^1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spanish Only Ads^2</td>
<td>2</td>
<td>n/a</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>19</td>
<td>Why Not Live Somewhere with Beauty, Charm, and Class? Speak Korea Chinese Japanese. This is a quiet building and we are looking for someone that is not loud, is respectful and an overall great tenant. No smoking or parties. Many residents commute to USC and nearby colleges. Suitable for Single female</td>
</tr>
</tbody>
</table>


Notes:
1. Examples are direct quotes from the listings (including punctuation and emphasis).
2. Chinese or Spanish only ads as appeared on Craigslist.com. Worldjournal.com is a Chinese online newspaper. However, because no addresses are given in the ads, it is not possible to cross-reference if a corresponding English ad has also been published in an English language newspaper.

Responding to Ads

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

Viewing the Unit

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

In a follow up to the study discussed above, researchers developed an experiment to test for subtle discrimination. Subtle discrimination is defined as unequal treatment between groups that occurs but is difficult to quantify, and may not always be identifiable through common measures such as price differences. Researchers found that, in general, landlords replied faster and with longer messages to inquiries made from white names. The study also found that landlords were more likely to use descriptive language, extend invitations to view a unit, invite further correspondence, use polite language, and make a formal greeting when replying to e-mail inquiries from a white home seeker.

16 Subtle Discrimination in the Rental Housing Market: Evidence from E-mail Correspondence with Landlords. Andrew Hanson, Zackary Hawley, and Aryn Taylor. September 2011.
Credit/Income Check

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. Many landlords often use credit history as an excuse when trying to exclude certain groups. Legislation provides for applicants to receive a copy of the report used to evaluate applications.

The study on subtle discrimination mentioned earlier found no statistically significant evidence of discrimination in using language related to fees, asking for employment or rental history, or requesting background information.

The Lease

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

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

Lease-related language barriers can impede fair housing choice if landlords and tenants do not speak the same language. In California, applicants and tenants have the right to negotiate lease terms primarily in Spanish, Chinese, Tagalog, Vietnamese or Korean. If a language barrier exists, the landlord must give the tenant a written translation of the proposed lease or rental agreement in the language used in the negotiation before the tenant signs it. This rule applies to lease terms of one month or longer and whether the negotiations are oral or in writing. Also, the landlord must provide the translation whether or not the tenant requests it. The translation must include every term and condition in the lease or rental agreement. A translation is not required if the tenant provides his or her own adult interpreter.

Security Deposit

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

17 California Civil Code Section 1632(b)
During the Tenancy

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

2. Apartment Association of California

The California Apartment Association (CAA) is the country's largest statewide trade association for rental property owners and managers. The CAA was 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. Under the umbrella agency, various apartment associations cover specific geographic areas.

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

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

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

The CAA supports the intent of all local, State, and federal fair housing laws for all residents without regard to color, race, religion, sex, marital status, mental or physical disability, age, familial status, sexual orientation, or national origin. Members of the CAA agree to abide by the provisions of their Code for Equal Housing Opportunity.

3. The National Association of Residential Property Managers (NARPM)

The National Association of Residential Property Managers promotes a high standard of property management business ethics, professionalism and fair housing practices within the residential property management field. NARPM is an association of real estate professionals who are experienced in managing single-family and small residential properties. Members of the association adhere to a strict Code of Ethics to meet the needs of the community, which include the following duties:
• Protect the public from fraud, misrepresentation, and unethical practices of property managers.
• Adhere to the Federal Fair Housing statutes.
• Protect the fiduciary relationship of the client.
• Treat all tenants professionally and ethically.
• Manage the property in accordance with the safety and habitability standards of the community.
• Hold all funds received in compliance with state law with full disclosure to the client.

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

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

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

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

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

4. Western Manufactured Housing Communities Association (WMA)

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

WMA offers an award winning manager accreditation program as well as numerous continuing education opportunities. The Manufactured Home Community Manager (MCM) program is a manager accreditation program that provides information on effective community operations. WMA's industry experts give managers intensive training on law affecting the industry, maintenance standards, HCD inspections, discrimination, mediation, disaster planning, and a full range of other vital subjects. In addition, WMA offers the following services:

• Toll-free hotline for day-to-day management advice
• Resident Screening Program
• Group Workers’ Compensation Program
• Legal Advice
C. Fair Housing Services

In general, fair housing services include the investigation and resolution of housing discrimination complaints, discrimination auditing and testing, and education and outreach, including the dissemination of fair housing information such as written material, workshops, and seminars. Landlord/tenant counseling is another fair housing service that involves informing landlords and tenants of their rights and responsibilities under fair housing law and other consumer protection legislations as well as mediating disputes between tenants and landlords. This section reviews the fair housing services available in the City of Alhambra, the nature and extent of fair housing complaints, and results of fair housing testing/audits.

1. Housing Rights Center

The Housing Rights Center (HRC) is under contract with the City of Alhambra to provide fair housing services in the City. HRC is a nonprofit agency whose mission is to actively support and promote fair housing through education and advocacy. HRC provides the following fair housing related services to all Los Angeles residents:

- Counseling on fair housing rights and responsibilities through their toll-free fair housing hotline: 1-800-477-5977.
- Investigates allegations of housing discrimination under the fair housing laws. The Investigations Department conducts fact finding investigations and proposes potential solutions for victims of housing discrimination. Case resolution can include mediation, conciliation, a referral to State and Federal administrative agencies, or referral to HRC's Litigation Department.
- Provides telephone and in-person counseling to both tenants and landlords regarding their respective rights and responsibilities under California law and local city ordinances.
- Hosts an Annual Housing Rights Summit, which brings interested parties together to discuss fair housing and raises public awareness of fair housing issues and services.
- Offers a monthly Fair Housing Certification Training for housing industry professionals who are interested in learning about the Federal and State fair housing laws. HRC presently offers trainings in English and Spanish.
- Develops and distributes educational literature and resources that describe ways to prevent housing injustices and the applicable laws that protect against discrimination. The materials are made available free to the public in several different languages including English, Spanish, Korean, Mandarin, Armenian, Cantonese and Russian.
- Presents free fair housing law workshops for landlords, tenants, nonprofit organizations and city employees. Depending on the audience, the presentations can be translated by staff into Armenian, Mandarin, Spanish, or Russian.
Overall Clients Served

Between Fiscal Year (FY) 2007-08 and FY 2011-12, HRC provided fair housing services to a total of 2,738 clients. The number of Alhambra residents served has generally declined over time, from a high in FY 2007-08 of 507 clients to 465 clients in FY 2011-12. This decline could be an indication of an improved fair housing environment.

Table 39: Clients Served (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alhambra</td>
<td>507</td>
<td>493</td>
<td>479</td>
<td>434</td>
<td>465</td>
<td>2,378</td>
</tr>
</tbody>
</table>


Clients Served by Race and Ethnicity

Between 2007 and 2012, “Other” races represented 41 percent of HRC’s clients, followed by Asians (21 percent) and Whites (17 percent). The “Other” category most likely includes those who are of Hispanic origin. Often Hispanic persons identify with their ethnicity (e.g., Mexican, Puerto Rican) but generally do not identify with their race. Approximately one-half of HRC’s clients identified themselves as ethnically Hispanic.

The racial/ethnic distribution of HRC’s clients is not consistent with the City’s demographics, however. According to the 2010 Census, Hispanics made up about 34 percent of the population, whereas Asians and Whites represented 53 percent and 10 percent of the City’s residents, respectively. HRC client data indicates that Hispanics may be disproportionately impacted by housing discrimination. The significant increase in American Indian/Alaskan Native clients in 2011-12 and a corresponding decrease in “Other” clients was due more to HUD’s new direction to categorize Hispanic persons as American Indian/Alaskan Native as their race.

Table 40: Clients Served by Race (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>101</td>
<td>57</td>
<td>82</td>
<td>69</td>
<td>98</td>
<td>407</td>
<td>17.1%</td>
</tr>
<tr>
<td>Black</td>
<td>14</td>
<td>11</td>
<td>17</td>
<td>13</td>
<td>72</td>
<td>139</td>
<td>5.8%</td>
</tr>
<tr>
<td>American Indian/Alaskan Native and White</td>
<td>134</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>4</td>
<td>139</td>
<td>5.8%</td>
</tr>
<tr>
<td>Other</td>
<td>102</td>
<td>293</td>
<td>282</td>
<td>261</td>
<td>31</td>
<td>969</td>
<td>40.7%</td>
</tr>
<tr>
<td>American Indian/Alaskan Native and Black</td>
<td>36</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>38</td>
<td>1.6%</td>
</tr>
<tr>
<td>Asian</td>
<td>106</td>
<td>126</td>
<td>91</td>
<td>82</td>
<td>86</td>
<td>491</td>
<td>20.6%</td>
</tr>
<tr>
<td>American Indian/Alaskan Native</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>227</td>
<td>242</td>
<td>10.2%</td>
</tr>
<tr>
<td>Pacific Islander</td>
<td>0</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>12</td>
<td>0.5%</td>
</tr>
<tr>
<td>Black and White</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>0.1%</td>
</tr>
<tr>
<td>Asian and White</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>5</td>
<td>0.2%</td>
</tr>
<tr>
<td>Total</td>
<td>507</td>
<td>493</td>
<td>479</td>
<td>434</td>
<td>465</td>
<td>2,378</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 41: Clients Served by Ethnicity (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic</td>
<td>222</td>
<td>229</td>
<td>236</td>
<td>227</td>
<td>265</td>
<td>1,179</td>
<td>49.6%</td>
</tr>
<tr>
<td>Not Hispanic</td>
<td>285</td>
<td>264</td>
<td>243</td>
<td>207</td>
<td>200</td>
<td>1,199</td>
<td>50.4%</td>
</tr>
<tr>
<td>Total</td>
<td>507</td>
<td>493</td>
<td>479</td>
<td>434</td>
<td>465</td>
<td>2,378</td>
<td>100.0%</td>
</tr>
</tbody>
</table>


Clients Served by Income

As with most jurisdictions, statistics reported for the City of Alhambra indicate that lower income persons, regardless of race, are the most heavily impacted by fair housing issues. Between FY 2007-08 and FY 2011-12, 87 percent of those served by the HRC were lower income, with most clients falling in the extremely low income category (51 percent).

Table 42: Clients Served by Income Level (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Low</td>
<td>181</td>
<td>204</td>
<td>231</td>
<td>278</td>
<td>327</td>
<td>1,221</td>
<td>51.3%</td>
</tr>
<tr>
<td>Very Low</td>
<td>44</td>
<td>138</td>
<td>81</td>
<td>75</td>
<td>61</td>
<td>399</td>
<td>16.8%</td>
</tr>
<tr>
<td>Low</td>
<td>168</td>
<td>95</td>
<td>106</td>
<td>44</td>
<td>47</td>
<td>460</td>
<td>19.3%</td>
</tr>
<tr>
<td>Moderate</td>
<td>98</td>
<td>56</td>
<td>61</td>
<td>37</td>
<td>30</td>
<td>282</td>
<td>11.9%</td>
</tr>
<tr>
<td>Above Moderate</td>
<td>16</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>16</td>
<td>0.7%</td>
</tr>
<tr>
<td>Total Clients</td>
<td>507</td>
<td>493</td>
<td>479</td>
<td>434</td>
<td>465</td>
<td>2,378</td>
<td>100.0%</td>
</tr>
</tbody>
</table>


Clients Served by Other Characteristics

Between FY 2007-08 and FY 2011-12, female-headed households (nine percent) and seniors (nine percent) comprised nearly one-fifth of HRC’s clients. Approximately eight percent of HRC clients were persons with disabilities, one percent were households who received government subsidies for housing, and less than one percent were from those living in rent stabilized households. Clients with special needs represented over one-fourth of all clients served by the HRC between 2007 and 2012.

Table 43: Clients Served by Household Characteristics (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persons with Disabilities</td>
<td>50</td>
<td>30</td>
<td>42</td>
<td>31</td>
<td>27</td>
<td>180</td>
<td>7.6%</td>
</tr>
<tr>
<td>Female Headed Households</td>
<td>59</td>
<td>41</td>
<td>39</td>
<td>43</td>
<td>26</td>
<td>208</td>
<td>8.7%</td>
</tr>
<tr>
<td>Seniors</td>
<td>54</td>
<td>47</td>
<td>32</td>
<td>39</td>
<td>30</td>
<td>202</td>
<td>8.5%</td>
</tr>
<tr>
<td>Rent Stabilized</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>0.1%</td>
</tr>
<tr>
<td>Government Subsidized</td>
<td>7</td>
<td>4</td>
<td>7</td>
<td>6</td>
<td>9</td>
<td>33</td>
<td>1.4%</td>
</tr>
<tr>
<td>Special Needs Total</td>
<td>171</td>
<td>123</td>
<td>120</td>
<td>119</td>
<td>92</td>
<td>625</td>
<td>26.3%</td>
</tr>
<tr>
<td>Total Clients</td>
<td>507</td>
<td>493</td>
<td>479</td>
<td>434</td>
<td>465</td>
<td>2,378</td>
<td>100.0%</td>
</tr>
</tbody>
</table>


Note 1: Households in “rent stabilized” units are probably as a mistake in categorizing the clients as Alhambra has no rent stabilization.
Housing Discrimination Complaints

Between FY 2007-08 and FY 2011-12, 125 complaints of housing discrimination were reported. Most allegations were related to physical disability (35 percent), but a significant number of complaints involved mental disability (14 percent), familial status (12 percent), and gender, national origin, and race (seven percent each).

| Table 44: Discrimination Complaints by Protected Classification (2007-2012) |
|---------------------------------|-------|-------|-------|-------|-------|-------|
| Age                             | 0     | 0     | 0     | 0     | 1     | 1     |
| Familial Status                 | 2     | 6     | 3     | 2     | 2     | 15    |
| Gender                          | 1     | 2     | 1     | 3     | 2     | 9     |
| Marital Status                  | 2     | 0     | 0     | 0     | 0     | 2     |
| Mental Disability               | 4     | 3     | 3     | 2     | 6     | 18    |
| National Origin                 | 1     | 1     | 4     | 1     | 2     | 9     |
| Physical Disability             | 11    | 8     | 10    | 7     | 8     | 44    |
| Race                            | 2     | 4     | 1     | 1     | 1     | 9     |
| Religion                        | 1     | 0     | 1     | 1     | 0     | 3     |
| Sexual Orientation              | 0     | 0     | 1     | 3     | 1     | 5     |
| Source of Income                | 2     | 0     | 0     | 0     | 0     | 2     |
| Arbitrary                       | 0     | 0     | 0     | 0     | 0     | 0     |
| General Information             | 1     | 3     | 1     | 3     | 0     | 8     |
| Total                           | 27    | 27    | 25    | 23    | 23    | 125   |


It is important to note that not all allegations of discrimination evolve into actual fair housing cases. Of the 125 complaints of discrimination received between 2007 and 2012, only 37 (30 percent) were deemed significant enough to turn into fair housing cases, and only about 60 percent of the cases opened had enough evidence to sustain the allegation of discrimination (Table 45). Table 46 provides a summary of selected fair housing cases.
### Table 45: Findings and Dispositions (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegations</td>
<td>27</td>
<td>27</td>
<td>25</td>
<td>23</td>
<td>23</td>
<td>125</td>
<td>100.0%</td>
</tr>
<tr>
<td>Cases</td>
<td>7</td>
<td>8</td>
<td>8</td>
<td>6</td>
<td>8</td>
<td>37</td>
<td>29.6%</td>
</tr>
</tbody>
</table>

#### Findings

<table>
<thead>
<tr>
<th>Finding</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegation Sustained</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>22</td>
</tr>
<tr>
<td>Inconclusive Evidence</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>15</td>
</tr>
<tr>
<td>Pending</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

#### Dispositions

<table>
<thead>
<tr>
<th>Disposition</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Successful Conciliation</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td>No enforcement possible</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>Client withdrew allegation</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Pending</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Referred to other agency/dept</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: Totals for each year may not match because not all possible findings and dispositions are listed in above table.

### Table 46: Selected Case Summaries

<table>
<thead>
<tr>
<th>Case Summary</th>
<th>Factors of Allegation, Finding, and Disposition</th>
</tr>
</thead>
</table>
| **Complainant:** African American, single, female, in-place tenant | **Allegation:** Physical disability discrimination  
**Housing Practice:** Reasonable accommodation  
**Facts:** The complainant (Cp) is a single, African American female with a permanent disability. Cp’s daughter also has a disability. Cp has lived at the complaint property since 2002. Cp states that on 5/22/07 she received a 60-day notice to quit. Cp states the owner is retaliating against her because she complained about the conditions of her unit. Cp is a requiring a reasonable accommodation (an extension of three to six months to move out) based on her and her daughter’s disabilities.  
**Finding:** Sustains Allegation (need for a reasonable accommodation)  
**Disposition:** Successful conciliation |
| **Complainant:** Caucasian, single, female, in-place tenant | **Allegation:** Mental disability discrimination  
**Housing Practice:** Reasonable accommodation  
**Facts:** The complainant (Cp) is a single, Caucasian female with a disability. Cp lives in a one-bedroom apartment with her companion dog at the complaint address. Cp states that the manager is refusing to upgrade Cp’s apartment from a one-bedroom unit to a two-bedroom unit because she has a companion dog. Cp states that she needs the extra bedroom for medical purposes. Cp is requesting a reasonable accommodation (to be transferred to a two-bedroom unit) based on her disability.  
**Finding:** Sustains allegation  
**Disposition:** Successful conciliation |
| **Complainant:** Agency case | **Allegation:** Religion discrimination  
**Housing Practice:** Discriminatory advertisement  
**Facts:** HRC staff found discriminatory statements in a website stating in part, “Christian living for today’s senior.” HRC believes that the advertisement is discriminatory based on religion.  
**Finding:** Sustains allegation  
**Disposition:** Successful conciliation |
Table 46: Selected Case Summaries

<table>
<thead>
<tr>
<th>Case Summary</th>
<th>Factors of Allegation, Finding, and Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complainant: HRC</td>
<td>Facts: HRC found an advertisement stating in part, “(2 adults max).”</td>
</tr>
<tr>
<td>Allegation: Familial status discrimination</td>
<td>Finding: Sustains allegation (familial status discrimination)</td>
</tr>
<tr>
<td>Housing Practice: Discriminatory advertisement</td>
<td>Disposition: Successful conciliation</td>
</tr>
<tr>
<td>Complainant: Caucasian, single, male with disabilities; in-place tenant</td>
<td>Facts: The complainant (Cp) is a single, Caucasian man. Cp has disabilities. Cp has lived at the complaint address since 2005. A Caucasian man owns and manages the 6 unit apartment building. Cp states he was served with a 60 day notice to vacate his unit by February 28, 2011 by the owner. Cp states he requires the use of a cane and has respiratory problems. Cp states that due to his physical disabilities he cannot move out before February 28, 2011 and will require an extra 30 days to vacate his unit. Cp is requesting a reasonable accommodation (to have an extra 30 days to vacate his unit) based on his disability.</td>
</tr>
<tr>
<td>Allegation: Physical disability discrimination</td>
<td>Finding: Sustains Allegation (need for a reasonable accommodation)</td>
</tr>
<tr>
<td>Housing Practice: Reasonable accommodation request</td>
<td>Disposition: Successful conciliation</td>
</tr>
<tr>
<td>Complainant: Latino, single, female with disabilities; in-place tenant</td>
<td>Facts: The Complainant (Cp) is a single, Latino, female with disabilities. Cp has lived at the complaint address for 2 years. The 17 unit property is managed by the owner. Cp states she suffers from several disabilities. Cp states her car is frequently blocked in by the maintenance worker's truck. Cp states she is unable to park on the street because parking is scarce. Cp states that the available parking spaces are too far from her unit. Cp is requesting a reasonable accommodation (to have clear access to her parking space) based on her disability.</td>
</tr>
<tr>
<td>Allegation: Physical disability discrimination</td>
<td>Finding: Sustains Allegation (need for a reasonable accommodation)</td>
</tr>
<tr>
<td>Housing Practice: Reasonable accommodation</td>
<td>Disposition: Successful conciliation</td>
</tr>
</tbody>
</table>


**Tenant Landlord Counseling**

A number of Alhambra residents contacted the HRC for assistance with landlord/tenant issues and complaints. Concerns regarding tenant/landlord issues ranged from eviction to substandard conditions and questions on how to get repairs made. From 2007 to 2012, the most common issue the HRC encountered was clients seeking assistance with notices and security deposits. Questions concerning eviction, repairs, lease terms, general information were also very common (Table 47).
Table 47: Summary of Housing Issues (2007-2012)

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eviction</td>
<td>54</td>
<td>38</td>
<td>51</td>
<td>42</td>
<td>33</td>
<td>218</td>
<td>9.7%</td>
</tr>
<tr>
<td>Harassment</td>
<td>5</td>
<td>5</td>
<td>14</td>
<td>6</td>
<td>2</td>
<td>32</td>
<td>1.4%</td>
</tr>
<tr>
<td>Illegal Entry</td>
<td>3</td>
<td>4</td>
<td>6</td>
<td>5</td>
<td>3</td>
<td>21</td>
<td>0.9%</td>
</tr>
<tr>
<td>Late Fees</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>13</td>
<td>0.6%</td>
</tr>
<tr>
<td>Lease Terms</td>
<td>16</td>
<td>35</td>
<td>61</td>
<td>35</td>
<td>52</td>
<td>199</td>
<td>8.8%</td>
</tr>
<tr>
<td>Lockout</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>4</td>
<td>5</td>
<td>11</td>
<td>0.5%</td>
</tr>
<tr>
<td>Notices</td>
<td>93</td>
<td>109</td>
<td>72</td>
<td>102</td>
<td>94</td>
<td>470</td>
<td>20.9%</td>
</tr>
<tr>
<td>Parking</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>14</td>
<td>0.6%</td>
</tr>
<tr>
<td>Pets</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>7</td>
<td>0.3%</td>
</tr>
<tr>
<td>Rent Increase</td>
<td>51</td>
<td>33</td>
<td>30</td>
<td>24</td>
<td>28</td>
<td>166</td>
<td>7.4%</td>
</tr>
<tr>
<td>Section 8 Information</td>
<td>9</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>19</td>
<td>0.8%</td>
</tr>
<tr>
<td>Security Deposit</td>
<td>53</td>
<td>84</td>
<td>63</td>
<td>54</td>
<td>51</td>
<td>305</td>
<td>13.5%</td>
</tr>
<tr>
<td>Substandard Conditions</td>
<td>35</td>
<td>32</td>
<td>36</td>
<td>36</td>
<td>38</td>
<td>177</td>
<td>7.9%</td>
</tr>
<tr>
<td>Utilities</td>
<td>4</td>
<td>8</td>
<td>4</td>
<td>3</td>
<td>7</td>
<td>26</td>
<td>1.2%</td>
</tr>
<tr>
<td>Repairs</td>
<td>52</td>
<td>27</td>
<td>48</td>
<td>34</td>
<td>72</td>
<td>233</td>
<td>10.3%</td>
</tr>
<tr>
<td>L/T General Information</td>
<td>56</td>
<td>53</td>
<td>38</td>
<td>35</td>
<td>25</td>
<td>207</td>
<td>9.2%</td>
</tr>
<tr>
<td>Others Issues</td>
<td>10</td>
<td>9</td>
<td>3</td>
<td>5</td>
<td>5</td>
<td>32</td>
<td>1.4%</td>
</tr>
<tr>
<td>Seeking Housing</td>
<td>29</td>
<td>21</td>
<td>18</td>
<td>10</td>
<td>21</td>
<td>99</td>
<td>4.4%</td>
</tr>
<tr>
<td>Relocation</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>480</strong></td>
<td><strong>466</strong></td>
<td><strong>454</strong></td>
<td><strong>411</strong></td>
<td><strong>442</strong></td>
<td><strong>2,253</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>


**Education and Outreach Efforts**

Education is one of the most important components of providing fair housing services. It is also believed to be one of the most important tools in ensuring that fair housing opportunities are provided, by giving citizens the knowledge to understand their rights and responsibilities, to recognize discrimination, locate resources if they need to file a complaint or need general assistance, and much more. The following briefly looks at some of the educational outreach efforts provided by the HRC.

Outreach efforts provided by the HRC in Alhambra include the walk-in clinic held at the Alhambra Public Library. During these sessions, residents are provided counseling, literature is distributed, and other general information and services are provided. The HRC has been offering walk-in clinics weekly each year in Alhambra since 2002. Other outreach activities conducted in Alhambra by the HRC include:

- A yearly housing rights summit
- Literature distribution and media advertisements, press releases, and public service announcements
- Presentations to agencies, the community, government officials and staff, and the housing industry
- Booths at community events
- A workshop for the community at least twice per year


2. **California Department of Fair Employment and Housing (DFEH)**

The mission of the Department of Fair Employment and Housing (DFEH) is to protect Californians from employment, housing and public accommodation discrimination, and hate violence. To achieve this mission, DFEH keeps track of and investigates complaints of housing discrimination, as well as complaints in the areas of employment, housing, public accommodations and hate violence.

Investigations begin with the intake of a complaint. Complainants are first interviewed to collect facts about possible discrimination. Interviews are normally conducted by telephone. If the complaint is accepted for investigation, the DFEH drafts a formal complaint that is signed by the complainant and served. If jurisdictional under federal law, the complaint is also filed with the United States Department of Housing and Urban Development (HUD). As a substantially equivalent agency, DFEH's findings are usually accepted by HUD. The recipient of the complaint (usually a landlord, seller, property manager, seller, or agent) is required to answer and has the opportunity to negotiate resolution with the complainant. If the case is not resolved voluntarily, the DFEH conducts a formal investigation.

If the investigative findings do not show a violation of the law, DFEH will close the case. If investigative findings show a violation of law, the DFEH schedules a formal conciliation conference. During the conciliation conference, the DFEH presents information supporting its belief that there has been a violation and explores options to resolve the complaint. If formal conciliation fails, the DFEH Housing Administrator may recommend litigation. If litigation is required, the case may be heard before the Fair Employment and Housing Commission (FEHC) or in civil court. Potential remedies for cases settled by the FEHC include out-of-pocket losses, injunctive relief, access to the housing previously denied, additional damages for emotional distress, and civil penalties up to $10,000 for the first violation. Court remedies are identical to FEHC remedies with one exception; instead of civil penalties, a court may award unlimited punitive damages.

Since 2006, a total of **three** fair housing complaints in Alhambra have been filed with DFEH. Two of these complaints involved race/color and the third involved familial status (children). Of the two complaints involving race/color, the alleged acts of discrimination included refusal to rent and eviction as well as unequal terms. The single familial status complaint alleged discrimination based on occupancy standards. Of the fair housing cases based on race/color, one achieved successful conciliation, while the other was found to have no probable cause and subsequently closed. A settlement was reached in the case of the familial status complaint.

3. **U.S. Department of Housing and Urban Development**

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

From 2006 to 2011, 20 fair housing cases were recorded by HUD in Alhambra. Cases involving discrimination based on familial status and national origin were the most common (Table 48). Cases concerning disability, religion, race, sex and retaliation were also reported. The number of discrimination cases recorded has decreased since 2006, and in 2009, there were no reported cases.

A total of 18 fair housing cases were closed in the City between 2006 and 2011, according to HUD. Many of these cases (nine cases) were found to have no probable cause and subsequently closed. An additional six cases were closed after successful conciliation or resolution and three cases were withdrawn without resolution (Table 49).

**Table 48: Basis for Discrimination of Cases filed with HUD (2006-2011)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Race</th>
<th>Color</th>
<th>National Origin</th>
<th>Sex</th>
<th>Sex Orientation</th>
<th>Disability</th>
<th>Religion</th>
<th>Familial/ Marital Status</th>
<th>Retaliation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>2007</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>2008</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>2009</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2010</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>2011</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>0</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>5</td>
<td>3</td>
<td>10</td>
<td>1</td>
<td>20</td>
</tr>
</tbody>
</table>

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

**Table 49: Disposition of Fair Housing Cases Filed with HUD (2006-2011)**

<table>
<thead>
<tr>
<th>Closing Category</th>
<th>Admin Closure</th>
<th>Conciliated or Resolved</th>
<th>No Cause</th>
<th>Cause</th>
<th>Referred and Closed by DOJ</th>
<th>Withdrew Without Resolution</th>
<th>Compensation for Conciliation or Resolution</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>0</td>
<td>2</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>$448.00</td>
<td>7</td>
</tr>
<tr>
<td>2007</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>$4,000.00</td>
<td>4</td>
</tr>
<tr>
<td>2008</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>--</td>
<td>4</td>
</tr>
<tr>
<td>2009</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>2010</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>--</td>
<td>2</td>
</tr>
<tr>
<td>2011</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>6</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>$4,448.00</td>
<td>18</td>
</tr>
</tbody>
</table>

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

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

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

Hate crime statistics compiled by the Federal Bureau of Investigation (FBI) show that a total of nine hate crimes were committed in Alhambra over a five-year period. The majority of the hate crimes committed in the City were based on race (Table 50). In Los Angeles County as a whole, race based hate crimes were also the most prevalent.

Overall, the incidence of reported hate crimes in the City between 2007 and 2011 was less than one per 1,000 people (0.11 per 1,000 persons). Statistically, the likelihood of hate crimes was higher in the City than in the County, which had an incidence rate of 0.02 per 1,000 persons between 2007 and 2011. It should be noted, however, that these statistics may also reflect a higher incidence of reporting crime in certain communities.

<table>
<thead>
<tr>
<th>Table 50: Hate Crimes (2007-2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basis of Complaints</strong></td>
</tr>
<tr>
<td><strong>Alhambra</strong></td>
</tr>
<tr>
<td>2007</td>
</tr>
<tr>
<td>2008</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2011</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>Los Angeles County</strong></td>
</tr>
<tr>
<td>2007</td>
</tr>
<tr>
<td>2008</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2011</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

E. NIMBYism

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

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

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

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

- **SB 1721:** The bill stipulates that a local agency shall not disapprove an affordable housing development project, including agricultural worker housing, or condition approval, including through the use of design review standards, in a manner that renders the project infeasible for development for the use of very low, low or moderate income households.

- **SB 2:** Expands the Housing Accountability Act, to prohibit localities from denying a proposal to build an emergency shelter, transitional housing or supportive housing if it is needed and otherwise consistent with the locality’s zoning and development standards.
Chapter 6: Progress since Last AI

The 2008 AI identified a number of fair housing issues in Alhambra and outlined actions the City would take to mitigate or eliminate these barriers. This chapter reviews the accomplishments the City has made in carrying out these actions.

A. Expanding Affordable Housing Opportunities

1. Rental Assistance

Action 1.1: The City will work collaboratively with the HRC to conduct outreach efforts, particularly among White and Hispanic households, who are under-represented in the Section 8 Housing Choice Vouchers program, regarding the availability of Section 8 Rental assistance through the Housing Authority of the County of Los Angeles and the availability of affordable housing within the City. Information will be provided in multiple languages on brochures and on the City website.

Accomplishments: The City continues to contract with the HRC to provide fair housing services for residents. Outreach efforts provided by the HRC in Alhambra include the walk-in clinic held at the Alhambra Public Library. During these sessions, residents are provided counseling, literature is distributed, and other general information and services are provided. The HRC has been offering walk-in clinics weekly each year in Alhambra since 2002. Other outreach activities conducted in Alhambra by the HRC include:

- A yearly housing rights summit
- Literature distribution and media advertisements, press releases, and public service announcements
- Presentations to agencies, the community, government officials and staff, and the housing industry
- Booths at community events
- A workshop for the community at least twice per year
- A workshop for the housing industry, including owners and property managers once per year

Fair housing information and a referral to the HRC website can be found on the City’s website at the following address:

http://www.cityofalhambra.org/government/development_services/housing_assistance/

In Fiscal Year 2011-12, approximately 607 households in the City were utilizing Section 8 Housing Choice Vouchers. Among these households, approximately 59 percent were Asian households, 31 percent were Hispanic households, and 3 percent were White households. This distribution represents a slight improvement in the diversity of voucher holders from 2008, where 61 percent were Asian households.
2. Affordable Housing Resources

**Action 2.1:** The City will focus efforts on providing assisted housing projects that are available to low-income households and are designated as family units to offer housing choices for household types other than seniors.

**Accomplishments:** While most of the City’s assisted rental housing stock is reserved for seniors, the City has a number of affordable ownership housing projects available for families and other non-senior households. Since 2010, the City completed construction on four single-family homes for very low income households:

- 1416 Sarazen Drive
- 501 S. 6th Street
- 3001 Front Street
- 3216 Midvale

The City also worked with an affordable housing developer to create eight affordable units at 534 Howard Street. Construction of this project was completed in October 2012. Eight first-time homebuyers were selected to purchase the units. These eight units include:

- Six three-bedroom, 2.5-bathroom unit
- Two three-bedroom, 3.5-bathroom units

The City strives to offer a range of housing options in the community. Families typically aspire to homeownership and therefore, the City offers assistance in downpayment and housing rehabilitation to allow families to achieve homeownership and maintain their homes in safe and decent conditions.

**Action 2.2:** The City will increase outreach and education on the Section 8 rental assistance program to encourage property owners and managers to accept Section 8 vouchers. The City will explore options with LA County to facilitate inspections and approvals for units in Alhambra which begin to accept Section 8 vouchers.

**Accomplishments:** Housing Choice Voucher (Section 8) information and a referral to the Housing Authority of the County of Los Angeles website can be found on the City’s website at the following address:


**Action 2.3:** The City will make available to residents, upon request, a list of affordable resources in the City. This list will include nonprofits active in the City developing affordable housing, units listed as affordable in the 2008 Housing Element, and contact information for the City’s First-Time Homebuyer and Rehabilitation Programs.

**Accomplishments:** The Housing Element contains a list of affordable housing resources in the City. The Housing Element is available for review at City Hall and on the City website. A list of housing resources is also posted on the City website, including an inventory of affordable housing, and can be found at the following address:

3. Homeownership Assistance

**Action 3.1:** The City will work to provide and expand homeownership opportunities for low- and moderate-income households. The City modified its first-time homebuyer program in 2005 to increase the amount of assistance from $25,000 to up to $75,000, and added a $15,000 rehabilitation component to allow first-time homebuyers the opportunity to get lower priced fixer homes. The City will continue to explore avenues such as partnering with local realtor and lending institutions, conducting community workshops, and distributing flyers regarding private and City-sponsored first-time homebuyer programs.

**Accomplishments:** The City revised its loan documents in 2011 to provide clarity and consistency among various funding sources. However, the City no longer provides the $15,000 rehabilitation component as part of the First-time Homebuyer Program. Marketing campaigns are also underway. In 2013, the City revised its program flyers, which are now available in English, Spanish, and Chinese.

**Action 3.2:** The City will work to provide and expand homeownership opportunities for those who speak languages other than English. Flyers regarding first-time homebuyer programs will be printed in English, Spanish, and Chinese. The City will amplify its effort to reach Alhambra residents through increased marketing.

**Accomplishments:** Marketing campaigns are currently underway. Program flyers are available in English, Spanish, and Chinese.

4. Rehabilitation Assistance

**Action 4.1:** The City will continue to provide and expand assistance for low- and moderate-income households in meeting housing rehabilitation needs. Specifically, the City will continue to offer the Rehabilitation Program and increase the availability of literature in languages other than English.

**Accomplishments:** In May 2011, the City restructured the Residential Rehabilitation Programs. Repairs below $10,000 will be CDBG-funded and repairs above $10,000 will be HOME-funded. Also, the rehabilitation loans were also changed to be forgiven over time. However, due to the FY 2012/13 HOME funding decrease of 52 percent and 38 percent for CDBG, the housing rehabilitation loan documents will be revised back to the terms prior to 2011, which makes them payable upon sale (voluntarily or involuntarily), transfer of title, or refinancing with cash out to homeowner, with payments deferred and zero interest.

Marketing campaigns are underway. Program flyers are now available in English, Spanish, and Chinese.

5. Emergency Shelters, Transitional Housing, and Supportive Housing

**Action 5.1:** The City will amend the zoning ordinance to address revised State law that requires cities to expand opportunities for the siting of emergency homeless shelters. The City will continue to allow the establishment of transitional and supportive housing that functions as residential uses in residential zones consistent with similar residential uses.
**Accomplishments:** The City of Alhambra amended its Zoning Ordinance in 2011 to permit the development of emergency shelters in the Valley Boulevard Corridor Specific Plan (VSP) and Industrial Planned Development (IPD) zones. Emergency shelters are permitted in the VSP zone within the area bounded by Vega Street to the west and New Avenue to the east. Within the IPD zone, emergency shelters are permitted in the area bounded by Orange Street to the north, Mission Road to the south, Raymond Avenue to the east, and Palm Avenue to the west.

**B. Access to Financing**

6. Outreach to Lenders

**Action 6.1:** The City will work with local lenders to provide information on government-backed financing for low- and moderate-income residents. The City will encourage local lenders to provide information in English, Spanish, and Chinese.

**Accomplishments:** The City continues to work with local lenders. A list of lenders serving the City and their contact information can be found on the City’s website at the following address:


On November 19, 2011, City staff participated in a First-Time Homebuyer Workshop sponsored by Wells Fargo Bank and held at the Alhambra Civic Center Library. The workshop was open to the public and was advertised with flyers. Discussion topics included: home ownership in Alhambra; how to buy a home with the least amount of downpayment; new and innovative home financing; and role of the realtor. Guest speakers included: the City of Alhambra Housing Project Manager; specialists from Wells Fargo Home Mortgage; and realtors from Coldwell Banker/George Realty. Approximately 25 Alhambra residents attended the meeting.

**Action 6.2:** The City will work with local lenders to promote the City’s First-Time Homebuyer Program. The City will provide information on the program in English, Spanish, and Chinese.

**Accomplishments:** The City provides detailed information about its First-Time Homebuyer Program on its website at the following address:

[http://www.cityofalhambra.org/government/development_services/housing_assistance/Homebuyer.html](http://www.cityofalhambra.org/government/development_services/housing_assistance/Homebuyer.html)

Marketing campaigns are underway. Program flyers are now available in English, Spanish, and Chinese.

7. Education and Resources

**Action 7.1:** The City will encourage workshops to be held in Alhambra by local lending institutions and the HRC regarding the home-buying process and the resources available to low- and moderate-income homebuyers. The City will encourage local lenders and the HRC to hold workshops in English, Spanish, Chinese, and other Asian languages.
Accomplishments: On November 19, 2011, City staff participated in a First-Time Homebuyer Workshop sponsored by Wells Fargo Bank and held at the Alhambra Civic Center Library. The workshop was open to the public and was advertised with flyers. Discussion topics included: home ownership in Alhambra; how to buy a home with the least amount of downpayment; new and innovative home financing; and role of the realtor. Guest speakers included: the City of Alhambra Housing Project Manager; specialists from Wells Fargo Home Mortgage; and realtors from Coldwell Banker/George Realty. Approximately 25 Alhambra residents attended the meeting.

Action 7.2: The City will provide brochures or information on homeownership, rental assistance, and rehabilitation assistance programs in English, Spanish, and Chinese.

Accomplishments: A list of the City’s housing programs and services and relevant information can be found on the City’s website at the following address:

http://www.cityofalhambra.org/government/development_services/housing_assistance/

In addition, the City has geared up its marketing campaigns for various housing programs. Program flyers are available in English, Spanish, and Chinese.

Action 7.3: The City will consider providing credit and financial counseling services, including assisting potential homebuyers build up credit and equity, clear bad credit, and providing education on affordability and financial responsibility of homeownership.

Accomplishments: The City provides links to credit and financial counseling resources and services on its website at the following address:

http://www.cityofalhambra.org/government/development_services/housing_assistance/Homebuyer.html

The City also currently requires First Time Homebuyer Program applicants to attend a First Time Homebuyers Program course which provides financial counseling and education on affordability and the financial responsibility of homeownership. These courses are offered year round.

Action 7.4: As funding permits, the City will work with the HRC to conduct additional fair housing workshops in Alhambra to educate about fair housing rights.


Action 7.5: In addition to addressing the fair housing complaints of residents through the City’s walk-in fair housing clinic, the City will draft and post educational flyers regarding housing rights and examples of fair housing violations to better educate residents and property managers about fair housing. The City will provide fair housing information in English, Spanish, and Chinese. The information will also be made available through the City’s website.

Accomplishments: Fair housing information and a referral to the HRC website can be found on the City’s website at the following address:
8. Unfair Lending and Insurance Practices

Action 8.1: The City will work with the HRC to monitor complaints regarding unfair/predatory lending, and will assess lending patterns using the data collected under the Home Mortgage Disclosure Act (HMDA) and CRA, and other data sources.

Accomplishments: HRC continues to monitor lending data annually.

Action 8.2: The City and the HRC will participate with HUD in efforts to improve access to homeowner’s insurance, and to investigate predatory lending in the home purchase, home improvement, and mortgage refinancing markets.

Accomplishments: HUD has not conducted any major investigations that invited participation of local jurisdictions. The City provides links to credit and financial counseling resources and services on its website at the following address:

http://www.cityofalhambra.org/government/development_services/housing_assistance/Homebuyer.html

C. Fair Housing Services

9. Apartment Owners/Managers

Action 9.1: The City will work in conjunction with the HRC and apartment owners/managers associations to outreach to owners of small rental properties regarding fair housing laws.

Accomplishments: HRC continues to provide education and outreach to property owners and managers. Specifically, HRC:

- Hosts an Annual Housing Rights Summit that typically includes housing professionals such as rental property owners and managers associations.
- Offers a monthly Fair Housing Certification Training for housing industry professionals.
- Presents free fair housing law workshops for landlords, tenants, nonprofit organizations and city employees.

Action 9.2: The City will work with agencies and property managers of affordable housing to ensure that fair housing laws are abided by in the selection of residents and that information of housing availability is appropriately advertised. The City will increase advertisement and outreach related to affordable housing opportunities through advertisements and literature available in English, Spanish, and Chinese. The City will periodically track income and demographic data related to affordable housing participants and evaluate additional strategies, if needed, to increase access to and knowledge of affordable housing opportunities in the City.
Accomplishments: The City of Alhambra created an Affirmative Fair Market Plan that promotes HOME-funded and CDBG-funded activities and solicits participation by minority households. For the purpose of tracking Section 3 economic and employment opportunities, the City also maintains a list of contractors (with women-owned/minority/Section 3 status). The City utilizes this list to promote contracting opportunities to disadvantaged businesses, including women- and minority-owned businesses. Furthermore, 60 percent of Alhambra residents are minority and the majority of its local businesses are minority-owned. The City encourages contracting opportunities with local businesses.

10. Fair Housing Testing and Audits

Action 10.1: The City will encourage and support the HRC to apply for federal Fair Housing Initiative Program (FHIP) grants and conduct testing and audits as a means to affirming the nature and extent of fair housing issues in the community.

Accomplishments: HRC uses FHIP grants to conduct testing as part of the fair housing complaints investigation. HRC has a division specifically dedicated to systematic testing.

11. Reasonable Accommodation

Action 11.1: The City will adopt a reasonable accommodation ordinance to further fair housing choice for persons with disabilities.

Accomplishments: The City is in the process of amending the Zoning Ordinance to establish a formal reasonable accommodations procedure. The amendment is expected to be completed by the summer of 2013.

Action 11.2: The City will provide information on reasonable accommodation and on often-utilized disability adjustments to housing units. Information will be available at City Hall and at the Joslyn Senior Center English, Spanish, and Chinese.

Accomplishments: The City is in the process of updating its Zoning Ordinance to include a formal reasonable accommodation procedure. The Zoning Ordinance amendment is expected to be adopted by the summer of 2013.

D. Public Policies

12. Administrative Policies

Action 12.1: The City will revise its current administrative policy related to drug possession as a basis for disciplinary action for employees. Revised policy will make the distinction between drug addiction resulting in current illegal drug use, and drug addiction for which an employee has received or is receiving rehabilitative treatment successfully.

Accomplishments: The City has a policy regarding illegal drug use and controlled substance.
Chapter 7: Fair Housing Action Plan

This chapter builds upon the analysis in the previous chapters, summarizes conclusions, and outlines the City’s commitment to actions for addressing impediments to fair housing for the upcoming 2013-2018 planning period.

A. Ongoing Impediments

1. Demographics

The City of Alhambra is a diverse community. Several demographic characteristics may have fair housing implications:

- Asian households had a higher percentage of low and moderate income households (54 percent) than all other households (49 percent). Asian households also had a higher rate of linguistic isolation.

- Hispanic residents tend to concentrate in the western part of the City, while Asian residents tend to concentrate in the eastern part of Alhambra.

- The Census reported 4,100 large households in Alhambra, representing approximately 14 percent of all households. Large households often face discrimination in the housing market, particularly in the rental housing market.

- Elderly households, particularly elderly renter-households, and large households, especially large renter-households, in Alhambra were also disproportionately affected by housing problems, particularly housing cost burden.

<table>
<thead>
<tr>
<th>Actions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Continue the City’s outreach activities to promote affordable housing opportunities to low and moderate income households, ensuring outreach materials are available in multiple languages and distributed at community locations.</td>
</tr>
<tr>
<td>▪ Continue to promote a range of affordable housing options to address the City’s diverse needs (including seniors and families) through new construction of affordable housing, acquisition/rehabilitation, rehabilitation assistance, homebuyer assistance, and rental assistance (Housing Choice Vouchers).</td>
</tr>
</tbody>
</table>

**Time Frame:** Ongoing

**Responsible Agency:** City Manager’s Office

**Funding Sources:** CDBG and HOME
2. Decent and Affordable Housing

The following highlight the housing characteristics that may have some fair housing implications:

- Alhambra has an aging housing stock. However, access to home improvement financing is limited, with only 52 percent of the applicants for home improvement loans receiving approval in 2011. Hispanic homeowners tend to have more difficulty accessing financing in the private lending market.

- According to the ACS, nine percent of Alhambra households experienced overcrowding, with three percent experiencing severe overcrowding. Minority households tend to be more impacted by overcrowding due to lower incomes and the cultural practice of living with extended family members.

- A majority of the City’s assisted rental housing is for seniors. The City has extensive housing needs for seniors and family households. With limited and fixed incomes, the housing needs of seniors are best addressed through affordable rental housing. Families typically aspire to homeownership and assistance to existing homeowners to retain and improve their homes are needed.

### Actions:

- Continue to provide the Housing Rehabilitation Programs and First-Time Homebuyer Program to assist low and moderate income households in achieving homeownership and improving their housing conditions.
- Continue to allow room additions to alleviate overcrowding as an allowable expense under the City’s Housing Rehabilitation Programs.
- Continue to promote a range of affordable housing options to address the City’s diverse needs (including seniors and families) through new construction of affordable housing, acquisition/rehabilitation, rehabilitation assistance, homebuyer assistance, and rental assistance (Housing Choice Vouchers).

### Time Frame: Ongoing

### Responsible Agency: City Manager's Office

### Funding Sources: CDBG and HOME

3. Access to Financing

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

- **Discrepancies in Denial Rates by Race/Ethnicity:** Asian applicants generally had the highest approval rates in both 2007 and 2011. Hispanics, meanwhile, had the lowest approval rates across all income categories in 2007. While by 2011, approval rates for Hispanic applicants were on par with the approval rates for White applicants, they were still more likely than other applicants to be denied loans in 2011.

- **Discrepancies in Approval Rates by Minority Concentration:** In 2011, there was a notable discrepancy in approval rates between census tracts with 60 to 79 percent minority populations (74 percent approval) and tracts with 80 to 100 percent minority populations (68 percent approval).
Lenders with Noticeably High Approval Rates: In 2011, Flagstar Bank FSB, had a significantly higher approval rate than the overall average for all lenders in the City (85 percent versus 69 percent overall). While high approval rates do not necessarily indicate wrongdoing by a specific institution, they can be a sign of aggressive lending practices on the part of the lender.

Lenders with Noticeably High Rates of Withdrawn and Closed Applications: During 2011, four institutions had significantly higher than average rates of withdrawn and incomplete applications—Citimortgage, Inc., Citibank NA, Ally Bank, and PMC Bancorp. Ally Bank also had a significantly high denial rate in comparison to the overall rate for all lenders (35 percent versus 15 percent). A significant disparity in fallout could suggest screening, differential processing, HMDA Action misclassification and/or the potential of discouragement of minority applications. A high rate of incomplete loans can indicate a lack of financial literacy on the part of the borrower.

Minority Applicants and Smaller Financial Institutions: Within the City, some financial institutions appeared to be more popular among certain racial/ethnic groups (Table 30 on page 56). Hispanic applicants in the City, for example, were much more likely to favor smaller, less established financial institutions. Asian applicants in the City also seemed to prefer smaller banks. While the correlation between minority applicants and smaller banks does not mean a violation of fair lending laws, it does raise concerns about the equality of access to mortgage financing. The tendency for certain smaller banks to attract non-White applicants may indicate that access to financing, especially at larger banks, is not equal for applicants of all races/ethnicities.

Subprime Lending Discrepancies by Race/Ethnicity: While the incidence of subprime loans has decreased overall between 2007 and 2011, Hispanics continue to be more likely to receive subprime loans than any other race/ethnic group. Furthermore, while the reported magnitude of spread for subprime loans has decreased overall, they remained high for White applicants in 2011.

Loans Purchased: During the peak of the housing market, the practice of selling mortgage loans by the originators (lenders that initially provided the loans to the borrowers) to other lenders and investors was prevalent. Predatory lending was rampant, with lenders utilizing liberal underwriting criteria or falsified documents to push loan sales to people who could not afford the loans. The originating lenders were able to minimize their financial risk by immediately selling the loans to other lenders or investors on the secondary market. In 2011, Hispanic applicants were the most likely to have their loans purchased.

Actions:
- Include the monitoring of lending practices as part of the City’s fair housing program scope of services.
- Continue to provide information on financial literacy, foreclosure prevention services, and homebuyer education for residents.
- Continue to coordinate with local lenders to expand outreach activities with the goal of diversifying the lenders’ applicant profiles.

Time Frame: Ongoing

Responsible Agency: City Manager’s Office

Funding Sources: CDBG
4. Public Policies

In reviewing the City’s various land use policies and development regulations, several issues are identified:

- The City of Alhambra allows single-family residential uses in multiple-family zones, which could potentially reduce the amount of land available for multi-family housing.

- AB 2634 amending the State Housing Element law also mandates that local jurisdictions address the provision of housing options for Extremely Low income households. Currently, the City of Alhambra Zoning Ordinance does not include any specific provisions for SRO housing. The City will amend its Zoning Ordinance to define and specifically provide for the development of SRO units.

- Under State and federal law, local governments are required to “reasonably accommodate” housing for persons with disabilities when exercising planning and zoning powers. The City is in the process of amending the Zoning Ordinance to establish a formal reasonable accommodations procedure. The amendment is expected to be completed by the summer of 2013.

<table>
<thead>
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<th>Actions:</th>
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<tbody>
<tr>
<td>Ongoing monitoring of the City’s development trends to ensure adequate residential development capacity is available to accommodate the City’s various housing needs.</td>
</tr>
<tr>
<td>Amend Zoning Ordinance to address reasonable accommodation and SRO housing.</td>
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</table>

| Time Frame: | Amend Zoning Ordinance within one year of the adoption of the 2013-2021 Housing Element. |
| Responsible Agency: | Development Services Department |
| Funding Sources: | Departmental budget |

5. Discriminatory Practices in the Housing Market

Fair housing records provided by the Housing Rights Center (HRC), State Department of Fair Employment and Housing (DFEH), HUD’s Fair Housing and Equal Opportunity (FHEO) office were reviewed in preparation of this AI:

- The racial/ethnic distribution of HRC clients between 2007 and 2012 is not consistent with the City’s demographics. According to the 2010 Census, Hispanics made up about 34 percent of the population, whereas Asians and Whites represented 53 percent and 10 percent of the City’s residents, respectively. HRC client data indicates that Hispanics may be disproportionately impacted by housing discrimination. Furthermore, the majority of the hate crimes committed in the City were based on race (Table 50).

- Clients with special needs represented over one-fourth of all clients served by the HRC between 2007 and 2012. During this time period, 125 complaints of housing discrimination were reported to the HRC. Most allegations were related to physical disability (35 percent), including a significant number of complaints relating to mental disability (14 percent).
• From 2006 to 2011, 20 fair housing cases were recorded by HUD in Alhambra. Cases involving discrimination based on familial status and national origin were the most common (Table 48 on page 107).

<table>
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<td>▪ Continue to operate a fair housing program that includes fair housing complaints intake and investigation, as well as outreach and education.</td>
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<tr>
<td>▪ Monitor trends and patterns of fair housing complaints to target outreach and education activities.</td>
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</table>

**Time Frame:** Ongoing

**Responsible Agencies:** Housing Rights Center and City Manager’s Office

**Funding Sources:** CDBG

## B. New Impediments Identified

### 1. Discriminatory Language in Real Estate Ads

A review of advertisements for rental units and homes for sale was conducted as part of this AI preparation. A large number of listings for rental units and for-sale homes include potentially discriminatory language, such as encouraging or discouraging family living, or potentially discouraging persons with disabilities by emphasizing a no-pet policy without clarifications that service/companion animals are allowed.

<table>
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<td>▪ Include monitoring of rental and home sale listings as part of the fair housing services.</td>
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<tr>
<td>▪ Provide fair housing outreach and education to newspapers, listing agencies, real estate associations, apartment owners/managers associations, and homeowners association, etc.</td>
</tr>
</tbody>
</table>

**Time Frame:** Ongoing

**Responsible Agency:** Housing Rights Center

**Funding Sources:** CDBG
I, ______________________________, hereby certify that this Analysis of Impediments to Fair Housing Choice for the City of Alhambra represents the City’s conclusions about impediments to fair housing choice, as well as actions necessary to address any identified impediments.

City Manager
City of Alhambra
Appendix A: Summary of Public Outreach

A.1 HCDA Public Meeting

Alhambra residents and public and private agencies either directly or indirectly involved with fair housing issues in Alhambra were invited to attend a public meeting before the Housing and Community Development Citizen Advisory Committee (HCDA) on March 5, 2013, at 7:00 p.m. at Alhambra City Hall, 111 S. First Street, Alhambra, CA. The meeting provided the opportunity for the Alhambra community to gain awareness of fair housing laws, and for resident and service agencies to share fair housing issues and concerns.

1. Outreach

Advertisements for the HCDA Community workshop were included in:

- La Opinion Newspaper - Spanish
- World News - Chinese
- City of Alhambra website
- Pasadena Star News - English

To ensure that the fair housing concerns of low and moderate income and special needs residents were addressed, a copy of the public meeting notice was mailed to agencies and organizations that serve the low and moderate income and special needs community. The mailing list is provided at the end of this section.
Analysis of Impediments to Fair Housing Choice

PUBLIC NOTICE IS HEREBY GIVEN THAT the City of Alhambra will conduct a consultation workshop to receive public input regarding fair housing choice.

PUBLIC NOTICE IS HEREBY FURTHER GIVEN that the City is undertaking an analysis of potential impediments that may affect fair housing choice. This analysis will identify patterns of discrimination based on race, color, religion, national origin, sex, familial status, sexual orientation, gender identity, or disability, and the factors that may contribute to such discrimination.

The analysis of impediments to fair housing choice will address the following:

1. Analysis of demographic profiles, income distribution, housing stock characteristics, and access to public transportation to determine if certain neighborhoods are disproportionately affected.
2. Review of any other factors that may contribute to disparities in housing opportunities.

The analysis will be conducted in a consultation workshop setting to ensure input from all interested parties.

LAUREN MYLES
City Clerk
City of Alhambra
115 East Sierra Madre Blvd.
Alhambra, CA 91801

Notice No.: 102437-19
Published: February 15, 2019

Preceding Star News, Ad No.: 13774
Analysis of Impediments to Fair Housing Choice

City of Alhambra

A-3
Analysis of Impediments to Fair Housing Choice

City of Alhambra

NOTICE IS HEREBY GIVEN that on April 5, 2023, the City of Alhambra will make available for public review and comment the results of an analysis of impediments to fair housing choice. The analysis is based on the Attorney General’s Act of 1989 and analyses the following information and issues:

1. Analysis of demographic profile, income distribution, housing price characteristics, and access to public transportation to identify patterns of residential segregation and clustering.
2. Evaluation of fair housing complaints and violations to identify trends and patterns.
3. Analysis of public and private activities that may contribute to fair housing choice.
4. Assessment of current public and private fair housing programs and activities.
5. Provision of recommendations to further fair housing choice in Alhambra.

The document will be available for review during normal business hours until May 6, 2023, at the following locations or on the city’s website:

111 S. First St.
Alhambra, CA 91801
City Hall

If you require special assistance, pursuant to the Americans with Disabilities Act, to view the document, please contact the City Administrator’s office at 626-532-5601. Questions regarding this notice should be directed to the Office of Community Development and Housing at 626-532-5830.

LAUREN WYATT, CITY CLERK
City of Alhambra
111 S. First St.
Alhambra, CA 91801
4/23/2023

Order Charges:

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Total Amount Due: $422.00
Ciudad de Alhambra
Aviso Público
Aviso de 30 Días de Revisión Pública
Análisis de Impedimentos a la Elección de Vivienda Justa
Aviso No. N2M13-52

POR MEDIO DE LA PRESENTE SE NOTIFICA que el 5 de abril de 2013, la Ciudad de Alhambra pondrá a disposición su proyecto de Análisis de Impedimentos para la Elección de Vivienda Justa por 30 días para revisión pública y convenientes. El análisis de los impedimentos revisa y analiza la siguiente información y cuestiones/mediciones:

1. Análisis del perfil demográfico, distribución del ingreso, características de patrimonio y el acceso al transporte público para determinar el desarrollo de patrones de vivienda en relación con la raza, en particular, ingresos y otras características.

2. Evaluación de las quejas de vivienda justa y violaciones para identificar tendencias y patrones.

3. Análisis de las actividades públicas y privadas que puedan mejorar la elección de Vivienda Justa en Alhambra, incluyendo, pero no limitado a:
   • Servicios de comidas de vivienda y asistencia de financiamiento;
   • Las políticas públicas y acciones que afectan a la construcción de viviendas accesibles;
   • Las políticas administrativas en materia de desarrollo comunitario y las actividades de vivienda.

4. Evaluación de los roles comunitarios de vivienda pública y privada justas y actividades.

5. Provisión de conclusiones y recomendaciones para promover la vivienda justa en Alhambra.

El documento estará disponible para su revisión durante el horario de oficina hasta el 6 de mayo de 2013, en los siguientes lugares o en el sitio en línea de la ciudad en www.cityofalhambra.org:

111 S. First St., Alhambra CA 91801 (Ayuntamiento)
101 S. First St., Alhambra, CA 91801 (Biblioteca)

Si requiere de asistencia especial, de conformidad con la Ley de Estadounidenses con Discapacidad, para ver el documento, por favor contacte a la oficina del Administrador de la Ciudad en (626) 570-5611. Las preguntas relacionadas con este aviso deben ser dirigidas a Jessica Keating en la Ciudad de Alhambra, (626) 570-5611.

LAUREN MYLES, SECRETARIA DE LA CIUDAD
Ciudad de Alhambra
111 S. First St.
Alhambra, CA 91801
Aviso No. N2M13-52
2 de abril de 2013

Publicado: 5 de abril de 2013
Pasadena Star News, World News, La Opinion

City of Alhambra
A-5
Analysis of Impediments to Fair Housing Choice
Analysis of Impediments to Fair Housing Choice

City of Alhambra

公眾通告 30天公眾評論通知分析妨礙公平住房的選擇公告編號 No. N2M13-52

茲通告於4月5日2013年，阿罕布拉市將會提供分析妨礙公平住房的選擇的草案，給公眾30天的審查和評論。何為妨礙的檢討和分析會用以下的信息及議題衡量：

1. 分析人口統計概況，收入分配，住房存量的特點，及公共交通的使用，以判斷住房模式的發展，與種族，族裔，收入和其他特點的相互作用。
2. 分析阿罕布拉市內可能妨礙公平住房選擇的公共和私人行為，包括，但不限於：房屋經紀服務及融資援助；影響建設廉價房屋的公共政策和行動；以及影響社區發展和住房活動的行政政策；
3. 評估當前的公眾和私人的公平住房計劃與活動。
4. 提供結論和建議以促進在阿罕布拉市內公平住房的選擇。

公告號碼 N2M13-52

勞倫邁爾斯，市書記
City of Alhambra
111 S. First Street, Alhambra, CA 91801

移民、法律
CAS

2013-04-05 - 2013-04-07
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<th>Phone</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Housing Rights Center</td>
<td>Chancela Al-Mansour, Executive Director</td>
<td>3255 Wilshire Blvd., Suite 150</td>
<td>Los Angeles</td>
<td>CA</td>
<td>90010</td>
<td>(213) 791-0211</td>
<td>cal-mansour@housingrigh...center.org</td>
</tr>
<tr>
<td>City of Alhambra - Joslyn Center</td>
<td>Cynthia Janes, Director of Community Services</td>
<td>Alhambra City Hall 111 South First Street</td>
<td>Alhambra</td>
<td>CA</td>
<td>91801</td>
<td>(626) 570-5044</td>
<td><a href="mailto:janesci@yahoo.com">janesci@yahoo.com</a></td>
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<tr>
<td>ABILITY FIRST - East Los Angeles Center</td>
<td>Monica Alcantar</td>
<td>154 N. Gage Ave.</td>
<td>Los Angeles</td>
<td>CA</td>
<td>90063</td>
<td>323.288.8178</td>
<td><a href="mailto:malcantar@abilityfirst.org">malcantar@abilityfirst.org</a></td>
</tr>
<tr>
<td>Eastern Los Angeles Regional Center</td>
<td>Frances Jacobs, Manager of Community Services</td>
<td>P.O. Box 7916</td>
<td>Alhambra</td>
<td>CA</td>
<td>91802</td>
<td>(626) 299.4730</td>
<td><a href="mailto:jacobs@elarc.org">jacobs@elarc.org</a></td>
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<tr>
<td>Mercy: Mentally &amp; Educationally Retarded Citizens Incorporated</td>
<td>Martha Escaruelas, Executive Director</td>
<td>525 N. Chandler Ave.</td>
<td>Monterey Park</td>
<td>CA</td>
<td>91754</td>
<td>(626) 289-8817</td>
<td></td>
</tr>
<tr>
<td>Partnership in Early Intervention Family Resource Center</td>
<td>Yvette Baptiste, Executive Director</td>
<td>1000 S. Fremont Ave., Suite 64</td>
<td>Alhambra</td>
<td>CA</td>
<td>91803</td>
<td></td>
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</tr>
<tr>
<td>ESPERANZA CHARITIES, INC.</td>
<td>Beatriz Serrano, Program Facilitator</td>
<td>2510 W. Main St.</td>
<td>Alhambra</td>
<td>CA</td>
<td>91801</td>
<td>(213) 457.5242</td>
<td>bserrano@esperanzaservi...es.com</td>
</tr>
<tr>
<td>Los Angeles County Public Social Services</td>
<td>Olga Miranda, District Director</td>
<td>3352 Aerojet Ave.</td>
<td>El Monte</td>
<td>CA</td>
<td>91731</td>
<td>(213) 569.3600</td>
<td></td>
</tr>
<tr>
<td>PEOPLE FOR PEOPLE</td>
<td>Holly Knapp, Director</td>
<td>850 E. Mission Drive</td>
<td>San Gabriel</td>
<td>CA</td>
<td>91776</td>
<td>(213) 285.2549</td>
<td></td>
</tr>
<tr>
<td>ASIAN AMERICAN CHRISTIAN COUNSELING</td>
<td>June Sano, Clinical Director</td>
<td>2550 W. Main Street, Ste 202</td>
<td>Alhambra</td>
<td>CA</td>
<td>91801</td>
<td>(626) 457.2904</td>
<td><a href="mailto:sano@aaccs.org">sano@aaccs.org</a></td>
</tr>
<tr>
<td>Asian Pacific Family Center (APFC)</td>
<td>Terry Gock, Divisional Director</td>
<td>Administrative Office 800 S. Anita's Ave</td>
<td>Arcadia</td>
<td>CA</td>
<td>91006</td>
<td>(626) 287-2988</td>
<td>pacificclinics.org</td>
</tr>
<tr>
<td>Center for Aging Resources</td>
<td>Vatche Kelartianin, CEO</td>
<td>447 N. E. Molino</td>
<td>Pasadena</td>
<td>CA</td>
<td>91101</td>
<td>(626) 577-8480</td>
<td><a href="mailto:kelartianin@elafrc.net">kelartianin@elafrc.net</a></td>
</tr>
<tr>
<td>Los Angeles County Department of Health Services - Substance Abuse Prevention and Control</td>
<td>John Verner, Jr., Executive Director</td>
<td>1000 S. Fremont Ave., Building 111</td>
<td>Alhambra</td>
<td>CA</td>
<td>91803</td>
<td>(213) 299.4571</td>
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<tr>
<td>Catholic Charities-San Gabriel Valley Region</td>
<td>Mary Romero, Regional Director</td>
<td>1307 Warren St.</td>
<td>Los Angeles</td>
<td>CA</td>
<td>90033</td>
<td></td>
<td>rromero@CatholicChariti...sAc.org</td>
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<tr>
<td>Lutheran Social Services of Southern California - Aami</td>
<td>Martin A. Gordon, Director</td>
<td>60 North Daisy Ave.</td>
<td>Pasadena</td>
<td>CA</td>
<td>91107</td>
<td>(866) 542-0191</td>
<td><a href="mailto:mgordon@lassc.org">mgordon@lassc.org</a></td>
</tr>
<tr>
<td>Family Resource Library and Assistive Technology Center Family Resource Center</td>
<td>Yvette Baptiste, Executive Director</td>
<td>1000 S. Fremont Ave., Suite 65</td>
<td>Alhambra</td>
<td>CA</td>
<td>91803</td>
<td>(626) 300.9171</td>
<td><a href="mailto:Ybaptiste@elaafs.net">Ybaptiste@elaafs.net</a></td>
</tr>
<tr>
<td>Santa Anita Family Service</td>
<td>Dr. Jennifer Foote, Clinical Director</td>
<td>206 E. Las Tunas, #12</td>
<td>San Gabriel</td>
<td>CA</td>
<td>91776</td>
<td>(213) 380.1414</td>
<td><a href="mailto:jfoote@secglobal.net">jfoote@secglobal.net</a></td>
</tr>
<tr>
<td>Foothill Family Service</td>
<td></td>
<td>118 S. Oak Knoll Ave.</td>
<td>Pasadena</td>
<td>CA</td>
<td>91101</td>
<td>(626) 795-6907</td>
<td></td>
</tr>
<tr>
<td>Western Justice Center</td>
<td>Judge Judith C. Chrinin, Executive Director</td>
<td>55 South Grand Ave.</td>
<td>Pasadena</td>
<td>CA</td>
<td>91105</td>
<td>(626) 584-7494</td>
<td><a href="mailto:info@westernjustice.org">info@westernjustice.org</a></td>
</tr>
<tr>
<td>Pasadena Mental Health Center</td>
<td>Eden Garcia-Balsis, Executive Director</td>
<td>1495 N. Lake Ave.</td>
<td>Pasadena</td>
<td>CA</td>
<td>91104</td>
<td>(866) 798-0907</td>
<td></td>
</tr>
<tr>
<td>Hathaway-Sycamores</td>
<td>William P. Martone, President/CEO</td>
<td>210 S. DeLacey Ave., Suite 11</td>
<td>Pasadena</td>
<td>CA</td>
<td>91105</td>
<td>(213) 395-7100</td>
<td>William.Martone@Hathaway-...sAc.org</td>
</tr>
<tr>
<td>Los Angeles Homeless Services Authority</td>
<td>Michael Arnold, Executive Director</td>
<td>811 Wilshire Blvd., 6th Floor</td>
<td>Los Angeles</td>
<td>CA</td>
<td>90017</td>
<td>(213) 883-3333</td>
<td><a href="mailto:info@lasalsa.org">info@lasalsa.org</a></td>
</tr>
<tr>
<td>Salvation Army</td>
<td>Christopher J. Doyle, Executive Director of Development</td>
<td>P.O. Box 93002</td>
<td>Long Beach</td>
<td>CA</td>
<td>90302</td>
<td>(562) 264-3679</td>
<td><a href="mailto:chris.doyle@uw.salharmy">chris.doyle@uw.salharmy</a>...m.org</td>
</tr>
<tr>
<td>Union Station Homeless Services</td>
<td>Rabbi Marvin Gross, CEO</td>
<td>825 E. Orange Grove Boulevard</td>
<td>Pasadena</td>
<td>CA</td>
<td>91104</td>
<td>(626) 240-4550</td>
<td>unionstation@un...s.org</td>
</tr>
<tr>
<td>Homes For Life Foundation</td>
<td></td>
<td>8639 S. Sepulveda Blvd., Suite 11</td>
<td>Los Angeles</td>
<td>CA</td>
<td>90045</td>
<td>(310) 337-7417</td>
<td>homesforlife.org</td>
</tr>
<tr>
<td>Cancer Support Community</td>
<td>Beverly J. Rouse, Executive Director</td>
<td>200 East Del Mar Blvd., Suite 205</td>
<td>Pasadena</td>
<td>CA</td>
<td>91105</td>
<td>(213) 796-1083</td>
<td><a href="mailto:rbourne@csspasadena.org">rbourne@csspasadena.org</a></td>
</tr>
<tr>
<td>Haven House</td>
<td>Paul S. Castro, Chief Executive Director</td>
<td>P.O. BOX 50007</td>
<td>Pasadena</td>
<td>CA</td>
<td>91115</td>
<td>(626) 564-8880</td>
<td><a href="mailto:pcastro@sfila.org">pcastro@sfila.org</a></td>
</tr>
<tr>
<td>Violence Intervention Program</td>
<td>Zachary Scott, Director of Development</td>
<td>1721 Griffith Ave.</td>
<td>Los Angeles</td>
<td>CA</td>
<td>90031</td>
<td>(323) 221-1434</td>
<td><a href="mailto:zscott@4p-cmhc.org">zscott@4p-cmhc.org</a></td>
</tr>
<tr>
<td>WINGS: YWCA of San Gabriel Valley</td>
<td></td>
<td>943 N. Grand Ave.</td>
<td>Covina</td>
<td>CA</td>
<td>91724</td>
<td>(213) 960-2995</td>
<td><a href="mailto:ywca@wings.org">ywca@wings.org</a></td>
</tr>
<tr>
<td>Alhambra Chamber of Commerce</td>
<td>Owen Guenthard, Executive Director</td>
<td>104 South First Street</td>
<td>Alhambra</td>
<td>CA</td>
<td>91801</td>
<td>(213) 282-8481</td>
<td>guenthard@alhamb...amber.org</td>
</tr>
<tr>
<td>West San Gabriel Valley Association of Realtors</td>
<td>Albert Tran, Executive Director</td>
<td>1039 East Valley Blvd. #205B</td>
<td>San Gabriel</td>
<td>CA</td>
<td>91776</td>
<td>(213) 288-6212</td>
<td><a href="mailto:albert@wsgvar.com">albert@wsgvar.com</a></td>
</tr>
</tbody>
</table>
2. Public Comments

HCDA Meeting - March 5, 2013

One resident attended the HCDA meeting and provided comments on fair housing issues in the City. Eric Sunada, Alhambra resident, stated that the City of Alhambra has 20 years of history discriminating against low income families. He expressed that the City's density bonus program for affordable housing is unfair and heavily favors seniors. He requested that the HCDA require staff to provide a thorough analysis of the current affordable housing stock, hold the policy makers that approve density bonuses accountable, and implement a remedy to reverse the unfair advantage the density bonus program has had for seniors over the last 20 years and look into offering housing for single mothers.

Public Review of Draft AI

The written letter on the Draft AI was received (see attached). Comments are summarized below:

Comment: The draft AI omits the identification of one of the largest impediments to fair housing. The draft AI states there were 37 fair housing cases of discrimination that were brought forward between 2007 and 2012. For those individuals who were discriminated against, it is no doubt an all-consuming ordeal. Problems with housing needs are core to the well being of any individual. So it is especially egregious when the document omits the hundreds of discrimination cases that are the result of its own public policies.

Response: The Housing Rights Center opened 37 cases of discrimination investigation; only 22 cases had sustained allegations. The majority (close to 50 percent) of the discrimination complaints in the City are based on disabilities (both physical and mental), distantly followed by familial status, gender, and race/ethnicity.

All City programs are based on income eligibility with no specified preference for target household types.

Comment: For nearly 20 years, the city of Alhambra maintained discriminatory housing policies and practices that have precluded families from access to affordable housing. The city accomplished this by restricting their subsidized housing stock to mostly senior citizens, despite demographics to the contrary.

Response: The City of Alhambra does not own any subsidized rental housing projects. All publicly subsidized rental housing projects in the City were initiated by private developers and all projects were owned and operated by private nonprofit organizations. It is entirely at the project proponent’s discretion to develop housing for specific target populations. City policies do not dictate the types of affordable housing to be developed nor the target groups to be assisted.

Furthermore, the City of Alhambra has taken a number of actions to address concerns about affordable housing for families. The Draft AI does identify the fact that a majority of the affordable housing projects identified in the Affordable Housing Inventory are reserved for seniors as an impediment (see Impediment A-2: Decent and Affordable Housing in Chapter 7). It should also be noted that the City’s elderly population is a particularly vulnerable special needs group that greatly benefits from the provision of affordable housing. Between 2006 and 2008, about 41 percent of all elderly households in the City experienced housing problems such as cost burden or substandard housing. Elderly households were also more likely than all other households to earn less than 80 percent of the AMI. The City has also included a specific action
to address this impediment. With limited and fixed incomes, the housing needs of seniors are best addressed through affordable rental housing. Families, however, typically aspire to homeownership and the City has programs to assist existing homeowners to retain and improve their homes and the City also offers first-time homeowner assistance to allow families to become homeowners.

Comment: The city has attempted to remove discussion of affordable housing from the draft AI by stating that “Fair Housing” is not the same as “Affordable Housing.” This borders on being a ruse. “Fair Housing” encompasses affordable housing and cases of discrimination regardless of housing classification are directly applicable to the subject document.

Response: The AI makes a distinction between affordable and fair housing issues, as required by HUD. Pursuant to HUD guidance, affordable housing in itself is not a fair housing issue.

The Alhambra AI discusses access to affordable housing based on protected classes and identifies housing problems for both family households and senior households. The majority of the fair housing complaints filed by Alhambra residents are on the bases of disabilities (physical and mental), representing almost 50 percent of all complaints.

Comment: The AI fails to identify the inconsistent and unprofessional manner in which it administers its affordable housing inventory. Such practices directly led to the denial of housing dedicated to those in need and instead were sold to a group of investors. The letter specifically refers to Zen Terrace.

Response: The City does not own any affordable housing projects. The City maintains an “Affordable Housing Inventory” list on its website, but none of the projects are City-owned.

Zen Terrace was a 100 percent privately funded housing project with no public (City, State, or Federal) funding involved.
May 4, 2013

Office of the City Manager  
Attention: Administrator for Public Comment to the  
Analysis of Impediments to Fair Housing Choice report  
City of Alhambra  
111 S. First Street  
Alhambra, CA 91801

Dear Sir or Madam:

As you are aware, as a federal HUD grant recipient, the city of Alhambra is required to file a review of their findings and self-assessment to impediments to fair housing. The city’s draft document in response to this requirement, called the Analysis of Impediments to Fair Housing Choice (AI), is currently available for public review. The draft AI correctly summarizes in Chapter I, Section B-4 the definition of Impediments to Fair Housing to be addressed as the following:

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

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

Furthermore, the city’s public notification for review of this document lists as an objective “the review and analysis of public and private activities that may impede fair housing choice in Alhambra, including, but not limited to:

• Housing brokerage services and financing assistance;
• Public policies and actions affecting the construction of affordable housing; and
• Administrative policies concerning community development and housing activities.”

Given the above, it is astonishing that the draft AI omits the identification of one of the largest impediments to fair housing. The draft AI states there were 37 fair housing cases of discrimination that were brought forward between 2007 and 2012. For those individuals who were discriminated against, it is no doubt an all-consuming ordeal. Problems with housing needs are core to the well-being of any individual. So it is especially egregious when the document omits the hundreds of discrimination cases that are the result of its own public policies. Let me explain:

For nearly 20 years, the city of Alhambra maintained discriminatory housing policies and practices that have precluded families from access to affordable housing. The city accomplished this by restricting their subsidized housing stock to mostly senior citizens, despite demographics to the contrary1. Through this practice of age discrimination, 99.2% of the rental units slated for those of low-income are off limits to families. This is an astonishing 387 units out of a total of 390. Yet families with children are the group most in need of such housing, a fact confirmed by the city’s own findings. Even when limiting consideration to special needs groups, the needs of

1 Per the 2010 Census results, seniors comprise 14.3% of the total population in Alhambra, up from 13.2% in 2000. Already grossly disproportionate when compared to the > 99% of low-income rental housing that is solely dedicated to that group, the divide is likely even greater due to the skewing which results from the housing incentives given to that group.
female-headed households (single mothers) outweigh those of seniors. So follows the obvious question: why is the city of Alhambra practicing age discrimination? Why not base it solely on income? Seniors certainly wouldn’t be precluded, nor would families, single mothers, the disabled, or any others provided they met income requirements. Parking restrictions are no excuse since the city could just as easily restrict the number of cars as it grants specific plans.

The city has attempted to remove discussion of affordable housing from the draft A1 by stating that “Fair Housing” is not the same as “Affordable Housing.” This borders on being a ruse. “Fair Housing” encompasses affordable housing and cases of discrimination regardless of housing classification are directly applicable to the subject document.

The document also fails to identify the inconsistent and unprofessional manner in which it administers its affordable housing inventory. Such practices directly led to the denial of housing dedicated to those in need and instead were sold to a group of investors (see “Zen Terrace Debacle” in the attached white paper”). Yet these cases were not identified in the report.

I’ve written the attached white paper to give the necessary background and references. I expect it to be included with this letter as part of the record.

It is important that the city properly identify the problem in the A1 report. By doing this, it will be a step closer to initiating mitigation steps to correct it. I urge the staff, the citizen advisory committee (HCDA), and city council to recognize the hundreds of cases of discrimination that have resulted from the city’s own policies. Without it, the draft A1 is nothing more than a rubber stamp that will again bypass the problem. Much is made of the dozens of cases of discrimination that are officially recognized, as should be the case since those who are affected essentially have their world being turned upside down. But what about the hundreds of cases that you are neglecting. This problem needs to be corrected. By doing so, the city would be closer to addressing the needs of its residents, and that, in turn, would reduce housing stress and promote a more amicable environment. It would also be closer to meeting its ethical obligations. The people of Alhambra deserve better.

Sincerely,

Eric Sunada
Executive Director
San Gabriel Valley Oversight Group

enclosure
Discriminatory housing policies and practices by the city of Alhambra

by Eric Sunada

For nearly 20 years, the city of Alhambra maintained discriminatory housing policies and practices that have precluded families from access to affordable housing. The city accomplished this by restricting their subsidizing housing stock to mostly senior citizens, despite demographics to the contrary. Through this practice of age discrimination, 99.3% of the rental units slated for those of low-income are off limits to families. Yet families with children are the group most in need of such housing, a fact confirmed by the city’s own findings.

Even when limiting consideration to special needs groups, the needs of female-headed households (single mothers) outweigh those of seniors. So follows the obvious question: why is the city of Alhambra practicing age discrimination?

Background

The region in the West San Gabriel Valley has very high housing costs. Many residents have most of their income consumed by rent or mortgage payments. Relative to other parts of the nation, many are considered “house-poor.” That is, so much of their money goes into their dwelling that they often cannot save for the future. Some have remaining disposable incomes so low that they are effectively living near the poverty line.

California law mandates that cities address the affordable housing problem, but gives them the latitude and trust that its most disadvantaged will be served. Also, the federal government provides grant funding to help cities bear the cost of providing affordable housing, and places no age restrictions on who may qualify for such housing, again placing its trust in the cities.

Toward this end, the state requires that cities provide incentives to developers to encourage such developments. These incentives are in the form of density bonuses: allowed exceptions to the city’s ordinance specifying the maximum number of dwelling units that can be developed per acre of land.

For developers to gain such waivers to the usual building code, they are required to provide a minimum number of units with reduced costs for the community.

This is best explained by an example: Say a developer decides to build a condominium complex and the land on which it will be developed sits within the 1/3 high density residential area of Alhambra. The Alhambra city code says that such developments are restricted to a maximum of 24 units per acre. To address the need for affordable housing, the state mandates that Alhambra offer the developer the chance to build more than 24 units per acre in exchange that some of the units be sold at reduced rates for those in need. By being allowed to develop more units per acre, the developer can generate more revenue, which, in turn, is used to offset the lower profit on the affordable units. By having these affordable units available to those in need, the community’s housing needs get addressed which helps to somewhat justify the higher density and associated burdens placed on residents such as increased traffic. Ideally, everyone pitches in to help: developers provide some units at reduced rates, nearby residents adjust to the higher density, and cities are expected to help by properly planning for infrastructure and open space upgrades in the affected areas.

Here’s the problem: From 2013 to 2018, the city had laws in place which permitted density bonuses up to 100% if developers were to build units dedicated to seniors only (see Table 2). In the example above, developers would be allowed to build 96 units per acre when they otherwise would only be able to build 24 per acre under existing building codes. At the same time, they offered significantly smaller bonuses for non-age restricted units (see Table 3).

Developers, whose goal is to provide a return on investors, are all but guaranteed to follow the path where they can build the greater number of units per acre of land. Never mind that the city’s demographics do not support this need, they can draw in others from surrounding areas. In other words, the city gave exorbitant financial incentives to developers if they built housing and restricted it to seniors only—a deal they could not refuse. Note that this policy conflicts with state law which actually places a bonus cap on units dedicated to seniors, possibly a recognition of the problem at hand.

By having been given permission to develop up to four times the number of units per acre they would normally be allowed, developers are making out very well. And the city evidently got what it wanted through these skewed set of rules while still satisfying its obligation to the state for the creation of affordable units. But it is the residents and community at large who are left with the short end of the stick. The units created for low-income groups are now age restricted to those 62 and older and, as a result, are not available to families, single mothers, and anyone else. And the nearby residents are burdened with higher densities, increased traffic, and additional pressure on city resources such as open space. Ordinarily, residents would be protected from such burdens by the existing building code.

Figure 1

Alhambra’s affordable housing inventory is largely off-limits to families as a result of age-based discriminatory policies and practices. Values given are the number of units of a particular type followed by the overall percentage it represents of the affordable housing stock.

By having been given permission to develop up to four times the number of units per acre they would normally be allowed, developers are making out very well. And the city evidently got what it wanted through these skewed set of rules while still satisfying its obligation to the state for the creation of affordable units. But it is the residents and community at large who are left with the short end of the stick. The units created for low-income groups are now age restricted to those 62 and older and, as a result, are not available to families, single mothers, and anyone else. And the nearby residents are burdened with higher densities, increased traffic, and additional pressure on city resources such as open space. Ordinarily, residents would be protected from such burdens by the existing building code.
Discriminatory Housing Policies and Practices by the City of Alhambra | October 21, 2012

Table 1
A comparison between Alhambra’s density bonus ordinance and that of the state of California from 1989 to 2008 for developers providing affordable housing. *SB232, effective January 1, 2006, clarified that a developer must choose a density bonus from only one affordability category. Alhambra did not comply with state law until 2008.

Table 2
A comparison between Alhambra’s density bonus ordinance and that of the state of California from 1989 to 2008 for the special needs group of seniors. Alhambra permitted a 0% bonus to developers who generated affordable housing for seniors while that state permitted a maximum of 20%. Seniors represent just 25% of the total population in Alhambra and 31% of the total need in affordable housing.

But it gets worse. The city of Alhambra also permitted huge bonuses to developers if government assistance funding was used for senior projects, but gave no such bonuses to otherwise unrestricted projects. Furthermore, the city usually decides which projects government assistance. This is an illogical policy that appears to be driven by something other than what is best for the community. It also makes the city susceptible to corruption.

Such unsound policies facilitate situations similar to where a former Alhambra mayor-turned-developer was convicted in 2007 of bribery for a subsidized senior housing development. Former mayor J. Parker Williams was caught trying to bribe former councilman Daniel Arguello for his vote in support of a senior housing project on 250 N. Monterey Street. This proposed development benefitted from a 35% density bonus by taking advantage of the city’s skewed density bonus policies favoring seniors. The financial gains to the developer due to this density bonus and other cost-sharing measures by the city appears to be significant because the developer, Mr. Williams, et al, found it easy enough to offer a bribe of $5,000 to Mr. Arguello just for his vote of approval.

Why has the city discriminated against families?
According to the city’s 2010-2015 Consolidated Plan, family households are at least three times more likely than seniors to be in need of very low or low-income housing. And these figures suffer from outdated data and mask an even greater divide: overall, seniors represent only 13% of Alhambra’s population and only 11% of the total in need of low or very low-income housing. One cannot discount the need of seniors, and there are obviously significant numbers in need of affordable housing. But why did the city largely ignore everyone else?

When the SGVOG interviewed city management on October 22, 2010 and asked this question, city manager Julio Fuentes deflected the question by citing the number of units they city has built for families. When confronted by the disparity as shown in the actual numbers and that the city appears to be taking too much credit for the few family units they have created (see Figure 2), his then director of development services, James Funk, jumped in and said “any affordable housing helps. I don’t understand what you are trying to get at here!” Mr. Fuentes then exclaimed, “Where are these people? Show me these families (that are in need of low-income housing)!”. The SGVOG cited census data, studies done by the state, the long Section 8 voucher waiting list, and first-hand knowledge, Mr. Fuentes focused on those for which the SGVOG had first-hand knowledge and implied that he may be able to do something for them if they were to give his office a call.

The interview revealed the “regional” stance the city takes with respect to affordable housing, similar to its approach when addressing services for the homeless. That is, they rely on outside entities to address these problems and appear to have little in terms of a strategic plan to address such issues, instead focusing on short-term fixes that amount to appeasement. The city tries to comply with state law by doing the minimum possible, and in the case of low-income housing, it did worse by sidestepping the group in need of it. When the three were asked why the city rewarded developers with exorbitant bonuses if they developed senior housing, they cited the need to address the forthcoming baby-boomer retirement flood. There was no answer when the SGVOG asked for a fiscal basis for this claim. Nor was there any response when asked why the city incentivized the use of federal grant funding for senior projects.

One reason may be the perception by some within the city that lower-income families are undesirable neighbors. This income group has been unjustly stigmatized as undesirable that are troublesome to neighborhoods. In Alhambra, lobbying groups such as the chamber of commerce
and the pro-business city council have promoted policies to thwart any images with negative connotations to businesses, however false their assumptions. In other words, the city appears to be saying “the low-income element is bad for business,” and that if they must tolerate them per state law, they will take the geriatric crowd as the lesser of evils because they lack the energy to cause problems. But while they gulf the streets, the customer’s purchasing power is negated by high rents which, in turn, contributes to the high turnover rate amongst failed businesses. In this regard, the business lobby is hurting its customer base rather than helping it.

Characterizing those who qualify for low-income housing as pariahs is unjust. Studies for the Western San Gabriel Valley have shown occupancies that would qualify as low income include security guards, EMTs and paramedics, retail salespersons, preschool teachers, mental health counselors, and cosmetologists among others—the very people who contribute to a successful city (Table 3). These are people who are key to the local economy but cannot even afford to rent a home, let alone purchase one. To afford a two-bedroom apartment, a family needs an annual income of $57,880 in Los Angeles County, and this assumes no monthly debt such as car or credit card payments.

Table 3
Occupations within the 4th Assembly District, which encompasses the city of Alhambra, that would likely qualify for low-income housing.

<table>
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<td>Nursing Aides and Orderlies</td>
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<td>Receptionists</td>
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<td>EMTs and Paramedics</td>
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<td>Preschool Teachers</td>
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<td>Police Dispatchers</td>
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</tr>
</tbody>
</table>

Table 3

**The trend continues**

After 2008, the city changed their density bonus laws to comply with state law. But after nearly 20 years of non-compliance, the city is mostly built-out in terms of large rental units. And although the city now complies with state law, it hasn’t stopped them from exceeding density bonus regulations. Even worse, they are granting density bonuses without any return to the community in the form of affordable units. Specific Plans are the new vehicle of choice to circumvent city planning ordinances which otherwise restrict the number of units per acre. These are special zones that are engineered by the city to serve their needs. Most recently, they have been employed to allow mixed-use housing developments along Main Street with densities that exceed the requirements as listed in the general plan. This policy appears to be at odds with the state law, yet they are routinely passed with little to no discussion at the city’s open meetings. Because they are city-engineered maps, there is no requirement for any set-asides for affordable units.

**The Zen Terrace debate**

The city’s development services department was found to be less than diligent when it comes to protecting the city’s affordable housing obligations. Case in point, at the November 15, 2016 Alhambra Planning Commission meeting, the city allowed a group of investors to purchase new condominiums at below-market rates which were originally dedicated to low to moderate income seniors.

The recently constructed, 64-unit Zen Terrace condominium complex located on the Northwest corner of Atlantic and Commonwealth was built with the promise that 16 of those units would be dedicated for low to moderate income seniors. In return, the developer, Sam Wong, was granted a density bonus which would allow him to construct 50% more units per acre than normally allowed under city ordinances. At a previous planning commission meeting on November 3, 2016 city staff placed an item on the consent agenda asking for a revision to the agreement. The proposed revision would have allowed anyone to purchase the units, at the affordable rates, regardless of the purchaser’s need. The proposal also allowed units to be rented out, the only stipulation being that such units must be rented to seniors who meet low-income requirements. At the November 3 meeting, Sam Wong stated the reason for the proposed revision was due to difficulty in selling the units. Wong cited the poor economic climate as the reason and said there was a lack of qualified purchasers.

At the same meeting, James Funk, Director of Development Services, provided statements that were contradictory to the city’s affordable housing policies. He stated that the original agreement did not place any restrictions on the purchase price. Commissioner Gary Frueholz expressed his confusion with the statement. Others also expressed confusion and the meeting was continued to November 15.

One cannot discount the need of seniors, and there are obviously significant numbers in need of affordable housing. But why did the city largely ignore everyone else?

But when the commission next met on November 15, it was revealed that the reason for the proposed revision was due to the fact that 5 of the 16 affordable units had already been sold to unqualified investors months ago. The purchasers were neither seniors nor low to moderate income qualified. It is unclear as to why neither staff nor the developer came forward with this information at the previous meeting. If the item were not flagged by the SGVOD at the November 3 meeting, it is very likely that it would have passed without discussion.

To further complicate the matter, the city attorney rendered the opinion that the city could not impose any restrictions as to whom the units could be rented.

Commissioner Enrique Garcia said, “To me, the spirit was very clear that the 16 units were to be for purchase and occupancy by senior citizens of low and moderate income.” Likewise, Commissioner Gary Frueholz said that “the conditions were clear and he’s not really confused by this.”

But Commissioner Stan Yonez cite Mr. Wong’s good intentions and the contradictory information provided by the city to him with regard to the agreement. The resulting vote by the commission approved, by a 4-3 vote, the proposed revision which essentially allows the 16 units to be open for purchase and rent by anyone.

In the end, the 16 units which were originally intended to be owner-occupied by low to moderate-income seniors are now open to anyone. Investors were allowed to purchase at the same below-market rates and allowed to rent out the units unrestricted. This action...
appears to be illegal. It is no doubt unethical as it hurts both those in need of affordable housing as well as local residents who tolerate the higher density provisions and conversion of owner-occupied units to rentals.

The affordable housing practices of the former Alhambra Redevelopment Agency (ARA) are many in the city who do not realize that one of the main goals of the redevelopment agency was to provide affordable housing. State law even mandates that a minimum of 20% of the tax increment revenue must be dedicated to the creation of affordable housing. But Alhambra has consistently focused revenues back into subsidizing developers without creating affordable units. The crux of the problem is that the ARA used the redevelopment vehicle as a subsidy for corporations and businesses. It stayed from the core values of the redevelopment program. It paid for such things as recurring costs in the form of leases and maintenance. Still on the books is over $3,900,000 the ARA gave to New Century BMW to subsidize their construction costs; $220,000 to Kohl's to come into town; and over $15,000 in rental and maintenance payments on behalf of businesses. At the time of this writing, the city is still fighting to have such payments continue to be paid through the tax increment funds that would have gone to the ARA.

These specific cases are a small subset of the millions of dollars that have already been spent in similar ways. This was made possible, in part, by utilizing the 26% set-aside that the city was required to dedicate to affordable housing. Whenever the city was required to pay into some of its tax revenues back to the state for things such as the Supplemental Educational Revenue Augmentation Fund (SERAF) to help schools, the city opted to use the affordable housing set-aside funds rather than take away from its practice of subsidizing retailers. On the books was over $6,400,000 of loans taken out against this account. Efforts by the SVOG to stop this risky practice since there was a good chance such funds would be lost forever were unheeded. Predictably, when the state shut down the redevelopment agencies, this money that the ARA was supposed to use for affordable housing projects was completely lost.

It is more likely that the businesses will still get their money, with so many people lobbying on their behalf, including the city's appointees on the ARA oversight board. But the working poor, without a voice, are left holding the short end of the stick.

Perspective from the wider viewpoint
Although Alhambra is not alone in this practice, no other city in the San Gabriel Valley reserves so much of its affordable housing stock for seniors. Pasadena has a senior population with similar proportions to Alhambra's at 13%, but the city dedicates only 57% of its affordable rental units to them. Baldwin Park, a city which has a similar household income to Alhambra, has a senior population of about 62% and sets aside 47% of affordable rental housing to those 65 and older. And Monterey Park, which has a significantly higher percentage senior population than Alhambra at 18%, dedicates 72% of affordable units to them.

Nationwide, the net worth of households headed by adults ages 65 and older was 47 times that of households headed by adults under the age of 35 as of 2009. Unlike the working poor, seniors benefit from strong lobbying groups, AARP being one. Efforts to perform wealth redistribution will also favor the elderly in the form of Medicare and Social Security. Locally, cities such as Alhambra only consider income when determining qualification for affordable housing. But while seniors often have fixed incomes, their net worth is substantially higher. In fact, the city relies on seniors being able to sell existing homes in order to afford the many senior units developed in Alhambra over the years. It is worth noting that the senior development at 210 N. Monterey Street which was at the center of the scandal involving a former Alhambra mayor-turned-developer, J. Parker Williams, and then councilman Daniel Argeollo (Arguello was responsible for notifying authorities and was not implicated in the crime) is still in development, albeit with new partners. But at the November 7, 2013 Planning Commission meeting where it was up for approval, Development Services Director Mary Swink responded to a question regarding whether there would be enough seniors to qualify for the low to moderate-income units, she responded "they way seniors get in to those units is by selling their existing homes and then buying these units. It does not count as income. This is what the [county] housing department has told us." By not providing affordable housing to residents in Alhambra, regardless of age, the city is denying those in need of low-income housing the opportunity afforded to them by the state and federal government. After 2008, the city changed their density bonus laws to comply with the state law. But by this time, the damage had been done. The city is largely built out in terms of large rental units. And if recent activities are any indication, the future actually looks worse, as evidenced by the examples cited of the wrongful selling of affordable units to investors, the use of Specific Plans to bypass affordable housing concessions from developers while still giving them large density bonuses, and the borrowing and subsequent loss of former redevelopment agency affordable housing coffers.

The question still remains: Why not base it solely on income? Seniors certainly wouldn’t be precluded, nor would families, single mothers, the disabled, or any others provided they met income requirements. By doing so, the city would be closer to addressing the needs of its residents, and that, in turn, would reduce housing stress and promote a more amiable environment. It would also be closer to meeting its ethical obligations.
living with the qualifying senior), the most restrictive rules allowed are to require secondary residents to be "Qualified Permanent Residents." Qualified Permanent Residents must be 65 years of age or older, unless the person is: 1) a spouse or cohabitant of the qualifying senior; or 2) a person who provides primary economic or physical support for the senior; or 3) a disabled child or grandchild who needs to live with the senior or the Qualified Permanent Resident because of his or her disabling condition. Further exceptions would be persons under age 55 who reside in the complex prior to 1/1/85. Finally, if the number of units on the senior property exceeds the minimum requirement of 55 (or 25 in Riverside County), additional units may be occupied by under-age employees providing all other requirements of the Uranch Act are met.


Daniel Arguello was not implicated in any wrongdoing. He notified authorities after being approached by Mr. Williams and were a recording device per law enforcement’s request to help convict the developers.

City of Alhambra, Alhambra Affordable Housing Inventory, September 14, 2010.

Housing California, "Priced out: The Housing Situation in the 4th Assembly District."


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To an extent, the range of issues that is contained in a specific plan is left to the discretion of the decision-making body. However, all specific plans, whether prepared by a general law city or county, must comply with Sections 65550 - 65557 of the Government Code. These provisions require that a specific plan be consistent with the adopted general plan of the jurisdiction within which it is located. For more information, see http://cora.ca.gov/planning/specifics/  