

2012

Analysis of Impediments to Fair Housing Choice

Stanislaus County

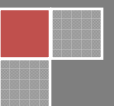


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I. EXECUTIVE SUMMARY

A. What is an Analysis of Impediments?

Stanislaus County's diverse population lives in a wide variety of housing and neighborhoods. The AI examines policies and practices that may limit residents' ability to choose their housing in an environment free from discrimination.

This AI 2012 is an update of previous AI Reports. The purpose of the Ai is to provide documentation of any fair housing problems that exist in the Stanislaus Urban County communities of Stanislaus County and the strategies designed to mitigate and/or eliminate identified impediments to fair housing choice. This document examines the affordability, availability and accessibility of housing in Stanislaus County and provides an assessment of how conditions affect fair housing choice. The AI also serves as a basis for fair housing planning, provides essential information to policy makers, housing providers, and fair housing advocates and assists in building public support for fair housing efforts. Impediments to fair housing are any actions, omissions, or decisions that are taken which restrict housing choices for individuals or families.

Entitlement jurisdictions receiving funding through the Consolidated Plan (CP) process should update, where appropriate, its (AI). The CP regulations (24 CFR 91) require each state and local government to submit a certification that it is affirmatively furthering fair housing. This means that it will (1) conduct an analysis of impediments to fair housing choice; (2) take appropriate actions to overcome the effects of impediments identified through that analysis; and (3) maintain records reflecting the analysis and actions.

B. Overview of the Research

A broad array of public and private practices and policies were scrutinized for impediments to fair housing. These include land use, zoning, lending, complaint referrals, advertising, and housing affordability. Local fair housing case activity was evaluated for capacity and impact. Demographic information for the Stanislaus Urban County and also the entire County such as income, housing stock and the geographic concentration of ethnic groups was reviewed. Some program information has remained consistent and some demographic information remained the same due to the availability of information.

C. Introduction

The AI 2012 was conducted by Project Sentinel, a regional nonprofit fair housing agency with more than 30 years of fair housing enforcement, education and evaluation experience. It was funded by the Stanislaus County Department of Planning and Community Development Community Development Block Grant (CDBG) Entitlement allocation.

The last AI for Stanislaus Urban County, was completed in 2009 (AI 2009). At that time the Stanislaus Urban County included the jurisdictions of Ceres, Newman, Oakdale, Patterson, Waterford and the Stanislaus County Unincorporated area. Since then the City of Hughson has joined the Stanislaus Urban County. Today the Stanislaus Urban County includes all areas of Stanislaus County except the three incorporated cities of Modesto, Riverbank and Turlock.

The AI 2012 identified primary impediments to fair housing choice. The first impediment identifies was the shortage of affordable rental housing in general, and particularly for larger families. The AI 2012 notes that very few large multi-family rental units had been constructed in recent years and specifically recommended that the Stanislaus Urban County focus on incentives for the multi-family housing containing three and four bedroom units. The impediments not only remains extant, but has become more pronounced in the last 10 years. According to research by the National Low Income Housing Coalition, the very low and low income populations, elderly and individuals with disabilities are the demographic groups that have experienced the most difficulty accessing multi-family housing. Affordable housing does not mean available housing and that is demonstrated in the data analyzed from the 2010 American Community Survey (ACS). Some critics would argue that affordable rental housing in Stanislaus County has improved with the “economic downturn”, but in reality it has become scarcer for those with fixed and reduced incomes. Due to the economy, there is an abundance of multi-family and single-family housing that does not meet habitability standards therefore reducing the availability of affordable housing. At first, foreclosures increased the number of houses in the rental market. People who had lost their homes to foreclosure or short sales, or who walked away from their mortgages, found they could rent similar-size houses, often in the same neighborhood for less than their mortgage payment. Over the past year as more of those former homeowners became renters, demand for those three-to four bedroom rental homes climbed. As lenders foreclose on more homes but are slow to resell them, the number of available houses has dropped.

The second impediment cited was the lack of comprehensive fair housing and housing counseling/education services and the potential for housing discrimination and predatory housing practices, combined with a general lack of knowledge of fair housing services within the Stanislaus Urban County’s area. This impediment has been largely addressed and satisfactorily resolved in the past by virtue of the Stanislaus Urban County’s annual funding of comprehensive fair housing services. Specific recommendations that can be undertaken to continue to overcome this impediment are discussed in full in the final draft of this AI 2012.

In addition to the issues addressed in the AI 2009 and the addition of the City of Hughson to the Stanislaus Urban County, new areas of analysis include impacts of the Foreclosure Crisis on Affordable Housing Choice, a review of the Neighborhood Stabilization Program, a review of the Housing Authority of Stanislaus County of Stanislaus (“HACS”) housing projects/programs, examination of zoning ordinances and reasonable accommodations policies and the utilization of community development resources.

D. Summary

The AI 2012 focuses significant attention on the continuing shortfall in affordable rental housing throughout the Stanislaus Urban County, particularly for larger families. This remains the most serious unresolved impediment to fair housing choice facing the Stanislaus Urban County six jurisdictions.

Affordability has several aspects. For families fleeing the prohibitively high cost of housing in the Bay Area, Stanislaus County is viewed as one of the most affordable areas in the state. According to HUD, in 2012 a 3 bedroom housing unit average rent in Stanislaus County is \$1,365 and in Santa Clara a 3 bedroom unit is averaged at \$2,334 a difference of 41.5%. (See

Figure V-2) Stanislaus County's agricultural roots and closeness to the San Francisco Bay Area, the State Capitol, and Sierra Nevada mountains make Stanislaus County and Stanislaus Urban County particularly attractive to families.

Conversely, new immigrants, who have accounted for much of Stanislaus Urban County's population growth, face a different set of challenges. Many of these residents have lower paying jobs, larger families with young children, limited English proficiency, and limited education. For them, Stanislaus County offers great promise, but lack of housing affordable to low and very low income households' results in stifling housing cost burdens. The same is true of persons with disabilities, veterans, female-headed households, and elderly residents with fixed incomes.

The changed economic circumstances confronting Stanislaus County, especially those affecting homeownership and rental housing markets must be viewed as potential threats to fair housing choice. Vacancy rates in single-family dwellings have been rising rapidly throughout Stanislaus County as more and more homes have gone into foreclosure or have been abandoned. The number of properties teetering on the verge of delinquency and default remains high and continues to grow. Home Mortgage Disclosure Act ("HMDA") and other data sources from ForeclosureRadar and California Reinvestment Act (CRA) strongly suggest that a high proportion of high cost (sub-prime) loans were directed toward African-American, Hispanic and other minority households; and it is likely that these minority groups are now bearing a larger share in the loss of homeownership. It is vital that these households, that do not have the means to support reasonable mortgage payments, receive the necessary assistance to refinance out of predatory sub-prime loans.

The ability of the Stanislaus Urban County to respond to the challenges posed by the current housing crisis combined with Stanislaus County's dramatic rise in minority population since 2000 will depend, upon many factors, some within Stanislaus Urban County's control and other of a more global nature such as the level nature of federal assistance. It will be important for Stanislaus Urban County and the five incorporated members to coordinate with other outside entities such as HACS, private developers, nonprofit organizations, mortgage lenders and the state. It will also depend on how well the jurisdictions are able to coordinate, integrate and fairly distribute all available federal, state and local housing and community development resources. For these reasons, the AI 2012 devotes substantial attention to the resources, programs and activities of the HACS, and to the ways in which the Stanislaus Urban County has utilized available federal, state and local resources in recent years.

Some of the Stanislaus Urban County jurisdictions offer more incentives for the development of affordable housing than others. Regardless of whether the codes provide inclusionary zoning or additional density bonuses, since 2009 there has been three (3) constructed housing development projects (Newman- Multi-family housing, Oakdale- Senior housing and Patterson- Senior housing) and one purchased housing development to add to affordable multi-family housing. With or without the current economic climate of tight credit it appears that the only way for housing to be constructed that is affordable to low and very low income households is with significant subsidies such as donated land fee waivers and cash.

The review of zoning codes that address the needs of people with disabilities showed no clear impediments. A review of each jurisdiction's definition of family, which speaks to the

impediments of group homes for those with disabilities, found no discriminatory wording. Likewise, a prohibition or overly burdensome approach to secondary units would discriminate against those with disabilities in that many who benefit from secondary units have disabilities and are very low income. The review of these codes shows overall compliance, with recommendations for some minor adjustments for two jurisdictions.

E. Recommendations

The recommendations listed below are further explained in Section IX.

1. Stanislaus Urban County should continue to provide and support reasonable accommodations.
2. Preservation of existing Affordable Housing and development of additional multi-family units.
3. Improve public education of fair housing through regional approaches to public outreach to publicize fair housing services.
4. Implementation of Stanislaus Urban County Housing Elements policies and programs.

II. PURPOSE AND SCOPE OF THE AI

An AI is a broad spectrum review of private and public practices and policies which may impact people's ability to choose housing in an environment free from discrimination. Fair housing choice is the ability of persons of similar income levels to have available to them the same housing choices regardless of race, color, religion, sex, handicap, familial status, or national origin.

The development of this AI is part of the consolidated planning process required for all localities receiving funding from the Department of Housing and Urban Development (HUD).

Provisions to affirmatively further fair housing (AFFH) are principal and long-standing components of HUD's housing and community development programs. These provisions flow from the mandate of Section 808(e)(5) of the Fair Housing Act which requires the Secretary of HUD to administer the Department's Housing and Urban Development programs in a manner to affirmatively further fair housing.

1. Sections 104(b)(2) and 106(d)(5) of the Housing and Community Development Act of 1974, as amended, specifically require CDBG Program grantees to certify they will affirmatively further fair housing. Congress reiterated this affirmative obligation in Section 105(b)(13) of the National Affordable Housing Act of 1990 (NAHA). Also in NAHA, Congress makes clear that one of the Act's principal objective is "to improve housing opportunities for all residents of the United States, particularly members of disadvantaged minorities, on a non-discriminatory basis."

In 1992, as part of the regulations for the CHAS required by Congress in the National Affordable Housing Act of 1990 (NAHA), HUD referenced the Fair Housing Review Criteria as a means for Entitlement jurisdictions to take a more coordinated approach to their fair housing

efforts (24 CFR 91.21(e)). Similarly, in 1992, HUD further defined the AFFH role of State CDBG grantees and State-funded jurisdictions in the Department's State CDBG regulations (24 CFR 570.487(b)).

The AI is an assessment of laws, governmental policies, real estate practices and local conditions that affect the location, availability and accessibility of housing. The analysis of the impediments impact on housing choice can highlight areas and assist with developing and implementing corrective actions and broadening fair housing laws.

The stated purpose of the AI is to increase housing choice, identify problems and assemble fair housing information. The AI:

- Serves as the substantive, logical basis for Fair Housing Planning.
- Provides essential and detailed information to policy makers, administrative staff, housing providers, lenders and fair housing advocates.
- Assists in building public support for fair housing efforts both within entitlement jurisdictions' boundaries and beyond.

HUD requires entitlement jurisdictions to develop action plans to overcome the effects of identified impediments to fair housing choice. Therefore, the AI is the necessary first step in the fair housing planning process.

HUD wants entitlement jurisdictions to become fully aware of the existence, nature, extent and causes of all fair housing problems and the resources available to solve them. Without this information, an entitlement jurisdiction's Fair Housing Plan ("FHP") could fall short of measurable results. HUD's goal in requiring the production of an AI is to conserve valuable energy and resources while producing efficient and effective fair housing services.

A. Information Gathering and Analysis

To assist policy makers, the AI consolidates fair housing information otherwise located in a variety of sources. It also brings together information not otherwise perceived as fair housing related. This 2012 AI is a review of and search for impediments to fair housing choice in the Stanislaus Urban County. HUD defines fair housing impediments as:

- Any actions, omissions or decisions taken because of race, color, religion, sex, disability, familial status or national origin 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, religion, sex, disability, familiar status or national origin.

The information sought for conducting an AI includes the following:

- Practices and procedures involving housing and housing related activities.
- Zoning and land use policies.
- The nature and extent of fair housing complaints, lawsuits, or other data that may evidence achievement of fair housing choice.
- Demographic patterns.

- Home Mortgage Disclosure Act (HMDA) data
- Allegations of discrimination
- Fair Housing Initiative Program (“FHIP”) grant results.
- Patterns of occupancy in Section 8, public and assisted housing, and private rental housing.

The AI 2012 AI evaluates policies and practices of the Stanislaus Urban County, nonprofit agencies and private entities for the existence of impediments. In analyzing possible impediments, HUD also requests that entitlement jurisdictions review the number and types of complaints filed with Department of Justice or private plaintiffs, HUD and California Department of Fair Employment and Housing (DFEH).

B. Assembling Fair Housing Information

The production of the AI 2012 involved extensive data collection. HUD does not intend AI's to be the product of original research. Therefore, Project Sentinel relied primarily in existing data such as the US Census, CA Department of Finance, Housing Elements for Stanislaus Urban County, the Stanislaus Urban County's Annual Action Plans (AAP) and the Consolidated Plan (CP) throughout the report. Since local governments do not collect data in the same way, different data sources are sometimes used for similar information.

To produce this AI 2012, Project Sentinel reviewed relevant demographic data to identify housing patterns and assess efforts to avoid segregation and isolation. We also analyzed land use and zoning for legality of terminology and fair housing practice. Land use and zoning were also reviewed to identify practices used to promote or inhibit development of affordable housing. We have also reviewed fair housing complaints received by Project Sentinel over the past year throughout the Stanislaus s and Stanislaus Urban County area.

Preparing this AI 2012 is the first step in a fair housing planning process. The next step is the identification, with broad citizen participation, of a list of actions to eliminate or reduce the negative impacts of the specific impediments. Actions identified to address the barriers to fair housing will be included in the approved AI and will provide the fair housing strategy for Stanislaus Urban County's new three-year Consolidated Plan. That plan will be developed during Fiscal Year 2012 and will cover Fiscal Year 2012-2015.

III. DEMOGRAPHIC OVERVIEW

A. Stanislaus County as a Whole

The Stanislaus Urban County is comprised of the unincorporated portions of Stanislaus County and the six incorporated cities of Ceres, Hughson, Newman, Oakdale, Patterson, and Waterford. In addition, there are 14 unincorporated communities within Stanislaus County and substantial areas of state and federally controlled lands such as parks, wildlife areas and other public lands. Stanislaus County is located just east of San Francisco/Oakland metropolitan region and northeast of the San Jose/Silicon Valley area. It is bordered by San Joaquin, Calaveras, and Tuolumne counties to the north; Mariposa County to the east; Merced County to the south; and Santa Clara and Alameda counties to the west. Positioned at the heart of California's rapidly urbanizing Central Valley, the entire County is a focal point of an area that many forecasters believe will be the fastest growing region in the State of California over the next decade.

Stanislaus County as a whole has been one of the fastest growing counties in California. During the 1980s Stanislaus County's population climbed from 265,000 to 370,522 for a total increase of 39%, compared to 26% statewide (see Figure III-1). Rapid growth continued during the 1990s as the population climbed to 446,997 by the year 2000. Growth is expected to continue over the next 10 years with County population projected to increase to 559,708 by 2010 and 1,191,344 by 2050.

Population Projections 2010-2050

Figure III-1

Jurisdiction	2010	2020	2030	2040	2050	Percentage
<i>Stanislaus</i>	559,708	699,144	857,893	1,014,365	1,191,344	50.3%
<i>San Joaquin</i>	741,417	965,094	1,205,198	1,477,473	1,783,973	41.5%
<i>Merced</i>	273,935	348,690	439,905	541,161	652,355	41.9%
<i>California</i>	39,135,67	44,135,923	49,240,891	54,266,115	59,507,876	65.7%

Source: CA Dept. of Finance

The percentage of population living in the incorporated areas increased from 74% in 1990 to 82% in 2000 and 87% in 2010, continuing the shift from rural to urban lifestyles demonstrated in past decades. The Patterson- Salida portions of the planning area captured a significant amount of this growth.

Stanislaus County's population has continued to grow rapidly throughout the decade. The 2010 Census placed Stanislaus County's total population at 559,708. The California Department of Finance estimated a population of 525,900 as of January 1, 2008. This constitutes a growth rate of 6.07% in less than a decade.

Population Growth by Race 2010

Figure III-2

	Stanislaus County	California	United States
White	51.5%	57.6%	72.4%
Black	5.5%	6.2%	12.6%
Asian	4.6%	13.0%	4.8%
Hispanic	58.7%	37.6%	16.3%
Children	36.2%	28.1%	26.9%
Household Size	3.54 pph	2.90 pph	2.58 pph

Source: 2010 US Census

Even more so than the case from 2000 to 2010, this growth has been primarily attributable to a dramatic increase in Stanislaus County's minority population (see Figure III-3). From 2000 to 2010 the White non-Hispanic ("White only") population went from 256,000 to 337,342 an increase 24%. At the same time the Hispanic population rose from 141,200 to 215,658 an increase of 35%; the Asian population rose from 18,800 to 26,090, an increase of 28%; and the African American count went from 11,500 to 14,721 a 22% jump. In 2008 the

white only population comprised 50.8% of Stanislaus County's population, while Hispanics made up 38.2%, Asians 5.2% and African Americans 2.8%. By 2010 the White only population had increased to 60.2% of the total population, while Hispanics rose to 38.5%, Asians decreased to 4.6%, and African Americans decreased to 2.6%.

Stanislaus County Population Growth Rate

Figure III-3

Race/ Ethnicity	Stanislaus County		% of Total Population	% of Total Population in 2008
	2000	2010		
White	256,000	337,342	60.2%	50.8%
Black	11,500	14,721	2.6%	2.8%
Asian	18,800	26,090	4.6%	5.2%
Hispanic	141,200	215,658	38.5%	38.2%

Source: 2010 US Census

B. Stanislaus Urban County Cities

The cities of Ceres, Newman, Oakdale, Patterson and Waterford have been part of Stanislaus Urban County since 2005 (the City of Hughson joined Stanislaus Urban County in Fiscal Year 2011-2012). During that period the cities have experienced substantial growth in population, despite the foreclosure crisis. According to the 2010 Census, the cities with the smallest population are Hughson and Waterford (6,640 and 8,456) and the city with the largest population is Ceres with 45,417 (See Figure IV-1). However, there are noticeable differences between the two cities. While Patterson's racial and ethnic composition closely resembles that of other Stanislaus Urban County communities, Oakdale's population has been and remains predominantly White non-Hispanic.

1. Oakdale

The City of Oakdale is located in the northeast portion of Stanislaus County, at the intersection of State Highway 108 and 120 on the south bank of the Stanislaus River, 20 miles from Stanislaus County seat of Modesto. In 2010, the city of Oakdale had a total area of 6.1 square miles of which 6.0 square miles is land and 0.05 square miles is water. Residential growth has occurred on the east and west sides of the city, industrial on the south side, and commercial along highways 108 and 120. (See Figure III-4.) Oakdale has a much lower percentage of Hispanics (26.1%) than other Stanislaus Urban County cities or Stanislaus County as a whole (38.5%), and no other single racial group accounts for more than 1.2% of the population. Oakdale's average household size of 2.81 persons per household ("pph"), proportion of children, and foreign born population are much closer to US averages than other parts of Stanislaus County.

The 2010 Census demographic profile for the city reported a population of 20,488 people. There were 7,288 households, 41.4% had children under the age of 18 living in them, 52.9% were opposite-sex married couples living together 13.8% had a female head of household with no husband present while 6.0% had a male head of household with no wife present. 7.1% of the household's consisted of unmarried opposite sex partnerships, and 0.5% were same sex partnerships. 21.6% were made up of individuals and 9.5% had someone living alone who was 65 years of age or older. The average household size was 2.81 and the average family size was 3.28.

The population was spread out with 5,766 people: (27.9%) under the age of 18; 1,837 people (8.9%) aged 18 to 24; 5,436 people (26.3%) aged 25 to 44; 5,083 people (24.6%) aged 45 to 64; and 2,553 people (12.3%) who were 65 years of age or older. The median age was 34.9 years.

City of Oakdale Population Growth Rate

Figure III-4

	Oakdale		United States	
	2000	2010	2000	2010
White	83.8%	80.1%	75.1%	72.4%
Black	0.5%	0.8%	12.3%	12.6%
Asian	1.2%	1.0%	3.6%	4.8%
Hispanic	20.1%	26.1%	12.5%	16.3%
Children	28.9%	30.6%	25.7%	26.8%
Disabled	24.3%	30.8	19.3%	19.3%
HH Size	2.73 pph	2.81 pph	2.6 pph	2.58 pph
Total Population	15,503	20,675	281,421,906	308,745,53

Figure III-4: City of Oakdale

Oakdale Household Demographics 2010			
Total Households: 7,288			
With Children under 18 3,016 (41.4%)	Unmarried Opposite-Sex 517 (7.1%)		
Opposite- Sex married 3,853 (59.2%)	Same-Sex Households 36 (0.5%)		
Female householder with no husband 1,009 (13.8%)	Individuals 1,573 (21.6%)		
Male householder with no wife 436 (6%)	65 years and above 694 (9.5%)		
Average Household Size 2.81	Average Family Size 3.28		

Figure III-5: Source US Census 2010 American Community Survey

2. Patterson

The City of Patterson is in western Stanislaus County on State Route 33 midway between the San Joaquin River and Interstate 5. In 1990, Patterson contained 736 acres, 77% residential, 8% commercial, 14% industrial, and the remaining 1% planned development. New growth has occurred on the west side of the city. In 2000, the population of Patterson was 11,606; by 2008 the population nearly doubled to 21,229 and by 2010 the population had decreased to 20,410. The 2010 Census indicated that 58.6% of Patterson residents are Hispanic. Racially, the city is comprised of 49.6%, White, 5.2%, Asian, and 6.3% African American. More than one-third (37.3% are children; 25.3% are foreign born; and the average household size is 3.63 pph. All of

these figures are much higher than U.S. Averages. The US Census reported that 20,410 people (100% of the population) lived in households, 3 (0%) lived in non-institutionalized group quarters, and 0 (0%) were institutionalized.

According to the US Census there were 5,630 households, out of which 56.2% had children under the age of 18 living in them, 60.4% were opposite sex married couples living together, 13.5% had a female householder with no husband present, 8.7% had a male householder with no wife present. There were 8.0% of the households were made up of unmarried opposite sex partnerships, and 0.8% same sex married couples or partnerships. 12.7% were made up of individuals and 4.8% had someone living alone who was 65 years of age or older. The average household size was 3.63 and the average family size was 3.95.

The population was spread out with 6,890 people: 33.8% under the age of 18; 10.5% aged 18 to 24; 28.5% aged 25 to 44; 21.0% aged 45 to 64; and 6.3% who were 65 years of age or older. The median age was 29.1 years.

City of Patterson Population Growth Rate

Figure III-6

	Patterson		United States	
	2000	2010	2000	2010
White	55.7%	49.6%	75.1%	72.4%
Black	1.9%	6.3%	12.3%	12.6%
Asian	2.1%	5.2%	3.6%	4.8%
Hispanic	57.0%	58.6%	12.5%	16.3%
Children	36.4%	37.3%	25.7%	26.8%
Disabled	17.5%	17.4%	19.3%	19.3%
HH Size	3.62 pph	3.63 pph	2.6 pph	2.58 pph
Total Population	11,606	20,413	281,421,906	308,745,538

Figure III-6: City of Patterson

Patterson Household Demographics 2010			
Total Households: 5,630			
With Children under 18 3,162	(56.2%)	Unmarried Opposite-Sex 453	(8.0%)
Opposite- Sex married 3,398	(60.4%)	Same-Sex Households 47	(0.8%)
Female householder with no husband 758	(13.5%)	Individuals 716	(12.7%)
Male householder with no wife 491	(8.7%)	65 years and above 273	(4.8%)
Average Household Size	3.63	Average Family Size	3.95

Figure III-7: Source US Census 2010 American Community Survey

3. Ceres

The City of Ceres is located in along State Route 99, southwest of Modesto. The two cities are separated by the Tuolumne River. In 2000, the total population was 45,417 but, like many other communities in Stanislaus County and the Central Valley, Ceres has grown considerably (see Figure III-6). By 2008, the population had grown to 42,813. A slight majority of Ceres residents identify themselves as Hispanic (56%.) Racially the population is 57.7% White, 2.6% African American, and 0.8% Asian (the remainder identify with more than one race or another racial group). The American Community Survey (“ACS”) also indicates that, compared to U.S. Averages, Ceres has a higher proportion (35.8%). of children, and persons with disabilities (23.2%). The average household size (3.6 pph) is also substantially higher (38.5%) than the U.S. Average (2.6 pph) and 16% higher than the rest of Stanislaus County.

The US Census reported that there were 12,692 households, out of which 54.2% had children under the age of 18 living in them, 57.6% were opposite-sex married couples living together. 17.4% had a female householder with no husband present, 8.3% had a male householder with no wife present. 7.7% of the households were unmarried opposite-sex partnerships, and 0.6% same-sex married couples or partnerships. 12.5% of the households were made up of individuals and 4.9% had someone living alone who was 65 years of age or older. The average household size was 3.55 pph and the average family size was 3.84.

The population was spread out with 14, 623 people: 32.2% under the age of 18; 11.2% aged 18 to 24; 27.5% aged 25 to 44; 21.3% aged 45 to 64, and 7.7% who were 65 years of age or older. The median age was 29.4 years.

City of Ceres Population Growth Rate

Figure III-8

	Ceres		United States	
	2000	2010	2000	2010
White	64.5%	57.7%	75.1%	72.4%
Black	2.7%	2.6%	12.3%	12.6%
Asian	5.0%	1.3%	3.6%	4.8%
Hispanic	37.9%	56.0%	12.5%	16.3%
Children	34.4%	35.8%	24.7%	26.8%
Disabled	17.9%	23.2%	19.3%	19.3%
HH Size	3.3 pph	3.55 pph	2.6 pph	2.58 pph
Total Population	34,609	45,417	281,421,906	308,745,538

Figure III-8: City of Ceres

Ceres Household Demographics 2010			
Total Households: 12,692			
With Children under 18 6,876	(54.2%)	Unmarried Opposite-Sex 976	(7.7%)
Opposite- Sex married 7,311	(57.6%)	Same-Sex Households 76	(0.7%)
Female householder with no husband 2,211	(17.4%)	Individuals 1,586	(12.5%)
Male householder with no wife 1,053	(8.3%)	65 years and above 628	(4.9%)
Average Household Size	3.55	Average Family Size	3.84

Figure III-9: Source US Census 2010 American Community Survey

4. Newman

The City of Newman is located in the southeast portion of Stanislaus County on State Route 33, approximately 25 miles south of Modesto, Stanislaus County seat. The City has a total area of 2.1 square miles, all of it land. In 2000, Newman occupied 1.4 square miles and had a population of 7,093. Newman's population growth rate (3.2% in 2007-2008) has exceeded that of the state and County (see Figure III-7). As of July 1, 2008, Newman's population was estimated at 10,586 and in 2010 10,224 people are reported to reside in the city.

According to US Census, Hispanics comprise 61.6% of the population. Racially, the population is 66.6% White; no other racial category accounts for more than 2% of the total population, although more than a third of residents identify with some other race or more than one race. 2010 Census data reveal that the 32.5% of Newman's population are children, compared to the U.S. average of 24.7%.

The Census reported that there were 3,006 households, out of which 52.6% had children under the age of 18 living in them, 60.5% were opposite-sex married couples living together, 13.3% had a female householder with no husband present, 7.1% had a male householder with no wife present. There were 7.7% unmarried opposite sex partnerships, 15.5% were made up of individuals and 5.8% had someone living alone who was 65 years of age or older. The average household size was 3.38. There were 2,432 families (80.9% of all households); the average family size was 3.75.

The population was spread out with 3,317 people: 32.4% under the age of 18; 9.9% aged 18 to 24; 27.1% aged 25 to 44; 22.0% aged 45 to 64; and 8.5% who were 65 years of age or older. The median age was 30.7 years.

City of Newman Population Growth Rate

Figure III-10

	Newman		United States	
	2000	2010	2000	2010
White	60.8%	66.6%	75.1%	72.4%
Black	1.3%	2.3%	12.3%	12.6%
Asian	1.8%	1.0%	3.6%	4.8%
Hispanic	51.4%	61.6%	12.5%	16.3%
Children	35.3%	32.4%	25.7%	26.8%
Disabled	18.2%	18.2%	19.3%	19.3%
HH Size	3.4 pph	3.38 pph	2.6 pph	2.58 pph
Total Population	7,093	10,224	281,421,906	308,745,538

Figure III-10: City of Newman

Newman Household Demographics 2010			
Total Households: 3,006			
With Children under 18 1,581	(52.6%)	Unmarried Opposite-Sex 869	(8.5%)
Opposite- Sex married 1,818	(60.5%)	Same-Sex Households 0	
Female householder with no husband 400	(13.3%)	Individuals 466	(15.5%)
Male householder with no wife 214	(7.1%)	65 years and above 174	(5.8%)
Average Household Size	3.38	Average Family Size	3.75

Figure III-11: Source US Census 2010 American Community Survey

5. Waterford

The City of Waterford is located on State Route 132 on the banks of the Tuolumne River, approximately 13 miles east of Modesto, Stanislaus County seat. Waterford is the smallest of the Stanislaus Urban County cities, with a 2010 population of 8,456 (see Figure III-8). Racially, the city is comprised of 71% White, with no other single race accounting for the 35.4% of the city's population. Children make up 36.6% of the population, and the average household size is 3.43 pph. In 2010, 16.1% were foreign born, and 21.2% were disabled.

The US Census reported 2,458 households, out of which 53.5% had children under the age of 18 living in them, 61.0% were opposite sex married couples living together, 14.5% had a female head of household with no husband present, and 7.8% had a male head of household with no wife present. There were 7.0% unmarried opposite sex partnerships, and 0.6% same sex married couples or partnerships. 12.4% were made up of individuals and 4.3% had someone living alone who was 65 years of age or older. The average household size was 3.43 and the average family size was 3.71.

The population was spread out with 2,786 people: 32.9% under the age of 18; 10.7% aged 18 to 24; 27.1% aged 25 to 44; 22.0% aged 45 to 64; and 7.2% who were 65 years of age or older. The median age was 29.6 years.

City of Waterford Population Growth Rate

Figure III-12

	Waterford		United States	
	2000	2010	2000	2010
White	72.2%	71.0%	75.1%	72.4%
Black	0.5%	0.9%	12.3%	12.6%
Asian	0.8%	1.5%	3.6%	4.8%
Hispanic	35.4%	42.3%	12.5%	16.3%
Children	36.4%	36.6%	25.7%	26.8%
Disabled	21.2%	21.2%	19.3%	19.3%
HH Size	3.5 pph	3.43 pph	2.6 pph	2.58 pph
Total Population	6,924	8,456	281,421,906	308,745,538

Figure III-12: City of Waterford

Waterford Household Demographics 2010			
Total Households: 2,458			
With Children under 18 1,314	(53.5%)	Unmarried Opposite-Sex 172	(7.0%)
Opposite- Sex married 1,499	(61.0%)	Same-Sex Households 15	(0.6%)
Female householder with no husband 357	(14.5%)	Individuals 305	(12.4%)
Male householder with no wife 191	(7.8%)	65 years and above 106	(4.3%)
Average Household Size	3.43	Average Family Size	3.71

Figure III-13: Source US Census 2010 American Community Survey

6. Hughson

The City of Hughson is the smallest incorporated city in Stanislaus County, but has grown from a population of 3,259 in 1990 to 6,640 in 2010. Hughson is situated to the East of Ceres, to the North of Turlock, and to the Southeast of Modesto. According to the US Census, the city has a total area of 1.8 square miles of land. The City is comprised of 77.2% White, 0.8% African-American, 1.1% Native American, 1.5% Asian, 0.2% Pacific Islander, 14.8% from other races and 43.2% Hispanic. The Census reported that 6,621 people (99.7% of the population) lived in households, 17 (0.3%) lived in non-institutionalized group quarters, and 2 (0%) were institutionalized.

There were 2,069 households reported by the US Census in which 48.0% had children under the age of 18 living in them, 60.8% were opposite-sex married couples living together, 12.6% had a female householder with no husband present, 5.3% had a male householder with no wife present. There are 5.0% unmarried opposite-sex partnerships, and 1.0% same-sex married couples or partnerships, 17.7% were made up of individuals and 10.6% had someone living alone who was 65 years of age or older. The average household size was 3.28 and the average family size was 3.64.

The population was spread out with 2,024 people: 30.5% under the age of 18; 10.2% aged 18 to 24; 26.9% aged 25 to 44; 21.7% aged 45 to 64; and 10.8% who were 65 years of age or older. The median age was 32.8 years.

City of Hughson Population Growth Rate

Figure III-14

	Hughson		United States	
	2000	2010	2000	2010
White	68.7%	77.2%	75.1%	72.4%
Black	0.6%	0.8%	12.3%	12.6%
Asian	1.1%	1.5%	3.6%	4.8%
Hispanic	38.8%	43.2%	12.5%	16.3%
Children	46.0%	34.1%	25.7%	26.8%
Disabled	20.4%	20.4%	19.3%	19.3%
HH Size	3.25 pph	3.28 pph	2.6 pph	2.58 pph
Total Population	3,980	6,640	281,421,906	308,745,538

Figure III-14: City of Hughson

Hughson Household Demographics 2010			
Total Households: 7,288			
With Children under 18 3,016 (41.4%)	Unmarried Opposite-Sex 517 (7.1%)		
Opposite- Sex married 3,853 (59.2%)	Same-Sex Households 0		
Female householder with no husband 1,009 (13.8%)	Individuals 1,573 (21.6%)		
Male householder with no wife 436 (6%)	65 years and above 694 (9.5%)		
Average Household Size 2.81	Average Family Size 3.28		

Figure III-15: Source US Census 2010 American Community Survey

C. Stanislaus Urban County as a Whole

Demographics for the geographic area comprising the current Urban County are revealing. While the Stanislaus Urban County, in its present form, due to its recent addition of the City of

Hughson. Some useful comparative analysis is possible by subtracting the 2000 and 2010 data for Modesto, Turlock, and Riverbank from Stanislaus Countywide data. Using this approach, the current Stanislaus Urban County area had a total population of 182,500 in 2008 and increased to 222,061 in 2010. Of this total, 143,694 were White only (64.7%), 107,498 were Hispanic (48.4%), 23,083 were Asian (10.3%), and 1,979 were African-American (0.8%). In 2000 the White only population was a somewhat smaller percentage of the current Stanislaus Urban County area than it was of Stanislaus County as a whole (as were Asians and African-Americans), while Hispanics were a considerably larger percentage of the current Stanislaus Urban County area than they were of Stanislaus County as a whole.

During the periods between 2005-2010 the population of the Stanislaus Urban County area had grown from 182,500 to 222,061. This amounts to an increase of 39,561 (17.8%), exceeding the growth rate for Stanislaus County as a whole in the same period. The Asian and African American populations declined, while the Hispanic and White populations increased. Hispanics rose from 90,700 to 107,498, a growth rate of 15.6%, to comprise 48.4% of total Stanislaus Urban County area population. While the three largest minority groups accounted for 46.2% of Stanislaus County's total population, they constituted 49.5% of the Stanislaus Urban County's population.

It is also interesting to note the distribution of population within the Stanislaus Urban County area itself. Based on the January 1, 2008, California Department of Finance estimate, the six participating cities of Ceres, Hughson Newman, Oakdale, Patterson, and Waterford have a combined population of 102,700 (47.2%), while the unincorporated area of the Stanislaus Urban County had a population of 115,100 (52.8%). By comparison, in 2010, the six cities had a combined population of 75,600 (41.4%), while the unincorporated area of Stanislaus County had a population of 106,900 (58.6%). (see Figure III-9).

These population trends will be used to analyze the allocation of CDBG, public and assisted housing, and other resources within the Stanislaus Urban County.

IV. HOUSING PROFILE

A. Housing Inventory

Housing in Stanislaus County is similar to other Central Valley counties whose towns were established around farming centers that are since outgrown. The oldest houses were built over 100 years ago, and many houses have been enlarged upon. Stanislaus County's oldest neighborhoods correspond to the lowest income areas and have the greatest concentration of minority populations. Figure IV-1 lists housing units in the Stanislaus Urban County area, with many needing rehabilitation to correct hazardous conditions and to extend their useful life.

Housing Units

Figure IV-1

Jurisdiction	Total Population 2010	Total Housing Units	Occupied Housing Units	Percent Vacant 2010
<i>Ceres</i>	45,417	13,673	12,692	7.2%
<i>Hughson</i>	6,640	2,234	2,069	7.4%
<i>Newman</i>	10,224	3,357	3,006	10.5%
<i>Oakdale</i>	20,675	7,822	7,288	6.8%
<i>Patterson</i>	20,413	6,328	5,630	11.0%
<i>Waterford</i>	8,456	2,665	2,458	7.8%
<i>Unincorporated</i>	106,741	43,535	32,751	5.03%
<i>Total Served</i>	182,356	79,614	65,894	6.9%
<i>Total County</i>	514,453	179,503	165,180	8.0%

Source: 2010 US Census

For Stanislaus County as a whole, the US Census Bureau reported an estimated 179,503 dwelling units as of January 1, 2010 (see Figure IV-2). Of these 143,141 (79.7%) were single-family dwellings (including detached, attached, and mobile homes), while 36,157 units were in multi-family structures of two or more dwellings (20.2%). In 2008, the total number of housing units in Stanislaus County was estimated at 176,622 of which 149,043 were single-family dwellings (84.4%) and 27,579 (15.6%) were dwellings in structures of two or more units. Stanislaus County's total supply of units in multi-family structures increased by 8,578 dwellings, or 4.6% while single-family units decreased by 36,362 or -4.4%.

*B. Multi-Family vs. Single-Family Housing***Housing Inventory for Stanislaus County (Entire County)**

Figure IV-2

	Housing Inventory		% of Total		Housing Inventory 2010	% of Total 2010
	2001	2008	2001	2008		
Single- Family	137,322	149,043	89.5%	84.5%	143,141	79.8%
Multi- Family	25,940	27,579	16.9%	15.6%	36,157	20.1%
Total	153,262	176,262	100.0%	100.0%	179,298	100.0%

Source: 2010 US Census

As problematic as those county-wide figures appear to be from the standpoint of affordable multi-family rental housing, the data from within the Stanislaus Urban County area are reflect similar data (see Figure IV-3). When the housing stock data from the three cities of Modesto, Turlock, and Riverbank, are removed from Stanislaus County figures, the numbers are as follows. In 2001 there were 59,148 housing units in the Stanislaus Urban County area. Of these, 54,260 (91.7%) were single-family dwellings, and 4,888 (8.2%) were dwellings located in multi-family structures of two or more units. By 2008 these figures were, respectively, 69,545 total units, 64,207 single-family dwellings (92.3%), and 5,338 dwellings in multi-family structures (7.6%).

Housing Inventory for Stanislaus County (Stanislaus Urban County)

Figure IV-3

	Housing Inventory		% of Total		Housing Inventory 2010	% of Total 2010
	2001	2008	2001	2008		
Single- Family	54,260	64,207	91.7%	92.3%	63,779	86.4%
Multi- Family	4,888	5,338	8.2%	7.6%	10,023	13.5%
Total	59,148	69,545	100.0%	100.0%	73,802	100.0%

Source: 2010 US Census

Stanislaus Urban County housing inventory figures are not uniform, as reflected in the following discussion. In the six incorporated cities of Ceres, Hughson, Newman, Oakdale, Patterson and Waterford, dwellings in multi-family structures accounted for 8.2% of all housing units in 2001, and 7.6% in 2008. However, in the unincorporated area of the Stanislaus Urban County, still the majority of the total population within the Stanislaus Urban County, the figure was 3.8% (1,334 units) in 2001, 3.9% (1,389 units) in 2008 and (1,402 units) in 2010.

C. Housing Condition

Many lower income families are forced, due to cost and market conditions, to live in housing units that are substandard or too small for their families. There are few alternatives that these families can afford. Overcrowding of housing units and the long waiting lists for assisted and below-market rate units indicate that there is a lack of affordable housing units within Stanislaus County. Moderate income persons are not moving up into more costly units, which would allow lower income persons to move into their former dwellings.

The age of housing in the Stanislaus Urban County area is an important characteristic because it frequently indicates the relative condition of housing. Many state and federal programs use age of housing to determine housing needs and the availability of funds for housing and community development. The design life for major components of an average quality house structure ranges from 20 to 30 years for components like roofing, plumbing and electrical. The replacement or major refurbishing of such components within that time frame normally should be undertaken in order to maintain a decent and safe place to live. In contrast, housing units less than 20 years of age are not likely to require major rehabilitation or improvements. Census data indicate that nearly 60,000 units in Stanislaus County were built prior to 1970 (see Figure IV-4). The cost of private housing rehabilitation often exceeds the selling price of the rehabilitated unit, particularly in lower income neighborhoods, further discouraging homeowners from maintain or upgrading their homes.

Year Structures Built

Figure IV-4

No. of Structures			
Jurisdiction	Before 1980	After 1980	% Pre- 1980
<i>Ceres</i>	4,939	7,643	36.1%
<i>Hughson</i>	641	1,156	28.7%
<i>Newman</i>	974	1,829	29.0%
<i>Oakdale</i>	3,431	3,903	43.8%
<i>Patterson</i>	1,347	4,148	21.2%
<i>Waterford</i>	912	1,440	34.2%
<i>Unincorporated</i>	24,308	10,072	55.8%
<i>Stanislaus Urban County</i>	35,911	20,119	45.1%
<i>County (All)</i>	91,119	80,353	50.7%

Source: 2010 US Census

According to the Stanislaus County Housing Element 2014 (HE14), a 2009 survey assessing the condition of 11,000 single-family and multi-family dwellings in the unincorporated areas 5,000 (45.5%) were in need of rehabilitation. Less than 1% (0.5%) was determined to be dilapidated. As in previous surveys Bret Harte, Shackelford, and North Ceres had the highest number of homes in need of rehabilitation. The number of renters living in substandard housing is a source of concern, particularly with respect to very low and low income renter households. There appears to be a direct link between overcrowding and housing afford ability. Homeowners or renters with large families are unable to afford larger dwellings. Consequently, children typically comprise the largest percentage of people living in substandard conditions.

In 2010-2011 Stanislaus County has provided major and minor rehabilitation for 16 homes. Oakdale reported providing such assistance to all 26 of its public housing units and 4 private homes in 2010-2011. The cities of Newman, Patterson and Waterford provided rehabilitation funds for 2, 4, and 2 homes respectively.

Substandard Housing and Related Housing Authority Programs

The Housing Authority of the County of Stanislaus (“HACS”) is a nonprofit, public corporation, committed to addressing the unmet housing needs of residents and communities in Stanislaus County, except for the City of Riverbank, through the provision of housing, economic development and community development. The primary objective of the HACS is to provide decent safe and sanitary housing for very low income and low income families at an affordable price. HACS has the responsibility of planning, financing, constructing, purchasing, and managing properties using a variety of housing program. A citizen's commission appointed by the Stanislaus County Board of Supervisors governs the HACS.

1. Subsidized Housing Stock

The HACS currently administers 1,612 properties (see Figure IV-5), of which 67 are “conventional” public housing units, 371 are “private stock,” 20 are mobile homes, and 574 are housing units for permanent and migrant farm laborers.

HACS Administered Housing Units

Figure IV-5

Housing Authority Properties	
Type of Housing	Units
Conventional Public Housing	647
Private Stock	371
Mobile Homes	20
Migrant/Farm Labor	574
Total	1,612

Source: Stanislaus County Housing Element

Although HACS did not specify their locations, it seems reasonable to assume that most if not all of the farm labor units are in Stanislaus County's unincorporated area. Of the 647 units categorized as conventional public housing, HACS indicated that 48 are locate in Ceres, 30 in Patterson, 26 in Oakdale, and 16 in Newman (see Figure IV-6). There are no conventional units in Waterford. Twenty conventional units are located in the unincorporated part of Stanislaus County in an area known as Westley. Thus, with respect to the 647 units that the HACS defines as conventional, 120 are located within the Stanislaus Urban County area (18.5%). HACS did not identify the location of either the 371 units in its private stock or its 20 mobile homes.

HACS Administered Units in Stanislaus Urban County

Figure IV-6

Conventional Units In Stanislaus Urban County Areas	
Ceres	48
Hughson	0
Newman	16
Oakdale	26
Patterson	30
Waterford	0
Total	120

Source: Stanislaus County Housing Element

1. Housing Choice Program

The Housing Choice Voucher (HCV) Program, previously and still commonly known as the Section 8 Program, provides financial assistance to low-income households by paying a portion of the monthly rent directly to property owners. The HCV program is the largest assistance program administered by the HACS. The voucher program permits families to select their own units from available private housing stock. There is no limit on the rent for the unit a family selects. However, the rent charged by the owner must be reasonable in relation to the rent charged for comparable unassisted units. Assistance is equal to the difference between the tenant contribution (30 percent of adjusted income) and the payment standard. If the family selects a unit renting for more than the payment standard, the family pays the excess. Its rent to income ratio would then exceed 30 percent of adjusted income. If the family selects a unit renting for less than the payment standard, it, in effect, keeps the difference by paying a lower percentage of its income for rent.

HACS states that it administers a total of 3,990 Housing Choice vouchers and certificates, of which 3,928 are currently in use (see Figure IV-7). Of this total, 3,295 are presently being used within the city limits of Modesto, Turlock, and Riverbank, the three cities not part of the Stanislaus Urban County. This leaves a total of 633 vouchers and certificates in use within the Stanislaus Urban County (16.1%), of which 563 (14.3%) are in use in the six incorporated cities and 70 (1.8%) in the Stanislaus Urban County's unincorporated area.

Distribution of In-Use Housing Choice Vouchers (HCV)		
Non-Stanislaus Urban County Cities	3,295	83.9%
Stanislaus Urban County Cities	563	14.3%
Stanislaus Urban County	633	13.8%
Unincorporated Areas	70	1.8%
Total	4,561	100.0%

Figure IV- 7 Source: Stanislaus Housing Element

Senior Housing

Las Palmas Senior Housing in Patterson consists of 24 newly constructed one bedroom apartments for seniors and disabled. The complex is centrally located in Patterson near shopping. The I- 5 highway and the future Patterson Senior Center.

2. HACS Support Programs

HACS maintains six community centers located at HACS sites scattered throughout Stanislaus County Modesto, Turlock, Westley, Oakdale, Patterson and Empire. Operations for these community centers are supported by federally funded grants for public housing programs. Each site offers a variety of services specifically for public housing residents. The benefits of these community centers are also extended to voucher holders and local community residents who do not reside in public or assisted housing. Programs, activities and supportive services vary from location to location. All sites offer services to youth, adults, and families. All services provided are free of charge. Below is a summary of the excellent programs, activities, and supportive services currently offered through HACS.

3. Family Self Sufficiency Program

The Family Self-Sufficiency Program (FSS) is a voluntary program offered only to public housing residents and voucher participants willing to become economically self-sufficient and free of government assistance and ultimately to become first time home buyers. Participants enrolled in the FSS program work with a case manager to create a five year contract plan with goals and objectives that lead to the successful completion of the program and the purchase of a home. These participants receive one to one mentoring to develop their plan and to resolve any problems they might have regarding credit or other barriers to purchasing a home.

Successful participants are ones that establish an escrow account to be used as down payment on a home. Escrow accounts are established when residents have public housing rent increases due to an increase in income. The escrow account is a savings account set up by HACS in the public housing resident's name. Monthly deposits are made by HACS in amounts relative to the increased rent amount. FSS participants who are employed and free from cash welfare assistance for 132 months will receive the balance in the escrow account upon completion of the FSS program.

Successful FSS graduates may be eligible for HUD approved funds. HACS will match the final escrow at a ratio of three dollars to one, up to \$15,000 if one of the graduate's goals is successful homeownership. Twenty- three families, of which one was in Denair (i.e., within the Stanislaus Urban County), have successfully graduated from this program and have purchased homes since 1997.

4. Supportive Services

Supportive services provide one-on-one paperwork and application assistance. Clients are assisted with applications for housing assistance or other programs and services offered by HACS. Staff also assists clients with paperwork and applications they need for other services they are seeking in Stanislaus County, such as utility programs that offer discounts to low income families, health insurance applications, applications for disability or social security benefits, requests for child care services, student financial aid applications, and applications to local vocational-technical, community colleges and universities.

5. Copy and fax services.

Free copy and fax services to clients as needed for housing eligibility, community supportive services, medical, DMV, employers, and potential employers. Staff assists clients in English, Spanish and Cambodian.

6. Adult Educational Services

GED and ESL classes are offered on-site to public housing residents, voucher holders, and local unsubsidized residents.

7. Employment Training Opportunities

In partnership with the Alliance Worknet, clients are referred to various job training opportunities. In addition, these community centers serve as training sites for many individuals participating in community service activities, work experience, and on the job training assignments.

8. Computer & Technology Services

Computer training classes and individualized computer training modules are offered to public housing, Housing Choice Voucher holders and local unsubsidized residents. Class topics include: Basic Computer Skills; Basic & Intermediate Word; Basic & Intermediate Excel; Internet Basics; PowerPoint; Basic & Intermediate Access; and Windows. These classes are instructor led. HACS staff is available on site to assist clients in a technology lab. Staff assists clients with on line applications; resume writing, Internet research and troubleshooting basic user issues.

9. Youth Services

After school recreation programs are offered in conjunction with local police departments in Modesto, Oakdale, Patterson and Westley. Recreational and educational enrichment activities are offered on a daily basis to all youth who wish to attend and are between the ages of 5 and 17. Youth do not have to be HACS residents to participate in activities provided free of charge at housing recreation centers. Typically centers operate to provide a safe haven for youth during the hours of 3:00- 6:00 PM. Some of these sites participate in the "Free Lunch" Program, in which youth from 0-18 are eligible to participate. Youth activities vary by site. Activities include homework assistance, reading programs, technology classes, arts and crafts, sports, safety awareness education, and field trips.

10. Working with Law Enforcement

HACS currently contracts with the Stanislaus County Sheriff's Department and the Modesto Police Department to deploy law enforcement officers at scattered sites located throughout Stanislaus County. In addition to law enforcement, HACS officers provide youth and adult residents with valuable safety education programs. Areas of education include parenting, gang prevention, drug awareness, identity theft, bicycle safety, etc.

HACS and the agencies, departments and organizations working with it in each of these support programs must be commended for promoting this broad range of actions which, collectively, assist very low and low income households in improving their quality of life.

V. AFFORDABILITY

A critical housing need is the maintenance and expansion of affordable housing for all economic groups in Stanislaus Urban County communities. A shortage of affordable housing can impact fair housing choice. Families with children, especially those of color, immigrants, single-parent households, elderly and persons of with disabilities bear a disproportionate burden from a shortage of affordable housing. This is due to the constraints on housing opportunities because of income limitations.

A. Cost Burden & Severe Cost Burden

A household paying more than 30% of its income on all housing costs (including utilities) is considered to be cost burdened. A household paying more than 50% of its income for housing is considered to be severely cost burdened. In 1990, the median gross rent in Stanislaus County was \$482. By 2000, this figure had doubled, and in 2005, the average rent was estimated to be \$1,200 and in 2012 the average has decreased to \$808. This rise in rent relative to income most severely impacts the elderly, large families and the poor. The decrease is due to the abundance of rental units available although there is an increasing trend of unwillingness or inability of

landlords to provide housing units that are habitable due to the economy. Maintenance and repairs are low priority to many landlords who prefer to find another tenant than to make changes to accommodate current tenant(s).

Fair Market Rent for Stanislaus County 2009-2012

Figure V-1

	2009	2010	2011	2012
Studio	\$664	\$715	\$696	\$732
1 Bedroom	\$734	\$790	\$768	\$808
2 Bedroom	\$864	\$930	\$905	\$952
3 Bedroom	\$1,239	\$1,334	\$1,298	\$1,365
4 Bedroom	\$1,431	\$1,540	\$1,499	\$1,577

Source: US. Department of HUD

As noted above, the cost of rental housing has risen slightly in Stanislaus County over the past 4 years, as the population has increased without a corresponding increase in rentals housing supply. Within the Stanislaus Urban County area this cost burden is exacerbated by the very limited supply of conventional public housing units, especially those that accommodate large families and the small number of Housing Choice vouchers and certificates within Stanislaus County's unincorporated area.

Fair Market Rent Comparison 2009 and 2012

Figure V-2

	Stanislaus		Alameda		Santa Clara	
	2009	2012	2009	2012	2009	2012
Studio	\$664	\$732	\$905	\$980	\$961	\$1,165
1 Bedroom	\$734	\$808	\$1,093	\$1,183	\$1,113	\$1,350
2 Bedroom	\$864	\$952	\$1,295	\$1,402	\$1,338	\$1,623
3 Bedroom	\$1,239	\$1,365	\$1,756	\$1,901	\$1,924	\$2,334
4 Bedroom	\$1,431	\$1,577	\$2,174	\$2,354	\$2,118	\$2,569

Source: US Department of HUD

Data from the 2010 Census and ACS reflect the increasing housing cost burden throughout Stanislaus County, both in general, and with respect to rental housing in particular. According to the 2010 Census reported that as of 2009, 30.3% of owners spent 30% or more their income on housing costs, whereas 44.3% of renters devoted 30% of their income to rent. By 2010, the percentage of owners expending more than 30% of their income on housing costs had risen to 47.5%. For renters, this figure had jumped to an alarming 55.3%.

Cost Burdened Owners & Renters in Stanislaus County		
	Census 2000	Census 2010
Owners	30.3%	47.5%
Renters	44.3%	55.3%

Figure V-3 Source: 2010 US Census

In 2010, 42.5% of the Stanislaus Urban County's residents had a cost burden of more than 30%, and 18.2% of residents had a cost burden of 50% or more. The Comprehensive Housing Affordability Strategy (“CHAS”) Data Report, a total of 34.2% of renters were found to be overpaying, while 29.9% of owner households were overpaying. Every city had a cost burden percentage higher than 30%, for both renters and owners. The city with the highest percentage of cost burden households was Ceres at 41.9% and of severely cost burdened households at 21%. At 33%, Patterson had the highest percentage of cost burdened owners.

Data from the 2010 Census also shows that, out of 163,841 occupied housing units in Stanislaus County, owners occupied 101,826 (62.1%), while renters occupied 62,015 (37.9%). ACS data shows that in 2005-2007 there were 158,800 occupied housing units in Stanislaus County. Of these, 101,500 (64%) were owner occupied and 57,300 (36%) were renter occupied (see Figure V-1). In short, during a period when Stanislaus County's population was undergoing a dramatic increase, almost all of it comprised of minorities more likely to be low and very low income renter households, the supply of rental housing units of all types, single-family as well as multi-family, increased by only about 2,000 units, or barely 3.6%. The implications of this data on rental housing cost are obvious. As demand increases and supply remains relatively unchanged, housing costs rise.

While data is unavailable on the exact percentage of income renters are paying within the Stanislaus Urban County, it is reasonable to argue, given the limited availability of affordable private rental housing and of public housing units and Housing Choice certificates and vouchers in use in the Stanislaus Urban County, that the cost burden is even greater there.

B. Household Size

Within the Stanislaus Urban County, the pressure placed on the available affordable rental housing stock is further exacerbated by the average household size (see Figure V-2). The Stanislaus Urban County has acknowledged this in numerous places, including its 2005 Consolidated Plan (“CP5”). That document states that the average household size within the Stanislaus Urban County is considerably larger than in Stanislaus County as a whole, and goes on to note that “large related households” comprise 43% of the population in the entire Stanislaus Urban County area, 49% of the population in Patterson and more than 50% of the population in Newman and Waterford. While a substantial portion of these households resides in owner-occupied single-family dwellings, many are lower income renters and Hispanic or other minorities. For them, the lack of larger (3 and 4 bedroom) affordable rental units constitutes both a cause of overcrowding and a significant cost burden. And previously noted, average rent increased from \$485 in 1990 to over \$1,200 in 2005 and \$1,000 in 2010, average rent on the limited supply of larger (i.e., 3 and 4 bedroom) rental units would, presumably, be higher still.

The impact of household size appears even greater in the unincorporated area of the Stanislaus Urban County. For example, CP7 identified both the average household size and Hispanic population percentage in three neighborhoods outside Modesto. West Modesto had an average household size of 3.89 pph and 35% Hispanic population; and Shackelford had an average household size of 4.49 pph and a 45% Hispanic population; and Shackelford had an average household size of 4.25 pph with a 42% Hispanic population. By comparison, the average household size for Stanislaus County as a whole was 3.54 pph in 2010.

C. A Changing Housing Climate

The dramatic downturn in the housing market in this country in the past two to three years, which has accelerated with the more recent severe economic recession and financial and credit crisis, appears to be having a significant impact on housing in Stanislaus County. While vacancy rates in Stanislaus County have historically been at or below State and national levels, it appears that more recently they have been rising rapidly, as have the number of abandoned and foreclosed homes. Limited data and information provided from Stanislaus County and the participating cities would appear to confirm this trend. For example, the city of Patterson reported 639 vacant single family units as of January 1, 2009. This represents more than 10% of the city's entire stock of housing units. The City of Newman stated that it had 553 vacant single-family units out of a total of 3,357, an astounding 16.5% vacancy rate. While not reporting precise figures, the City of Waterford stated "we have a lot of vacant houses at this time." If, as it is reasonable to assume, the same or similar vacancy levels are occurring throughout the Stanislaus Urban County, then Stanislaus County is faced with both a housing crisis and a potential opportunity.

The downside, of course, is that when homeowners are either abandoning their properties or losing them to foreclosure, the prospect of additional households in need of affordable rental housing, or even facing possible homelessness will increase. To the extent this occurs and the former homeowners remain in Stanislaus County, the strain on Stanislaus County's limited housing resources will be heightened. The current downtown may also result in an increase in a particular type of predatory housing practice, in which renters in single family homes, uninformed by their owner or landlord of an impending default, unexpectedly find themselves facing eviction when the property goes into foreclosure. Project Sentinel has received or heard about an increasing number of complainants of this type throughout the state in the past year.

Through the Neighborhood Stabilization Program (NSP), Stanislaus County has taken an opportunity, in the depressed value of many off the single-family properties now vacant within Stanislaus County. Eighty-one (81) Properties have been purchased by Stanislaus County, working in conjunction with the HACS and then utilized for occupancy, as owners by moderate, low and very low income households. Stanislaus County and the HACS are actively planning and working to take advantage of the current Neighborhood Stabilization Program and other federal and state funds, support from the Federal Home Loan Bank's WISH Program, and existing housing related resources have contributed to the success of Stanislaus County with the NSP program.

D. Insufficient Affordable Rental Housing As a Fair Housing Impediments

As the preceding sections make clear, the Stanislaus Urban County continues to confront an impediment to fair housing choice in the gap between the need for very low income affordable rental housing and its availability. However, housing market circumstances have

clearly changed. The likelihood of significant new affordable multi-family housing development in the near future appears small. The present glut abundance of vacant single-family properties throughout Stanislaus County, the absence of private developer interest in new housing construction of any kind, the continuing tight credit market and the constraints imposed on county planners by “Measure E” all weigh heavily against new construction in the short term. In light of these facts, maximum creativity, coordination of all available resources, and inter-jurisdictional planning will be essential if this impediment is to be addressed.

Low and very low income families could benefit from the current availability of single-family homes by increasing the acceptance of HCV's in the Stanislaus Urban County area. As foreclosed homes are purchased by real estate investors, increased participation in Housing Choice Programs could make many of these homes available to very low income families. One way in which other communities have addressed shortages in landlord acceptance of HCVs has been to adopt ordinances requiring landlords to accept them. Such ordinances make it unlawful for any owner or manager of rental housing to discriminate against an existing tenant on the basis on that tenant's use of a HCV. It would also be a violation for a property owner or manager to refuse to accept a HCV for which an existing tenant qualifies, or to terminate the tenancy of an existing tenant based on the property owner's or manager's refusal to participate in a HCV rent subsidy program for which an existent tenant has qualified.

Provisions of an ordinance include: (1) purpose and findings; (2) right to protection against discrimination in rental housing on the basis of source of income; (3) exceptions; (4) redress; and (5) liability protection for the jurisdiction.

Public Policies & Barriers to Affordable Housing

E. Overview of Available Federal, State and Local Resources

A meaningful assessment of how well the Stanislaus Urban County is doing in eliminating impediments to fair housing choice and affirmatively furthering fair housing must include a review of all the financial resources which are available, and how those resources have been integrated and distributed, particularly with regard to meeting the needs of low and very low income persons and under-served populations. Stanislaus County is not only a recipient of CDBG funds; it also participates in the Home Investments Partnership Program (HOME) in partnership with the City of Turlock (Turlock is not part of the Stanislaus Urban County).

On average, the Stanislaus Urban County has received approximately \$2.5 million in CDBG entitlement funds and \$109,000 in Emergency Shelter Grant funds in each of the past three years. In 2008, the Stanislaus Urban County also received Neighborhood Stabilization Program (NSP) funds and has reported as of September 30, 2011 expending \$12,663,830 (130% of their grant). In addition to these funds, Stanislaus County and five of the six cities participating in the Stanislaus Urban County also each received a portion of the HOME program funds. In 2010-2011 the share of HOME funds available to Stanislaus County and the five cities (Ceres, Hughson, Newman, Oakdale and Patterson) was \$1.5 million. Further detail about the allocations and expenditures are available in the Turlock HOME Consortium Annual Action Plans and CAPER's.

In addition to these federal resources, Stanislaus County stated that it has made approximate expenditures from Stanislaus County former Redevelopment Agency (“RDA”) of \$3.287 million, \$7.596 million and \$4.981 million in each of the past three years. Stanislaus County further stated that inasmuch as most incorporated cities have their own redevelopment agencies, Stanislaus County expenditures were utilized exclusively within Stanislaus County's “redevelopment sub-areas,” and none within the five incorporated cities in the Stanislaus Urban County.

F. Distribution of CDBG & HOME Funds within Stanislaus Urban County

As was noted earlier, the unincorporated area of Stanislaus County has constituted the majority of the population within the Stanislaus Urban County since 2005 (although the six incorporated cities have represented an ever increasing percentage of the total).

This 2012 AI draws no conclusions with respect to the allocation of CDBG and HOME resources. Any number of factors could explain the distribution, including greater immediate need for infrastructure, housing rehabilitation and repair and community services within the six incorporated cities; or more opportunities to partner with other programs or providers in the incorporated cities. Moreover, as noted earlier, it appears that most if not all, of Stanislaus County HUD and in the past RDA resources are going to the Stanislaus Urban County's unincorporated area. In light of the Stanislaus Urban County's acknowledgment that the barriers to more affordable housing in the unincorporated area include a lack of sufficient infrastructure (particularly sewer and water line) along with the high cost of land and an insufficient interest among private for profit and nonprofit development Stanislaus County may want to re-examine ways in which it could increase CDBG and HOME funds in the unincorporated area to address each of these barriers, especially the lack of sufficient infrastructure to support additional rental housing.

G. Use of CDBG in Conjunction with Other Funds within the Stanislaus Urban County

The Urban County's two most recent Consolidated Plans, recent Annual Action Plans, and the responses that Stanislaus County, HACS, and the Urban County's six incorporated cities provided to the questions posed by Project Sentinel were all analyzed in an effort to construct an overview of how CDBG and other resources have been used within the Urban County in the past four years. In broad terms, it is clear that at both Stanislaus County and city levels, most of the available resources have gone toward infrastructure repairs and improvements, enhancements and improvements to parks and recreational facilities, economic and workforce development programs, and community services. Since 2008 with the NSP funds Stanislaus County received, there has been a significant increase of funding directed at housing repair and rehabilitation in order to preserve existing housing stock, and to home purchases and down payment loan programs designed to make it possible for the first time purchasers to become homeowners.

1. Annual Action Plan Fiscal Year 2009-2010

In its Annual Action Plan Fiscal Year 2009-2010, Stanislaus Urban County indicated that it would continue to expend approximately \$600,000 on a single infrastructure (storm drainage) project in the Empire area. In addition, Stanislaus Urban County planned to fund major and minor home repairs using a combination of CDBG, HOME, and RDA funds (no amount was stated), and to purchase, in conjunction with HACS, single-family homes for use in HACS's lease to own (Family Self Sufficiency) program. Again, no amount was specified. An additional

\$20,000 was earmarked for a workforce development program in conjunction with the cities of Newman and Oakdale.

Ceres devoted its entire CDBG allocation to infrastructure improvements; Newman allocated its CDBG funds to park upgrades, infrastructure, workforce development; Oakdale indicated it would expend most of its allocation on infrastructure improvements related to streets and curbs, with some set aside for workforce development; Patterson stated it would expend its entire allocation on infrastructure divided its allocation between infrastructures improvements and infrastructure. (gutters) cities indicated the amounts to be spent.

2. Annual Action Plans - Fiscal Year 2010-2011 & 2011-2012

The AAP Fiscal Year 2010-2011 stated that Stanislaus County would expend \$699,759 of its CDBG allocation on a single infrastructure project, \$20,000 to assist with technology training, \$20,000 dedicated to economic development support and 376,815 for administration. Ceres planned to devote \$275,003 of its allocation to infrastructure, and \$21,532 for administration of the CDBG program. Newman planned to spend \$194,694 on park(s) rehabilitation, \$10,000 on technology training, and \$21,532 on administration. Oakdale set aside \$231,916 for infrastructure, \$5,000 for technology training and \$21,532 for administration Patterson allocated \$239,395 to infrastructure \$10,000 to technology training and \$21,532 to administration. Waterford planned on spending \$187,151 on infrastructure and \$10,000 on technology training and \$21,532 on administration. The City of Hughson was not part of the Stanislaus Urban County during this fiscal year; therefore it did not receive funding from this HUD allocation.

The AAP Fiscal Year 2011-2012, Stanislaus County indicated that it would expend \$571,908 on a single infrastructure project. Stanislaus County also stated its intention to purchase 20 single family homes, one in concert with HACS, and five more in partnership with Habitat for Humanity (using matching set-asides from HOME, RDA and NSP), to be used for first time home buyer assistance programs. Stanislaus County also planned to provide funding for 20 major and minor home repairs and rehabilitations (again using matches from HOME and RDA). Unfortunately, AAP Fiscal Year 2011-2012 provided no dollars amounts for any of these housing related activities. Oakdale indicated that it would provide loans of up to \$50,000 for as many as six first time home buyers (with no mention of whether other sources such as HOME or RDA would contributed, Provide funding to assist with up to six home repairs of rehabilitation (in concert with HOME and RDA), and spend \$197,000 on infrastructure. Ceres, Hughson, Newman, and Waterford each allocated their entire CDBG allocations to infrastructure, workforce development/economic development and administration.

H. Homeless Population and Point in Time Survey for Stanislaus County

A Point In Time Homeless Survey is conducted by the Stanislaus Housing and Supportive Services Collaborative (CoC) every 2 years. Volunteers and staff scheduled one day in the early part of the year to canvass selected areas in Stanislaus County that the homeless population gather or seek services/shelter. The results for the 2011 PIT survey demonstrate a decrease in the overall number of homeless individuals surveyed. Despite the decrease in the number of individuals there was a higher number of unsheltered individuals than sheltered within each category of the survey, except for persons with HIV/AIDS, Veterans and Youth.. The need for additional shelter beds is still a priority for the CoC. See Figure V-4.

Homeless Subpopulations 2011

Figure V-4

	Sheltered	Unsheltered	Total
Chronically Homeless Individuals	96	122	218
Persons in Chronically Homeless Families *	0	18	18
Severely Mentally Ill	34	65	99
Chronic Substance Abuse	60	81	141
Veterans	43	30	73
Persons with HIV/AIDS	5	3	8
Victims of Domestic Violence	21	30	51
Unaccompanied Youth (Under 18)	28	0	28

Source: Stanislaus Urban County Consolidated Plan

Homeless Subpopulations 2009

Figure V-5

	Sheltered	Unsheltered	Total
Chronically Homeless Individuals	68	113	181
Severely Mentally Ill	39	68	107
Chronic Substance Abuse	45	108	153
Veterans	25	37	62
Persons with HIV/AIDS	22	6	28
Victims of Domestic Violence	7	15	22
Unaccompanied Youth (Under 18)	34	0	34

VI. LAND USE AND ZONING

A. ZONING CODES AND PRACTICES

Land use and zoning policies can determine the availability of affordable housing in a jurisdiction. In addition to examining such ordinances for potential discriminatory impacts or impediments to fair housing, jurisdictions need to remain aware and plan of ways in which such ordinances can be utilized pro-actively and provide incentives for needed types of housing.

The zoning codes of Stanislaus County and the six incorporated cities comprising the Urban County were reviewed with respect to five primary factors: the definition of "family;" provisions regarding "secondary" or "accessory" dwelling units; parking restrictions; inclusionary zoning; and density bonuses. The first three factors are areas in which discriminatory impacts or impediments to fair housing choice are frequently identified. The latter two factors are particularly effective means by which jurisdictions can mandate development of affordable housing in conjunction with development of market rate housing, and provide an incentive for private development of affordable housing.

In most respects, existing zoning ordinances in Stanislaus County and Stanislaus Urban County cities are consistent with fair housing principles in that they are facially neutral and do not appear to have the effect of limiting housing choice to any resident or prospective resident on the basis of a status protected under federal or state law. An AI survey was conducted and the only jurisdictions to respond to the AI survey were the City of Oakdale and Stanislaus County. Information is based on the survey and other existing planning documents for the jurisdictions. A

brief summary of findings and recommendations is included in the table below.

Review of Zoning Practices in Stanislaus Urban County Jurisdictions		
Reviewed	Findings	Recommendations
Definition of “Family”	All jurisdictions provide a definition of “family” that are consistent with fair housing principles	None
Secondary Units	All jurisdictions except Ceres explicitly provide for the development of secondary units. Waterford requires that an existing unit be “brought to code” prior to occupancy of the second unit. (17.21.120 (H)(4)). This requirement may discourage rather than encourage the development of secondary units.	Ceres. As recommended in its 2007 Housing Element (p. 1-79) adopted an ordinance to encourage the development of secondary units including in R-1 areas. Waterford. Review secondary unit ordinance requirements; amend if necessary to further legislative intent of encouraging secondary units.
<i>Parking Restrictions</i>	Parking restrictions are consistent with fair housing principles	None
<i>Inclusionary Zoning</i>	Patterson is the only jurisdiction with an inclusionary zoning ordinance.	Jurisdictions should adopt inclusionary zoning ordinances to encourage the development of affordable single- and multi-family housing.
<i>Density Bonuses</i>	Density Bonuses are referenced in all jurisdictions except in Waterford	Waterford. Adopt density bonus provision.

Figure VI-1

Nonetheless, as mentioned elsewhere in this 2012 AI the limited availability of low-income housing remains, an impediment, and Stanislaus Urban County jurisdictions are encouraged to review existing ordinances (i.e., Waterford 's secondary unit ordinance) or consider the adoption of new ordinances and priorities that maximize the availability and development of affordable single-family and multi-family housing.

1. Secondary Units

After declaring what it calls "second units" a valuable form of housing in California, the state legislature revised the state's zoning statutes to encourage the development of these accessory dwellings. The 2003 law allows local governments to enact zoning ordinances that mirror state law, but if the locality fails to act, then local governments must use state-established criteria to approve or deny secondary unit applications. The statute exempts secondary units from local growth controls and state environmental reviews.

While the state wishes to encourage second dwelling units, it recognizes that certain limits should apply, so the statute does place some restrictions on these units. The law also allows localities to establish certain restrictions, so long as they are not "so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create second units. The statute also allows local governments to prohibit secondary unit development in certain zones, but only if they adopt formal written findings that such development will have an adverse impact on the health, safety, and welfare of the community. The local body should also try to mitigate any adverse impacts prior to the adoption of the findings.

Decisions regarding second units are to be undertaken "ministerially." While the statute gives local governments latitude in developing quantifiable standards against which the community is to consider these proposals, such review is not subject to discretionary decision-making. The statute compares the decision-making process for secondary units to the process for issuing automobile, dog, or marriage licenses.

All the Stanislaus Urban County jurisdictions except Ceres allow for secondary housing units. Waterford, however, requires: "if there is an existing unit on the property, that unit must be brought into conformance with the Housing Code prior to occupancy of the second unit." This is so whether the unit is attached or detached, and the code further limits the construction of detached secondary units to "large or deep lots." If this requirement is more restrictive than state law, it would appear to constitute an impermissible burden.

According to the 2009-2014 Housing Element ("HE14") the County considers secondary units an affordable housing resource for their residents' family members, senior citizens and persons with disabilities. The HE14 cites "Program 2-8" that is described as Stanislaus County continuing to support the development of secondary units and no further description of the process or method behind their continued support. A section of the HE14 gives some details about Stanislaus County considering the reduction of development fees for second units and describes all their staff as knowledgeable in the process. The knowledge needed for a resident to proceed with such an incentive for affordable housing is not described. The City of Oakdale responded to an AI Survey and stated there were no changes to their policies, no other responses were received from the Stanislaus Urban County cities. (See Figure VI-1)

2. Measure "E"

Measure "E" was placed on Stanislaus County ballot as an initiative in 2008 and passed with overwhelming voter support. The ordinance essentially restricts county planning and zoning officials from rezoning any unincorporated areas of Stanislaus County presently zoned "agricultural" or "open space" for residential use, without a majority vote of County residents in a general or special election. The measure was promoted as a means of directing future residential development into Stanislaus County's incorporated cities on the premise that those jurisdictions already have the infrastructure and social services (fire, police, etc.) to accommodate new residential development, and as a means of preserving Stanislaus County's diminishing agricultural and open space character.

The measure does provide limited exceptions to the voter approval requirement: (1) Stanislaus County may rezone up to 10 acres per year for residential use in order to comply with state mandated "fair share" (fair housing) requirements, but only after notice and hearing

requirements are complied with and a showing is made that no alternative residentially zoned sites are available; and (2) an unspecified amount of land may be rezoned without voter approval to meet Stanislaus County's affordable housing requirements under state law, but only insofar as any such units are designated as "permanently" preserved as affordable, as certified in writing by Stanislaus County.

It remains difficult to assess the full extent to which Measure "E" decreased new affordable housing opportunities within the Stanislaus Urban County area. The exceptions in the law do appear to leave some room for County-sponsored projects designated as, and designed for, very low-, low-, and moderate-income households. Nevertheless, the certification, hearing, and other requirements imposed before these exceptions may be utilized may, in and of themselves, act as a restraint on new affordable housing development in those unincorporated areas of the Stanislaus Urban County that need such housing the most- the heavily minority neighborhoods around Modesto and Stanislaus County's other incorporated cities. Clearly, Measure "E" can be expected to act as a deterrent to new private housing development. In the current economic climate these impacts may not be noticeable, but once a recovery is underway and new housing development again becomes viable, the deterrent effect could be substantial. Measure "E" is effective for a 30-year period. At the very least, the law should serve to focus the attention of the Stanislaus Urban County's participating jurisdictions on ways to increase affordable housing within the six incorporated cities. Stanislaus County could also redirect some affordable housing efforts by preserving their existing affordable housing stock and converting existing units to affordable housing units and direct their resources to expand fair housing choices for under-served populations.

According to the HE14, any concentrated growth in unincorporated Stanislaus County is anticipated to take place in the communities of Denair, Diablo Grande, Keyes and Salida, which are guided by community plans, and are served by special districts that provide sewer and water systems necessary to accommodate development. Population and Housing trends were not updated from the 2000 Census information in the HE14. In the future when this data is updated the AI can further review the impact of Measure "E". Stanislaus County is still in the process of certifying their HE14 with the state, therefore updated information may be brought forth in the final certified HE14. It is appropriate to identify Measure "E" as a possible future impediment, and the effects of the measure should be analyzed in subsequent AIs.

3. Reasonable Accommodation Policies

Fair housing laws and subsequent federal and state legislation require all cities and counties to further housing opportunities by identifying and removing constraints to the development of housing for individuals with disabilities, including local land use and zoning barriers, and to also provide reasonable accommodations as one method of advancing equal access to housing. These fair housing laws require that cities and counties provide flexibility or even waive certain requirements when it is necessary to eliminate barriers to housing opportunities for people with disabilities. An example of such a request might be to place a ramp in a front yard to provide access from the street to the front door.

The California Attorney General, in a letter to the City of Los Angeles in May 2001, stated that local governments have an affirmative duty under fair housing laws to provide reasonable accommodations, and "it is becoming increasingly important that a process be made available for handling such requests that operates promptly and efficiently." He advised

jurisdictions not to use existing variance or conditional use permit processes because they do not provide the correct standard for making fair housing determinations and because the public process used in making entitlement determinations fosters opposition to much needed housing for individuals with disabilities. In response to the attorney general's letter, many cities throughout the state are adopting fair housing reasonable accommodations procedures as one way of addressing barriers in land use and zoning regulations and procedures.

VII. BANKING AND LENDING POLICIES

This analysis will look at home lending in Stanislaus County in recent years. Specifically, Home Mortgage Disclosure Act ("HMDA") data are analyzed for 2010, the most recent year for which such data are available, and 2007. It should be noted that 2007 data were impacted by the beginning of the mortgage and foreclosure crisis that swept Stanislaus County and the nation in 2007 and 2008. It is generally thought that 2006 was the last year of high volume lending before the crisis hit. Additionally, this analysis will review delinquency and foreclosure data from McDash, which was provided by the Federal Reserve Bank of San Francisco

Home lending has long held importance as a primary way for Americans to build wealth. Home equity affords families the opportunity to start a business, send a child to college, make needed home repairs that enhance the value of the home, or create inter-generational wealth. Entering into a home loan is often the most expensive transaction most Americans will experience. As such, policy makers have long sought to ensure that the benefits of home ownership flow equally to all members of society.

A. HOME LOAN DENIAL RATES

One measure of fair lending performance is the extent to which certain borrowers are denied home loans as compared to non-Hispanic White home loan applicants. In 2007, non-Hispanic White home loan applicants were least likely to be denied for home loans, with a denial rate of 27.9%. In contrast, American Indian home loan applicants had a denial rate of 49.8%

Similar patterns were present when looking at denial rates in neighborhoods of color as compared to communities in Stanislaus County where more of the residents were non-Hispanic White residents. Applications for home loans from neighborhoods where less than 20% of the residents were people of color were less likely to be denied than loans from neighborhoods where over 50% of the residents were people of color. These patterns were generally true though much less pronounced in 2006 when loan volumes were high and lenders were less likely to deny home loan applications, including where borrowers arguably should not have received a loan.

It is important to note that Home Mortgage Disclosure Act (HMDA) data are subject to certain limitations, including that lenders are not required to report key underwriting criteria, such as debt to income, loan to value, credit score information and file incompleteness that would help to explain any of these disparities. Nevertheless, Congress passed the Home Mortgage Disclosure Act to help identify discriminatory lending patterns.

One factor that would explain why certain borrowers are denied for home loans more often than others is debt to income ratio. Due to the economy low and moderate income borrowers were somewhat more likely to be denied for home loans in Stanislaus County in 2007 and in 2010.

B. HIGHER COST LENDING IN STANISLAUS COUNTY

Another measure of fair lending performance is the extent to which higher cost, or sub-prime, loans were evenly distributed across racial and ethnic lines. This analysis shows that borrowers of color in Stanislaus County were generally more likely to receive higher cost loans than non-Hispanic White borrowers in Stanislaus County. In 2007, Hawaiian and Pacific Islander borrowers in Stanislaus County were more than twice as likely to receive higher cost loans as non-Hispanic White borrowers. In 2006, African Americans were nearly twice as likely as non-Hispanic White borrowers to get high cost home loans.

Similar patterns existed when looking at higher cost lending to neighborhoods of color in Stanislaus County. Neighborhoods where more than half of residents were people of color were nearly twice as likely to get high cost loans as neighborhoods where less than 20% of the residents were people of color.

C. DISTRESSED HOMEOWNERS IN STANISLAUS COUNTY

HMDA data reveal the extent of sub-prime lending in Stanislaus County, as well as lending by high risk lenders who have since gone out of business. A review of the largest higher cost lenders in Stanislaus County is chilling: of the top 10 sub-prime lenders, all but one is essentially out of business.

Looking at this list:

- The #1 sub-prime lender in Stanislaus County in 2007 was World Savings Bank. World was a very large option ARM lender, specializing in loans with a negative amortizing feature that allowed borrowers to pay less than the interest only portion of their loans, thereby increasing the amount of money they owed on a monthly basis. World was bought by Wachovia, and ceased offering option ARM loans in 2008 due to the poor performance of these loans. Wachovia was later purchased by Wells Fargo.
- Washington Mutual also offered a large number of option ARM loans. Washington Mutual was taken over by the FDIC and sold to JPMorgan Chase in 2008.
- IndyMac Bank, FSB, specialized in alt A loans, or loans where limited documentation of income borrowers was permitted. IndyMac failed and was taken over by the FDIC in one of the biggest bank failures in history.
- Option One, a large sub-prime lender owned by H&R Block, stopped lending in 2008.
- Countrywide Bank and Countrywide Home Loans were purchased by Bank of America in 2008. Countrywide was a large sub-prime and option ARM lender that was sued by the California attorney general for alleged predatory lending practices.
- Decision One was a sub-prime lender owned by HSBC which ceased lending in 2008.
- First Franklin Corp was a large sub-prime lender based in San Jose and owned in time by National City Bank, then Merrill Lynch, now Bank of America.
- Greenpoint Mortgage Funding was a sub-prime lender owned by Capital One and which ceased lending in 2008.

From a fair lending perspective, it may also be useful to look at the largest lenders in Stanislaus County, and compare that list to the largest lenders to African American and Hispanic borrowers. Doing so for 2006 and 2007 reveals that sub-prime lenders and option ARM lenders top the list of lenders to these two groups.

The extent of second lien loans may also indicate potential problems for homeowners in Stanislaus County, as these loans may suggest added stress for certain borrowers. Borrowers with second lien loans who are struggling to make payments and attempting to negotiate with loan

services for a loan modification are currently facing greater difficulties negotiating a workout as servicers are reluctant to work out deals where there is a second lien.

In fact, Stanislaus County had a large number of second lien loans in 2007, and many of these loans were high cost loans, disproportionately so for people and neighborhoods of color. The 966 subordinate lien loans originated in Stanislaus County was about 28% of the number of first lien loans. While only 19% of 151 lien loans were high cost, nearly 28% of these subordinate lien loans were high cost.

In 2006-2007, the volume of subordinate lien loans was much greater. A total of 9,057 Subordinate lien loans were made, and a striking 63% of these loans were high cost loans. It has been well documented Stanislaus County has been particularly hard hit by delinquencies and foreclosures. McDash data provided by the Federal Reserve Bank of San Francisco confirms that Stanislaus County fared worse than the state as a whole. In November 2008, Stanislaus County had 3,024 loans that were in default or delinquency. The graphs below show the rise over the last three years of foreclosure filings and foreclosure outcomes for Stanislaus County.

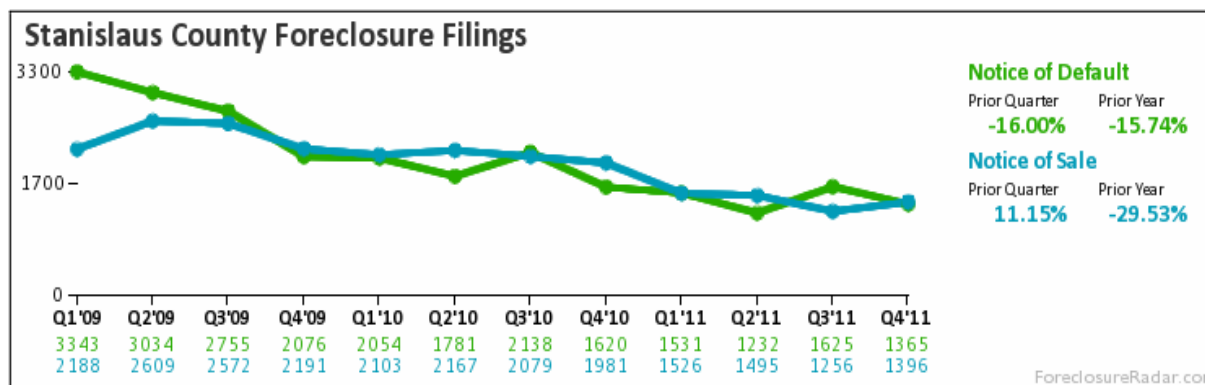


Figure VII-1 Source: ForeclosureRadar

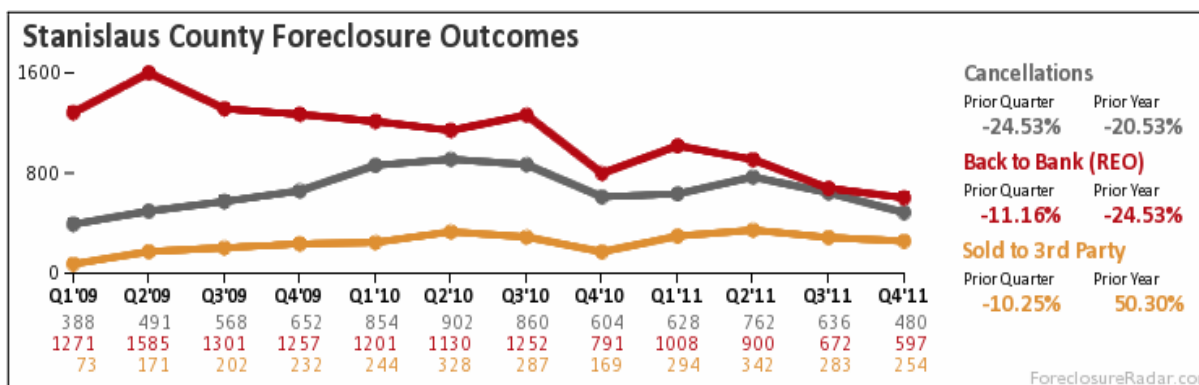


Figure VII-2 Source: ForeclosureRadar

D. FAIR HOUSING IMPLICATIONS OF THE DATA

While the foreclosure crisis in Stanislaus County is negative for anyone affected by it, it is a particularly setback for minority households whose hopes of joining in on the American dream of home ownership for the first time have been shattered. Although based on a limited amount of data, it is clear that the minority households and minority neighborhoods have experienced both higher denial rates for prime loans and a significantly larger share of high cost (sub-prime) first and second lien loans. It is thus reasonable to conclude that these groups are

also experiencing a heavier proportion of distress and foreclosure than is commensurate with their percentage of the population. Moreover, particularly where there are language barriers, these groups may find it more difficult to navigate their way through the complexities of loan renegotiation and modification that conceivably might save their homes. This constitutes an impediment to fair housing choice that Stanislaus County and the other Stanislaus Urban County jurisdictions need to address.

Below is a chart that describes the foreclosure process for the State of California. Legally, the lender can record a Notice of Default to the homeowner after 3 complete missed mortgage payments. The information included with the Notice of Default is the amount owed and who to contact about paying the amount due and or requesting hardship assistance. Due to the huge volume of defaults, the lender may take up to 5 or more months to serve a homeowner with a Notice of Default. A Notice of Sale can be scheduled by the lender after 120 days after the Notice of Default is recorded. A homeowner has the opportunity to request hardship assistance up until the day of the sale from a HUD certified counseling agency or on their own. Depending on several factors, after a hardship assistance request has been submitted to the lender the homeowner could be placed on review for hardship assistance with a sale postponement, or the home can be sold back to the bank or a 3rd party.

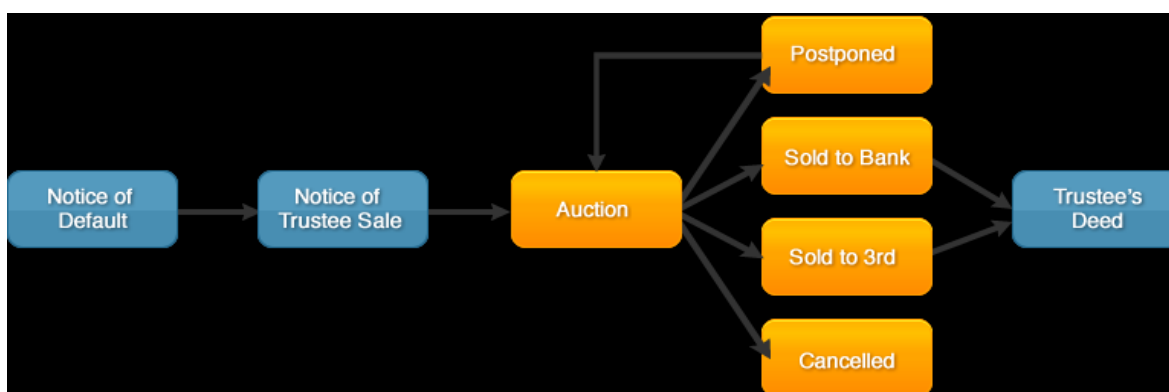


Figure VIII-3

An immediate step that can be taken by the Stanislaus Urban County to respond to the foreclosure crisis is to provide financial and other support for HUD-certified housing counseling programs. All legitimate agencies providing these services, especially in the hard-hit Central Valley, are overwhelmed with requests for assistance. When desperate homeowners are unable to access these and other legitimate, HUD-approved agencies, they may fall prey to real estate and foreclosure scammers.

VIII. ASSESSMENT OF LOCAL FAIR HOUSING SERVICES

A. FAIR HOUSING LAW

Both federal and state laws protect persons from unlawful discrimination. At the federal level, Title VIII of the Civil Rights Act of 1968 ("FHA"), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status, and disability. Among other federal laws with fair housing applications are Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and Title I of the Housing and Community Development Act of 1974 (Section 109 prohibits discrimination on the basis of race, color, national margin, sex, or religion

in programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program).

California law provides fair housing protections in all areas covered by federal law. In addition, state laws prohibit discrimination on the basis of marital status, sexual orientation, age, and arbitrary characteristics. California's fair housing protections are codified primarily in the Fair Employment and Housing Act ("FEHA") and the Unruh Civil Rights Act ("Unruh Act").

Fair housing violations may be enforced by HUD, the U.S. Department of Justice, the California Department of Fair Employment and Housing ("DFEH"), other government agencies, and through private litigation. Fair housing agencies, both government-affiliated and nonprofit, also play an important role in furthering fair housing by assisting in the investigation of housing discrimination complaints, conducting housing audits to verify the existence or nonexistence of discrimination, counseling about fair housing and common homeowner and landlord-tenant matters, and educating housing consumers and housing providers about their respective fair housing rights and responsibilities.

B. LOCAL FAIR HOUSING SERVICES

In the Stanislaus Urban County area, as well as in the cities of Modesto and Turlock, fair housing services are provided by Project Sentinel, Inc., a nonprofit agency with more than 30 years' experience providing fair housing services in Santa Clara, San Francisco, San Mateo, Alameda and Stanislaus counties. Project Sentinel serves all of Stanislaus County except the non-Stanislaus Urban County city of Riverbank.

Project Sentinel's mission is "to develop and promote fairness and equality of housing opportunity for all persons and to advocate peaceful resolution of disputes for community welfare and harmony.

Project Sentinel's funding in Stanislaus County is derived from CDBG funds from the Stanislaus Urban County (Fiscal Year 2011-2012, \$29,496, Fiscal Year 2010-2011 \$34,990 and Fiscal Year 2009-2010 \$40,000) and the cities of Modesto (Fiscal Year 2011-2012, \$40,000) and Turlock (Fiscal Year 2011-2012, \$20,000), FHIP funding from HUD for County jurisdictions (Fiscal Year 2011-2012, \$30,000), and Dispute Resolution Programs Act ("DRPA") funds from the Stanislaus County Superior Court (Fiscal Year 2011-2012, \$160,000 for countywide mediation and small claims advisory services). FHIP funds are used throughout Project Sentinel's service area; DRPA funds are used to provide dispute resolution and small claims advisory services to the entire County.

Activities funded by the Stanislaus Urban County include community education and outreach, complaint investigation and audits, tenant/landlord counseling. Each of these activities directly addresses the Stanislaus Urban County's obligation to affirmatively further fair housing.

1. Community Education and Outreach

Community education and outreach are crucial elements of a fair housing program. Although various housing protections have been in place for 50 years, few people have a full understanding of fair housing issues. This is not their fault. Rather, it is a function of general attitudes about the nature of civil rights protections (that they are limited to race or sex); developments in statutory law (for example, the addition of familial status and disability to federal law in 1988, the addition of protections for undocumented immigrants in California in 2008); developments in case law (particularly in relation to family status, disability, sex, and arbitrary characteristics); and demographic changes (interstate and foreign immigrants).

Knowing of the existence of fair housing rights, however, is a far cry from asserting them. Many discrimination victims who are aware of a violation of their civil rights fail to take action. Often, particularly for in-place renters, there is a fear of retaliation. The stigma of victimization or self-blame, cultural impediments to contacting authorities or initiating legal action, barriers of language or accessibility, and the general sense of powerlessness among the poor, minorities, and other under-served populations may also be important factors.

Community outreach and education counteract these barriers. Fair housing agencies like Project Sentinel target the most at-risk groups for such efforts. Because of the large number of Hispanics within the Stanislaus Urban County, Project Sentinel's Modesto office has Spanish-speaking staff members and distributes Spanish-language literature. (Fair housing and landlord-tenant information are also available in several Asian languages.) Public service announcements and advertisements are also run in English- and Spanish-language media outlets within Stanislaus County.

Staff members answer fair housing questions and provide resource materials at community events. Although many of these events take place in Modesto, Turlock, and Ceres, they are attended by residents of other cities and unincorporated areas. In addition to these events, Project Sentinel works closely with other organizations that serve populations at risk for housing discrimination. The agency also provides the HACS assistance with tenant/landlord counseling for their entering and exiting Section 8 clients. When people experience housing discrimination, their first contacts are typically to agencies with which they already have a connection. For example, a victim of disability discrimination might contact the Disability Resource Agency for Independent Living ("DRAIL"); a victim of national origin discrimination might contact El Concilio. Project Sentinel has continued to provide training to "front-line" workers at agencies like these (and others) about how to recognize housing discrimination and make a fair housing referral. Project Sentinel also distributes literature to government and nonprofit agencies throughout Stanislaus County and maintains a website at <http://www.housing.org>.

2. Recent Stanislaus County Fair Housing Cases

Project Sentinel conducted 47 fair housing case investigations in the Consortium area during the two-year period from July 1, 2009, to June 30, 2011.

Communities with the most frequent fair housing investigations were, in order of frequency: Ceres (22 cases); Oakdale (10 cases); Salida (5 cases); Waterford (3 cases); Keys (3 cases); Patterson (2 cases); Empire (1 case) and 1 other location in Stanislaus County.

A sizable majority of fair housing complaints in the Consortium area involve disability, followed by national origin, sex, familial status, and race. The remainder were complaints of source of income, age, arbitrary characteristics, and marital status. The vast majority of housing providers are what is termed “small mom and pop operator”. This term refers to non professional housing providers owning no more than a couple of rental units. They are less educated, less sophisticated and more likely to commit an unintentional fair housing violation. These are the housing providers most in need of fair housing education.

<u>Breakdown By City</u>			
<u>2009-2010</u>		<u>2010-2011</u>	
Ceres	9	Ceres	13
Oakdale	6	Oakdale	4
Waterford	0	Waterford	3
Salida	4	Salida	1
Empire	0	Empire	1
Newman	0	Newman	0
Patterson	2	Patterson	0
Keyes	2	Keyes	1
Denair	0	Denair	0
Valley Home	0	Valley Home	0
Knights Ferry	0	Knights Ferry	0
LaGrange	0	LaGrange	0
Hickman	0	Hickman	0
Other	0	Other	1

<u>TYPE OF CASE/PROTECTED CATEGORY</u>		
	<u>2009-2010</u>	<u>2010-2011</u>
Handicap/Disability	14	17
National Origin	2	3
Familial Status	4	2
Race	2	1
Age	1	1

Disability cases account for such a large proportion of cases for several reasons. First, Project Sentinel conducts audits of new multi-family housing to verify that they meet accessibility standards. Second, disability protections are comparatively new, and many housing providers are unaware of the extent of these protections. Third, many cases involve requests by persons with disabilities for reasonable accommodations and modifications. Many persons with disabilities are reluctant to make such requests on their own for fear of retaliation.

Project Sentinel assists persons with disabilities in making these requests by: (1) providing information to complainants or their healthcare providers about what reasonable accommodations are and how "disability" is defined for fair housing purposes; (2) obtaining letters from healthcare providers documenting the disabling condition and explaining the type of accommodation or modification required; (3) forwarding appropriate documentation to the housing provider to make the reasonable accommodation request; and (4) conciliating between the resident and housing provider as needed.

a.) Examples of Fair Housing Complaints from the Consortium Area

Below are a few examples of fair housing complaints handled by Project Sentinel from 2004 through June 2011. Each example includes the community, type of complaint, description of activities, and disposition.

Ceres- Age- Educated

Project Sentinel was made aware of an advertisement that stated “Prefer 50+.” Project Sentinel tested for discrimination based on age. The testers were asked to e-mail the housing provider to inquire about the vacancy. Through the course of the investigation 4 testers were dispatched, but, none received a response. Because there was a discriminatory preference stated in the advertisement, Project Sentinel wrote the Owner of the property an education letter. The letter informed the Owner that the discriminatory preference stated in Owners advertisement was in violation of Fair Housing Laws of the State of California. Project Sentinel advised the owner to choose language in future ad’s that do not discourage certain classes of people from putting in a rental application.

Oakdale- Race- Counseled

Project Sentinel tested a home in the Burchell Hill area of Oakdale for race discrimination. The 1st tester (T1) was a black female who met with the broker’s assistant at the property. T1 was told of all the amenities that the home had and made T1 aware that a rent reduction had occurred down from \$1500 to \$1400 to make the house more competitive. The 2nd tester (T2) was a white female who met with the owner’s granddaughter at the property. Eventually the broker’s assistant arrived and started the tour of the home. The broker’s assistant told T2 about all the amenities. The broker’s assistant then went on to tell T2 that they were going to be lowering the rent from \$1400 to \$1300. The black female tester made a follow up contact and quoted the new rent offer of \$1,300. No discrimination was found.

Waterford- Disability (Reasonable Accommodation)- Counseled

Project Sentinel received a complaint about a property management company in Waterford that may have been discriminating against people with Doctor Prescribed Service or Companion Animals (DPSA or DPCA). Project Sentinel found an advertisement for a property by that management company that stated “No Pets.” Tester one (T1) was dispatched to call posing as a married woman who had a young daughter who had a doctor prescribed diabetic alert dog (DPSA). T1 called the property management office and spoke with the property manager who also happened to be the owner. The owner told T1 that the DPSA would not be a problem and quoted the rent and deposit described in the ad to T1 and listed the amenities. When T2 called the owner the next day posing as a married woman with a child that was not disabled, the owner quoted the same rental information.

It should be noted that there are multiple cases every year in which the housing provider will refuse to allow service animals. It is among the most common fair housing violation found by the agency.

Oakdale- Familial Status (Source of Income)- DFEH Referral

Project Sentinel received a complaint of familial status discrimination in which a household with children were being refused a rental. The investigation revealed that families with children would be rented to but that people with a rental subsidy would not be allowed, nor someone with a disability and receiving government assistance.

Ceres- Race- Counseled

Project Sentinel had a previous complaint of potential Race Discrimination against the property management company. In each instance both testers were given the same information over the phone, and both conducted on-site tests. The analysis of the case results revealed no discrimination based on race, as both testers were given the opportunity to view and apply for the unit and told identical information.

Oakdale - Disability (Reasonable Accommodation) - Conciliated.

A family was threatened with eviction when the landlord discovered that they had a dog and cat. The single-family home was rented despite the designation of being a "no pets" property. The property management company had misunderstood the property owner's instructions and allowed the family and animals in. Both animals had been prescribed by mental health providers for family members with emotional disabilities. Project Sentinel obtained documentation of the disabilities and the health care provider's recommendation for companion animals to relieve stress and requested a reasonable accommodation from the property management company. The accommodation was approved after subsequent negotiations with the property management company, and the family was permitted to remain in the unit.

Denair - Disability (Discrimination) - Conciliated.

A woman living in a senior (55+) mobile home park was threatened with eviction because she was under the required age for residency. The woman had moved into the park to care for her ailing, elderly mother. When the mother had to be sent to a nursing home, where she subsequently died, the park initiated termination proceedings against the complainant and her adult daughter with Down Syndrome. Project Sentinel investigated the mobile home and senior living residency laws and concluded that the complainant and her daughter were entitled to remain in the mobile home. Project Sentinel contacted the park's attorney and advised him of the special status afforded to caregivers (even after a resident's death). The mobile home park ultimately agreed to permit the complainant and her daughter to remain in the home.

Ceres - Disability (Accessibility) - HUD Referral.

Project Sentinel conducted an accessibility audit at a newly-constructed multi-family complex. Auditors viewed two vacant units, laundry and trash facilities, and common areas. After a review of the Fair Housing Design Manual, six types of violations were identified, including "head-banger" hazards for visually impaired, steep sidewalk and ramp slopes without handrails, and interior thresholds that would impede wheelchair access. A complaint was filed with HUD and settled through mediation. The owner agreed to retrofit units and to bring the common areas of the complex into compliance with fair housing laws.

Ceres - Disability (Reasonable Modification) - Conciliated.

The evaporative cooler unit in a Ceres rental home aggravated the condition of a woman with severe asthma. Project Sentinel contacted the landlord and requested that the tenant be permitted to purchase and install a window air conditioner at her own expense. The landlord agreed to the request.

Robertson Road Neighborhood - Sex (Sexual Harassment) - HUD Referral.

An African American woman was repeatedly propositioned by her landlord after moving into a single-family home. The home was in need of several repairs, and the landlord used gifts and promises of repairs to induce the woman into quid pro quo sexual relationship. When the complainant ended the relationship, the landlord immediately issued a notice to terminate her tenancy. The tenant was subsequently evicted. Project Sentinel interviewed several witnesses who corroborated the complainant's story. The case was referred to HUD for enforcement.

Crows Landing - Arbitrary Characteristics - Educated.

A white male living in an RV park complained about harassment from property management about visits from a male friend. The man's friend had not caused any problems at the park. Project Sentinel surveyed the site and found no evidence of discrimination. However, when the landlord learned of the survey, he contacted Project Sentinel to inquire about the survey. Project Sentinel advised the landlord that residents had expressed concerns about the park's treatment of guests, excessive late fees, and drug activity, and advised the landlord that it would be a violation of fair housing laws to charge additional rent for a second person to reside in an RV space. The landlord agreed to make changes and investigate the concerns identified in the survey.

IX. CONCLUSIONS AND RECOMMENDATIONS

Fair Housing issues in Stanislaus County are being addressed but due to the economy issues - continue to rise. It is clear that although discrimination in housing cuts across all racial, ethnic and economic lines in the region, it falls most heavily on elderly, persons with disabilities and lower income individuals and families. Under employment and unemployment along with a lack of decent affordable housing negatively affect the ability of persons of low income to obtain housing in Stanislaus County.

The following actions are recommended in addition to maintaining the current ongoing programs and policies:

Identified Impediments and Primary Recommendations		
Category	Impediments to Fair Housing	Recommendations
Affordability	<ol style="list-style-type: none"> 1. Lack of new multi-family housing construction for very low income households. 2. Disproportionate use of housing vouchers in the Stanislaus Urban County area versus other cities. 	<ol style="list-style-type: none"> 1. Develop more incentives for very low income housing development. <ol style="list-style-type: none"> a. Waterford should adopt a density bonus code b. All jurisdictions should consider inclusionary zoning c. Set-aside subsidies for development of housing for very low income. 2. Seek answer to why the disproportionate use of vouchers and seek means for more balance. 3. Follow through on the Housing Element policies and programs
Zoning for Disability Rights	<p>Ceres and Waterford codes may discourage secondary unit development. Codes do not inform those with disabilities that they can request exceptions, such as parking requirements for secondary units.</p>	<ol style="list-style-type: none"> 1. Seek codes that encourage use of secondary units. 2. Adopt Reasonable Accommodations Policy for Planning Departments. 3. Monitor compliance with protection for persons with disabilities
Foreclosure Crisis	<p>High rate of foreclosures on sub-prime loan that are more likely help by minority borrowers.</p>	<ol style="list-style-type: none"> 1. Assist in the provision of assistance to distressed borrowers. 2. Support investigation and litigation aimed at predatory lenders
Fair Housing Services	<ol style="list-style-type: none"> 1. High number of minority and new immigrant households with limited English 2. Lack of fair housing awareness. 	<ol style="list-style-type: none"> 1. Provide educational literature in Spanish and other appropriate languages. 2. Conduct more outreach to the Stanislaus Urban County communities. 3. Improve Public education of fair housing through regional approaches to public outreach to publicize the services of fair housing services.