2015 City of Tulare Analysis of Impediments to Fair Housing Choice

The City of Tulare
July 9, 2015

2015 City of Tulare
Analysis of Impediments to Fair Housing Choice:

Prepared for the:
The City of Tulare Department of Community Development

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Draft Report for Public Review
July 9, 2015

HAS YOUR RIGHT TO FAIR HOUSING BEEN VIOLATED?

If you feel you have experienced discrimination in the housing industry, please contact:

California Department of Fair Employment and Housing

2218 Kausen Drive, Suite 100
Elk Grove, California 95758
Telephone: (800) 884-1684
Email: contact.center@dfeh.ca.gov (For general information)
www.www.dfeh.ca.gov/Contact.htm (To file a complaint)

U.S. Department of Housing and Urban Development

San Francisco Regional Office
Department of Housing and Urban Development
One Sansome Street, Suite 1200
San Francisco, CA 94104
Telephone: (415) 489-6526
FAX: (415) 489-6559
Website: www.HUD.gov

Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
451 Seventh Street SW, Room 5204
Washington, DC 20410-2000
Telephone: (202) 708-1112
Toll Free: (800) 669-9777
Web Site: www.HUD.gov

Local and State Non-Profit Organizations

Fair Housing Council of Central California
333 West Shaw Avenue, Suite 14
Fresno, California 93704
Telephone: (559) 244-2950
FAX: (559) 244-2956
Toll Free: (888) 498-FAIR (3247)
Email: Online contact form available at http://www.fhc-cc.org/contact-us.html.

California Rural Legal Assistance
1430 Franklin Street, Suite 103
Oakland, California 94612
Telephone: (510) 267-0762
Website: http://www.crla.org/office-locations.

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EXECUTIVE SUMMARY

AI PURPOSE AND PROCESS

As a requirement of receiving funds under the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME), and the Emergency Solutions Grant (ESG), entitlement jurisdictions must submit certification of affirmatively furthering fair housing to the U.S. Department of Housing and Urban Development (HUD). This certification has three elements:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified, and
3. Maintain records reflecting the actions taken in response to the analysis.

In the *Fair Housing Planning Guide*, page 2-8, HUD provides a definition of impediments to fair housing choice 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 [and]
- Any actions, omissions, or decisions which have [this] effect.[1]

The list of protected classes included in the above definition is drawn from the federal Fair Housing Act, which was first enacted in 1968. However, state and local governments may enact fair housing laws that extend protection to other groups, and the AI is expected to address housing choice for these additional protected classes as well.

The AI process involves a thorough examination of a variety of sources related to housing, the fair housing delivery system, and housing transactions, particularly for persons who are protected under fair housing law.

The development of an AI also includes public input and review via direct contact with stakeholders, public meetings to collect input from citizens and interested parties, distribution of draft reports for citizen review, and formal presentations of findings and impediments, along with actions to overcome the identified impediments.

METHODOLOGY

As part of the consolidated planning process, and as a requirement for receiving HUD formula grant funding, the City of Tulare is undertaking this AI to evaluate impediments to fair housing choice within the city.

Residents of the City of Tulare are protected from discrimination in the housing market by the federal Fair Housing Act and the California Fair Employment and Housing Act: The former includes protections based on race, color, religion, national origin, sex, disability, and familial

[1] U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity. *Fair Housing Planning Guide*. Vol. 1, p. 2-8. http://www.hud.gov/offices/cpd/about/conplan/fairhousingexs/Module5_TopSevenAFFH.pdf

status[2]. The latter prohibits discrimination on these same bases, as well as discrimination based on gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, or genetic information.[3]

The purpose of this report is to determine current impediments to fair housing choice at work in the City of Tulare and to suggest actions that the local community can consider in order to overcome the identified impediments. Thus, this report represents only the first step in the three-part certification process presented on the previous page.

This AI was conducted through the assessment of a number of quantitative and qualitative sources. Quantitative sources used in analyzing fair housing choice in the City of Tulare included:

- Socio-economic and housing data from the U.S. Census Bureau,
- Employment data from the U.S. Bureau of Labor Statistics,
- Economic data from the U.S. Bureau of Economic Analysis,
- Investment data gathered in accordance with the Community Reinvestment Act,
- Home loan application data from the Home Mortgage Disclosure Act, and
- Housing complaint data from HUD.

Qualitative research included evaluation of relevant existing fair housing research and national and city fair housing legal cases. Additionally, this research included the evaluation of information gathered from several public input opportunities conducted in relation to this AI. This also included the 2015 City of Tulare Fair Housing Survey distributed to stakeholders, interested parties, and participants in the public input process.

Geographic analyses of demographic data were conducted by calculating race or ethnicity as the percentage of total population and then plotting the data on a geographic map of Census block groups and tracts within the City of Tulare. For the purposes of this AI, maps were produced for several racial and ethnic groups based on both 2000 and 2010 Census data in order to examine how the concentrations of these populations changed over time.

Ultimately, a list of potential impediments was drawn from these sources and further evaluated based on HUD's definition of impediments to fair housing choice, as presented on the previous page. Potential impediments to fair housing choice present within the city were identified; along with actions the city may consider in attempting to address possible impediments.

OVERVIEW OF FINDINGS

This AI includes a review of both public and private sector housing markets in the City of Tulare to identify practices or conditions that may operate to limit fair housing choice in the city. Analysis of demographic, economic, and housing data included in that review establish the context in which housing choices are made. Demographic data indicate the sizes of racial and ethnic populations and other protected classes; economic and employment data show additional factors in influencing housing choice; and counts of housing by type, tenure, quality, and cost indicate the ability of the housing stock to meet the needs of the city's residents.

[2] 42 U.S.C.A. §3601
[3] Cal. Gov. Code §12955 *et seq.*

The contextual analysis described above provides a foundation for detailed review of fair housing laws, cases, studies, complaints, and public involvement data. The structure provided by local, city, and federal fair housing laws shapes the complaint and advocacy processes available in the city, as do the services provided by local, city, and federal agencies. Private sector factors in the homeownership and rental markets, such as home mortgage lending practices, have a considerable influence on housing choice. Public sector policies and practices can also significantly affect housing choice.

Complaint data and AI public involvement feedback further help define problems and possible impediments to housing choice for persons of protected classes, and support findings from the contextual and supporting data.

Socio-Economic Context

The population of Tulare has grown by 40.6 percent since 2000. Residents aged 5 to 19, together with residents aged 35 to 54, accounted for almost half of that growth. Nevertheless, these groups represented smaller shares of city residents in 2010 than they had in 2000, as did residents aged 65 and older. The share of residents aged 55 to 64 grew during that same time period.

More than half of city residents were white in 2000, a share that had grown to 61.3 percent by 2010. The next largest racial group consisted of those who identified their race as "other", followed by those who belonged to two or more racial groups. However, residents from the latter two racial groups declined as a share of the population over the decade, as did black residents, who represented 3.9 percent of the population in 2010. Meanwhile, Hispanic residents grew as a share of the total population from 45.6 to 57.5 percent.[4] Black and Hispanic residents alike tended to account for larger shares of the population in block groups to the west of Highway 99, in and around the city center.

There was one Census tract in the city that could be considered an ethnically-concentrated area of poverty in 2010. This tract lay mostly to the west of the railroad tracks, between Inyo and Cross Avenue. In the past, access of residents in that area to the downtown area has been restricted by trains that periodically block passage from one side of the city to the other. Improvements are currently underway that will improve access to areas of opportunity for residents in that Census tract.

Residents with disabilities also tended to be more highly concentrated to the west of Highway 99. However, there was one Census tract to the east of the highway with an above-average concentration of residents with disabilities in 2009-2013.[5] In that time period, residents with disabilities accounted for just over 11 percent of the city's population.

The size of the labor force generally grew steadily between 2000 and 2009, with the exception of a brief decline, in 2004. Growth in the number of employed persons in the city has also generally been positive. However, growth in the labor force began to outpace growth in the

[4] Note that for the purposes of the Census Bureau, "Hispanic" is considered an ethnicity rather than a race.
[5] Because disability data from the 2009-2013 American Community Survey are not available at the block group level, maps of the population with disabilities are presented by Census tract.

number of employed in 2007, leading to a rise in the unemployment rate. The increase in unemployment accelerated dramatically in 2009 as the number of employed fell by around 520. The unemployment rate climbed to nearly 15 percent in 2010 before a slow decline in the labor force, coupled with growth in employment, initiated a steady drop in the unemployment rate that continued through 2014. In that year, 11.2 percent of workers in the city were unable to find a job, on average.

Fluctuations in the city and Tulare County labor market were accompanied by marked yearly fluctuations in the amount of money that workers in Tulare County earned from their labor. The amount that the average worker earned at his or her job rose from just under $40,000 per year in 2000, in real dollars, to nearly $50,000 per year by 2004. However, over the next eight years that figure rose and fell sharply from one year to the next, and stood at $48,724 in 2013. A similar trend was observed in the average income that city residents received during the same time period, though fluctuations in income were considerably more muted. The average household income also rose during this time period.

In spite of rising incomes, the share of city residents living in poverty ticked upward from 20.7 to 21.4 percent. Geographically, Census tracts with comparatively high poverty rates lay exclusively to the west of Highway 99. These same Census tracts tended to have relatively high disability rates, and to encompass block groups with above-average concentrations of black and Hispanic residents.

As the population grew after 2000, so too did the size of the average household. Growth in the number of housing units in the city slightly outpaced growth in the number of households, leading to a moderate increase in the vacant housing stock. At the same time, rental housing units, which tended to be concentrated in central Census block groups, came to account for a larger share of occupied units overall. Owner-occupied units tended to be concentrated in peripheral Census block groups in the north, east, and west of the city. Much of the growth in the vacant housing stock was attributable to increases in the number of vacant units for rent and for sale. By 2010 vacant units that were available for sale constituted a considerably larger share of vacant units than they had in 2000. Single-family units, which represented 78.1 percent of the housing stock in 2000, continued to predominate in 2009-2013, while all other types of housing units declined as a share of the housing stock.

Generally speaking, many of the housing problems identified in the 2000 were less prevalent in 2009-2013: In spite of the shift toward larger households in the city, the share of housing units that were considered overcrowded was smaller in 2009-2013 than in 2000.[6] Around 9 percent of units were overcrowded or severely overcrowded in 2009-2013, down from 17 percent in 2000. Similarly, a smaller share of housing units lacked complete plumbing or kitchen facilities in 2009-2013 than in 2000; no more than 0.5 percent of housing units in either case.

However, the city saw an increase in the number of housing units that are considered cost-burdened. Over thirty percent of households were cost-burdened or severely cost-burdened in 2000, meaning that housing costs consumed more than thirty percent of their combined monthly income. By 2009-2013, more than forty percent of households were cost-burdened to

[6] Overcrowding describes a situation in which a housing unit holds more than one resident per room, on average, but less than 1.5. Housing units are considered severely overcrowded if the number of residents per room exceeds 1.5.

some degree, almost half of which were severely cost-burdened. Mortgage payments took up between 30 and 50 percent of monthly incomes in a quarter of households that were still under mortgage in 2009-2013, while more than 50 percent of renters were cost-burdened or severely cost-burdened.

Unsurprisingly, the increase in cost-burdening came as median housing costs in the city were rising. Half of all rental households in 2009-2013 were paying $773 or more in monthly rent, compared to a median rent of $541 in 2000. Median home values rose from $94,700 to $157,600 over the same time period.

Review of Fair Housing Laws, Studies, and Cases

The federal Fair Housing Act (FHA) is the foundation for a suite of laws at the national level designed to protect residents of the United States from discrimination in the housing market. As originally passed in 1968, the Act prohibited discrimination on the basis of race, color, religion, gender, and national origin. Subsequent amendments passed in 1988 added additional protections on the basis of disability and familial status, and strengthened the enforcement provisions of the Act. In general, amendments to the FHA passed from 1964 to the present have generally broadened the protections guaranteed under the FHA, applying stricter and more comprehensive protections that apply to housing providers who benefit from federal funding.

In addition to the protections guaranteed under the FHA, California residents are protected from discrimination in the housing market by laws at the state level.[7] These laws prohibit discrimination on the same bases identified in the federal law while expanding those protections to outlaw discrimination based on gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information. California's housing discrimination law has been judged to be "substantially equivalent" to the federal FHA, which allows for HUD-subsidized, state-level enforcement of fair housing law.

Fair housing law and jurisprudence has evolved considerably since the FHA was first enacted in 1968. As noted previously, the Fair Housing Amendments Act of 1988 added additional protections, strengthened the Act's relatively weak enforcement provisions, and gave the Department of Housing and Urban Development enhanced authority to enforce the Act. In addition, since the early 1970s the FHA has consistently been interpreted to apply to laws and policies that are apparently neutral with respect to protected class status, but which nevertheless "actually or predictably[8]" result in discrimination. In 2013, HUD finalized a rule formalizing its interpretation of discriminatory effects liability under the FHA.

That interpretation was reaffirmed in a June 25, 2015 Supreme Court decision in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project, Inc.* That case originated in a lawsuit against the Texas Department of Housing and Community Affairs ("the Department"), alleging that the process by which the Department awarded low income housing tax credits had the effect of concentrating affordable housing in areas with high concentrations of minority residents. In bringing the suit, the Inclusive Communities project

[7] C.R.S. 24-34-500, *et seq.*
[8] *United States v. City of Black Jack, Missouri*, 508 F.2d 1179, 1184 (8th Cir. 1974) It was racial discrimination, specifically, that was at issue in this case.

relied in part on the disparate impact theory, and it was that theory which the Department sought to challenge in asking the Supreme Court to hear the case. Ultimately, the Court held that individuals, businesses, and government agencies could be held liable for the disparate impacts of their policies and practices.

Even as HUD has sought to more firmly establish the theory of disparate impact under the FHA, it has also taken efforts to improve and clarify the requirement to affirmatively further fair housing. In a rule that is currently under regulatory review, HUD has proposed to substantially revise the AFFH process by (1) replacing the analysis of impediments with the assessment of fair housing (AFH), (2) integrating fair housing planning into the consolidated planning process, and (3) providing a fair housing assessment tool and nationally standardized datasets, among other requirements. A final action on that rule was most recently scheduled for June of 2015.

Under certain circumstances, the United States Department of Justice (DOJ) will file a fair housing complaint on behalf of residents who are suspected to have suffered a violation of fair housing law. The DOJ has filed three such cases against housing providers in California's Eastern Federal Court District in the last ten years: In one of those cases, a housing provider who adopted a policy requiring constant supervision of children in all common areas of an apartment complex was accused of discrimination based on familial status. In a second case, a Chicago-based manager of retirement communities was accused of disability-based discrimination when it adopted policies that placed significant restrictions on the use of mobility aids in its retirement communities. Finally, the DOJ filed a case against a Bakersfield property owner and manager, who was accused of habitual sexual harassment of female tenants. All cases were settled, with monetary damages and penalties in the latter case totaling more than $2.1 million.

Fair Housing Structure

A California resident who believes that he or she may have suffered illegal discrimination in the housing market may file a complaint with the state Department of Fair Employment and Housing (DFEH). The DFEH enforces the state's Fair Employment and Housing Act (FEHA), which prohibits discrimination in the housing market on the basis of race, color, religion, sex, national origin, disability, familial status, gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information.

HUD has deemed the FEHA to be "substantially equivalent" to the federal Fair Housing Act (FHA), meaning that the state law provides for equivalent rights, responsibilities, and remedies to those included in the federal law. Certification of substantial equivalency also makes the DFEH eligible to participate in the Fair Housing Assistance Program (FHAP). As a FHAP participant, the DFEH receives various types of funding from HUD, including reimbursement for investigation and processing of complaints alleging violations of the federal Fair Housing Act.

When the DFEH receives a complaint alleging discrimination in the housing market, it will generally notify the accused party ("the respondent") and begin an investigation within thirty days. During the investigation, the complaint may be voluntarily resolved through an agreement between the complainant and respondent. During the investigation, the DFEH determines whether the complaint has merit; If not, the complaint will be dismissed, though the complainant retains the option of filing a lawsuit against the respondent. If the complaint is

found to have merit, the DFEH will initiate a mandatory dispute resolution process. If that process fails, the respondent and complainant may elect to proceed through an administrative hearing or an action in a civil court.

If the DFEH fails to complete an investigation within 100 days after the complaint is received, HUD may take the complaint back for investigation, unless the DFEH has demonstrated that it was impracticable to complete the complaint in that time frame. However, any complaints that are filed with HUD will be dually-filed with the DFEH and referred to the state agency for investigation.

HUD and the DFEH; which are responsible for enforcing the FHA and FEHA, respectively; represent the backbone of fair housing enforcement and administration in the state. However, there are a number of private, non-profit organizations that work to promote fair housing choice in the state. Many of these are participants in HUD's Fair Housing Initiatives Program (FHIP), and several provide services that are available to Tulare residents. California Rural Legal Assistance provides a variety of legal services to low-income resident of the state's rural areas, and has done so since 1966. As a FHIP participant, it has focused its efforts on aiding in the fair housing enforcement process as well as addressing fair housing issues in the home lending industry. The Fair Housing Council of Central California, another FHIP participant, has provided fair housing services to residents of the Central Valley since 1995. Both organizations accept fair housing complaints from Tulare residents.

Fair Housing in the Private Sector

A number of factors affect the housing choices available to residents of the City of Tulare: such factors include patterns in home purchase and small business lending, perceived and actual discrimination in the housing market, and policies and practices of individuals and businesses in the housing market. For the present study, assessment of these factors was undertaken through a review of lending data collected from the Federal Financial Institutions Examination Council (FFIEC); complaint data collected by federal, state, and local agencies and organizations; and the 2015 City of Tulare Fair Housing Survey.

Banks and lending institutions handled 40,340 loans and loan applications in the city from 2004 through 2013. A majority of these loans were refinance loans, though a sizeable minority consisted of home purchase loans, or around 13,600. Over 80 percent of those home purchase loans were intended to finance the purchase of a home in which the loan applicant intended to live, and 19.3 percent of these "owner-occupied" home purchase loans were turned down over the ten-year period.

Female loan applicants were more likely to be turned down for a home purchase loan than male applicants. However, there was a more pronounced disparity in loan denial rates by race and ethnicity. The denial rate for black applicants, at 30.2 percent, was considerably higher than the denial rate for white applicants, at 18.4 percent. Similarly, 21 percent of loan applications from Hispanic applicants were turned down compared to a denial rate of 14.9 percent for non-Hispanic applicants. Loan applicants in general who wished to purchase a home in and around the city center were more likely to be denied than those attempting to buy homes to the north of the city center and to the east of Highway 99.

The most common factor that was cited in the lending institutions' decisions to deny those loans was credit history, followed by debt-to-income ratio. As one might expect, the denial rate tended to fall as the income of the applicant rose, though this was not universally the case, since loan applicants earning $45,001 to $60,000 per year were actually denied more frequently than those earning $30,001 to $45,000 per year.

Many of the applicants who were able to secure owner-occupied home purchase loans were issued loans with high annual percentage rates. In fact, these high cost loans represented more than half of all the owner-occupied home purchase loans issued in the city in 2005 and 2006, and more than 22 percent over the ten-year period.

Over forty percent of small business loan dollars in the city went to moderate-income Census tracts, which tended to receive more high-value loans, i.e., loans valued at more than $250,000. However, high-income Census tracts received nearly as many loan dollars. By contrast, no loans were issued in the city's low-income Census tracts: geographically, this meant that Census tracts to the west of the city center received relatively little in the way of small business lending.

Of the six fair housing complaints filed by city residents since 2008, five cited discrimination on the basis of disability; the other complaint alleged discrimination based on familial status. Failure to make or permit reasonable accommodation was the most common specific allegation in those complaints, while the most common general complaint was of perceived discrimination in the rental housing market.

Finally, the 2015 City of Tulare Fair Housing Survey included a section designed to identify perceived fair housing challenges in the private housing market. No such challenges were identified by any survey respondents.

Fair Housing in the Public Sector

The availability of fair housing choice in the city is impacted by a number of factors in the public sector, including the number and distribution of publicly-subsidized housing units; land-use and zoning laws, policies, and practices; and the provision of government services, among others.

There were only two affordable housing projects included in HUD's database of subsidized housing in Tulare: One of these, a project of 59 affordable units, was located in a central Census tract with an above-average concentration of poverty. The other, a large development of 76 units, was located to the east of Highway 99, where the poverty rate was at or below the citywide average. By contrast, a majority of affordable project and units subsidized through low income housing tax credits (LIHTC) were located to the west of the highway, in Census tracts with above-average rates of poverty.

The 2015 City of Tulare Fair Housing Survey included a section relating to potential challenges and impediments in public sector policies and practices that affect the housing market. Survey respondents did not identify any questionable practices or potential barriers to fair housing choice in the public sector, with the exception of a single respondent who cited limitations in the provision of government services. This respondent noted that employment opportunities are limited for residents with disabilities or those experiencing homelessness.

Public Involvement

The city promoted public participation during the AI process through the 2015 Fair Housing Survey, the 2015 City of Tulare Fair Housing Forum, and the public review process.

A total of 8 citizens and stakeholders in the city completed the fair housing survey. Respondents to the survey included property managers, advocates/service providers, and others. These respondents generally considered themselves to be familiar with, and supportive of, fair housing laws and policies, though three considered fair housing laws to be difficult to understand or to follow. Only two respondents were aware of any fair housing training process available to city residents and stakeholders: the same number noted that they had participated in such training. Those who weighed in on the current levels of fair housing outreach, education, and testing agreed that they were not adequate to meet the city's fair housing need; however, a majority of respondents felt that they did not know well enough to render an opinion one way or the other.

When asked to identify the classes of people protected under the Federal Fair Housing Act or state anti-discrimination law, a majority were able to correctly identify family status, gender, and religion as protected classes. Fewer correctly identified ethnicity or sexual orientation as protected classes. Only one respondent was aware of any fair housing ordinance, policy, or plan at the local or county level, and none were aware of any specific geographic areas of the city with fair housing problems.

The 2015 City of Tulare Fair Housing Forum took place in the city on the afternoon of July 7, 2015. The purpose of the meeting was to present preliminary findings from the AI and to receive public input on the trends and challenges identified during that study.

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

***Impediment 1*: Discrimination against disabled and familial status.** This impediment was identified through review of fair housing complaints lodged by city residents from 2008 through 2015.

> *Action 1.1*: Conduct outreach and education to city residents relating to fair housing policy, highlighting discriminatory practices based on disability and familial status.
>
> *Measurable Objective 1.1*: The number of outreach and education sessions offered.

***Impediment 2*: Failure to make reasonable modification or accommodation.** This impediment was identified through review of fair housing complaints lodged by city residents from 2008 through 2015.

> *Action 2.1*: Conduct outreach and education to housing providers, including owners and property managers, relating to the reasonable modification and accommodation requirements under the FHA.

Measurable Objective 2.1: The number of outreach and education sessions conducted and the number of participants in those sessions.

***Impediment 3*: Racial and ethnic minorities have a higher rate of home purchase loan denials than white residents.** This impediment was identified through review of home purchase loan data gathered under the Home Mortgage Disclosure Act (HMDA).

Action 3.1: Conduct outreach and education relating to home purchase lending, focusing on strategies for building and maintaining good credit.
Measurable Objective 3.1: The number of credit counseling outreach and education sessions offered and the number of participants.

***Impediment 4*: Lack of understanding of fair housing laws and policies.** This impediment was identified through review of the 2015 Fair Housing Survey.

Action 4.1: Conduct outreach and education to city residents and property owners and managers relating to fair housing and the duty to affirmatively further fair housing.
Measurable Objective 4.1: The number of outreach and education sessions conducted and the number of participants.
Action 4.2: Enhance fair housing education and outreach activities annually during Fair Housing Month (April). Highlight fair housing, and issues relating to fair housing, through print- and web-based marketing.
Measurable Objective 4.2: The number of enhanced outreach and education activities offered during fair housing month and the number and type of print- and web-based advertisements relating to fair housing.
Action 4.3: Update the city's website to include a discussion of the state Fair Employment and Housing Act (FEHA), all of the classes protected under the federal Fair Housing Act and the FEHA, and the agencies and organizations that are available to help city residents who believe that they have suffered discrimination in the housing market.
Measurable Objective 4.3: The list of updates made to the city's website.

Public Sector Impediments, Suggested Actions, and Measurable Objectives

***Impediment 1*: Lack of understanding of fair housing laws and policies.** This impediment was identified through review of the 2015 Fair Housing Survey and review of the fair housing infrastructure serving the city.

Action 3.1: Conduct annual training sessions for city officials and policy makers relating to fair housing and the duty to affirmatively further fair housing.
Measurable Objective 3.1: The number of outreach and education sessions conducted and the number of participants.
Action 4.3: Update the city's website to include a discussion of the state Fair Employment and Housing Act (FEHA), all of the classes protected under the federal Fair Housing Act and the FEHA, and the agencies and organizations that are available to help city residents who believe that they have suffered discrimination in the housing market.
Measurable Objective 4.3: The list of updates made to the city's website.

***Impediment 2*: Mobility of city residents in an ethnically concentrated area of poverty is impeded by railroad tracks that separate the two halves of the city.** This impediment was identified through geographic analysis of the city's infrastructure and ethnically concentrated areas of poverty.

Action 2.1: Continue improvements to city infrastructure that are designed to better connect all neighborhoods in the city to areas of opportunity.

Measurable Objective 2.1: The number of improvements and the amount of funding dedicated to those improvements.

SECTION I. INTRODUCTION

Title VIII of the 1968 Civil Rights Act, also known as the Federal Fair Housing Act, made it illegal to discriminate in the buying, selling, or renting of housing based on a person's race, color, religion, or national origin. Sex was added as a protected class in the 1970s. In 1988, the Fair Housing Amendments Act added familial status and disability to the list, making a total of seven federally protected classes. Federal fair housing statutes are largely covered by the following three pieces of U.S. legislation:

1. The Fair Housing Act,
2. The Housing Amendments Act, and
3. The Americans with Disabilities Act.

The purpose of fair housing law is to protect a person's right to own, sell, purchase, or rent housing of his or her choice without fear of unlawful discrimination. The goal of fair housing law is to allow everyone equal access to housing.

WHY ASSESS FAIR HOUSING?

Provisions to affirmatively further fair housing are long-standing components of the U.S. Department of Housing and Urban Development's (HUD's) housing and community development programs. These provisions come from Section 808(e) (5) of the federal Fair Housing Act, which requires that the Secretary of HUD administer federal housing and urban development programs in a manner that affirmatively furthers fair housing.

In 1994, HUD published a rule consolidating plans for housing and community development programs into a single planning process. This action grouped the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG)[9], and Housing Opportunities for Persons with AIDS (HOPWA) programs into the Consolidated Plan for Housing and Community Development, which then created a single application cycle.

As a part of the consolidated planning process, states and entitlement communities that receive such funds as a formula allocation directly from HUD are required to submit to HUD certification that they are affirmatively furthering fair housing (AFFH). The AFFH certification process has three parts:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified through the analysis, and
3. Maintain records reflecting the analysis and actions taken.

In the *Fair Housing Planning Guide*, page 2-8, HUD notes that impediments to fair housing choice are:

[9] The Emergency Shelter Grants program was renamed the Emergency Solutions Grants program in 2011.

- "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 [and]
- Any actions, omissions, or decisions which have [this] effect."[10]

State and local governments may enact fair housing laws that extend protection to other groups as well. For example, California's Fair Employment and Housing Act prohibits discrimination on all of the bases identified in the federal FHA, but also prohibits discrimination based on gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information.[11] A comparison of protected class designations by federal and state law is presented below in Table I.1.

Table I.1
Comparison of Fair Housing Laws
City of Tulare

Protected Group	Federal Fair Housing Act	California Fair Employment and Housing Law
Race	X	X
Sex	X	X
Religion	X	X
Familial Status	X	X
Disability	X	X
National Origin	X	X
Color	X	X
Gender		X
Gender Identity		X
Gender Expression		X
Sexual Orientation		X
Marital Status		X
Ancestry		X
Source of Income		X
Genetic Information		X

As discussed above, fair housing protections at the federal level do not include consideration of income and do not address housing affordability outside the context of housing discrimination. While lack of affordable housing can be a significant concern to policymakers, it is not, on its own, a fair housing problem unless members of protected classes face this issue disproportionately. In fact, a large increase in affordable units in close proximity to one another can cause a problem for fair housing choice in some cases, e.g., through the geographic concentration of racial or ethnic minorities. In addition, the AI does not seek to address future affordable housing needs or specific affordable housing production issues.

PURPOSE OF THIS RESEARCH

HUD interprets the broad objectives of affirmatively furthering fair housing to include:

[10] *Fair Housing Planning Guide.*
[11] Cal. Gov. Code §12920

- "Analyzing and working to eliminate housing discrimination in the jurisdiction;
- Promoting fair housing choice for all persons;
- Providing opportunities for racially and ethnically inclusive patterns of housing occupancy;
- Promoting housing that is physically accessible to, and usable by, all persons, particularly individuals with disabilities; and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act."[12]

The objective of the 2015 AI process was to research, analyze, and identify prospective impediments to fair housing choice throughout the city. The goal of the completed AI is to suggest actions that the sponsoring jurisdictions can consider when working toward eliminating or mitigating the identified impediments.

LEAD AGENCY

The agency that led the effort of preparing this report on behalf of the City of Tulare was the Department of Community Development.

Commitment to Fair Housing

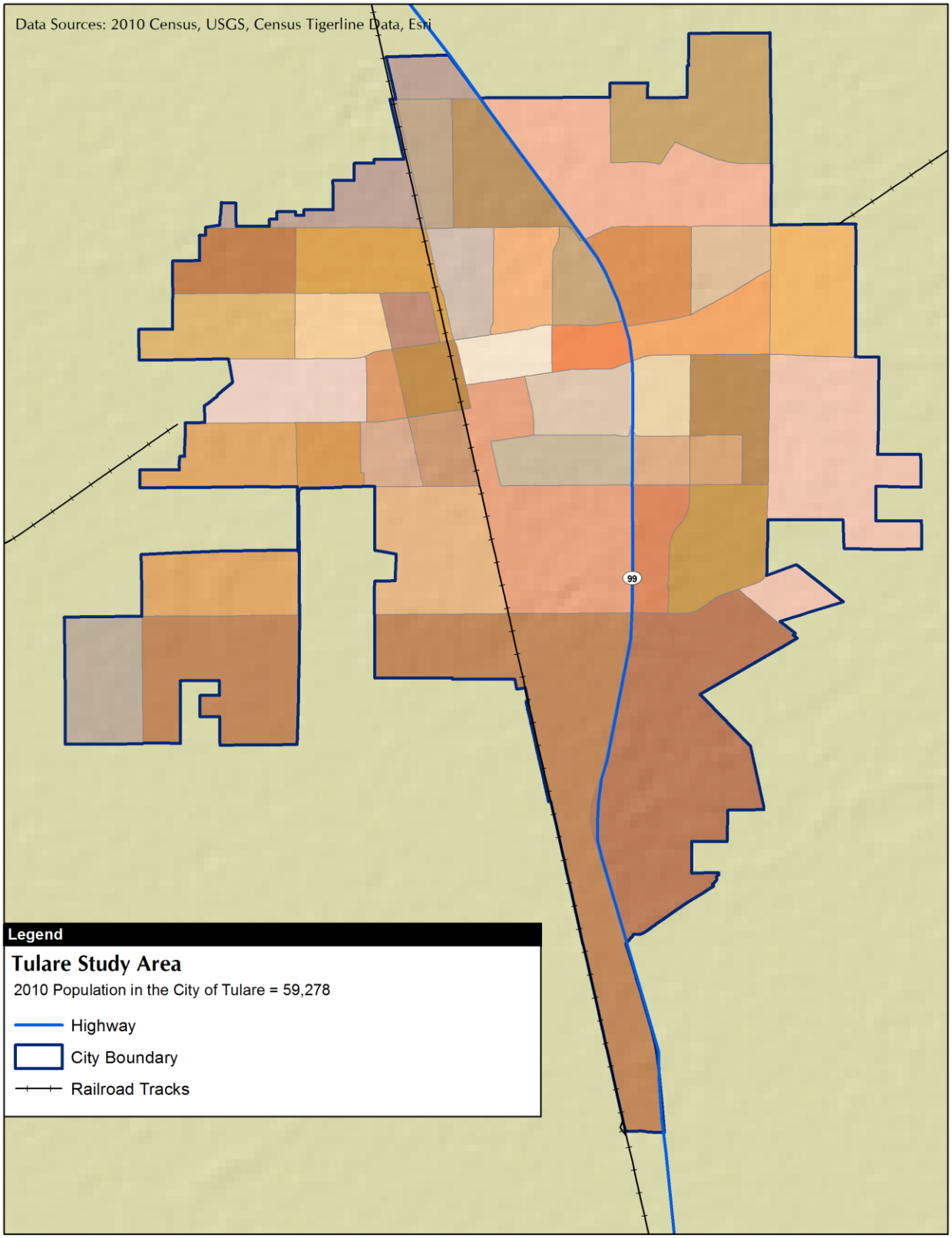
In accordance with the applicable statutes and regulations governing the Consolidated Plan, the city certifies that it will *affirmatively further fair housing*. This statement means that it has conducted an AI, will take appropriate actions to overcome the effects of any impediments identified through that analysis, and will maintain records that reflect the analysis and actions taken in this regard.

GEOGRAPHIC SCOPE OF THE ANALYSIS

This AI addresses the status of fair housing within the City of Tulare. Map I.1 on the following page displays the city boundaries, along with selected major highways and county and Census block group boundaries. Wherever possible, demographic, housing, and economic data will be displayed by block group to provide greater detail in the geographic analyses included in this study. However, in some cases data are not available at the block group level, and will instead be presented at the Census tract level.

[12] *Fair Housing Planning Guide*, p.1-3.

Map I.1
City of Tulare Study Area
City of Tulare
2010 Census Bureau Data



RESEARCH METHODOLOGY

The AI process involves a thorough examination of a variety of data related to housing, particularly for persons who are protected under fair housing laws. AI sources include Census data, employment and income information, home mortgage application data, business lending data, fair housing complaint information, surveys of housing industry experts and stakeholders, and related information found in the public domain. Relevant information was collected and evaluated via four general approaches:

1. *Primary Research*, or the collection and analysis of raw data that did not previously exist;
2. *Secondary Research*, or the review of existing data and studies;
3. *Quantitative Analysis*, or the evaluation of objective, measurable, and numerical data; and
4. *Qualitative Analysis*, or the evaluation and assessment of subjective data such as individuals' beliefs, feelings, attitudes, opinions, and experiences.

Some baseline secondary and quantitative data were drawn from the Census Bureau, including 2000 and 2010 Census counts, as well as American Community Survey data averages from 2009 through 2013. Data from these sources detail population, personal income, poverty, housing units by tenure, cost burdens, and housing conditions. Other data were drawn from records provided by the Bureau of Labor Statistics, the Bureau of Economic Analysis, and a variety of other sources. The following narrative offers a brief description of other key data sources employed for the 2015 AI for the City of Tulare.

Home Mortgage Disclosure Act Data

To examine possible fair housing issues in the home mortgage market, Home Mortgage Disclosure Act (HMDA) data were analyzed. The HMDA was enacted by Congress in 1975 and has since been amended several times. It is intended to provide the public with loan data that can be used to determine whether financial institutions are serving the housing credit needs of their communities and to assist in identifying possible discriminatory lending patterns. HMDA requires lenders to publicly disclose the race, ethnicity, and sex of mortgage applicants, along with loan application amounts, household income, the Census tract in which the home is located, and information concerning prospective lender actions related to the loan application. For this analysis, HMDA data from 2004 through 2013 were analyzed, with the measurement of denial rates by Census tract and by race and ethnicity of applicants the key research objectives. These data were also examined to identify the groups and geographic areas most likely to encounter higher denial rates and receive loans with unusually high interest rates.

Fair Housing Complaint Data

Housing complaint data were used to analyze discrimination in the renting and selling of housing. HUD provided fair housing complaint data for the city from 2008 through 2015. This information included the basis, or alleged motivation for discrimination; the issue, or alleged discriminatory action; and the closure status, or outcome of the complaint. The review of six fair housing complaints from within the city allowed for inspection of the tone, the relative degree and frequency of certain types of unfair housing practices, and the degree to which complaints were found to be with cause. Analysis of complaint data focused on determining

which protected classes may have been disproportionately impacted by housing discrimination based on the number of complaints, while acknowledging that many individuals may be reluctant to step forward with a fair housing complaint for fear of retaliation or similar repercussion.

Fair Housing Survey

HUD recommends that surveys be conducted during the AI process to gain input for the public regarding perceived impediments to fair housing choice in an area. As such, the city elected to utilize a survey instrument as a means to encourage public input in the AI process. The survey targeted individuals involved in the housing arena, although anyone was allowed to complete the survey. In addition to gathering data, this survey was utilized to help promote public involvement throughout the AI process. The 2015 City of Tulare Fair Housing Survey, an internet-based instrument, has received eight responses as of the early July of 2015.

The survey was designed to address a wide variety of issues related to fair housing and affirmatively furthering fair housing. If limited input on a particular topic was received, it was assumed that the entirety of stakeholders did not view the issue as one of high pervasiveness or impact. This does not mean that the issue was nonexistent in the city, but rather that there was no widespread perception of its prevalence, as gauged by survey participants. The following narrative summarizes key survey themes and data that were addressed in the survey instrument.

Federal, State, and Local Fair Housing Laws

The first section of the survey asked respondents to address a number of questions related to fair housing laws, including assessment of their familiarity with and understanding of these laws, knowledge of classes of persons protected by these laws, the process for filing fair housing complaints, and an inquiry into whether or not fair housing laws should be changed.

Fair Housing Activities

The second section of the survey evaluated stakeholders' awareness of and participation in fair housing activities in the city, including outreach activities such as trainings and seminars, as well as monitoring and enforcement activities such as fair housing testing exercises.

Barriers to Fair Housing Choice in the Private Sector

This section addressed fair housing in the City of Tulare's private housing sector and offered a series of two-part questions. The first part asked respondents to indicate awareness of questionable practices or barriers to fair housing choice in a variety of private sector industries, and the second part requested a narrative description of these questionable practices or concerns if an affirmative response was received. The specific areas of the private sector that respondents were asked to examine included the:

- Rental housing market,
- Real estate industry,
- Mortgage and home lending industries,
- Housing construction or accessible housing design fields,

- Home insurance industry,
- Home appraisal industry, and
- Any other housing services.

The use of open-ended questions allowed respondents to address any number of concerns such as redlining, neighborhood issues, lease provisions, steering, substandard rental housing, occupancy rules, and other fair housing issues in the private housing sector of the city.

Fair Housing in the Public Sector

Just as in the section of the survey concerning private sector barriers, respondents were asked to offer insight into their awareness of questionable practices or barriers to fair housing in the public sector. A list of areas within the public sector was provided, and respondents were asked first to specify their awareness of fair housing issues within each area. If they were aware of any fair housing issues, they were asked to further describe these issues in a narrative fashion. Respondents were asked to identify fair housing issues within the following public sector areas related to housing:

- Land use policies,
- Zoning laws,
- Occupancy standards or health and safety codes,
- Property tax policies,
- Permitting processes,
- Housing construction standards,
- Neighborhood or community development policies, and
- Any other public administrative actions or regulations.

The questions in this section were used to identify fair housing issues in the city regarding zoning, building codes, accessibility compliance, subdivision regulations, displacement issues, development practices, residency requirements, property tax policies, land use policies, and NIMBYism.[13]

Additional Questions

Finally, respondents were asked about their awareness of any local fair housing plans or specific geographic areas of the city with fair housing problems. Respondents were also asked to leave additional comments.

Research Conclusions

The final list of impediments to fair housing choice for the City of Tulare was drawn from all quantitative, qualitative, and public input sources, and was based on HUD's definition of an impediment to fair housing choice as any action, omission, or decision that affects housing choice because of protected class status. The determination of qualification as an impediment

[13] "Not In My Backyard" mentality

was derived from the frequency and severity of occurrences drawn from quantitative and qualitative data evaluation and findings.

PUBLIC INVOLVEMENT

This section discusses analysis of fair housing in the City of Tulare as gathered from various public involvement efforts conducted as part of the AI process. Public involvement feedback is a valuable source of qualitative data about impediments, but, as with any data source, citizen comments alone do not necessarily indicate the existence of city-wide impediments to fair housing choice. However, survey and forum comments that support findings from other parts of the analysis reinforce findings from other data sources concerning impediments to fair housing choice.

SECTION II. SOCIO-ECONOMIC CONTEXT

This section presents demographic, economic, and housing information collected from the Census Bureau, the Bureau of Economic Analysis, the Bureau of Labor Statistics, and other sources. Data were used to analyze a broad range of socio-economic characteristics, including population growth, race, ethnicity, disability, employment, poverty, and housing trends. Ultimately, the information presented in this section illustrates the underlying conditions that shape housing market behavior and housing choice in the City of Tulare.

To supplement 2000 and 2010 Census data, data for this analysis were also gathered from the Census Bureau's American Community Survey (ACS). The ACS data cover similar topics to the decennial counts but include data not appearing in the 2010 Census, such as household income and poverty. The key difference of these datasets is that ACS data represent a five-year average of annual data estimates as opposed to a point-in-time 100 percent count. The ACS data reported herein, which span the years from 2009 through 2013, are not directly comparable to decennial Census counts because they do not account for certain population groups such as the homeless and because they are based on samples rather than counts of the population. However, percentage distributions from the ACS data can be compared to distributions from the 2000 and 2010 Censuses.

DEMOGRAPHICS

In order to establish the background context of the markets in which housing choices are made in the City of Tulare, detailed population and demographic data are included to describe the city's residents. These data summarize characteristics of the total population for the city, as well as the outcome of housing location choices. These data help to address whether over-concentrations of racial and ethnic minorities exist, and if so, which areas of the city are most affected.

Table II.1
Census and Intercensal Population Estimates
Non-Entitlement Areas of City of Tulare
2000, 2010 Census and Intercensal Estimates

Year	Estimate
Census 2000	**43,994**
July 2001 Est.	46,967
July 2002 Est.	48,185
July 2003 Est.	49,758
July 2004 Est.	51,374
July 2005 Est.	53,025
July 2006 Est.	54,312
July 2007 Est.	55,631
July 2008 Est.	56,940
July 2009 Est.	58,321
Census 2010	**59,278**
July 2011 Est.	59,948
July 2012 Est.	60,877
July 2013 Est.	61,235
July 2014 Est.	61,867
Change 00 – 14	**40.6%**

POPULATION DYNAMICS

The population of Tulare has grown by an estimated 40.6 percent since 2000, as shown in Table II.1 at right. According to population estimates from years between the 2000 and 2010 decennial Census counts, the number of city residents grew steadily during that time, at a rate of about 1,540 persons per year. Since the 2010 Census, population growth in the city appears to have slowed to around 650 new residents per year, on average, according to postcensal population estimates.

POPULATION BY AGE

The population of Tulare grew by 34.7 percent between 2000 and 2010. It was residents aged 5 to 19 that contributed most to the overall population growth, followed residents aged 35 to 54: together these cohorts accounted for nearly 50 percent of the

population change between the two Censuses. Nevertheless, these groups declined as a share of the overall population, as shown in Table II.2 below. Conversely, the number of residents aged 55 to 64 grew at a rate that was considerably above the overall average over the decade, and came to account for a larger share of the total population, or 8.2 percent in 2010.

Table II.2
Population by Age
City of Tulare
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
Under 5	4,230	9.6%	5,579	9.4%	31.9%
5 to 19	12,452	28.3%	16,150	27.2%	29.7%
20 to 24	3,165	7.2%	4,257	7.2%	34.5%
25 to 34	6,251	14.2%	8,589	14.5%	37.4%
35 to 54	10,960	24.9%	14,495	24.5%	32.3%
55 to 64	2,817	6.4%	4,870	8.2%	72.9%
65 or Older	4,119	9.4%	5,338	9.0%	29.6%
Total	**43,994**	**100.0%**	**59,278**	**100.0%**	**34.7%**

The elderly cohort, which consists of residents aged 65 and older, grew at a rate that was below the overall average, and came to represent a smaller share of the population as a whole. This overall reduction was largely due to slow growth in the number of residents aged 70 to 79, as shown in Table II.3 below. Meanwhile, residents at the younger and elder ends of the cohort grew as a share of the elderly population.

Table II.3
Elderly Population by Age
City of Tulare
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
65 to 66	459	11.1%	708	13.3%	54.2%
67 to 69	679	16.5%	917	17.2%	35.1%
70 to 74	1,039	25.2%	1,252	23.5%	20.5%
75 to 79	880	21.4%	973	18.2%	10.6%
80 to 84	577	14.0%	748	14.0%	29.6%
85 or Older	485	11.8%	740	13.9%	52.6%
Total	**4,119**	**100.0%**	**5,338**	**100.0%**	**29.6%**

POPULATION BY RACE AND ETHNICITY

White Tulare residents represented more than half of the city's population in 2000, as shown in Table II.4 on the following page. By 2010, the white population had grown to 61.3 percent of the total population, having grown by 46.5 percent over the decade. Meanwhile, black residents, who comprised 5 percent of the population in 2000, declined as a share of the total population by just over a percentage point. The second largest population in the city in 2000 consisted of the 29.1 percent who identified their race as "other", followed by the 6 percent who identified themselves as belonging to two or more races. Both had declined as a share of the population by 2010. In terms of ethnicity, growth in the Hispanic population was considerably more rapid than growth in the non-Hispanic population. By 2010, well over half of the city's population was Hispanic, some 57.5 percent.

Table II.4
Population by Race and Ethnicity
City of Tulare
2000 & 2010 Census SF1 Data

Race	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
White	24,804	56.4%	36,347	61.3%	46.5%
Black	2,209	5.0%	2,328	3.9%	5.4%
American Indian	616	1.4%	694	1.2%	12.7%
Asian	890	2.0%	1,276	2.2%	43.4%
Native Hawaiian/ Pacific Islander	54	.1%	80	.1%	48.1%
Other	12,798	29.1%	15,713	26.5%	22.8%
Two or More Races	2,623	6.0%	2,840	4.8%	8.3%
Total	**43,994**	**100.0%**	**59,278**	**100.0%**	**34.7%**
Non-Hispanic	23,936	54.4%	25,216	42.5%	5.3%
Hispanic	20,058	45.6%	34,062	57.5%	69.8%

The distributions of city residents from select racial and ethnic groups are presented in a series of maps beginning on the following page. These distributions are presented by Census block group, which are color-coded according to the proportion of block group residents that are from a specific racial or ethnic group. For the purposes of this analysis, the share of residents in a block group is considered to be "disproportionate" if that share exceeds the citywide average by more than ten percentage points. For example, black residents accounted for 5 percent of the city population in 2000; accordingly, black residents would be considered disproportionately concentrated in any block group in which they represented more than 15 percent of the population.

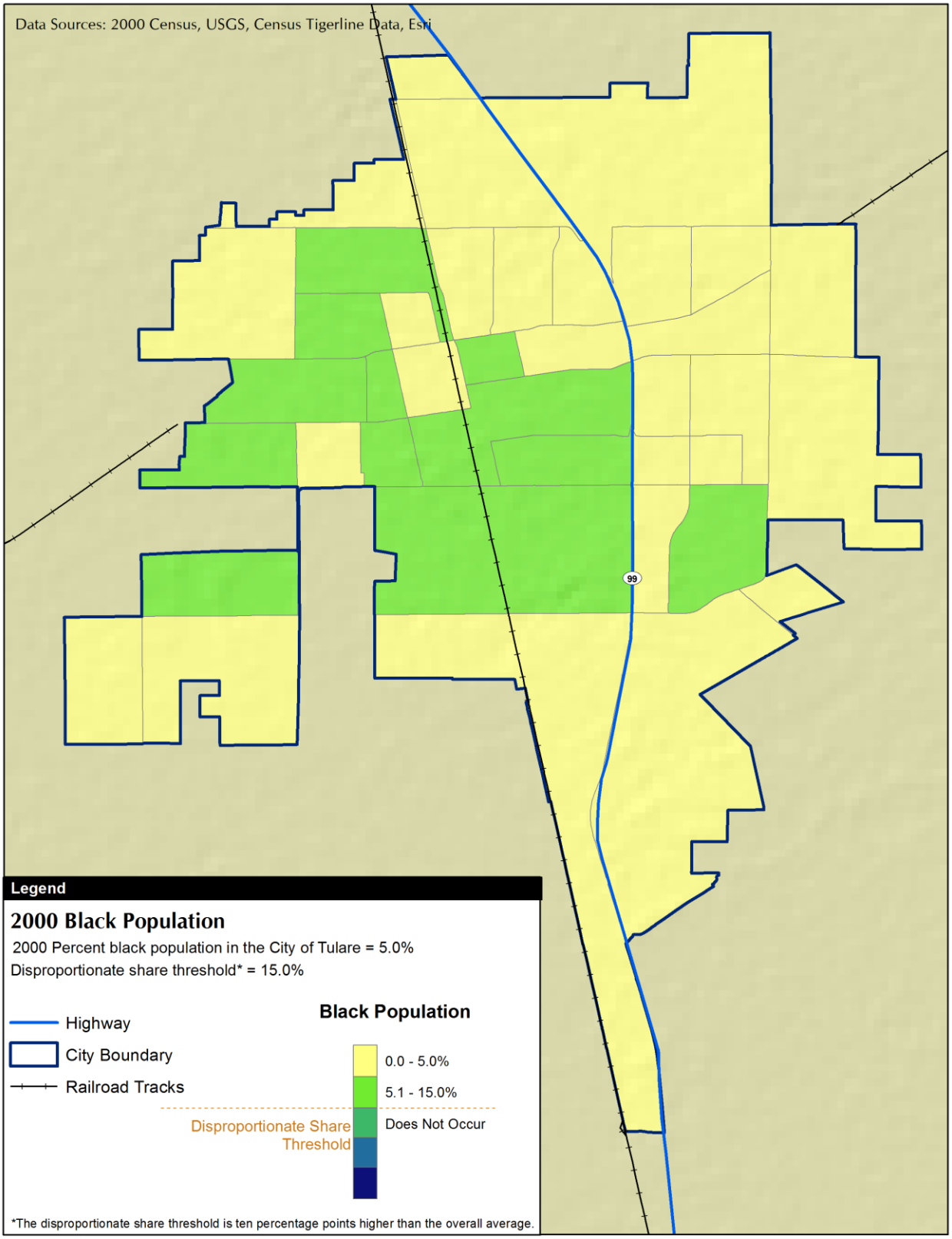
In fact, there were no disproportionate concentrations of black residents in any city block groups in 2000, as shown in Map II.1 on the following page. In that year, there were above-average concentrations of black residents in several block groups to the west of Highway 99, and one block group to the east of the highway.

Though the black population represented a smaller share of the overall population in 2010, the distribution of black residents remained similar to what it had been in 2000. As shown in Map II.2 on page 25. In both years, the largest concentration of black residents appeared in a Census block group bounded to the north by Martin Luther King Boulevard, to the south by Bardsley Avenue, and to the west by the railroad tracks. This area retained roughly the same share of black residents in 2010 as it had in 2000, in spite of a decline in the shares of black residents in block groups to the west of the Highway 99.

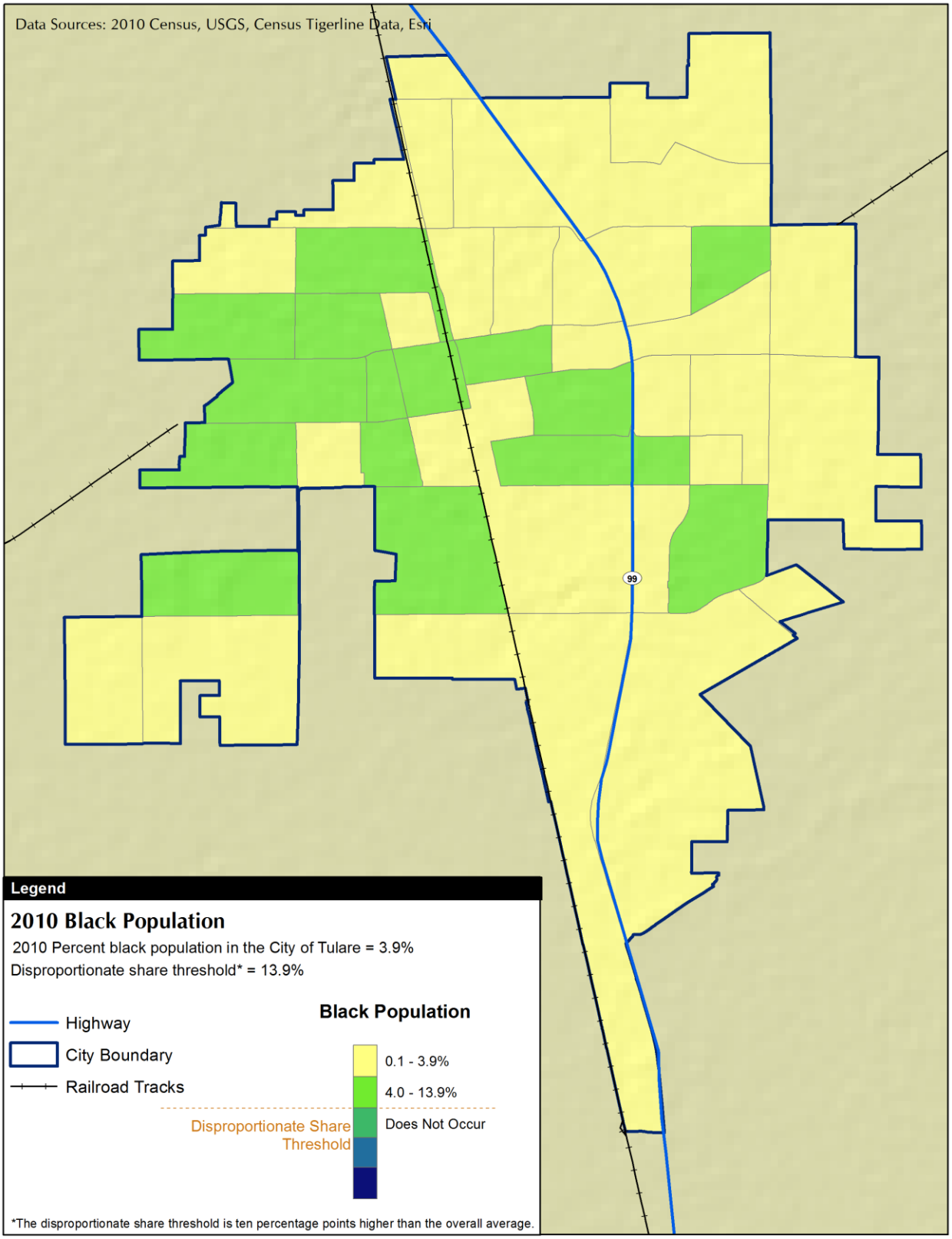
Unlike the black population, the majority Hispanic population did appear in disproportionate concentrations in 2000 and 2010. As shown in Map II.3 on page 26, the highest concentrations of Hispanic residents were observed in the block group encompassing the county fairgrounds.[14] In general, Hispanic residents were disproportionately concentrated in block groups to the west of Highway 99, in more populous central areas. The period between decennial Census counts saw a shift in the distribution of the Hispanic population, which tended to grow faster as a share of the population in peripheral rather than in central Census block groups. Nevertheless, as shown in Map II.4 on page 27, the Hispanic population in 2010 remained largely concentrated in block groups to the west of the city center.

[14] This is the same block group discussed previously as holding the largest concentration of black residents.

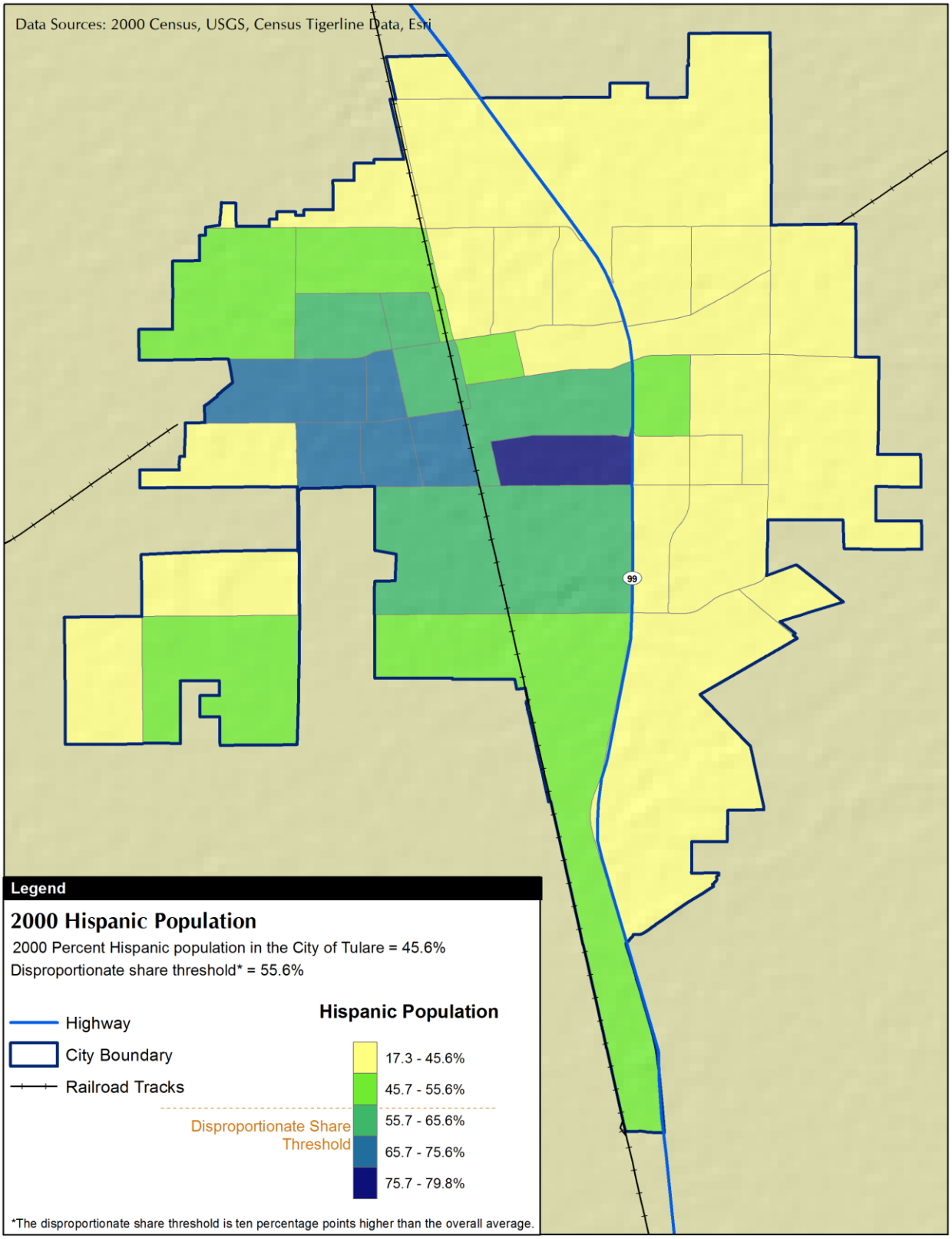
Map II.1
Black Population by Census Block Group, 2000
The City of Tulare
2000 Census Data



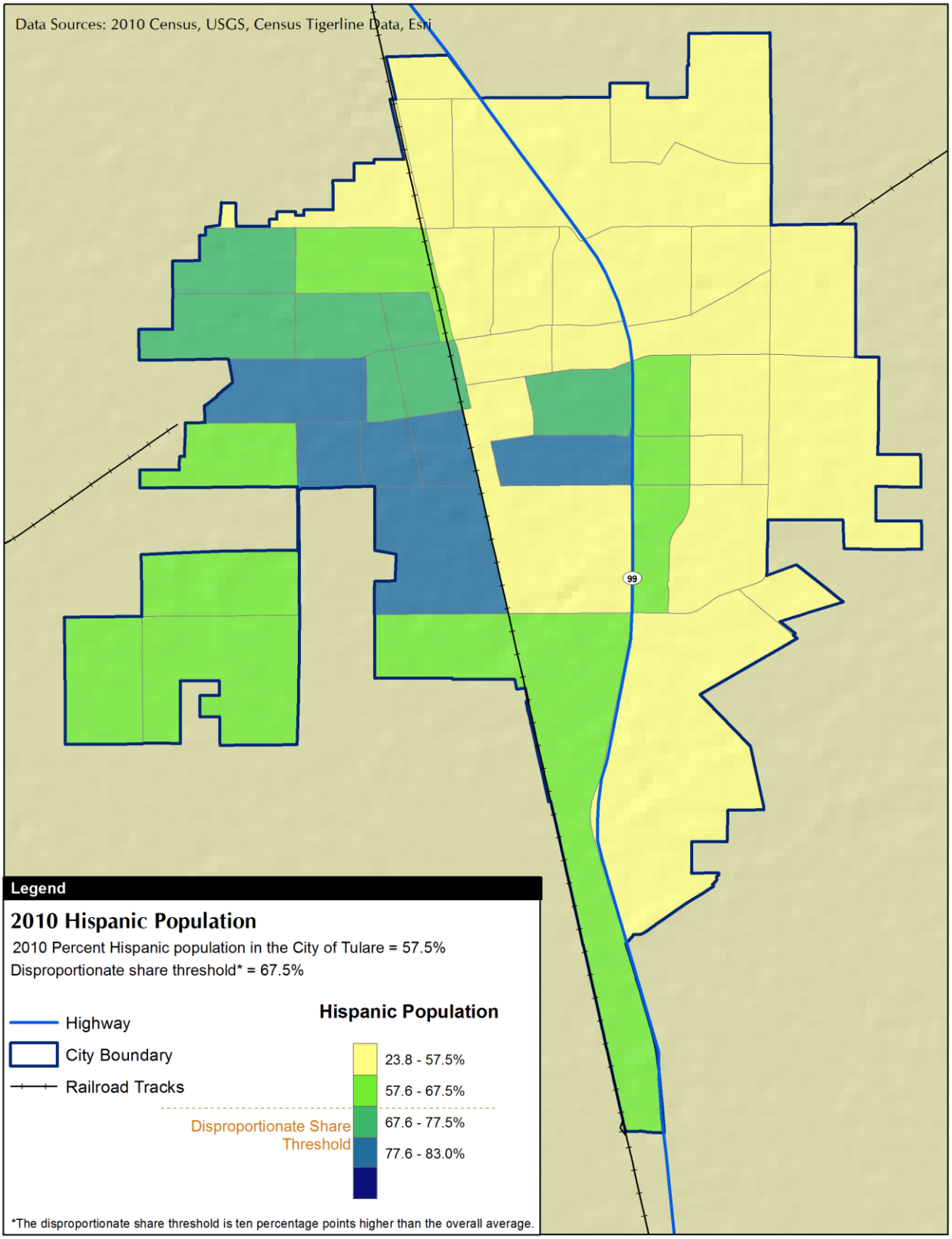
Map II.2
Black Population by Census Block Group, 2010
City of Tulare
2010 Census Data



Map II.3
Hispanic Population by Census Block Group, 2000
City of Tulare
2000 Census Data



Map II.4
Hispanic Population by Census Block Group, 2010
City of Tulare
2010 Census Data



As noted above, a substantial minority of residents in 2000 identified their race as "other", or 29.1 percent. As shown in Map II.5 on the following page, these residents accounted for larger shares of the population in Census block groups to the west of Highway 99 in that year. The highest concentrations of residents identifying their race as "other" were observed in Census block groups to the west of the railroad tracks, bounded to the north and south by Inyo Avenue and Bardsley Avenue, respectively, and in the central block group containing the county fairgrounds. Surrounding block groups also tended to have relatively high concentrations of "other" residents.

The overall distribution of "other" residents was similar in 2010, as shown in Map II.6 on page 30. However, there was a marked reduction in the concentration of these residents in the city as a whole, as well as in individual block groups. In 2000, "other" residents comprised more than half the population in several block groups; by 2010, no more than 44.3 percent of the population identified their race as "other" in any individual block group.

Disability Status

Just over a fifth of the city's population in 2000 was living with a sensory impairment; a condition restricting walking, climbing stairs, reaching, lifting, or carrying, or some other form of disability. As shown in Table II.5 at right, the incidence of disability tended to rise with age, with 45.1 percent of the elderly population living with some form of disability.

Table II.5
Disability by Age
City of Tulare
2000 Census SF3 Data

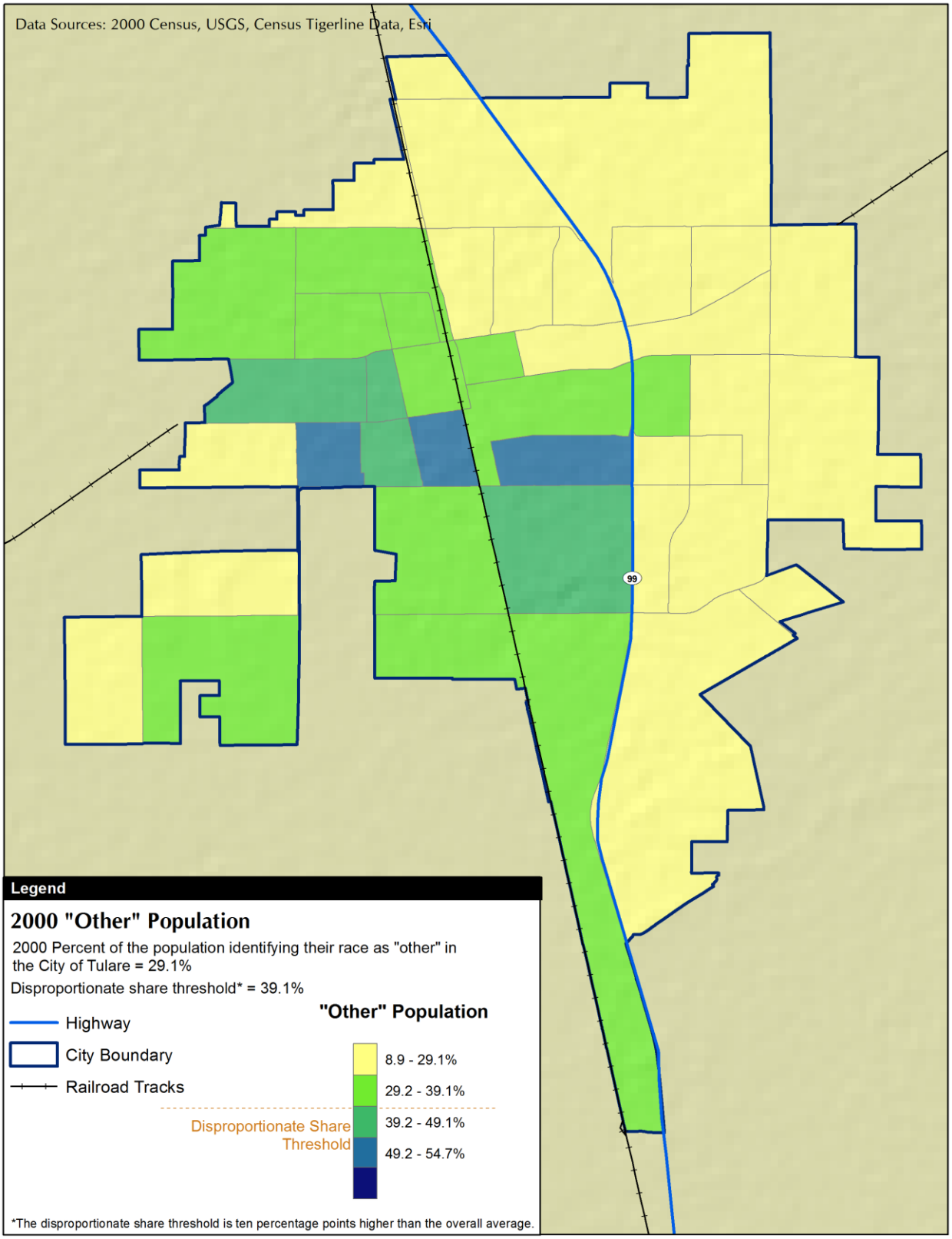
Age	Total	
	Population with Disabilities	Disability Rate
5 to 15	544	5.7%
16 to 64	6,084	23.2%
65 and older	1,775	45.1%
Total	**8,403**	**21.2%**

While the 2009-2013 ACS offers a more detailed and comprehensive breakdown of the incidence of disabilities by age, the overall portrait is similar to what was observed in 2000. As shown in Table II.6 below, disability rates tended to rise with age, and 60 percent of the population aged 75 or older was living with some form of disability in 2009-2013. However, it must be noted that the overall conception of disability employed in the ACS after 2008 differs considerably from that of the 2000 Census, and the Census Bureau discourages direct comparison between pre- and post-2008 counts or estimates. Accordingly, the 11.3 percent disability rate measured in 2009-2013 does not necessarily represent a drop of 9.9 percentage points in the incidence of disability after 2000.

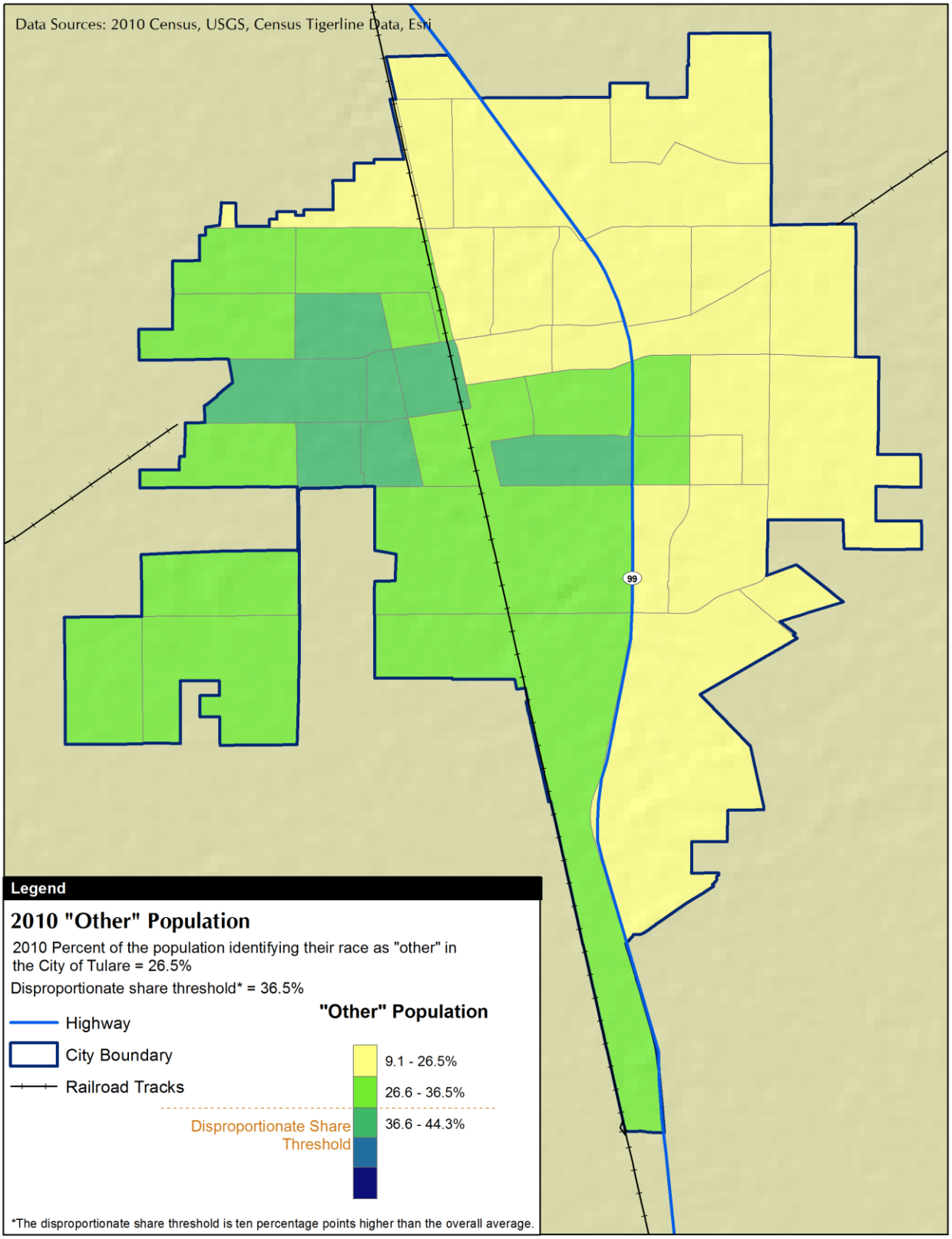
Table II.6
Disability by Age
City of Tulare
2013 Five-Year ACS Data

Age	Male		Female		Total	
	Disabled Population	Disability Rate	Disabled Population	Disability Rate	Disabled Population	Disability Rate
Under 5	11	.4%	25	.9%	36	.7%
5 to 17	420	6.4%	155	2.2%	575	4.2%
18 to 34	438	5.8%	370	4.6%	808	5.2%
35 to 64	1,256	12.9%	1,811	17.9%	3,067	15.4%
65 to 74	403	27.8%	507	32.2%	910	30.1%
75 or Older	559	58.0%	788	61.5%	1,347	60.0%
Total	**3,087**	**10.6%**	**3,656**	**11.9%**	**6,743**	**11.3%**

Map II.5
"Other" Population by Census Block Group, 2000
City of Tulare
2000 Census Data



Map II.6
"Other" Population by Census Block Group, 2010
City of Tulare
2010 Census Data



Because the 2009-2013 ACS does not provide data on disability at the block group level, the distribution of the population with disabilities in 2000 and 2009-2013 is presented by Census tract on the following pages. There were no disproportionate concentrations of residents with disabilities observed at the Census tract level in 2000, as shown in Map II.7 on the following page. Census tracts with above-average concentrations of residents with disabilities tended to be located in and around the city center, with peripheral areas showing smaller concentrations of residents with disabilities in 2000.

The distribution of the population with disabilities was largely similar in 2009-2013 to what it had been in 2000, as shown in Map II.8 on page 33, though there was an above-average concentration of residents with disabilities in a large Census tract in the south of the city over the five-year period.

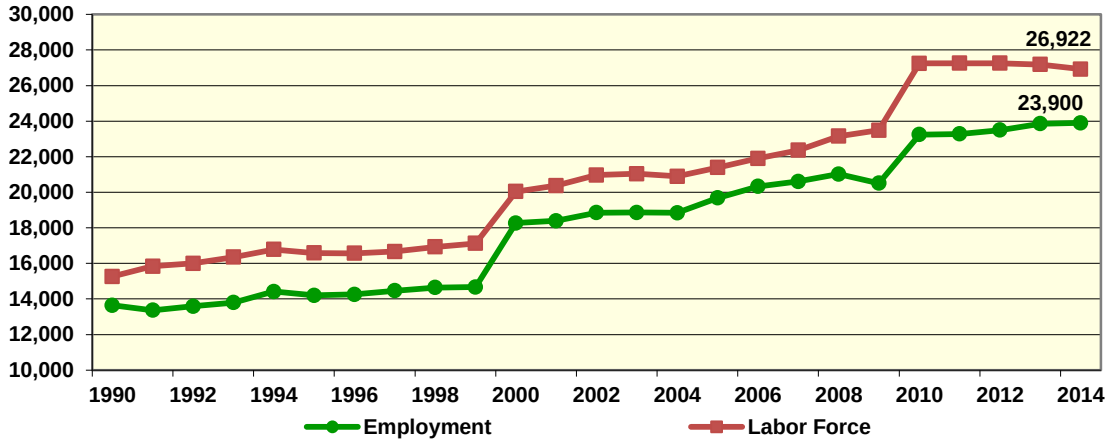
Economics

Data indicating the size and dynamics of the City of Tulare's job markets, workforce, incomes, and persons in poverty provide essential contextual background and indicate the potential buying power or other limitations of city residents when making a housing choice.

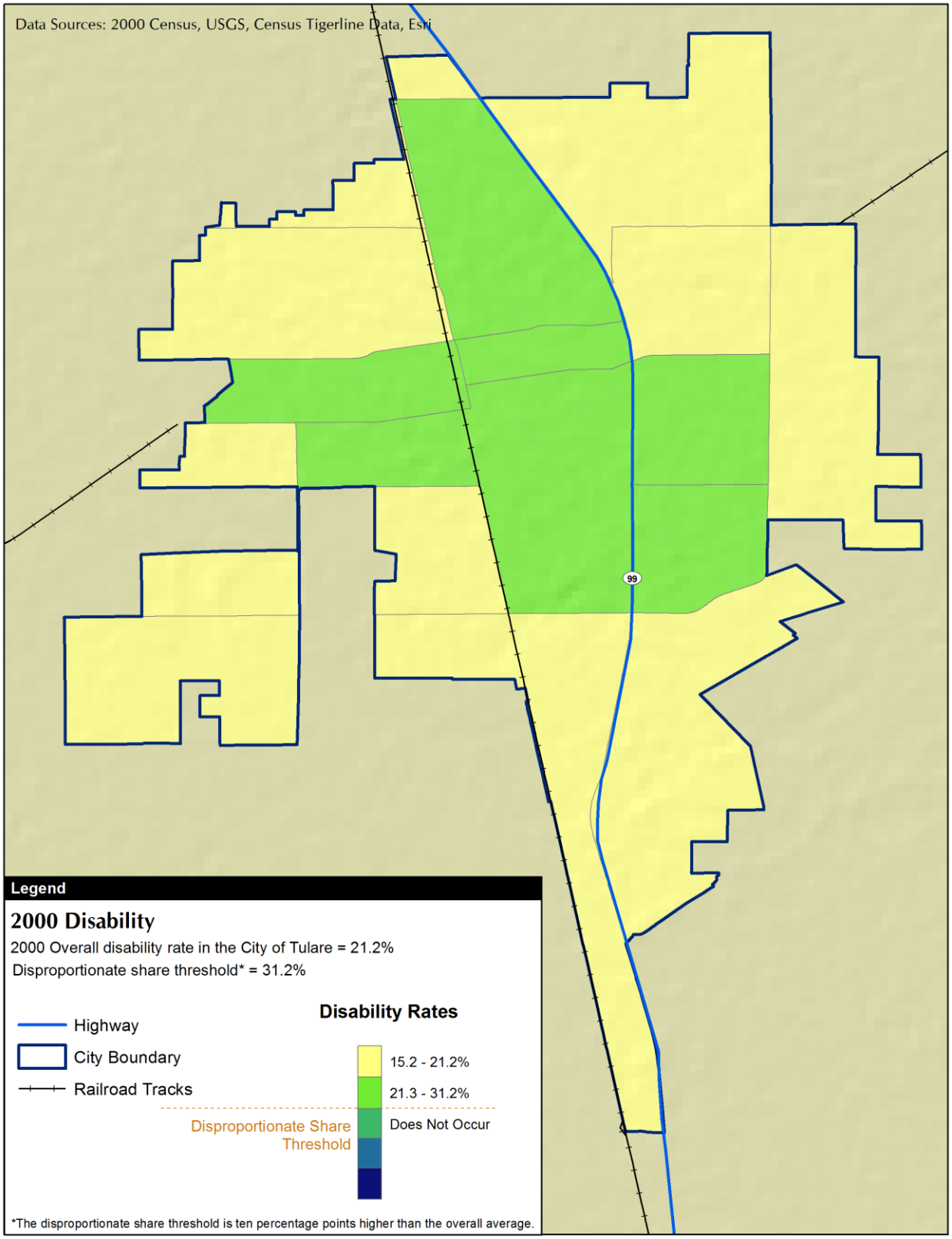
Labor Force and Employment

The Bureau of Labor Statistics collects data on labor force participation and employment, and represents a count of people either working or seeking work. These data are collected through the Current Employment Statistics program, which surveys about 144,000 businesses and government agencies each month. The unemployment rate is based on the gap between the number of employed persons and the total number in the labor force; this gap is represented as a percentage of the total labor force. Growth in the Tulare labor force has been relatively steady since 2000, in spite of a brief decline around 2003-2004, as shown in Diagram II.1 below. Growth in the number of employed persons in the city was positive but variable between 2000 and 2008. However, the number of employed declined sharply in 2009, even as the labor force continued to grow. Since 2010, the gap between the number of employed and the number of workers in the labor force has steadily shrunk.

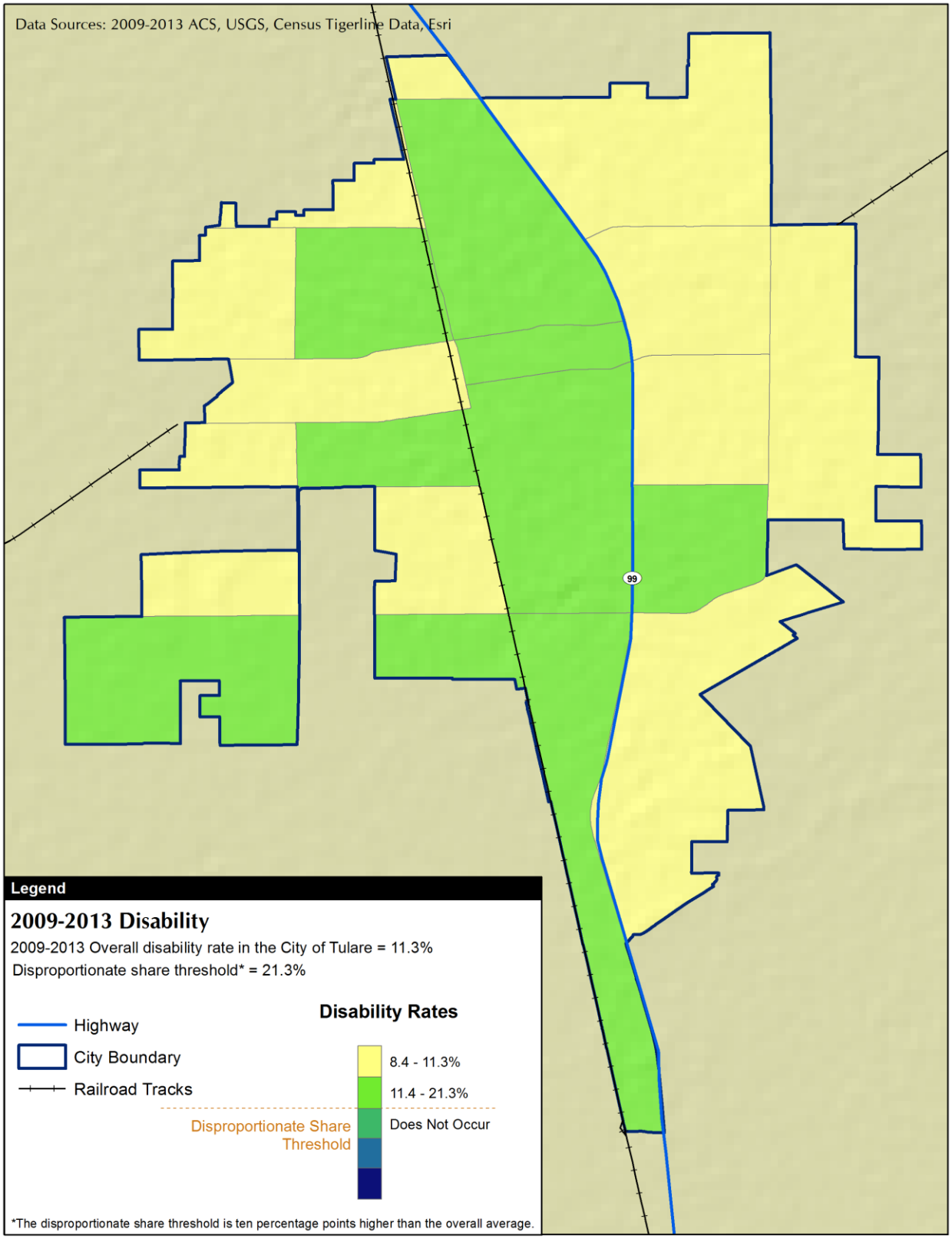
Diagram II.1
Employment and Labor Force
City of Tulare
1990-2014 BLS Data



Map II.7
Population with Disabilities by Census Tract, 2000
City of Tulare
2000 Census Data

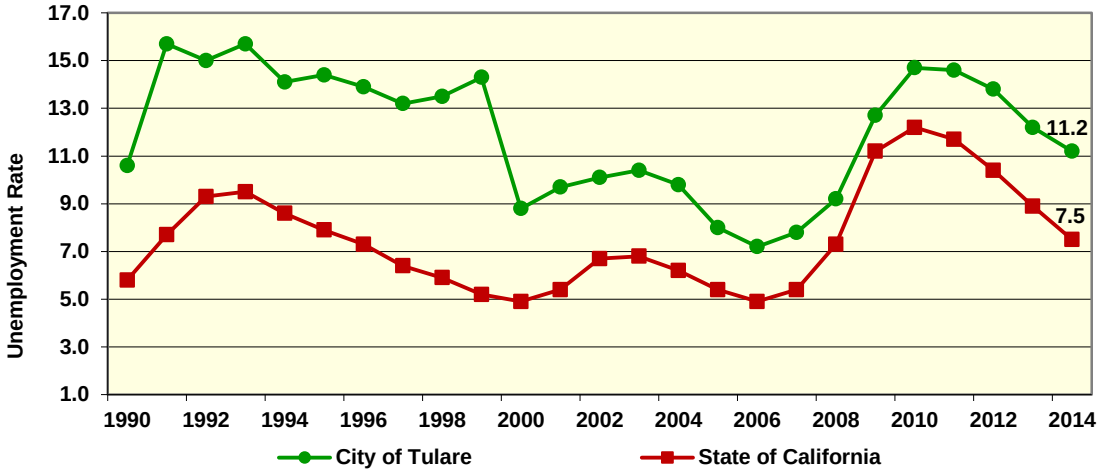


Map II.8
Population with Disabilities by Census Tract, 2009-2013
City of Tulare
2009-2013 ACS Data



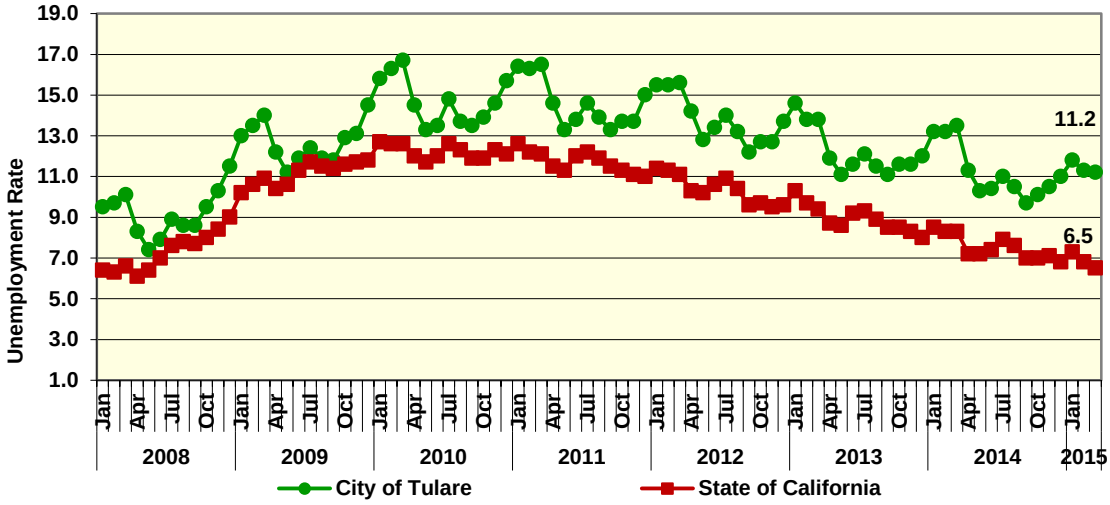
Trends in unemployment in the city have generally followed state-level trends since 2000, though the unemployment rate in the city has been higher than that of the state during that time. As shown in Diagram II.2 below, the unemployment rate rose from 2000 through 2003 as a result of tepid growth in the number of employed. As that growth picked up after 2003, the unemployment rate steadily fell. However, growth in the labor force began to outpace growth in the number of employed after 2006, leading to a rise in the unemployment rate, which accelerated with the decline in the number of employed in 2009. Rising unemployment continued through 2010, a year in which 14.7 percent of the labor force was unable to find a job. Since that time the unemployment rate has fallen, to 11.2 percent by 2014.

Diagram II.2
Unemployment Rate
City of Tulare
1990-2014 BLS Data



Monthly unemployment data from 2008 through early 2015, presented in Diagram II.3 below, demonstrate that the most recent spike in unemployment began around the middle of 2008, and persisted through early 2011. Since that time, the unemployment rate has fallen steadily, despite marked seasonal fluctuations.

Diagram II.3
Monthly Unemployment Rate
City of Tulare
1990-2014 BLS Data



FULL- AND PART-TIME EMPLOYMENT AND EARNINGS

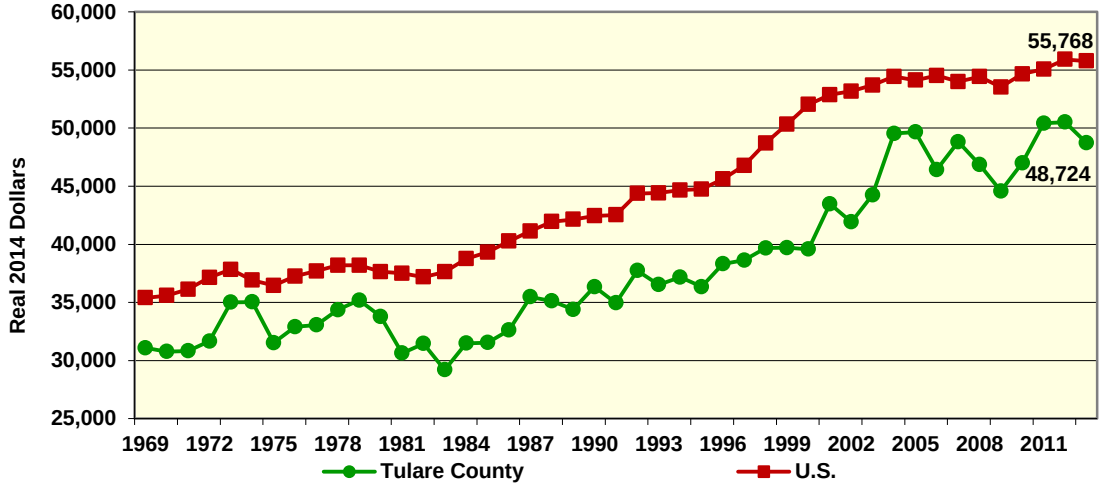
The Bureau of Economic Analysis (BEA) defines "total employment" as a count of jobs rather than workers, so workers can be counted twice in these data, e.g., those who work two or more part-time jobs. While these data are not available at the city-level, county-level data are presented below. Growth in the total number of jobs in the county has generally been steady since 1969, though it has shown considerable fluctuation in the past 15 years, as shown in Diagram II.4 below. The most substantial drop in the number of jobs in the city came after 2008, when the county lost over 4,600 full- and part-time jobs. Having fallen below 190,000 in 2009, total employment figures remained near that level for the next three years before rising to 193,397 in 2013.

Diagram II.4
Full- and Part-Time Employment
Tulare County
1969–2013 BEA Data

More substantial than fluctuations in the total number of jobs in the county have been recent fluctuations in the amount, in real dollars, that the average worker earns at his or her job.[15] Real average earnings per job increased markedly after 2000, as shown in Diagram II.5 on the following page. Within four years, earnings had risen by around $10,000 per year in 2013 dollars. However, after 2004 real earnings differed dramatically from one year to the next, falling below $45,000 per year in 2009 before rising above $50,000 over the next two years. This figure fell off slightly in 2013, and real average earnings per job stood at $48,724 in that year.

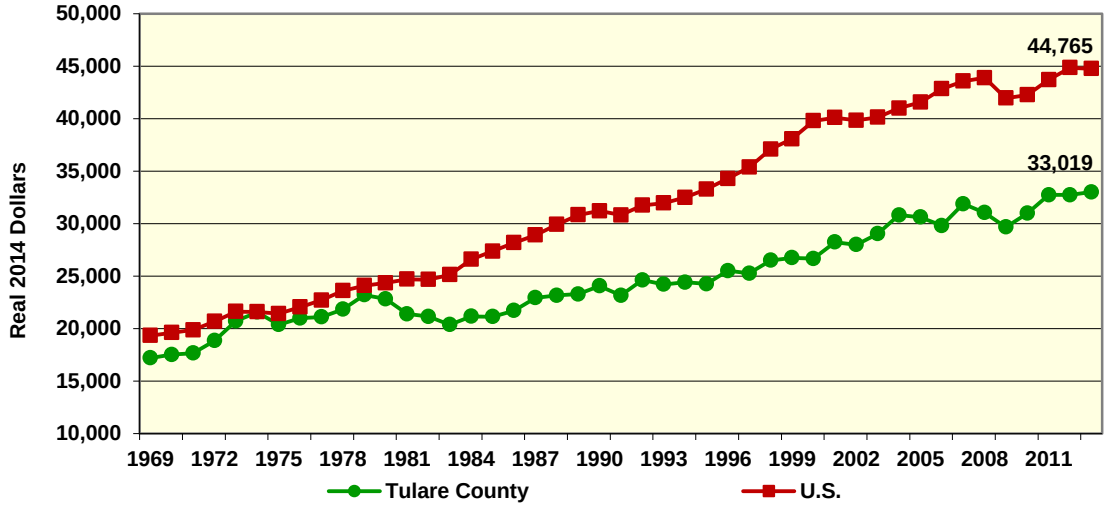
[15] Real average earnings per job is calculated by dividing total earnings from all jobs in the county by the number of jobs. These figures have been adjusted for inflation, and are presented in 2013 dollars.

Diagram II.5
Real Average Earnings per Job
Tulare County
1969–2013 BEA Data, 2013 Dollars



Though real average per capita income (PCI) has been steadier than real average earnings, it too has been subject to fluctuation since 2000, as shown in Diagram II.6 below[16] Real PCI, which includes income from wages, investments, transfer payments, and other sources, stood at around $26,700 in 2000. Like real average earnings per job, real PCI grew over the next four years, but fell after 2004. After a brief spike in real PCI in 2007, incomes in the county once again fell sharply for two consecutive years. Since 2009, real PCI has grown, though that growth has shown signs of leveling off in recent years.

Diagram II.6
Real Average per Capita Income
City of Tulare
1969–2013 BEA Data, 2013 Dollars



[16] Real average per capita income is calculated by dividing total income in the state by the number of residents in the state. As before, these figures are presented in 2013 dollars.

HOUSEHOLD INCOME

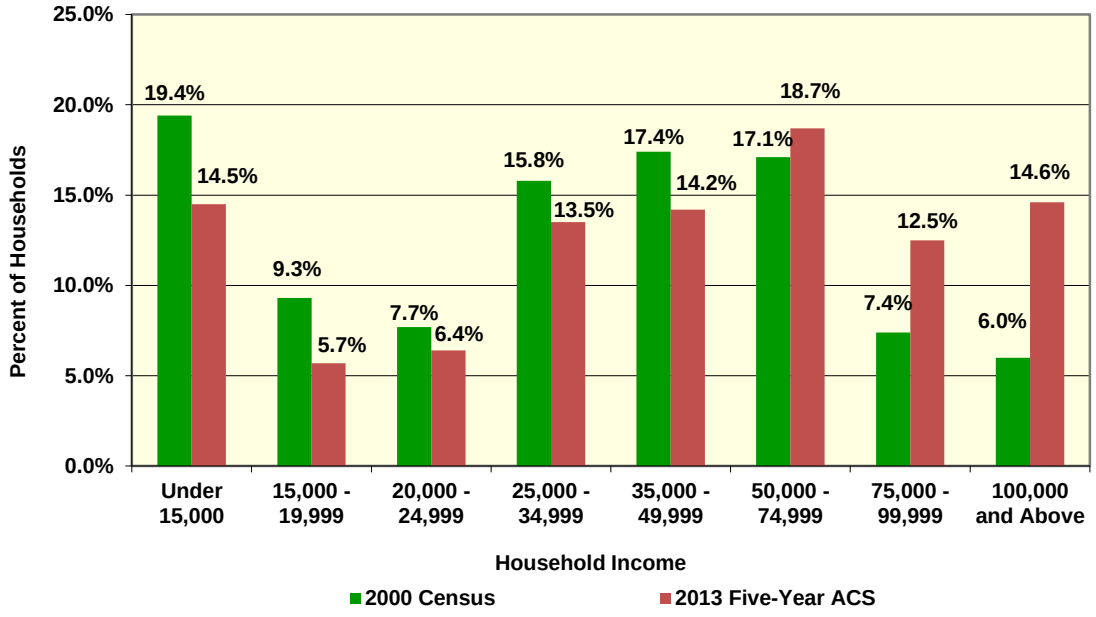
As earnings and income have risen in the county since 2000, higher income households have accounted for an increasingly large share of Tulare households overall. As shown in Table II.7 below, households earning less than $15,000 per year declined as a percentage of all households between 2000 and 2009-2013. In fact, the same was true of all households earning less than $50,000 per year. At the same time, the share of households earning $50,000 or more grew by over 15 percentage points.[17]

Table II.7
Households by Income
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data

Income	2000 Census		2013 Five-Year ACS	
	Households	% of Total	Households	% of Total
Less than $15,000	2,618	19.4%	2,610	14.5%
$15,000 to $19,999	1,255	9.3%	1,025	5.7%
$20,000 to $24,999	1,036	7.7%	1,153	6.4%
$25,000 to $34,999	2,131	15.8%	2,438	13.5%
$35,000 to $49,999	2,358	17.4%	2,553	14.2%
$50,000 to $74,999	2,305	17.1%	3,370	18.7%
$75,000 to $99,999	1,000	7.4%	2,254	12.5%
$100,000 or More	811	6.0%	2,631	14.6%
Total	**13,514**	**100.0%**	**18,034**	**100.0%**

Diagram II.7 below portrays the shift toward higher incomes in the city between 2000 and 2013.

Diagram II.7
Households by Income
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data



[17] Dollar figures in this section are presented in "current" dollars.

POVERTY

The Census Bureau uses a set of income thresholds that vary by family size and composition to determine poverty status. If a family's total income is less than the threshold for its size, then that family, and every individual in it, is considered poor. The poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index. The official poverty definition counts income before taxes and does not include capital gains and non-cash benefits such as public housing, Medicaid, and food stamps. As shown in Table II.8 below, the poverty rate in the city grew by less than one percentage point between 2000 and 2009-2013. However, the poverty rate appears to have risen more quickly among families with young children than among elderly residents and families with older children.

Table II.8
Poverty by Age
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data

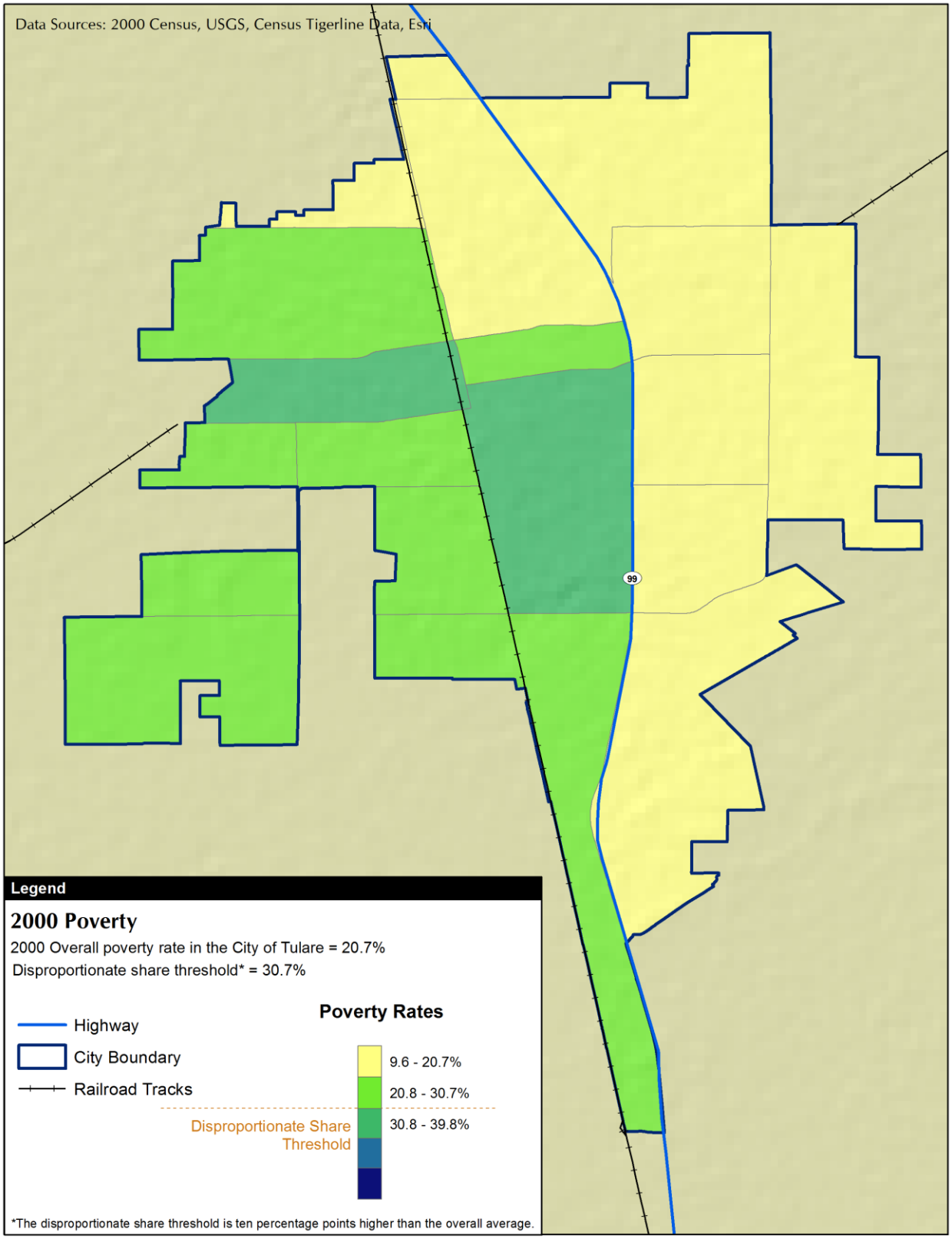
Age	2000 Census		2013 Five-Year ACS	
	Persons in Poverty	% of Total	Persons in Poverty	% of Total
Under 6	1,228	13.7%	2,086	16.4%
6 to 17	2,820	31.5%	3,339	26.2%
18 to 64	4,355	48.6%	6,700	52.7%
65 or Older	551	6.2%	597	4.7%
Total	**8,954**	**100.0%**	**12,722**	**100.0%**
Poverty Rate	**20.7%**	**.**	**21.4%**	**.**

As with geographic data concerning disability, the smallest geographical area for which poverty data from the 2009-2013 five-year ACS are tabulated is the Census tract. For that reason, the geographic distribution of households living in poverty in 2000 and 2009-2013 is presented, for ease of comparison, by Census tracts in maps on the following pages.

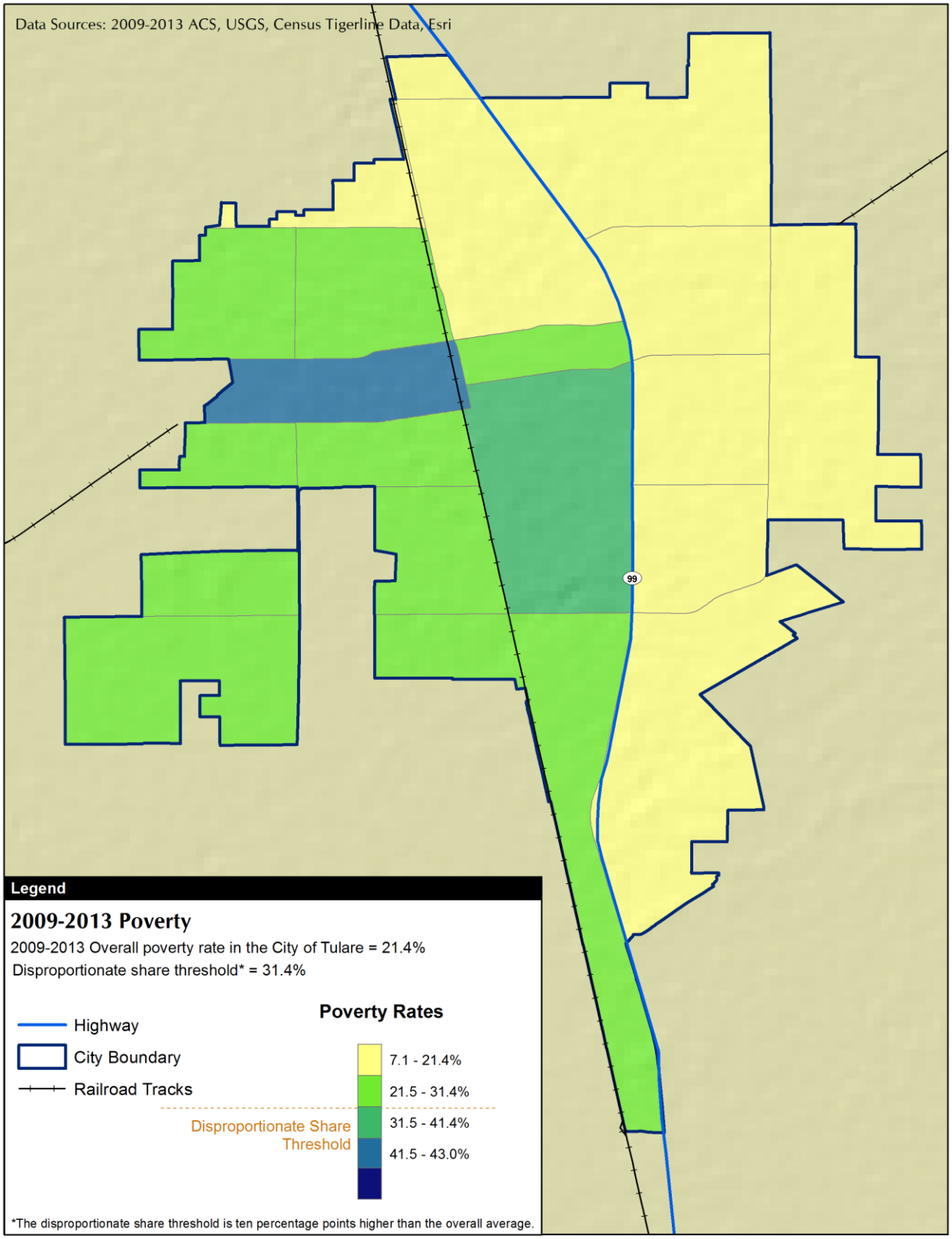
Census tracts with disproportionately high poverty rates, defined as the percentage of tract residents living in poverty, were exclusively located to the west of Highway 99 in 2000. As shown in Map II.9 on the following page, more than thirty percent of the population was living in poverty in the large Census tract encompassing the county fairgrounds in 2000, as well as in the Census tract that lay between West Inyo and West Cross Avenues, to the west of the city center.

By 2009-2013, the share of residents living in poverty in the latter Census tract had risen to 43 percent, as shown in Map II.10 on page 40. In other respects, the distribution of poverty in 2009-2013 resembled the distribution of poverty in 2000, with above-average concentrations of poverty appearing exclusively in Census tracts to the west of Highway 99. In addition, the poverty rate in the large Census tract containing the county fairgrounds, which had a disproportionate concentration of households living in poverty in 2000, continued to be disproportionately high in 2009-2013.

Map II.9
Poverty Rate by Census Tract, 2000
City of Tulare
2000 Census Data



Map II.10
Poverty Rate by Census Tract, 2009-2013
City of Tulare
2009-2013 ACS Data



RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY

The Office of Policy Development and Research ("PD & R") at the Department of Housing and Urban Development has developed a tract-level definition of racially- and ethnically-concentrated areas of poverty (R/ECAPs). According to PD & R, Census tracts are to count as R/ECAPs if non-Hispanic white residents account for less than 50 percent of tract residents, and one of the following two conditions occurs:

1. The poverty rate, or share of residents living in poverty, exceeds 40 percent, or
2. The poverty rate is three times the area average, whichever threshold is lower.

There was one Census tract in the city that would be considered an ethnically concentrated area of poverty in 2010, as shown in Map II.11 on the following page. This tract lay largely to the west of the railroad tracks, between Cross Avenue and Inyo Avenue. As shown in Table D.1 in Appendix D, residents in this tract are beset by a number of challenges, including limited labor market engagement, unemployment, low participation in the labor force, "other vacant" housing units, overcrowding, and cost-burdening, among others. There were no R/ECAPs in the city in 2000.

HOUSING

Simple counts of housing by age, type, tenure, and other characteristics form the basis for the housing stock background, suggesting the available housing in the city from which residents have to choose. Examination of households, on the other hand, shows how residents use the available housing, and shows household size and housing problems such as incomplete plumbing and/or kitchen facilities. Review of housing costs reveals the markets in which housing consumers in the city can shop, and may suggest needs for certain populations.

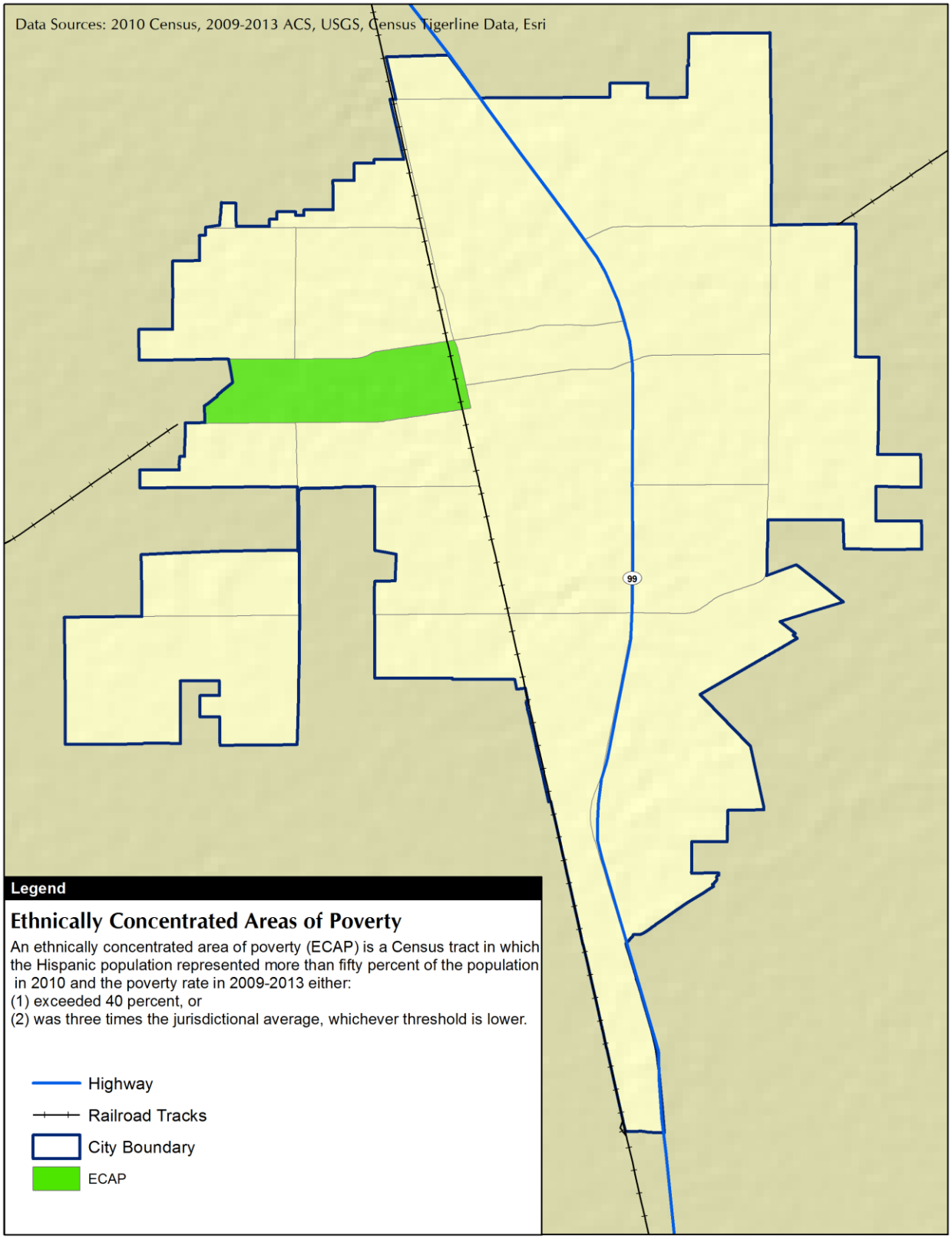
CHARACTERISTICS OF THE HOUSING STOCK

Between 2000 and 2010, the number of housing units in the city increased by 32.3 percent. Growth in the housing stock slightly outpaced growth in the number of households over the same time period, and the share of units that were occupied declined slightly, as shown in Table II.9 below. At the same time, a greater percentage of households were opting to rent rather than own the homes they lived in, and owner-occupied units declined as a share of occupied units overall. The number of vacant units grew by 61 percent over the decade, and these units came to account for 6.1 percent of the city's housing stock by 2010.

Table II.9
Housing Units by Tenure
City of Tulare
2000 & 2010 Census SF1 Data

Tenure	2000 Census		2010 Census		% Change 00–10
	Units	% of Total	Units	% of Total	
Occupied Housing Units	13,543	95.0%	17,720	93.9%	30.8%
Owner-Occupied	8,196	60.5%	10,389	58.6%	26.8%
Renter-Occupied	5,347	39.5%	7,331	41.4%	37.1%
Vacant Housing Units	710	5.0%	1,143	6.1%	61.0%
Total Housing Units	**14,253**	**100.0%**	**18,863**	**100.0%**	**32.3%**

Map II.11
Ethnically-Concentrated Areas of Poverty, 2010
City of Tulare
2010 Census Data, 2009-2013 ACS Data



It was largely in peripheral Census tracts in the north, east, and northwest of the city that the share of owner-occupied units tended to exceed the citywide average of 58.6 percent in 2010. As shown in Map II.12 on the following page, more than 78 percent of occupied housing units in the several northern Census block groups were occupied by their owners in 2010. Relatively few central Census tracts held above-average or disproportionately high concentrations of owner-occupied units, and almost no such concentrations were observed in areas to the south of Bardsley Avenue, barring a single block group in the east of the city.

Based on the distribution of owner-occupied units in 2010, it is not surprising that renter-occupied units tended to be concentrated in Census block groups closer to the city center. As shown in Map II.13 on page 45, as much as 85 percent of occupied units were occupied by renters in the block group encompassing Tulare Union High School, as well as the two block groups to the immediate west and northwest of that one. Shares of renter-occupied units were also above-average in Census tracts in the south of the city, but were generally at or below average in Census tracts in the north of the city.

VACANT HOUSING

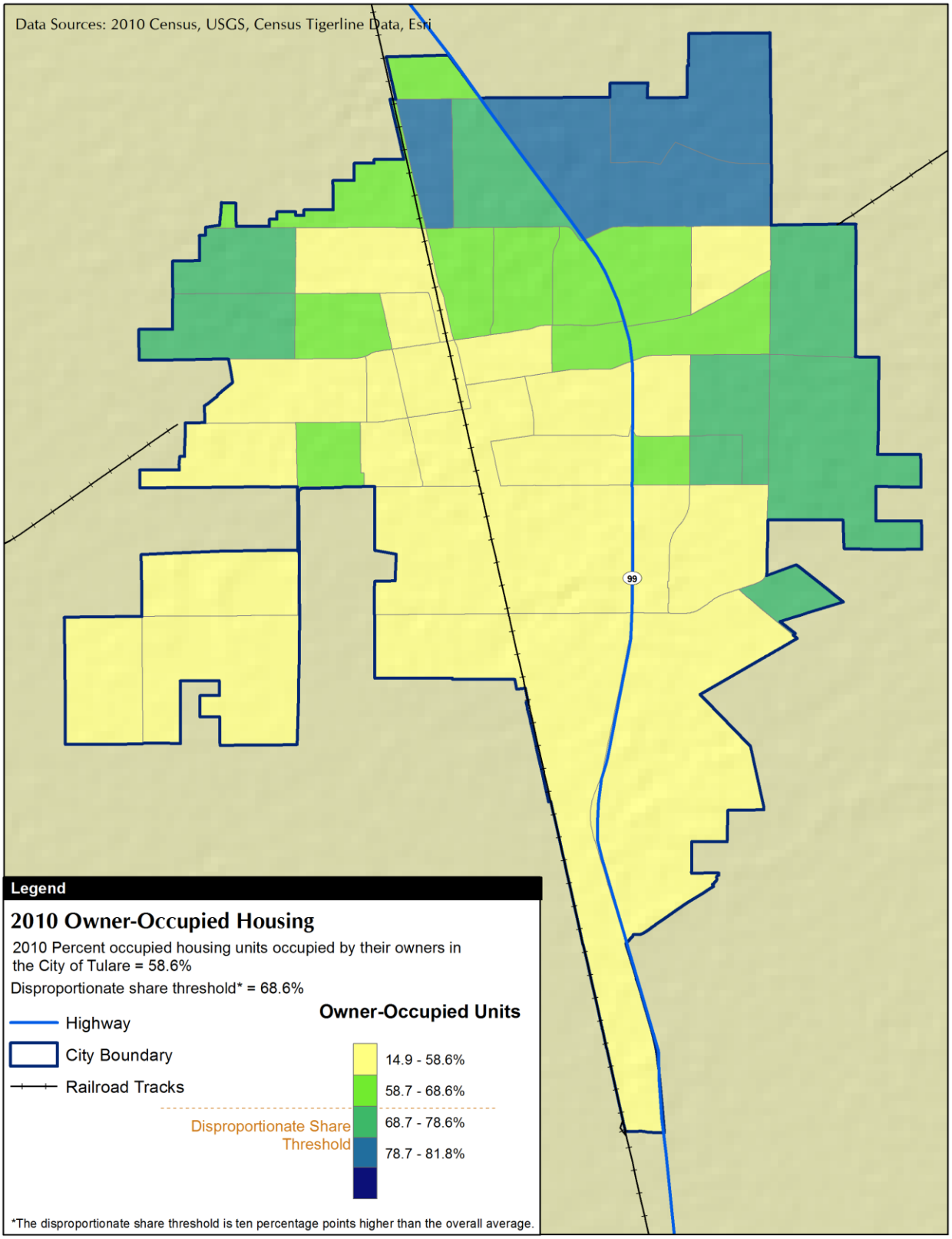
As noted above, the number of vacant units in the city increased by 61 percent between the 2000 and 2010 Census counts. Much of this growth was driven by the addition of over 300 homes to the city's housing market, including 123 that were available for rent and 193 that were available for purchase, as shown in Table II.10 below. Units classified as "other vacant" also contributed to the growth of vacant units overall. However, the number of "other vacant" units grew relatively slowly, accounting for a smaller share of vacant housing units in 2010 than they had in 2000. This is a positive development: because they are not available to the marketplace, "other vacant" units may fall into dilapidation and represent a blighting influence where they are clustered together.

Table II.10
Disposition of Vacant Housing Units
City of Tulare
2000 & 2010 Census SF1 Data

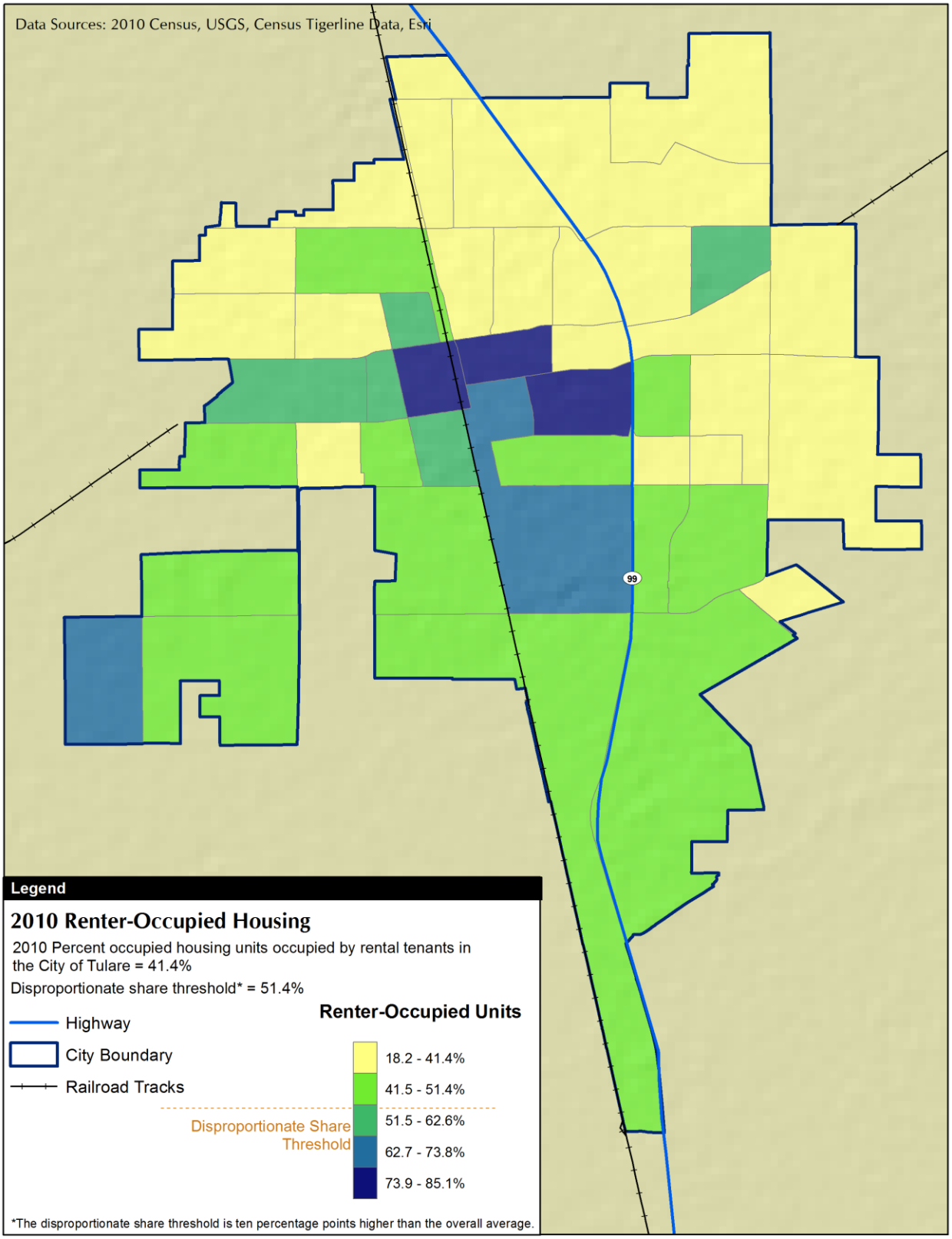
Disposition	2000 Census		2010 Census		% Change 00–10
	Units	% of Total	Units	% of Total	
For Rent	306	43.1%	429	37.5%	40.20%
For Sale	112	15.8%	305	26.7%	172.32%
Rented or Sold, Not Occupied	45	6.3%	59	5.2%	31.11%
For Seasonal, Recreational, or Occasional Use	47	6.6%	64	5.6%	36.17%
For Migrant Workers	2	0.3%	0	0.0%	-100.00%
Other Vacant	198	27.9%	286	25.0%	44.44%
Total	**710**	**100.0%**	**1,143**	**100.0%**	**61.0%**

Census block groups with above-average shares of vacant housing units were scattered throughout the city, as shown in Map II.14 on page 46. There was also a cluster of block groups with above-average vacancy rates to the immediate west of the city center. However, there were no block groups with a disproportionate share of vacant housing units.

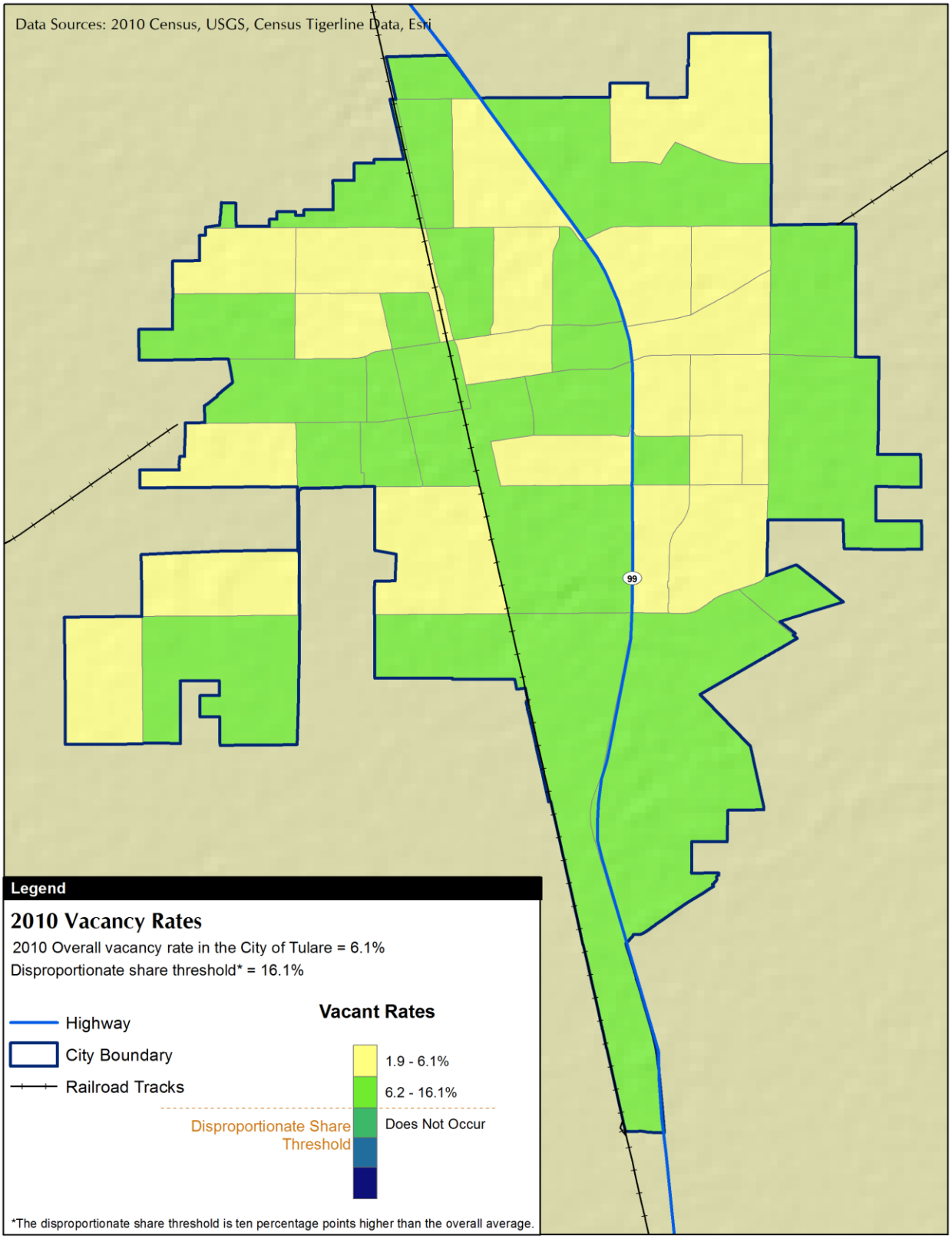
Map II.12
Owner-Occupied Housing Units by Census Block Group, 2010
City of Tulare
2010 Census Data



Map II.13
Renter-Occupied Housing Units by Census Block Group, 2010
City of Tulare
2010 Census Data



Map II.14
Vacant Housing Units by Census Block Group, 2010
City of Tulare
2010 Census Data



HOUSEHOLD SIZE

As the number of households in the city grew after 2000, so too did the size of the average household. As shown in Table II.11 below, 78.8 percent of all households in the city had fewer than five members in 2000. However, over the following decade the number of small households grew at a relatively slow pace, while the number of larger households; or those with five members or more, grew at a pace that was above average. By 2010, smaller households had declined as a share of overall households by over three percentage points, while the share of larger households grew by a corresponding amount.

Table II.11
Households by Household Size
City of Tulare
2000 & 2010 Census SF1 Data

Size	2000 Census		2010 Census		% Change 00–10
	Households	% of Total	Households	% of Total	
One Person	2,255	16.7%	2,862	16.2%	26.9%
Two Persons	3,506	25.9%	4,356	24.6%	24.2%
Three Persons	2,454	18.1%	3,002	16.9%	22.3%
Four Persons	2,451	18.1%	3,182	18.0%	29.8%
Five Persons	1,484	11.0%	2,188	12.3%	47.4%
Six Persons	738	5.4%	1,132	6.4%	53.4%
Seven Persons or More	655	4.8%	998	5.6%	52.4%
Total	**13,543**	**100.0%**	**17,720**	**100.0%**	**30.8%**

Housing units in the city consisted predominantly of single-family homes in 2000 and 2009-2013. As shown in Table II.12 below, these units represented 78.1 percent of all housing units in 2000, a share which grew to 82 percent by 2013. Apartments were the second most common type of housing unit in the city, but declined as a share of all housing units from 8 to 7.5 percent. Other types of housing units also declined as percentages of the overall housing stock.

Table II.12
Housing Units by Type
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data

Unit Type	2000 Census		2013 Five-Year ACS	
	Units	% of Total	Units	% of Total
Single-Family	11,109	78.1%	15,587	82.0%
Duplex	440	3.1%	410	2.2%
Tri- or Four-Plex	773	5.4%	935	4.9%
Apartment	1,132	8.0%	1,420	7.5%
Mobile Home	707	5.0%	637	3.3%
Boat, RV, Van, Etc.	66	0.5%	31	0.2%
Total	**14,227**	**100.0%**	**19,020**	**100.0%**

HOUSING PROBLEMS

While the full 2000 Census did not report significant details regarding the physical condition of housing units, some information can be derived from the SF3 data. These data relate to overcrowding, incomplete plumbing or kitchen facilities, and cost burdens. Though the same data were not collected during the 2010 Census, data were available for comparison from the 2009 to 2013 ACS averages.

In spite of the growing share of larger households in the city between 2000 and 2010, as described above, overcrowding was less prevalent by 2013 than it had been in 2000, as shown in Table II.13 below. At the time of the 2000 Census, 7.9 percent of housing units were overcrowded, meaning that they included between one and 1.5 residents per room. At the same time, 9 percent of units were severely overcrowded, meaning that they included more than 1.5 residents per room. All told, around 18 percent of units were overcrowded or severely overcrowded in 2000, a share that fell to around 9 percent by 2013.

Table II.13
Overcrowding and Severe Overcrowding
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data

Data Source	No Overcrowding		Overcrowding		Severe Overcrowding		Total
	Households	% of Total	Households	% of Total	Households	% of Total	
Owner							
2000 Census	7,308	89.1%	416	5.1%	474	5.8%	8,198
2013 Five-Year ACS	10,137	93.1%	591	5.4%	158	1.5%	10,886
Renter							
2000 Census	3,910	73.6%	657	12.4%	749	14.1%	5,316
2013 Five-Year ACS	6,304	88.2%	578	8.1%	266	3.7%	7,148
Total							
2000 Census	11,218	83.0%	1,073	7.9%	1,223	9.0%	13,514
2013 Five-Year ACS	16,441	91.2%	1,169	6.5%	424	2.4%	18,034

Incomplete plumbing or kitchen facilities are other indicators of potential housing problems. According to the Census Bureau, a housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower. Likewise, a unit is categorized as deficient when any of the following are missing from the kitchen: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

Less than one percent of housing units had incomplete plumbing facilities in 2000, as shown in Table II.14 below. By 2013, only 0.3 percent of housing units lacked complete plumbing facilities.

Table II.14
Households with Incomplete Plumbing Facilities
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data

Households	2000 Census	2013 Five-Year ACS
With Complete Plumbing Facilities	13,398	17,983
Lacking Complete Plumbing Facilities	116	51
Total Households	**13,514**	**18,034**
Percent Lacking	**0.9%**	**0.3%**

Similarly, relatively few households possessed incomplete kitchen facilities, as shown in Table II.15 on the following page. From 2000 through 2009-2013, the share of units without a sink with piped hot and cold water, a range top and oven, and a refrigerator fell from 0.7 to 0.4 percent.

Table II.15
Households with Incomplete Kitchen Facilities
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data

Households	2000 Census	2013 Five-Year ACS
With Complete Kitchen Facilities	13,413	17,953
Lacking Complete Kitchen Facilities	101	81
Total Households	**13,514**	**18,034**
Percent Lacking	**0.7%**	**0.4%**

Relatively few households were impacted by overcrowding, incomplete plumbing facilities, or incomplete kitchen facilities and the share of households that experienced any of these problems fell considerably after 2000. Not so with cost-burdening, which impacted an increasingly large share of households over time. Households are considered cost-burdened when more than 30 percent of their gross income, but less than 50 percent, goes toward housing costs. As shown in Table II.16 below, 22 percent of households were cost-burdened in 2009-2013, up from 19.3 percent in 2000. Similarly, the share of severely cost-burdened households rose from 13.4 to 19.9 percent. Households are considered severely cost-burdened when housing costs take up more than 50 percent of their monthly income.

Between 2000 and 2009-2013, homeowners with a mortgage saw a pronounced increase in the incidence of cost-burdening, which affected over a quarter of mortgagors in 2009-2013. However, more than thirty percent of all rental households were affected by severe cost-burdening in 2009-2013, exceeding the overall incidence of severe cost-burdening for homeowners with a mortgage, which was just under 14 percent.

Table II.16
Cost Burden and Severe Cost Burden by Tenure
City of Tulare
2000 Census & 2013 Five-Year ACS Data

Data Source	Less Than 30%		31%-50%		Above 50%		Not Computed		Total
	Households	% of Total	Households	% of Total	Households	% of Total	Households	% of Total	
Owner With a Mortgage									
2000 Census	3,931	67.5%	1,161	19.9%	714	12.3%	21	.4%	5,827
2013 Five-Year ACS	4,946	60.2%	2,082	25.3%	1,139	13.9%	48	0.6%	8,215
Owner Without a Mortgage									
2000 Census	1,343	88.7%	110	7.3%	61	4.0%	0	.0%	1,514
2013 Five-Year ACS	2,181	81.7%	291	10.9%	171	6.4%	28	1.0%	2,671
Renter									
2000 Census	2,901	54.8%	1,162	21.9%	916	17.3%	317	6.0%	5,296
2013 Five-Year ACS	3,037	42.5%	1,596	22.3%	2,276	31.8%	239	3.3%	7,148
Total									
2000 Census	8,175	64.7%	2,433	19.3%	1,691	13.4%	338	2.7%	12,637
2013 Five-Year ACS	10,164	56.4%	3,969	22.0%	3,586	19.9%	315	1.7%	18,034

Cost-burdened renters who experience one financial setback often must choose between rent and food or health care for their families. Similarly, homeowners with a mortgage who have just one unforeseen financial constraint; such as temporary illness, divorce, or the loss of employment; may face foreclosure or bankruptcy. Furthermore, households that no longer have a mortgage yet still experience a severe cost burden may be unable to conduct periodic maintenance and repair of their homes, and in turn, may contribute to a dilapidation and blight problem.

HOUSING COSTS

The increasing prevalence of cost-burdening in the city came as housing costs were growing, both for renters and owners. As shown in Table II.17 at right, half of Tulare's residents were paying $773 or more in contract rental costs alone in 2009-2013, up from $541 in 2000. At the same time, the median value of owner-occupied housing units in the city rose from $94,700 to $157,600. "Contract rent" refers to the cost of rent alone, and generally does not include the cost of utilities or other related costs.

Table II.17
Median Housing Costs
City of Tulare
2000 Census SF3 & 2013 Five-Year ACS Data

Housing Cost	2000	2013 Five-Year ACS
Median Contract Rent	$541	$773
Median Home Value	$94,700	$157,600

Housing costs in the city tended to be higher in the periphery than in central areas. As shown in Map II.15 on the following page, median contract rental costs were well below the citywide median in the Census block groups roughly bounded by Cross Avenue, E Street, Highway 99, and Paige Avenue, as well as in the large block group in the southwest of the city. By contrast, median contract rent prices ranged as high as $1,125 per month in block groups on the extreme eastern and western edges of town, and exceeded the citywide median in most peripheral block groups.

Median home values were at or below the citywide median over a wider area that included most of the city west of Highway 99, as shown in Map II.16 on page 52. Accordingly, block groups with above-average median home values tended to be more geographically concentrated, appearing primarily in block groups in the northeast of the city, where median home values ranged from $157,600 to $292,900.

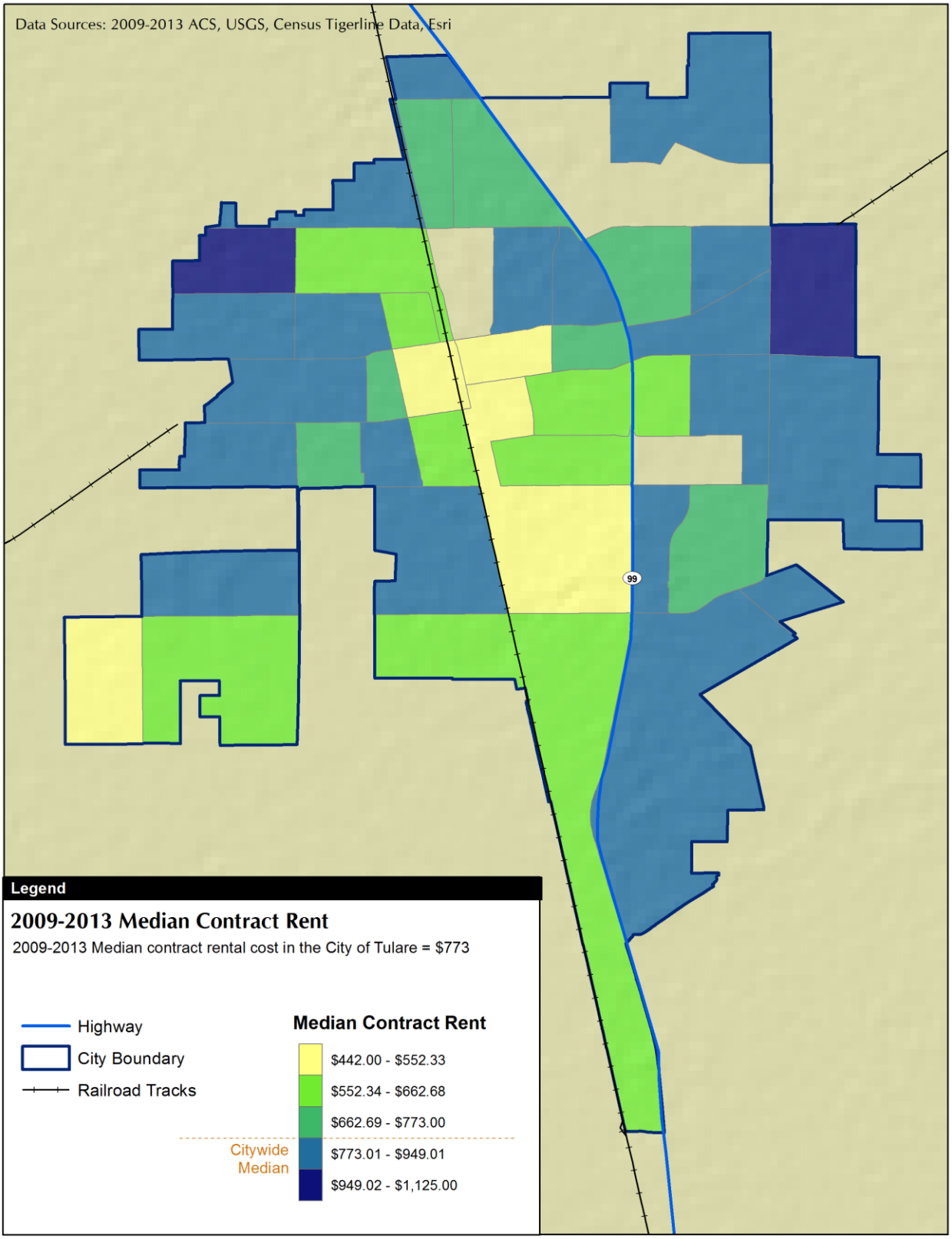
SUMMARY

The population of Tulare has grown by 40.6 percent since 2000. Residents aged 5 to 19, together with residents aged 35 to 54, accounted for almost half of that growth. Nevertheless, these groups represented smaller shares of city residents in 2010 than they had in 2000, as did residents aged 65 and older. The share of residents aged 55 to 64 grew during that same time period.

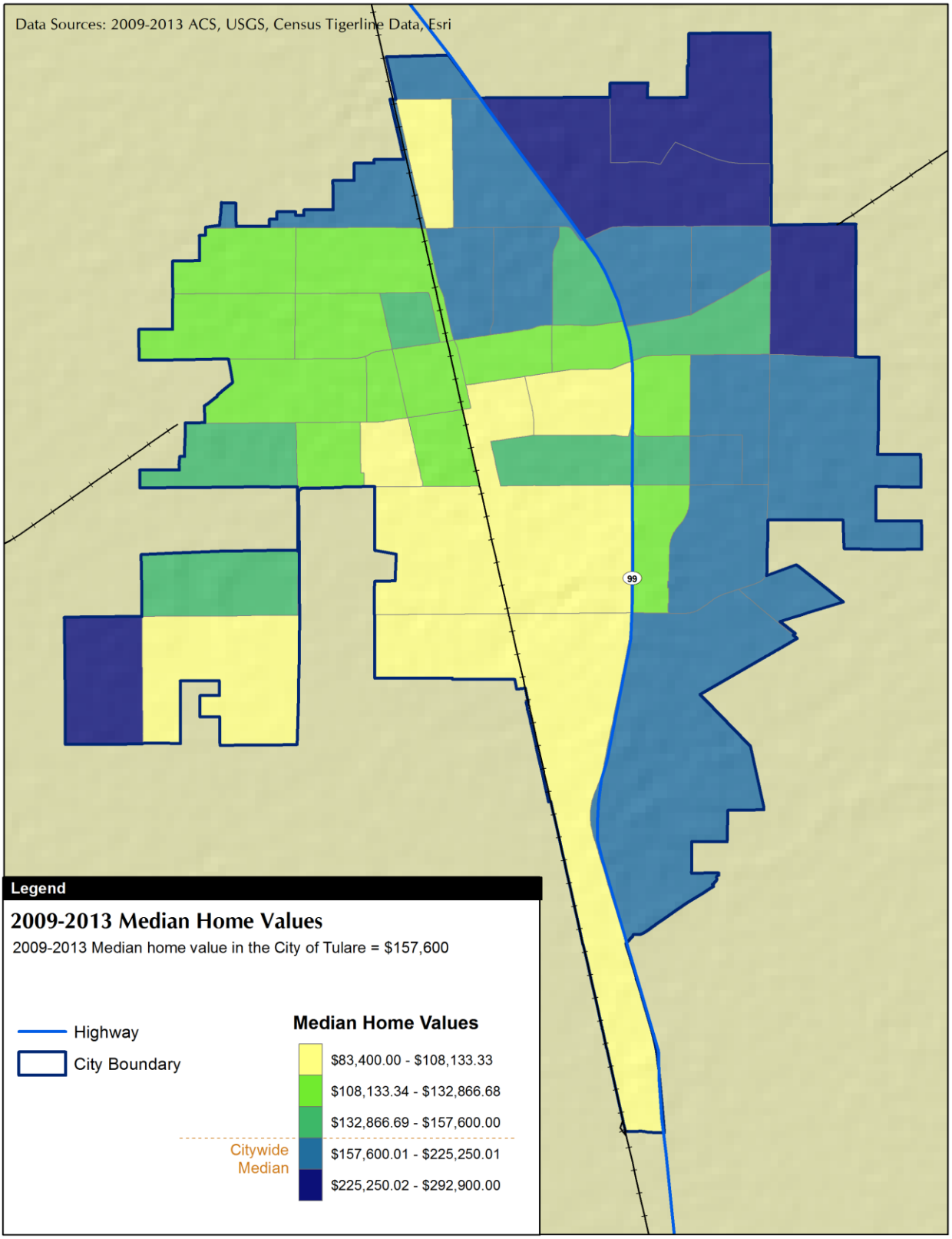
More than half of city residents were white in 2000, a share that had grown to 61.3 percent by 2010. The next largest racial group consisted of those who identified their race as "other", followed by those who belonged to two or more racial groups. However, residents from the latter two racial groups declined as a share of the population over the decade, as did black residents, who represented 3.9 percent of the population in 2010. Meanwhile, Hispanic residents grew as a share of the total population from 45.6 to 57.5 percent.[18] Black and Hispanic residents alike tended to account for larger shares of the population in block groups to the west of Highway 99, in and around the city center.

[18] Note that for the purposes of the Census Bureau, "Hispanic" is considered an ethnicity rather than a race.

Map II.15
Median Contract Rent
City of Tulare
2009-2013 ACS Data



Map II.16
Median Home Value
City of Tulare
2009-2013 ACS Data



There was one Census tract in the city that could be considered an ethnically-concentrated area of poverty in 2010. This tract lay mostly to the west of the railroad tracks, between Inyo and Cross Avenue. In the past, access of residents in that area to the downtown area has been restricted by trains that periodically block passage from one side of the city to the other. Improvements are currently underway that will improve access to areas of opportunity for residents in that Census tract.

Residents with disabilities also tended to be more highly concentrated to the west of Highway 99. However, there was one Census tract to the east of the highway with an above-average concentration of residents with disabilities in 2009-2013.[19] In that time period, residents with disabilities accounted for just over 11 percent of the city's population.

The size of the labor force generally grew steadily between 2000 and 2009, with the exception of a brief decline, in 2004. Growth in the number of employed persons in the city has also generally been positive. However, growth in the labor force began to outpace growth in the number of employed in 2007, leading to a rise in the unemployment rate. The increase in unemployment accelerated dramatically in 2009 as the number of employed fell by around 520. The unemployment rate climbed to nearly 15 percent in 2010 before a slow decline in the labor force, coupled with growth in employment, initiated a steady drop in the unemployment rate that continued through 2014. In that year, 11.2 percent of workers in the city were unable to find a job, on average.

Fluctuations in the city and Tulare County labor market were accompanied by marked yearly fluctuations in the amount of money that workers in Tulare County earned from their labor. The amount that the average worker earned at his or her job rose from just under $40,000 per year in 2000, in real dollars, to nearly $50,000 per year by 2004. However, over the next eight years that figure rose and fell sharply from one year to the next, and stood at $48,724 in 2013. A similar trend was observed in the average income that city residents received during the same time period, though fluctuations in income were considerably more muted. The average household income also rose during this time period.

In spite of rising incomes, the share of city residents living in poverty ticked upward from 20.7 to 21.4 percent. Geographically, Census tracts with comparatively high poverty rates lay exclusively to the west of Highway 99. These same Census tracts tended to have relatively high disability rates, and to encompass block groups with above-average concentrations of black and Hispanic residents.

As the population grew after 2000, so too did the size of the average household. Growth in the number of housing units in the city slightly outpaced growth in the number of households, leading to a moderate increase in the vacant housing stock. At the same time, rental housing units, which tended to be concentrated in central Census block groups, came to account for a larger share of occupied units overall. Owner-occupied units tended to be concentrated in peripheral Census block groups in the north, east, and west of the city. Much of the growth in the vacant housing stock was attributable to increases in the number of vacant units for rent and for sale. By 2010 vacant units that were available for sale constituted a considerably larger

[19] Because disability data from the 2009-2013 American Community Survey are not available at the block group level, maps of the population with disabilities are presented by Census tract.

share of vacant units than they had in 2000. Single-family units, which represented 78.1 percent of the housing stock in 2000, continued to predominate in 2009-2013, while all other types of housing units declined as a share of the housing stock.

Generally speaking, many of the housing problems identified in the 2000 were less prevalent in 2009-2013: In spite of the shift toward larger households in the city, the share of housing units that were considered overcrowded was smaller in 2009-2013 than in 2000.[20] Around 9 percent of units were overcrowded or severely overcrowded in 2009-2013, down from 17 percent in 2000. Similarly, a smaller share of housing units lacked complete plumbing or kitchen facilities in 2009-2013 than in 2000; no more than 0.5 percent of housing units in either case.

However, the city saw an increase in the number of housing units that are considered cost-burdened. Over thirty percent of households were cost-burdened or severely cost-burdened in 2000, meaning that housing costs consumed more than thirty percent of their combined monthly income. By 2009-2013, more than forty percent of households were cost-burdened to some degree, almost half of which were severely cost-burdened. Mortgage payments took up between 30 and 50 percent of monthly incomes in a quarter of households that were still under mortgage in 2009-2013, while more than 50 percent of renters were cost-burdened or severely cost-burdened.

Unsurprisingly, the increase in cost-burdening came as median housing costs in the city were rising. Half of all rental households in 2009-2013 were paying $773 or more in monthly rent, compared to a median rent of $541 in 2000. Median home values rose from $94,700 to $157,600 over the same time period.

[20] Overcrowding describes a situation in which a housing unit holds more than one resident per room, on average, but less than 1.5. Housing units are considered severely overcrowded if the number of residents per room exceeds 1.5.

SECTION III. FAIR HOUSING LAW, STUDY, AND CASE REVIEW

As part of the AI process, existing fair housing laws, studies, cases, and other relevant materials were reviewed on a national and local scale. Results of this review are presented below.

FAIR HOUSING LAWS

FEDERAL FAIR HOUSING LAWS

Federal laws provide the backbone for U.S. fair housing regulations. While some laws have been previously discussed in this report, a brief list of laws related to fair housing, as defined on the U.S. Department of Housing and Urban Development's (HUD's) website, is presented below:

> *Fair Housing Act* Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), 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 (including children under the age of 18 living with parents or legal custodians, pregnant women, and persons securing custody of children under the age of 18), and handicap (disability).[21]
>
> Title VIII was amended in 1988 (effective March 12, 1989) by the *Fair Housing Amendments Act* . . . In connection with prohibitions on discrimination against individuals with disabilities, the Act contains design and construction accessibility provisions for certain new multi-family dwellings developed for first occupancy on or after March 13, 1991.[22]
>
> *Title VI of the Civil Rights Act of 1964.* Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.
>
> *Section 504 of the Rehabilitation Act of 1973* Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.
>
> *Section 109 of the Housing and Community Development Act of 1974* Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program.
>
> *Title II of the Americans with Disabilities Act of 1990.* Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

[21] "HUD Fair Housing Laws and Presidential Executive Orders." http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws
[22] "Title VIII: Fair Housing and Equal Opportunity." http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/progdesc/title8

Architectural Barriers Act of 1968 The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975 The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972 Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.[23]

STATE FAIR HOUSING LAW

In addition to federal law, citizens of the City of Tulare are also protected by the State of California's Fair Employment and Housing Act.[24] In addition to all of the groups currently protected under federal law, the California law prohibits discrimination on the basis of gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information. The California Department of Fair Employment and Housing is charged with administering and enforcing the law.

FAIR HOUSING IN THE UNITED STATES

THE FIRST FORTY YEARS OF THE FAIR HOUSING ACT

The Fair Housing Act of 1968 was a product of the tumultuous time in which it was passed. Coming near the end of a decade marked by concerted and often violent struggles for civil rights, it was a profound statement of a nation's commitment, despite considerable reluctance in many quarters, to work toward the end of segregation by race, color, religion, sex, and national origin. It was also, upon its passage, a relatively weak law: another sign of the social and political context in which it was passed. It was only after the enforcement provisions of the Act were considerably blunted that it was able to secure enough support to ensure its passage.[25]

Due in part to the weakening of those enforcement provisions, the Act was initially of only limited effectiveness in eradicating residential segregation, one of the policy goals that motivated passage of the law. According to one analyst, the first two decades of the Fair Housing Act constitute a "lost opportunity in terms of race relations in the United States[26]". Nevertheless, the period following the passage of the Act was marked by a "minority rights revolution[27]", whose germinal moment was the movement for civil rights for black Americans. This revolution was soon expanded to encompass the drive for equality for women, ethnic minorities, gays and lesbians, and the disabled.[28] The civil rights movement had a limited

[23] "HUD Fair Housing Laws and Presidential Executive Orders."
[24] *Cal. Gov. Code §12900 et seq.*
[25] Denton, Nancy A. *Half Empty or Half Full: Segregation and Segregated Neighborhoods 30 Years After the Fair Housing Act*. Cityscape: A Journal of Policy Development and Research, 1999. Vol. 4, No. 3. P. 111.
[26] *Ibid.*
[27] Skrentny 2002. *The Minority Rights Revolution*. Harvard University Press, 2004.
[28] Marsden, Peter V. *Social Trends in American Life: Findings from the General Social Survey since 1972*.

impact on residential segregation, however, which has persisted since 1968 due in part to persistent discrimination in the housing market[29][30]

However, the cultural shifts of the late twentieth century helped to pave the way for passage of the Fair Housing Amendments Act of 1988, which broadened the enforcement provisions of the Act, gave increased authority to the US Department of Housing and Urban Development (HUD) to administer and enforce fair housing law, and increased the penalties to those who violated the act.[31] In addition, reflecting the impact of advocacy on behalf of those with disabilities as well as marked changes to the traditional family structure over the previous two decades[32], the 1988 law added new protections based on "handicap" and "familial status."

The ten years following the passage of the 1988 amendments saw an increase in the number of fair housing complaints filed with HUD, as well as an evolution in housing discrimination to a form that was, in the estimation of former HUD Secretary Andrew Cuomo, "more sophisticated, less obvious, but more insidious."[33] An example of such segregation was to be found, according to a 1999 HUD study, in the home lending market. That study, which was based on the results of paired testing of home mortgage lenders in selected cities, concluded that minority applicants were given less time with loan officers than non-minority applicants, received less information on prospective loan products, and were quoted higher interests rates in most of the cities included in the study. This differential treatment occurred in spite of the fact that the paired testers represented themselves as being similarly situated with respect to credit history and other relevant characteristics.[34]

It was not clear in the late 1990s whether HUD's increasing fair housing case load was the result of increasing segregation or growth in the number of US residents taking advantage of newly expanded fair housing enforcement measures. To help answer this question, HUD conducted a massive three-part study of discrimination in metropolitan housing markets, publishing the results of the first phase in 2000. In the course of the study HUD, once again availing itself of the paired testing employed in earlier studies, demonstrated the persistence of housing discrimination on the basis of race and ethnicity and its continuation into the twenty-first century. As in the 1999 study in mortgage lending, the HUD report revealed that minority housing seekers were, on average, shown fewer units and given fewer housing options than their majority counterparts, even when similarly situated with respect to their financial situations.[35] These findings were reinforced by a study conducted jointly by the University of Southern California and Oregon State University on the Los Angeles County housing market in 2006.[36]

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[29] Denton 1999.
[30] Yinger, John. *Measuring Racial Discrimination with Fair Housing Audits: Caught in the Act.* The American Economic Review, Vol. 76, No. 5: 1986. P. 881. This study, based on the results of paired fair housing tests in the city of Boston, concluded that housing agents, in "[catering] to the prejudices of current or potential white customers", told black housing seekers about 30 percent fewer available housing units. A similar methodology was employed in a 2012, which demonstrated the persistence of this form of discrimination (See "Housing Discrimination Against Racial and Ethnic Minorities 2012," published by the US Department of Housing and Urban Development).
[31] Denton 1999.
[32] Marsden 2008
[33] Janofsky, Michael. "HUD Plans Nationwide Inquiry on Housing Bias." *The New York Times*, 17 November 1998.
[34] Turner, Margery A. et al. "What We Know About Mortgage Lending Discrimination in America". The Urban Institute. September 1999.
[35] *The Housing Discrimination Study*. Department of Housing and Urban Development. (HDS 2000).
[36] Carpusor, Adrian and William Loges. "Rental Discrimination and Ethnicity in Names." *Journal of Applied Social Psychology* 36(4).

Recent Trends in Fair Housing Law and Policy

Released by the Poverty & Race Research Action Council in January 2008, *Residential Segregation and Housing Discrimination in the United States* asserts that many current governmental efforts to further fair housing actually result in furthering unfair housing practices across the U.S. This article suggests that fair housing efforts can cause residential segregation. For example, if the majority of public housing residents are non-white and most public housing accommodations are grouped in the same Census tracts, residential segregation is resultant. Similarly, many Section 8 voucher holders are racial or ethnic minorities, and most housing that accepts Section 8 vouchers is grouped in selected areas, which again results in residential segregation. The report offers recommendations to curb such residential segregation, including dispersing public housing developments throughout cities and communities and providing greater incentives for landlords with several properties to accept the vouchers.[37]

Published in 2009 by the National Fair Housing Alliance, *For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination* presented research on the prevalence of discriminatory housing advertisements on popular websites such as Craigslist. According to the article, while newspapers are prohibited from publishing discriminatory housing advertisements, no such law exists for websites like Craigslist, as they are considered interactive internet providers rather than publishers of content. As such, they are not held to the same legal standards as newspapers. While individual landlords who post discriminatory advertisements may be held responsible, there are no such standards for companies like Craigslist that post the discriminatory advertisements. Newspapers and other publishers of content are required to screen the advertisements they accept for publishing for content that could be seen as discriminatory. This may include phrases like "no children" or "Christian only," which violate provisions of the Fair Housing Act that state families with children and religious individuals are federally protected groups.[38]

In May 2010, the National Fair Housing Alliance published a fair housing trends report, *A Step in the Right Direction,* which indicated that recent years have demonstrated forward movement in furthering fair housing. The report began with a commendation of HUD's federal enforcement of fair housing law and noted the agency's willingness to challenge local jurisdictions that failed to affirmatively further fair housing. In response to the recent foreclosure crisis, many credit institutions have implemented tactics to reduce risk. However, this report suggests that policies that tighten credit markets, such as requiring larger cash reserves, higher down payments, and better credit scores, may disproportionally affect lending options for communities of color and women. *A Step in the Right Direction* concludes with examples of ways in which the fair housing situation could be further improved, including addressing discriminatory internet advertisements and adding gender identity, sexual orientation, and source of income as federally protected classes.[39]

The positive note that the NFHA struck in its 2010 report carried over into the following year's *The Big Picture: How Fair Housing Organizations Challenge Systemic and Institutionalized*

[37] U.S. Housing Scholars and Research and Advocacy Organizations. *Residential Segregation and Housing Discrimination in the United States*. January 2008. http://prrac.org/pdf/FinalCERDHousingDiscriminationReport.pdf
[38] National Fair Housing Alliance. *For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination*. August 2009. http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=zgbukJP2rMM%3D&tabid=2510&mid=8347
[39] National Fair Housing Alliance. *A Step in the Right Direction: 2010 Fair Housing Trends Report*. May 2010. http://www.nationalfairhousing.org/Portals/33/Fair%20Housing%20Trends%20Report%202010.pdf

Discrimination, published by the Alliance in April of 2011. This report began by noting an encouraging downward trend in the proportion of individuals in large metropolitan areas living in segregation, which had dropped from 69 to 65 percent between 2000 and 2010, according to census data from 2010. The report also highlighted the work of fair housing organizations to combat systemic and institutionalized discrimination produced by exclusionary zoning, NIMBYism, the dual credit market, and other fair housing challenges, often on limited budgets and with limited personnel. The NFHA closed its 2011 report by praising the work of private fair housing organizations while underscoring the need for continued work.[40]

The 2012 report from the NFHA focused on issues of fair housing in the context of the shifting demographic composition of the United States, where the white population is projected to no longer represent a majority of residents within thirty years. The report discussed encouraging signals from HUD and the Justice Department, who have "increased their efforts and announced landmark cases of mortgage lending, zoning, and other issues that get to the heart of the [Fair Housing] Act: promoting diverse and inclusive communities[41]." The report also highlights a new arena for discrimination in housing, which has emerged as a result of the massive level of foreclosures in the country in recent years: uneven maintenance of Real Estate Owned (REO) properties in white and minority areas. In concluding, the report hails the creation of the Consumer Financial Protection Bureau as a new ally for fair housing and equal opportunity.[42]

However, even as the 2012 NFHA underscored maintenance of foreclosed properties as a nascent form of housing discrimination, a HUD report issued in the following year demonstrated the persistence of more traditional forms of discrimination. Echoing the results of earlier paired tests for housing discrimination, the study demonstrated that where differences in the treatment of minority and white housing seekers occur, it is the white housing seekers who are more likely to benefit from such differential treatment. However, on an encouraging note, the study also demonstrated that well-qualified buyers are generally equally likely to get an appointment to hear about at least one available unit, regardless of race.[43]

The 2013 from the NFHA outlines an ambitious policy goal: expansion of the Fair Housing Act to prohibit discrimination based on source of income, sexual orientation, gender identity, and marital status. The report relates that cases of housing discrimination in general increased between 2011 and 2012, and that complaints based on non-protected statuses (source of income, etc.) were included in that upward trend. In spite of this, only 12 states include protections based on source of income, 21 states prohibit discrimination based on sexual orientation, sixteen states protect against discrimination based on gender identity, and 22 states offer protections based on marital status (the District of Columbia also extends protections on all of these bases). In concluding the report, the NFHA advocates the modernization and expansion of the FHA to bring the protection of individuals based on source of income, sexual orientation, gender identity, and marital status within its compass.

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[40] *The Big Picture: How Fair Housing Organizations Challenge Systemic and Institutionalized Discrimination.* National Fair Housing Alliance 2011 Fair Housing Trends Report. 29 April 2011.
http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=SbZH3pTEZhs%3d&tabid=3917&mid=5321

[41] http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=GBv0ZVJp6Gg%3d&tabid=3917&mid=5321

[42] *Ibid.*

[43] Turner, Margery A. et al. "Housing Discrimination Against Racial and Ethnic Minorities 2012." The Urban Institute. June 2013.

In its 2014 Fair Housing trends report, entitled "Expanding Opportunities: Systemic Approaches to Fair Housing", the NFHA began by lauding the efforts of HUD, DOJ, and private non-profit fair housing organizations for their efforts over the past year in promoting fair housing choice across the United States. The report also noted an increase in the number of fair housing complaints relating to real estate sales, homeowner's insurance, and housing advertisements, even as the overall number of housing complaints remained relatively steady. The 2014 report also featured a regional analysis of housing discrimination complaints, which indicated that complaints of housing discrimination were more common in the more racially and ethnically segregated metropolitan statistical areas of the country.[44]

A Changing Fair Housing Landscape

National Fair Housing Cases

As noted in the introduction to this report, provisions to affirmatively further fair housing (AFFH) are long-standing components of HUD's Housing and Community Development programs. In fact, in 1970, Shannon v. HUD challenged the development of a subsidized low-income housing project in an urban renewal area of Philadelphia that was racially and economically integrated. Under the Fair Housing Act, federal funding for housing must further integrate community development as part of furthering fair housing, but the plaintiffs in the Shannon case claimed that the development would create segregation and destroy the existing balance of the neighborhood. As a result of the case, HUD was required to develop a system to consider the racial and socio-economic impacts of their projects.[45] The specifics of the system were not decided upon by the court, but HUD was encouraged to consider the racial composition and income distribution of neighborhoods, racial effects of local regulations, and practices of local authorities.[46] The Shannon case gave entitlement jurisdictions the responsibility of considering the segregation effects of publicly-funded housing projects on their communities as they affirmatively further fair housing.

More recently, in a landmark fraud case, Westchester County, New York, was ordered to pay more than $50 million to resolve allegations of misusing federal funds for public housing projects and falsely claiming their certification of affirmatively furthering fair housing. The lawsuit was filed in 2007 by the Anti-Discrimination Center (ADC), a New York-based non-profit organization, under the False Claims Act. According to the ADC, the County "failed to consider race-based impediments to fair housing choice; failed to identify and take steps to overcome impediments; and failed to meet its obligations to maintain records concerning its efforts."

In a summary judgment in February 2009, a judge ruled that the County had made "false certifications on seven annual AFFH certifications and on more than a thousand implied certifications of compliance when it requested a drawdown of HUD funds". Pursuant to a settlement agreement brokered by the Obama Administration in April 2009, Westchester County was required to pay more than $30 million to the federal government, with roughly

[44] *Expanding Opportunity: Systemic Approaches to Fair Housing.* National Fair Housing Alliance. August 13, 2014.
[45] U.S. HUD. *39 Steps Toward Fair Housing.* http://www.hud.gov/offices/fheo/39steps.pdf
[46] Orfield, Myron. "Racial Integration and Community Revitalization: Applying the Fair Housing Act to the Low Income Housing Tax Credit." *Vanderbilt Law Review*, November 2005.

$20 million eligible to return to the County to aid in public housing projects. The County was also ordered set aside $20 million to build public housing units in suburbs and areas with mostly white populations, and to promote legislation "currently before the Board of Legislators to ban 'source-of-income' discrimination in housing (§33(g))".[47]

Finding that Westchester had failed to affirmatively further fair housing in the manner agreed upon in the earlier settlement, HUD rejected the County's AFFH certification and discontinued federal funding in 2011. As of April 2013, HUD's decision had been upheld through several rounds of appeals by the County[48]. The case is likely to have ramifications for entitlement communities across the nation; activities taken to affirmatively further fair housing will likely be held to higher levels of scrutiny to ensure that federal funds are being spent to promote fair housing and affirmatively further fair housing. The case also signals an increased willingness on the part of HUD to bring enforcement pressure to bear in order to insure that state and local jurisdictions comply with the AFFH requirements.

Affirmatively Furthering Fair Housing

At the same time that HUD has pursued a more active role in fair housing enforcement, the agency has sought to bring additional guidance and clarity to fair housing policy. This effort was inspired in part by the agency's own assessment of shortcomings in current policy, and in part by criticism from other agencies; notably the Government Accountability Office (GAO).[49] In 2009, HUD noted that many of the AI's it reviewed as part of an internal study did not conform to the agency's guidelines. This finding was reaffirmed in a 2010 study conducted by the GAO, which sought to assess the effectiveness of Analyses of Impediments as a tool to affirmatively further fair housing, as well as their effectiveness as planning documents. According to the GAO, an estimated 29 percent of CDBG and HOME grantees' AIs were prepared in 2004 or earlier, and were therefore likely to be of limited usefulness in current planning efforts. Furthermore, the GAO found that those AIs that were up to date largely lacked features that would render them more effective as planning documents, including timetables and the signatures of top elected officials. More generally, the GAO noted that HUD guidelines concerning AIs are unclear, and that its requirements for the analyses are minimal[50]. Under those requirements, the agency observed, grantees are "not required through regulation to update their AIs periodically, include certain information, follow a specific format in preparing AIs, or submit them to HUD for review[51]."

The conclusion of the GAO study is reflected in its title: *HUD Needs to Enhance Its Requirements and Oversight of Jurisdictions' Fair Housing Plans*. In response to the criticism of the GAO, as well as a longstanding recognition on the part of HUD that fair housing policy stood in need of improvement and clarification, the agency developed and published a proposed rule entitled *Affirmatively Furthering Fair Housing* in July of 2013. The proposed rule represents a substantial restructuring of the AFFH process, eliminating the AI and replacing it with the Assessment of Fair Housing (AFH). According to the rule, the AFH will (1) incorporate key demographic and econometric metrics specifically identified by HUD, (2) be completed

[47] http://www.hud.gov/content/releases/settlement-westchester.pdf
[48] *United States v Westchester County* 712 F.3d 761 2013 U.S. App.
[49] 24 CFR §5, 91, 92, et al. (2013)(Proposed Rule)
[50] "HUD Needs to Enhance Its Requirements and Oversight of Jurisdictions' Fair Housing Plans". *Government Accountability Office*. September 2010.
[51] *Ibid*., page 32.

with nationally uniform data provided by HUD, and (3) be submitted to HUD for review in advance of the consolidated plan to insure that the findings of the fair housing analysis are fully integrated into the consolidated planning process.[52] The comment period for the proposed rule ended in September of 2013. A final action on the rule, originally scheduled for December 2014, has been rescheduled for June of 2015.

As noted in the winter edition of the Pennsylvania Association of Housing and Redevelopment Agencies Monitor, "the [proposed rule's] four specifically articulated goals are noble, if not perhaps aspirational:

1. "Improve integrated living patterns and overcome historic patterns of segregation;
2. Reduce or eliminate racially and ethnically concentrated areas of poverty;
3. Reduce disparities in access to community assets such as education, transit access, employment, as well as exposure to environmental health hazards and other stressors that harm a person's quality of life; and
4. Address disproportionate housing needs by protected classes[53]."

Nevertheless, according to the author, the Final Rule has the potential to "divert much needed funds away from impacted neighborhoods"; accordingly, "it remains to be seen whether the final version of the rule will truly facilitate [meaningful fair housing planning] and lead to greater housing opportunity, mobility, and choice[54]." Note that because a final action on the rule is still forthcoming, the current AI effort is being undertaken in conformity to HUD guidance that is currently in place, as articulated in the Fair Housing Planning Guide and subsequent memoranda.

Discriminatory Effects and the Fair Housing Act

In addition to the proposed rule that seeks to update and clarify the AFFH requirements for states and local jurisdictions, HUD finalized a rule in February 2013 that was intended to "formalize HUD's long-held interpretation of the availability of 'discriminatory effects' liability under the Fair Housing Act[55]." According to HUD, individuals and businesses may be held liable for policies and actions that are neutral on their face but have a discriminatory effect. This theory of liability had not yet been articulated by the signing of the Civil Rights Acts of 1964 or 1968; however, it has been an important test for discrimination in employment since the Supreme Court found in 1971[56] that the Civil Rights Act "proscribes not only overt discrimination but also practices that are fair in form, but discriminatory in operation[57]." The first test of "disparate impact theory" in housing law came in 1974, *with United States v. City of Black Jack*[58]. In that case, the government alleged that the City of Black Jack had "exercised

[52] 24 CFR §5, 91, 92, et al. (2013)(Proposed Rule)
[53] Poltrock, Leigh A. "Affirmatively Furthering Fair Housing: The Good, the Bad, and the Ugly of the Proposed Rule and Draft Assessment Tool." *Pennsylvania Association of Housing and Redevelopment Agencies Monitor*. Winter 2014-2015, page 19. Accessible at http://pahra.org/wp-content/uploads/2015/01/PAHRA-Monitor-Winter-2014-15.pdf
[54] *Ibid.*
[55] 24 CFR §100 (2013)
[56] Garrow, David J. "Toward a Definitive History of *Griggs v. Duke Power Company*". 67 Vand. L. Rev. 197 (2014).
[57] *Griggs v. Duke Power Co.*, 401 U.S. 430 (1971).
[58] Rich, Joseph D. "HUD's New Discriminatory Effects Regulation: Adding Strength and Clarity to Efforts to End Residential Segregation." Lawyers' Committee for Civil Rights Under Law. May 2013.

its zoning powers to exclude… a federally-subsidized housing development", thereby excluding residents of low-income housing, who were disproportionately black.[59]

In deciding on the matter, the Eighth Circuit Court maintained that a plaintiff "need prove no more than that the conduct of the defendant actually or predictably results in racial discrimination" to make a case that the conduct is itself discriminatory[60]. The theory of discriminatory effect established in this case has been consistently applied in fair housing cases and upheld in every district court decision in which it served to establish or support the charge of housing discrimination.[61] On June 25, 2015, the Supreme Court affirmed that discriminatory effects liability is available under the Fair Housing Act, and individuals, businesses, and jurisdictions can be held liable for policies that actually or predictably result in discrimination, not just those that are intentionally discriminatory, as summarized below:[62]

Texas Department of Housing and Community Affairs v. The Inclusive Communities Project

In 2008, a Dallas-based non-profit organization called the Inclusive Communities Project ("the Project") sued the Texas Department of Housing and Community Affairs ("the Department"), claiming that the point system by which it allocates federal tax subsidies serves to concentrate subsidized housing in low-income communities.[63] In the lawsuit, the Project relies on the theory of disparate impact that has been established through decades of jurisprudence but on which the Supreme Court has never definitively ruled.

According to the Project, the Department disproportionately allocates low-income housing tax credits in minority areas while denying those credits in predominantly white communities. In addition to the direct effect of concentrating units subsidized through these tax credits, the Project alleges that this manner of allocation leads to the further concentration of Section 8 Housing in those same areas[64], which serves to limit housing options for low-income, minority residents to areas with high concentrations of racial minority residents.[65] In its original complaint, the Project argued both that the point scheme was intentionally discriminatory and that it produced a disparate impact on minority residents. The District Court for the Northern District of Texas found that the Project had failed to prove intentional discrimination but had proved its disparate impact claim.

Having been upheld in the U.S. Court of Appeals for the Fifth Circuit, the matter then moved to the Supreme Court at the request of the Department.[66] In asking the Supreme Court to consider the case, the Department presented the court with two questions: First, "are disparate-impact

[59] *United States v. City of Black Jack, Missouri*, 508 F.2d 1179, 1184 (8th Cir. 1974)
[60] *Ibid.*
[61] 24 CFR §100 (2013); Rich, Joseph D. "HUD's New Discriminatory Effects Regulation: Adding Strength and Clarity to Efforts to End Residential Segregation." Lawyers' Committee for Civil Rights Under Law. May 2013.
[62] Rich, Joe and Thomas Silverstein. "Symposium: The case for disparate impact under the Fair Housing Act." Supreme Court of the United States Blog. January 6, 2015. Accessible at http://www.scotusblog.com/2015/01/symposium-the-case-for-disparate-impact-under-the-fair-housing-act/
[63] *Inclusive Communities Project v. Texas Department of Housing and Community Affairs* (2014).
[64] *Ibid.* Section 8 housing vouchers, which are not generally accepted by private landlords, cannot be turned down by those who receive low income housing tax credits.
[65] *Ibid.*
[66] Howe, Amy. "Will the third time be the charm for the Fair Housing Act and disparate-impact claims? In Plain English." Supreme Court of the United States Blog. January 6, 2015. Accessible at "http://www.scotusblog.com/2015/01/will-the-third-time-be-the-charm-for-the-fair-housing-act-and-disparate-impact-claims-in-plain-english/"

claims cognizable under the Fair Housing Act?"[67] In other words, does the Act permit disparate-impact claims? Second, in the event that the Court finds that the FHA does allow such claims, the Department also asked "what are the standards and burdens of proof that should apply?"[68] The Court's decision on this matter, handed down on June 25, 2015, upheld the availability of discriminatory effects liability under the Fair Housing Act.[69]

LOCAL FAIR HOUSING CASES

Sabi v. Sterling

Although the FEHA prohibits discrimination on the basis of source of income, a California appellate court held in 2010 that this prohibition does not apply to Section 8 housing choice vouchers. The rationale for this decision; as laid out in *Sabi v. Sterling*; rests on the definition of income under the FEHA and the manner in which housing choice vouchers are paid out.[70] According to the FEHA, "'source of income' means lawful, verifiable income paid directly to a tenant or paid to a representative of a tenant[71]". Because housing choice voucher payments are made directly to landlords, and because landlords are not considered representatives of the tenant under the FEHA, the court held that state law did not require landlords to accept housing choice vouchers.[72]

Recent U.S. Department of Justice Cases

The U.S. Department of Justice (DOJ) enacts lawsuits on behalf of individuals based on referrals from HUD. Under the Fair Housing Act, the DOJ may file lawsuits in the following instances:

- Where there is reason to believe that a person or entity is engaged in what is termed a "pattern or practice" of discrimination or where a denial of rights to a group of people raises an issue of general public importance;
- Where force or threat of force is used to deny or interfere with fair housing rights; and
- Where persons who believe that they have been victims of an illegal housing practice file a complaint with HUD or file their own lawsuit in federal or state court.[73]

The City of Tulare lies within the California's Eastern Federal Court District. The Department of Justice has filed three fair housing complaints against housing providers and policymakers in the state in the last ten years: one of these involved discriminatory actions or practices that affected residents with disabilities, one involved sexual discrimination on the part of a landlord, and one alleged discrimination on the basis of family status. These cases are summarized below.

[67] *Texas Department of Housing and Community Affairs v. The Inclusive Communities Project* (2014). Petition for a Writ of Certiorari.
[68] *Ibid.*
[69] *Texas Department of Housing and Community Affairs v. The Inclusive Communities Project* (2015)
[70] *Sabi v. Sterling* (2010).
[71] *Cal. Gov. Code §12955* (p)(1)
[72] *Sabi v. Sterling* (2010).
[73] "The Fair Housing Act." The United States Department of Justice. http://www.justice.gov/crt/about/hce/housing_coverage.php

United States v. Sandpointe Associates, et al.

In November of 2006, the Department of Justice filed a complaint against the owner and property manager of an apartment complex in Redding on behalf of a mother and her children. The basis of the complaint was a memorandum issued by the property manager, stating that children under the age of 14 must be under constant adult supervision, and would not be allowed unaccompanied in public areas of the complex. After vacating her apartment, the complainant filed a complaint with HUD, which after an investigation determined that there was reasonable cause to believe that the property manager had adopted a discriminatory policy toward families with children. HUD referred the matter to the DOJ at the request of the respondents, and it was settled in July of 2007.[74] As terms of the settlement agreement, the respondents were required to adopt a family status-neutral common area policy, undergo fair housing training, and pay $20,000 in damages to the complainant and her children, among other requirements.[75]

United States v. Covenant Retirement Community

In August of 2007, the Department of Justice filed an amended complaint against Covenant Retirement Communities West, Inc., accusing the Chicago-based management company of adopting discriminatory policies toward its residents with disabilities. In the complaint, the DOJ cited company policies requiring residents of a Turlock retirement community who used motorized mobility aids to take out personal liability insurance, obtain certification from their physician that they needed the motorized aid, and secure the approval of an administrator for their use. In addition, the company barred residents with mobility aids from the dining area, where daily meals were served, and directed residents who required mobility aids to live in assisted living facilities.[76] In a consent order filed at the same time as the amended complaint, the Company agreed to end current discriminatory policies, to adopt and advertise a non-discrimination policy, undergo fair housing training, and pay monetary damages in excess of $530,000 to residents that were adversely affected by its policies.[77]

Hawecker, et al. v. Sorensen

In March of 2011, the DOJ filed a fair housing complaint against a Bakersfield property owner and manager, alleging that he had engaged in a pattern or practice of fair housing violations by subjecting female residents to continual sexual harassment over a period of at least eight years. Among the accusations were allegations that he had exposed himself to female residents; made unwelcome sexual advances and comments; entered their residences without notice or permission; offered to reduce rent, excuse late payments, or stop eviction proceedings in exchange for sexual favors; and took adverse action against female tenants who refused to grant or continue to grant such favors, including by evicting or threatening to evict them.[78] The matter was settled in 2012, with the respondents agreeing to undergo fair housing training and transfer responsibility for managing his properties to an independent property manager.[79] In addition, he was required to pay the maximum civil penalty available under the FHA, or

[74] *United States v. Sandpointe Associates, et al. (2006)* Complaint
[75] *United States v. Sandpointe Associates, et al. (2007)* Consent Decree
[76] *United States v. Covenant Retirement Communities West, Inc.*, (2007) Complaint
[77] *United States v. Covenant Retirement Communities West, Inc.*, 2007 Consent Order
[78] *Hawecker, et al. v. Sorensen (2011)* Complaint
[79] *Hawecker, et al. v. Sorensen (2012)* Consent Decree

$55,000, to the United States, and to pay the 25 women identified in the complaint as being adversely impacted by his actions damages in the amount of $2,075,000, the largest settlement ever reached in a sexual harassment lawsuit that the DOJ has brought under the FHA.[80]

SUMMARY

The federal Fair Housing Act (FHA) is the foundation for a suite of laws at the national level designed to protect residents of the United States from discrimination in the housing market. As originally passed in 1968, the Act prohibited discrimination on the basis of race, color, religion, gender, and national origin. Subsequent amendments passed in 1988 added additional protections on the basis of disability and familial status, and strengthened the enforcement provisions of the Act. In general, amendments to the FHA passed from 1964 to the present have generally broadened the protections guaranteed under the FHA, applying stricter and more comprehensive protections that apply to housing providers who benefit from federal funding.

In addition to the protections guaranteed under the FHA, California residents are protected from discrimination in the housing market by laws at the state level.[81] These laws prohibit discrimination on the same bases identified in the federal law while expanding those protections to outlaw discrimination based on gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information. California's housing discrimination law has been judged to be "substantially equivalent" to the federal FHA, which allows for HUD-subsidized, state-level enforcement of fair housing law.

Fair housing law and jurisprudence has evolved considerably since the FHA was first enacted in 1968. As noted previously, the Fair Housing Amendments Act of 1988 added additional protections, strengthened the Act's relatively weak enforcement provisions, and gave the Department of Housing and Urban Development enhanced authority to enforce the Act. In addition, since the early 1970s the FHA has consistently been interpreted to apply to laws and policies that are apparently neutral with respect to protected class status, but which nevertheless "actually or predictably[82]" result in discrimination. In 2013, HUD finalized a rule formalizing its interpretation of discriminatory effects liability under the FHA.

That interpretation was reaffirmed in a June 25, 2015 Supreme Court decision in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project, Inc.* That case originated in a lawsuit against the Texas Department of Housing and Community Affairs ("the Department"), alleging that the process by which the Department awarded low income housing tax credits had the effect of concentrating affordable housing in areas with high concentrations of minority residents. In bringing the suit, the Inclusive Communities project relied in part on the disparate impact theory, and it was that theory which the Department sought to challenge in asking the Supreme Court to hear the case. Ultimately, the Court held that individuals, businesses, and government agencies could be held liable for the disparate impacts of their policies and practices.

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[80] "Housing and Civil Enforcement Cases: Case Summaries". United States Department of Justice. Accessed June 17, 2015. www.justice.gov. Website.
[81] C.R.S. 24-34-500, *et seq.*
[82] *United States v. City of Black Jack, Missouri*, 508 F.2d 1179, 1184 (8th Cir. 1974) It was racial discrimination, specifically, that was at issue in this case.

Even as HUD has sought to more firmly establish the theory of disparate impact under the FHA, it has also taken efforts to improve and clarify the requirement to affirmatively further fair housing. In a rule that is currently under regulatory review, HUD has proposed to substantially revise the AFFH process by (1) replacing the analysis of impediments with the assessment of fair housing (AFH), (2) integrating fair housing planning into the consolidated planning process, and (3) providing a fair housing assessment tool and nationally standardized datasets, among other requirements. A final action on that rule was most recently scheduled for June of 2015.

Under certain circumstances, the United States Department of Justice (DOJ) will file a fair housing complaint on behalf of residents who are suspected to have suffered a violation of fair housing law. The DOJ has filed three such cases against housing providers in California's Eastern Federal Court District in the last ten years: In one of those cases, a housing provider who adopted a policy requiring constant supervision of children in all common areas of an apartment complex was accused of discrimination based on familial status. In a second case, a Chicago-based manager of retirement communities was accused of disability-based discrimination when it adopted policies that placed significant restrictions on the use of mobility aids in its retirement communities. Finally, the DOJ filed a case against a Bakersfield property owner and manager, who was accused of habitual sexual harassment of female tenants. All cases were settled, with monetary damages and penalties in the latter case totaling more than $2.1 million.

SECTION IV. REVIEW OF THE EXISTING FAIR HOUSING STRUCTURE

The purpose of this section is to provide a profile of fair housing in the City of Tulare. This profile includes an enumeration of key agencies and organizations that contribute to affirmatively furthering fair housing, evaluation of the presence and scope of services of existing fair housing organizations, and a review of the complaint process.

FAIR HOUSING AGENCIES

FEDERAL AGENCIES

U.S. Department of Housing and Urban Development

The U.S. Department of Housing and Urban Development (HUD) oversees, administers, and enforces the federal Fair Housing Act. HUD's regional office in San Francisco oversees housing, community development, and fair housing enforcement in California, as well as in American Samoa, Arizona, Guam, Hawaii, and Nevada. The contact information for the regional HUD office in San Francisco is as follows:

Address:
San Francisco Regional Office
U.S. Department of Housing and Urban Development
One Sansome Street, Suite 1200
San Francisco, CA 94104
Telephone: (415) 489-6526
FAX: (415) 489-6559
Website: www.HUD.gov

Contact information for HUD's Washington, D.C. office is listed below:

Address:
Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
451 Seventh Street SW, Room 5204
Washington, DC 20410-2000
Telephone: (202) 708-1112
Toll Free: (800) 669-9777
Web Site: www.HUD.gov

The Office of Fair Housing and Equal Opportunity (FHEO) within HUD's San Francisco office enforces the Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending, and other related transactions in the City of Tulare. HUD also provides education and outreach, monitors agencies that receive HUD funding for compliance with civil rights laws, and works with city and local agencies under the Fair Housing Assistance Program (FHAP) and Fair Housing Initiative Program (FHIP), as described below.

Fair Housing Assistance Program

The Fair Housing Assistance Program (FHAP) was designed to support local and city agencies that enforce local fair housing laws, provided that these laws are substantially equivalent to the Fair Housing Act. Substantial equivalency certification is a two-phase process: in the first phase, the Assistant Secretary for Fair Housing and Equal Opportunity makes a *prima facie* determination on the substantial equivalency of a city or local law to the federal Fair Housing Act. Once this determination has been made, and the law has been judged to be substantially equivalent, the agency enforcing the law is certified on an interim basis for a period of three years. During those three years, the local enforcement organization "builds its capacity to operate as a fully certified substantially equivalent agency." FHAP grants during this time period are issued to support the process of building capacity. When the interim certification period ends after three years, the Assistant Secretary issues a determination on whether or not the city law is substantially equivalent to the Fair Housing Act "in operation", this is the second phase of the certification process. If the law is judged to be substantially equivalent in operation, the agency enforcing the law is fully certified as a substantially equivalent agency for five years.

HUD will typically refer most complaints of housing discrimination to a substantially equivalent city or local agency for investigation (such complaints are dual-filed at HUD and the city or local agency), if such an agency exists and has jurisdiction in the area in which the housing discrimination was alleged to have occurred. When federally subsidized housing is involved, however, HUD will typically investigate the complaint.

The benefits of substantially equivalent certification include the availability of funding for local fair housing activities, shifted enforcement power from federal to local authorities, and the potential to make the fair housing complaint process more efficient by vesting enforcement authority in those who are more familiar with the local housing market. In addition, additional funding may be available to support partnerships between local FHAP grantees and private fair housing organizations. The California Department of Employment and Housing currently serves state residents as a FHAP participant.

Fair Housing Initiative Program

The Fair Housing Initiative Program (FHIP) is designed to support fair housing organizations and other non-profits that provide fair housing services to people who believe they have faced discrimination in the housing market. These organizations provide a range of services including initial intake and complaint processing, referral of complainants to government agencies that enforce fair housing law, preliminary investigations of fair housing complaints, and education and outreach on fair housing law and policy.

FHIP funding is available through three initiatives[83]: the Fair Housing Organizations Initiative (FHOI), the Private Enforcement Initiative (PEI), and the Education and Outreach Initiative (EOI). These initiatives are discussed in more detail below:

[83] Though there are four initiatives included in the FHIP, no funds are currently available through the Administrative Enforcement Initiative.

- **The Fair Housing Organizations Initiative (FHOI)**: FHOI funds are designed to help non-profit fair housing organizations build capacity to effectively handle fair housing enforcement and outreach activities. A broader goal of FHOI funding is to strengthen the national fair housing movement by encouraging the creation of fair housing organizations.
- **The Private Enforcement Initiative (PEI)**: PEI funds are intended to support the fair housing activities of established non-profit organizations, including testing and enforcement, and more generally to offer a "range of assistance to the nationwide network of fair housing groups".
- **The Education and Outreach Initiative (EOI)**: EOI funding is available to qualified fair housing non-profit organizations as well as city and local government agencies. The purpose of the EOI is to promote initiatives that explain fair housing to the general public and housing providers, and provide the latter with information on how to comply with the requirements of the FHA.

Non-profit organizations are eligible to apply for funding under each or all of these initiatives. To receive FHOI funding, such organizations must have at least two years' experience in complaint intake and investigation, fair housing testing, and meritorious claims in the three years prior to applying for funding. Eligibility for PEI funding is subject to "certain requirements related to the length and quality of previous fair housing enforcement experience." Organizations applying for the EOI must also have two years' experience in the relevant fair housing activities; EOI funds are also potentially available to city and local government agencies. At least as far back as 2010, there have been two FHIP grantees providing fair housing services to Tulare residents: the Fair Housing Council of Central California, based in Fresno, and the San Francisco-based California Rural Legal Assistance. Both organizations have consistently been awarded funding under the PEI, though the specific focus of the services funded through that initiative have differed between organizations, and from year to year.

STATE AGENCIES

The California Department of Fair Employment and Housing

The California Department of Fair Employment and Housing (DFEH) was established in 1980 with the merging of the California Fair Employment Practices Act and the Rumford Fair Housing Act into the Fair Employment and Housing Act (FEHA). The DFEH is charged with the administration and enforcement of the FEHA, and serves as a "substantially equivalent" enforcement agency under the Fair Housing Assistance Program (FHAP). Accordingly, any fair housing complaints filed with HUD will be dually filed with the DFEH, and investigated by the state agency. California residents who believe that their fair housing rights have been violated may file a complaint with the agency, which has several offices throughout the state. The main office is located in Elk Grove, at the following address:

Department of Fair Employment and Housing
2218 Kausen Drive, Suite 100
Elk Grove, California 95758
Telephone: (916) 478-7251
Email: contact.center@dfeh.ca.gov (For general information)

Those wishing to file a complaint with the DFEH may file online through the link posted on www.www.dfeh.ca.gov/Contact.htm, or call the Department's Communication Center at (800) 884-1684.

LOCAL AGENCIES

The City of Tulare provides fair housing information to its residents through the Community Development Department website, and encourages residents who believe that they have been subjected to discrimination in the housing market to contact the California Department of Fair Employment and Housing.

NON-PROFIT ORGANIZATIONS

The Fair Housing Council of Central California

Dedicated to the "elimination of discrimination in housing and the expansion of housing opportunities for all persons[84]", the Fair Housing Council of Central California has served residents of the Central Valley since 1995.[85] A FHIP grantee, the organization has made use of its 2014 HUD funding in a variety of activities designed to promote fair housing enforcement and remedy housing discrimination, both overt and subtle, in the Central Valley. Residents of the Central Valley who believe that they have been subjected to illegal discrimination in the housing market may contact the organization through the following information:

Fair Housing Council of Central California
333 West Shaw Avenue, Suite 14
Fresno, California 93704
Telephone: (559) 244-2950
FAX: (559) 244-2956
Toll Free: (888) 498-FAIR (3247)
Email: Online contact form available at http://www.fhc-cc.org/contact-us.html.

California Rural Legal Assistance

Founded in 1966, California Rural Legal Assistance, Inc. (CLRA) provides a wide range of legal services and outreach and education programs in service of its mission to "strive for economic justice and human rights on behalf of California's rural poor[86]." The organization serves residents of Tulare County as FHIP grantee, and has typically received PEI funding under two different components, the first relating to general enforcement and the second to fair housing issues in the home lending market. Recently, the organization has been active in addressing fair housing issues stemming from foreclosures in Tulare County, among others. CLRA has offices throughout the state; contact information for the administrative office in Oakland is as follows:

[84] "What is the Fair Housing Council of Central California?" Fair Housing Council of Central California Website. Accessed June 18, 2015. www.fhc-cc.org.
[85] "HUD Awards More Than $38 Million to Fight Housing Discrimination". Press Releases-2014. Department of Housing and Urban Development Website. Accessed June 18, 2015. www.hud.gov
[86] "About Us". California Rural Legal Assistance Website. Accessed June 18, 2015. www.crla.org/about-us.

California Rural Legal Assistance
1430 Franklin Street, Suite 103
Oakland, California 94612
Telephone: (510) 267-0762
Website: A full list of offices in the state, along with contact information, is available at http://www.crla.org/office-locations.

COMPLAINT PROCESS REVIEW

COMPLAINT PROCESSES FOR FAIR HOUSING AGENCIES

U.S. Department of Housing and Urban Development

The intake stage is the first step in the complaint process. When a complaint is submitted, intake specialists review the information and contact the complainant (the party alleging housing discrimination) in order to gather additional details and determine if the case qualifies as possible housing discrimination. If the discriminatory act alleged in the complaint occurred within the jurisdiction of a substantially equivalent state or local agency under the FHAP, the complaint is referred to that agency, which then has 30 days to address the complaint. If that agency fails to address the complaint within that time period, HUD can take the complaint back.

If HUD determines that it has jurisdiction and accepts the complaint for investigation, it will draft a formal complaint and send it to the complainant to be signed. Once HUD receives the signed complaint, it will notify the respondent (the party alleged to have discriminated against the complainant) within ten days that a complaint has been filed against him or her. HUD also sends a copy of the formal complaint to the respondent at this stage. Within ten days of receiving the formal complaint, the respondent must respond to the complaint.

Next, the circumstances of the complaint are investigated through interviews and examination of relevant documents. During this time, the investigator attempts to have the parties rectify the complaint through conciliation. The case is closed if conciliation of the two parties is achieved or if the investigator determines that there was no reasonable cause of discrimination. If conciliation fails, and reasonable cause is found, then either a federal judge or a HUD Administrative Law Judge hears the case and determines damages, if any.[87] In the event that the federal court judge finds the discrimination alleged in a complaint to have actually occurred, the respondent may be ordered to:

- Compensate for actual damages, including humiliation, pain, and suffering;
- Provide injunctive or other equitable relief to make the housing available;
- Pay the federal government a civil penalty to vindicate the public interest, with a maximum penalty of $10,000 for a first violation and $50,000 for an additional violation within seven years; and/or
- Pay reasonable attorneys' fees and costs.[88]

[87] "HUD's Title VIII Fair Housing Complaint Process." http://www.hud.gov/offices/fheo/complaint-process.cfm
[88] "Fair Housing—It's Your Right." http://www.hud.gov/offices/fheo/FHLaws/yourrights.cfm

If neither party elects to go to federal court, a HUD Administrative Law Judge will hear the case. Once the judge has decided the case, he or she issues an initial decision. If the judge finds that housing discrimination has occurred, he or she may award a civil penalty of up to $11,000 to the complainant, along with actual damages, court costs, and attorney's fees. When the initial decision is rendered, any party that is adversely affected by that decision can petition the Secretary of HUD for review within 15 days. The Secretary has 30 days following the issuance of the initial decision to affirm, modify, or set aside the decision, or call for further review of the case. If the Secretary does not take any further action on the complaint within 30 days of the initial decision, the decision will be considered final. After that, any aggrieved party must appeal to take up their grievance in the appropriate court of appeals.[89]

The California Department of Fair Employment and Housing

In 1980, the California legislature combined the 1959 Fair Employment Practices Act and the 1963 Rumford Fair Housing Act into a single law, the Fair Employment and Housing Act. This law vests enforcement authority in the California Department of Fair Employment and Housing. In its present form, it prohibits discrimination on all of the bases included in the federal Fair Housing Act, as well as discrimination on the basis of gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information.

Because HUD has deemed the protections and remedies offered by the state law to be "substantially equivalent" to those offered under the Fair Housing Act, the DFEH has been eligible to participate in HUD's Fair Housing Assistance Program (FHAP). As a FHAP grantee, the state agency assumes responsibility for the investigation and resolution of fair housing complaints, and HUD compensates the DFEH for its fair housing efforts. Accordingly, fair housing complaints filed with HUD are dually filed with the DFEH, and forwarded to the state agency for investigation.

Those who believe that they have been subjected to unlawful discrimination in the housing market must file a written complaint with the DFEH within a year of the alleged discriminatory act. Once the DFEH receives a fair housing complaint, whether from an individual or by referral from HUD, the agency will initiate an investigation within thirty days. That investigation will typically be completed in one-hundred days, unless it proves "impracticable to do so", in which case the agency must provide a written notification and explanation to the complainant and respondent.

During the investigation of the complaint, respondents and complainants may attempt to voluntarily resolve the dispute. At the end of the investigation, the DFEH will issue a finding of merit, which states whether or not the complaint is determined to be valid. If the DFEH finds that the case has no merit, it will close the complaint. In such a case, the complainant has the option to proceed with a civil action in an appropriate state court. If the complaint is found to have merit, the DFEH will initiate a mandatory dispute resolution process in an attempt to resolve the complaint.

[89] "HUD's Title VIII Fair Housing Complaint Process." http://www.hud.gov/offices/fheo/complaint-process.cfm

On the other hand, if the parties are unable to reach a conciliation agreement, the DFEH may file a complaint in civil court on behalf of the complainant, serving as the prosecution in the subsequent court proceedings. The parties may also elect to proceed in an administrative hearing before the Fair Employment and Housing Commission. Unless the parties are able to agree to a settlement during prosecution of the complaint, the court or Commission will issue a judgment.

In an administrative hearing, if the Commission determines that the respondent has indeed engaged in discrimination, he or she may be required to pay for out-of-pocket losses, desist and refrain from any discriminatory practices, provide access to the housing previously denied, pay damages for emotional distress, and civil penalties of up to $10,000 for the first offense. In a civil action, the same remedies are available, except that the respondent may be required to pay unlimited punitive damages in lieu of a civil penalty.

SUMMARY

A California resident who believes that he or she may have suffered illegal discrimination in the housing market may file a complaint with the state Department of Fair Employment and Housing (DFEH). The DFEH enforces the state's Fair Employment and Housing Act (FEHA), which prohibits discrimination in the housing market on the basis of race, color, religion, sex, national origin, disability, familial status, gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information.

HUD has deemed the FEHA to be "substantially equivalent" to the federal Fair Housing Act (FHA), meaning that the state law provides for equivalent rights, responsibilities, and remedies to those included in the federal law. Certification of substantial equivalency also makes the DFEH eligible to participate in the Fair Housing Assistance Program (FHAP). As a FHAP participant, the DFEH receives various types of funding from HUD, including reimbursement for investigation and processing of complaints alleging violations of the federal Fair Housing Act.

When the DFEH receives a complaint alleging discrimination in the housing market, it will generally notify the accused party ("the respondent") and begin an investigation within thirty days. During the investigation, the complaint may be voluntarily resolved through an agreement between the complainant and respondent. During the investigation, the DFEH determines whether the complaint has merit; If not, the complaint will be dismissed, though the complainant retains the option of filing a lawsuit against the respondent. If the complaint is found to have merit, the DFEH will initiate a mandatory dispute resolution process. If that process fails, the respondent and complainant may elect to proceed through an administrative hearing or an action in a civil court.

If the DFEH fails to complete an investigation within 100 days after the complaint is received, HUD may take the complaint back for investigation, unless the DFEH has demonstrated that it was impracticable to complete the complaint in that time frame. However, any complaints that are filed with HUD will be dually-filed with the DFEH and referred to the state agency for investigation.

HUD and the DFEH; which are responsible for enforcing the FHA and FEHA, respectively; represent the backbone of fair housing enforcement and administration in the state. However, there are a number of private, non-profit organizations that work to promote fair housing choice in the state. Many of these are participants in HUD's Fair Housing Initiatives Program (FHIP), and several provide services that are available to Tulare residents. California Rural Legal Assistance provides a variety of legal services to low-income resident of the state's rural areas, and has done so since 1966. As a FHIP participant, it has focused its efforts on aiding in the fair housing enforcement process as well as addressing fair housing issues in the home lending industry. The Fair Housing Council of Central California, another FHIP participant, has provided fair housing services to residents of the Central Valley since 1995. Both organizations accept fair housing complaints from Tulare residents.

SECTION V. FAIR HOUSING IN THE PRIVATE SECTOR

As part of the AI process, the U.S. Department of Housing and Urban Development (HUD) suggests that the analysis focus on possible housing discrimination issues in both the private and public sectors. Examination of housing factors in the City of Tulare's public sector is presented in **Section VI**, while this section focuses on research regarding the city's private sector, including the mortgage lending market, the real estate market, the rental market, and other private sector housing industries.

LENDING ANALYSIS

HOME MORTGAGE DISCLOSURE ACT

Since the 1970s, the federal government has enacted several laws aimed at promoting fair lending practices in the banking and financial services industries. A brief description of selected federal laws aimed at promoting fair lending follows:

- The 1968 *Fair Housing Act* prohibits discrimination in housing based on race, color, religion, and national origin. Later amendments added sex, familial status, and disability. Under the Fair Housing Act, it is illegal to discriminate against any of the protected classes in the following types of residential real estate transactions: making loans to buy, build, or repair a dwelling; selling, brokering, or appraising residential real estate; and selling or renting a dwelling.

- The *Equal Credit Opportunity Act* was passed in 1974 and prohibits discrimination in lending based on race, color, religion, national origin, sex, marital status, age, receipt of public assistance, and the exercise of any right under the Consumer Credit Protection Act.

- The *Community Reinvestment Act* was enacted in 1977 and requires each federal financial supervisory agency to encourage financial institutions in order to help meet the credit needs of the entire community, including low- and moderate-income neighborhoods.

- Under the *Home Mortgage Disclosure Act (HMDA)*, enacted in 1975 and later amended, financial institutions are required to publicly disclose the race, sex, ethnicity, and household income of mortgage applicants by the Census tract in which the loan is proposed as well as outcome of the loan application.[90] The analysis presented herein is from the HMDA data system.

[90] *Closing the Gap: A Guide to Equal Opportunity Lending,* The Federal Reserve Bank of Boston, April 1993. http://www.bos.frb.org/commdev/closing-the-gap/closingt.pdf

The HMDA requires both depository and non-depository lenders to collect and publicly disclose information about housing-related applications and loans.[91] Both types of lending institutions must meet the following set of reporting criteria:

1. The institution must be a bank, credit union, or savings association;
2. The total assets must exceed the coverage threshold;[92]
3. The institution must have had an office in a Metropolitan Statistical Area (MSA);
4. The institution must have originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one- to four-family dwelling;
5. The institution must be federally insured or regulated; and
6. The mortgage loan must have been insured, guaranteed, or supplemented by a federal agency or intended for sale to the Federal National Mortgage Association (FNMA or Fannie Mae) or the Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac). These agencies purchase mortgages from lenders and repackage them as securities for investors, making more funds available for lenders to make new loans.

For other institutions, including non-depository institutions, additional reporting criteria are as follows:

1. The institution must be a for-profit organization;
2. The institution's home purchase loan originations must equal or exceed 10 percent of the institution's total loan originations, or more than $25 million;
3. The institution must have had a home or branch office in an MSA or have received applications for, originated, or purchased five or more home purchase loans, home improvement loans, or refinancing mortgages on property located in an MSA in the preceding calendar year; and
4. The institution must have assets exceeding $10 million or have originated 100 or more home purchases in the preceding calendar year.

HMDA data represent most mortgage lending activity and are thus the most comprehensive collection of information available regarding home purchase originations, home remodel loan originations, and refinancing. The Federal Financial Institutions Examination Council (FFIEC) makes HMDA data available on its website. While HMDA data are available for more years than are presented in the following pages, modifications were made in 2004 for documenting loan applicants' race and ethnicity, so data are most easily compared after that point.

Home Purchase Loans

Banks and other financial institutes in the city handled 40,340 home loans and loan applications from 2004 through 2013. As shown in Table V.1 on the following page, 13,613 of these loans were intended to finance the purchase of a home, or around 33.7 percent. Most of the remainder consisted of refinance loans, though approximately 7 percent were home improvement loans.

[91] Data are considered "raw" because they contain entry errors and incomplete loan applications. Starting in 2004, the HMDA data made significant changes in reporting, particularly regarding ethnicity data, loan interest rates, and the multi-family loan applications.

[92] Each December, the Federal Reserve announces the threshold for the following year. The asset threshold may change from year to year based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

Table V.1
Purpose of Loan by Year
City of Tulare
2004–2013 HMDA Data

Purpose	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Home Purchase	2,059	2,330	1,932	1,379	1,006	1,053	723	806	1,163	1,162	13,613
Home Improvement	543	652	700	550	213	87	64	45	58	90	3,002
Refinancing	4,510	5,111	4,633	3,140	1,196	703	612	506	1,777	1,537	23,725
Total	**7,112**	**8,093**	**7,265**	**5,069**	**2,415**	**1,843**	**1,399**	**1,357**	**2,998**	**2,789**	**40,340**

For the purposes of this analysis, the following discussion will be limited to patterns in home purchase lending, specifically lending intended to finances the purchase of homes in which loan applicants plan to live. As shown in Table V.2 below, these "owner-occupied" home purchase loans accounted for a large majority of the home purchase loan applications filed by city residents, or 82.5 percent.

Table V.2
Occupancy Status for Home Purchase Loan Applications
City of Tulare
2004–2013 HMDA Data

Status	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Owner-Occupied	1,593	1,734	1,588	1,252	849	907	619	668	1,011	1,016	11,237
Not Owner-Occupied	450	578	340	126	153	146	104	137	151	146	2,331
Not Applicable	16	18	4	1	4	0	0	1	1	0	45
Total	**2,059**	**2,330**	**1,932**	**1,379**	**1,006**	**1,053**	**723**	**806**	**1,163**	**1,162**	**13,613**

Denial Rates

After the owner-occupied home purchase loan application is submitted, the applicant receives one of the following status designations:

- "Originated," which indicates that the loan was made by the lending institution;
- "Approved but not accepted," which notes loans approved by the lender but not accepted by the applicant;
- "Application denied by financial institution," which defines a situation wherein the loan application failed;
- "Application withdrawn by applicant," which means that the applicant closed the application process;
- "File closed for incompleteness" which indicates the loan application process was closed by the institution due to incomplete information; or
- "Loan purchased by the institution," which means that the previously originated loan was purchased on the secondary market.

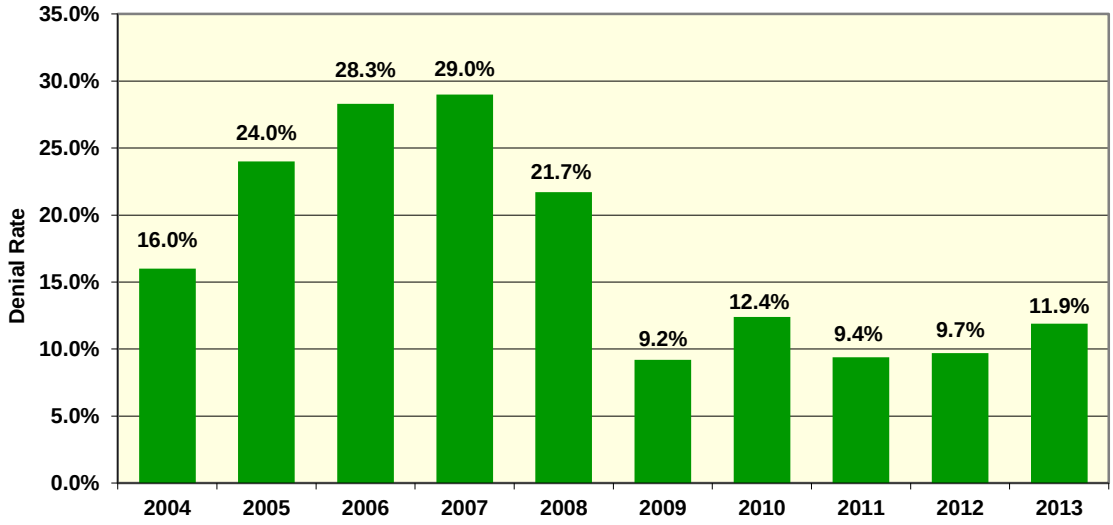
These outcomes were used to determine denial rates presented in the following section. Factors in denial of home purchase loans, such as credit scores or down payment amounts, are not reported in every report submitted through the HMDA, so the reasons for specific loan denials are often unknown. However, with that caveat in mind, the ratio of loan originations to loan denials can be seen as an indicator of the overall success or failure of home purchase loan applicants. As shown in Table V.3 on the following page, just fewer than 5,000 loans were originated in the city from 2004 through 2013, and 1,193 applications were denied, for an overall denial rate of 19.3 percent.

Table V.3
Loan Applications by Action Taken
City of Tulare
2004–2013 HMDA Data

Action	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Loan Originated	817	837	677	451	387	413	269	288	436	420	4,995
Application Approved but not Accepted	102	135	107	103	37	17	16	4	9	13	543
Application Denied	156	265	267	184	107	42	38	30	47	57	1,193
Application Withdrawn by Applicant	125	136	125	132	53	51	32	45	61	64	824
File Closed for Incompleteness	24	30	20	12	11	7	1	7	9	14	135
Loan Purchased by the Institution	369	331	387	370	253	375	262	294	449	448	3,538
Preapproval Request Denied	0	0	5	0	1	2	1	0	0	0	9
Preapproval Approved but not Accepted	0	0	0	0	0	0	0	0	0	0	0
Total	**1,593**	**1,734**	**1,588**	**1,252**	**849**	**907**	**619**	**668**	**1,011**	**1,016**	**11,237**
Denial Rate	**16.0%**	**24.0%**	**28.3%**	**29.0%**	**21.7%**	**9.2%**	**12.4%**	**9.4%**	**9.7%**	**11.9%**	**19.3%**

Denial rates varied considerably during that time period, as shown in Diagram V.1 below. Over 28 percent of loan applications filed in the city were denied in 2006 and 2007, but by 2009 that figure had fallen to 9.2 percent, and has remained near that level since then.

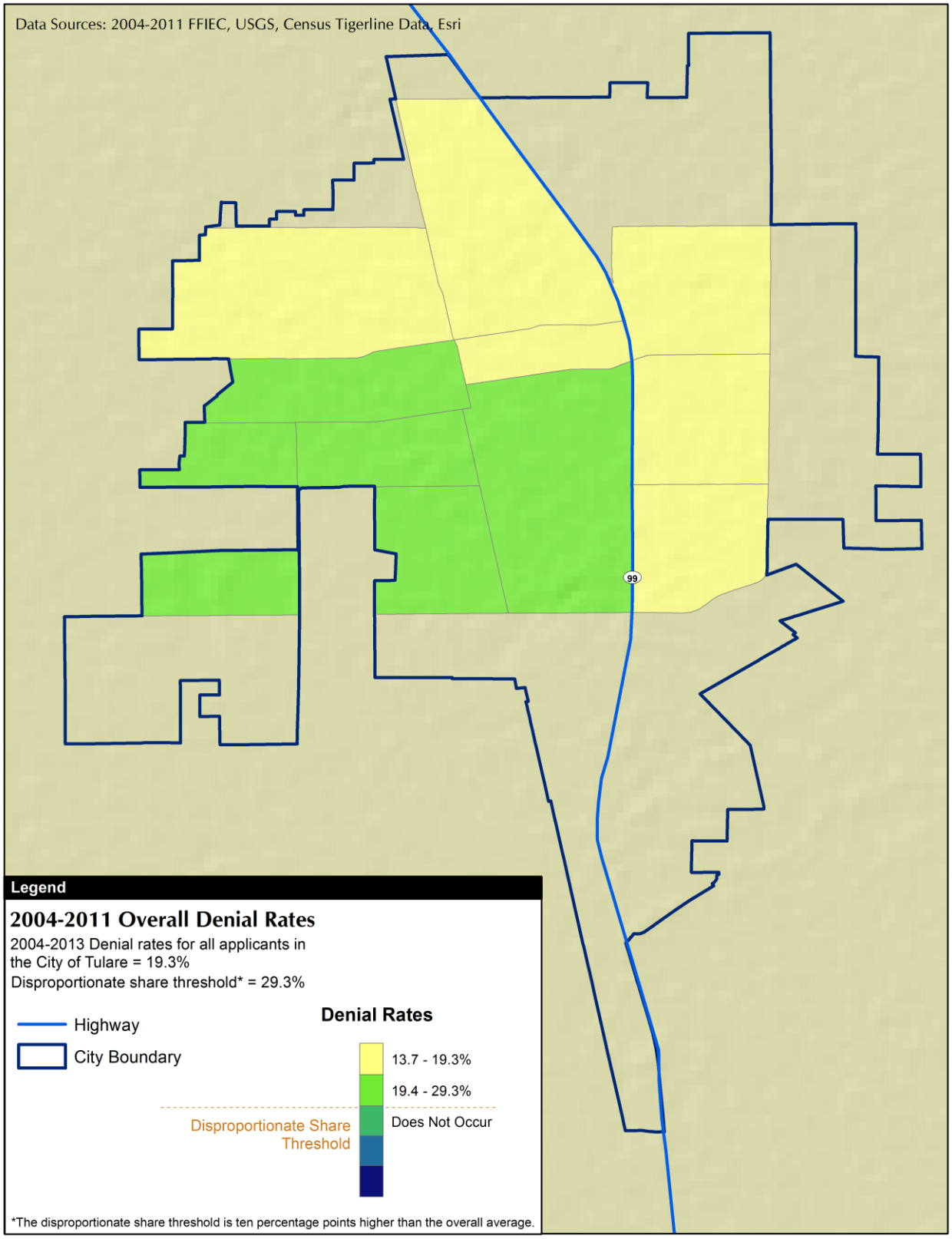
Diagram V.1
Denial Rates by Year
City of Tulare
2004–2013 HMDA Data



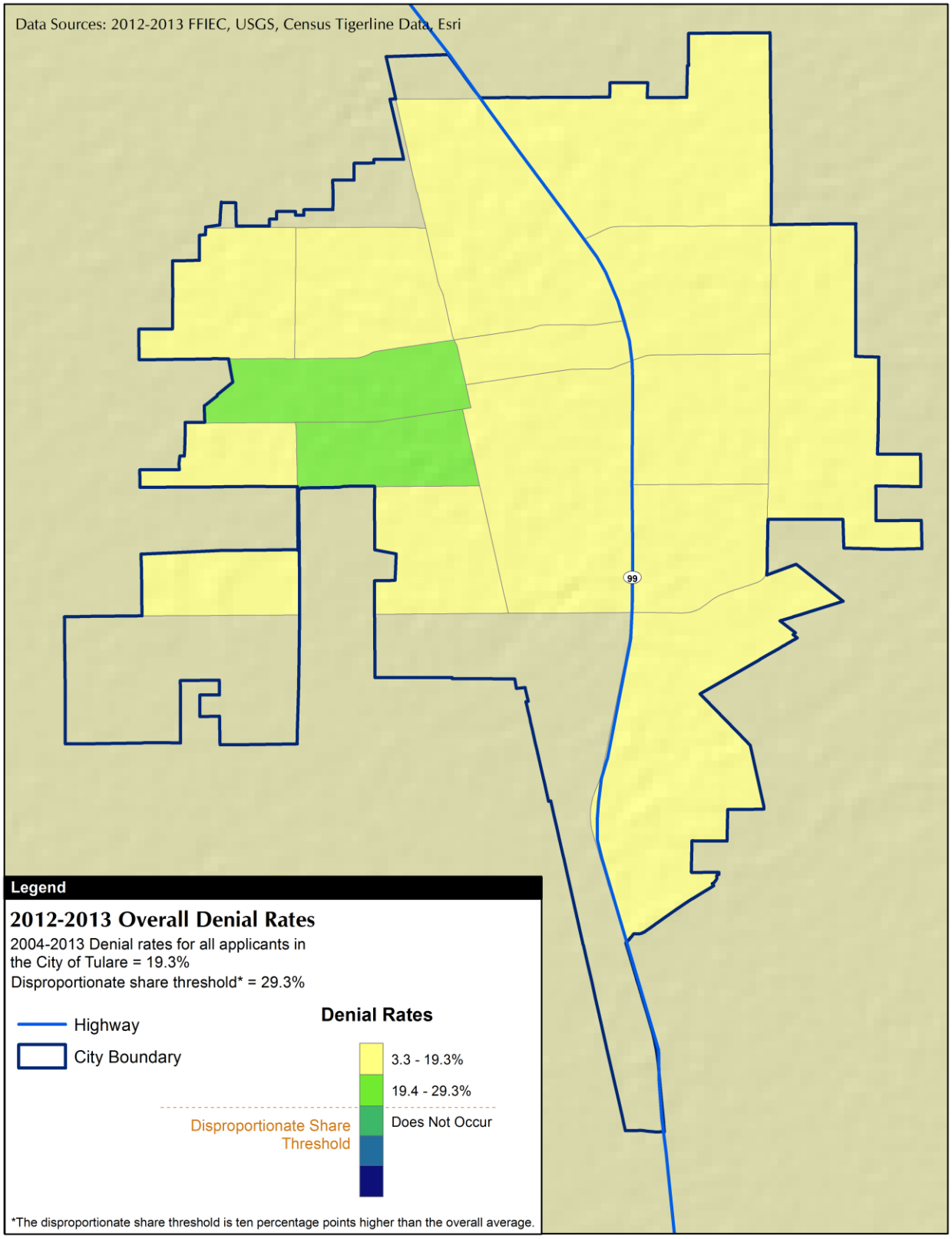
Loan applicants who wished to purchase a home in the southwest of the city were more likely to be turned down than those who applied to purchase a home to the north or east of the city center during the period from 2004 through 2011. As shown in Map V.1 on the following page, denial rates exceeded the overall average of 19.3 percent in all but one Census tract that lay to the west of Highway 99 and south of West Cross Avenue. Note that in Census tracts for which no data are displayed, more than half of the population lay beyond the city limits in 2000.

After 2011, denial rates had fallen throughout most of the city, as shown in Map V.2 on page 82. However, a relatively large share of applicants continued to be turned down in the area bounded to the north by West Cross Avenue, to the south by West Bardsley Avenue, and to the east by South J/South K Street.

Map V.1
Denial Rates by Census Tract, 2004-2011
City of Tulare
2004-2011 HMDA Data



Map V.2
Denial Rates by Census Tract, 2012-2013
City of Tulare
2012-2013 HMDA Data



Denial rates were also observed to vary according to the gender of the applicant. As shown in Table V.4 below, 20.6 percent of applications from female applicants were denied over the decade, compared to a denial rate of 18.4 percent for male applicants. However, the discrepancy between the two was subject to considerable yearly variations, and in some years the denial rate for male applicants exceeded that of females.

Table V.4
Denial Rates by Gender of Applicant
City of Tulare
2004–2013 HMDA Data

Year	Male	Female	Not Available	Not Applicable	Average
2004	13.7%	21.1%	39.1%	0.0%	16.0%
2005	23.0%	25.3%	35.0%	0.0%	24.0%
2006	27.0%	32.1%	24.2%	0.0%	28.3%
2007	28.9%	27.9%	43.8%	0.0%	29.0%
2008	20.7%	26.7%	16.7%	0.0%	21.7%
2009	9.4%	9.2%	0.0%	0.0%	9.2%
2010	13.2%	8.9%	40.0%	0.0%	12.4%
2011	9.0%	10.6%	0.0%	0.0%	9.4%
2012	10.5%	5.7%	30.0%	0.0%	9.7%
2013	11.5%	10.0%	45.5%	0.0%	11.9%
Average	**18.4%**	**20.6%**	**31.4%**	**0.0%**	**19.3%**

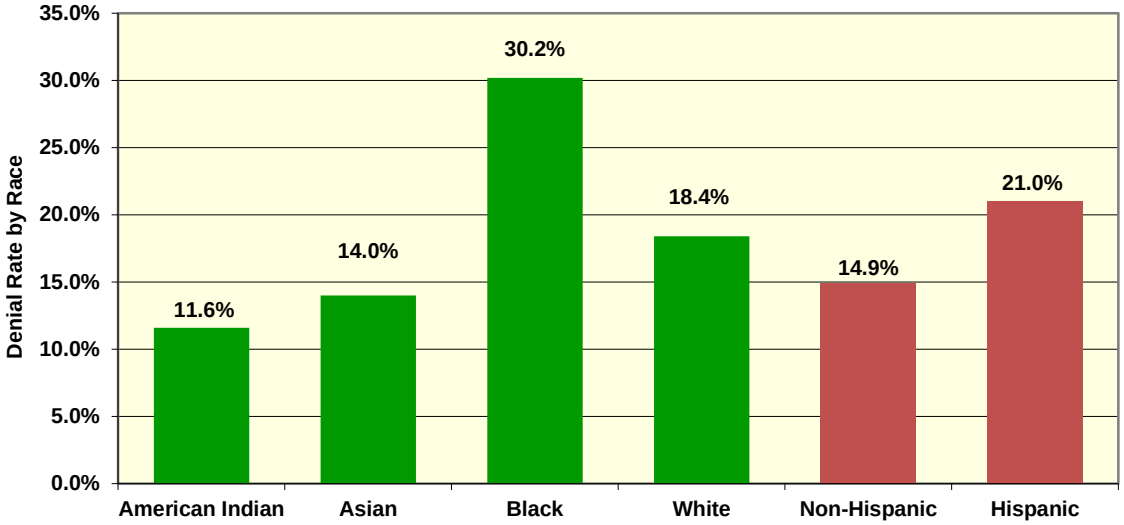
Race had a more pronounced impact on denial rates than gender, as shown in Table V.5 below. Over thirty percent of loan applications from black applicants were turned down from 2004 through 2013, compared to a denial rate of 18.4 for white applicants. It should be noted that the city received relatively few applications from black applicants per year after 2006. Considerably more loan applications were filed in all years by Hispanic applicants, who were turned down 21 percent of the time on average. By comparison, the denial rate for non-Hispanic applicants was just under 15 percent over the ten-year period.

Table V.5
Denial Rates by Race/Ethnicity of Applicant
City of Tulare
2004–2013 HMDA Data

Race/Ethnicity	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Average
American Indian	10.7%	17.1%	14.7%	10.0%	3.8%	11.5%	8.0%	.0%	18.2%	.0%	11.6%
Asian	11.1%	17.6%	9.1%	43.8%	16.7%	.0%	33.3%	14.3%	.0%	.0%	14.0%
Black	24.1%	20.0%	33.3%	71.4%	54.5%	0.0%	0.0%	25.0%	10.0%	16.7%	30.2%
White	13.7%	23.1%	29.3%	26.7%	22.1%	9.3%	12.2%	9.1%	9.3%	11.2%	18.4%
Not Available	29.7%	37.7%	33.0%	48.9%	37.9%	8.3%	33.3%	40.0%	27.3%	32.0%	34.4%
Not Applicable	22.7%	%	%	%	%	0%	0%	%	%	%	22.7%
Average	**16.0%**	**24.0%**	**28.3%**	**29.0%**	**21.7%**	**9.2%**	**12.4%**	**9.4%**	**9.7%**	**11.9%**	**19.3%**
Non-Hispanic	11.3%	19.2%	26.3%	22.5%	16.3%	6.8%	10.9%	12.3%	9.4%	8.6%	14.9%
Hispanic	17.7%	25.3%	28.5%	31.6%	25.1%	10.9%	11.8%	7.9%	9.4%	13.6%	21.0%

Diagram V.2 on the following page shows overall denial rates by race and ethnicity from 2004 through 2013.

Diagram V.2
Denial Rates by Race/Ethnicity of Applicant
City of Tulare
2004–2013 HMDA Data

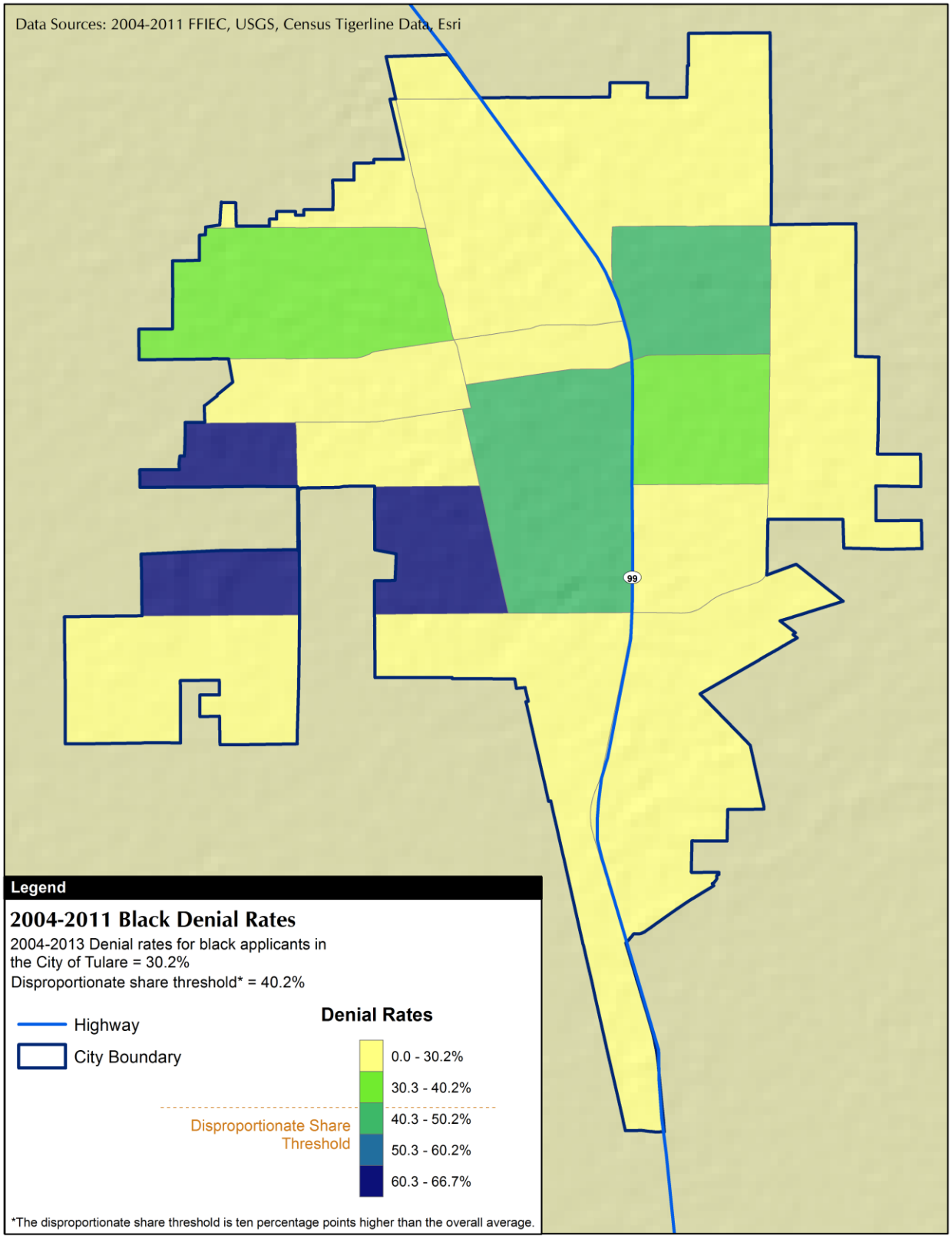


Black loan applicants in the city experienced relatively high denial rates in Census tracts in and around the city center from 2004 through 2011, as shown in Map V.3 on the following page. The greatest number of black loan applications[93] was intended to finance the purchase of homes in a large Census tract in the northwest of the city: in that area, the denial rate for black applicants was above average.

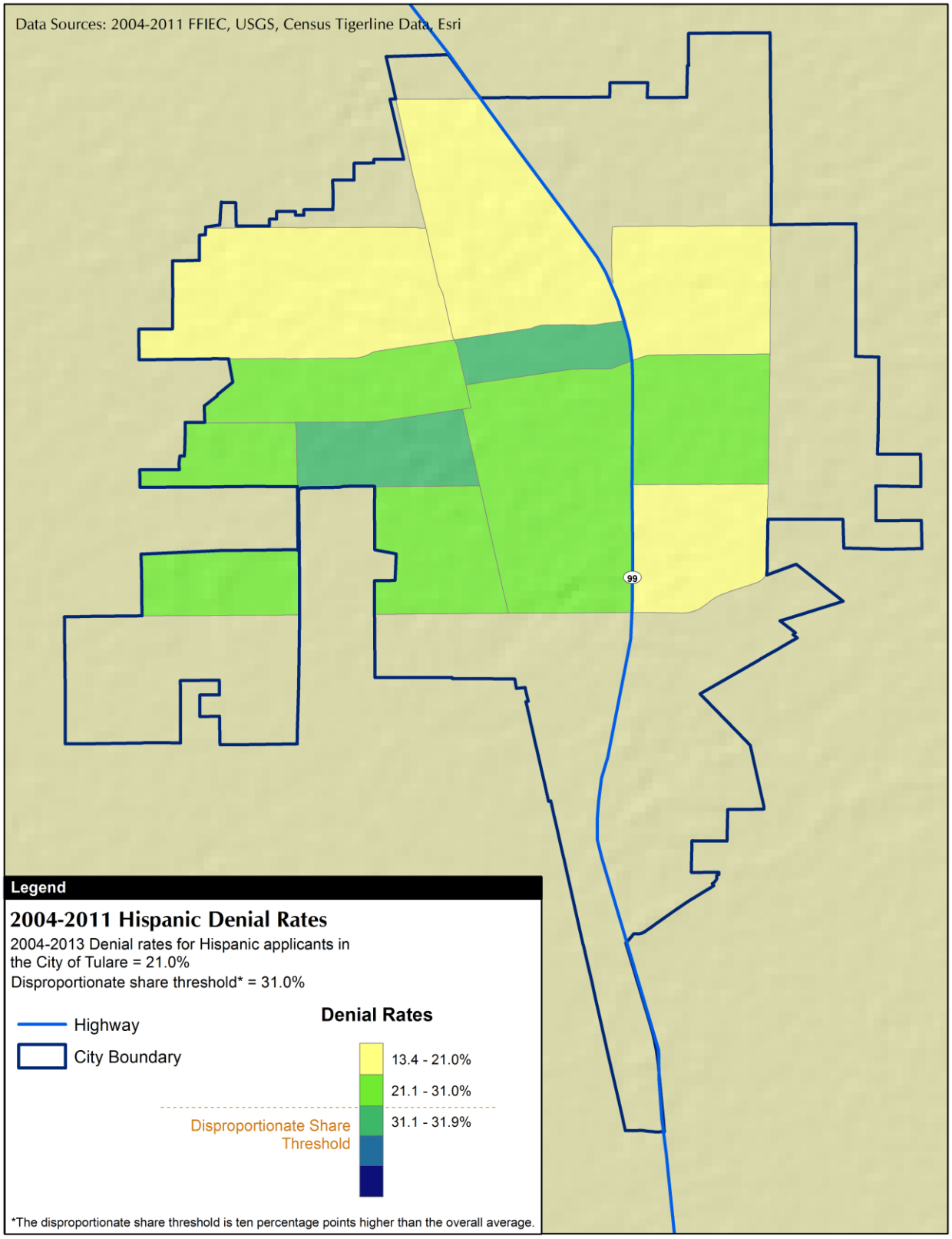
Hispanic loan applicants experienced a relatively high rate of loan denials in the Census tract to the immediate west of the Tulare County Fairgrounds from 2004 through 2011, an area that held a high concentration of Hispanic residents in 2000 and 2010. However, as shown in Map V.4 on page 86, a relatively high percentage of loans applications from Hispanic residents were also turned down in the Census between East Tulare Avenue and East Cross Avenue, and to the west of Highway 99; Hispanic residents accounted for a relatively low percentage of residents throughout most of that area in 2000 and 2010.

[93] There were 18 loans to black applicants originated in this Census tract from 2004 through 2011, and 11 denied loan applications.

Map V.3
Denial Rates for Black Applicants by Census Tract, 2004-2011
City of Tulare
2004-2011 HMDA Data



Map V.4
Denial Rates for Hispanic Applicants by Census Tract, 2004-2011
City of Tulare
2004-2011 HMDA Data



Debt-to-income ratio and credit history figured prominently in the decision to deny home purchase loans in the city, as shown in Table V.6 below. From 2004 through 2013, debt-to-income ratio was a primary factor in around 14.2 percent of denied loans, while credit history was a primary factor in around 16 percent.

Table V.6
Loan Applications by Reason for Denial
City of Tulare
2004–2013 HMDA Data

Denial Reason	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Debt-to-Income Ratio	20	25	21	29	27	10	7	5	11	14	169
Employment History	5	2	2	1	4	1	1	0	0	3	19
Credit History	33	47	40	19	16	5	7	10	4	10	191
Collateral	3	10	4	5	13	1	3	6	5	7	57
Insufficient Cash	1	7	2	4	1	2	3	0	0	3	23
Unverifiable Information	5	33	29	12	8	3	1	1	4	4	100
Credit Application Incomplete	10	33	21	24	5	4	2	1	3	2	105
Mortgage Insurance Denied	0	0	0	0	1	0	0	0	0	0	1
Other	31	53	48	50	20	6	3	3	10	3	227
Missing	48	55	100	40	12	10	11	4	10	11	301
Total	**156**	**265**	**267**	**184**	**107**	**42**	**38**	**30**	**47**	**57**	**1,193**

As one might expect, given the prominence of debt-to-income ratio as a factor in loan denials, denial rates tended to be lower from higher income applicants. However, this effect was most pronounced at the lower end of the income range, as shown in Table V.7 below. As compared to applicants earning $15,000 per year or less, entry into the $15,001 to $30,000 per year income bracket was associated with a 20-point drop in denial rates. However, residents earning $45,001 to $60,000 per year were denied slightly more frequently than residents in the next lower income bracket. Furthermore, the effect of entry into income brackets above $60,000 per year was muted.

Table V.7
Denial Rates by Income of Applicant
City of Tulare
2004–2013 HMDA Data

Income	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
$15,000 or Below	50.0%	.0%	100.0%	100.0%	100.0%	18.2%	16.7%	.0%	50.0%	80.0%	38.8%
$15,001–$30,000	25.7%	38.6%	25.9%	26.7%	28.6%	11.3%	12.1%	6.7%	9.4%	18.3%	18.7%
$30,001–$45,000	20.0%	24.1%	27.2%	30.3%	25.0%	7.5%	13.6%	11.1%	5.7%	8.3%	17.4%
$45,001–$60,000	11.5%	27.1%	29.9%	28.8%	17.6%	3.1%	11.5%	8.6%	12.4%	18.3%	20.0%
$60,001–$75,000	6.6%	17.3%	34.2%	29.3%	22.2%	17.6%	4.5%	19.4%	10.3%	4.6%	19.7%
Above $75,000	13.0%	23.5%	23.4%	28.1%	13.8%	11.4%	9.4%	2.8%	8.8%	8.4%	18.7%
Data Missing	28.8%	19.4%	30.6%	30.0%	50.0%	40.0%	100.0%	%	33.3%	.0%	28.5%
Total	**16.0%**	**24.0%**	**28.3%**	**29.0%**	**21.7%**	**9.2%**	**12.4%**	**9.4%**	**9.7%**	**11.9%**	**19.3%**

The effect of rising incomes on loan denial rates was similar for applicants from each racial or ethnic group. As shown in Table V.8 on the following page, denial rates for most groups fell dramatically with entry into the $15,000 to $30,000 per year income bracket, but generally rose again in higher income brackets. Black applicants had higher denial rates than applicants of any other race in all income ranges, with the exception of those earning $60,000 to $75,000. The denial rate for black applicants in that income range was lower than denial rates for Asian or white applicants.

Table V.8
Denial Rates of Loans by Race/Ethnicity and Income of Applicant
City of Tulare
2004–2013 HMDA Data

Race	<= $15K	$15K–$30K	$30K–$45K	$45K–$60K	$60K–$75K	Above $75K	Data Missing	Average
American Indian	42.9%	10.7%	7.6%	13.6%	16.1%	9.7%	11.1%	11.6%
Asian	0.0%	12.5%	18.8%	3.8%	20.0%	16.3%	0.0%	14.0%
Black	50.0%	27.3%	31.8%	46.9%	19.0%	27.3%	0.0%	30.2%
White	36.1%	17.2%	16.6%	19.3%	19.8%	17.3%	29.6%	18.4%
Not Available	100.0%	46.9%	35.6%	31.1%	21.6%	36.2%	54.5%	34.4%
Not Applicable	0.0%	33.3%	20.0%	0.0%	0.0%	0.0%	60.0%	22.7%
Average	**38.8%**	**18.7%**	**17.4%**	**20.0%**	**19.7%**	**18.7%**	**28.5%**	**19.3%**
Non-Hispanic	31.3%	18.2%	13.8%	15.9%	16.4%	12.2%	24.1%	14.9%
Hispanic	43.8%	17.5%	17.7%	22.7%	22.3%	23.6%	23.1%	21.0%

Predatory Lending

In addition to modifications implemented in 2004 to correctly document loan applicants' race and ethnicity, the HMDA reporting requirements were changed in response to the Predatory Lending Consumer Protection Act of 2002 as well as the Home Owner Equity Protection Act (HOEPA). Consequently, loan originations are now flagged in the data system for three additional attributes:

1. If they are HOEPA loans;[94]
2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of high annual percentage rate (APR) loans (HALs), defined as more than three percentage points higher than comparable treasury rates for home purchase loans, or five percentage points higher for refinance loans.[95]

For the 2015 AI analysis, originated owner-occupied home purchase loans qualifying as HALs were examined for 2004 through 2013. As shown in Table V.9 below, of the nearly 5,000 owner-occupied home purchase loans that were originated during that time, 1,118 of them were HALs, or 22.4 percent.

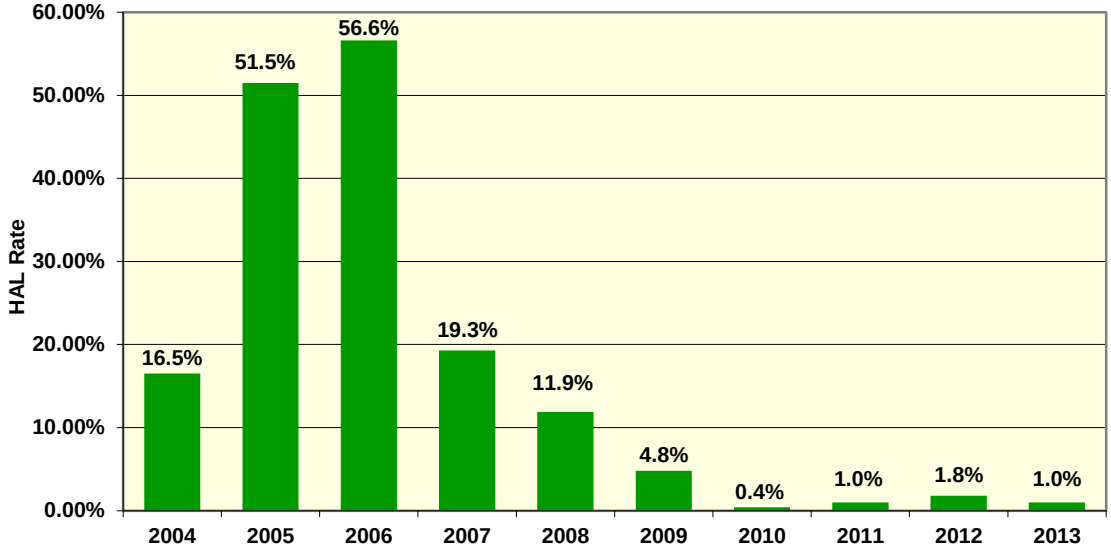
Table V.9
Originated Owner-Occupied Loans by HAL Status
City of Tulare
2004–2013 HMDA Data

Loan Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Other	682	406	294	364	341	393	268	285	428	416	3,877
HAL	135	431	383	87	46	20	1	3	8	4	1,118
Total	**817**	**837**	**677**	**451**	**387**	**413**	**269**	**288**	**436**	**420**	**4,995**
Percent HAL	16.5%	51.5%	56.6%	19.3%	11.9%	4.8%	0.4%	1.0%	1.8%	1.0%	22.4%

However, these high-cost loans were considerably more prevalent in the middle part of the last decade than they have been in recent years. As shown in Diagram V.3 on the following page, the high-cost loans represented more than half of all owner-occupied home purchase loans in the city in 2005 and 2006.

[94] Loans are subject to the HOEPA if they impose rates or fees above a certain threshold set by the Federal Reserve Board. "HMDA Glossary." http://www.ffiec.gov/hmda/glossary.htm#H
[95] 12 CFR Part 203, http://www.ffiec.gov/hmda/pdf/regc_020702.pdf

Diagram V.3
HAL Rates by Year
City of Tulare
2004–2013 HMDA Data



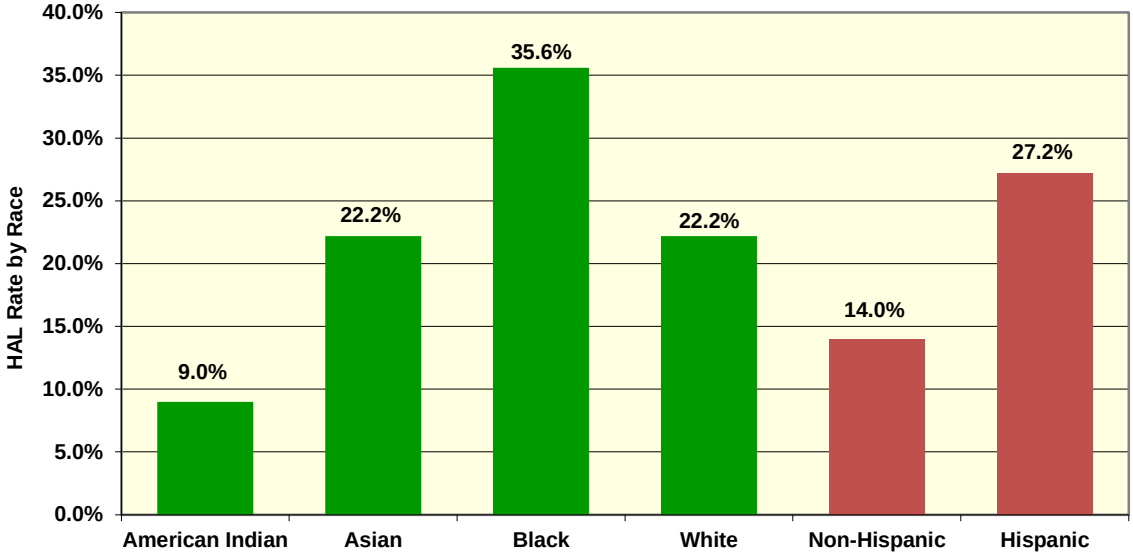
HAL rates also varied markedly according to the race and ethnicity of the borrower. As shown in Table V.10 below, white and Asian borrowers were issued HALs at a rate that was just below the overall average over the decade, while only 9 percent of loans issued to American Indian borrowers were HALs. The HAL rate for black borrowers was over thirteen points higher than average. Similarly, the HAL rate for Hispanic residents, at 27.2 percent from 2004 through 2013, was nearly twice the HAL rate for non-Hispanic residents.

Table V.10
Rate of HALs Originated by Race/Ethnicity of Borrower
City of Tulare
2004–2013 HMDA Data

Race	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Average
American Indian	4.6%	11.3%	27.6%	0.0%	5.9%	10.9%	0.0%	0.0%	0.0%	0.0%	9.0%
Asian	16.7%	57.1%	40.0%	33.3%	10.0%	18.2%	0.0%	0.0%	0.0%	0.0%	22.2%
Black	18.2%	65.0%	75.0%	25.0%	20.0%	33.3%	0.0%	0.0%	0.0%	0.0%	35.6%
White	17.5%	54.4%	59.0%	19.9%	13.5%	3.5%	.4%	1.2%	2.0%	1.1%	22.2%
Not Available	24.7%	72.8%	63.5%	25.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%
Not Applicable	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.8%
Average	**16.5%**	**51.5%**	**56.6%**	**19.3%**	**11.9%**	**4.8%**	**0.4%**	**1.0%**	**1.8%**	**1.0%**	**22.4%**
Non-Hispanic	12.7%	36.4%	41.2%	10.8%	11.8%	4.9%	0.9%	0.9%	0.9%	0.0%	14.0%
Hispanic	19.4%	57.7%	62.6%	25.0%	12.4%	5.0%	0.0%	1.1%	2.8%	2.0%	27.2%

The racial and ethnic variation in HAL rates from 2004 through 2013 is presented in Diagram V.4 on the following page.

Diagram V.4
HAL Rates by Race
City of Tulare
2004–2013 HMDA Data

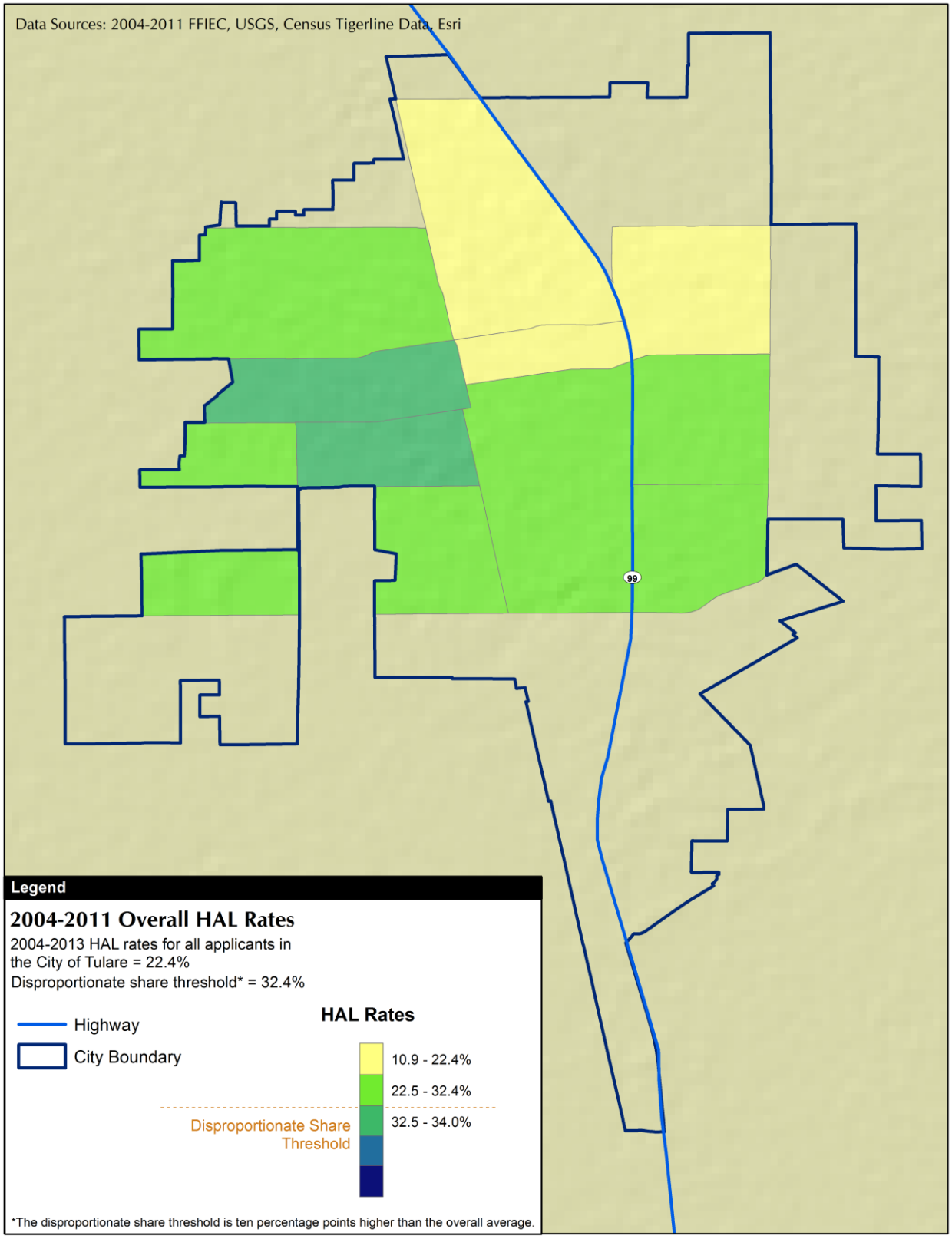


Census tracts with relatively high rates of HALs were generally located to the west of Highway 99 from 2004 through 2011, as shown in Map V.5 on the following page. The highest HAL rates appeared in Census tracts bounded to the east by the railroad tracks, to the south by Bardsley Avenue, and to the north by Cross Avenue. In those two Census tracts, as many as 34 percent of home loans were HALs. After 2011, there were no Census tracts in the city in which HAL rates exceeded the overall average from 2004 through 2013.

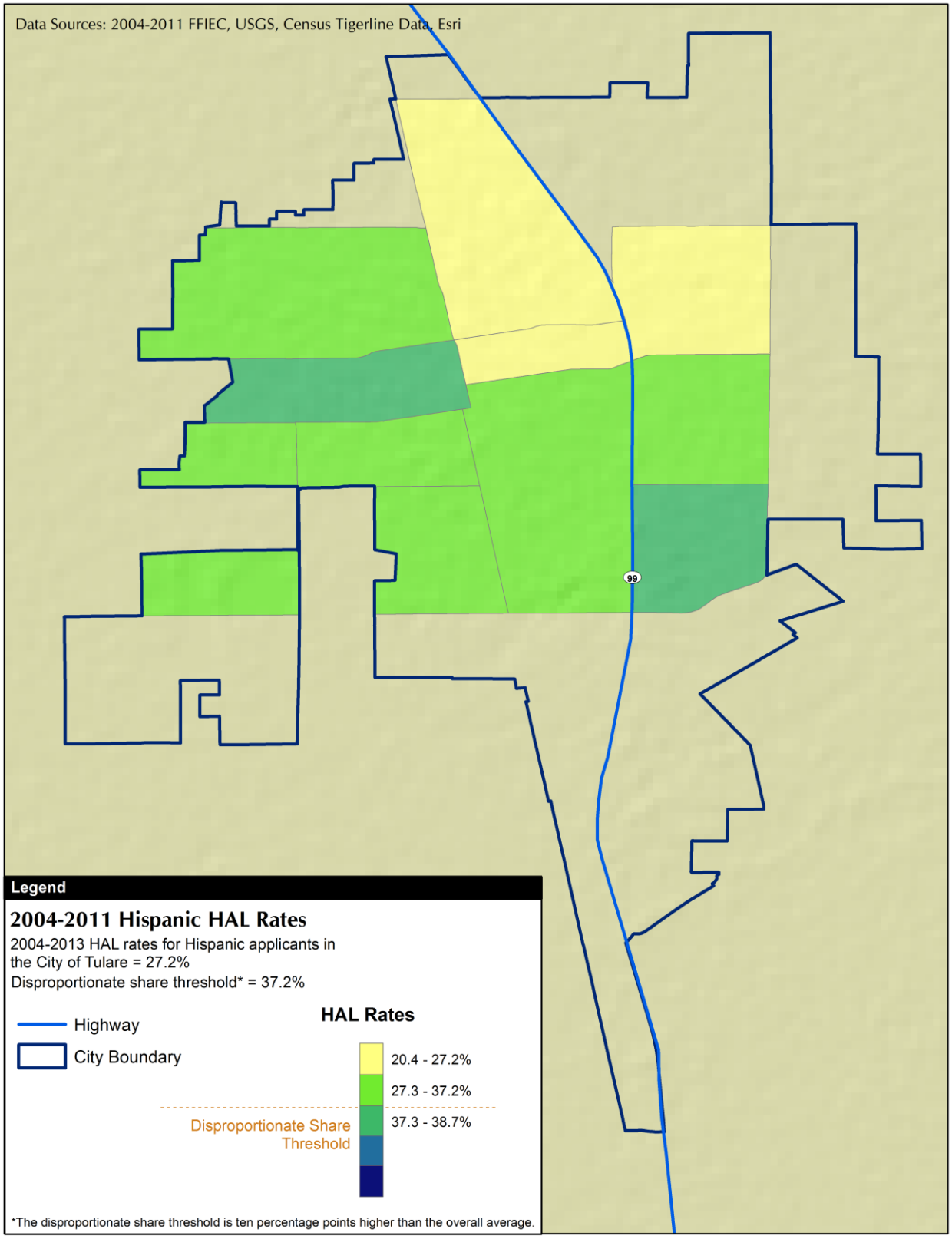
Hispanic applicants tended to receive higher rates of HALs in Census tracts to the west of the city center from 2004 through 2011, as shown in Map V.6 on page 92. These high-cost loans accounted for more than 32.5 percent of home purchase loans issued to Hispanic borrowers in the Census tract bordered by Inyo Avenue, Cross, Avenue, and the railroad tracks to the east. HALs represented a similar share of home purchase loans in the neighborhood around Cypress Park in the southeast of the city.[96]

[96] No more than 20 home purchase loans, HALs or otherwise, were issued to black borrowers in any city Census tract between 2000 and 2011.

Map V.5
Rate of HALs by Census Tract, 2004-2011
City of Tulare
2004–2011 HMDA Data



Map V.6
HALs to Hispanic Applicants by Census Tract, 2004-2011
City of Tulare
2004-2011 HMDA Data



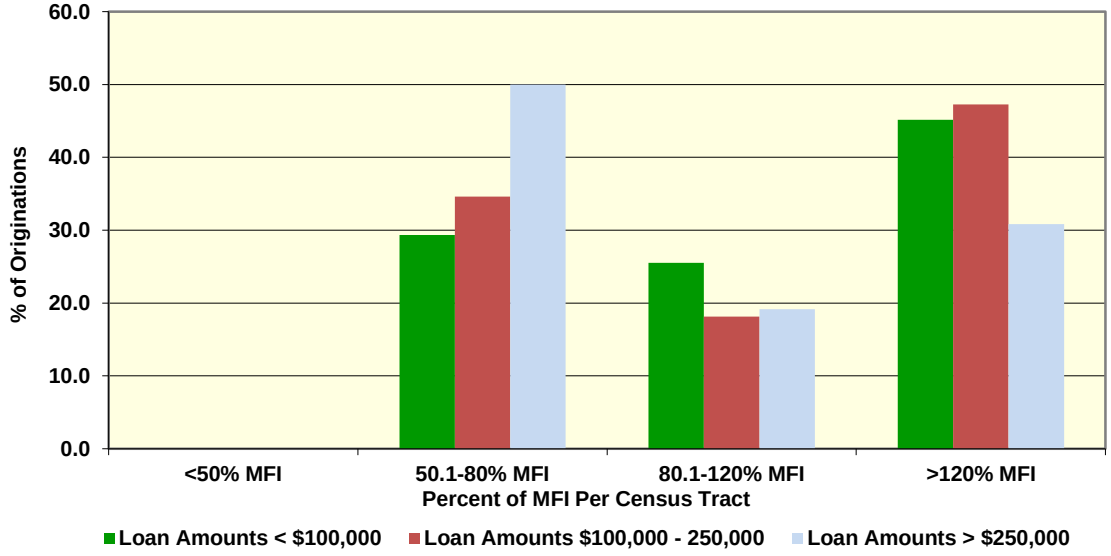
COMMUNITY REINVESTMENT ACT DATA

Economic vitality of neighborhoods can partly be measured through Community Reinvestment Act (CRA) data. According to these data, 8,986 small business loans were extended to businesses in the City of Tulare during the period from 2000 to 2013, of which 3,541 went to businesses with annual revenues of less than $1 million. The total value of loans issued in the city during this time was $307,551, and 94.2 percent of these loans were valued at less than $100,000. Tables with complete CRA data are presented in Appendix A.

Small business loans were also analyzed to determine to degree to which their distribution varied according to the income level of the Census tract in which they were issued. Census tracts were considered low-income if the median family income (MFI) for the tract's residents was less than 50 percent of the MFI for Tulare County ("area MFI"). The area MFI for Tulare County, as estimated by the FFIEC, was $45,100 in 2014.[97] Moderate-income tracts were those in which the tract MFI ranged from 50.1 to 80 percent of the area MFI, middle-income tracts had tract MFI's that ranged from 80.1 to 120 percent of the area MFI, and tracts were considered high-income if the tract MFI exceeded 120 percent of the area MFI.

As shown in Diagram V.5 below, no small business loans were issued in low-income Census tracts in the city at any point during the 14-year period. At the same time, 30.1 percent of small business loans were issued in moderate-income Census tracts, roughly 25.1 percent were issued in middle-income Census tracts, and 44.8 percent were issued in high-income Census tracts. Over forty percent of the total value of small business loans issued in the city went to moderate income tracts, owing to a large share of higher-value loans issued in those areas. However, the share of loan dollars that went to upper-income Census tracts was only slightly smaller, at 39.1 percent.

Diagram V.5
Percent of Small Business Loans Originated by Census Tract MFI
City of Tulare
2000–2013 CRA Data



[97] "FFIEC Median Family Income Report". Federal Financial Institutions Examination Council website. Accessed June 5, 2015 from https://www.ffiec.gov/pdf/msa14inc.pdf.

The number of small business loans issued in Census tracts bordering on Highway 99 from 2000 through 2011 tended to be at or above the citywide median, as shown in Map V.7 on the following page. As a general rule, Census tracts in the west of the city, largely residential areas with above-average and disproportionate shares of households living in poverty, tended to receive relatively few small business loan dollars. A similar pattern was observed in 2012-2013, as shown in Map V.8 on page 96.

As one might expect, the total value of small business loans issued in a Census tract tended to be higher in areas that received more loans. As shown in Map V.9 on page 97, nearly $100,000 in small business loans was issued in the Census tracts containing the county fairgrounds and Tulare Union High School, the highest value issued in any Census tract in the city during that time. The same area also received a relatively large amount of loan dollars in 2012-2013, along with outlying Census tracts to the north and east of the city center, as shown in Map V.10 on page 98.

Fair Housing Complaints

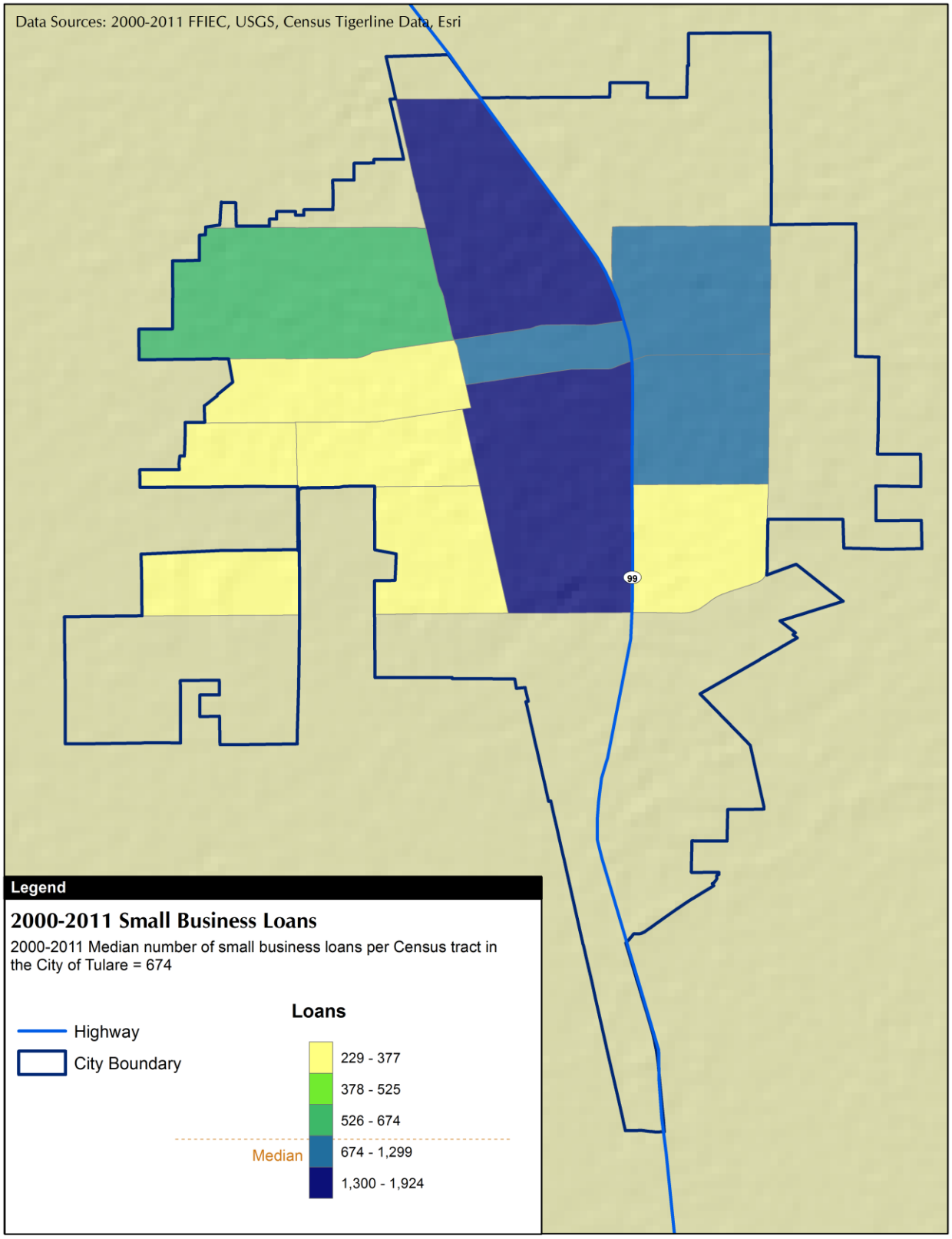
U.S. Department of Housing and Urban Development

Tulare residents have filed six fair housing complaints against housing providers in the city since 2008. As shown in Table V.11 below, five out of the six complaints cited discrimination on the basis of disability. The remaining complaint, which was filed in 2011, alleged discrimination on the basis of familial status. Failure to make or permit reasonable accommodation was the most frequent allegation, cited in four complaints. The same number also cited various forms of discrimination in the rental market. Three of the complaints lodged during this time period were resolved, and were conciliated, settled, or withdrawn. In two complaints, the investigation ended with a "no cause" determination, and one complaint ended with a failure to locate the complainant.

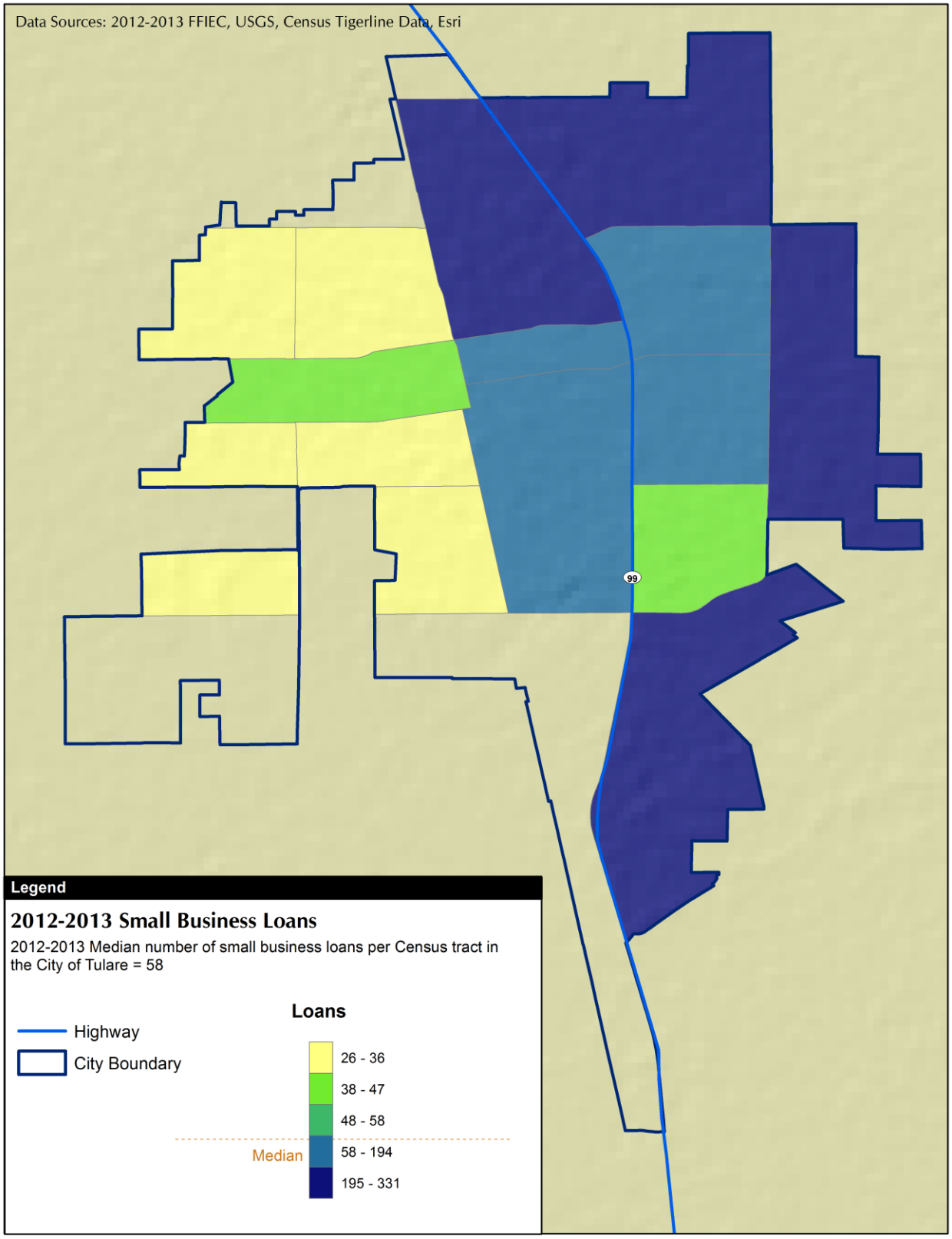
Table V.11
Fair Housing Complaints
City of Tulare
HUD Data: 2008 - 2015

Year	Basis	Issues	Closure	Compensation
2008	Disability	Failure to make reasonable accommodation	No Cause	NA/Unknown
2008	Disability	Failure to make reasonable accommodation	Conciliated/Settled	.NA/Unknown
2009	Disability	Discriminatory refusal to rent, Discrimination in services and facilities relating to rental, Failure to permit reasonable modification	Unable To Locate Complainant	NA/Unknown
2011	Familial Status	Discrimination in terms/conditions/privileges relating to rental	Withdrawn After Resolution	$2,500
2012	Disability	Discrimination in terms/conditions/privileges relating to rental, Discriminatory acts under Section 818, Failure to make reasonable accommodation	Withdrawn After Resolution	NA/Unknown
2013	Disability	Discriminatory refusal to rent	No Cause	NA/Unknown

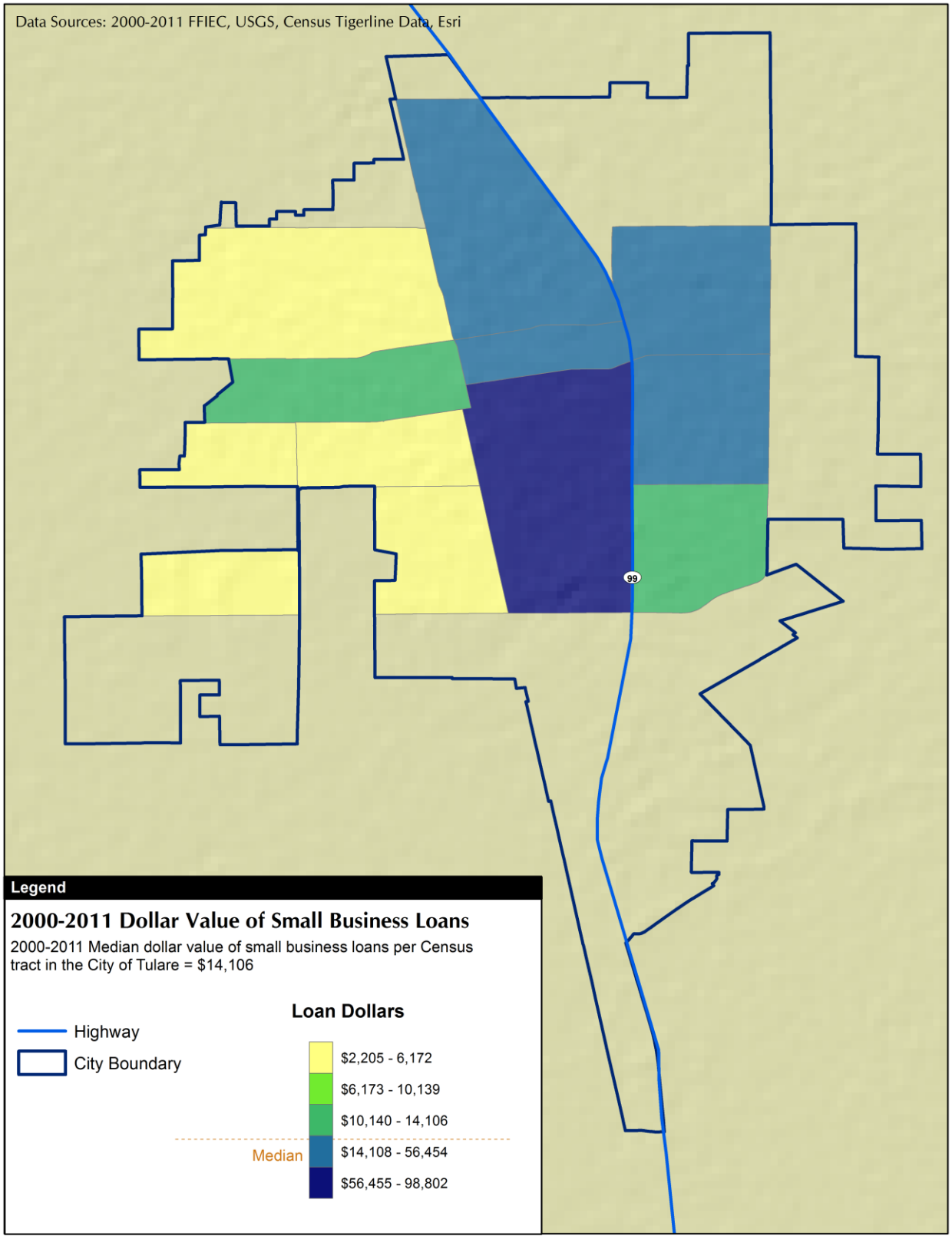
Map V.7
Number of Small Business Loans per Census Tract, 2000-2011
City of Tulare
2000–2011 CRA Data



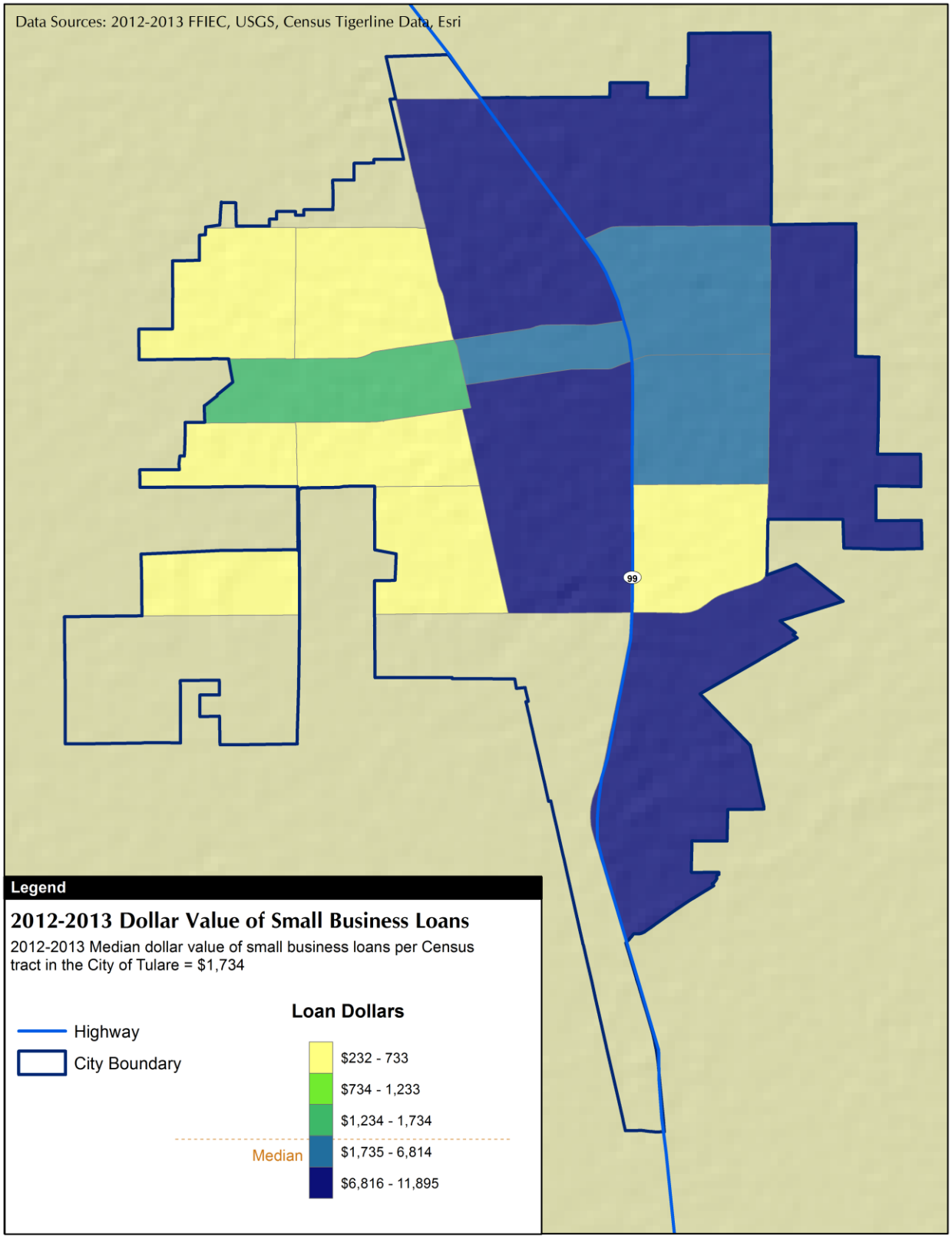
Map V.8
Number of Small Business Loans per Census Tract, 2012-2013
City of Tulare
2012–2013 CRA Data



Map V.9
Dollar Value of Small Business Loan Dollars per Census Tract, 2000-2011
City of Tulare
2000–2011 CRA Data



Map V.10
Dollar Value of Small Business Loan Dollars per Census Tract, 2012-2013
City of Tulare
2012-2013 CRA Data



FAIR HOUSING SURVEY – PRIVATE SECTOR RESULTS

Additional evaluation of fair housing within the City of Tulare was conducted via an online survey of stakeholders that began in June of 2015. The purpose of the survey, a relatively qualitative component of the AI, was to gather insight into the knowledge, experiences, opinions, and feelings of stakeholders and interested citizens regarding fair housing. Results and comments related to the questions in the private sector are presented in the following narrative, and additional survey results are discussed in **Sections VI** and **VII**.

The 2015 City of Tulare Fair Housing Survey was completed by 8 persons and was conducted entirely online. Individuals solicited for participation included representatives of housing groups, minority organizations, disability resource groups, real estate and property management associations, banking entities, and other groups involved in the fair housing arena. Most questions in the survey required simple "yes," "no," or "don't know" responses, although many questions allowed the respondent to offer written comments. When many respondents reported that they were aware of questionable practices or barriers, or when multiple narrative responses indicated similar issues, findings suggested likely impediments to fair housing choice.

Numerical tallies of results and summaries of some comment-driven questions are presented in this section. A complete list of written responses is available in Appendix B.

FAIR HOUSING IN THE PRIVATE SECTOR

In order to address perceptions of fair housing in the City of Tulare's private housing sector, survey respondents were asked to identify their awareness of possible housing discrimination issues in a number of areas within the private housing sector, including the:

- Rental housing market,
- Real estate industry,
- Mortgage and home lending industry,
- Housing construction or accessible housing design fields,
- Home insurance industry,
- Home appraisal industry, and
- Any other housing services.

If respondents indicated that they were aware of possible discriminatory issues in any of these areas, they were asked to further describe issues in a narrative fashion. Tallies for each question are presented on the following page in Table V.12. As shown, no Tulare residents or stakeholders who have taken the survey have indicated that they were aware of questionable practices or barriers to fair housing choice in the private housing market.

Table V.12
Barriers to Fair Housing in the Private Sector
City of Tulare
2015 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	0	4	3	1	8
The real estate industry?	0	3	4	1	8
The mortgage and home lending industry?	0	3	4	1	8
The housing construction or accessible housing design fields?	0	4	3	1	8
The home insurance industry?	0	3	4	1	8
The home appraisal industry?	0	3	4	1	8
Maintenance of foreclosed vacant properties by mortgage lenders?	0	3	4	1	8
Any other housing services?	0	2	5	1	8

SUMMARY

A number of factors affect the housing choices available to residents of the City of Tulare: such factors include patterns in home purchase and small business lending, perceived and actual discrimination in the housing market, and policies and practices of individuals and businesses in the housing market. For the present study, assessment of these factors was undertaken through a review of lending data collected from the Federal Financial Institutions Examination Council (FFIEC); complaint data collected by federal, state, and local agencies and organizations; and the 2015 City of Tulare Fair Housing Survey.

Banks and lending institutions handled 40,340 loans and loan applications in the city from 2004 through 2013. A majority of these loans were refinance loans, though a sizeable minority consisted of home purchase loans, or around 13,600. Over 80 percent of those home purchase loans were intended to finance the purchase of a home in which the loan applicant intended to live, and 19.3 percent of these “owner-occupied” home purchase loans were turned down over the ten-year period.

Female loan applicants were more likely to be turned down for a home purchase loan than male applicants. However, there was a more pronounced disparity in loan denial rates by race and ethnicity. The denial rate for black applicants, at 30.2 percent, was considerably higher than the denial rate for white applicants, at 18.4 percent. Similarly, 21 percent of loan applications from Hispanic applicants were turned down compared to a denial rate of 14.9 percent for non-Hispanic applicants. Loan applicants in general who wished to purchase a home in and around the city center were more likely to be denied than those attempting to buy homes to the north of the city center and to the east of Highway 99.

The most common factor that was cited in the lending institutions’ decisions to deny those loans was credit history, followed by debt-to-income ratio. As one might expect, the denial rate tended to fall as the income of the applicant rose, though this was not universally the case, since loan applicants earning $45,001 to $60,000 per year were actually denied more frequently than those earning $30,001 to $45,000 per year.

Many of the applicants who were able to secure owner-occupied home purchase loans were issued loans with high annual percentage rates. In fact, these high cost loans represented more

than half of all the owner-occupied home purchase loans issued in the city in 2005 and 2006, and more than 22 percent over the ten-year period.

Over forty percent of small business loan dollars in the city went to moderate-income Census tracts, which tended to receive more high-value loans, i.e., loans valued at more than $250,000. However, high-income Census tracts received nearly as many loan dollars. By contrast, no loans were issued in the city's low-income Census tracts: geographically, this meant that Census tracts to the west of the city center received relatively little in the way of small business lending.

Of the six fair housing complaints filed by city residents since 2008, five cited discrimination on the basis of disability; the other complaint alleged discrimination based on familial status. Failure to make or permit reasonable accommodation was the most common specific allegation in those complaints, while the most common general complaint was of perceived discrimination in the rental housing market.

Finally, the 2015 City of Tulare Fair Housing Survey included a section designed to identify perceived fair housing challenges in the private housing market. No such challenges were identified by any survey respondents.

SECTION VI. FAIR HOUSING IN THE PUBLIC SECTOR

While the previous section presented a review of the status of fair housing in the private sector, this section will focus specifically on fair housing in the public sector. The U.S. Department of Housing and Urban Development (HUD) recommends that the AI investigate a number of housing factors within the public sector, including health and safety codes, construction standards, zoning and land use policies, tax policies, and development standards. The AI should also examine the placement of public housing as well as its access to government services.

PUBLIC SERVICES

Community features, including public services and facilities, and the location of public and assisted housing are essential parts of good neighborhoods, leading to a more desirable community and more demand for housing in these areas.

MULTI-FAMILY ASSISTED HOUSING UNITS

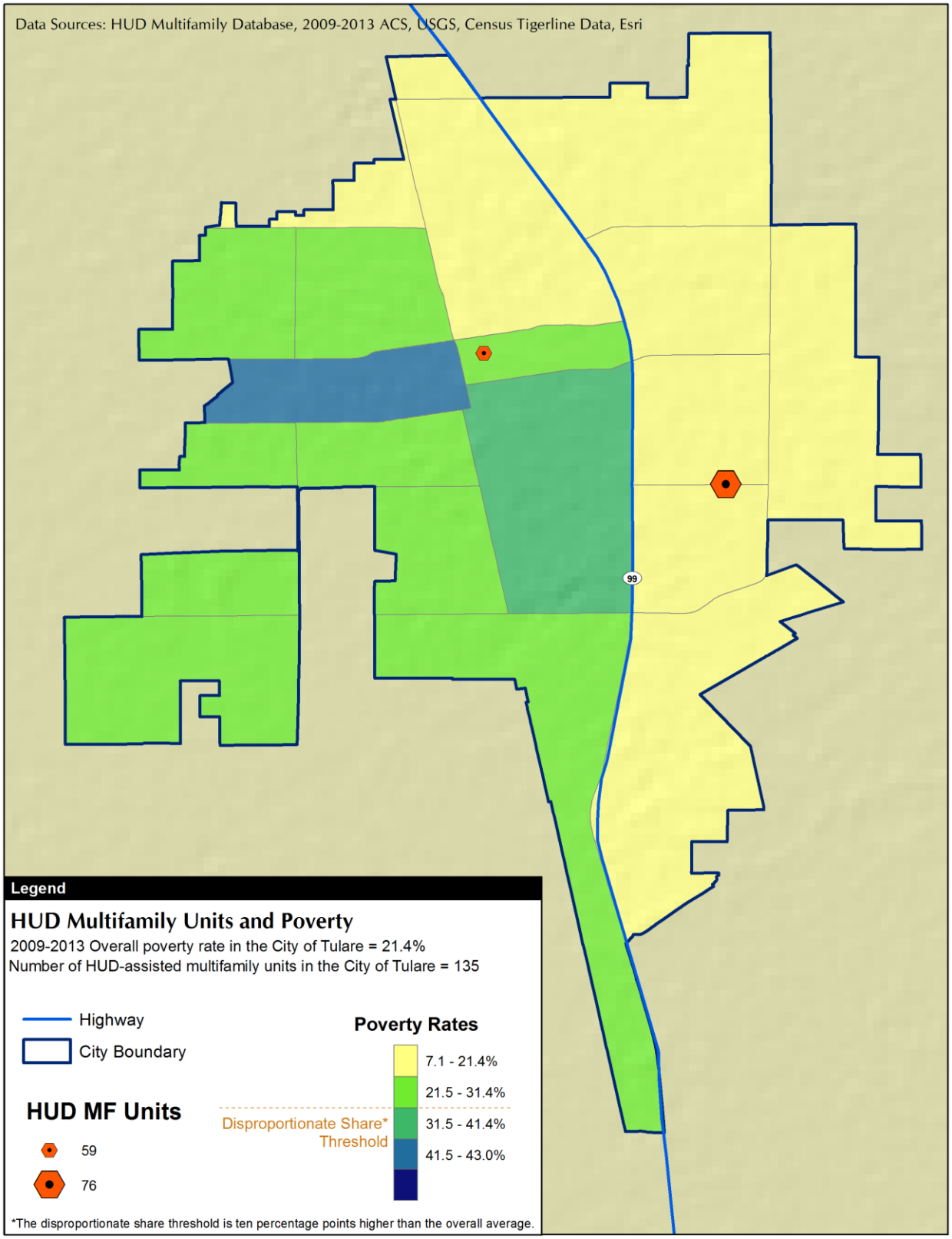
HUD maintains a database of housing projects that are funded through a variety of federal programs, including Housing Choice Vouchers and supportive housing for elderly residents and residents with disabilities. As shown in Map VI.1 on the following page, the HUD database included information on two affordable multifamily projects in the city, which include a total of 135 units between them. One of these projects, which included 59 affordable units, was located in a Census tract with above-average rates of poverty near the city center. The subsidy on this contract is set to expire in 2016. The other project was located to the east of Highway 99, in an area with a poverty rate that was at or below average. The subsidy on this project, which includes 76 affordable units, is not set to expire until after 2020.

LOW-INCOME HOUSING TAX CREDIT PROGRAM

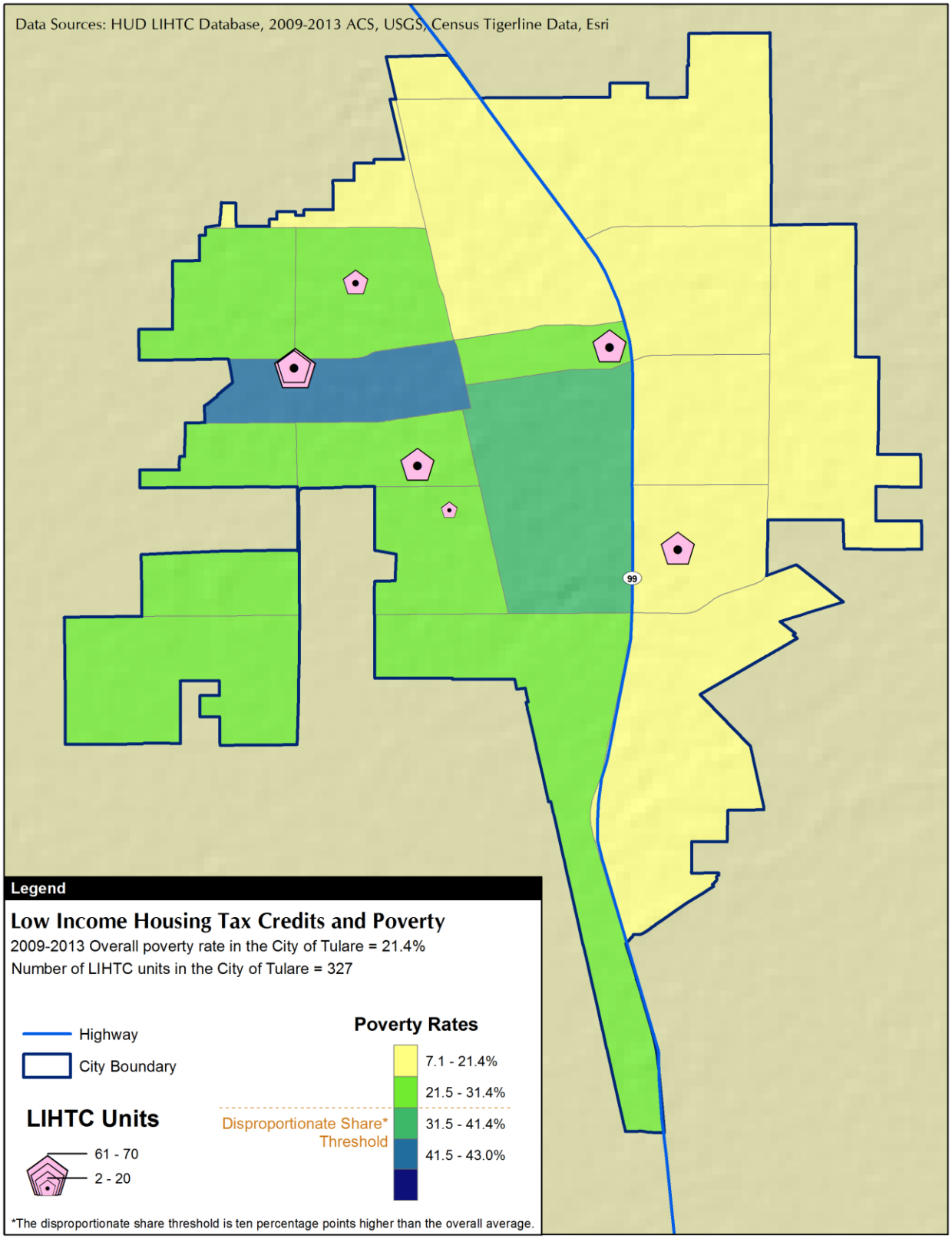
The LIHTC program is designed to promote investment in affordable rental housing by providing tax credits to developers of qualified projects. To qualify for the tax credits, housing projects must be residential rental properties in which a proportion of available units are rent-restricted and reserved for low-income families. Property owners are required to maintain rent and income restrictions for at least thirty years, pursuant to the HUD-mandated minimum affordability period, though in some areas they are required to operate under these restrictions for longer time periods. For example, housing projects that receive funding under California's low income housing tax credit program are often required to preserve affordability for up to 55 years, depending on the credit amount allotted to the project.[98] As shown in Map VI.2 on page 105, a majority of LIHTC projects and units are located in Census tracts with above average rates of poverty to the west of Highway 99.

[98] "Description of California Tax Credit Allocation Committee Programs". California Tax Credit Allocation Committee. Accessed June 24, 2015 at www.treasurer.ca.gov/ctac/program.pdf. Memorandum.

Map VI.1
Multi-Family Assisted Housing Units
City of Tulare
2015 HUD Multifamily Database



Map VI.2
Low Income Housing Tax Credits
City of Tulare
2015 HUD LIHTC Database



FAIR HOUSING SURVEY – PUBLIC SECTOR RESULTS

As mentioned previously, further evaluation of the status of fair housing within the City of Tulare was conducted via an online 2015 Fair Housing Survey, which was completed by 8 stakeholders and citizens. Those solicited for participation included a wide variety of individuals in the fair housing arena. Most questions in the survey required "yes," "no," or "don't know" responses, and many allowed the respondent to offer written comments. While the numerical tallies of results are presented in this section, along with summaries of some comment-heavy questions, a complete list of written responses is available in Appendix B. Other survey results are also discussed in **Sections V** and **VII**.

FAIR HOUSING IN THE PUBLIC SECTOR

Public sector effects on housing can be complex and varied. The questions in this section of the survey asked respondents to think about possible barriers to fair housing choice within very specific areas of the public sector, as follows:

- Land use policies,
- Zoning laws,
- Occupancy standards or health and safety codes,
- Property tax policies,
- Permitting processes,
- Housing construction standards,
- Neighborhood or community development policies,
- Access to government services, and
- Any other public administrative actions or regulations.

If respondents indicated affirmatively that they were aware of possible discriminatory issues in any of these areas, they were asked to further describe issues in a narrative fashion. Tallies for each question are presented in Table VI.1 below. As shown, only one respondent has professed to be aware of any barriers to fair housing choice in public sector housing policies or practices: that respondent cited limitations in access to public services, specifically in employment opportunities for people experiencing homelessness or with disabling conditions.

Table VI.1
Barriers to Fair Housing in the Public Sector
City of Tulare
2015 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	0	5	1	2	8
Zoning laws?	0	5	1	2	8
Occupancy standards or health and safety codes?	0	5	1	2	8
Property tax policies?	0	5	1	2	8
Permitting process?	0	5	1	2	8
Housing construction standards?	0	4	1	3	8
Neighborhood or community development policies?	0	5	1	2	8
Limited access to government services, such as employment services?	1	4	1	2	8
Public administrative actions or regulations?	0	5	1	2	8

SUMMARY

The availability of fair housing choice in the city is impacted by a number of factors in the public sector, including the number and distribution of publicly-subsidized housing units; land-use and zoning laws, policies, and practices; and the provision of government services, among others.

There were only two affordable housing projects included in HUD's database of subsidized housing in Tulare: One of these, a project of 59 affordable units, was located in a central Census tract with an above-average concentration of poverty. The other, a large development of 76 units, was located to the east of Highway 99, where the poverty rate was at or below the citywide average. By contrast, a majority of affordable project and units subsidized through low income housing tax credits (LIHTC) were located to the west of the highway, in Census tracts with above-average rates of poverty.

The 2015 City of Tulare Fair Housing Survey included a section relating to potential challenges and impediments in public sector policies and practices that affect the housing market. Survey respondents did not identify any questionable practices or potential barriers to fair housing choice in the public sector, with the exception of a single respondent who cited limitations in the provision of government services. This respondent noted that employment opportunities are limited for residents with disabilities or those experiencing homelessness.

SECTION VII. PUBLIC INVOLVEMENT

This section discusses analysis of fair housing in the City of Tulare as gathered from various public involvement efforts conducted as part of the AI process. Public involvement feedback is a valuable source of qualitative data about impediments, but, as with any data source, citizen comments alone do not necessarily indicate the existence of citywide impediments to fair housing choice. However, survey and forum comments that support findings from other parts of the analysis reinforce findings from other data sources concerning impediments to fair housing choice.

FAIR HOUSING SURVEY

As discussed in previous sections, a 2015 Fair Housing Survey comprised a large portion of the public involvement efforts associated with the development of the 2015 AI. While data from the survey regarding policies and practices within the private and public sectors have already been discussed, the remaining survey findings are presented below.

The purpose of the 2015 Fair Housing Survey, a relatively qualitative component of the AI, was to gather insight into knowledge, experiences, opinions, and feelings of stakeholders and interested citizens regarding fair housing as well as to gauge the ability of informed and interested parties to understand and affirmatively further fair housing. Many organizations throughout the city were solicited to participate.

A total of 8 persons in the City of Tulare completed the survey, which was conducted entirely online. A complete list of responses is included in Appendix B. Other survey results are also discussed in **Sections V and VI.**

Table VII.1
Role of Respondent
City of Tulare
2015 Fair Housing Survey Data

Primary Role	Total
Property Management	3
Advocate/Service Provider	2
Service Provider	1
Other Role	2
Missing	0
Total	**8**

Respondents of the 2015 Fair Housing Survey were asked to identify their primary role within the housing industry. As shown in Table VII.1 at right, three respondents identified themselves as property managers, two as advocates/service providers, and two as "other".

Table VII.2
How Familiar are you with Fair Housing Laws?
City of Tulare
2015 Fair Housing Survey Data

Familiarity	Total
Not Familiar	1
Somewhat Familiar	5
Very Familiar	2
Missing	0
Total	**8**

The next question asked respondents about their familiarity with fair housing laws. Results of this question are presented in Table VII.2 at left. As shown, a majority of respondents considered themselves to be either "somewhat" or "very" familiar with fair housing laws. Only respondent considered himself or herself unfamiliar with such laws.

Table VII.3 on the following page shows the responses to four questions regarding federal, city, and local fair housing laws. As shown, all respondents considered fair housing laws to serve a useful purpose, though three out of the eight respondents maintained that such laws are difficult to understand or follow. Two respondents identified a need to change existing fair housing laws, and a majority of respondents felt that those laws are not adequately enforced.

Table VII.3
Federal, State, and Local Fair Housing Laws
City of Tulare
2015 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	8				8
Are fair housing laws difficult to understand or follow?	3	5			8
Do you think fair housing laws should be changed?	2	3	3		8
Do you thing fair housing laws are adequately enforced?	2	6			8

The next section in the survey related to fair housing activities, including outreach and education and testing and enforcement. As shown in Table VII.4 below, six respondents maintained that there was no training process available to learn about fair housing laws, though two respondents were aware of such a process, and the same number had participated in fair housing training. There were no respondents who knew of any fair housing testing. When asked to gauge current levels of fair housing outreach, education, and testing, there were no respondents who said that current levels were excessive, or even adequate. A majority responded to these questions with "don't know".

Table VII.4
Fair Housing Activities
City of Tulare
2015 Fair Housing Survey Data

Question		Yes	No	Don't Know	Missing	Total
Is there a training process available to learn about fair housing laws?		2	6	0	0	8
Have you participated in fair housing training?		2	0	0	6	8
Are you aware of any fair housing testing?		0	7	1	0	8
Testing and education	**Too Little**	**Right Amount**	**Too Much**	**Don't Know**	**Missing**	**Total**
Is there sufficient outreach and education activity?	3	0	0	5	0	8
Is there sufficient testing?	2	0	0	6	0	8

As part of the process of measuring understanding of fair housing law through the survey instrument, respondents were asked to list their awareness of classes of persons protected by fair housing laws on federal, state, and local levels. Race and disability were offered as examples of protected classes in the question narrative, and respondents were encouraged to continue on and list other protected classes. Results of this question are presented at right in Table VII.5. As shown, six respondents correctly identified family status, five correctly identified gender and religion, and three correctly listed ethnicity and sexual orientation. Relatively few individuals listed income, national origin, or marital status.

Table VII.5
Protected Classes
City of Tulare
2015 Fair Housing Survey Data

Protected Class	Total
Family Status	6
Gender	5
Religion	5
Age	3
Ethnicity	3
Sexual Orientation	3
Color	2
Disability	2
Income	1
National Origin	1
Race	1
Marital Status	1
Retaliation	1
Other	2
Total	**35**

In a final series of questions, survey respondents were asked about their awareness of fair housing policies and challenges at the local level. Responses to these questions are summarized in Table VII.6 on the following page. Only one respondent was aware of any local fair housing ordinance, regulation, or plan. There were no respondents who were aware of any specific geographic areas with fair housing problems.

Table VII.6
Local Fair Housing
City of Tulare
2015 Fair Housing Survey Data

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any city or county fair housing ordinance, regulation, or plan?	1	3	2	2	8
Are there any specific geographic areas that have fair housing problems?	0	2	4	2	8

FAIR HOUSING FORUM

FAIR HOUSING FORUM

The 2015 City of Tulare Fair Housing forum took place in the city on the afternoon of July 7, 2015. The purpose of the presentation and subsequent discussion was to provide the public with an opportunity to learn more about the AI process and why it is being conducted, to share preliminary findings from the study, and to gain public input on fair housing issues in the city.

SUMMARY

The city promoted public participation during the AI process through the 2015 Fair Housing Survey, the 2015 City of Tulare Fair Housing Forum, and the public review process.

A total of 8 citizens and stakeholders in the city completed the fair housing survey. Respondents to the survey included property managers, advocates/service providers, and others. These respondents generally considered themselves to be familiar with, and supportive of, fair housing laws and policies, though three considered fair housing laws to be difficult to understand or to follow. Only two respondents were aware of any fair housing training process available to city residents and stakeholders: the same number noted that they had participated in such training. Those who weighed in on the current levels of fair housing outreach, education, and testing agreed that they were not adequate to meet the city's fair housing need; however, a majority of respondents felt that they did not know well enough to render an opinion one way or the other.

When asked to identify the classes of people protected under the Federal Fair Housing Act or state anti-discrimination law, a majority were able to correctly identify family status, gender, and religion as protected classes. Fewer correctly identified ethnicity or sexual orientation as protected classes. Only one respondent was aware of any fair housing ordinance, policy, or plan at the local or county level, and none were aware of any specific geographic areas of the city with fair housing problems.

The 2015 City of Tulare Fair Housing Forum took place in the city on the afternoon of July 7, 2015. The purpose of the meeting was to present preliminary findings from the AI and to receive public input on the trends and challenges identified during that study.

SECTION VIII. SUMMARY OF FINDINGS

This AI reviews both the public and private sector contexts for the City of Tulare's housing markets, in order to determine the effects these forces have on housing choice. As part of that review, analysis of demographic, economic, and housing data provide background context for the environments in which housing choices are made. Demographic data indicate the sizes of racial and ethnic populations and other protected classes; economic and employment data show additional factors in influencing housing choice; and counts of housing by type, tenure, quality, and cost indicate the ability of the housing stock to meet the needs of the city's residents.

Analysis of demographic, housing, and economic data establish the context for a detailed review of fair housing laws, cases, studies, complaints, and public involvement data. The structure provided by local, state, and federal fair housing laws shapes the complaint and advocacy processes available in the city, as do the services provided by local, state, and federal agencies. Private sector factors in the homeownership and rental markets, such as home mortgage lending practices, have considerable influence on fair housing choice. In the public sector, policies and codes of local governments and a limited location of affordable rental units can significantly affect the housing available in each area, as well as neighborhood and community development trends. Complaint data and AI public involvement feedback further help define problems and possible impediments to housing choice for persons of protected classes, and confirm suspected findings from the contextual and supporting data.

Socio-Economic Context

The population of Tulare has grown by 40.6 percent since 2000. Residents aged 5 to 19, together with residents aged 35 to 54, accounted for almost half of that growth. Nevertheless, these groups represented smaller shares of city residents in 2010 than they had in 2000, as did residents aged 65 and older. The share of residents aged 55 to 64 grew during that same time period.

More than half of city residents were white in 2000, a share that had grown to 61.3 percent by 2010. The next largest racial group consisted of those who identified their race as "other", followed by those who belonged to two or more racial groups. However, residents from the latter two racial groups declined as a share of the population over the decade, as did black residents, who represented 3.9 percent of the population in 2010. Meanwhile, Hispanic residents grew as a share of the total population from 45.6 to 57.5 percent.[99] Black and Hispanic residents alike tended to account for larger shares of the population in block groups to the west of Highway 99, in and around the city center.

There was one Census tract in the city that could be considered an ethnically-concentrated area of poverty in 2010. This tract lay mostly to the west of the railroad tracks, between Inyo and Cross Avenue. In the past, access of residents in that area to the downtown area has been restricted by trains that periodically block passage from one side of the city to the other.

[99] Note that for the purposes of the Census Bureau, "Hispanic" is considered an ethnicity rather than a race.

Improvements are currently underway that will improve access to areas of opportunity for residents in that Census tract.

Residents with disabilities also tended to be more highly concentrated to the west of Highway 99. However, there was one Census tract to the east of the highway with an above-average concentration of residents with disabilities in 2009-2013.[100] In that time period, residents with disabilities accounted for just over 11 percent of the city's population.

The size of the labor force generally grew steadily between 2000 and 2009, with the exception of a brief decline, in 2004. Growth in the number of employed persons in the city has also generally been positive. However, growth in the labor force began to outpace growth in the number of employed in 2007, leading to a rise in the unemployment rate. The increase in unemployment accelerated dramatically in 2009 as the number of employed fell by around 520. The unemployment rate climbed to nearly 15 percent in 2010 before a slow decline in the labor force, coupled with growth in employment, initiated a steady drop in the unemployment rate that continued through 2014. In that year, 11.2 percent of workers in the city were unable to find a job, on average.

Fluctuations in the city and Tulare County labor market were accompanied by marked yearly fluctuations in the amount of money that workers in Tulare County earned from their labor. The amount that the average worker earned at his or her job rose from just under $40,000 per year in 2000, in real dollars, to nearly $50,000 per year by 2004. However, over the next eight years that figure rose and fell sharply from one year to the next, and stood at $48,724 in 2013. A similar trend was observed in the average income that city residents received during the same time period, though fluctuations in income were considerably more muted. The average household income also rose during this time period.

In spite of rising incomes, the share of city residents living in poverty ticked upward from 20.7 to 21.4 percent. Geographically, Census tracts with comparatively high poverty rates lay exclusively to the west of Highway 99. These same Census tracts tended to have relatively high disability rates, and to encompass block groups with above-average concentrations of black and Hispanic residents.

As the population grew after 2000, so too did the size of the average household. Growth in the number of housing units in the city slightly outpaced growth in the number of households, leading to a moderate increase in the vacant housing stock. At the same time, rental housing units, which tended to be concentrated in central Census block groups, came to account for a larger share of occupied units overall. Owner-occupied units tended to be concentrated in peripheral Census block groups in the north, east, and west of the city. Much of the growth in the vacant housing stock was attributable to increases in the number of vacant units for rent and for sale. By 2010 vacant units that were available for sale constituted a considerably larger share of vacant units than they had in 2000. Single-family units, which represented 78.1 percent of the housing stock in 2000, continued to predominate in 2009-2013, while all other types of housing units declined as a share of the housing stock.

[100] Because disability data from the 2009-2013 American Community Survey are not available at the block group level, maps of the population with disabilities are presented by Census tract.

Generally speaking, many of the housing problems identified in the 2000 were less prevalent in 2009-2013: In spite of the shift toward larger households in the city, the share of housing units that were considered overcrowded was smaller in 2009-2013 than in 2000.[101] Around 9 percent of units were overcrowded or severely overcrowded in 2009-2013, down from 17 percent in 2000. Similarly, a smaller share of housing units lacked complete plumbing or kitchen facilities in 2009-2013 than in 2000; no more than 0.5 percent of housing units in either case.

However, the city saw an increase in the number of housing units that are considered cost-burdened. Over thirty percent of households were cost-burdened or severely cost-burdened in 2000, meaning that housing costs consumed more than thirty percent of their combined monthly income. By 2009-2013, more than forty percent of households were cost-burdened to some degree, almost half of which were severely cost-burdened. Mortgage payments took up between 30 and 50 percent of monthly incomes in a quarter of households that were still under mortgage in 2009-2013, while more than 50 percent of renters were cost-burdened or severely cost-burdened.

Unsurprisingly, the increase in cost-burdening came as median housing costs in the city were rising. Half of all rental households in 2009-2013 were paying $773 or more in monthly rent, compared to a median rent of $541 in 2000. Median home values rose from $94,700 to $157,600 over the same time period.

Review of Fair Housing Laws, Studies, and Cases

The federal Fair Housing Act (FHA) is the foundation for a suite of laws at the national level designed to protect residents of the United States from discrimination in the housing market. As originally passed in 1968, the Act prohibited discrimination on the basis of race, color, religion, gender, and national origin. Subsequent amendments passed in 1988 added additional protections on the basis of disability and familial status, and strengthened the enforcement provisions of the Act. In general, amendments to the FHA passed from 1964 to the present have generally broadened the protections guaranteed under the FHA, applying stricter and more comprehensive protections that apply to housing providers who benefit from federal funding.

In addition to the protections guaranteed under the FHA, California residents are protected from discrimination in the housing market by laws at the state level.[102] These laws prohibit discrimination on the same bases identified in the federal law while expanding those protections to outlaw discrimination based on gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information. California's housing discrimination law has been judged to be "substantially equivalent" to the federal FHA, which allows for HUD-subsidized, state-level enforcement of fair housing law.

Fair housing law and jurisprudence has evolved considerably since the FHA was first enacted in 1968. As noted previously, the Fair Housing Amendments Act of 1988 added additional protections, strengthened the Act's relatively weak enforcement provisions, and gave the

[101] Overcrowding describes a situation in which a housing unit holds more than one resident per room, on average, but less than 1.5. Housing units are considered severely overcrowded if the number of residents per room exceeds 1.5.
[102] C.R.S. 24-34-500, *et seq.*

Department of Housing and Urban Development enhanced authority to enforce the Act. In addition, since the early 1970s the FHA has consistently been interpreted to apply to laws and policies that are apparently neutral with respect to protected class status, but which nevertheless "actually or predictably[103]" result in discrimination. In 2013, HUD finalized a rule formalizing its interpretation of discriminatory effects liability under the FHA.

That interpretation was reaffirmed in a June 25, 2015 Supreme Court decision in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project, Inc.* That case originated in a lawsuit against the Texas Department of Housing and Community Affairs ("the Department"), alleging that the process by which the Department awarded low income housing tax credits had the effect of concentrating affordable housing in areas with high concentrations of minority residents. In bringing the suit, the Inclusive Communities project relied in part on the disparate impact theory, and it was that theory which the Department sought to challenge in asking the Supreme Court to hear the case. Ultimately, the Court held that individuals, businesses, and government agencies could be held liable for the disparate impacts of their policies and practices.

Even as HUD has sought to more firmly establish the theory of disparate impact under the FHA, it has also taken efforts to improve and clarify the requirement to affirmatively further fair housing. In a rule that is currently under regulatory review, HUD has proposed to substantially revise the AFFH process by (1) replacing the analysis of impediments with the assessment of fair housing (AFH), (2) integrating fair housing planning into the consolidated planning process, and (3) providing a fair housing assessment tool and nationally standardized datasets, among other requirements. A final action on that rule was most recently scheduled for June of 2015.

Under certain circumstances, the United States Department of Justice (DOJ) will file a fair housing complaint on behalf of residents who are suspected to have suffered a violation of fair housing law. The DOJ has filed three such cases against housing providers in California's Eastern Federal Court District in the last ten years: In one of those cases, a housing provider who adopted a policy requiring constant supervision of children in all common areas of an apartment complex was accused of discrimination based on familial status. In a second case, a Chicago-based manager of retirement communities was accused of disability-based discrimination when it adopted policies that placed significant restrictions on the use of mobility aids in its retirement communities. Finally, the DOJ filed a case against a Bakersfield property owner and manager, who was accused of habitual sexual harassment of female tenants. All cases were settled, with monetary damages and penalties in the latter case totaling more than $2.1 million.

Fair Housing Structure

A California resident who believes that he or she may have suffered illegal discrimination in the housing market may file a complaint with the state Department of Fair Employment and Housing (DFEH). The DFEH enforces the state's Fair Employment and Housing Act (FEHA), which prohibits discrimination in the housing market on the basis of race, color, religion, sex,

[103] *United States v. City of Black Jack, Missouri*, 508 F.2d 1179, 1184 (8th Cir. 1974) It was racial discrimination, specifically, that was at issue in this case.

national origin, disability, familial status, gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information.

HUD has deemed the FEHA to be "substantially equivalent" to the federal Fair Housing Act (FHA), meaning that the state law provides for equivalent rights, responsibilities, and remedies to those included in the federal law. Certification of substantial equivalency also makes the DFEH eligible to participate in the Fair Housing Assistance Program (FHAP). As a FHAP participant, the DFEH receives various types of funding from HUD, including reimbursement for investigation and processing of complaints alleging violations of the federal Fair Housing Act.

When the DFEH receives a complaint alleging discrimination in the housing market, it will generally notify the accused party ("the respondent") and begin an investigation within thirty days. During the investigation, the complaint may be voluntarily resolved through an agreement between the complainant and respondent. During the investigation, the DFEH determines whether the complaint has merit; If not, the complaint will be dismissed, though the complainant retains the option of filing a lawsuit against the respondent. If the complaint is found to have merit, the DFEH will initiate a mandatory dispute resolution process. If that process fails, the respondent and complainant may elect to proceed through an administrative hearing or an action in a civil court.

If the DFEH fails to complete an investigation within 100 days after the complaint is received, HUD may take the complaint back for investigation, unless the DFEH has demonstrated that it was impracticable to complete the complaint in that time frame. However, any complaints that are filed with HUD will be dually-filed with the DFEH and referred to the state agency for investigation.

HUD and the DFEH; which are responsible for enforcing the FHA and FEHA, respectively; represent the backbone of fair housing enforcement and administration in the state. However, there are a number of private, non-profit organizations that work to promote fair housing choice in the state. Many of these are participants in HUD's Fair Housing Initiatives Program (FHIP), and several provide services that are available to Tulare residents. California Rural Legal Assistance provides a variety of legal services to low-income resident of the state's rural areas, and has done so since 1966. As a FHIP participant, it has focused its efforts on aiding in the fair housing enforcement process as well as addressing fair housing issues in the home lending industry. The Fair Housing Council of Central California, another FHIP participant, has provided fair housing services to residents of the Central Valley since 1995. Both organizations accept fair housing complaints from Tulare residents.

Fair Housing in the Private Sector

A number of factors affect the housing choices available to residents of the City of Tulare: such factors include patterns in home purchase and small business lending, perceived and actual discrimination in the housing market, and policies and practices of individuals and businesses in the housing market. For the present study, assessment of these factors was undertaken through a review of lending data collected from the Federal Financial Institutions Examination Council (FFIEC); complaint data collected by federal, state, and local agencies and organizations; and the 2015 City of Tulare Fair Housing Survey.

Banks and lending institutions handled 40,340 loans and loan applications in the city from 2004 through 2013. A majority of these loans were refinance loans, though a sizeable minority consisted of home purchase loans, or around 13,600. Over 80 percent of those home purchase loans were intended to finance the purchase of a home in which the loan applicant intended to live, and 19.3 percent of these "owner-occupied" home purchase loans were turned down over the ten-year period.

Female loan applicants were more likely to be turned down for a home purchase loan than male applicants. However, there was a more pronounced disparity in loan denial rates by race and ethnicity. The denial rate for black applicants, at 30.2 percent, was considerably higher than the denial rate for white applicants, at 18.4 percent. Similarly, 21 percent of loan applications from Hispanic applicants were turned down compared to a denial rate of 14.9 percent for non-Hispanic applicants. Loan applicants in general who wished to purchase a home in and around the city center were more likely to be denied than those attempting to buy homes to the north of the city center and to the east of Highway 99.

The most common factor that was cited in the lending institutions' decisions to deny those loans was credit history, followed by debt-to-income ratio. As one might expect, the denial rate tended to fall as the income of the applicant rose, though this was not universally the case, since loan applicants earning $45,001 to $60,000 per year were actually denied more frequently than those earning $30,001 to $45,000 per year.

Many of the applicants who were able to secure owner-occupied home purchase loans were issued loans with high annual percentage rates. In fact, these high cost loans represented more than half of all the owner-occupied home purchase loans issued in the city in 2005 and 2006, and more than 22 percent over the ten-year period.

Over forty percent of small business loan dollars in the city went to moderate-income Census tracts, which tended to receive more high-value loans, i.e., loans valued at more than $250,000. However, high-income Census tracts received nearly as many loan dollars. By contrast, no loans were issued in the city's low-income Census tracts: geographically, this meant that Census tracts to the west of the city center received relatively little in the way of small business lending.

Of the six fair housing complaints filed by city residents since 2008, five cited discrimination on the basis of disability; the other complaint alleged discrimination based on familial status. Failure to make or permit reasonable accommodation was the most common specific allegation in those complaints, while the most common general complaint was of perceived discrimination in the rental housing market.

Finally, the 2015 City of Tulare Fair Housing Survey included a section designed to identify perceived fair housing challenges in the private housing market. No such challenges were identified by any survey respondents.

Fair Housing in the Public Sector

The availability of fair housing choice in the city is impacted by a number of factors in the public sector, including the number and distribution of publicly-subsidized housing units; land-use and zoning laws, policies, and practices; and the provision of government services, among others.

There were only two affordable housing projects included in HUD's database of subsidized housing in Tulare: One of these, a project of 59 affordable units, was located in a central Census tract with an above-average concentration of poverty. The other, a large development of 76 units, was located to the east of Highway 99, where the poverty rate was at or below the citywide average. By contrast, a majority of affordable project and units subsidized through low income housing tax credits (LIHTC) were located to the west of the highway, in Census tracts with above-average rates of poverty.

The 2015 City of Tulare Fair Housing Survey included a section relating to potential challenges and impediments in public sector policies and practices that affect the housing market. Survey respondents did not identify any questionable practices or potential barriers to fair housing choice in the public sector, with the exception of a single respondent who cited limitations in the provision of government services. This respondent noted that employment opportunities are limited for residents with disabilities or those experiencing homelessness.

Public Involvement

The city promoted public participation during the AI process through the 2015 Fair Housing Survey, the 2015 City of Tulare Fair Housing Forum, and the public review process.

A total of 8 citizens and stakeholders in the city completed the fair housing survey. Respondents to the survey included property managers, advocates/service providers, and others. These respondents generally considered themselves to be familiar with, and supportive of, fair housing laws and policies, though three considered fair housing laws to be difficult to understand or to follow. Only two respondents were aware of any fair housing training process available to city residents and stakeholders: the same number noted that they had participated in such training. Those who weighed in on the current levels of fair housing outreach, education, and testing agreed that they were not adequate to meet the city's fair housing need; however, a majority of respondents felt that they did not know well enough to render an opinion one way or the other.

When asked to identify the classes of people protected under the Federal Fair Housing Act or state anti-discrimination law, a majority were able to correctly identify family status, gender, and religion as protected classes. Fewer correctly identified ethnicity or sexual orientation as protected classes. Only one respondent was aware of any fair housing ordinance, policy, or plan at the local or county level, and none were aware of any specific geographic areas of the city with fair housing problems.

The 2015 City of Tulare Fair Housing Forum took place in the city on the afternoon of July 7, 2015. The purpose of the meeting was to present preliminary findings from the AI and to receive public input on the trends and challenges identified during that study.

SECTION IX. IMPEDIMENTS AND SUGGESTED ACTIONS

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Private Sector Impediments, Suggested Actions, and Measurable Objectives

***Impediment 1*: Discrimination against disabled and familial status.** This impediment was identified through review of fair housing complaints lodged by city residents from 2008 through 2015.

Action 1.1: Conduct outreach and education to city residents relating to fair housing policy, highlighting discriminatory practices based on disability and familial status.

Measurable Objective 1.1: The number of outreach and education sessions offered.

***Impediment 2*: Failure to make reasonable modification or accommodation.** This impediment was identified through review of fair housing complaints lodged by city residents from 2008 through 2015.

Action 2.1: Conduct outreach and education to housing providers, including owners and property managers, relating to the reasonable modification and accommodation requirements under the FHA.

Measurable Objective 2.1: The number of outreach and education sessions conducted and the number of participants in those sessions.

***Impediment 3*: Racial and ethnic minorities have a higher rate of home purchase loan denials than white residents.** This impediment was identified through review of home purchase loan data gathered under the Home Mortgage Disclosure Act (HMDA).

Action 3.1: Conduct outreach and education relating to home purchase lending, focusing on strategies for building and maintaining good credit.

Measurable Objective 3.1: The number of credit counseling outreach and education sessions offered and the number of participants.

***Impediment 4*: Lack of understanding of fair housing laws and policies.** This impediment was identified through review of the 2015 Fair Housing Survey.

Action 4.1: Conduct outreach and education to city residents and property owners and managers relating to fair housing and the duty to affirmatively further fair housing.

Measurable Objective 4.1: The number of outreach and education sessions conducted and the number of participants.

Action 4.2: Enhance fair housing education and outreach activities annually during Fair Housing Month (April). Highlight fair housing, and issues relating to fair housing, through print- and web-based marketing.

Measurable Objective 4.2: The number of enhanced outreach and education activities offered during fair housing month and the number and type of print- and web-based advertisements relating to fair housing.

Action 4.3: Update the city's website to include a discussion of the state Fair Employment and Housing Act (FEHA), all of the classes protected under the federal Fair Housing Act and the FEHA, and the agencies and organizations that are available to help city residents who believe that they have suffered discrimination in the housing market.

Measurable Objective 4.3: The list of updates made to the city's website.

Public Sector Impediments, Suggested Actions, and Measurable Objectives

***Impediment 1*: Lack of understanding of fair housing laws and policies.** This impediment was identified through review of the 2015 Fair Housing Survey and review of the fair housing infrastructure serving the city.

Action 3.1: Conduct annual training sessions for city officials and policy makers relating to fair housing and the duty to affirmatively further fair housing.

Measurable Objective 3.1: The number of outreach and education sessions conducted and the number of participants.

Action 4.3: Update the city's website to include a discussion of the state Fair Employment and Housing Act (FEHA), all of the classes protected under the federal Fair Housing Act and the FEHA, and the agencies and organizations that are available to help city residents who believe that they have suffered discrimination in the housing market.

Measurable Objective 4.3: The list of updates made to the city's website.

***Impediment 2*: Mobility of city residents in an ethnically concentrated area of poverty is impeded by railroad tracks that separate the two halves of the city.** This impediment was identified through geographic analysis of the city's infrastructure and ethnically concentrated areas of poverty.

Action 2.1: Continue improvements to city infrastructure that are designed to better connect all neighborhoods in the city to areas of opportunity.

Measurable Objective 2.1: The number of improvements and the amount of funding dedicated to those improvements.

SECTION X. GLOSSARY

Accessible housing: Housing designed to allow easier access for physically disabled or vision impaired persons.

ACS: American Community Survey

AI: Analysis of Impediments to Fair Housing Choice

AMI: Area median income

BEA: Bureau of Economic Analysis

BLS: Bureau of Labor Statistics

CDBG: Community Development Block Grant

Census tract: Census tract boundaries are updated with each decennial census. They are drawn based on population size and ideally represent approximately the same number of persons for each tract.

Consolidated Plan: Consolidated Plan for Housing and Community Development

Cost burden: Occurs when a household has gross housing costs that range from 30.1 to 50 percent of gross household income. A **severe cost burden** occurs when gross housing costs represent 50.1 percent or more of gross household income.

CRA: Community Reinvestment Act

Disability: A lasting physical, mental, or emotional condition that makes it difficult for a person to conduct daily activities of living or impedes him or her from being able to go outside the home alone or to work.

Disproportionate share: Exists when the percentage of a population is 10 percentage points or more above the study area average.

DOJ: U.S. Department of Justice

ESG: Emergency Shelter Grants program

Fannie Mae: Federal National Mortgage Association (FNMA), a government-sponsored enterprise that purchases mortgages from lenders and repackages them as mortgage-backed securities for investors.

Family: A family is a group of two people or more related by birth, marriage, or adoption and residing together.

FFIEC: Federal Financial Institutions Examination Council

FHAP: Fair Housing Assistance Program

FHEO: Fair Housing and Equal Opportunity

FHIP: Fair Housing Initiative Program

Floor area ratio: The ratio of the total floor area of a building to the land on which it is situated, or the limit imposed on such a ratio.

Freddie Mac: Federal Home Loan Mortgage Corporation (FHLMC), a government-sponsored enterprise that purchases mortgages from lenders and repackage them as mortgage-backed securities for investors.

GAO: U.S. General Accounting Office

Gross housing costs: For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent and electricity or natural gas energy charges.

HAL: High annual percentage rate (APR) loan, defined as more than three percentage points higher than comparable treasury rates for home purchase loans, or five percentage points higher for refinance loans.[104]

HMDA: Home Mortgage Disclosure Act

HOME: HOME Investment Partnerships

HOPWA: Housing Opportunities for Persons with AIDS

Household: A household consists of all the people who occupy a housing unit. A house, an apartment or other group of rooms, or a single room, is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live with any other persons in the structure and there is direct access from the outside or through a common hall.

Housing problems: Overcrowding, incomplete plumbing or kitchen facilities, or cost burdens

HUD: U.S. Department of Housing and Urban Development

Incomplete kitchen facilities: A housing unit is classified as lacking complete kitchen facilities when any of the following are not present: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

Incomplete plumbing facilities: A housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower.

Labor force: The total number of persons working or looking for work

MFI: Median family income

Mixed-use development: The use of a building, set of buildings, or neighborhood for more than one purpose.

MSA: Metropolitan Statistical Area

NIMBYism: "Not in my backyard" mentality among community members, often in protest of affordable or multi-family housing.

Other vacant units: Housing units that are not for sale or rent

Overcrowding: Overcrowding occurs when a housing unit has more than one to 1.5 persons per room. **Severe overcrowding** occurs when a housing unit has more than 1.5 persons per room.

Poverty: The Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using Consumer Price Index (CPI-U). The official poverty definition uses money income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps).

Predatory loans: As defined by the Predatory Lending Consumer Protection Act of 2002 as well as the Home Owner Equity Protection Act (HOEPA), loans are considered predatory based on:

1. If they are HOEPA loans;[105]
2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of HALs. For full definition, see **HAL.**

[104] 12 CFR Part 203, http://www.ffiec.gov/hmda/pdf/regc_020702.pdf

[105] Loans are subject to the HOEPA if they impose rates or fees above a certain threshold set by the Federal Reserve Board. "HMDA Glossary." http://www.ffiec.gov/hmda/glossary.htm#H

Protected Class: Group of people protected from discrimination and harassment. City of Tulare residents are protected from housing discrimination based on race, color, sex, religion, national origin, disability, familial status, gender, gender identity, gender expression, sexual orientation, marital status, ancestry, source of income, and genetic information.

Public housing: Public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.

RDA: Redevelopment agency

Severe cost burden: (See **Cost Burden**).

Severe overcrowding: (See **Overcrowding**)

Steering: Actions of real estate agents or landlords to discourage a prospective buyer or tenant from seeing or selecting properties in certain areas due to their racial or ethnic composition.

Tenure: The status by which a housing unit is held. A housing unit is "owned" if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is "owned" only if the owner or co-owner lives in it. All other occupied units are classified as "rented," including units rented for cash rent and those occupied without payment of cash rent.

APPENDICES

The following sections present additional data prepared in development of the City of Tulare Analysis of Impediments to Fair Housing Choice.

A. COMMUNITY REINVESTMENT ACT DATA

Table A.1
Small Business Loans Originated: $100,000 or Less by Tract MFI
City of Tulare
2000–2013 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
			Number of Loans			
2000	0	157	0	51	0	208
2001	0	114	0	61	0	175
2002	0	135	0	66	0	201
2003	0	221	200	316	0	737
2004	0	220	195	285	0	700
2005	0	230	162	297	0	689
2006	0	379	345	548	0	1,272
2007	0	348	399	602	0	1,349
2008	0	211	292	426	0	929
2009	0	87	115	204	0	406
2010	0	62	106	157	0	325
2011	0	113	124	191	0	428
2012	0	95	123	309	0	527
2013	0	111	98	312	0	521
Total	**0**	**2,483**	**2,159**	**3,825**	**0**	**8,467**
			Loan Amount ($1,000s)			
2000	0	1,937	0	643	0	2,580
2001	0	1,482	0	682	0	2,164
2002	0	1,345	0	961	0	2,306
2003	0	2,680	2,129	3,520	0	8,329
2004	0	2,964	1,817	3,943	0	8,724
2005	0	3,055	1,837	4,233	0	9,125
2006	0	3,525	2,920	7,178	0	13,623
2007	0	4,099	4,012	8,412	0	16,523
2008	0	2,987	2,698	6,075	0	11,760
2009	0	1,703	1,461	3,790	0	6,954
2010	0	933	1,343	2,831	0	5,107
2011	0	2,036	1,566	2,581	0	6,183
2012	0	1,133	1,004	3,777	0	5,914
2013	0	1,250	1,116	4,155	0	6,521
Total	**0**	**31,129**	**21,903**	**52,781**	**0**	**105,813**

Table A.2
Small Business Loans Originated: $100,001 to $250,000 by Tract MFI
City of Tulare
2000–2013 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
			Number of Loans			
2000	0	4	0	3	0	7
2001	0	4	0	1	0	5
2002	0	10	0	2	0	12
2003	0	8	4	12	0	24
2004	0	9	5	15	0	29
2005	0	2	2	11	0	15
2006	0	6	4	8	0	18
2007	0	11	7	13	0	31
2008	0	7	5	13	0	25
2009	0	5	3	5	0	13
2010	0	4	4	4	0	12
2011	0	7	3	4	0	14
2012	0	2	2	13	0	17
2013	0	3	4	8	0	15
Total	**0**	**82**	**43**	**112**	**0**	**237**
			Loan Amount ($1,000s)			
2000	0	714	0	623	0	1,337
2001	0	737	0	215	0	952
2002	0	1,724	0	435	0	2,159
2003	0	1,277	524	2,204	0	4,005
2004	0	1,542	971	2,516	0	5,029
2005	0	370	335	1,922	0	2,627
2006	0	1,092	685	1,251	0	3,028
2007	0	1,854	1,347	2,118	0	5,319
2008	0	1,225	1,103	2,133	0	4,461
2009	0	992	700	1,016	0	2,708
2010	0	771	817	866	0	2,454
2011	0	1,023	687	722	0	2,432
2012	0	385	500	2,473	0	3,358
2013	0	554	926	1,273	0	2,753
Total	**0**	**14,260**	**8,595**	**19,767**	**0**	**42,622**

Table A.3
Small Business Loans Originated: More than $250,000 by Tract MFI
City of Tulare
2000–2013 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
			Number of Loans			
2000	0	6	0	0	0	6
2001	0	3	0	3	0	6
2002	0	10	0	0	0	10
2003	0	4	4	1	0	9
2004	0	15	3	5	0	23
2005	0	20	6	6	0	32
2006	0	18	3	9	0	30
2007	0	17	5	10	0	32
2008	0	10	7	6	0	23
2009	0	9	6	8	0	23
2010	0	7	7	6	0	20
2011	0	6	6	9	0	21
2012	0	5	3	12	0	20
2013	0	11	4	12	0	27
Total	**0**	**141**	**54**	**87**	**0**	**282**
			Loan Amount ($1,000s)			
2000	0	2,700	0	0	0	2,700
2001	0	1,220	0	1,564	0	2,784
2002	0	6,219	0	0	0	6,219
2003	0	1,880	2,250	715	0	4,845
2004	0	7,729	1,300	2,418	0	11,447
2005	0	10,578	2,188	3,002	0	15,768
2006	0	10,512	1,800	5,093	0	17,405
2007	0	11,213	3,420	5,603	0	20,236
2008	0	6,000	2,808	5,050	0	13,858
2009	0	5,055	2,964	4,859	0	12,878
2010	0	4,300	4,599	3,456	0	12,355
2011	0	4,550	3,628	4,372	0	12,550
2012	0	3,296	1,567	6,097	0	10,960
2013	0	7,268	2,379	5,464	0	15,111
Total	**0**	**82,520**	**28,903**	**47,693**	**0**	**159,116**

Table A.4
Small Business Loans to Businesses with Gross Annual Revenues of Less Than $1 Million by Tract MFI
City of Tulare
2000–2013 CRA Data

Year	<50% MFI	50.1-80% MFI	80.1-120% MFI	>120% MFI	Missing MFI	Total
			Number of Loans			
2000	0	91	0	21	0	112
2001	0	51	0	25	0	76
2002	0	29	0	15	0	44
2003	0	75	88	121	0	284
2004	0	83	75	118	0	276
2005	0	126	79	169	0	374
2006	0	129	130	222	0	481
2007	0	118	164	248	0	530
2008	0	78	93	143	0	314
2009	0	42	50	73	0	165
2010	0	30	48	63	0	141
2011	0	42	60	95	0	197
2012	0	51	62	151	0	264
2013	0	47	58	178	0	283
Total	**0**	**992**	**907**	**1,642**	**0**	**3,541**
			Loan Amount ($1,000s)			
2000	0	1,063	0	693	0	1,756
2001	0	1,431	0	1,788	0	3,219
2002	0	668	0	503	0	1,171
2003	0	1,662	2,633	2,056	0	6,351
2004	0	3,843	2,611	3,487	0	9,941
2005	0	4,379	1,797	4,643	0	10,819
2006	0	5,267	2,578	6,262	0	14,107
2007	0	3,352	4,729	6,888	0	14,969
2008	0	1,811	3,941	3,607	0	9,359
2009	0	1,053	1,761	3,662	0	6,476
2010	0	649	2,319	5,011	0	7,979
2011	0	905	1,545	2,344	0	4,794
2012	0	1,316	2,211	3,774	0	7,301
2013	0	2,536	2,297	3,391	0	8,224
Total	**0**	**29,935**	**28,422**	**48,109**	**0**	**106,466**

B. Fair Housing Survey Open Questions

Table B.1
Where would you file a complaint if you felt that your fair housing rights had been violated?
City of Tulare
2015 Fair Housing Survey Data

Comments:
Housing Authority HUD HUD San Francisco Office I don't know it provides with HUD. I have called HUD and USDA and have not heard back, so I would assume the organization that manages the property. That is where I am at right now speaking with them, but they aren't answering me anymore either. So I really don't know. No one is helping me. I am also trying to contact Legal Aid because I am not getting anywhere else. U.S. HUD office in Fresno; California Housing & Community Development; County prosecutor

Table B.2
What "Other" type of Tenure?
City of Tulare
2015 Fair Housing Survey Data

Comments:
agency staff member Housing Consultant Management ompany

Table B.3
How did you become aware of fair housing laws?
City of Tulare
2015 Fair Housing Survey Data

Comments:
Housing Authority I am currently in a situation with my housing here in Tulare City that are violating the terms of my lease and that are against housing laws that I have completed research on to find out my rights. I have taken many classes in Fair Housing and have been in the industry for over 20 years. I have worked with housing not-for-profit organizations for 25 years Through employment in the housing industry. Through the course of business.

Table B.4
How should fair housing laws be changed?
City of Tulare
2015 Fair Housing Survey Data

Comments:
It seems like anyone can get away with anything. Make realistic housing laws that are more specific and not as broad. Something that can be available to tenants. Right now just the managers and management know the rights that they can do the bare minimum for and get away with by abusing power. People that don't know anything are just getting ran over because they don't know anything. It needs to be mandatory that residents do their rights. This is situation in my life, but also through work, that is the situation that people are going through. Have rights for single people like my self with no children, that are fighting for their rights by themselves. Make the information accessible, because housing is not fair. Another thing is that more housing should be available for single people. When looking for a place and it is just you. You get all the help assistance and discounts if you are someone with a family. There is nothing, absolutely NOTHING for single individuals with kids. on the Housing Authority listing, priority goes to families. You get cash aid and discounts on your rent based on the amount of people in your home. but again, for a single individual that had a job, no kids and is working hard there is no help and no rights that protect them. Please help us. You can start at the Tulare Apartments. 1101 South Irwin Street. Should be allowed to discriminate against family size since having children is a choice while all the other items are not.

Table B.5
Are you aware of any barriers that limit access to government services, such as a lack of transportation or employment services?
City of Tulare
2015 Fair Housing Survey Data

Comments:
Limited employment opportunities for people experiencing homelessness and people with disabling conditions.

C. Minutes from the 2015 City of Tulare Fair Housing Forum

The 2015 City of Tulare Fair Housing Forum is scheduled to take place on July 7, 2015. Complete minutes from the forum will be included in future drafts of this report.

D: Additional Tables

Table D.1
Ethnically Concentrated Areas of Poverty by Condition
City of Tulare
HUD PDR, 2010 Census and 2013 5-year ACS Data

Condition	Total Tracts with Condition	Total RCAP/ECAP Tracts In City	% of RCAP/ECAP Tracts with Condition
Economics			
Labor Market Engagement Index < 20	1	1	100.0%
Unemployment Rate > 10%	1	1	100.0%
Labor Force Participation Rate < 70%	1	1	100.0%
Housing			
Vacant Units Which Are "Other" Vacant > 13.6%	1	1	100.0%
Neighborhood School Proficiency Index < 2 0	1	1	100.0%
Occupied Units with Overcrowding > 10.8%	1	1	100.0%
Owner Units with a Mortgage > 31.4%	1	1	100.0%
Renter Units with Cost Burden > 31.1%	1	1	100.0%
Median Home Value < $100,000	0	1	0.0%
Owner Units without a Mortgage > 20.4%	0	1	0.0%
Occupied Units Lacking Kitchen Facilities > 10.9%	0	1	0.0%
Occupied Units Lacking Plumbing Facilities > 10.4%	0	1	0.0%

Table D.2
Owner-Occupied Home Purchase Loan Applications by Loan Type
City of Tulare
2004–2013 HMDA Data

Loan Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Conventional	1,332	1,639	1,521	1,104	340	197	88	141	250	306	6,918
FHA - Insured	218	83	47	108	484	680	498	500	706	643	3,967
VA - Guaranteed	43	12	20	40	24	30	33	26	51	64	343
Rural Housing Service or Farm Service Agency	0	0	0	0	1	0	0	1	4	3	9
Total	**1,593**	**1,734**	**1,588**	**1,252**	**849**	**907**	**619**	**668**	**1,011**	**1,016**	**11,237**

Denial Rates

Table D.3
Loan Applications by Selected Action Taken by Race/Ethnicity of Applicant
City of Tulare
2004–2013 HMDA Data

Race		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
American Indian	Originated	109	97	58	27	51	46	23	17	9	7	444
	Denied	13	20	10	3	2	6	2	0	2	0	58
	Denial Rate	10.7%	17.1%	14.7%	10.0%	3.8%	8.0%	8.0%	.0%	18.2%	.0%	11.6%
Asian	Originated	24	14	20	9	10	11	2	6	9	12	117
	Denied	3	3	2	7	2	0	1	1	0	0	19
	Denial Rate	11.1%	17.6%	9.1%	43.8%	16.7%	.0%	33.3%	14.3%	.0%	.0%	14.0%
Black	Originated	22	20	16	4	5	3	3	3	9	5	90
	Denied	7	5	8	10	6	0	0	1	1	1	39
	Denial Rate	24.1%	20.0%	33.3%	71.4%	54.5%	.0%	.0%	25.0%	10.0%	16.7%	30.2%
White	Originated	548	625	520	387	303	342	237	259	401	379	4,001
	Denied	87	188	216	141	86	35	33	26	41	48	901
	Denial Rate	13.7%	23.1%	29.3%	26.7%	22.1%	9.3%	12.2%	9.1%	9.3%	11.2%	18.4%
Not Available	Originated	97	81	63	24	18	11	4	3	8	17	326
	Denied	41	49	31	23	11	1	2	2	3	8	171
	Denial Rate	29.7%	37.7%	33.0%	48.9%	37.9%	8.3%	33.3%	40.0%	27.3%	32.0%	34.4%
Not Applicable	Originated	17	0	0	0	0	0	0	0	0	0	17
	Denied	5	0	0	0	0	0	0	0	0	0	5
	Denial Rate	29.7%	37.7%	33.0%	48.9%	37.9%	8.3%	33.3%	40.0%	27.3%	32.0%	22.7%
Total	**Originated**	**817**	**837**	**677**	**451**	**387**	**413**	**269**	**288**	**436**	**420**	**4,995**
	Denied	**156**	**265**	**267**	**184**	**107**	**42**	**38**	**30**	**47**	**57**	**1,193**
	Denial Rate	**16.0%**	**24.0%**	**28.3%**	**29.0%**	**21.7%**	**9.2%**	**12.4%**	**9.4%**	**9.7%**	**11.9%**	**19.3%**
Non-Hispanic	Originated	331	286	182	176	169	164	115	107	213	202	1,945
	Denied	42	68	65	51	33	12	14	15	22	19	341
	Denial Rate	11.3%	19.2%	26.3%	22.5%	16.3%	6.8%	10.9%	12.3%	9.4%	8.6%	14.9%
Hispanic	Originated	387	494	447	260	209	238	150	175	213	204	2,777
	Denied	83	167	178	120	70	29	20	15	22	32	736
	Denial Rate	17.7%	25.3%	28.5%	31.6%	25.1%	10.9%	11.8%	7.9%	9.4%	13.6%	21.0%

Table D.4
Loan Applications by Reason for Denial by Race/Ethnicity of Applicant
City of Tulare
2004–2013 HMDA Data

Denial Reason	American Indian	Asian	Black	White	Not Available	Not Applicable	Total	Hispanic (Ethnicity)
Debt-to-Income Ratio	6	4	5	137	16	1	169	111
Employment History	3	0	0	13	3	0	19	14
Credit History	6	3	9	149	24	0	191	112
Collateral	3	0	2	44	7	1	57	35
Insufficient Cash	1	2	0	20	0	0	23	14
Unverifiable Information	8	1	4	76	11	0	100	70
Credit Application Incomplete	11	4	5	69	14	2	105	63
Mortgage Insurance Denied	0	0	0	1	0	0	1	0
Other	6	4	5	176	35	1	227	145
Missing	14	1	9	216	61	0	301	172
Total	**58**	**19**	**39**	**901**	**171**	**5**	**1,193**	**736**
% Missing	24.1%	5.3%	23.1%	24.0%	35.7%	.0%	25.2%	23.4%

Table D.5
Loan Applications by Selected Action Taken by Gender of Applicant
City of Tulare
2004–2013 HMDA Data

Gender		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Male	Originated	619	598	483	323	314	317	184	202	314	315	3,669
	Denied	98	179	179	131	82	33	28	20	37	41	828
	Denial Rate	13.7%	23.0%	27.0%	28.9%	20.7%	9.4%	13.2%	9.0%	10.5%	11.5%	18.4%
Female	Originated	183	213	169	119	63	89	82	84	115	99	1,216
	Denied	49	72	80	46	23	9	8	10	7	11	315
	Denial Rate	21.1%	25.3%	32.1%	27.9%	26.7%	9.2%	8.9%	10.6%	5.7%	10.0%	20.6%
Not Available	Originated	14	26	25	9	10	7	3	2	7	6	109
	Denied	9	14	8	7	2	0	2	0	3	5	50
	Denial Rate	39.1%	35.0%	24.2%	43.8%	16.7%	.0%	40.0%	.0%	30.0%	45.5%	31.4%
Not Applicable	Originated	1	0	0	0	0	0	0	0	0	0	1
	Denied	0	0	0	0	0	0	0	0	0	0	0
	Denial Rate	.0%	%	%	%	%	%	%	%	%	%	.0%
Total	**Originated**	**817**	**837**	**677**	**451**	**387**	**413**	**269**	**288**	**436**	**420**	**4,995**
	Denied	**156**	**265**	**267**	**184**	**107**	**42**	**38**	**30**	**47**	**57**	**1,193**
	Denial Rate	**16.0%**	**24.0%**	**28.3%**	**29.0%**	**21.7%**	**9.2%**	**12.4%**	**9.4%**	**9.7%**	**11.9%**	**19.3%**

Table D.6
Loan Applications by Income of Applicant: Originated and Denied
City of Tulare
2004–2013 HMDA Data

Income		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
$15,000 or Below	Loan Originated	4	3	0	0	0	9	5	5	3	1	30
	Application Denied	4	0	1	1	3	2	1	0	3	4	19
	Denial Rate	50.0%	.0%	100.0%	100.0%	100.0%	18.2%	16.7%	.0%	50.0%	80.0%	38.8%
$15,001 –$30,000	Loan Originated	84	43	20	22	35	94	58	83	77	58	574
	Application Denied	29	27	7	8	14	12	8	6	8	13	132
	Denial Rate	25.7%	38.6%	25.9%	26.7%	28.6%	11.3%	12.1%	6.7%	9.4%	18.3%	18.7%
$30,001 –$45,000	Loan Originated	200	148	75	69	117	147	102	104	132	110	1,204
	Application Denied	50	47	28	30	39	12	16	13	8	10	253
	Denial Rate	20.0%	24.1%	27.2%	30.3%	25.0%	7.5%	13.6%	11.1%	5.7%	8.3%	17.4%
$45,001 –$60,000	Loan Originated	216	212	155	131	103	93	54	32	85	76	1,157
	Application Denied	28	79	66	53	22	3	7	3	12	17	290
	Denial Rate	11.5%	27.1%	29.9%	28.8%	17.6%	3.1%	11.5%	8.6%	12.4%	18.3%	20.0%
$60,001 –$75,000	Loan Originated	142	187	146	82	49	28	21	29	52	62	798
	Application Denied	10	39	76	34	14	6	1	7	6	3	196
	Denial Rate	6.6%	17.3%	34.2%	29.3%	22.2%	17.6%	4.5%	19.4%	10.3%	4.6%	19.7%
Above $75,000	Loan Originated	134	215	256	133	81	39	29	35	83	109	1,114
	Application Denied	20	66	78	52	13	5	3	1	8	10	256
	Denial Rate	13.0%	23.5%	23.4%	28.1%	13.8%	11.4%	9.4%	2.8%	8.8%	8.4%	18.7%
Data Missing	Loan Originated	37	29	25	14	2	3	0	0	4	4	118
	Application Denied	15	7	11	6	2	2	2	0	2	0	47
	Denial Rate	28.8%	19.4%	30.6%	30.0%	50.0%	40.0%	100.0%	%	33.3%	.0%	28.5%
Total	**Loan Originated**	**817**	**837**	**677**	**451**	**387**	**413**	**269**	**288**	**436**	**420**	**4,995**
	Application Denied	**156**	**265**	**267**	**184**	**107**	**42**	**38**	**30**	**47**	**57**	**1,193**
	Denial Rate	**16.0%**	**24.0%**	**28.3%**	**29.0%**	**21.7%**	**9.2%**	**12.4%**	**9.4%**	**9.7%**	**11.9%**	**19.3%**

Table D.7
Loan Applications by Income and Race/Ethnicity of Applicant: Originated and Denied
City of Tulare
2004–2013 HMDA Data

Race		<= $15K	$15K–$30K	$30K–$45K	$45K–$60K	$60K–$75K	> $75K	Data Missing	Total
American Indian	Loan Originated	4	75	121	108	47	65	24	444
	Application Denied	3	9	10	17	9	7	3	58
	Denial Rate	42.9%	10.7%	7.6%	13.6%	16.1%	9.7%	11.1%	11.6%
Asian	Loan Originated	2	7	26	25	16	36	5	117
	Application Denied	0	1	6	1	4	7	0	19
	Denial Rate	.0%	12.5%	18.8%	3.8%	20.0%	16.3%	.0%	14.0%
Black	Loan Originated	1	8	15	17	17	24	8	90
	Application Denied	1	3	7	15	4	9	0	39
	Denial Rate	50.0%	27.3%	31.8%	46.9%	19.0%	27.3%	.0%	30.2%
White	Loan Originated	23	456	973	920	648	912	69	4,001
	Application Denied	13	95	193	220	160	191	29	901
	Denial Rate	36.1%	17.2%	16.6%	19.3%	19.8%	17.3%	29.6%	18.4%
Not Available	Loan Originated	0	26	65	82	69	74	10	326
	Application Denied	2	23	36	37	19	42	12	171
	Denial Rate	100.0%	46.9%	35.6%	31.1%	21.6%	36.2%	54.5%	34.4%
Not Applicable	Loan Originated	0	2	4	5	1	3	2	17
	Application Denied	0	1	1	0	0	0	3	5
	Denial Rate	%	33.3%	20.0%	.0%	.0%	.0%	60.0%	22.7%
Total	**Loan Originated**	**30**	**574**	**1,204**	**1,157**	**798**	**1,114**	**118**	**4,995**
	Application Denied	**19**	**132**	**253**	**290**	**196**	**256**	**47**	**1,193**
	Denial Rate	**38.8%**	**18.7%**	**17.4%**	**20.0%**	**19.7%**	**18.7%**	**28.5%**	**19.3%**
Non-Hispanic	Loan Originated	11	126	425	440	316	583	44	1,945
	Application Denied	5	28	68	83	62	81	14	341
	Denial Rate	31.3%	18.2%	13.8%	15.9%	16.4%	12.2%	24.1%	14.9%
Hispanic	Loan Originated	18	434	733	633	426	463	70	2,777
	Application Denied	14	92	158	186	122	143	21	736
	Denial Rate	43.8%	17.5%	17.7%	22.7%	22.3%	23.6%	23.1%	21.0%

Predatory Lending

Table D.8
Loans by Loan Purpose by HAL Status
City of Tulare
2004–2013 HMDA Data

Loan Purpose		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Home Purchase	Other	682	406	294	364	341	393	268	285	428	416	3,877
	HAL	135	431	383	87	46	20	1	3	8	4	1,118
	Percent HAL	16.5%	51.5%	56.6%	19.3%	11.9%	4.8%	.4%	1.0%	1.8%	1.0%	22.4%
Home Improvement	Other	127	164	193	102	44	15	18	17	17	29	726
	HAL	50	66	55	52	7	5	3	0	4	2	244
	Percent HAL	28.2%	28.7%	22.2%	33.8%	13.7%	25.0%	14.3%	.0%	19.0%	6.5%	25.2%
Refinancing	Other	1,060	1,074	836	483	182	207	208	195	796	626	5,667
	HAL	331	658	548	207	37	11	2	1	2	1	1,798
	Percent HAL	23.8%	38.0%	39.6%	30.0%	16.9%	5.0%	1.0%	.5%	.3%	.2%	24.1%
Total	**Other**	**1,869**	**1,644**	**1,323**	**949**	**567**	**615**	**494**	**497**	**1,241**	**1,071**	**10,270**
	HAL	**516**	**1,155**	**986**	**346**	**90**	**36**	**6**	**4**	**14**	**7**	**3,160**
	Percent HAL	**21.6%**	**41.3%**	**42.7%**	**26.7%**	**13.7%**	**5.5%**	**1.2%**	**.8%**	**1.1%**	**1.1%**	**23.5%**

Table D.9
HALs Originated by Race of Borrower
City of Tulare
2004–2013 HMDA Data

Race	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
American Indian	5	11	16	0	3	5	0	0	0	0	40
Asian	4	8	8	3	1	2	0	0	0	0	26
Black	4	13	12	1	1	1	0	0	0	0	32
White	96	340	307	77	41	12	1	3	8	4	889
Not Available	24	59	40	6	0	0	0	0	0	0	129
Not Applicable	2	0	0	0	0	0	0	0	0	0	2
Total	**135**	**431**	**383**	**87**	**46**	**20**	**1**	**3**	**8**	**4**	**1,118**
Non-Hispanic	42	104	75	19	20	8	1	1	2	0	272
Hispanic	75	285	280	65	26	12	0	2	6	4	755

Table D.10
Loans by HAL Status by Race/Ethnicity of Borrower
City of Tulare
2004–2013 HMDA Data

Race	Loan Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
American Indian	Other	104	86	42	27	48	41	23	17	9	7	404
	HAL	5	11	16	0	3	5	0	0	0	0	40
	Percent HAL	4.6%	11.3%	27.6%	.0%	5.9%	10.9%	.0%	.0%	.0%	.0%	9.0%
Asian	Other	20	6	12	6	9	9	2	6	9	12	91
	HAL	4	8	8	3	1	2	0	0	0	0	26
	Percent HAL	16.7%	57.1%	40.0%	33.3%	10.0%	18.2%	.0%	.0%	.0%	.0%	22.2%
Black	Other	18	7	4	3	4	2	3	3	9	5	58
	HAL	4	13	12	1	1	1	0	0	0	0	32
	Percent HAL	18.2%	65.0%	75.0%	25.0%	20.0%	33.3%	.0%	.0%	.0%	.0%	35.6%
White	Other	452	285	213	310	262	330	236	256	393	375	3,112
	HAL	96	340	307	77	41	12	1	3	8	4	889
	Percent HAL	17.5%	54.4%	59.0%	19.9%	13.5%	3.5%	.4%	1.2%	2.0%	1.1%	22.2%
Not Available	Other	73	22	23	18	18	11	4	3	8	17	197
	HAL	24	59	40	6	0	0	0	0	0	0	129
	Percent HAL	24.7%	72.8%	63.5%	25.0%	.0%	.0%	.0%	.0%	.0%	.0%	39.6%
Not Applicable	Other	15	0	0	0	0	0	0	0	0	0	15
	HAL	2	0	0	0	0	0	0	0	0	0	2
	Percent HAL	11.8%	%	%	%	%	%	%	%	%	%	11.8%
Total	**Other**	**682**	**406**	**294**	**364**	**341**	**393**	**268**	**285**	**428**	**416**	**3,877**
	HAL	**135**	**431**	**383**	**87**	**46**	**20**	**1**	**3**	**8**	**4**	**1,118**
	Percent HAL	**16.5%**	**51.5%**	**56.6%**	**19.3%**	**11.9%**	**4.8%**	**.4%**	**1.0%**	**1.8%**	**1.0%**	**22.4%**
Non -Hispanic	Other	289	182	107	157	149	156	114	106	211	202	1,673
	HAL	42	104	75	19	20	8	1	1	2	0	272
	Percent HAL	12.7%	36.4%	41.2%	10.8%	11.8%	4.9%	.9%	.9%	.9%	.0%	14.0%
Hispanic	Other	312	209	167	195	183	226	150	173	207	200	2,022
	HAL	75	285	280	65	26	12	0	2	6	4	755
	Percent HAL	19.4%	57.7%	62.6%	25.0%	12.4%	5.0%	.0%	1.1%	2.8%	2.0%	27.2%

Table D.11
Rates of HALs by Income of Borrower
City of Tulare
2004–2013 HMDA Data

Income	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Average
$15,000 or Below	25.0%	.0%	%	%	%	.0%	.0%	.0%	.0%	.0%	3.3%
$15,001–$30,000	13.1%	18.6%	35.0%	13.6%	17.1%	6.4%	.0%	1.2%	2.6%	.0%	7.7%
$30,001–$45,000	16.5%	45.9%	28.0%	17.4%	9.4%	4.1%	1.0%	.0%	3.0%	3.6%	13.3%
$45,001 -$60,000	13.9%	61.8%	57.4%	21.4%	10.7%	4.3%	.0%	3.1%	.0%	.0%	25.4%
$60,001–$75,000	25.4%	57.8%	73.3%	20.7%	12.2%	3.6%	.0%	3.4%	1.9%	.0%	34.7%
Above $75,000	17.2%	49.3%	57.4%	17.3%	14.8%	5.1%	.0%	.0%	1.2%	.0%	28.2%
Data Missing	2.7%	34.5%	48.0%	28.6%	.0%	33.3%	%	%	.0%	.0%	23.7%
Average	**16.5%**	**51.5%**	**56.6%**	**19.3%**	**11.9%**	**4.8%**	**.4%**	**1.0%**	**1.8%**	**1.0%**	**22.4%**

Table D.12
Loans by HAL Status by Income of Borrower
City of Tulare
2004–2013 HMDA Data

Income		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
$15,000 or Below	Other	3	3	0	0	0	9	5	5	3	1	29
	HAL	1	0	0	0	0	0	0	0	0	0	1
	Percent HAL	25.0%	.0%	%	%	%	.0%	.0%	.0%	.0%	.0%	3.3%
$15,001 –$30,000	Other	73	35	13	19	29	88	58	82	75	58	530
	HAL	11	8	7	3	6	6	0	1	2	0	44
	Percent HAL	13.1%	18.6%	35.0%	13.6%	17.1%	6.4%	.0%	1.2%	2.6%	.0%	7.7%
$30,001 –$45,000	Other	167	80	54	57	106	141	101	104	128	106	1,044
	HAL	33	68	21	12	11	6	1	0	4	4	160
	Percent HAL	16.5%	45.9%	28.0%	17.4%	9.4%	4.1%	1.0%	.0%	3.0%	3.6%	13.3%
$45,001 –$60,000	Other	186	81	66	103	92	89	54	31	85	76	863
	HAL	30	131	89	28	11	4	0	1	0	0	294
	Percent HAL	13.9%	61.8%	57.4%	21.4%	10.7%	4.3%	.0%	3.1%	.0%	.0%	25.4%
$60,001 –$75,000	Other	106	79	39	65	43	27	21	28	51	62	521
	HAL	36	108	107	17	6	1	0	1	1	0	277
	Percent HAL	25.4%	57.8%	73.3%	20.7%	12.2%	3.6%	0.0%	3.4%	1.9%	.0%	34.7%
Above $75,000	Other	111	109	109	110	69	37	29	35	82	109	800
	HAL	23	106	147	23	12	2	0	0	1	0	314
	Percent HAL	17.2%	49.3%	57.4%	17.3%	14.8%	5.1%	.0%	.0%	1.2%	.0%	28.2%
Data Missing	Other	36	19	13	10	2	2	0	0	4	4	90
	HAL	1	10	12	4	0	1	0	0	0	0	28
	Percent HAL	2.7%	34.5%	48.0%	28.6%	.0%	33.3%	%	%	.0%	.0%	23.7%
Total	**Other**	**682**	**406**	**294**	**364**	**341**	**393**	**268**	**285**	**428**	**416**	**3,877**
	HAL	**135**	**431**	**383**	**87**	**46**	**20**	**1**	**3**	**8**	**4**	**1,118**
	Percent HAL	**16.5%**	**51.5%**	**56.6%**	**19.3%**	**11.9%**	**4.8%**	**.4%**	**1.0%**	**1.8%**	**1.0%**	**22.4%**