



CITY OF LODI



2016 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

AUGUST 2016

DRAFT



ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

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ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

EXECUTIVE SUMMARY

As a recipient of funds from the US Department of Housing and Urban Development (HUD), the City of Lodi is required to conduct an Analysis of Impediments to Fair Housing Choice (AI) and to periodically review that analysis and update it as necessary. This AI is the first produced by the City and provides a detailed look into the fair housing environment in Lodi. More specifically, this document includes an analysis of local factors that may impact fair housing choice, the identification of specific impediments to fair housing choice, and a plan to address those impediments. As part of its ongoing responsibilities as a recipient of HUD funds, the City of Lodi must also continuously assure equal access to services and programs it provides or assists in the community.

WHAT IS AN IMPEDIMENT TO FAIR HOUSING CHOICE?

As defined by the US Department of Housing and Urban Development Fair Housing Planning Guide (1996), impediments to fair housing choice are:

- Any actions, omissions, or decisions taken because of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor which restrict housing choices or the availability of housing choices; or
- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor.

To affirmatively further fair housing, a community must work to remove impediments to fair housing choice.

COMMUNITY PARTICIPATION

Throughout the preparation of the AI, a number of local agencies and organizations were contacted to obtain feedback on housing discrimination complaints and perceptions. To ensure the report responded to community concerns, the City conducted a stakeholder meeting and community workshop on June 25, 2015, and a survey of several specific groups, including residents, housing professionals, and service providers, was distributed from June to July 2015 to gather information on barriers to affordable housing. The City also held a public hearing in August 2016 to gain additional input.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

IMPEDIMENTS IDENTIFIED

This analysis has identified the following impediments and actions to address the impediments. The section titled Conclusions and Recommendations of this document includes additional details on the findings of the analysis.

Affordable Housing

1. Impediment: Lack of sufficient subsidized and unsubsidized affordable housing supply, particularly for low-income special needs households and persons with disabilities.
2. Impediment: Lack of affordable units suitable for large families, resulting in a concentration of Hispanic households in adjoining low-income census tracts, and disproportionately impacting Hispanic households and households with large families.
3. Impediment: Lack of available rental housing subsidy for lower-income households.
4. Impediment: Lack of new or recently built multifamily units resulting in insufficient suitable housing stock for large families, single-parent households with additional need for housing support, and persons with disabilities with accessibility needs, and disproportionately impacting Hispanic family households, single-parent families, and persons with disabilities.

Mortgage Lending

5. Impediment: Different origination and denial rates based on neighborhood.
6. Impediment: Lack of knowledge about the requirements of mortgage lenders and the mortgage lending/home purchase process, particularly among lower-income and minority households.

Fair Housing Education and Enforcement

7. Impediment: Lack of information on the nature and basis of housing discrimination and the resources available to seek assistance.
8. Impediment: Concentration of lower-income households and minority households in less desirable neighborhoods.

Government Barriers

9. Impediment: Growth Management Allocation Ordinance.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

INTRODUCTION

Lodi is centrally located in Northern California with easy access to major transportation routes that connect the states in the western United States. As the northernmost city in San Joaquin County, Lodi bridges the areas of Northern and Central California—an ideal location for business and for visitors touring this abundant wine-grape-growing region. Lodi is located 90 miles east of San Francisco, 35 miles south of Sacramento, the state’s capital, adjacent to State Routes 99, 12, and 88, and easily accessible to Interstate 5 (I-5).

The City of Lodi was founded in 1869 and incorporated in 1906. While the city’s original economic base was in traditional agriculture, over the last few decades Lodi has become a regional and national grower of premium wine grapes and a significant producer of California-based wines. In 1990, the city’s population surpassed 50,000, and as of 2015, Lodi has a population of around 63,719.

WHAT IS FAIR HOUSING?

Equal access to housing is fundamental to each person being able to meet essential needs and to pursuing personal, educational, employment, or other goals. In recognition of equal housing access as a fundamental right, the governments of the United States and the State of California have both established fair housing as a right protected by law.

Federal fair housing laws prohibit discrimination in the sale, rental, lease, or negotiation for real property based on race, color, religion, sex, national origin, familial status, and disability. The California fair housing laws are built upon the federal laws and add marital status, ancestry, source of income, sexual orientation, and “any arbitrary factor” as protected categories under the laws.

Many factors in the public and private domains impede equal access to housing or fair housing choice. To affirmatively promote equal housing opportunity, a community must work to remove or mitigate impediments to fair housing choice. The City of Lodi is dedicated to providing fair housing opportunities to all residents and to ensure compliance with all applicable laws throughout the city.

WHAT IS AN ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE (AI)?

The AI is an assessment of how laws, governmental policies, real estate practices, and local conditions affect the location, availability, and accessibility of housing. The analysis of their impact on housing choice can highlight areas where corrective actions might broaden the housing options of persons protected by fair housing laws. The analysis includes examining impediments and barriers to fair housing choice.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

An impediment to fair housing choice is any action, omission, or decision which is intended to or has the effect of restricting a person's choice of housing on the basis of race, color, religion, sex, disability, familial status, or national origin. Such a limitation to fair housing choice constitutes housing discrimination.

This AI defines barriers to housing choice as factors such as income level and housing supply that limit a person's choice of housing.

This AI adheres to the recommended scope of analysis and format in the Fair Housing Planning Guide developed by the US Department of Housing and Urban Development (HUD).

PURPOSE OF THE ANALYSIS OF IMPEDIMENTS

The purpose of an AI is to review conditions in the jurisdiction that may impact the ability of households to freely choose housing and to be treated without regard to race, ethnicity, religion, gender, national origin, source of income, age, disability, or other protected status. The AI reviews the general state of fair housing, the enforcement of fair housing law, efforts to promote fair housing, access to credit for the purpose of housing, and general constraints to the availability of a full range of housing types.

An AI examines the affordability of housing in the jurisdiction with an emphasis on housing affordable to households with annual incomes classified as low income and less. (Low income is defined as equal to or less than 80 percent of the adjusted area median family income as most recently published by the US Department of Housing and Urban Development.)

The document has three major goals:

- To provide an overview of the City of Lodi and current conditions as they impact fair housing choice.
- To review the City's policies and practices as they impact fair housing choice and the provision of housing, specifically affordable housing and housing for special needs households.
- To identify impediments to fair housing choice and actions the City will take to remove those impediments or to mitigate the impact those impediments have on fair housing choice.

Fulfilling these goals includes the following:

- A review of the laws, regulations, and administrative policies, procedures, and practices of the City of Lodi.
- An assessment of how those laws affect the location, availability, and accessibility of housing.
- An assessment of conditions, both public and private, affecting fair housing choice.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

ORGANIZATION OF THE REPORT

This report is divided into seven sections, including this introduction, as described below.

Introduction explains the purpose of the analysis of impediments to fair housing, defines “fair housing,” lists the data and funding sources for the report, and describes the public participation process.

Community Profile presents demographic information and income characteristics in Lodi, including the number and percentage of persons by age, ethnicity, familial status, disability, and farmworker status. The housing profile includes the number of housing units by type, cost, overcrowding condition, and housing cost burden. Income characteristics include the distribution of low- and moderate-income population by census block group.

Private Sector Practices assesses the access to financing for different groups. Predatory and subprime lending issues are discussed. This section also assesses the nature and extent of fair housing complaints and violations.

Public Policies analyzes various public policies and actions that may impede fair housing in the city.

Assessment of Fair Housing Practices evaluates existing public and private programs, services, practices, and activities that assist in providing fair housing in the city.

Conclusions and Recommendations summarizes the findings regarding fair housing issues in Lodi and provides recommendations for furthering fair housing practices.

Appendix A: Community Outreach describes the community outreach program and summarizes comments from residents and various agencies on fair housing issues such as discrimination, housing impediments, and housing trends.

FUNDING SOURCE

Preparation of this report was funded with Community Development Block Grant (CDBG) administration funds.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

COMMUNITY PROFILE

Various characteristics may affect the ability of households with similar income levels, in the same housing market, to have a like range of housing choice. This chapter of the AI analyzes the demographic profile, income distribution, housing stock characteristics, and access to public transportation in Lodi. By assessing this information, the housing patterns in Lodi can be determined in relation to race/ethnicity, income, and other characteristics.

DEMOGRAPHIC DATA

Information in this section is primarily based on the 2008–2012 American Community Survey (ACS), the 2010 US Census, and data from the California Department of Finance. More current data has been provided where readily available.

Population

According to the California Department of Finance (DOF), as of January 2015, Lodi had a population of 63,719, which represented an increase of 3 percent from 2010. San Joaquin County as a whole had a larger population increase at 5 percent as shown in **Table 1**.

TABLE 1
POPULATION 2010–2015

Jurisdiction	2010	2015	Total Growth (2010–2015)	
			Number	Percentage
Lodi	62,134	63,719	1,585	3%
San Joaquin County	685,306	719,511	34,205	5%

Source: 2010 US Census; California Department of Finance 2015

Age Distribution

The age characteristics of a community are important factors in evaluating housing needs. Different age groups have distinct family types and sizes and income levels, all of which correspond to different housing needs. Younger adults tend to seek apartments, condominiums, and single-family units that are in proportion to their typically smaller household sizes and more constrained finances. Adults with children may seek larger single-family homes. However, as grown children begin to leave home, older adults and seniors often seek to trade their larger homes for smaller single-family homes and condominiums that are typically easier to maintain and afford.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

According to the 2010 US Census and as shown in **Table 2**, children (age 14 and under) accounted for almost a quarter (23.1 percent) of the total population in Lodi, while the 15 to 19 age group represented 7.4 percent of the total population. The largest age group in Lodi was the 25 to 34 age group (13.8 percent), followed closely by the 45 to 54 age group (13.3 percent) and the 35 to 44 age group (11.9 percent).

TABLE 2
AGE CHARACTERISTICS, 2010

Age Group	Lodi		San Joaquin County	
	Number	Percentage	Number	Percentage
4 years and under	4,909	7.9%	54,228	7.9%
5 to 9 years	4,721	7.6%	54,810	8.0%
10 to 14 years	4,727	7.6%	56,165	8.2%
15 to 19 years	4,608	7.4%	58,382	8.5%
20 to 24 years	4,180	6.7%	48,451	7.1%
25 to 34 years	8,530	13.8%	90,815	13.2%
35 to 44 years	7,401	11.9%	90,738	13.3%
45 to 54 years	8,225	13.3%	91,839	13.4%
55 to 59 years	3,569	5.7%	37,649	5.5%
60 to 64 years	2,887	4.6%	31,048	4.5%
65 to 74 years	3,914	6.3%	38,530	5.7%
75 to 84 years	2,840	4.6%	22,709	3.3%
85 years and over	1,623	2.6%	9,942	1.5%
Total	62,134	100.0%	685,306	100.0%

Source: 2010 US Census

Race and Ethnicity

According to the 2008–2012 ACS, and as shown in **Table 3**, White and Hispanic populations were the two largest race/ethnic groups in Lodi, representing 54.1 percent and 35.1 percent of the population, respectively. This represents a 2.8 percent increase in the Hispanic population in Lodi from 2008, which was 32.3 percent Hispanic. In San Joaquin County as a whole, the percentage of the population reporting as White was much lower (35.9 percent). Both the county and the city have growing Asian populations, representing 14.0 and 6.9 percent, respectively, of the population.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

TABLE 3
RACE AND ETHNICITY, 2008

Race/Origin	Lodi		San Joaquin County	
	Number	Percentage	Number	Percentage
White alone	33,845	54.1%	246,851	35.9%
Black or African American alone	931	1.5%	46,941	6.8%
American Indian and Alaska Native alone	283	0.5%	2,939	0.4%
Asian alone	4,340	6.9%	96,169	14.0%
Native Hawaiian or Pacific Islander alone	75	0.1%	3,382	0.5%
Some other race	159	0.3%	1,111	0.2%
Two or more races	993	1.6%	22,835	3.3%
Hispanic Origin	21,987	35.1%	266,808	38.8%
Total	62,613	100.0%	687,036	100.0%

Source: 2008–2012 American Community Survey 5-year estimates

Minority Concentration

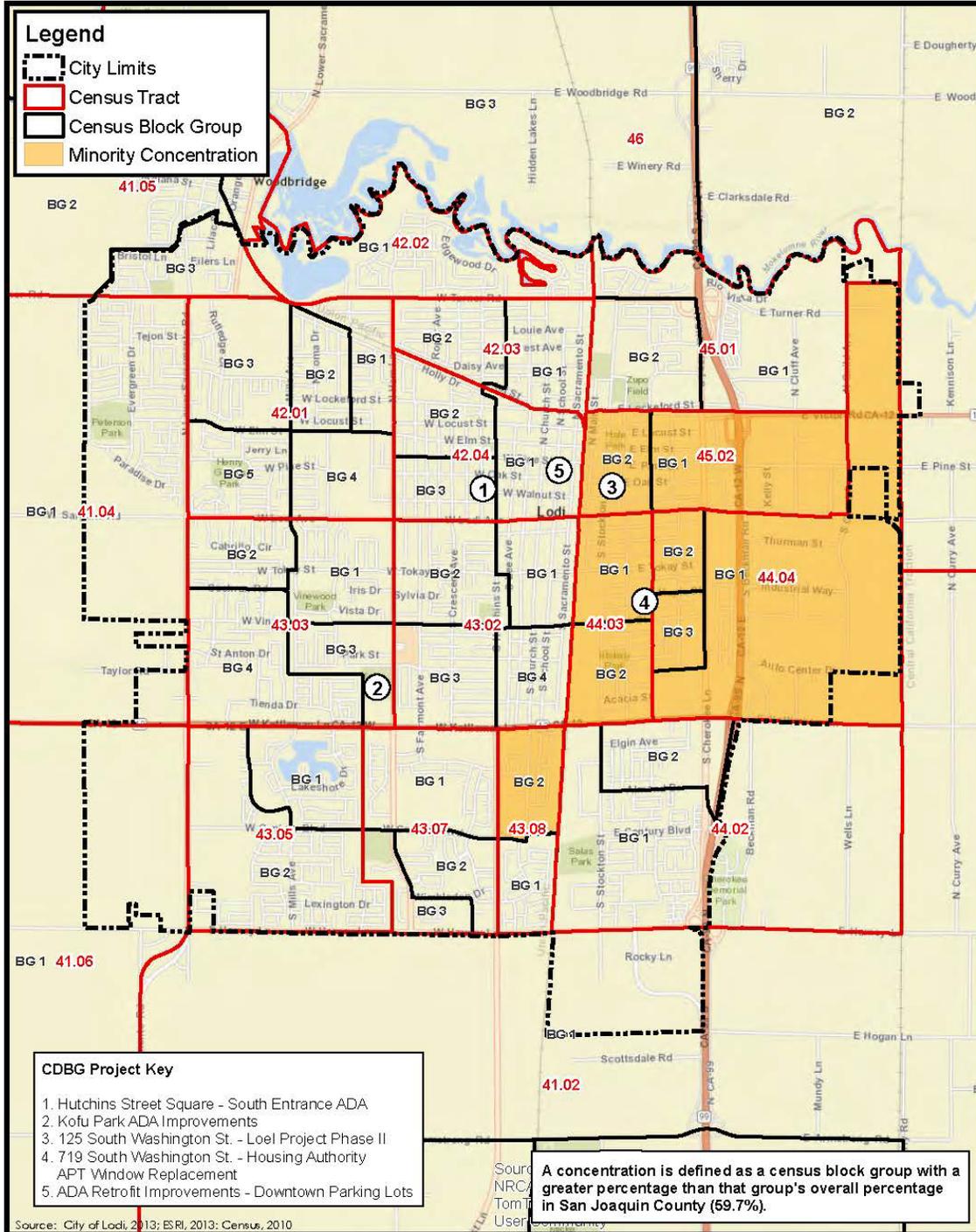
Data on race and ethnicity was examined at the block group level to determine areas of minority and ethnic concentration (2000 US Decennial Census, Summary File 3). Minority population is defined as the total population less those who responded “White alone” to the US Census. Block group areas where the percentage of total minority population exceeds the group’s countywide total percentage are considered to be areas of “minority concentration.” Areas that have a minority population at least two times the countywide total percentage are considered to be areas of “high minority concentration.”

As shown in **Figure 1**, Lodi has a large and mostly contiguous area of minority concentration located in the eastern region of the city. Lodi has no high minority concentration areas. However, Lodi does have an area that qualifies as a Race/Ethnicity Concentrated Area of Poverty (R/ECAP). Census tract 45.02, identified in **Figure 1.1**, has both a minority concentration and a concentration of households who have experienced poverty during the last 12 months, as identified by a combination of the 2010 Census and the 2008–2012 American Community Survey data used by HUD in the Affirmatively Furthering Fair Housing Tool (AFFHT). Further references to data from HUD’s AFFHT will source the tool and the date the data was accessed.

The R/ECAP is a fairly recent designation for census tract 45.02. Figures 1.2 and 1.3 shows the minority concentration trend starting in 1990 and continuing in the 2000 Census.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

FIGURE 1
MINORITY CONCENTRATION

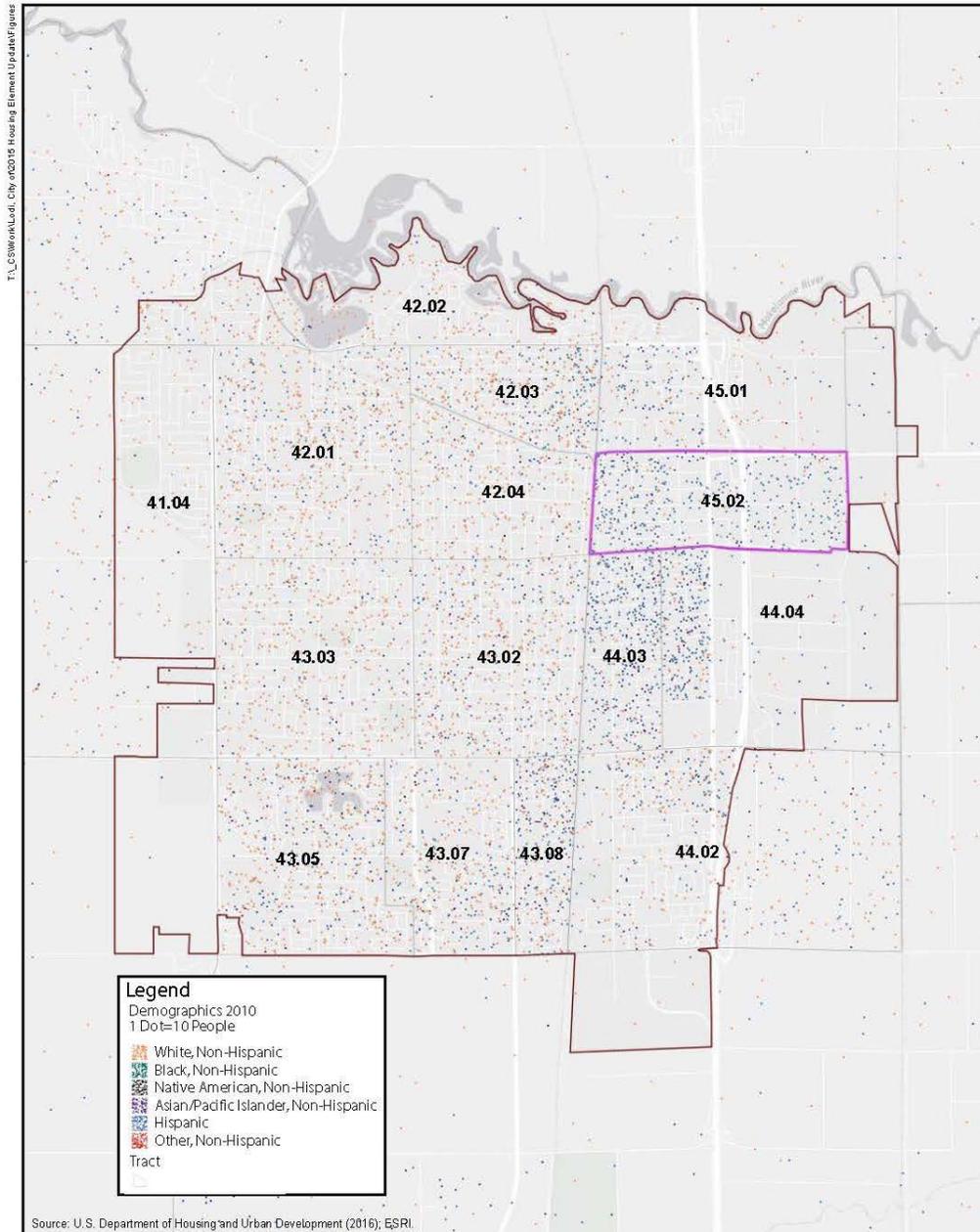


Areas of Minority Concentration

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FIGURE 1.1
RACE/ETHNICITY CONCENTRATED AREAS OF POVERTY



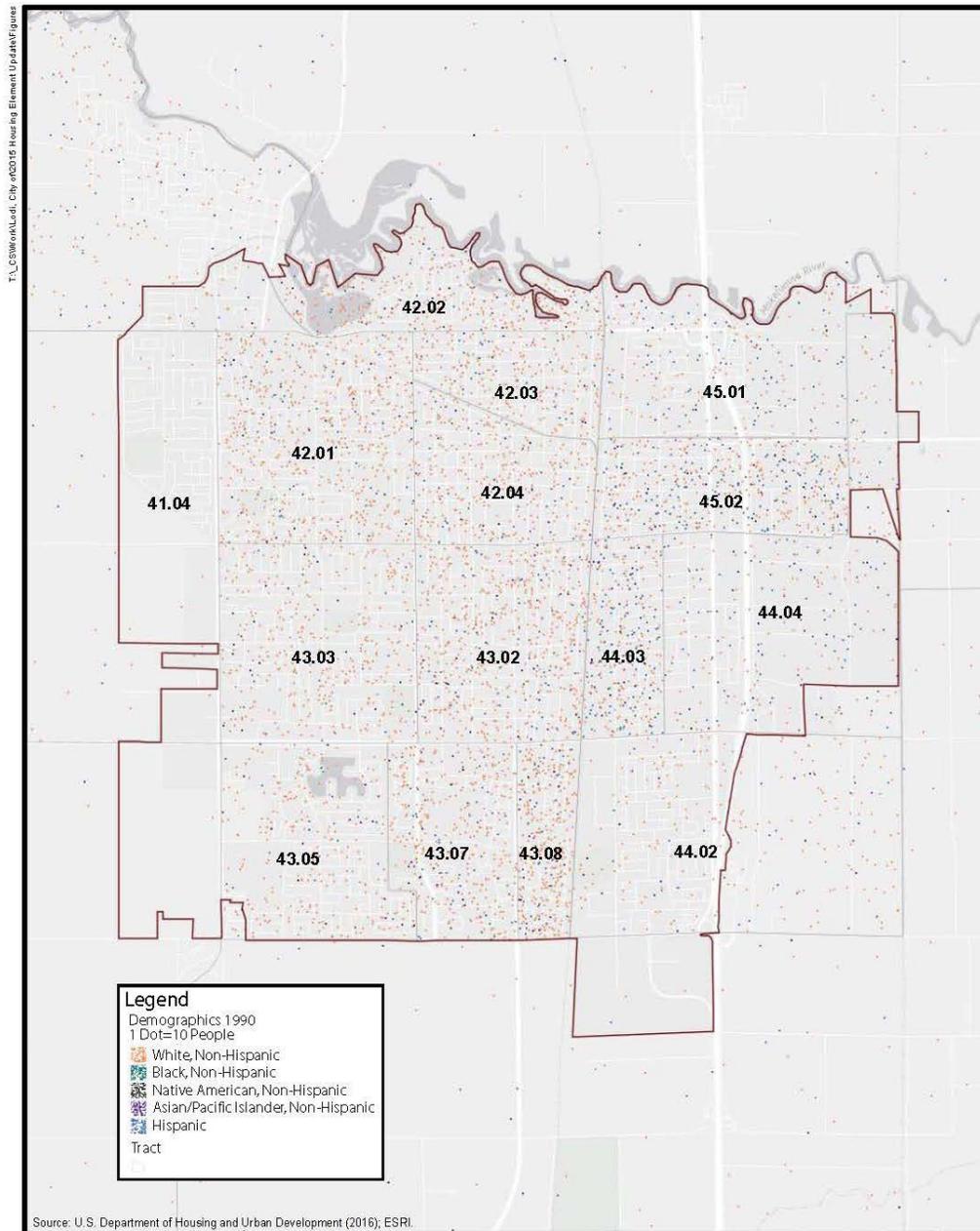
 Not To Scale

Race and Ethnicity Concentrated Areas of Poverty, 2010

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FIGURE 1.2 MINORITY CONCENTRATION TRENDS 1990



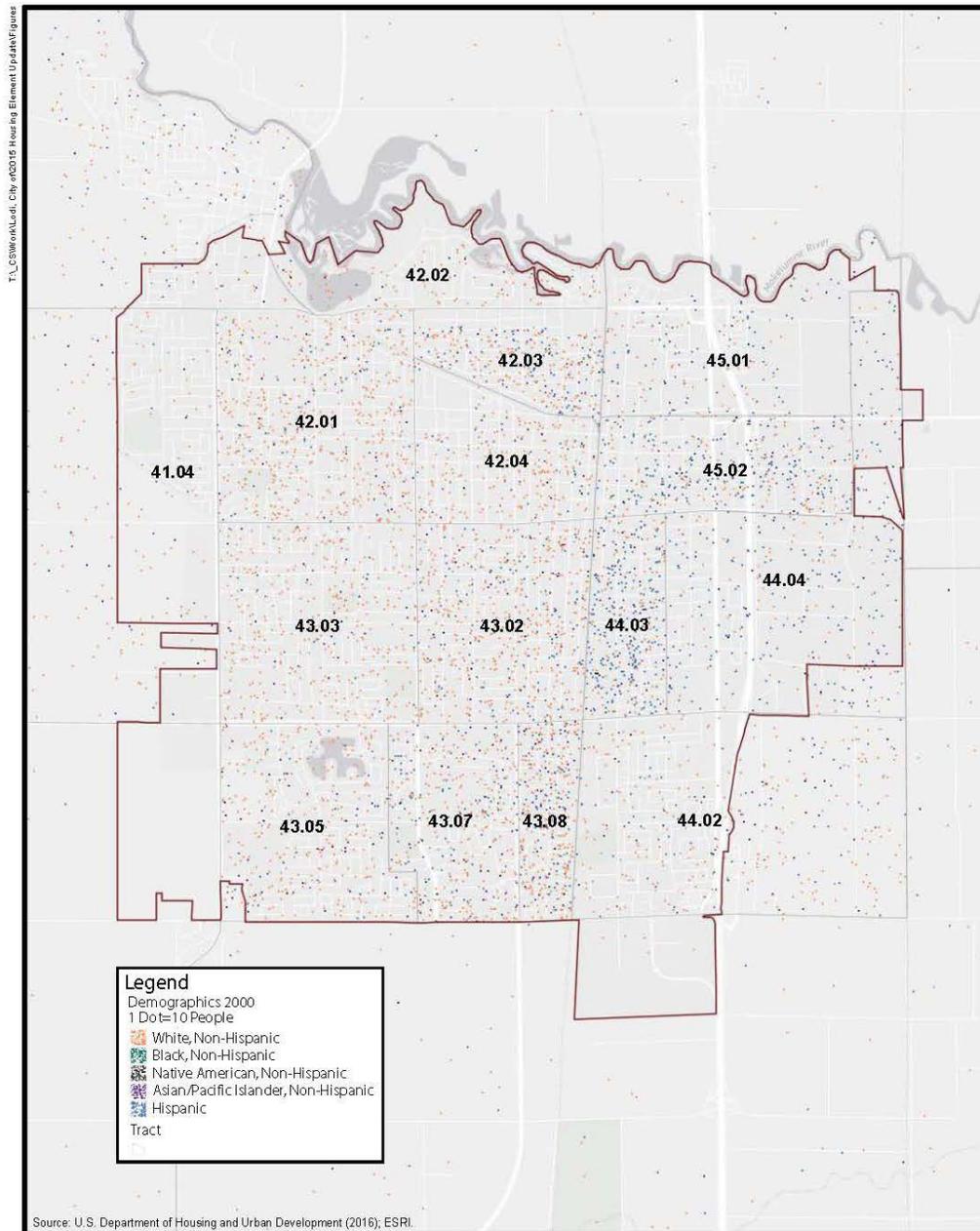
 Not To Scale

Minority Concentration Trends, 1990

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FIGURE 1.3 MINORITY CONCENTRATION TRENDS 2000



 Not To Scale

Minority Concentration Trends, 2000

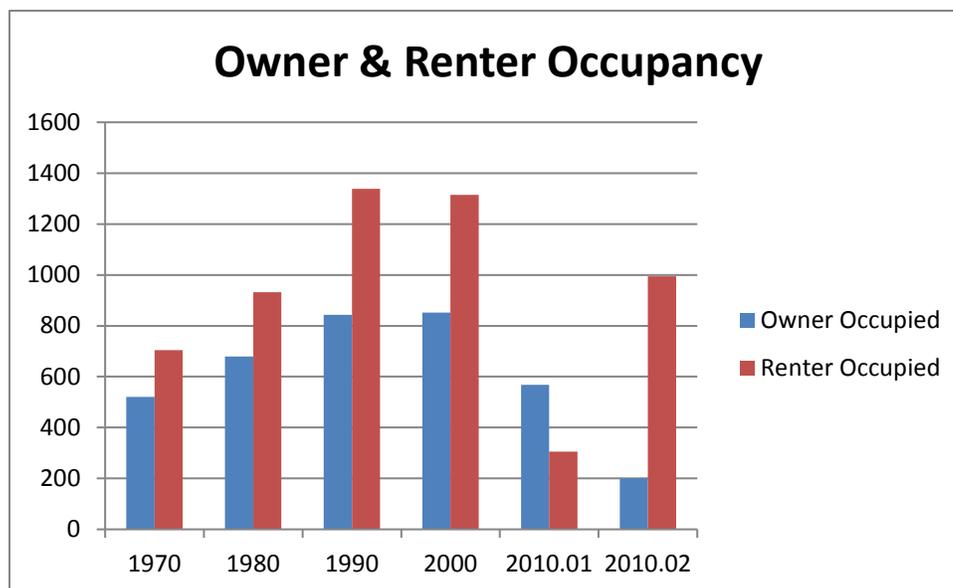
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ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

The 2010 US Census divided census tract 45, as identified in **Figure 1.3**, into two new census tracts: 45.01 and 45.02. This division did more than divide populations. It allowed a more detailed assessment of the housing conditions, household incomes, and racial and ethnic distributions along the eastern side of Lodi.

Over the previous four decades, starting with the 1970 Decennial Census, the population of Lodi grew significantly. During that growth, the city experienced two major changes. One was an increase in rental housing stock, both single-family and multifamily. The second was a major demographic shift that included an influx of minorities, particularly Hispanic populations. Neither of these changes was spread evenly across the city. While new owner-occupied single-family housing stock was added in the north, west, and south sections of the city, the bulk of the added rental housing stock was focused in the eastern section of Lodi, in the area between the railroad tracks and State Route 99. At the same time, the entire city experienced growth in the Hispanic population; however, much of that growth followed the same patterns as the rental housing development, with minority concentrated areas appearing in the eastern section of the city. **Graphs 1** through **1.2** show how the housing and population demographics changed between the 1970 US Decennial Census and the 2010 US Decennial Census.

GRAPH 1
OWNER AND RENTER OCCUPANCY

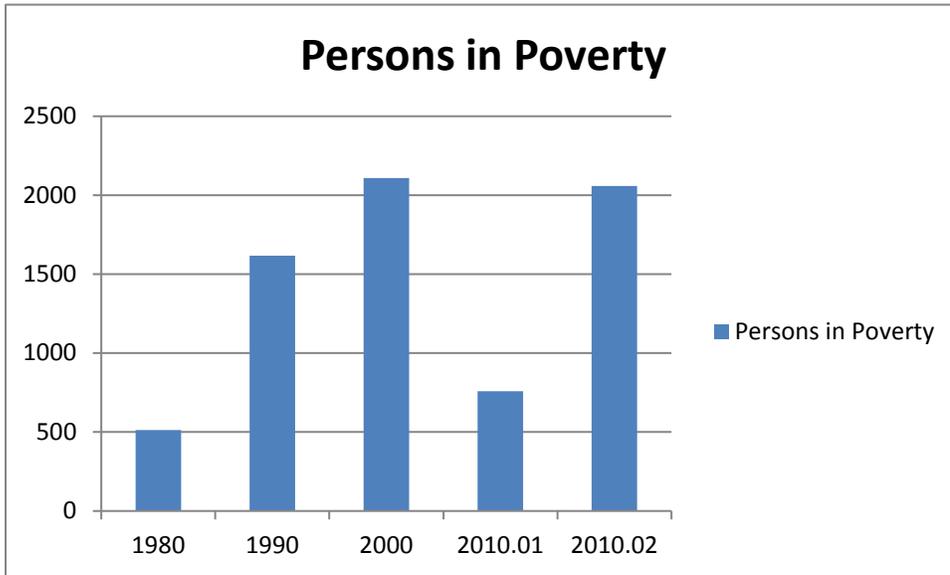


Graph 1 details the change in housing stock and tenure from 1970 to 2010. The graph bars for 1970, 1980, 1990, and 2000 reflect occupancy before census tract 45 was split. The bars for 2010 are split into the bars for census tracts 45.01 (2010.01) and 45.02 (2010.02). This graph provides the following insight. First, housing stock in the census tracts increased by more than 330 owner-occupied and 610 renter-occupied housing units between 1970 and 2000. The trend toward a higher renter to owner ratio was already clear

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

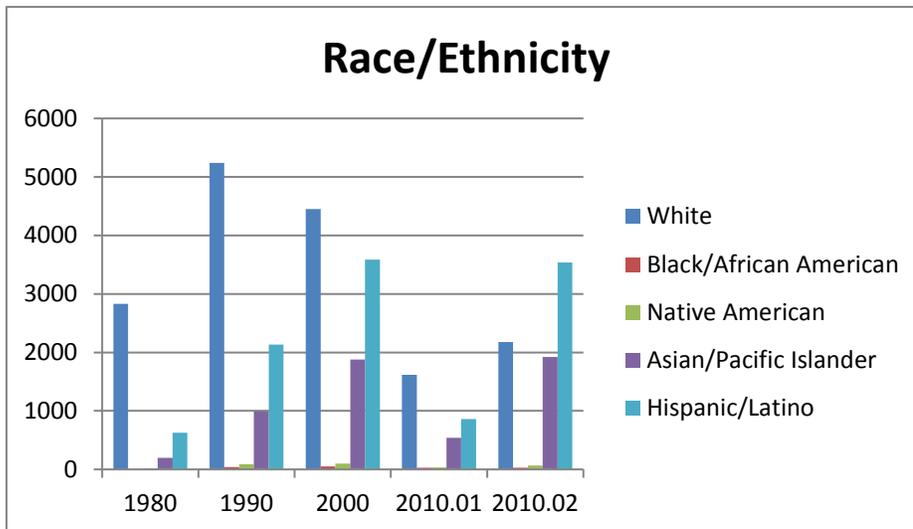
by 2000. However, when the 2010 US Census split the tracts, it became apparent that the bulk of the renter-occupied growth was in census tract 45.02.

GRAPH 1.1
PERSONS IN POVERTY



The results of **Graph 1.1** echo the changes identified in **Graph 1**. From 1980 to 2000, there was a dramatic increase in the number of persons identified as living in poverty. However, when census tract 45 was split, it became evident that again the bulk of that increase had happened in the neighborhood that became tract 45.02.

GRAPH 1.2
RACE/ETHNICITY



ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Graph 1.2 is critical in understanding the changes in the eastern section of Lodi over the last several decades. In 1980, before census tract 45 was split and during the rapid increase in rental housing stock, the Hispanic population was the most significant minority in the neighborhood, but still only represented 17 percent of the total population. By 2000, the population had grown by almost 3,000 and reflected 36 percent of the total population. When the census tract was split during the 2010 Census, it became apparent that the bulk of that growth had been in the 45.02 census tract neighborhood. In reality, the majority of the population growth in that area across the race/ethnicity spectrum had been in census tract 45.02; however, as seen in **Graph 1**, the division had split the owner-occupied housing in the north from the renter-occupied housing in the south. The data in these graphs suggests that the rental units in census tract 45.02 had been occupied with predominantly lower-income households and a significant number of minority, particularly Hispanic, families.

While the increase in rental stock allowed more lower-income households to find housing in the neighborhoods included in census tract 45.02, the increase in housing stock did not keep pace with the increase in population. The population to housing unit ratio in 1980 was 2.18 for census tract 45. By 2010, it was 3.73 for census tract 45.02.

The above graphs and maps suggest that the changes along the eastern portion of the city happened fairly quickly, as the neighborhoods shifted in demographics and housing stock tenure. However, the dramatic nature of the changes did not clearly appear in the data because the neighborhoods facing the most change were geographically tied to neighborhoods that were somewhat change resistant and more demographically stable. Once the geographies were split, the data better aligns with the actual neighborhood compositions and enables the City to better identify the needs of the R/ECAP census tract, as well as measures that can be implemented to respond to housing need and fair housing problems.

In addition to the R/ECAP census tract, two other census tracts, 44.03 and 44.04, from the 2010 Census did not exist in previous decennial censuses, making it more difficult to track trends and identify needs through the data. In 2000, the census identified both 44.03 and 44.04 as census tract 44.01. Before 1990, census tract 44.01 was part of the much larger combined census tract 44. The changes in census geography make it easier to identify specific existing population distributions, but make it more difficult to understand the trends and forces that may have led to the minority population, poverty, and rental-occupancy concentrations impacting the eastern section of the city.

HOUSEHOLD CHARACTERISTICS

The type, size, and composition of a household can affect the type of housing and services that are needed. Families typically need single-family homes or large apartments with a sufficient number of bedrooms for children, whereas single-person households, especially those headed by seniors, may desire smaller, easier-to-maintain housing units such as condominiums or apartments.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Household Composition and Size

According to the 2008–2012 ACS, family households accounted for approximately 68.3 percent of all households citywide, while non-family households comprised 31.7 percent of all households. San Joaquin County as a whole had a much higher percentage of family households (74.4 percent) and thus a lower percentage of non-family households (25.6 percent). A summary of Lodi’s household characteristics is provided in **Table 4**.

Lodi’s average household size was 2.83 persons per household, as compared to the county as a whole at 3.14 persons per household. Both the city and the county have experienced an increase in average household size since 2010, which was 2.76 and 3.07, respectively, based on a California Department of Finance 2010 data source.

TABLE 4
HOUSEHOLD COMPOSITION, 2008–2012

Household Type	Lodi		San Joaquin County	
	Number	Percentage	Number	Percentage
Total Households	21,881	100.0%	215,563	100.0%
Family households (families)	14,947	68.3%	160,476	74.4%
With own children under 18 years	7,725	35.3%	82,431	38.2%
Married-couple family	10,669	48.8%	111,745	51.8%
With own children under 18 years	5,372	24.6%	55,451	25.7%
Male householder, no wife present, family	1,431	6.5%	15,446	7.2%
With own children under 18 years	689	3.1%	7,909	3.7%
Female householder, no husband present, family	2,847	13.0%	33,285	15.4%
With own children under 18 years	1,664	7.6%	19,071	8.8%
Non-family households	6,934	31.7%	55,087	25.6%
Householder living alone	5,689	26.0%	43,544	20.2%
65 years and over	2,298	10.5%	16,814	7.8%
Average Household Size	2.83		3.14	

Source: 2008–2012 American Community Survey 5-year estimates

SPECIAL NEEDS POPULATIONS

Certain groups may have more difficulty finding housing in Lodi and may require specialized services or assistance. Owing to their special circumstances, they are more likely to have extremely low to low incomes. These groups include the elderly, large households, single-parent-headed (female and male) households, persons with disabilities (mental, physical, and developmental), veterans, persons with HIV/AIDS, and homeless persons.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Elderly

Elderly persons (those aged 65 years or older) often have special housing needs for three main reasons: income, health care costs, and physical disabilities. According to the 2008–2012 ACS, approximately 8,377 seniors lived in Lodi, comprising about 13.5 percent of the population. Households led by a senior comprised about 23 percent (5,069) of all city households. Some of the special needs of seniors are limited income for health and other expenses, disabilities, and carrying a greater cost burden due to their limited income.

Large Households

Large households are defined as having five or more members. These households are usually families with two or more children or extended families with family members such as in-laws or grandparents. Large households are a special needs group because of the limited availability of adequately sized, affordable housing units. In order to afford necessities such as food, clothing, and medical care, very low- and low-income large households may reside in smaller units, resulting in overcrowding. Furthermore, families with children, especially those who are renters, may face discrimination or differential treatment in the housing market. For example, some landlords may charge large households a higher rent or security deposit, limit the number of children in a complex or confine them to a specific location, limit the time children can play outdoors, or choose not to rent to families with children altogether.

The 2008–2012 ACS identified 3,146 households in Lodi with five or more persons, representing 32 percent of all households. Of all large households, more than half are renters.

Single-Parent Households

Single-parent families, particularly female-headed families, often require special consideration and assistance because of their greater need for affordable housing and accessible day care, health care, and other supportive services. Because of their relatively lower income and higher living expenses, female-headed families have more limited opportunities to find affordable, decent, and safe housing. Female-headed families may also be discriminated against in the rental housing market because some landlords are concerned about the ability of these households to make regular rent payments. Consequently, the landlords may require more stringent credit checks for women, which would be a violation of fair housing law.

According to the 2008–2012 ACS, Lodi has 21,894 total households and a subset of 15,030 family households with their own children under the age of 18. Households are defined as “occupied housing units” by the US Census Families and Living Arrangements definitions site (found at <https://www.census.gov/hhes/families/about/>). Families are defined as “a household in which there is at least 1 person present who is related to the householder by birth, marriage or adoption.” According to the ACS data about families, 4,663 or about 31 percent of families in Lodi were headed by single parents with children under the age of 18. This number represents a 6 percent increase in the number

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of single-parent households estimated in 2010, which was 4,404 single-parent family households out of a total 15,261 family households with children under the age of 18 (based on the 2006–2010 ACS). Of the families with children under the age of 18 in the 2012 estimate, 3,248 were female-headed family households (21 percent of total family households) and 1,415 family households were male-headed family households (9 percent of total family households). Both male-headed and female-headed single-parent households with children under the age of 18 traditionally face significantly greater challenges regarding housing than two-parent households.

Additional analysis of the 2008–2012 ACS data shows that an estimated 13.6 percent of all family households, or about 2,046 families, in Lodi had income below the poverty level in 2012. Of those families that experienced poverty, an estimated 533 or 26.1 percent were married-couple families with children under the age of 18, and an additional 300 or 14.7 percent were male-headed households with children under the age of 18, and 828 or 40.4 percent were female-headed households with children under the age of 18. The primary challenge faced by single-parent households is generally housing affordability, followed by housing quality and suitability, and then housing size. Other challenges faced by single-parent households, particularly female-headed households, include the availability of suitable employment, housing and employment stability, reliable child care, access to transportation, and access to supportive services.

Figure 2 shows the distribution of single-parent households by census tract in the city. The figure identifies the percentage of households with one or more housing problems in each census tract that are headed by a single parent, either male or female. Note that this not a percentage of all of the households in the census tracts, just the households that have been identified as burdened with one or more of the four housing problems. The four housing problems are overcrowding (defined as more than one person per room), incomplete plumbing facilities (defined as a lack of plumbing in the bathroom), incomplete or kitchen facilities, and housing cost burden (defined as a monthly housing cost more than 30 percent of gross monthly income). The most common housing problem in Lodi is the housing cost burden. For single-parent households, the housing cost burden often becomes severe, which is defined as a monthly housing cost in excess of 50 percent of the household’s monthly gross income.

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FIGURE 2
SINGLE-PARENT HOUSEHOLDS WITH ONE OF MORE HOUSING PROBLEM

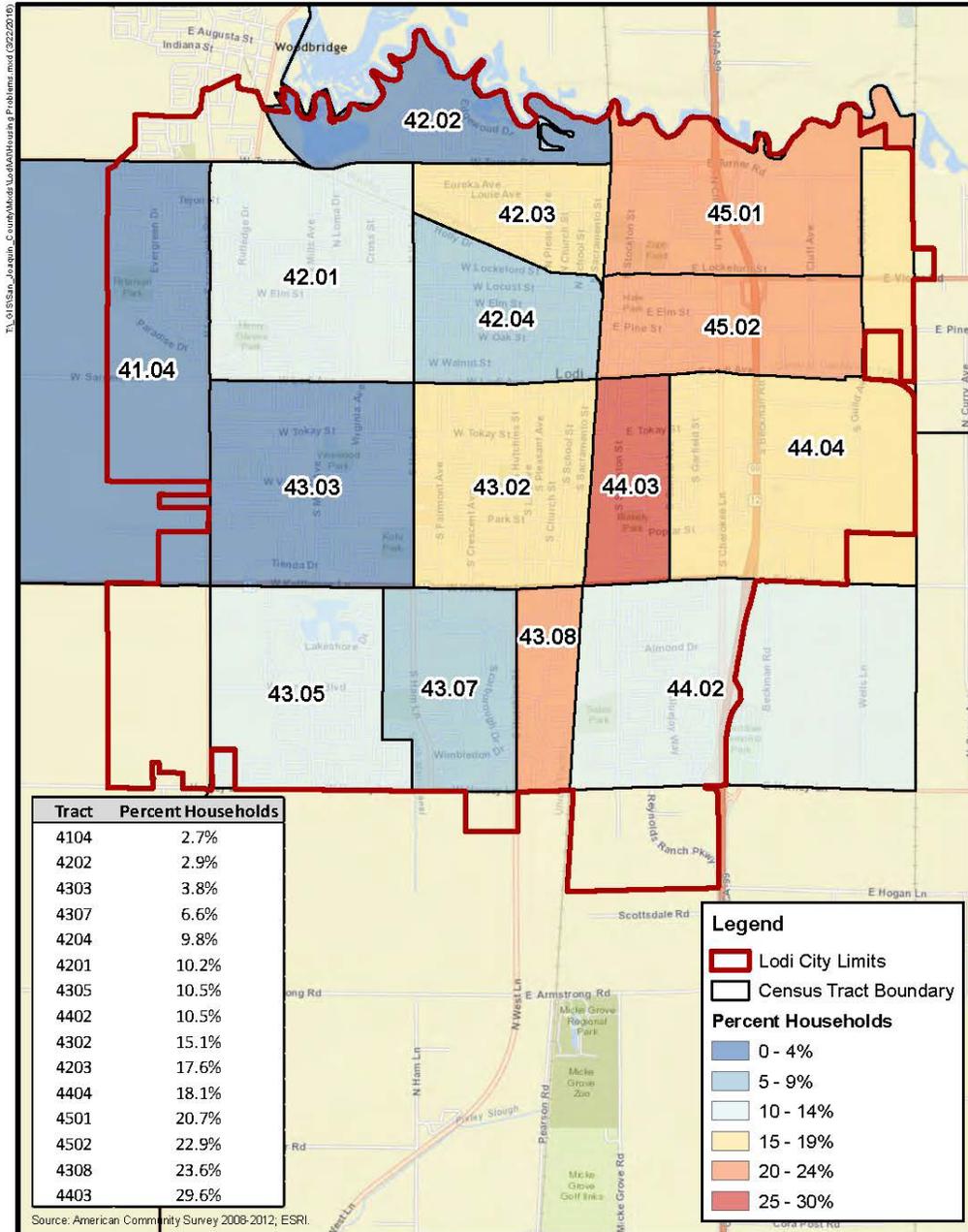


FIGURE 2
Single Parent Households With One or More Housing Problems

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Figure 2 indicates that while every census tract has some single-parent households facing one or more housing problems, the census tracts with the highest concentration of single-parent-headed households with at least one housing problem are predominantly on the eastern side of the city. This concentration aligns with the distribution of rental properties and lower-cost single-family owner-occupied properties in the city. As detailed earlier in this document, the eastern side of the city has had the highest growth in renter-occupied properties over the last several decades, particularly in census tract 45.02 and south. Because many single-parent households are low income without the resources to purchase homes, they rely heavily on the rental market to provide adequate housing, particularly lower-cost rentals. The Impediments section discusses the impacts that the concentrated rental and lower-cost ownership housing distributions have on the various special needs populations.

Disabled Persons

Physical, mental, and/or developmental disabilities may prevent a person from working, restrict one's mobility, or make it difficult to care for oneself. Persons with disabilities frequently have special housing needs, often related to a potentially limited ability to earn a sufficient income, a lack of accessible and affordable housing, and higher health costs associated with a disability. In addition, persons with self-care and mobility limitations may require special housing design features such as wheelchair ramps, grab bars, special bathroom designs, wider doorway openings, and other design features.

According to the 2000 Census, 22.7 percent of the population age 5 and older (11,789 individuals) who lived in Lodi in 2000 reported a disability. As age increases, the incidence of disability increases. About one-third (32.3 percent) of the population 65 and older reported having a disability. The 2010 Census does not have updated data on disabled persons. For comparison purposes, the 2008–2012 ACS reported that 10.2 percent of the population 5 and older had a disability. However, almost one-half (41.0 percent) of the population 65 years and older reported having at least one disability. This is a significant increase over the 2000 data.

The Census also reported households with mobility and self-care limitations. Persons with disabilities often face limited earning potential because of the nature of their disabilities and the reluctance of some employers to hire persons with disabilities. In addition to the challenge of finding an affordable unit, persons with disabilities may also face discrimination based on their disability, struggle to find housing that is accessible and safe, and need to live nearer to services.

A major challenge facing both the City and its residents with disabilities is the availability of housing stock with accessible features that meet the needs of disabled residents and their families. As reported through the ACS data above, as the population ages, the rate of disability also increases. This means that there will be a constant demand for housing suitable for older residents with a disability. Additionally, as the baby boomer generation ages, the need for senior housing is expected to increase rapidly. With the exception of housing built with public subsidy, it is very difficult to track what housing units have been upgraded or modified. For smaller populations, such as in Lodi, tracking

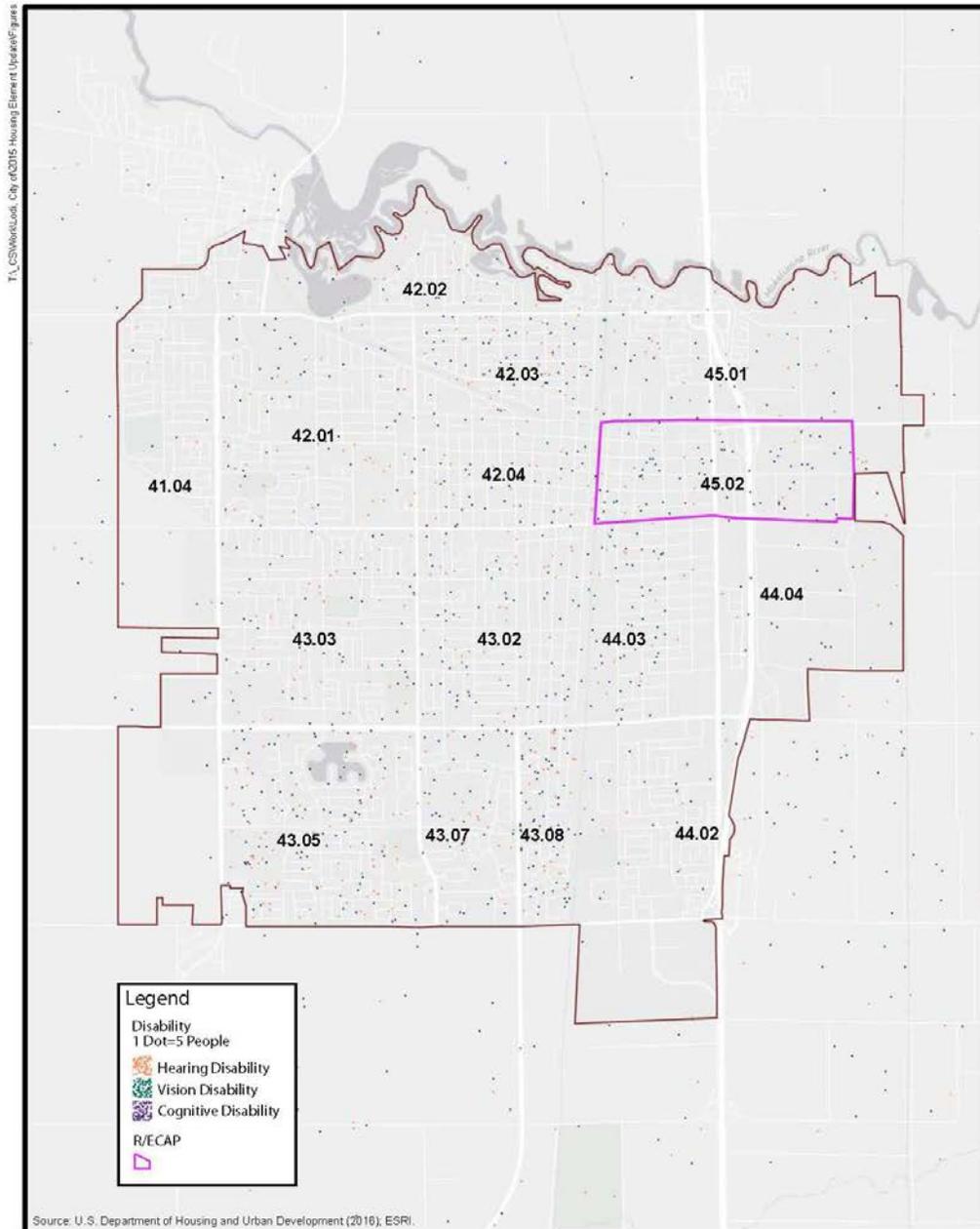
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demographic distributions, such as disabled persons, becomes particularly challenging. The ACS data is sample data, and the smaller the population, the more unreliable sample data becomes. A single age-restricted development can skew or mask population distributions in cases where the total population is too small to provide a statistically reliable sample.

Despite the difficulty in determining accurate population distributions from small samples, the ACS data mentioned above can be mapped to provide some idea of the distribution of the disabled population in Lodi. **Figure 3** shows the estimated population distribution for disabled persons in the city. **Figure 3.1** shows the placement of medical facilities and age-restricted housing developments for comparison.

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FIGURE 3 DISABLED POPULATION DISTRIBUTION, 2008-2012



Not To Scale

Disabled Population

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FIGURE 3.1
SENIOR HOUSING AND MEDICAL FACILITIES

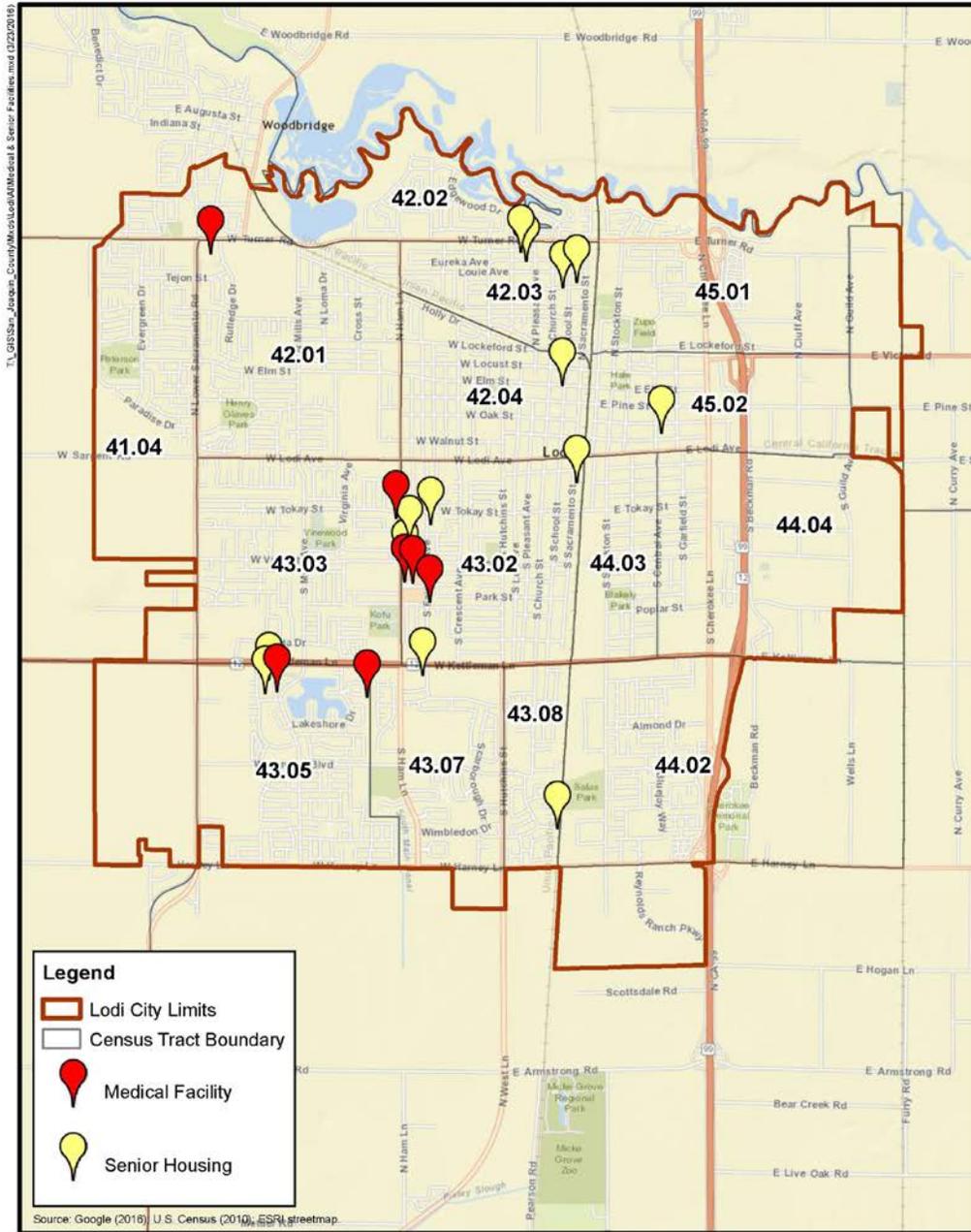


FIGURE 3.1
Senior Housing and Medical Facilities

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An analysis of **Figure 3** indicates that the disabled population is spread fairly evenly across the city, with the exception that there seem to be slightly fewer persons with disabilities in some of the minority-dense census tracts. **Figure 3.1** shows that senior housing tends to be located close to medical facilities. This stands to reason, as financing for senior housing projects, and particularly subsidized projects, rewards development that is located close to amenities such as medical care. This distribution suggests that, while persons with a disability and seniors often fall into the low- and moderate-income categories, sufficient housing is located throughout the city and close to medical care so that there is no significant evidence of disability clusters or a concentrated distribution of persons with disabilities in the census tracts with minority and lower-income household concentrations.

However, as will be discussed in more detail later in this document, no new multifamily housing has been developed in Lodi in the last 20 years. This lack of new multifamily housing production poses an impediment to providing suitable housing to persons with disabilities. Older housing stock generally does not meet Americans with Disabilities Act (ADA) base standards, and rehabilitating older housing to improve accessibility can be very expensive and out of reach for lower-income households. The lack of newer multifamily housing stock disproportionately impacts persons with a disability because lower-income and fixed-income households predominantly rely on rental housing for shelter. The absence of multifamily housing stock that meets current ADA standards is an impediment to fair housing choice for persons with a disability and their families.

Persons with HIV/AIDS

Persons with HIV/AIDS sometimes face bias and misunderstanding about their illness that may affect their access to housing. Due to their disabilities, many persons with HIV/AIDS are lower income in need of housing assistance. The National Commission on AIDS states that up to half of all Americans with AIDS are either homeless or at imminent risk of becoming homeless because of their illness, lack of income or other resources, and having a weak support network.

According to the Public Health Services of San Joaquin County, in 2013, 926 persons with HIV were reported as residing in the county. However, it is estimated that a total of 1,169 persons were actually living with HIV. Of the total cases reported:

- 35 percent of HIV cases were White persons
- 27 and 29 percent of HIV cases were Black and Hispanic persons, respectively
- Approximately 80 percent are male and 20 percent are female

Homeless Persons

Homelessness is the result of several factors—loss of employment, inability to find jobs, need for retraining, cost of housing, chronic health problems, physical disabilities and mental health disability, and drug and alcohol addiction.

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Individuals or families that are homeless have a variety of special needs, including emergency shelter, counseling, job training, transitional housing, and permanent supportive housing, among other needs. According to the most recent count of homeless persons performed by San Joaquin County in 2015, Lodi has approximately 215 sheltered and unsheltered homeless persons. Of these homeless persons, 125 were sheltered and 90 were unsheltered.

Two facilities in Lodi provide shelter to the homeless. The Salvation Army has 56 shelter beds for men and 28 beds for women and children. It has an additional three small units with 3 beds per unit that are for women with children or men with children over the age of 10. Most evenings, the Salvation Army's shelter is able to accommodate all homeless that come to its doors, and they keep no waitlist. If needed, they can expand into an additional room to accommodate more guests. Lodi House has 26 beds for women and children. Additionally, there are a total of 49 transitional housing beds including the Salvation Army (16 persons), Lodi House (three units at approximately 4 persons each), and Central Valley Low-Income Housing Corporation (21 persons).

The Salvation Army, Lodi House, and other service organizations provide the following services to homeless individuals and families:

- REACH utility assistance
- Care utility assistance
- Rental assistance
- Emergency food pantry
- Transportation assistance
- Lodi Memorial Medical Clinic
- Clothing assistance
- Community dining hall
- Mental health support group
- Leadership training
- Culinary arts training
- Drug and alcohol rehabilitation program placement

INCOME

Household income is the most important factor affecting housing opportunity. It determines a household's ability to balance housing costs with basic necessities. While economic factors that affect a household's housing choices are not fair housing issues per se, the relationship between household income, household type, race/ethnicity, and other factors often creates misconceptions and biases that raise fair housing concerns. For example, a fair housing concern arises when someone refuses to rent to a family of a particular race because of a belief that people of that race tend to have lower incomes.

The US Department of Housing and Urban Development (HUD) uses specific formulas to determine income for demographic analysis for HUD programs and to evaluate eligibility for HUD-funded projects. A common measure of income used in general economic analysis is the area median household income, based on US Census ACS estimates. HUD prefers to use median family incomes

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and produces an adjusted median income metric called the HUD Adjusted Median Family Income (HAMFI). This metric estimates the median family income (typically higher than the median household income) for a family of four in every county in the United States. Additional formulas extrapolate the estimated income for larger and smaller families, and all estimates are updated annually. According to HUD, the 2015 HAMFI for San Joaquin County was \$59,600 for a household of four. HUD has defined the following income categories for San Joaquin County, based on the median income for a household of four persons:

- Extremely low income: 30 percent and below (\$0 to \$24,250)
- Very low income: 31 to 50 percent of median income (\$24,251 to \$29,800)
- Low income: 51 to 80 percent of median income (\$29,801 to \$47,400)

Table 5 uses the 2008–2012 ACS data to compare the median household income for Lodi at \$49,034 with San Joaquin County overall at \$53,895, as well as comparing the median family income, which is \$60,713 for Lodi and \$58,197 for San Joaquin County. The median household and family income data is different from the HAMFI data discussed above and can be fine-tuned to evaluate incomes for smaller geographies and population centers, like Lodi. Also, while the HUD-formulated HAMFI data is only available at the county level and has been provided for San Joaquin County as a whole, the median household and family income data available from the ACS is more nuanced and can be used to compare and trend local jurisdictions to their neighboring jurisdictions and parent counties.

TABLE 5
INCOME CHARACTERISTICS, 2008–2012

	Lodi	San Joaquin County
Median Household Income	\$49,034	\$53,895
Median Family Income	\$60,713	\$58,197
Percentage of Families Below Poverty Level	13.6%	13.6%

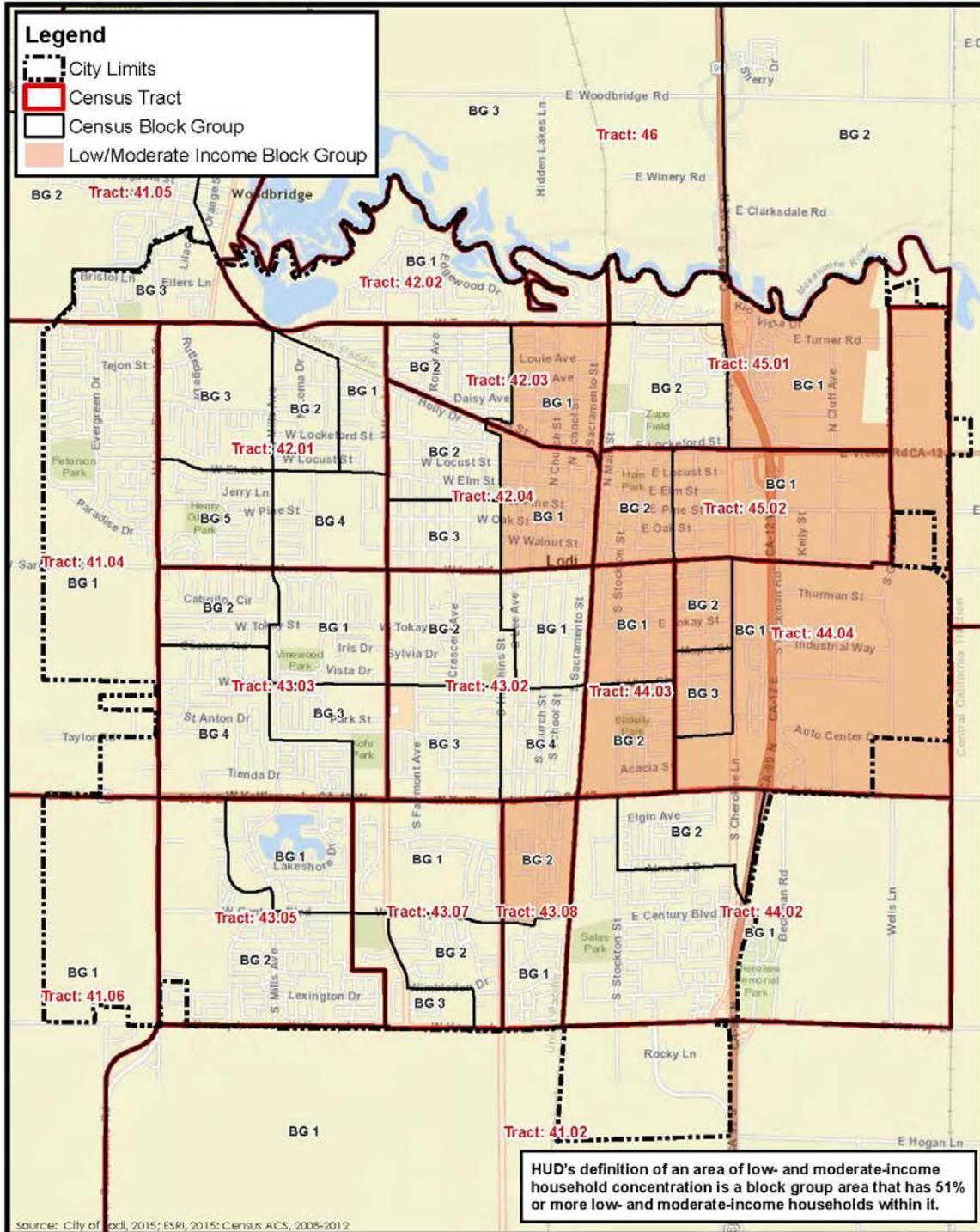
Source: 2008–2012 American Community Survey 5-year estimates

Areas of Low- and Moderate-Income Concentration

Data on income was examined at the block group level to determine areas of low- and moderate-income concentration (2010 HUD Low and Moderate Income Summary Data). Low- and moderate-income areas are those that have 51 percent or more low- and moderate-income households living within them (see **Figure 4**).

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FIGURE 4
AREAS OF LOW- AND MODERATE-INCOME CONCENTRATION



Areas of Low/Moderate Income

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There is significant overlap in the maps depicting the minority concentration in the city and the maps depicting the low- and moderate-income concentration. The concentration of Hispanic households in the eastern section of the city coincides with the low-income neighborhoods, meaning that there is a significant concentration of low-income Hispanic households in that area.

EMPLOYMENT

Labor Force

Table 6 provides a summary of the civilian labor force, employment (the number employed), unemployment (the number unemployed), and the unemployment rate for 2012, 2013, and 2014 for Lodi and San Joaquin County. The data are annual averages. When comparing the 2012 data to the 2014 data for Lodi, due to the current economic condition the total number of laborers has declined, and as follows, the number of employed has declined. On the other hand, the number of unemployed has declined from 3,700 (2012) to 2,900 (2014); however, most telling is that the unemployment rate has decreased dramatically from 11.5 percent in 2012 to 8.1 percent in 2014 (a difference of 3.4 percent). This decreased unemployment rate is also the trend in San Joaquin County, with the unemployment rate dropping from 15.2 percent in 2012 to 10.7 percent in 2014. In comparison to Lodi, San Joaquin County had an increase in the number of persons in the workforce from 298,500 to 310,700.

**TABLE 6
LABOR FORCE DATA**

Labor Force	Lodi			San Joaquin County		
	2012	2013	2014	2012	2013	2014
Total Labor Force	31,800	32,000	28,800	298,500	298,800	310,700
Employed	28,100	28,900	25,900	253,200	260,400	277,600
Unemployed	3,700 (11.5%)	3,100 (12.8%)	2,900 (8.1%)	45,300 (15.2%)	38,400 (12.8%)	33,100 (10.7%)

Source: State of California, Economic Development Department, Monthly Labor Force Data for Cities and Census Designated Places, 2012, 2013, June 2014

Note: Data is not seasonally adjusted.

Major Employers

As shown in **Table 7**, Lodi's major employers include insurance, food processing, hospitals, canning and waste management services. By comparison, the county's largest employers also include hospitals. Based on the Employment Development Department's labor market information, under the health care industry, the county's largest employers include Dameron Hospital Association, Lodi Memorial Hospital, and San Joaquin General Hospital. The county's largest manufacturers are Pacific Coast Producers (canning) and Leprino Foods Company (cheese processors). The county's largest single retail employer is the Walmart Supercenter. Retail is the second largest industry and is made up of mostly smaller businesses rather than a few large employers. Some of the county's other largest

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employers include fruit/vegetable growers and shippers called Morada Produce Company and O-G Packing and Cold Storage. Educational employers include the University of the Pacific. Three large social service providers include two correctional facilities and Stockton’s foster care services. Lodi has five of the top 25 employers in the county: Blue Shield of California, Lodi Memorial Hospitals, Pacific Coast Producers, and Waste Management.

**TABLE 7
MAJOR EMPLOYERS**

Employer	Type	Number of Employees
Blue Shield of California	Insurance	5,000–9,900
Lodi Memorial Hospital (800 S. Lower Sacramento Road)	Hospital	1,000–4,999
Lodi Memorial Hospital (975 S. Fairmont Avenue)	Hospital	1,000–4,999
Pacific Coast Producers	Canning	1,000–4,999
Waste Management	Garbage Collection	1,000–4,999

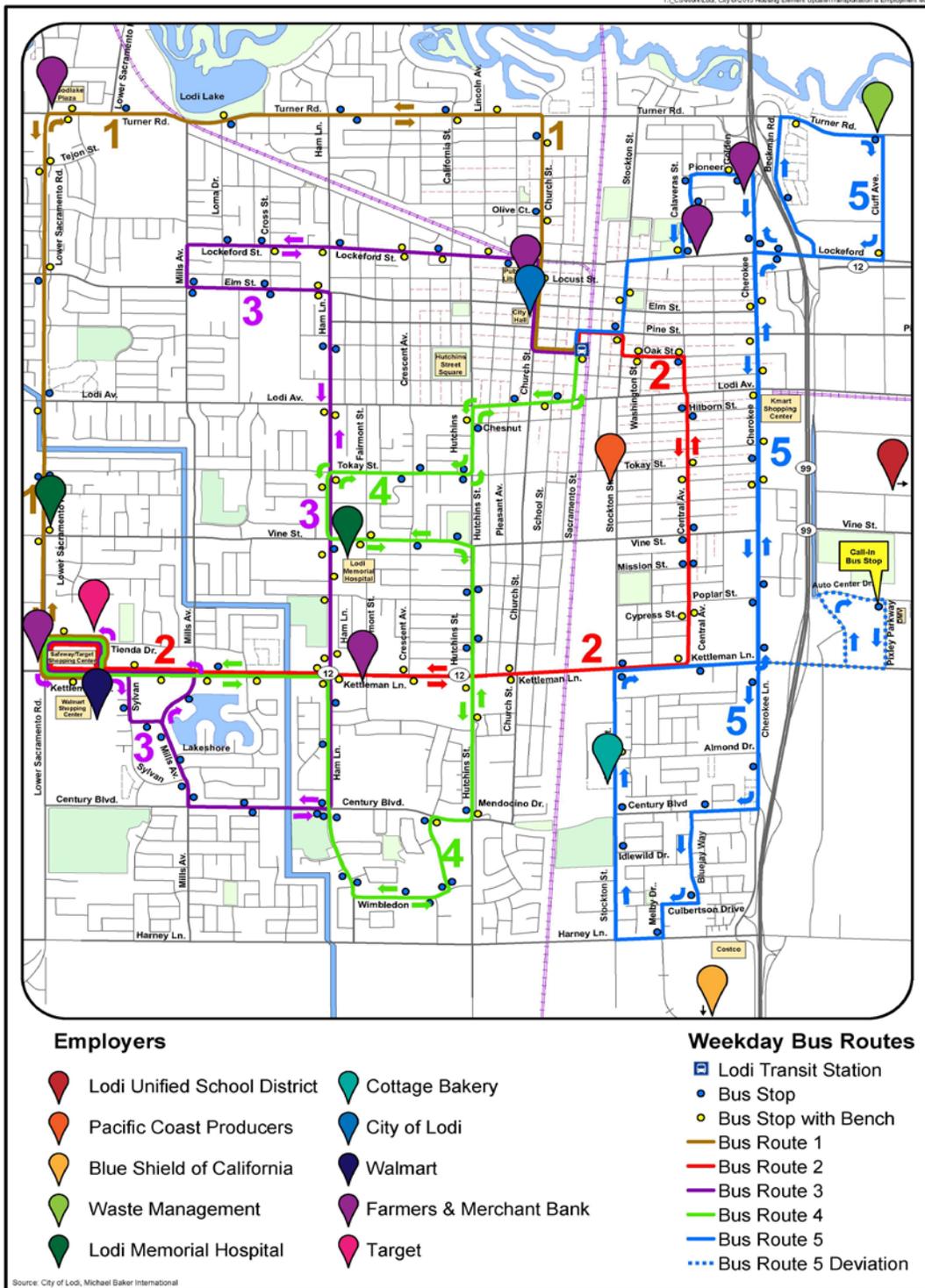
Source: State of California, Employment Development Department, America’s Labor Market Information System (ALMIS) Employer Database, 2015, 2nd Edition

One challenge that faces many low-income households, particularly when they are concentrated in specific areas of a city, is access to the transportation necessary to enable them to find decent and stable employment. A common symptom of socioeconomically impacted neighborhoods is a lack of employment opportunities in the immediate vicinity of the neighborhood. Many low-income residents are faced with often long and potentially expensive commutes to retail or other low-wage employment centers located outside of their neighborhoods. The median commute time for workers in Lodi is 22 minutes, according to towncharts.com; however, 28 percent of Lodi’s workforce commutes 25 minutes or more each way to their jobs. Long commutes and distant employment centers have a disproportionately negative impact on low-income households who frequently have a high housing cost burden as well as fewer resources for alternative housing and employment opportunities. Towncharts.com also indicates that 93 percent of Lodi’s commuters drive and 79 percent drive alone.

Vehicle costs and other incidental commuting costs resulting from insufficient public transportation options can significantly add to the housing cost burden faced by low-income households. This additional cost burden can further inhibit low-income households from obtaining more suitable housing and can result in households feeling trapped in substandard housing or neighborhoods that do not offer the amenities (such as good schools, grocery stores, parks and open space, and other amenities) that improve quality of life and can help to improve opportunities for low-income families. **Figure 5** shows the access to public transportation, employment, and amenities available to Lodi’s residents, and the neighborhoods in the racial, ethnic, and low-income concentrated neighborhoods. **Figure 5** overlays the city’s public transit system, the Grapevine Bus Line, over a map of the top ten largest employers in Lodi.

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FIGURE 5 TRANSPORTATION AND EMPLOYMENT



Not To Scale

Transportation and Employment Map

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The Grapevine operates at 30-minute intervals from the hours of 6:30 a.m. to 7:19 p.m. on weekdays, 7:30 a.m. to 9:22 p.m. on Saturdays, and 8:30 a.m. to 4:22 p.m. on Sundays. The City currently operates the Grapevine bus system and programmed this system to meet the needs of the community. The City can change schedules to accommodate future transit needs whenever necessary. A few of the employers identified in **Figure 5**, such as the School District, Farmers and Merchants Bank, and Lodi Memorial Hospital, have multiple offices, campuses, and employment locations. This means that while the business or agency may employ a large number of people, the actual places of employment may be scattered across the city.

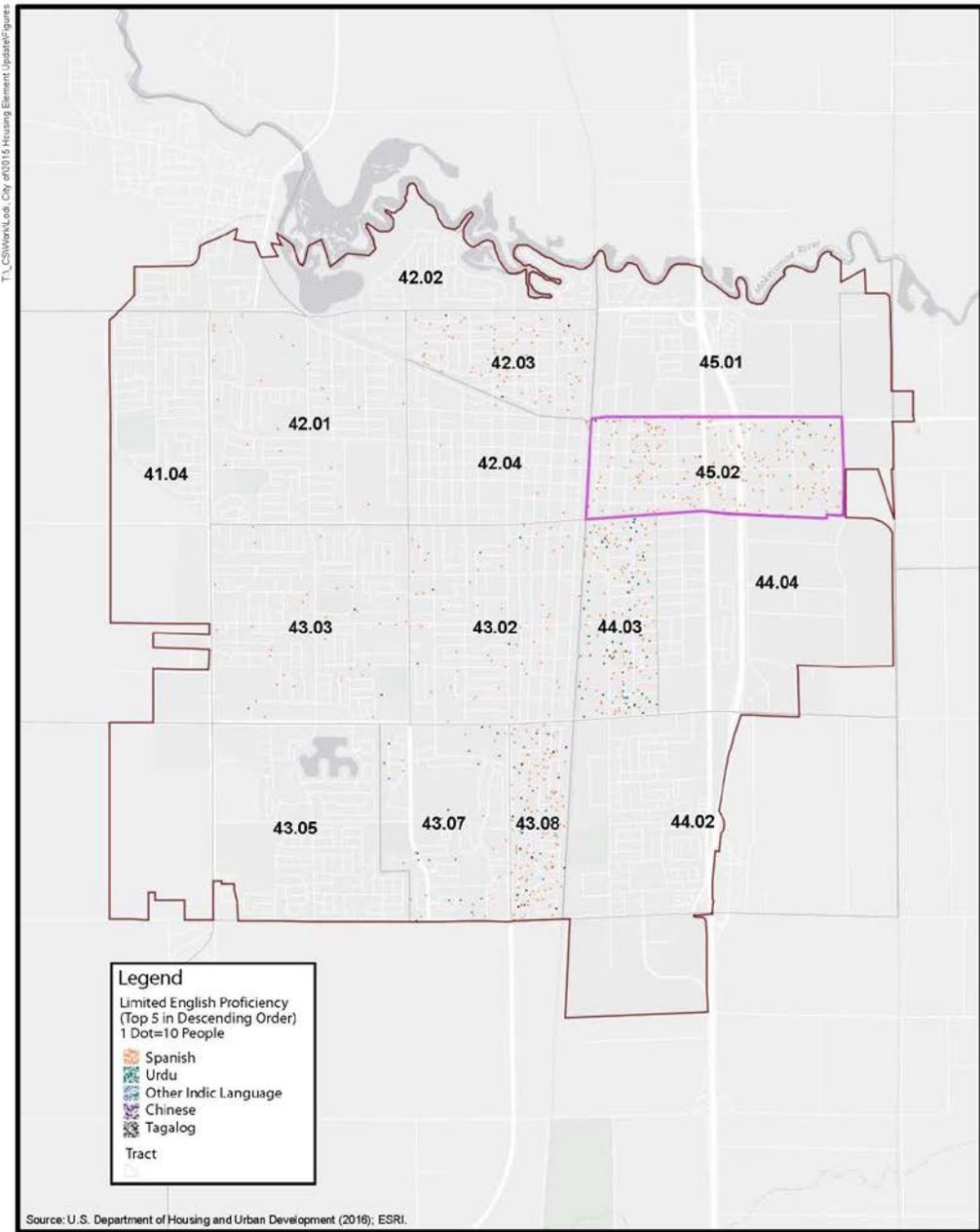
Lodi is approximately 3.6 miles from boundary to boundary east to west, 3.5 miles from north to south, and 4.4 miles measured on either diagonal. The city's compact footprint facilitates good overall coverage by the public transportation options available to residents. Most of the identified employers are located within a short walk of transit stops. Additionally, the city's size makes alternative transportation, such as bicycles or walking, more viable options for people who both live and work in the city.

However, a resident living on the eastern side of the city, for whom alternative transportation is not a reasonable option, may still have to ride two or three different bus lines to get to employment on the western side of Lodi. For families with children or special needs and for single-parent households, complicated commutes pose real challenges in maintaining employment. A late bus can mean the difference between housing and homelessness for families who live paycheck to paycheck. Encouraging a robust public transportation system, as well as multiple means of alternative transportation such as carpooling and bicycle lanes, can help lower-income households maintain stable employment and encourage equal access to the city's public assets and employment centers.

While access to transportation to employment centers in Lodi may not be an impediment to housing choice, a more significant concern for the City has to do with the suitability of the city's workforce to qualify for local employment opportunities. **Figure 6** shows the geographic distribution of residents with limited English proficiency in Lodi.

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FIGURE 6 LIMITED ENGLISH PROFICIENCY



Not To Scale

Limited English Proficiency



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According to **Figure 6**, produced through HUD's AFFHT, the highest density of residents with limited English proficiency overlaps with the R/ECAP census tract and the adjacent minority concentration areas. Many cities with larger minority concentrated areas and R/ECAP neighborhoods struggle to develop a workforce that meets the local employment needs. Many service industry, retail, and commercial employment opportunities require a base level of English language proficiency, while the higher paying manufacturing, industrial, and commercial employment opportunities frequently require base skills and education that exceed those of the local workforce. The result is that employers are forced to import qualified employees from neighboring areas, while the local workforce is relegated to lower-wage and part-time positions or employment located farther from their neighborhood, increasing commute costs. A major challenge facing cities and local jurisdictions like Lodi is developing programs and training opportunities that can help better align the language proficiency, skills, and education of the local workforce with local employment opportunities.

Another challenge that faces neighborhoods with a significant minority concentration, particularly in neighborhoods with a higher concentration of households living in poverty, is even and fair access to the community assets vital to providing a suitable quality of life. These assets include publicly funded facilities, such as schools, community centers, parks and open space, and public transportation, as well as privately owned assets like grocery stores, pharmacies, medical facilities, and other commercial facilities. Another concern is whether these minority concentrated neighborhoods have access to local employment opportunities or have adequate transportation to employment opportunities in the region. **Figure 7** shows the locations of various public and privately operated community assets throughout Lodi.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

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ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

FIGURE 7
COMMUNITY ASSETS

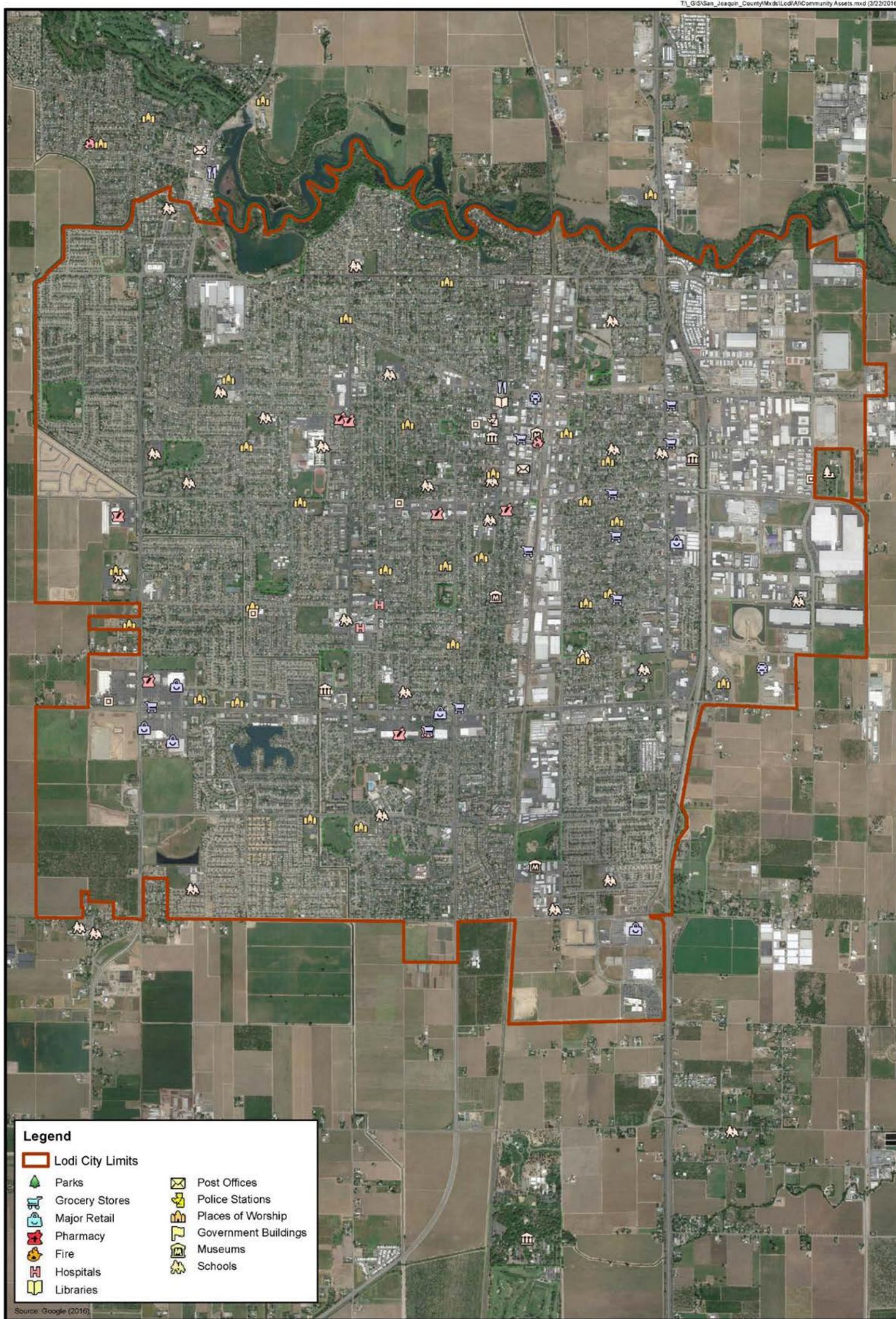


FIGURE 7
Community Assets

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Figure 7 displays the distribution of community assets across the city. Assets on the map include grocery stores, major retail, pharmacies, fire stations, libraries, hospitals, post offices, police stations, faith-based houses of worship, government buildings, museums, schools, and parks. Often lower-income neighborhoods and neighborhoods with an exceptionally high renter to owner occupancy ratio struggle to maintain access to amenities and public assets. These neighborhoods frequently become food deserts, where access to healthy fresh food is miles away, and residents are by default at a disadvantage when trying to feed families on a budget. The distribution of public assets in Lodi does not reflect these challenges.

Lodi's minority concentrated neighborhoods have more access to grocery stores and major retail than some of the city's other neighborhoods, though the city's compact size and the placement of grocery and retail amenities suggest that no neighborhood or area has a significant lack of access. Additionally, parks, schools, and churches and other places of worship are spread out fairly evenly throughout the city. Lodi's small footprint and growth policies encourage businesses to locate within the city limits, which frequently means utilizing infill sites that are already adjacent to fully built-out neighborhoods. In this case, Lodi's growth policies help ensure that the entire city has access to basic amenities and help to curb the unequal access problems that frequently face minority concentrated and lower-income neighborhoods.

Another key amenity that is critical to families with children is the quality of the neighborhood schools. Lodi is served by the Lodi Unified School District, which encompasses 350 square miles and serves the cities of Lodi and North Stockton and the communities of Acampo, Clements, Lockeford, Victor, and Woodbridge in the Central Valley of Northern California. The Lodi Unified School District has 33 elementary schools, 7 middle schools, and 4 high schools, as well as two continuation schools, two community day schools, and other education facilities. Two public charter schools and eight private schools serve children in kindergarten through the twelfth grade in the city. Four of the Lodi Unified School District elementary school sites have preschool programs, many of the private schools also offer preschool programs, and a variety of preschool programs are available through other private operators throughout the city.

Three schools inside the city boundaries rank in the top 30 percent of the best schools in California, according to GreatSchools.org, a school ranking site that uses test scores, demographics, and socioeconomic data to rank public and public charter schools and that identifies the neighborhoods served by individual schools. Another 11 schools rank in the middle 40 percent of schools in the state, including one of the city's two charter schools, and six schools rank in the lowest 30 percent of schools in the state, including the other charter school in Lodi.

The Lodi Unified School District has been designated a Program Improvement district, due primarily to lower test scores. According to the district's school information, six elementary schools in the Lodi city boundaries are Program Improvement (PI) schools. PI schools are schools that have not met the Adequate Yearly Progress testing goals for two or more years. PI schools are required to provide

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afterschool tutoring and educational programming to all students who are eligible for the free or reduced lunch program operated through the district. Two of the three elementary schools located in the minority and low-income concentrated neighborhoods in the eastern region of the city are PI schools. The three PI schools are located around the older city core, and the fourth is in the southern section of the city. All of the public schools in Lodi are below the 20 students per teacher ratio—many are well below, and many of them are showing slow improvement, according to recent test scores. It is also noteworthy that of the three schools that are rated in the top 30 percent of schools in the state, two are on the western edge of the older city core and one is located near the newer southwest corner of the city.

Parents with children in PI schools may elect to enroll their children in other designated non-PI schools in the district, with enrollment assistance and transportation to and from school provided by the district. Tokay High School, in Lodi, is the designated non-PI high school for the Lodi Unified School District, and Woodbridge Elementary School, just outside of the northwest boundary of Lodi, is one of two designated non-PI elementary schools in the district. If there are more families requesting transfer than resources available, the school district selects the students for transfer based on the lowest test scores and lowest family income. None of the non-PI receiver schools in and near Lodi were rated above a 5 on GreatSchools.org, which puts them in the middle of statewide ratings.

The Lodi Unified School District PI school information and the GreatSchools.org information generally agree. The six PI elementary schools all ranked 2, 3, or 4, on a scale of 1 to 10 for GreatSchools.org. A score of 4 is the lowest score a school can receive and still register in the middle 40 percent of schools in California. However, according to GreatSchools.org, there is some overlap between neighborhoods served by different schools, and the district does have programs in place to address both the students attending PI schools and those whose families prefer to transfer students to better schools. A significant challenge facing the district is that its boundaries are much larger than the City of Lodi's boundaries. Some of the schools in the more rural areas, as well as many of the schools in Stockton that are part of the district, are also PI schools and rank very low according to GreatSchools.org. This mismatch between the city boundaries and the district boundaries complicates City efforts to directly impact school district policy, as the policy area is so much larger than the city. However, the availability of afterschool programs and the option for students to transfer between schools within the district suggest that the Lodi Unified School District as a whole is struggling to improve student test results and access to quality public education.

The minority and low-income concentrated neighborhoods in the eastern region of Lodi have less access to the higher quality schools, as do most of the residents in the central city core and in the southern region where the three neighborhood schools are rated 3, 4, and 5. Of the three non-PI schools in the northern region of the city, two schools rate as 5 and one as 7 on GreatSchools.org. The issues facing Lodi seem to be twofold. First, there is a lack of available multifamily housing suitable for families with school-age children, particularly near the better schools. Second, overall access to

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

high quality public education in the Lodi Unified School District is a challenge, as the district works to improve test scores and removed schools from the PI list.

HOUSING PROFILE

A discussion of fair housing choice must be preceded by an assessment of the housing market in question. This section provides an overview of the characteristics of the local and regional housing markets. A housing unit is defined as a house, an apartment, or a single room occupied as a separate living quarter or, if vacant, intended for occupancy as a separate living quarter. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall. The housing stock consists of all housing units located in a community.

Housing Type

The California Department of Finance (DOF) annual estimates of the number of housing units by type for each jurisdiction is based on reported building and demolition permits. As of 2014, Lodi had a total of 23,809 housing units. Over half the units in the city were single-family detached units (63.1 percent) and 29.1 percent were multifamily units (see **Table 8**).

TABLE 8
HOUSING UNITS BY TYPE, LODI, 2014

Structure Type	Number	Percentage
Single-Family Detached	15,018	63.1%
Single-Family Attached	1,444	6.1%
Multifamily (2 to 4 units)	1,846	7.8%
Multifamily (5 or more units)	5,062	21.3%
Mobile Homes	439	1.8%
Total Housing Units	23,809	100.0%

Source: California Department of Finance 2014

Housing Tenure

Housing tenure refers to whether a unit is owner-occupied or renter-occupied. The tenure distribution of a community's housing stock influences several aspects of the local housing market. Residential mobility is influenced by tenure, with ownership housing evidencing a much lower turnover rate than rental housing. Housing cost burden is generally more prevalent among renters than among owners. Tenure preferences are primarily related to household income, composition, and age of the householder.

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According to the 2008–2012 ACS, of Lodi’s occupied housing units, a little more than half of the units were owner-occupied (57.9 percent) and 42.0 percent were renter-occupied (see **Table 9**). These percentages reflect a change from 2008, when 53.4 percent of housing units were owner-occupied and 46.6 were renter-occupied housing units.

Table 9 also presents the vacancy rate in Lodi. Vacancy rate measures the overall housing availability in a community and is often a good indicator of how efficiently for-sale and rental housing units are meeting the current demand for housing. As of 2010, the vacancy rate in the city was 7.1 percent, an increase in the vacancy rate since 2008.

TABLE 9
HOUSING UNITS BY TENURE, 2000 AND 2008

Tenure	2008-12		2008	
	Number	Percentage	Number	Percentage
Owner-Occupied	11,836	57.9%	11,680	53.4%
Renter-Occupied	8,584	42.0%	10,126	46.6%
Total Occupied Units¹	20,420	96.7%	21,734	94.8%
Vacant Units ²	1,694	7.1%	1,190	5.2%
Total Housing Units	23,792	100.0%	22,924	100.0%

Source: ¹2008–2012 American Community Survey 5-year estimates; ²2010 US Census

Overcrowding

The US Census Bureau defines overcrowding as occurring when a housing unit is occupied by more than the equivalent of one person per room (excluding bathrooms, kitchens, hallways, and porches), and units with more than 1.50 persons per room are considered severely overcrowded. For example, a typical home might have three bedrooms, a living room, and a dining room, for a total of five rooms. If more than five people were living in the home, it would be considered by the Census Bureau to be overcrowded.

Overcrowding occurs when housing costs are so high relative to income that families have to reside in small units or double up to devote income to other basic needs such as food and medical care. Overcrowding also may result in increased traffic in a neighborhood, deterioration of homes, and a shortage of on-site parking. Maintaining a reasonable level of occupancy and alleviating overcrowding is an important contributor to quality of life.

In Lodi, 8 percent of all housing units (owned or rented) were overcrowded and 3 percent of housing units were severely overcrowded, according to the 2008–2012 American Community Survey 5-year estimates. Not surprisingly, renter-occupied units had a higher rate of overcrowding (14 percent) and severe overcrowding (5 percent) than owner-occupied units.

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Housing Conditions

An indication of the quality of the housing stock is its general age. Typically, housing over 30 years old is likely to have rehabilitation needs that may include plumbing, roof repairs, foundation work, and other repairs.

Table 10 displays the age of Lodi’s housing stock as of 2012. Among these units, the majority of the housing was built between 1980 and 1989 (19.8 percent) and between 1970 and 1979 (16.6 percent). Of the total housing units in Lodi, 40.4 percent of the units were less than 30 years old, 31.5 percent were 30 to 50 years old, and 28.0 percent were more than 50 years old.

TABLE 10
HOUSING AGE

Year Built	Number	Percentage
2010 or later	53	0.2%
2000 to 2009	1,905	8.1%
1990 to 1999	2,893	12.3%
1980 to 1989	4,658	19.8%
1970 to 1979	3,895	16.6%
1960 to 1969	3,514	14.9%
1950 to 1959	3,286	14.0%
Prior to 1950	3,305	14.0%
Total Units	23,509	100.0%

Source: 2008–2012 American Community Survey 5-year estimates

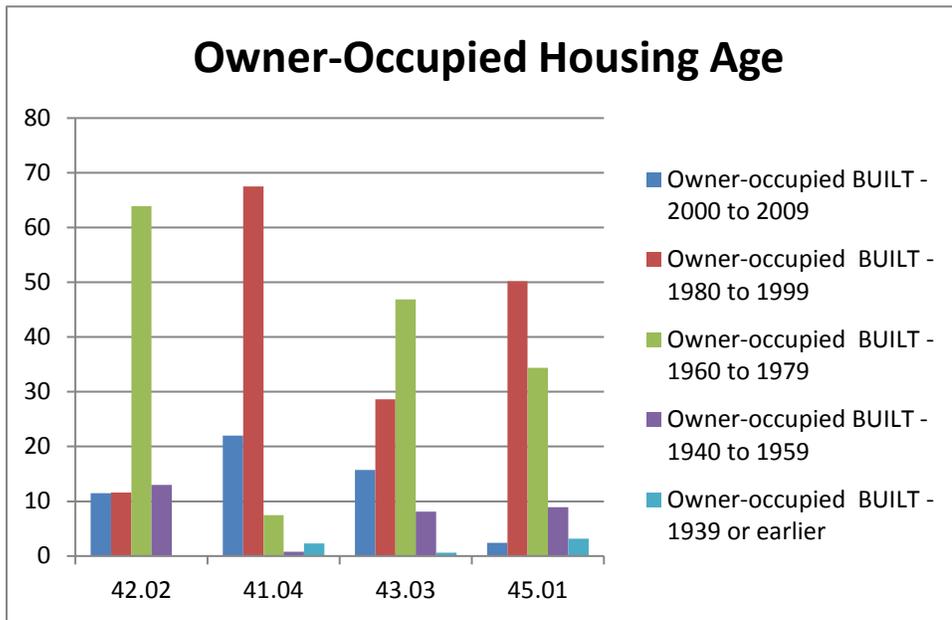
Housing age frequently correlates with housing condition. In many cases, the older the general housing stock, the more housing problems and the negative impacts of deferred maintenance are evident. However, this is not a universal truth. In Lodi, some of the oldest residential neighborhoods are located near the city’s old downtown, to the west and south. These neighborhoods are generally well maintained, with a high ratio of owner-occupied units. The majority of housing with one of the four housing problems—overcrowding, lack of kitchen facilities, incomplete bathroom plumbing facilities, and high cost burden—are located in the neighborhoods east of the railroad tracks. About half of these units were built after 1970, after building codes and energy efficiency codes started to become more standardized. Most of these units are now renter-occupied units located in the minority and low-income concentrated areas.

Renters often face exceptional housing maintenance problems because they do not have the capacity or the authority to make repairs on their units, and they must rely on landlords to address maintenance issues. In an aggressive rental market, where the demand for low-cost housing far outstrips the demand, landlords have little incentive to address costly maintenance issues, as there is high demand for even substandard units. The problem is accentuated in neighborhoods that have minority and low-income concentrations

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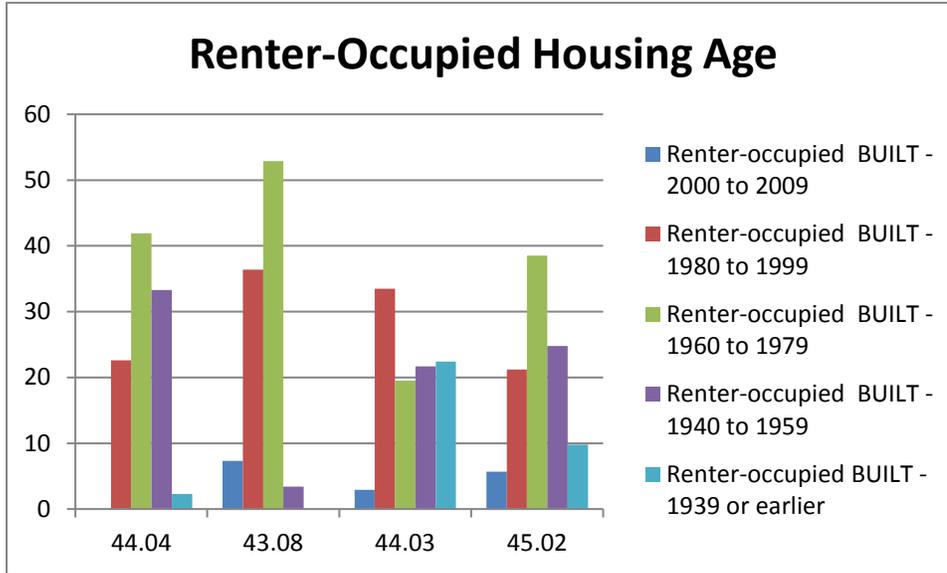
where there may be language proficiency issues, problems with immigration status, a general distrust of government, high tenant turnover rates, and an aging housing stock that has deferred maintenance. For neighborhoods that have been facing these conditions over multiple decades, the problem can seem so deeply ingrained that it seems insurmountable. The analysis of the minority concentration data presented earlier in this document suggests that a significant portion of Lodi's eastern section may be facing these conditions. The three graphs below shows the age of housing stock in the city, while **Figure 8** shows the general locations of households in the city with one or more of the four identified housing problems. The 2008–2012 ACS data used for **Figure 8** is sample data, with a notable margin of error, so the maps should be considered a general suggestion of the local conditions and not a true housing condition survey.

GRAPH 2
OWNER-OCCUPIED HOUSING AGE

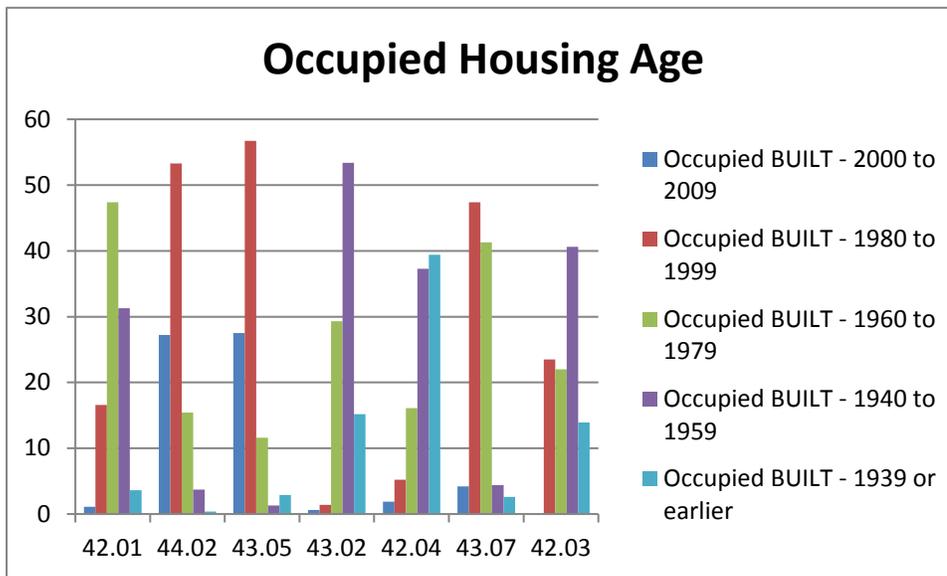


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GRAPH 2.1
RENTER-OCCUPIED HOUSING AGE



GRAPH 2.3
OCCUPIED HOUSING AGE



Graph 2 shows the percentage of owner-occupied housing built during the different time periods in Lodi’s census tracts where 60 percent or more of the total housing stock is owner-occupied. **Graph 2.1** shows the percentage of renter-occupied housing built during the different time periods in the census tracts where 60 percent or more of the total housing stock is renter-occupied. **Graph 2.2** shows the remaining census tracts for all housing types combined. These census tracts have smaller renter to owner occupancy ratios, with a more even mix of housing type.

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No new housing has been built in Lodi since 2000, according to the 2009–2014 ACS sample data. The lack of new housing stock puts pressure on existing stock to meet any changes in population and can result in higher rents and purchase prices that put suitable housing out of reach for many lower-income households. A further evaluation of the data above shows potential issues with deferred maintenance for some of Lodi’s housing stock.

In the census tracts where the city’s housing stock is more than 60 percent owner-occupied, the bulk of the housing stock was built after 1960. While census tract 45.01 is on the eastern side of the city, the remaining census tracts in Graph 2 are spread across the western section of Lodi. Census tract 45.01 is just north of R/ECAP census tract 45.02, but displays very different demographic and household characteristics, and does not qualify as an R/ECAP or a minority concentration area.

Graph 2.1 shows the age of the rental housing stock in census tracts that are more than 60 percent renter-occupied. While the bulk of the rental housing stock was built after 1960, in the R/ECAP census tract of 45.02 as well as the minority concentrated census tracts 44.03 and 44.04, a significant amount of the rental housing stock was built before 1960. Older rental housing stock generally requires a higher maintenance commitment and the frequent tenant turnover in typical apartment housing can result in additional deferred maintenance that can contribute to substandard housing conditions for minority and low-income households that rely on the apartment housing stock for shelter.

Substandard housing is sometimes captured in the assessment of the four housing problems recognized by HUD, but it can also appear in forms that are not assessed by HUD. Substandard housing includes units that do not fully meet state health and safety codes or that have violations of state building codes. These violations can include missing or nonoperational smoke detectors, missing or nonoperational carbon monoxide detectors, defective heating, cooling, and ventilation systems, structural deficiencies, surfaces with exposed lead-based paint, pest infestations, and other housing issues. Low-income households are frequently faced with substandard units as their only housing option, particularly when the rental housing market is strong and rents for suitable units are too high to be affordable.

Cities may take steps to enforce compliance with the health, safety, and building codes, but many cities rely on residents to report violations. Residents in minority concentrated neighborhoods and in neighborhoods where a significant portion of the population has limited English proficiency are often less likely to contact local government officials to report substandard housing conditions. Some may fear for their immigration status, some may have had negative experiences in the past and do not trust government, and some may fear reprisal from their landlords. Jurisdictions can work with residents to help overcome these fears and ensure that substandard housing is reported and corrected.

Graph 2.2 includes the census tracts not identified in **Graphs 2 and 2.1**. These census tracts have a renter to owner occupancy mix that ranges between 41 and 59 percent, with most close to an even distribution between the two types of tenure. Census tracts 44.02 and 43.05 have predominantly newer housing, while tracts 42.01, 43.02, 42.04, and 42.03 have housing that was generally built before 1979. Housing built prior

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to 1979 poses a particular risk to households with children in that lead-based paint was in common usage until 1978. Exposed lead-based paint is common in pre-1978 homes where painted surfaces have deteriorated or have been damaged by water, abrasion, or pets. Exposed lead paint is a risk in households with small children who may ingest paint chips.

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FIGURE 8
LOW-INCOME HOUSEHOLDS WITH SEVERE HOUSING PROBLEMS

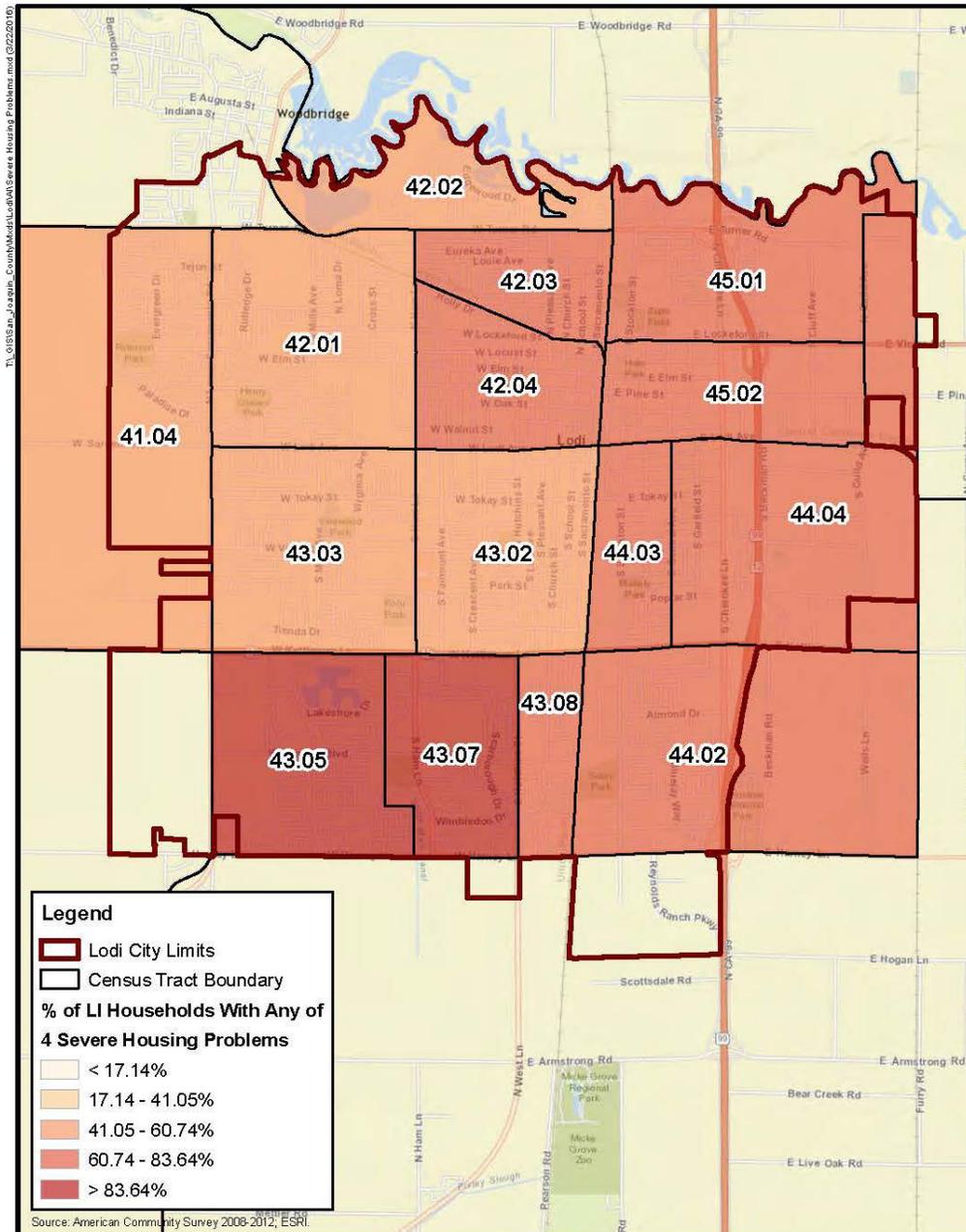


FIGURE 8
Low-Income Households With Severe Housing Problems

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Figure 8 shows the distribution of low-income households (those making less than 80 percent of AMI) with one or more severe housing problems in Lodi. A housing problem is severe if crowding is more than 1.5 persons per room or the monthly housing cost exceeds 50 percent of monthly gross household income. Between 41 and 61 percent of low-income households on the minority concentrated eastern side of the city are experiencing a severe housing problem. The most common housing problem is cost burden, with overcrowding the second most common problem. Few houses in the city have the incomplete bathroom or kitchen facilities that constitute the other housing problems. It is worth noting that the three census tracts with the highest percentage of low-income households with one or more severe housing problems are 43.07, 43.05, and 44.02. These are the three tracts from **Graph 2.2** with the highest percentage of newer housing units. The combination of newer housing stock with the incidence of severe housing problems among low-income households suggests that these households likely face housing cost burdens that exceed their income capacity. This analysis infers a shortage of suitable newer or rehabilitated lower-cost housing.

Housing Costs and Affordability

Housing Cost

The decline in credit markets, the economic downturn, and related changes in the housing market from the recession have dramatically altered housing prices today. During the recovery from this recession, the trend has been toward steadily increasing prices as demand has increased and supply decreased.

Home Purchase Cost

The sales prices of homes as well as the cost and availability of mortgage credit have changed significantly over the past four years across the nation. This trend was particularly dramatic in 2009.

According to a survey of online real estate sources, the median sales price for homes in Lodi in 2014 was \$235,000. This sales price represents an increase of 39 percent compared to the 2012 median sales price of \$169,000. **Table 11** depicts home sale prices over the past three years for Lodi.

**TABLE 11
MEDIAN SALES PRICE**

Lodi	2012	2013	2014	Percentage Change
All Properties	\$169,000	\$201,500	\$235,000	39%

Source: realtytrack.com (2014); www.dqnews.com, 2012 and 2013

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Rental Costs

A survey of rentals in Lodi was completed in June 2015 and showed that the average monthly rent for apartments ranged from as low as \$715 to \$1,455. The average monthly rent for a single-family home or duplex ranged from \$725 to \$2,500. The price ranges and median rents for apartments and single-family homes/duplexes of varying sizes are shown in **Table 12**.

TABLE 12
RENTAL LISTINGS

Unit Size	Median Price	Low Price	High Price
Apartments			
1 Bedroom	\$778	\$715	\$930
2 Bedrooms	\$995	\$725	\$1,455
3 Bedrooms	\$1,150	\$1,150	\$1,150
Single-Family Homes/Duplexes			
2 Bedrooms	\$750	\$725	\$1,380
3 Bedrooms	\$1,397	\$1,295	\$1,500
4 Bedrooms	\$2,100	\$2,100	\$2,500

Source: Rental Survey, June 2015

The US Department of Housing and Urban Development publishes annual Fair Market Rents (FMR), which include an estimated utility cost. The figures effective in 2015 for San Joaquin County are shown in **Table 13**.

TABLE 13
2015 FAIR MARKET RENT (FMR)

Unit Size	2015 FMR
1 Bedroom	\$721
2 Bedrooms	\$946
3 Bedrooms	\$1,394
4 Bedrooms	\$1,675

Source: HUD 2015 Fair Market Rent Documentation System

Housing Affordability

Housing affordability can be calculated by comparing the cost of renting or owning a home with the maximum affordable housing costs to households at different income levels. Taken together, this information can generally indicate the size and type of housing available to each income group and can estimate which households are most susceptible to overcrowding and overpayment.

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In evaluating affordability, the maximum affordable price refers to the maximum amount that could be afforded by households in the upper range of their respective income category. Households in the lower end of each category can afford less in comparison. **Table 14** shows the annual income for extremely low-, very low-, and low-income households by household size and the maximum affordable housing payment.

Maximum affordable sales prices are based on 10 percent down and a 30-year fixed-rate mortgage at a 5.25 percent annual interest rate. Maximum affordable rental prices are based on 30 percent of a household's total income, excluding costs of tenant-paid utilities. Per HUD, the 2015 HAMFI for San Joaquin County was \$59,600 for a household of four.

TABLE 14
AFFORDABLE MORTGAGE/RENT AMOUNTS

	1 Person	2 Persons	3 Persons	4 Persons
Extremely Low (<30%)				
Annual Income	\$12,550	\$15,930	\$20,090	\$24,250
Monthly Income	\$1,046	\$1,328	\$1,674	\$2,021
Maximum Sales Price	\$53,261	\$62,341	\$81,164	\$118,903
Maximum Monthly Rent	\$314	\$398	\$502	\$606
Very Low (31%–50%)				
Annual Income	\$20,900	\$23,850	\$26,850	\$29,800
Monthly Income	\$1,742	\$1,988	\$2,238	\$2,483
Maximum Sales Price	\$95,494	\$110,487	\$125,480	\$140,474
Maximum Monthly Rent	\$523	\$596	\$671	\$745
Low (51%–80%)				
Annual Income	\$33,400	\$38,200	\$42,950	\$47,700
Monthly Income	\$2,783	\$3,183	\$3,579	\$3,975
Maximum Sales Price	\$158,634	\$182,707	\$206,780	\$230,853
Maximum Monthly Rent	\$835	\$955	\$1,074	\$1,193

Source: HUD 2015 Income Limits Documentation System; <http://www.zillow.com/mortgage-calculator/house-affordability/>

Ownership Affordability

According to **Table 14** above, assuming the buyer is paying 10 percent down, has a 5.25 percent interest rate, and has no other debt payments, a prospective buyer in the extremely low-income category for a four-person household in San Joaquin County could afford a maximum purchase price of \$118,903; a prospective buyer in the very low-income category for a four-person household could afford a maximum purchase price of \$140,474, and a prospective buyer in the low-income category for a four-person household could afford a maximum purchase price of \$230,853. When these maximums are compared to the current median sales price of \$235,000 (see **Table 11**), a household earning a low income would not be within reach of affording the median-priced home in Lodi.

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Rental Affordability

As shown in **Table 14**, a very low-income household of four could afford up to \$745 a month for rent. If the same household of four rented a three-bedroom single-family home or apartment in Lodi, according to the rental prices listed in **Table 12**, the household would be paying approximately \$1,397 per month for a single-family home or \$1,150 for an apartment, indicating that a household earning 30 percent of the area median income (AMI) would need to allocate 56 to 46 percent of their gross income (\$2,483) per month to be able to afford the rent for a three-bedroom home. This indicates a need for housing affordable to extremely low-, very low-, and low-income households.

Housing Cost Burden

Federal standards establish that a household is experiencing a housing cost burden if it spends more than 30 percent of its gross income on housing costs, mortgages, rents, and/or other costs associated with housing. Cost burden typically occurs when housing costs increase faster than income. While housing affordability in itself is not a fair housing issue, the question of access to a range of housing choices becomes increasingly relevant to the extent that housing cost burdens are disproportionately impacting the most vulnerable members of a community, particularly those with special needs.

The Comprehensive Housing Affordability Strategy (CHAS) data, which was developed by the US Department of Housing and Urban Development (HUD) to assist jurisdictions to write their Consolidated Plans, has special tabulation data based on the 2007–2011 American Community Survey. According to this data (see **Table 15**), 2,440 owner households and 2,445 renter households were burdened by housing costs. In addition, 1,400 owner-occupied households and 2,310 renter-occupied households experienced a severe housing cost burden.

**TABLE 15
HOUSING COST BURDEN**

	Total Renters	Total Owners	Total Households
Severe housing cost burden – Housing cost >50% of income	2,310	1,400	3,710
Housing cost burden – Housing cost >30% of income	2,445	2,440	4,885
% Cost Burden (>50%) of total	62.2%	37.7%	100%
% Severe Cost Burden (>30%) of total	50.0%	49.9	100%

Source: CHAS, 2007–2011

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Housing and Economic Analysis of Special Needs Groups

Many ethnic and racial minority, disabled, senior, and large or single-parent households face income challenges that have a direct impact on the household's ability to obtain safe and stable housing. **Table 16** compares the median household income to the household tenure for single-parent households, racial and ethnic minorities, persons with a disability, and seniors to help identify where income gaps are adding to the challenge of obtaining safe and stable housing.

TABLE 16
INCOME CHARACTERISTICS FOR SPECIAL NEEDS HOUSEHOLDS BY TENURE, 2009-2013

Single-Parent Households	Median Household Income	Tenure Rent	Tenure Own
Male Householder with own children under 18 years	\$32,292	527	162
Female Householder with own children under 18 years	\$24,688	1,449	215
Persons with a Disability	Median Household Income	Tenure Rent	Tenure Own
Male	\$26,691	NA	NA
Female	\$20,516	NA	NA
Racial and Ethnic Minorities	Median Household Income	Tenure Rent	Tenure Own
Hispanic	\$35,350	3,734	1,793
White	\$50,597	8,037	10,141
Black or African American	\$35,801	204	21
American Indian or Alaska Native	\$61,739	125	35
Asian	\$53,152	372	918
Some Other Race	\$24,500	645	423
Two or More Races	\$35,365	678	271
Native Hawaiian and other Pacific islander	NA	11	0
Seniors	Median Household Income	Tenure Rent	Tenure Own
Male Householder 65 years and over living alone	\$28,090	38	131
Female Householder 65 years and over living alone	\$23,725	103	324
Householder over 65 (not living alone)	\$40,750	1,248	3,836

Source: 2009-2013 American Community Survey 5-year estimates

Single-Parent Female-Headed Households with Children Under 18

The table above indicates that there are several groups that face extraordinary economic challenges. Single-parent female-headed households with children under the age of 18 have a median household income comparable to the extremely low-income limits (at or below 30 percent of HAMFI) for a four-person household. They also rely heavily on the rental market for housing with 87 percent of the single-parent female-headed households with children living in rental units. The combination of extremely low incomes with a heavy demand on the rental housing market indicates that this group is at risk of housing discrimination due to a lack of housing choice.

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Persons with a Disability

Another group that is potentially at risk of housing discrimination due to economic challenges is persons with a disability. While the tenure data for persons with a disability is not available from the American Community Survey, the median incomes for disabled persons in Lodi are also comparable to the extremely low-income (at or below 30 percent HAMFI) limits established by HUD. Combined with the fact that many persons with a disability require accessibility accommodations to ensure that they have safe and stable housing, the economic and physical challenges of this group suggests that there is likely an insufficient supply of appropriate and affordable housing. A lack of appropriate inventory puts extremely low-income persons with a disability at risk of housing discrimination due to a lack of housing choice.

Hispanic Households in Minority Concentrated Neighborhoods

Lodi has a significant Hispanic population. Hispanic households in the city also face economic challenges that can directly impact their ability to obtain safe and stable housing. The median household income for Hispanic households is well below the low-income threshold HUD established for a family of four. The Hispanic population also relies heavily on the rental housing market for shelter in that 68 percent of the population rents their homes. The combination of low incomes and a high demand for rental units puts this population at risk of discrimination due to a lack of housing choice.

A common result of an impacted affordable rental market in socioeconomically challenged and minority concentrated neighborhood is a prevalence of substandard housing. Low-income households without adequate access to a range of housing opportunities can easily become trapped in substandard housing operated by landlords who do not have a market-driven incentive to improve the housing stock. The lack of housing opportunities, especially safe housing with access to amenities like good schools and healthy food options, can contribute to cycles of poverty that can extend from generation to generation.

Senior Households

The other group facing potential discrimination in the housing market is seniors. The senior-headed households, and particularly those with a senior living alone, are below the low-income limits set by HUD. While this population tends to be homeowners more than renters, the over-65 population is the fastest growing population in the state. Demand for housing for seniors, who also have the highest disability rates, is expected to continue to increase. Housing that allows seniors to age in place and that can address the needs of seniors with disabilities, while being cognizant of their generally low incomes, is expected to be in increasing demand in the market as this population ages.

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Special Needs Household Analysis

As with the other special needs groups discussed, low incomes combined with a shortage of appropriate housing or heavy reliance on a single housing type indicates that these households probably have insufficient housing choice. A lack of housing choice puts special needs households at risk of discrimination and housing instability because it forces them to seek housing either in socioeconomically impacted neighborhoods, or in substandard housing units, or in conditions where the landlord has little or no incentive to abide by fair housing practices. Special needs groups frequently face additional challenges when they try to seek assistance or support for housing problems. Seniors and persons with a disability frequently are unable to physically and economically maintain their properties and need maintenance assistance. Hispanic households frequently seek housing in lower-cost neighborhoods, resulting in low-income areas of high or moderate ethnic concentration that can have negative impacts of quality of life, including access to good schools, access to healthy food, access to quality housing, and access to other resources. Single-parent female-headed households with children face many of the same challenges as Hispanic households. Additionally, housing instability and insecurity has been shown to have direct negative impacts on children through poor school performance and high juvenile crime rates.

PUBLIC AND ASSISTED HOUSING

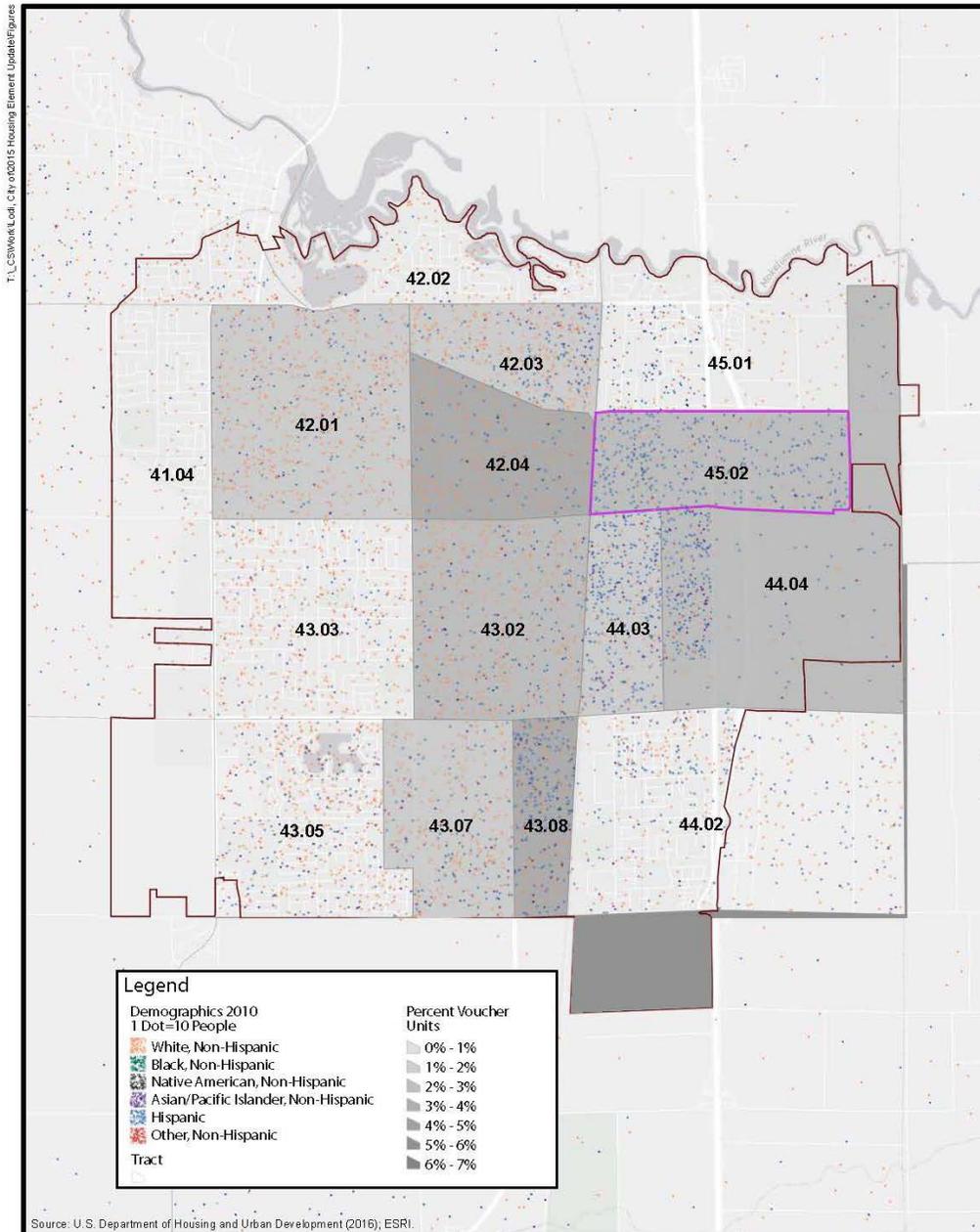
To assist low- to moderate-income households with their housing costs, the Housing Authority of the County of San Joaquin (HACSJ) operates the Housing Choice Voucher Program (HCVP), the Migrant Program, and public housing in Lodi. The City has limited influence over how the HCVP is managed or how households are placed in the city. However, the City works with HACSJ to improve the quality of public and publicly subsidized housing and to preserve as much of the affordable housing stock as possible.

Housing Choice Voucher Program

The Housing Choice Voucher Program assists low-income households with housing costs. The program is administered countywide by HACSJ. Specific information on the location of housing choice vouchers is not made available. The Housing Authority administers 4,469 housing choice vouchers throughout the county as of July 2015. **Figure 9**, based on 2008–2012 ACS data, shows the general distribution of housing choice vouchers across the city. This data is not precise, and even with housing choice vouchers, rental housing units still tend to experience a high rate of tenant turnover.

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FIGURE 9 HOUSING CHOICE VOUCHER DISTRIBUTION



Not To Scale

Housing Choices Voucher Distribution

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INTERNATIONAL

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Lodi does not have a high concentration of housing choice vouchers in any of its census tracts, including the R/ECAP tract. The highest concentrations of housing choice vouchers in the city are in census tract 42.04 with 2.93 percent of the housing units in the tract using vouchers and census tract 43.08 with 3.29 percent of the housing units in the tract using vouchers. While tract 43.08 does have a significant minority population and is on the minority concentration map, tract 42.04 is mostly white. Census tract 42.04 also has the highest percentage of older housing in the city, with 77 percent of the total housing built before 1959. In addition, the City's one Low-Income Housing Tax Credit project is in census tract 42.04.

One possibility for the concentration of vouchers in these census tracts could be the condition of the housing in the neighboring minority concentration, low-income concentration, and R/ECAP neighborhoods. Housing units made affordable through the housing choice voucher program are subject to regular inspections to ensure they are up to HUD's habitability standards. The high cost burden, combined with the housing age, and the lack of newer units on the market can be contributing factors to substandard housing in the R/ECAP housing tract and in the remaining minority concentration neighborhoods. Because substandard units will not pass a HUD habitability inspection, these units are not eligible for the housing choice voucher program, which encourages voucher holders into units that do meet the habitability requirements.

Migrant Centers

HACCSJ manages three migrant family farm labor housing developments for the State of California. This housing is available from the first week of May through the end of October of each year. Childcare centers are provided for farmworkers at the developments. Services from the Employment Development Department, the Social Security Administration, and various education and health care services are also provided on site. During the off-season, one of the developments is made available to the homeless. The developments are also used as evacuation sites, as emergency housing, and to house families displaced by city or county action.

Public Housing

The City of Lodi does not own or operate any public or assisted housing. HACCSJ operates five rent-restricted public housing projects, none of which are located in Lodi.

AFFORDABLE UNITS IN LODI

There are five affordable housing developments located in Lodi. They are affordable to extremely low-, very low-, and low-income households.

- Creekside South Apartments (39 affordable units) – Developed using the Section 236 mortgage subsidy program and Section 8 rental subsidy. The Creekside South Apartments is a project with a Section 8 contract that expires in February 2017. This suggests that the property is at risk of conversion to market-rate housing within the next 10 years. As of July 2015, the property owner

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is still operating the project under the Section 8 Program contract restrictions, but could opt to convert the project to market-rate housing. However, according to the owner's representative at Eugene Burger Management Corporation, the ownership does not intend on converting the project to market rate in the next 10 years.

- Lodi Hotel (75 senior units) – Lodi Hotel is a low income housing project which accepts Section 8 vouchers. It has 25 one-bedroom units and 50 studio units, for a total of 75 units. The age of the tenants is restricted to 55+ years old.
- LOEL Gardens (14 affordable units) – Senior units affordable and restricted to low-income senior households. According to Tracy Williams, LOEL Executive Director, the center plans on continuing to offer affordable housing to seniors for the next 10 years and beyond.
- Bethel Gardens (24 affordable units) – The Bethel Gardens Senior Apartments is a nonprofit- and church-owned property that has a subsidized mortgage which has kept the units affordable. The property was constructed in 1971 and is currently in good condition. This mortgage matured in December 2011, but the property owner has indicated that they intend to continue to maintain the affordability for the next 10 years and it is not the mission of the church to operate a for-profit business. The property is not considered at risk, but the City will continue to encourage the owner to maintain affordability and prepay the HUD 236 mortgage (if feasible) to ensure that tenants are able to receive Enhanced Vouchers.
- Harney Lane Migrant Center (94 units) – Houses migrant (seasonal) workers across various industries (winery, cannery, trucks, etc.) from May to October, or longer if needed. According to a phone conversation with the center, the state's Office of Migrant Services (OMS) owns the property and hires a property management company. Recently, OMS hired Roberts Family Development Center, a nonprofit, to manage the property. The San Joaquin Fair Housing Association previously managed the property for approximately 30 years. The State allocates new funds each year in July for the following year.

LICENSED COMMUNITY CARE FACILITIES

Persons with special needs such as the elderly and those with disabilities must also have access to housing in a community. Residential community care facilities provide a supportive housing environment to persons with special needs in a group situation. Restrictions that prevent this type of housing represent a fair housing concern since lack of such housing impedes special needs groups from access to adequate housing. According to the State of California Community Care Licensing Division, there are currently 24 residential care facilities located in Lodi that can accommodate up to 656 persons.

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The following care facilities are located in Lodi:

- Adult Day Care provides programs for frail elderly and developmentally disabled and/or mentally disabled adults in a day care setting. There are currently two facilities in the city that can accommodate 75 persons.
- Adult Residential Facilities (ARF) are facilities of any capacity that provide 24-hour nonmedical care for adults ages 18 through 59 who are unable to provide for their own daily needs. Adults may be physically handicapped, developmentally disabled, and/or mentally disabled. There are currently eight facilities in the city that can accommodate a combined total of 131 persons.
- Group homes are facilities of any capacity and provide 24-hour nonmedical care and supervision to children in a structured environment. There is currently one facility in the city that can accommodate a total of 6 persons.
- Residential Care Facilities for the Elderly (RCFE) provide care, supervision, and assistance with daily living activities to persons 60 years of age and over and persons under 60 with compatible needs. There are currently nine facilities in the city that can accommodate a combined total of 425 persons.
- Small Family Homes (SFH) provide 24-hour-a-day care in the licensee's family residence for six or fewer children who are mentally disabled, developmentally disabled, or physically handicapped and who require special care and supervision as a result of such disabilities. There are currently four facilities in the city that can accommodate a combined total of 19 persons.

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PRIVATE SECTOR PRACTICES

This section of the AI discusses the City's efforts to determine and evaluate the practices of the private sector as they relate to fair housing choice, including the policies and practices of real estate agents, property managers, and mortgage lenders. Mortgage lending patterns are discussed in the next section titled Mortgage Lending.

REAL ESTATE SALES PRACTICES

In California, a broker or salesperson must be licensed by the California Bureau of Real Estate (CalBRE) in order to conduct business in the field of real estate. The CalBRE also enforces violations of California real estate law. In Lodi, housing discrimination or other fair housing violations related to the sale of real property are reported to the CalBRE for investigation.

The real estate industry in California is highly professionalized. Almost all real estate brokers and salespersons are affiliated with a real estate trade association. The two largest are the California Association of Realtors (CAR), associated with the National Association of Realtors (NAR), and the California Association of Real Estate Brokers (CAREB), associated with the National Association of Real Estate Brokers (NAREB). The use of the term "Realtor" is restricted by NAR as a registered trademark. Members of NAREB are licensed to use the professional designation "Realtist."

NAR has a professional code of conduct that specifically prohibits unequal treatment in professional services or employment practices on the basis of "race, color, religion, sex, handicap, familial status, or national origin" (Article 10, NAR Code of Ethics). Both prohibit members from promulgating deed restrictions or covenants based on race.

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

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

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The California Association of Realtors (CAR) has many local associations throughout the state. Lodi is served by the Lodi Association of Realtors. It is the mission of the Lodi Association of Realtors to provide members with education and resources that will enable them to conduct business successfully, to promote and enforce professional and ethical standards, and to strengthen the Realtor image by improving the quality of life in the communities they serve, promoting equal housing opportunity, and protecting and preserving private property rights.

CAR offers continuous online courses dealing with fair housing requirements and issues. Part of the license renewal requirements for all sales agents and brokers is continuous education on fair housing laws and regulations. According to the course description, the course will provide an overview of the federal fair housing laws and an in-depth discussion of the individual laws and their application to the practice of real estate. The course also provides CAR members with a study of the State of California fair housing laws and regulations. The course emphasizes anti-discriminatory conduct that all licensees should practice and concludes by discussing the voluntary affirmative action marketing program and why promoting fair housing laws is a positive force at work in California and throughout the nation.

NAREB Realtists follow a strict code of ethics stating that “any Realtist shall not discriminate against any person because of Race, Color, Religion, Sex, National Origin, Disability, Familial Status or Sexual Orientation” (Part I, Section 2, NAREB Code of Ethics):

- In the sale or rental of real property.
- In advertising the sale or rental of real property.
- In the financing of real property.
- In the provision of professional services.

Part I, Section 2 of the NAREB Code of Ethics continues to state that any “Realtist shall not be instrumental in establishing, reinforcing or extending any agreement or provision that restricts or limits the use or occupancy of real property to any person or group of persons on the basis of race, color, religion, sex, national origin, disability, familial status, or sexual orientation.”

NAREB’s California Chapter offers statewide conferences to educate its members. The most recent conference was held in October 2014: State of Housing in Black California – The Stolen American Dream. NAREB’s local chapter called Central Valley Realtist Association serves the Lodi area.

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RENTAL AND PROPERTY MANAGEMENT

The California Apartment Association (CAA) is the country's largest statewide trade association for rental property owners and managers. CAA incorporated in 1941 to serve rental property owners and managers throughout California. CAA represents rental housing owners and professionals who together manage more than 1.5 million rental units. CAA has a local association called CAA-Central Valley that services San Joaquin County.

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

- We agree that in the rental, lease, sale, purchase, or exchange of real property, owners and their employees have the responsibility to offer housing accommodations to all persons on an equal basis;
- We agree to set and implement fair and reasonable rental housing rules and guidelines and will provide equal and consistent services throughout our resident's tenancy;
- We agree that we have no right or responsibility to volunteer information regarding the racial, creed, or ethnic composition of any neighborhood, and we do not engage in any behavior or action that would result in steering; and
- We agree not to print, display, or circulate any statement or advertisement that indicates any preference, limitations, or discrimination in the rental or sale of housing.

CAA provides members with tenant screening services, application forms, and other types of landlord-tenant forms, which if used by CAA members provide legal procedures for processing rental applications and resolving tenant issues. Further, should landlords stay within these guidelines, they will likely avoid committing housing violations.¹ CAA offers a landlord helpline where landlords can call and speak to an attorney about their responsibilities. Lastly, all members receive a fair housing flyer to post on-site at their properties which states that it is illegal to discriminate based on the protected classes.

When CAA receives complaints about potential fair housing violations, the association provides tenants with information on their rights and then refers them to the California Department of Fair Employment and Housing to file a claim. The Executive Director of CAA's Central Valley branch stated that her experience has been that most tenant complaints are about non-CAA members. For this

¹ Conversation with CAA Executive Director, Fresno branch, 2/26/15.

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reason, CAA makes additional efforts to try to reach these smaller operations through outreach events and the landlord helpline.

Lodi's largest local property management companies include Ahrens Property Management, Lodi Property Management, TKPM Property Management, J&B Rentals, Harvest Property Management, Preferred Property Management, and Liberty Property Management. Of those surveyed, over half are members of CAA.

CAA offers a certificate in residential management, which requires a course on fair housing law. In addition, the CAA website provides links to the Fair Housing Institute and Fair Housing Network. Members receive CAA Issue Insight, an online publication that provides in-depth discussion of fair housing or landlord-tenant issues. CAA offers training opportunities across the state and in Modesto. CAA has a landlord helpline open Monday through Friday where landlords can ask questions about landlord-tenant issues and property management. Questions can be submitted online or over the phone. CAA also provides free forms online to its members, such as rental applications and lease agreements. CAA provides fair housing information to renters at outreach events.

ADVERTISEMENT

In June 2015, a review of rental housing advertisements for units in Lodi was conducted to identify any fair housing impediments. Advertisements were examined for language that explicitly or implicitly indicated that housing would not be made available to persons based on membership in a protected class or that there would be preferences for or bias against persons belonging to a protected class. No advertisements were found that would indicate unfair housing practices.

Fifty rental advertisements were surveyed across nine sources including property management companies, newspapers, and other online listings. The following sources were reviewed:

- Ahrens Property Management
- Lodi Property Management
- Ted Katakian Property Management
- JAB Property Management
- J&B Rentals
- Preferred Property Management
- Craigslist.org
- Liberty Property Management
- Harvest Property Management

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MORTGAGE LENDING

Lending practice in the private sector may impact a household's access to housing. A key aspect of fair housing choice is equal access to credit for the purchase or improvement of a home. In the past, financial institutions did not always employ fair lending practices. Credit market distortions and other activities such as redlining prevented some groups from equal access to credit. (Redlining is a now illegal and discontinued practice whereby banks would not extend mortgage credit to purchase homes in certain areas. The banks would use maps wherein these areas were outlined in red ink.) The passage of the Community Reinvestment Act in 1977 was designed to improve access to credit for all members of the community. This section reviews the lending practices of financial institutions and the access to financing from all households, particularly minority households and those of very low and low incomes.

Community Reinvestment Act

The Community Reinvestment Act is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including very low- and low-income persons and neighborhoods.

Conventional Versus Government-Backed Financing

Conventional financing is market-rate-priced loans provided by private lending institutions such as banks, mortgage companies, and savings and loans. To assist households that may have difficulty in obtaining home mortgage financing in the private market due to income and equity issues, several government agencies offer loan products that have below-market interest rates and are insured (or underwritten) by the agencies. Sources of government-backed financing include loans insured or underwritten by the Federal Housing Administration (FHA-insured), the Department of Veterans Affairs (VA-guaranteed), and the Farm Service Agency or Rural Housing Services (FHS/RHS). Often, these types of loans are offered to the consumer through private lending institutions and make the difference in qualifying or not qualifying for a mortgage.

Home Mortgage Disclosure Act Data Analysis

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and is implemented by the Consumer Financial Protection Bureau under Regulation C (12 CFR Section 1003). This regulation provides the public loan data that can be used to assist:

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

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Under the HMDA, lenders are required to disclose information on the disposition of home loan applications and on race, national origin, gender, and annual income of loan applicants.

Overview

The HMDA data set used in this AI reports 2013 lending records for Lodi. To prepare this analysis, census tracts that were fully or partially contained in Lodi were selected for the data set.² In addition, lending actions within the data set are narrowed to show lending actions only for the purchase of a primary residence to be owner-occupied. All lending actions for home improvement requests, refinancing requests, non-owner-occupied purchases, and loans purchased by investment institutions are removed and not part of this analysis. This data set includes loans that have been originated, denied, or failed. Once an applicant has submitted an application which has been reviewed and accepted by the financial institution, then three actions result: the loan is originated (loan is approved and issued), the loan is denied by the lending institution, or the loan offer is not accepted by the applicant.

Property Type

Most home purchase requests are for homes in structures with one to four units. Ninety-eight (98) percent of all requests are for the purchase of homes in structures with one to four units, with the remainder of requests (2 percent) for the purchase of manufactured housing.

Manufactured housing is a “low-cost housing alternative” for low-income families, according to a research paper developed for the US Department of Housing and Urban Development.³ Not only is a manufactured home more affordable, its maintenance and quality are similar to a traditional home; it is higher quality than rental units; and families have more stable communities than are typically associated with rental units. Of the 11 loans for manufactured housing, 27.27 percent originated, as compared to 85.53 percent of traditional structures. The denial rate for manufactured housing in the city is 54.55 percent, compared to 9.96 percent for traditional housing.

Home Purchase Lending

Because we are interested in analyzing lending patterns, it is important to analyze the outcome of lending requests. As mentioned, mortgage loans are categorized as either conventional or government-backed, making it important to analyze the outcome of lending requests by the type of loan requested. **Table 17** summarizes the outcome of loan requests by the type of loan being requested. Of the 543 loans, conventional loans represent the majority of requested loan types (317), followed by FHA-insured (198), VA-guaranteed (26), and FSA-RHS- issued (2).

² Census tracts include 40.01, 41.04, 41.05, 42.01, 42.02, 42.03, 42.04, 43.02, 43.02, 43.05, 43.07, 43.08, 44.02, 44.03, 44.04, 45.01, and 45.02.

³ Is Manufactured Housing a Good Alternative for Low-Income Families? Evidence from the American Housing Survey; ABT Associates, December 2004.

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As shown in **Table 17**, 84.35 percent of loans requested resulted in origination and 16.66 percent failed to originate. Of the loans that failed to originate, 59 or 10.87 percent did not originate because of denial. FSA/RHS loan requests represented the smallest loan type to originate (50.00 percent), followed by FHA-insured (81.31 percent), conventional (86.12 percent), and VA-guaranteed (88.46 percent). FHA-insured loans have the highest denial rate.

TABLE 17
LOAN REQUEST TYPE BY LENDING OUTCOME

Loan Type	Applications Received		Loans Originated		Loans Failed		Loans Denied	
	#	%	#	%	#	%	#	%
Conventional	317	58.38%	273	86.12%	13	4.10%	31	9.78%
FHA-Insured	198	36.46%	161	81.31%	11	5.56%	26	13.13%
VA-Guaranteed	26	4.79%	23	88.46%	1	3.85%	2	7.69%
FSA/RHS	2	0.37%	1	50.00%	1	50.00%	0	0.00%
Total	543	100%	458	84.35%	26	4.79%	59	10.87%

Source: Home Mortgage Disclosure Act LAR data, 2013

Note: "Loans Failed" includes applications approved by the lender but not accepted by the applicant.

Loan Type by Race and Ethnicity

Table 18 summarizes loan request types by loan applicant race. As shown, 83.61 percent of loan applicants reported race as White, followed by 5.52 percent as Asian and 2.58 percent American Indian/Alaska Native. A portion of applicants, 7.00 percent, did not provide race information. Of all loan types, conventional loan requests were the most popular request among non-White applicants and White applicants, followed by FHA loan requests. No minorities received FSA/RHS loans.

TABLE 18
APPLICANT RACE BY LOAN REQUEST TYPE

Applicant Race	Total Applications		Conventional		FHA-Insured		VA-Guaranteed		FSA/RHS	
	#	%	#	%	#	%	#	%	#	%
American Indian or Alaska Native	14	2.58%	7	2.21%	7	3.54%	0	0.00%	0	0.00%
Asian	30	5.52%	25	7.89%	5	2.53%	0	0.00%	0	0.00%
Black or African American	2	0.37%	0	0.00%	1	0.51%	1	3.85%	0	0.00%
Native Hawaiian or other Pacific Islander	5	0.92%	3	0.95%	2	1.01%	0	0.00%	0	0.00%
White	454	83.61%	258	81.39%	172	86.87%	22	84.62%	2	100.00%
Race not provided/Not Applicable	38	7.00%	24	7.57%	11	5.56%	3	11.54%	0	0.00%
Total	543	100.00%	317	100.00%	198	100.00%	26	100.00%	2	100.00%

Source: Home Mortgage Disclosure Act LAR data, 2013

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Table 19 summarizes loan request types by loan applicant ethnicity. As shown, more than 17 percent of all loan applicants were Hispanic/Latino, which made the Hispanic/Latino population the second largest group of persons requesting a loan. FHA-insured loan applications were the most common loan type requested among Hispanic/Latino borrowers, while conventional loans were the most common loan type among White borrowers.

**TABLE 19
APPLICANT ETHNICITY BY LOAN TYPE REQUEST**

Applicant Ethnicity	Total Applications		Conventional		FHA-Insured		VA-Guaranteed		FSA/RHS	
	#	%	#	%	#	%	#	%	#	%
Hispanic/Latino	94	17.31%	36	11.36%	57	28.79%	0	0.00%	1	50.00%
Not Hispanic/Latino	412	75.87%	256	80.76%	132	66.67%	23	88.46%	1	50.00%
Ethnicity not provided/ Not applicable	37	6.81%	25	7.89%	9	4.55%	3	11.54%	0	0.00%
Total	543	100.00%	317	100.00%	198	100.00%	26	100.00%	2	100.00%

Source: Home Mortgage Disclosure Act LAR data, 2013

Lending Outcomes by Race and Ethnicity

This section analyzes the outcomes of lending request by race and by ethnicity. The results of this analysis will inform the City of possible fair housing impediments related to the availability of credit to purchase a home.

Race

Table 20 shows lending actions by race. As shown, 458 (84.35 percent) of all primary residence loan applications in the city resulted in origination. Of the 543 loan applications, 26 (4.78 percent) failed to originate and 59 (10.86 percent) resulted in denial. The loan origination rate was high for most minority populations: 100.00 percent for American Indian/Alaska Native, Black or African American, and Native Hawaiian or other Pacific Islander, compared to 90.00 percent for Asian and 85.24 percent for White. However, the Race Not Provided category had a rate of 60.53 percent. It is difficult to determine the individuals impacted since no specific race information is specified.

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TABLE 20
LENDING OUTCOME BY RACE

Applicant Race	Total Applications		Origination		Failure		Denial	
	#	%	#	%	#	%	#	%
American Indian or Alaska Native	14	2.58%	14	100.00%	0	0.00%	0	0.00%
Asian	30	5.52%	27	90.00%	1	3.33%	2	6.67%
Black or African American	2	0.37%	2	100.00%	0	0.00%	0	0.00%
Native Hawaiian or other Pacific Islander	5	0.92%	5	100.00%	0	0.00%	0	0.00%
White	454	83.61%	387	85.24%	21	4.63%	46	10.13%
Race not provided	38	7.00%	23	60.53%	4	10.53%	11	28.95%
Total	543	100.00%	458	84.35%	26	4.79%	59	10.87%

Source: Home Mortgage Disclosure Act LAR data, 13

Table 21 summarizes, by race, the explanation for each of the 59 denied loans in the city. As shown, the most common form of denial fell under the Other category, which makes analysis difficult. Following the Other category, the table shows that unfavorable debt-to-income ratios, insufficient collateral, and poor credit histories are the next top three reasons loan applications resulted in denial. Of the non-White applicants, only Asians experienced a denial of any kind, compared to other racial categories, which makes comparisons to other non-White infeasible. The reasons for denial of the two Asian applicants were insufficient collateral and other. The two most common reasons of denial for White applicants were poor credit history and insufficient collateral.

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TABLE 21
REASON FOR DENIAL BY RACE

Applicant Race	Debt-to-Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit App. Incomplete	Mortgage Insurance Denied	Other/ Not Reported
American Indian or Alaska Native	0	0	0	0	0	0	0	0	0
Asian	0	0	0	1	0	0	0	0	1
Black or African American	0	0	0	0	0	0	0	0	0
Native Hawaiian or other Pacific Islander	0	0	0	0	0	0	0	0	0
White	7	0	11	12	0	1	7	0	8
Race not provided	3	0	2	0	1	0	0	0	5
Total	10	0	13	13	1	1	7	0	14

Source: Home Mortgage Disclosure Act LAR data, 2013

Ethnicity

Table 22 shows lending actions by ethnicity. The share of loan applications that originated for Hispanic/Latino applicants (85.11 percent) was slightly higher than the origination rate for the overall number of applicants (84.35 percent). Of the 94 Hispanic/Latino loan applicants, 13.83 percent were denied and 1.06 percent failed to originate. Non-Hispanic applicants experienced loan origination at a rate of 86.17 percent, which was approximately 1.5 percent higher than the rate at which Hispanic/Latino applicants experienced loan origination.

TABLE 22
LENDING ACTION OUTCOME BY ETHNICITY

Applicant Ethnicity	Total Applications		Origination		Failure		Denial	
	#	#	%	#	%	#	%	
Hispanic/Latino	94	80	85.11%	1	1.06%	13	13.83%	
Not Hispanic/Latino	412	355	86.17%	21	5.10%	36	8.74%	
Ethnicity not provided	37	23	62.16%	4	10.81%	10	27.03%	
Total	543	458	84.35%	26	4.79%	59	10.87%	

Source: Home Mortgage Disclosure Act LAR data, 2013

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Table 23 summarizes, by ethnicity, the explanation for each of the 59 denied loans in the city. As shown, the Other category had the highest occurrence of denial (23.72 percent), which cannot be analyzed. The next most common reasons for denial were collateral (22.03 percent), credit history (22.03 percent), and debt-to-income ratio (16.94 percent). Of the 13 loan applications denied for Hispanics, the most common reasons for denial, besides the Other category (38.46 percent) were denial because of debt-to-income ratio (23.07 percent) and collateral (15.38 percent).

TABLE 23
REASON FOR DENIAL BY ETHNICITY

Applicant Race	Debt-to-Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit App. Incomplete	Mortgage Insurance Denied	Other/ Not Reported
Hispanic/Latino	3	0	1	2	0	1	1	0	5
Not Hispanic/Latino	4	0	10	11	0	0	6	0	5
Ethnicity not provided	3	0	2	0	1	0	0	0	4
Total	10	0	13	13	1	1	7	0	14

Source: Home Mortgage Disclosure Act LAR data, 2013

Lending Outcomes by Area

In addition to analyzing lending outcomes for individual applicant characteristics, it is important to analyze lending patterns by neighborhood characteristics, specifically census tracts. This section analyzes lending outcomes by census tract and compares outcomes in each census tract to race and income characteristics of each tract.

Table 24 shows lending actions and socioeconomic characteristics for Lodi census tracts. HMDA data is available at the census tract level, but not at the block group level. The census tracts presented in **Table 24** are those located in Lodi.

As shown, the share of non-White households in the city is 25.60 percent. Census tracts with 1 percent more non-White persons than the overall city share are considered concentrated areas. According to **Table 24**, seven census tracts (43.07, 43.08, 44.02, 44.03, 44.04, 45.01, and 45.02) are concentrated with non-White persons. Those census tracts experienced a loan origination rate of 92.86 percent, 100.00 percent, 76.74 percent, 66.67 percent, 100.00 percent, 80.95 percent, and 58.33 percent, respectively. The overall rate of origination in the city (84.53 percent) is higher than about half of the minority concentrated tracts (44.02, 44.03, 45.01, and 45.02). Two minority concentrated tracts have high origination rates of 92.86 percent and 100.00 percent. .

According to HUD's Low/Mod summary data, 25.78 percent of the total census tract populations are low/mod. Low/mod persons are persons that earn 80 percent or less of the area median income, and areas with at least 51 percent low/mod persons are considered CDBG target areas. As shown in

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Table 24, six census tracts (42.03, 43.08, 44.03, 44.04, 45.01, and 45.02) are considered CDBG target areas. Of the target area census tracts in Lodi, three tracts (44.02, 44.03, and 45.02) correlate with much lower rates of loan origination than the overall rate of origination in the city.

Tracts 43.08, 44.03, and 44.04, have the greatest share of non-Whites and low/mod persons of all tracts in the city; however, tracts 43.08 and 44.04 have 100.00 percent origination rates, whereas tract 44.03 has a rate of 66.67 percent. Tract 45.02 also has a higher concentration of non-Whites and low/mod persons, as well as a loan origination rate (58.33 percent) much lower than in the city as a whole.

TABLE 24
LENDING ACTIONS AND CHARACTERISTICS FOR LODI CENSUS TRACTS

Census Tract	Total Applications	Origination	Failure	Denial	Non-White Population	Low/Mod Population
40.01	12	75.00%	8.33%	16.67%	25.00%	25.00%
41.04	35	85.71%	5.71%	8.57%	11.43%	5.71%
41.05	61	83.61%	1.64%	14.75%	8.20%	11.48%
42.01	58	84.48%	6.90%	8.62%	31.03%	27.59%
42.02	25	84.00%	4.00%	12.00%	12.00%	16.00%
42.03	19	94.74%	0.00%	5.26%	5.26%	47.37%
42.04	21	85.71%	9.52%	4.76%	19.05%	23.81%
43.02	47	85.11%	4.26%	10.64%	23.40%	29.79%
43.03	51	92.16%	1.96%	5.88%	19.61%	5.88%
43.05	73	83.56%	8.22%	8.22%	16.44%	4.11%
43.07	28	92.86%	0.00%	7.14%	28.57%	25.00%
43.08	16	100.00%	0.00%	6.25%	62.50%	62.50%
44.02	43	76.74%	9.30%	0.00%	53.49%	48.84%
44.03	15	66.67%	0.00%	33.33%	53.33%	80.00%
44.04	6	100.00%	0.00%	0.00%	83.33%	66.67%
45.01	21	80.95%	4.76%	14.29%	42.86%	52.38%
45.02	12	58.33%	8.33%	33.33%	41.67%	75.00%
Total	543	84.53%	4.79%	10.68%	25.60%	25.78%

Source: Home Mortgage Disclosure Act LAR data, 2013; 2015 HUD Low/Mod Data

Note: Non-White population includes non-White racial and Hispanic/Latino populations, and excludes any unreported categories. The low/mod population figures come from HUD's 2015 Low/Mod Data, by measuring 80% of the \$59,600 AMI, which equals \$47,680.

Table 25 shows the reasons for denied loan applications by census tract. Because we are interested in exploring lending patterns by census tract, it is important to investigate the reasons why lending requests result in denial. As previously noted, there are ten tracts in the city that are either concentrated with non-Whites or low/mod persons, or both. As shown in the previous table (**Table 24**), four (40.01, 44.03, 45.01, and 45.02) of the ten tracts have much higher rates of loan denial than the overall rate in the city (10.68 percent). The following summarizes the reasons for loan denial in each of the four tracts:

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

- 40.01: Of the 12 loans, 2 resulted in denial. The two reasons for denial were insufficient collateral (the property used to secure the loan has a value too low for securing the loan) and incomplete credit application.
- 44.03: Of the 15 loan requests, 33.33 percent resulted in denial. The most common reason for denial was insufficient collateral, which is not surprising in a census tract with an 80.00 percent low/mod population.
- 45.01: Of the 21 loan requests, 14.29 percent resulted in denial. The most common reasons for denial were collateral and insufficient cash.
- 45.02: Of the 12 loan requests, 33.33 percent resulted in denial. The most common reasons for denial were incomplete credit application, followed by poor credit history and debt-to-income ratio, which is not surprising in a census tract with a 75.00 percent low/mod population.

TABLE 25
REASON FOR DENIAL BY CENSUS TRACT

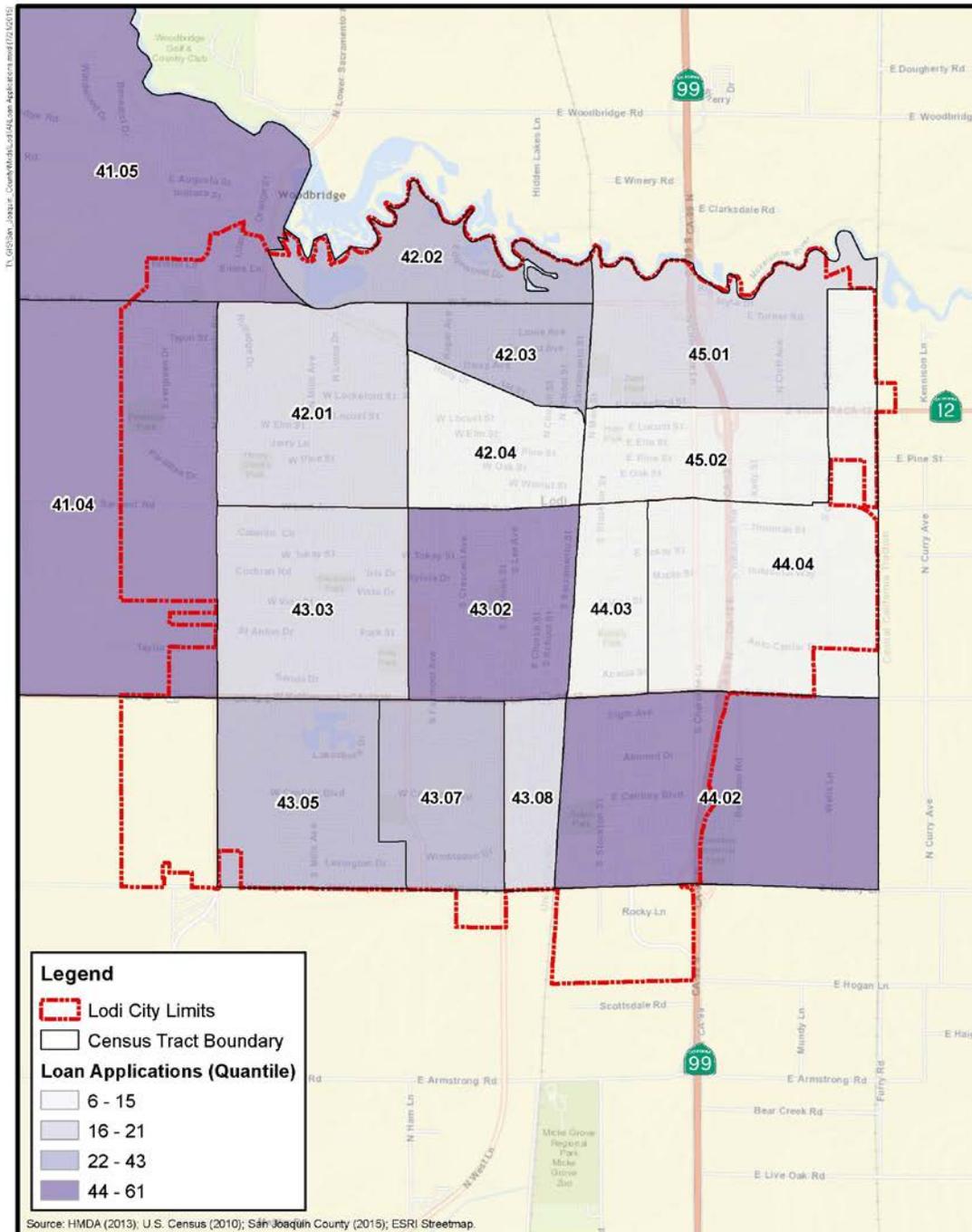
Census Tract	Debt-to-Income	Employment History	Credit History	Collateral	Insufficient Cash	Unverifiable Information	Credit App Incomplete	Mortgage Insurance Denied	Other
40.01	0	0	0	1	0	0	1	0	0
41.04	0	0	2	0	0	0	1	0	0
41.05	4	0	1	1	0	0	1	0	2
42.01	0	0	1	0	0	0	0	0	4
42.02	0	0	0	2	0	0	0	0	1
42.03	0	0	1	0	0	0	0	0	0
42.04	0	0	0	0	0	0	0	0	1
43.02	1	0	1	3	0	0	0	0	0
43.05	1	0	3	0	0	0	1	0	1
43.07	0	0	0	0	0	0	1	0	1
43.08	0	0	0	1	0	0	0	0	0
43.06	3	0	3	6	0	3	9	0	6
44.02	2	0	0	2	0	1	0	0	1
44.03	1	0	1	2	0	0	0	0	1
45.01	0	0	0	1	1	0	0	0	1
45.02	1	0	1	0	0	0	2	0	0
Total	13	0	14	19	1	4	16	0	19

Source: Home Mortgage Disclosure Act LAR data, 2013

Figures 10 through 13 demonstrate the location of these census tracts and the various rates as seen on a map.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

FIGURE 10
LOAN APPLICATIONS

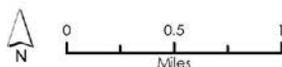
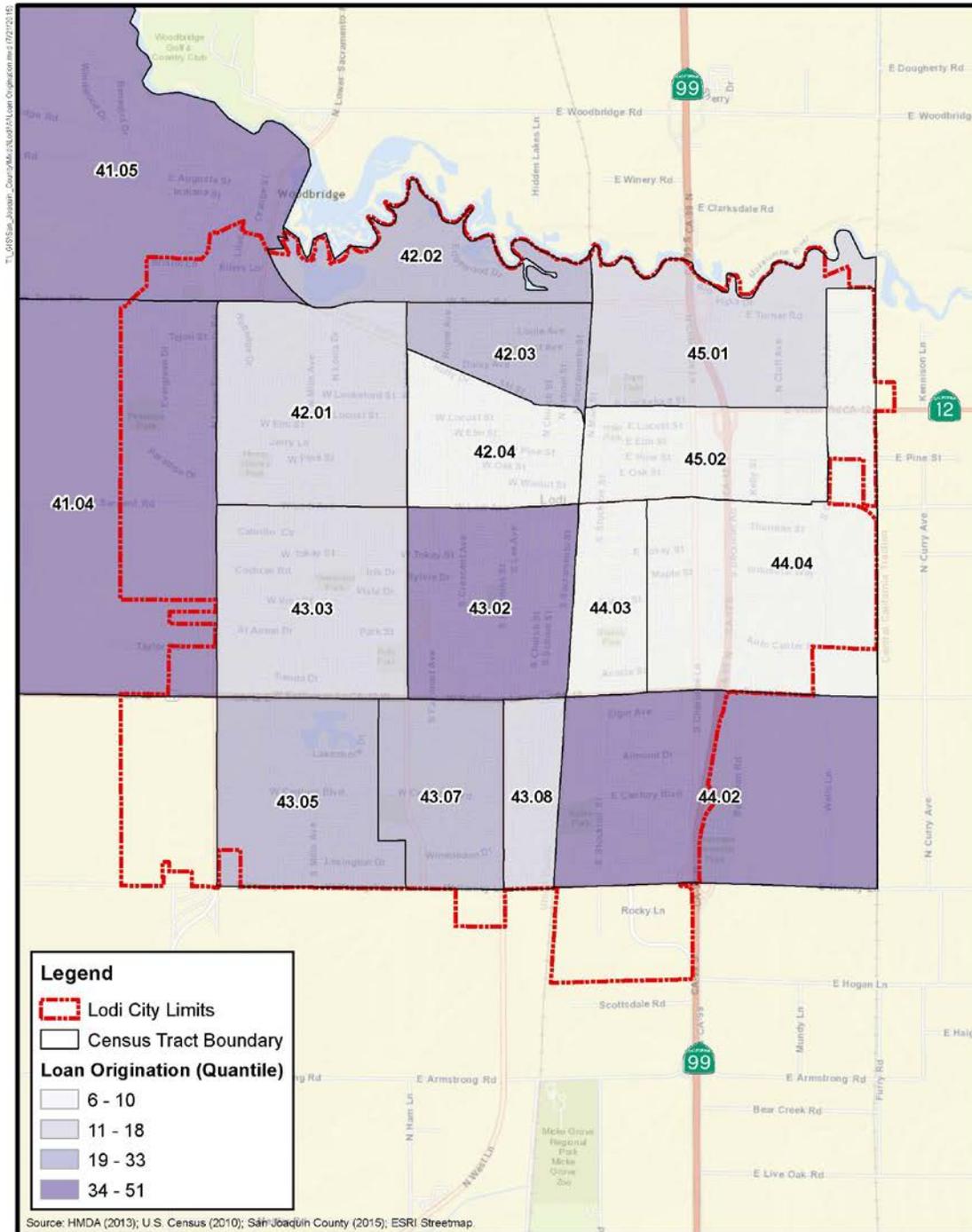


Loan Applications

Michael Baker
INTERNATIONAL

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

FIGURE 11
LOAN ORIGINATION

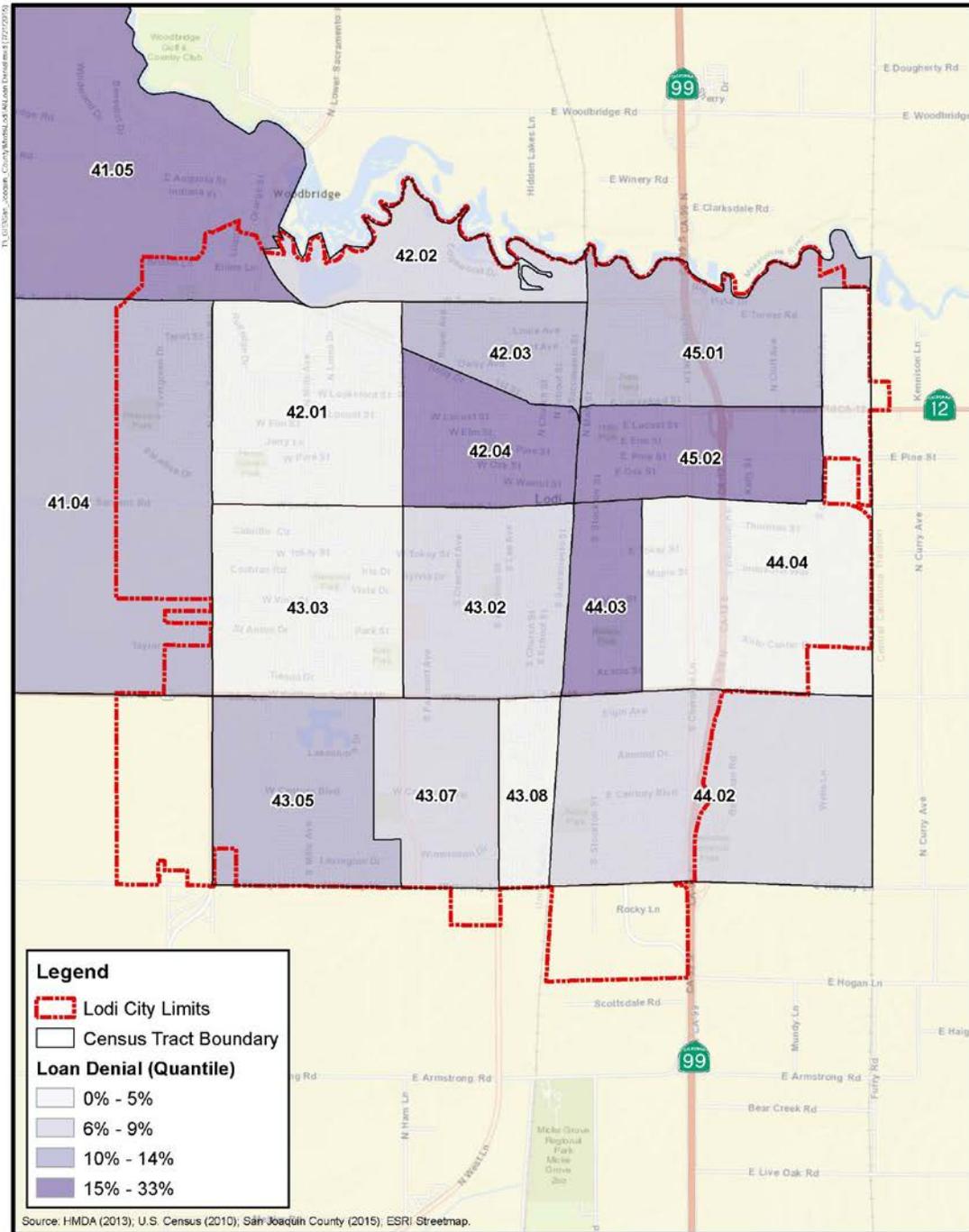


Loan Origination

Michael Baker
INTERNATIONAL

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FIGURE 12
LOAN DENIAL

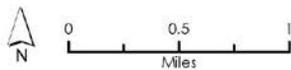
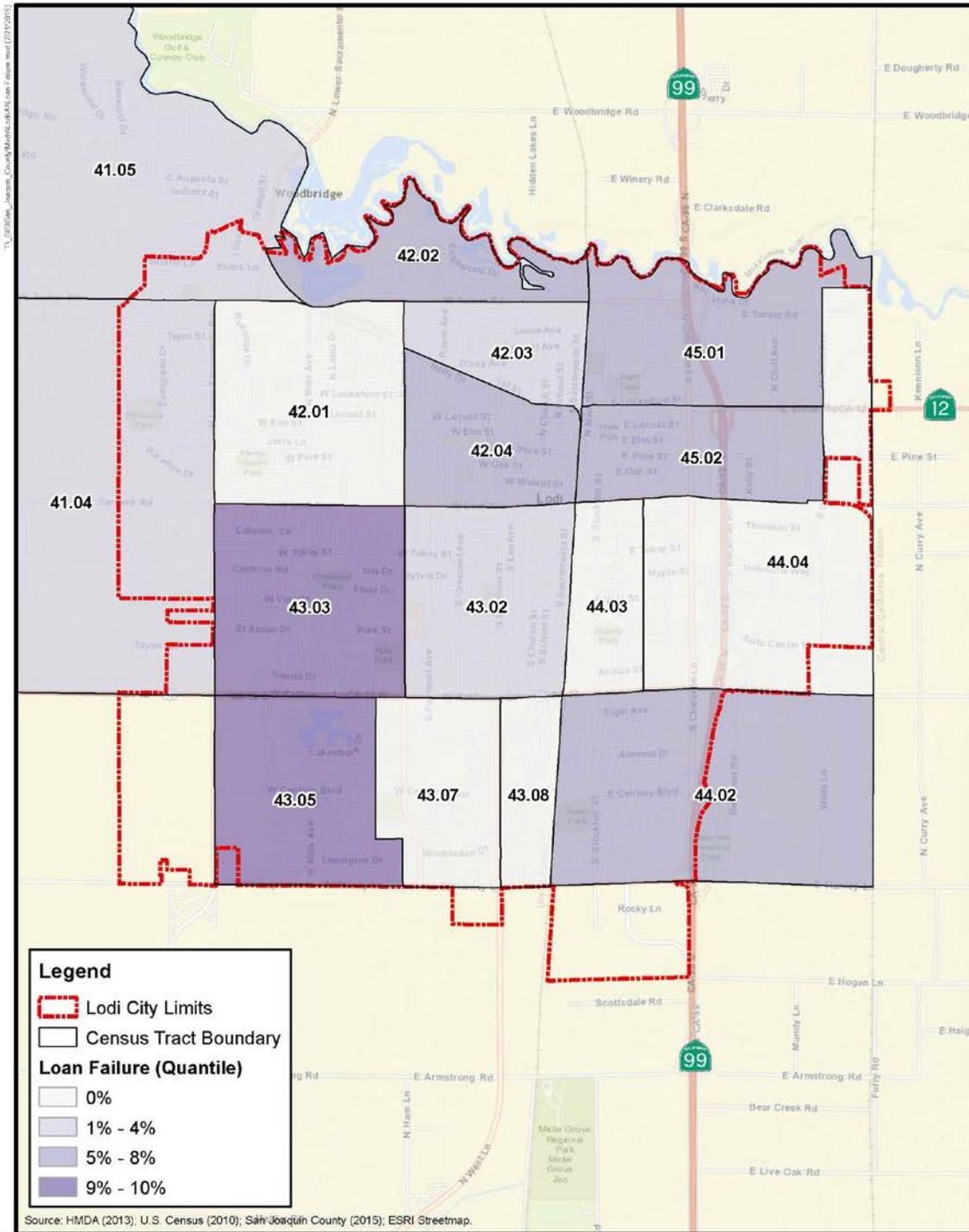


Loan Denial

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INTERNATIONAL

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FIGURE 13
LOAN FAILURE



Loan Failure

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INTERNATIONAL

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Summary of Lending Data

Of the 543 loan requests to purchase a mortgage for a primary residence, lending institutions approved financing for 84.35 percent and denied 10.87 percent. VA-guaranteed mortgage requests had the highest rate of loan origination (88.46 percent); however, FHA and conventional mortgage requests closely followed at 81.31 percent and 86.12 percent. As detailed in **Table 20**, American Indian/Alaska Native, Black or African American, and Native Hawaiian/Pacific Islander applicants experienced a high rate of loan origination (100.00 percent). Asian and White applicants experienced a lower rate at 90.00 percent and 84.35 percent, respectively.

Of the census tracts in Lodi, four tracts have large concentrations of non-Whites and low/mod persons as well as high rates of loan denial. As shown in **Table 25**, insufficient collateral was the major reason for loan denial in these tracts.

The analysis of lending patterns in Lodi does not reveal racial discrimination by lenders during the lending process. However, this analysis does reveal interesting lending patterns in census tracts with high concentrations of non-White persons and low/mod persons. Because rates of denial are higher in these tracts, possibly creating an impediment to fair housing choice for persons in these tracts, the City will implement a strategy to increase knowledge of the borrowing process in the tracts identified.

FAIR HOUSING COMPLAINTS AND ENFORCEMENT

Patterns of complaints and enforcement are useful to assess the nature and level of potentially unfair or discriminatory housing practices in the private sector. Several public and private agencies may receive complaints about unfair housing practices or housing discrimination.

At the federal level, the Office of Fair Housing and Equal Opportunity (FHEO) of the US Department of Housing and Urban Development receives complaints of housing discrimination. FHEO will attempt to resolve matters informally. FHEO may act on those complaints if they represent a violation of federal law and FHEO finds that there is “reasonable cause” to pursue administrative action in federal court.

At the state level, the Department of Fair Employment and Housing (DFEH) has a similar role to FHEO. DFEH also receives, investigates, attempts to settle, and can take administrative action to prosecute violations of the law. FHEO and DFEH have some overlap in jurisdiction and depending on the nature of the case, may refer cases to one another. DFEH is a HUD Fair Housing Assistance Program (FHAP) grantee, meaning that it receives funding from HUD to enforce federal fair housing law in the state.

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US Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity

The San Francisco FHEO office provided information on fair housing complaints and cases for the period July 1, 2012, through June 30, 2015. HUD provides FHAP funding annually on a noncompetitive basis to state and local agencies that enforce state fair housing laws which are substantially equivalent to the Fair Housing Act.

HUD did not process any complaints in the Lodi over the last three years. Instead, the complaints were referred to DFEH for processing.

The FHEO enforces federal fair housing laws, while the DFEH and local agencies enforce both federal and state fair housing laws. The federal Fair Housing Act makes it illegal to discriminate against people in the sale or rental of housing based on race/ethnicity, color, religion, familial status, disability, national origin, and gender. For California agencies, the Fair Employment and Housing Act and the Unruh Civil Rights Act also make it illegal to discriminate based on ancestry, marital status, sexual orientation, source of income, or other arbitrary forms of discrimination.

California Department of Fair Employment and Housing

The California Department of Fair Employment and Housing provided records of housing complaints filed in Lodi for the period July 1, 2012, through June 30, 2015.

A total of 16 complaints were recorded in the DFEH report for the past three years. Of those complaints, seven cases were filed in 2012, two in 2013, four in 2014, and three in 2015. The cases filed in 2012 were filed on multiple bases including disability, national origin, religion, and marital status. Of the cases filed in 2013, one was on the basis of national origin and one was on the basis of disability. Of the 2014 cases, one was filed for national origin, two for disability, and one for family care. In 2015, the final year of the DFEH report, the three cases filed during that year were on the basis of source of income, race, and association with a protected class. No cases were filed on the basis of retaliation, which means the applicant was denied housing based on the fact that they had reported discrimination against the owner. Over the past three years, the most common basis for a complaint is disability and the second most common is national origin, perhaps indicating that in Lodi there may be a need for additional education regarding discrimination against persons with a disability and persons of diverse national origin.

The DFEH report shows that 12 cases were closed and four are still open. Of the 12 closed cases, nine were closed through an investigation and finding of insufficient evidence, two were withdrawn, and one was settled in court.

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TABLE 26
FAIR HOUSING CLAIMS BY BASIS

Basis of Complaint	Number	Percentage
Disability	7	44%
Race	1	6%
Religion	1	6%
National Origin	3	19%
Marital Status	1	6%
Associated with Protected Class	1	6%
CA-Specific (1 source of income; 1 family care)	2	13%
Total	16	100%

Source: California Department of Fair Employment and Housing

TABLE 27
FAIR HOUSING CLAIMS BY OUTCOME

Outcome	Number	Percentage
Conciliated/Settled	1	6%
Investigated and insufficient evidence	9	56%
Withdrawn after resolution	2	13%
Open	4	25%
Other	0	0%
Total	16	100%

Source: California Department of Fair Employment and Housing

Local Private Sector

The San Joaquin Fair Housing Association is a nonprofit agency established in 1983 to serve the citizens of San Joaquin County. The association’s services are provided to the community free of charge and are funded through the US Department of Housing and Urban Development’s Community Development Block Grant (CDBG) program provided by San Joaquin County and the Cities of Stockton, Tracy, Lodi, Manteca, Lathrop, Ripon, and Escalon. The purpose of the San Joaquin Fair Housing Association is to ensure that all members of the community have equal access to safe, affordable housing and to eliminate discrimination in housing. Its office is located in Stockton, but they conduct outreach to all their communities, including Lodi.

The San Joaquin Fair Housing Association provides numerous services including:

- Information on tenant and landlord rights and responsibilities.
- Mediation as an alternative to resolve housing issues for tenants, property management, and owners. This service is free of charge and is provided in an attempt to avoid the costly court system.

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- Seminars provided as an educational outreach to the private and public sectors of the community.
- Training to landlords and tenants. Landlord training includes fair housing laws and basic property management including tenant screening, rental agreements, proper notices, and compliance with landlord/tenant laws. They also offer training for tenants including how to locate rentals, proper notices to landlords, getting repairs done, and tenant obligations.
- Counseling for landlords and tenants. Counselors are available to help both landlords and tenants resolve situations concerning their rental units.

Over the last several years, no claims of discrimination have been brought to the San Joaquin Fair Housing Association for processing. The executive director cites fear of retaliation as the main reason or individuals decide to handle issues on their own. Despite recent outreach efforts, in which flyers were distributed at businesses in Lodi, no calls or in-person complaints of discrimination have come in to the association's office. The majority of calls instead are related to poor housing conditions. Approximately two workshops per year are offered (in English and Spanish) to residents in which they are provided information on housing discrimination. The executive director also mentioned that with offices being located in Stockton and with limited resources and staff to conduct outreach, Lodi residents may also be less likely to reach out to the organization.

HOUSING OUTREACH

The City of Lodi provided several opportunities for participation and comment on programs and priorities during the Consolidated Plan and Analysis of Impediments to Fair Housing Choice process.

Beginning with the Consolidated Plan, on June 11, 2013, staff met with the community as part of a Lodi Improvement Committee meeting, in which a group of six representatives from the local business community along Cherokee Lane commented on the need for public improvements along that main thoroughfare that happens to be within the CDBG Target Area. On September 10, 2013, staff again met with the community and representatives from the region's service providers as part of a Lodi Improvement Committee's regular monthly meeting. Much of the discussion focused on projects and improvements that could be done along Cherokee Lane.

Additionally, on September 29, 2013, staff surveyed participants at the annual Celebration on Central event that serves the low-income and minority communities of Lodi's Eastside. A total of 44 people provided comments, many of which referenced a need for crime prevention or issues with crime and public safety within the neighborhoods.

As part of the Consolidated Plan, staff conducted numerous meetings to gather input from residents and stakeholders. On November 7, 12, and 19, 2013, staff conducted a series of community needs assessment presentations and exercises with focused minority populations and the general public. A total of 55 members of the community participated in those exercises. Then, on January 8, 2014, staff conducted a community needs assessment exercise with representatives from local service providers and community-based organizations. A total of nine people attended and participated in that meeting.

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Similarly, on January 22, 2014, staff conducted a needs assessment workshop with local for-profit and nonprofit developers, the Housing Authority, local real estate and banking professionals, and housing advocates to review and discuss issues related directly to affordable housing. Lastly, on January 30, 2014, staff conducted a follow-up meeting to review and discuss the findings of the community outreach and needs assessment that had been conducted to that date.

At the first City Council public hearing to review the Consolidated Plan on April 2, 2014, a total of seven people spoke in support of the various organizations and proposed projects and activities. Letters from one individual and a group of Hispanic residents that took part in the community outreach were addressed and submitted to the City Council.

At the second City Council public hearing for approval of the Consolidated Plan on May 7, 2014, a total of four people spoke in support of the various projects and services proposed for 2014–2015, as well as the overall goals and objectives proposed for the 2014–2018 Consolidated Plan period. One letter from the group of Hispanic residents that took part in the community outreach was addressed and submitted to the City Council. No other comments were received during the 30-day public comment period.

After approval of the Consolidated Plan, additional efforts were made to gather updated information and feedback from residents and stakeholders. On June 25, 2015, local organizations, developers, and service providers attended a stakeholders meeting in the Lodi Public Library. Twelve stakeholders attended the meeting. The meeting started with introductions from the group. An overview presentation provided information about the AI update process and requirements. The presentation was followed by a roundtable discussion on the strengths and needs of the community. Comments received were used to update the goals and policies of the Housing Element and the AI. See **Appendix A** for a summary of comments received. Additionally, staff conducted a community workshop in the Lodi Public Library on June 25, 2015. Approximately 20 community members attended and provided their comments on the Housing Element and AI update. The workshop included an overview of the AI, and then community members were asked to provide their comments through a series of interactive stations allowing participants to take part in the activities at their own pace. A member of the project team was available at each station to answer questions and guide participants through the activities. When surveyed, participants said that fair housing assistance was a high priority service for them and their family. Participants also ranked cost and supply as the top barriers to accessing housing. See **Appendix A** for a summary of additional comments received.

In conjunction with the above outreach, staff sent a survey to residents and stakeholders to gather more feedback on the AI. Staff received four responses. When asked about the difficulty of an average family renting or purchasing a safe, decent, affordable unit, participants marked somewhat difficult and very difficult, which were the highest responses compared to the categories of very easy and somewhat easy. Participants said that rental housing was a higher priority to address housing discrimination than for housing to own or obtaining loans. Participants said that discrimination in different rents, fees, or deposits for rentals was most common. Also, they voiced the most concern regarding discrimination that occurs based on race/ethnicity, nationality, and familial/marital status.

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PUBLIC POLICIES

CITY PROGRAMS

The City of Lodi offers multiple programs that encourage fair housing choice or support the City's efforts to remove regulatory barriers to equal housing opportunities. Most of the programs promote affordable housing opportunities for low- to moderate-income households (up to 80 percent or 120 percent of area median income) and preserve the city's existing housing stock.

Community Development Block Grant

The federal CDBG program provides funds for a variety of community development activities. The program is flexible in that the funds can be used for a range of activities. The eligible activities include, but are not limited to, fair housing services, acquisition and/or disposition of real estate or property, public facilities and improvements, job training, rehabilitation and construction (under certain limitations) of housing, and homeownership assistance. From 2001 to 2007, the City used \$510,922 in CDBG funds to produce 11 very-low-income units. The City's 2015 CDBG allocation includes funds for the San Joaquin Fair Housing Association to provide fair housing services, such as a housing discrimination and tenant/landlord law hotline, complaint investigation, and outreach and education through public forums.

First-Time Homebuyer Program

The City has been awarded \$700,000 in state HOME funds for a First-Time Homebuyer Program in 2013–2016 through the California Department of Housing and Community Development. This program provided down payment assistance loans to low-income, first-time homebuyers for the purchase of homes in Lodi. Program eligibility is based on household incomes at or below 80 percent of the area median income (AMI).

Section 8 Rental Assistance

The Section 8 program is a federal program that provides rental assistance to very low-income households in need of affordable housing. The program offers a voucher that pays the difference between the current fair market rent and what a tenant can afford to pay (e.g., 30 percent of their income). The voucher allows a tenant to choose housing that may cost above the payment standard, but the tenant must pay the extra cost. The program is administered by the Housing Authority of the County of San Joaquin.

Acquisition and Rehabilitation Program

The City is pursuing a partnership with Habitat for Humanity for an Acquisition and Rehabilitation Program that will allow at least ten vacant and/or foreclosed properties to be purchased and rehabilitated as affordable housing.

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BUILDING AND PLANNING PRACTICES

Public policies established at the state, regional, and local levels can affect housing development and therefore may have an impact on the range and location of housing choices available to residents. This section discusses the public policies enacted by the City of Lodi and their potential impacts on housing development. Zoning and housing-related documents (e.g., housing elements, previous fair housing assessments, and consolidated plans) were reviewed to identify potential impediments to fair housing choice and affordable housing development.

Housing Element Law and Compliance

As part of evaluating potential impediments to fair housing choice and housing development, the City of Lodi's draft 2015–2023 Housing Element was reviewed. California housing element law requires that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community.

California housing element law requires each jurisdiction to:

- Identify adequate sites which will be made available through appropriate zoning and development standards and with the services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels in order to meet the city's regional housing needs.
- Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low-, and moderate-income households.
- Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.
- Conserve and improve the condition of the existing affordable housing stock.
- Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

Land Use Policies and Practices

The City's existing Development Code regulates the type, location, density, and scale of residential development and exists to protect and promote the health, safety, and general welfare of residents. In addition, the Development Code serves to preserve the character and integrity of existing neighborhoods.

Zoning Districts

The following is a listing of the residential zoning districts, as well as the commercial districts that permit or conditionally permit residential development in Lodi.

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- Low Density Family Residential – RLD
- Medium Density Residential – RMD
- High Density Residential – RHD

Residential land uses are also allowed in the following zoning districts:

- Downtown Mixed Use District – DMU
- Mixed Use Corridor – MCO
- Mixed Use Center – MCE

Provisions for a Variety of Housing

Permitting different types of housing is essential to providing a full range of housing choice. The City of Lodi has many zoning districts that permit a variety of housing types. Some of the housing types include single-family residential housing, multifamily residential housing, residential accessory dwelling units, mobile homes, duplexes, and family care homes. **Table 28** shows the housing types permitted in the various zoning districts in Lodi. No significant barriers were identified for any of the housing types listed below.

TABLE 28
HOUSING TYPES PERMITTED BY ZONE

Housing Types Permitted	RLD	RMD	RHD	DMU	MCE	MCO
Single-Family Dwelling	A	UP	UP	X	X	UP
Two-Family Dwellings (Duplex)	X	A	A	X	X	A
Multifamily (3 or more dwelling units)	X	A	A	A	A	A
Accessory Uses	A	A	A	A	A	A
Caretaker Quarters	X	A	A	X	X	X
Home Occupations	MUP	MUP	MUP	MUP	MUP	MUP
Live/Work Projects	X	UP	UP	A	A	A
Seasonal Farmworker Housing	X	A	A	X	X	X
Transitional/Supportive Housing	A	A	A	A	A	A
Second Dwelling Units	A	A	A	X	X	X
Mobile Homes/RV Park	X	X	UP	X	X	X

Source: City of Lodi Draft 2015–2023 Housing Element

Note:

X = not permitted, UP = use permit required, MUP = minor use permit required A = permitted use

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Licensed Residential Care Facilities

The city has 24 licensed residential care facilities: eight adult residential care, nine residential care facilities for the elderly, two adult day care facilities, four residential small care homes for children, and one group home. Residential care facilities are licensed by the State of California to provide permanent living accommodations and 24-hour supervision for persons in need of personal services, supervision, protection, or assistance for sustaining the activities of daily living. Licensed residential care facilities include hospices, nursing homes, convalescent facilities, sanatoriums, and group homes for minors, persons with disabilities, and people in recovery from alcohol or drug addiction. Under state law, the City of Lodi is required to permit licensed residential care facilities that serve six or fewer persons by right in residential districts. Facilities that serve more than six people can be required to have a use permit. The City's Development Code was updated to allow all types of residential care facilities of six or fewer individuals permitted by right in residential zones.

Single-Room Occupancy Units

Single-room occupancy (SRO) units are generally small and lack separate kitchen or bathroom facilities for every unit. Meals are often provided, and residents stay on a permanent or semi-permanent basis; rent is often accepted on a weekly or monthly basis. SRO units are frequently one of the only sources of housing available to extremely low-income people (in Lodi, a one-person household making \$13,950 or less annually qualifies as extremely low income). The Development Code currently treats SROs the same as any group residential use in that projects with six or fewer occupants are allowed by right, and projects with more than six occupants require a conditional use permit.

Supportive and Transitional Housing

Supportive and transitional housing is geared toward individuals and families who have been homeless and who benefit from supportive services such as job counseling and day care as they get back on their feet and are able to afford their own house or apartment. Residents in supportive and transitional housing typically stay up to a year before moving out. Per state law, supportive and transitional housing must be treated the same as any other residential use in a residential zone. The City Council adopted a Development Code amendment on August 19, 2015, to allow transitional and supportive housing in all zones that allow residential uses.

Emergency Shelters

Recent state law (Senate Bill 2) mandates that jurisdictions either permit emergency shelters by right in one or more zones or enter into a multi-jurisdictional agreement with neighboring jurisdictions to fund and operate a shelter or shelters to meet their collective homeless needs. The City of Lodi currently meets this new requirement; emergency shelters are allowed by right in the General Commercial (GC) zone. This zone was selected based on access to transit, public facilities, and commercial services. GC sites are all located primarily in downtown Lodi and along Cherokee Lane (a major commercial street with transit access, located adjacent to the eastern residential neighborhoods). Currently, there are five vacant CG sites ranging from 0.24 to 23.06 acres in size that

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could accommodate an emergency shelter. Moreover, older motels along Cherokee Lane could be used as emergency shelters if necessary. In sum, available land and existing structures would accommodate the estimated homeless population, approximately 90 unsheltered persons.

Second Units

The City defines a second unit as “an additional living unit on a lot within a single-family zone.” A second unit is a self-contained unit with separate kitchen, living, and sleeping facilities. A second unit can be created by (1) altering a single-family dwelling to establish a separate unit or (2) adding a separate unit onto an existing dwelling. In accordance with state law, second units are allowed without the requirement of a use permit within the RLD, RMD, and RHD zoning districts.

The City requires that second units be architecturally compatible with the existing single-family dwelling. They must have separate exterior entrances and be no larger than 640 square feet in floor area or 30 percent of the existing living area of the primary residence, whichever is less. The unit must also have one off-street parking space in addition to the parking required for the existing residence.

Farmworker Housing

Farmworker or employee housing is property used temporarily or seasonally for the residential use of five or more unrelated persons or families employed to perform agricultural or industrial labor. The accommodations may consist of any living quarters, dwelling, boardinghouse, tent, bunkhouse, mobile home, manufactured home, recreational vehicle, travel trailer, or other housing accommodations maintained in one or more buildings, or one or more sites, and the premises upon which they are situated, including an area set aside for parking of mobile homes or camping of five or more employees by the employer. State law (Sections 17021.5 and 17021.6 of the Health and Safety Code) requires the City to treat employee housing that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone and also to treat employee housing consisting of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone (Section 17021.6) in zones where agricultural uses are permitted. The Development Code treats permanent housing for farmworkers who live in Lodi year-round the same as other permanent housing (i.e., single-family or multifamily). Seasonal or migrant farmworker housing is currently treated the same as group residential. However, a program of the draft Housing Element proposes to amend the Development Code to comply with the state Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6) to treat employee housing for farmworkers or other employees that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone (Section 17021.5). The Development Code will also be amended to treat employee housing consisting of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone in zones where agricultural uses are permitted (Section 17021.6).

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Persons with Disabilities

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling.

The California Government Code requires localities to analyze potential and actual constraints and to include programs to accommodate housing for disabled persons.

Lodi's Development Code permits certain detached and attached accessory uses and various projections into yards and setbacks. While the Development Code does not specifically indicate that facilities for access by persons with disabilities are permitted, accessory uses such as ramps or lifts for handicapped accessibility are similar to the specified permitted uses.

Ordinance no. 1916 was passed November 4, 2015. It provides a procedure to request reasonable accommodation for persons with disabilities seeking fair access to housing under the Federal Fair Housing Act, Americans with Disabilities Act, and the California Fair Employment and Housing Act (the Acts) in the application of zoning laws and other land use regulations, policies and procedures. A request for reasonable accommodation may be made by any person with a disability, their representative, or any entity, when the application of a zoning law or other land use regulation, policy or practice acts as a barrier to fair housing opportunities. A request for reasonable accommodation may include a modification or exception to the rules, standards and practices for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability fair access to housing of their choice. Requests for reasonable accommodations are approved administratively (without the requirement of a public hearing or other special review) unless the nature of the request triggers a major design review, which is unlikely. Requests for reasonable accommodation shall be reviewed by the Director of Community Development, or designee, with a written determination given no more than 45 calendar days later. The City does not charge a separate fee for such consultation. Reasonable accommodations requests are subject to a building permit. A procedure for appeals is described in the ordinance.

The Development Code does not include any specific programs or provisions that specifically obstruct the development of housing or other structures that accommodate persons with disabilities. However, there are no special provisions either, which may be a constraining factor on improvements and developments focused to meet the special needs of persons with disabilities.

Permit Processing

The application process varies depending on the type of entitlement being requested. A typical single-family development will require a residential allocation, tentative and final tract map, environmental review (negative declaration or environmental impact report), Planning Commission review, City Council review (if a Planning Commission decision is appealed), and construction permits (building,

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grading, etc.). From start to finish, the process will typically take 6 to 12 months. A large or complex project, particularly one triggering state or federal environmental mandates, can take longer. A typical multifamily development will require a residential allocation, environmental review (negative declaration or environmental impact report), Planning Commission review, City Council review (if a Planning Commission decision is appealed), and construction permits (building, grading, etc.). From start to finish, the process for multifamily development approval will also typically take 6 to 12 months.

Single-family and multifamily developments are also required to go through the Site Plan and Architecture Approval Committee (SPARC) process. It takes two to four weeks to complete staff review before the development can be submitted to the committee, whereupon the committee takes 21 days to review the project. It should be noted that smaller developments in the city such as one single-family home or two- to four-unit multifamily structures are only required to obtain building permits and are not required to go through the Site Plan and Architectural Approval Committee.

Growth Management Allocation Ordinance

In 1991, the City adopted a Growth Management Allocation Ordinance (GMAO) to regulate the location, amount, and timing of residential development.

Under the ordinance, the maximum number of housing units approved each year by the City reflects a 2 percent increase in population. Unused permits roll over to the next year. The ordinance establishes a residential density allocation system, with the goal of promoting a mix of housing types.

The breakdown by density establishes an upper limit for the number of permits, but does not guarantee that the density quotas for the three categories are attained by the end of a given year. Because in most years demand has been less than the number of available permits, an inventory of available permits has built up. For example, permits for 49 single-family units were pulled from 2013 through April 2015, leaving behind many unused allocated units.

Assuming that Lodi's population continues to grow at 1.5 percent annually, the average growth rate from 2000 to 2015, the City will continue to accumulate and not build out at the potential number of allocation units for 2015. More importantly, this means that in total, development permits for approximately 4,923 units will be available to fulfill Lodi's Regional Housing Needs Allocation (RHNA), which is 1,931. Of the City's 4,923 total allocation, 3,472 remain for low density, 411 remain for medium density, and 1,040 remain for high density. Taking into account the Housing Element planning period, based on an average number of persons per household of 2.8 and a 1.5 percent growth rate, an estimated 8,817 allocated units will be available for development by the end of the plan period.

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The current GMAO excludes commercial and industrial projects; senior housing; on-site replacement of housing in existence as of September 1, 1989; and projects of four units or less. To facilitate the development of affordable units, a program in the City's draft Housing Element will require the City to update the GMAO to exclude affordable housing from units that are required to receive allocations.

Overall, the Growth Management Program does not present a substantial constraint to development, but the allocation process adds time and cost up front to the development process.

Available Vacant Land

The extent to which the City of Lodi has available sites for housing affordable to very low- or low-income households depends, in part, on zoning standards, particularly the maximum allowed density, minimum parking requirements, building coverage, height, and setback standards. The combination of the City's flexible zoning standards, allowances for housing on commercial properties, and a history of approving housing, planned development provisions and exceptions and variances indicates that Lodi has land available to accommodate lower-income households.

Lodi has both vacant and underutilized sites to accommodate these households; the sites are explained in more detail below.

Vacant Infill – This category includes vacant land with zoning designations that permit residential use. The majority of this type of land is located adjacent to existing residential areas or in areas designated for mixed-use development according to the General Plan. Vacant infill sites total 73.8 acres and have the capacity for 1,059 housing units, including 882 units for extremely low-, very-low-, and low-income households.

Underutilized – This category includes currently occupied residentially zoned sites capable of being developed at higher densities or with greater intensity than the existing use. All sites have zoning designations that permit residential uses. Underutilized sites total 19.3 acres and could produce as many as 314 units for lower- and moderate-income households.

The land inventory analysis in the City's draft 2015–2023 Housing Element indicates that the City is able to accommodate its 2014–2023 RHNA for all income categories.

Accessibility of Public Transit

Public transit plays an important role in analyzing access to housing. Public transit should link lower-income persons, who are often transit-dependent, to major employers where job opportunities may be available. The lack of an integral relationship between public transit, employment opportunities, and affordable housing may impede fair housing choice because persons who depend on public transit will have limited choices regarding places to live.

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Elderly and disabled persons tend to be more transit-dependent than other persons. Specifically, many elderly and disabled persons rely on public transit to visit doctors and go to medical appointments, go shopping, or attend activities offered at community facilities. Housing for the elderly and disabled should be located near transit routes, or alternative transit should be made available for persons with special needs. This section discusses the accessibility of public transit to major employers, shopping centers, and community and medical facilities from lower-income areas and from housing for persons with special needs.

The City's General Plan includes a Transportation Element that seeks to reduce the reliance on cars and increase the convenience of alternate modes through new connections and improved circulation for transit, bikes, and pedestrians. The City operates its own local GrapeLine transit service, which allows it to closely coordinate land use and transit planning decisions. The following programs that will assist with linking transportation and lower-income households are included in the Transportation Element:

- T-P1. Ensure consistency between the timing of new development and the provision of transportation infrastructure needed to serve that development. Regularly monitor traffic volumes on city streets and, prior to issuance of building permits, ensure that there is a funded plan for the developer to provide all necessary transportation improvements at the appropriate phase of development so as to minimize transportation impacts.
- T-P2. Review new development proposals for consistency with the Transportation Element and the Capital Improvements Program. Ensure that new projects provide needed facilities to serve developments, and provide all needed facilities and/or contribute a fair share to the City's transportation impact fee.
- T-P21. Work cooperatively with the Lodi Unified School District on a "safe routes to schools" program that aims to provide a network of safe, convenient, and comfortable pedestrian routes from residential areas to schools. Improvements may include expanded sidewalks, shade trees, bus stops, and connections to the extended street, bike, and transit network.
- T-P35. Require community care facilities and senior housing projects with more than 25 units to provide accessible transportation services for the convenience of residents.

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ASSESSMENT OF FAIR HOUSING PRACTICES

The City of Lodi works directly with the San Joaquin Fair Housing Association, a local fair housing agency based in Stockton that is responsible for receiving, directly handling, and maintaining a working database of fair housing complaints for the City of Lodi.

The San Joaquin Fair Housing Association frequently provides training to landlords and tenants regarding fair housing laws. The association also provides educational seminars to the private and public sectors of the community as well as mediation as an alternative to resolve housing issues for tenants, property management, and owners. This service is free of charge to Lodi residents and is provided in an attempt to avoid the costly court system.

LODI HOUSING ELEMENT

The City of Lodi continues to support the efforts and actions to eliminate affordable housing barriers identified in its Housing Element. The 2015–2023 Housing Element identifies affordable housing barriers and outlines the City’s plans to eliminate these barriers.

Fair and equal housing opportunity remains an important issue in Lodi to ensure that all persons, regardless of their status, have the opportunity to find a suitable home. The Lodi draft Housing Element includes the following policy and program to follow in the ongoing efforts to promote fair and equal housing opportunities.

- **Policy H-P4.6:** Promote fair housing programs and services to residents and property owners in Lodi.
 - **Program 4.1: Promote Fair Housing Services.** The City shall promote equal housing opportunity for all persons in compliance with state and federal laws by continuing to provide funding for the operation of the City's Affirmative Fair Housing Program. Under the program, the City provides information to the public on state and federal fair laws, provides referrals to county, state, and federal agencies for investigation of fair housing complaints, and provides financial support to Stockton/San Joaquin Community Housing Resource Board (CHRB), which provides landlord-tenant mediation services.

The City will collaborate with CHRB to promote fair housing information and resources at an annual community event. Lodi will promote fair housing activities and resources by providing links through its website to nonprofit, county, state, and federal agencies; providing fair housing information at the Community Development Department public counter; designating a point of contact within the Department to handle fair housing inquiries; and distributing fair housing information at public locations in the city (such as the Lodi Public Library and the LOEL Senior Center).

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CONSOLIDATED PLAN

Lodi must submit a Consolidated Plan to the US Department of Housing and Urban Development (HUD) every five years and is required to update that plan annually. Lodi's 2014–2018 Consolidated Plan is an assessment and analysis of local conditions and issues related to fair housing and other issues: housing, homelessness, community development, and economic development. Using a comprehensive outreach and citizen participation process, the Consolidated Plan describes priority needs facing the community and develops strategies to address those needs, such as prioritizing the particular areas of discrimination that residents experience.

LODI ANNUAL ACTION PLAN

The Annual Action Plan identifies the funding priorities and details the projects proposed to received CDBG funding. The 2015–2016 Annual Action Plan includes the following action to reinforce the City's commitment to removing or reducing barriers to affordable housing over the next several years:

- The San Joaquin Fair Housing Association provides fair housing services, such as housing discrimination and tenant/landlord law hotline, complaint investigation, and outreach and education through public forums. The City is projecting to assist 2,025 persons and contribute \$20,000.

LODI CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

The City contracts with the San Joaquin Fair Housing Association for fair housing services. This local nonprofit agency offers information on fair housing law and tenant-landlord disputes, as well as investigates housing discrimination complaints. Flyers relating to fair housing topics were distributed to businesses on the east side of Lodi to increase outreach to low-income residents. Information was available by phone from the agency's Stockton offices five days a week.

The City displays fair housing materials at City Hall, and copies of these materials are free to the public. Fair housing information is sent free of charge to those who request it. In addition, the City promotes fair housing awareness in its housing programs and works with housing providers in the city to ensure the fair and equitable treatment of persons and households seeking housing in Lodi.

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CONCLUSIONS AND RECOMMENDATIONS

The purpose of this analysis is to determine the possible existence of impediments to housing choices based on race, religion, sex, color, national origin, handicap (disability), or familial status and, where identified, to suggest necessary steps to reduce and/or eliminate such impediments. This section describes those impediments and the corresponding actions identified through the analysis.

To facilitate reporting of accomplishments and the association of planned activities with impediments and actions to address, each impediment and action is identified by a number. Actions are labeled according to the impediment they address.

Please note that state law requires local jurisdictions in California to assess barriers to affordable housing as part of the General Plan Housing Element. Programs to address impediments to fair housing may be addressed through the implementation of the Housing Element.

ECONOMIC AND HISTORIC TRENDS

The City of Lodi faces challenges similar to other California cities where demographics, employment, and population trends have changed dramatically over a fairly short period of time. While 40 years may seem significant in a human timeline, for cities and built environments, 40 years is a fairly short period of time. The city's core infrastructure, particularly the railroad tracks and the placement of State Route 99, has added to the uneven distribution of lower-cost housing and low-income households. Railroad facilities have commonly been placed in the city proper, and when the railroad was the primary means of long distance overland transportation, this placement was fundamental for commercial vitality. Similarly the placement of State Route 99, which was designed to be a north-south transportation spine down the center of the state, makes sense as it allows easy access to the city without the slowdowns and more impacted transportation patterns of surface streets.

However, for the housing built between these two north-south transportation arteries, the division of the railroad tracks and the boundary of the highway create a strip of less-desirable real estate along the eastern side of the city. That strip has become a concentrated pocket of lower-income housing. Less-desirable locations, whether that way by features of nature, or, as in Lodi's case, by features of infrastructure, result in lower land costs. Lower land costs allow for lower-cost housing structures and lower cost-per-unit developments, which begins to address the significant market need for low cost housing. It is doubtful that at any point in Lodi's history, decision makers or the private development market specifically designated the eastern side of the city for lower-cost housing. Nor is it likely that decision makers intentionally aligned the railroad and the highway to create a strip of the city that would as a result be considered less desirable as a place to live than the western section of Lodi.

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While the lack of intention does not necessarily equal a lack of discrimination, the results are unequivocal. The placement of the north-south transportation arteries created neighborhoods that could not compete in the open land and housing market with the western sections of the city. There have been significant changes in demographics, particularly the large influx of Hispanic households as Lodi has matured. At the same time, the traditional agricultural economy has been replaced with vineyard agriculture, some light manufacturing, and retail and service industry jobs, which are all generally employment sectors with a considerable percentage of lower-paying jobs. These changes have resulted in a significant portion of the population who live on less income, who often have additional language and educational challenges, and who must live in lower-cost housing, even if it is substandard, in order to survive.

The physical and demographic designs and changes in the city have created neighborhoods that do not meet the criteria established by HUD as promoting fair housing choice. However, the challenges posed by the decades of demographic and housing market evolution are not simply or easily addressed. The actions available to the City are limited in scope and effectiveness, but the primary challenge will be to encourage private reinvestment in housing stock by the property owners and to encourage the development of new affordable and market-rate housing stock spread throughout the city to help balance the inequality in supply and demand.

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AFFORDABLE HOUSING

The provision of affordable housing and the support of existing and new affordable housing are critical to ensuring that all households have access to quality housing.

The City of Lodi has produced a diversity of housing types and has adequate land available to meet the projected housing needs of lower-income households.

The City is challenged to provide affordable housing in both the ownership and rental sectors of the housing market. The median sales price for a single-family home has continued to rise over the last few years as the housing market recovers from the recession. The median home price in Lodi is now \$235,000, which puts homeownership out of range for most low- and moderate-income residents. Low-income households in Lodi would probably still require some assistance to achieve affordable homeownership.

Rental housing affordability is a particular challenge for households with extremely low and very low incomes. Median rents have risen through most of the state, and the average four-person household in the low/mod income categories would have to allocate half of their monthly income to cover the average costs of a three-bedroom unit in Lodi. Additional new and the preservation of existing subsidized rental housing is needed to ensure housing affordability.

1. Impediment: Lack of sufficient subsidized and unsubsidized affordable housing supply, particularly for low-income special needs households and persons with disabilities.

1.1 Action: The City of Lodi will continue to pursue available and appropriate state and federal funding sources to support efforts to construct housing meeting the needs of lower-income households.

Timeline: ongoing.

1.2 Action: The City of Lodi will continue to offer regulatory relief and incentives, such as expediting the development review process and reducing development impact fees for the development of affordable housing.

Timeline: ongoing

1.3 Action: The City of Lodi will continue to ensure the availability of adequate sites for the development of affordable housing.

Timeline: ongoing

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1.4 Action: The City of Lodi will continue to allow by right secondary residential units and residential group homes with less than six occupants in residentially zoned areas.

Timeline: ongoing

1.5 Action: The City will review each development application and assess the feasibility to partner with nonprofit developers to preserve and increase total rental housing units.

Timeline: As development applications are received.

1.6 Action: The City will partner with the Housing Authority to ensure that special needs populations, including single-parent female-headed households with children, persons with disabilities, large families, and seniors, have access to affordable housing options wherever and whenever available.

Timeline: ongoing

1.7 Action: The City will track progress made in providing additional access to affordable housing by both the Housing Authority and through any new or rehabilitated affordable housing projects to ensure that special needs populations have the opportunity for improved housing choice.

Timeline: Annually.

1.8 Action: The City will continue to work with landlords and property managers to improve conditions of existing affordable (subsidized and unsubsidized) housing stock through enforcement of the Building Code and the Health and Safety Code, and through timely response to complaints of poor housing quality or significant deferred maintenance.

Timeline: ongoing

1.9 Action: The City will study the feasibility of a residential rehabilitation and improvement grant program for low-income, which will allow low-income homeowners with disabilities and landlords to make accessibility improvement to their homes.

Timeline: Study program feasibility within one year of adoption. If financial resources are available, develop grant program within three years of adoption.

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2. **Impediment: Lack of affordable units suitable for large families, resulting in a concentration of Hispanic households in adjoining low-income census tracts, and disproportionately impacting Hispanic households and households with large families.**

2.1 Action: The City will review all submittals for new affordable housing projects, both multifamily and affordable for-sale projects, to identify whether the projects are proposed for neighborhoods that have a high concentration of Hispanic population, and will suggest alternative sites for any affordable projects located in those areas.

Timeline: As development applications are received.

2.2 Action: The City will encourage developers, nonprofits, and the Housing Authority to pursue new and rehabilitated affordable housing options, including housing for large families in non-minority concentrated areas. This encouragement may include predevelopment financial assistance, streamlined development processes, property acquisition assistance, or other regulatory relief.

Timeline: Ongoing

2.3 Action: The City will require that any affordable housing options located in non-minority concentrated areas of the city be marketed to Hispanic households as well as to other special needs households. This marketing will include materials printed in both Spanish and English, public outreach efforts targeted at both Spanish and English speakers including targeted outreach in minority concentrated neighborhoods, and an evaluation of rental practices to ensure that no discriminatory marketing or application processes are inhibiting qualifying Hispanic households from alternative housing options.

Timeline: Ongoing

3. **Impediment: Lack of available rental housing subsidy for lower-income households.**

3.1 Action: The City will continue to support the San Joaquin County Housing Authority in its administration of the Housing Choice Voucher rental assistance program, which will include distribution of program information at the Community Development public counter, distribution of program information to rental property owners as part of the City's code enforcement activities, annual meetings with representatives of the Housing Authority to discuss actions the City can take to encourage greater participation in the Voucher Program by rental property owners, and creation and maintenance of a link to the Housing Authority's website on the City's website.

Timeline: Ongoing

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3.2 Action: The City will look into other ways to support the Housing Authority in preserving and maintaining affordable units, including potentially providing some funding to help the Housing Authority maintain and add subsidized units in Lodi. For instance, such maintenance could include weatherproofing or providing health and safety upgrades to units owned and subsidized by the Housing Authority.

Timeline: Currently underway and to be continued annually.

3.3 Action: The City will evaluate the possibility for pursuing HOME Housing Partnerships funding or other state and federal funding, either individually or in partnership with the Housing Authority, to increase the availability and quality of affordable housing units.

Timeline: Annually

3.4 Action: The City will consider partnering with nonprofit developers, where possible, to pursue grants and other housing subsidies to construct new or rehabilitate existing units that will be made affordable to low- and moderate-income households.

Timeline: Ongoing

3.5 Action: The City will consider programs, incentives, and enforcement options in addressing privately owned substandard rental housing units to encourage reinvestment in the existing rental housing stock so that more existing units may meet HUD's standards and be eligible for Housing Choice Vouchers.

Timeline: Annually

4. **Impediment: Lack of new or recently built multifamily units resulting in insufficient suitable housing stock for large families, single-parent households with additional need for housing support, and persons with disabilities with accessibility needs, and disproportionately impacting Hispanic family households, single-parent families, and persons with disabilities.**

4.1 Action: The City will review the available underutilized and vacant land inventory and consider the viability of rezoning underutilized and vacant properties to make them eligible for multifamily development projects.

Timeline: Ongoing

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4.2 Action: The City will consider programs, incentives, and partnering with for-profit and nonprofit developers to facilitate the planning and predevelopment of new market-rate and affordable multifamily housing wherever possible, including underutilized and vacant infill sites.

Timeline: Ongoing

MORTGAGE LENDING

The analysis of home mortgage lending patterns revealed that while the housing market is recovering, the credit markets are still reserved and continue to use tighter criteria in evaluating mortgage eligibility. The most common reasons for a loan denial are a lack of collateral and credit history, which reflects the damage many households suffered to their credit during the recession. Hispanic/Latino applicants experienced the highest rates of loan failure for all races and ethnicities, not including those who did not report race or ethnicity. The analysis suggested that this was mostly because of insufficient collateral, poor credit history, and an unsustainable debt-to-income ratio. While the lending industry does not have specific definitions or conditions that lead to denials due to insufficient collateral, an analysis of the housing market suggests that this denial is probably based on a few specific conditions. First is the lack of sufficient down payment to ensure there is enough equity in the property to cover the mortgage. The increased scrutiny and regulations applied to residential mortgages have put more emphasis on the down payment and have pushed homeownership out of range for households unable to secure sufficient funds for a significant down payment. Second, the recent increases in housing costs as the housing market recovers from the housing crisis and the recent recession have driven up the required down-payment costs but have not added enough long-term value for lending institutions to feel confident that the market will continue to grow and by default add equity to properties. Finally, housing market volatility continues to undermine the credit market. Low interest rates reduce the amount of profit that lending institutions can get from the housing market and therefore reinforce stricter lending practices and preference for low-risk loans.

The mortgage lending analysis also suggests that those who request mortgage credit to purchase homes in areas that have concentrations of lower-income households and concentrations of minority households are less likely to receive that credit. The analysis suggests that this is related to factors associated with relative income and wealth (credit risk, debt to income, loan to value).

Two general strategies are suggested from the analysis: pre-purchase counseling for homebuyers and the encouragement of lenders to reach out to under-represented populations.

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5. **Impediment: Different origination and denial rates based on neighborhood.**

5.1 Action: The City of Lodi will periodically monitor Home Mortgage Disclosure Act (HMDA) data and report significant trends in mortgage lending by race, ethnicity, and neighborhood.

Timeline: Monitor HMDA on an annual basis and report significant trends to the Planning Commission and City Council.

5.2 Action: The City of Lodi will track fair housing complaints and cases lodged in the city to ensure that lenders are not violating fair housing law with discriminatory lending practices.

Timeline: ongoing

5.3 Action: The City of Lodi will support home purchase programs targeted to low/mod households, such as down payment assistance and homeownership mortgage counseling, as long as funding is available. The City may elect to pursue additional funding for down-payment assistance at a future time if funding becomes available.

Timeline: Beginning July 2016 and reviewed annually.

6. **Impediment: Lack of knowledge about the requirements of mortgage lenders and the mortgage lending/home purchase process, particularly among lower-income and minority households.**

6.1 Action: The City will offer and support pre-purchase counseling and homebuyer education programs.

Timeline: Ongoing

6.2 Action: The City will offer fair housing information to residents, free of charge, to help ensure that both homebuyers and sellers are aware of fair housing law and antidiscrimination requirements.

Timeline: Ongoing

6.3 Action: The City of will study the potential benefit to offer and to support home purchase programs targeted to lower-income (low and very low), large family, and minority households.

Timeline: Study program feasibility within one-year of adoption. If financial resources are available develop home purchase program within three years of adoption.

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FAIR HOUSING EDUCATION AND ENFORCEMENT

Promoting fair housing includes both education and enforcement. The City of Lodi will continue to support both education and enforcement efforts.

Information from the San Joaquin Fair Housing Association regarding the reluctance of residents to make and follow up on fair housing complaints indicates that there is a need for education regarding fair and equal treatment to persons of different religion, race and ethnicity, age, gender, marital status, presence/absence of children, and household size.

This analysis has also indicated that housing discrimination is most prevalent in the rental housing industry. The reported incidence of unfair housing practices in the residential sales market is relatively low. This can be assumed to be the case because the level of professionalization in the sales industry is high and because parties tend to have professional representation. Enforcement efforts will be targeted to rental housing.

7. Impediment: Lack of information on the nature and basis of housing discrimination and the resources available to seek assistance.

7.1 Action: The City of Lodi will monitor the incidence of housing discrimination complaints and report trends annually in conjunction with the CAPER.

Timeline: Monitoring will be ongoing with annual reports in conjunction with the CAPER.

7.2 Action: The City of Lodi will include a review of prior year performance regarding affirmatively furthering fair housing in the annual planning for the use of CDBG funds. The City will identify funding support that addresses the removal of impediments or advancing specific fair housing goals.

Timeline: Annually.

7.3 Action: The City will work with local agencies to improve the collection and reporting of information on discrimination, particularly based on religion, race and ethnicity, age, gender, marital status, presence/absence of children, and household size. These agencies include the apartment associations as well as the San Joaquin Fair Housing Association and other nonprofit groups that regularly come in contact with groups at risk of housing discrimination.

Timeline: Ongoing

7.4 Action: The City will conduct fair housing testing at least once every two years to identify the presence of discrimination. Testing will include at least five properties each time. In a five-year period, at least two types of discrimination (e.g., race, disability) will be tested. The City

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will consider partnering with neighboring jurisdictions to conduct regional testing and will submit a joint Request for Proposals to agencies that have the capacity and experience to complete testing. If a joint effort is infeasible, the City will consider other ways to ensure that discrimination testing is occurring, either by contracting individually or by participating in capacity building with the San Joaquin Fair Housing Association to ensure that there are no discriminatory marketing practices in the city.

Timeline: Conduct fair housing testing at least once every two years following adoption.

7.5 Action: The City will continue to work with the San Joaquin Fair Housing Association to improve outreach to residents at risk of discrimination, including marketing, educational efforts, and partnerships with other agencies (schools, utilities, etc.) in the dispersal of fair housing informational materials.

Timeline: Ongoing.

8. **Impediment: Concentration of lower-income households and minority households in less desirable neighborhoods.**

8.1 Action: The City encourages a mixture of household incomes in new developments. As part of the Annual Action Plan, the City will track changes in geographic concentrations for lower-income and minority households.

Timeline: Annually.

GOVERNMENT BARRIERS

The role of local government is critical to providing a full range of housing types and to ensuring the availability of housing suitable for all sectors of the public. The City of Lodi recently adopted a formal policy that describes how a member of the public may request and receive a reasonable accommodation to local regulations. A formal policy is an important commitment to the policy of reasonable accommodation. It also provides the public with a clear road map to reasonable accommodation. Local land use policy should include provisions for all housing types, including those intended for the homeless. During the last AI cycle, the City of Lodi made the regulatory adjustments needed to define transitional and supportive housing and allow transitional and supportive housing in all residential zones. The City has either made or is currently pursuing all the regulatory amendments necessary to comply with state law regarding multifamily housing, zoning, farmworker housing, emergency housing, residential group homes, and secondary units.

The City of Lodi adopted a Growth Management Allocation Ordinance (GMAO) in 1991 to regulate the location, amount, and timing of residential development. Although the GMAO does not present a substantial constraint to development, the allocation process adds time and cost up front to the development process.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

9. **Impediment: Growth Management Allocation Ordinance.**

9.1 Action: The City will update the Growth Management Allocation Ordinance to exempt housing units affordable to very low- or low-income households with long-term affordability restrictions from the allocation.

Timeline: Revise Growth Management Allocation Ordinance within a year of adoption of the Draft Housing Element.

COMPLY WITH AFFIRMATIVELY FURTHERING FAIR HOUSING OBLIGATION

Action: The City will use mailings to educate people about fair housing and work with the Housing Authority to encourage a diverse applicant pool and good marketing in preparation for when units/vouchers are available.

Action: The City will publish online the availability of housing services and programs in the city. Once a year, the City will publish information in Spanish to inform all persons with limited English language proficiency about the availability of housing services and programs in the city. The City also has bilingual staff available daily during business hours to assist.

Timeline: Updates to online and bilingual information will be conducted once a year. Bilingual staff available daily during business hours on an ongoing basis.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

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APPENDIX A
COMMUNITY OUTREACH SUMMARY

APPENDIX A COMMUNITY OUTREACH SUMMARY

City of Lodi Housing Element and Analysis of Impediments to Fair Housing Choice Update

Community Engagement Summary

STAKEHOLDERS MEETING, JUNE 25, 2015, 2:00–4:00 P.M.

Local organizations, developers, and service providers were invited to attend a stakeholders meeting on June 25, 2015, in the Lodi Public Library. Twelve stakeholders attended the meeting.

The meeting started with introductions from the group. An overview presentation was presented by the consultant from Michael Baker International with information about the Housing Element, Analysis of Impediments to Fair housing Choice (AI), update process, and federal and state requirements. The presentation was followed by a roundtable discussion on the strengths and needs of the community.

The following comments were received during the stakeholders meeting:

STRENGTHS

- Emergency shelter services in Lodi include Hope Harbor and Lodi House.
- Transitional housing services are limited in Lodi. However, Central Valley Housing provides services to the local area, including Lodi.
- The WISH Program provides services in Lodi.

SERVICE NEEDS

- Need for more transitional housing, as many program participants have nowhere to go after they leave the shelters.
- Currently there are 125 people sheltered in emergency/transitional facilities.
- There are approximately 91 unsheltered homeless in Lodi.
- Lodi is in need of more extremely low-income housing stock.
- Nonprofits have seen no increase in grant money for decades to support these kinds of services.
- Individuals, not families, are served at the emergency shelter run by the Salvation Army. We need emergency facilities for families.

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- Even more support services are needed.
- More affordable housing options are needed.
- High recidivism rate due to not enough services/transitional housing. That is, participants repeat services instead of being more independent.
 - Mental health services
 - Substance/drug abuse
- Construction costs are too high to build enough new housing stock.
- Tax credits or other government funds are needed to build affordable housing.
- Farmworkers are a group in need. Less work means lower incomes, so many are overpaying for housing.
- Households “overpaying” is a sign that incomes need to increase.
- Housing still costs the same, even if someone can’t afford to pay, so subsidies are required to make up the difference for lower-income households.
- Small units are difficult to build.
- More multifamily units are needed in the community.
- In the last 20 years, no new multifamily housing has been built in Lodi.
- Build more new single-family market-rate homes and eventually older units will become available for rent to low-income households.

DEVELOPING NEW HOUSING

- More than a few decades ago, federal government funds were used to build or subsidize affordable housing. Now that funding has gone away or been reduced.
 - Accelerated appreciation
 - Subsidized rent
- Development fees are comparably lower in Lodi than in surrounding jurisdictions.
- The County has not lowered its fees, and this impacts development in Lodi.

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- Land costs are still high.
- No growth policy by City.
- Estimated cost to just construct a new unit without accounting for developer profit (including land, fees, materials/labor) would range between \$180,000 and \$200,000. This amount is too high for developers to be motivated to start new housing development.
- County/State/City fees and permits for for-profit business make it difficult to build affordable housing units.

CONDITIONS OF HOUSING/HOUSING CHOICE

- Low Supply – In the last few years, approximately 660 new single-family developments have been planned, but relatively few have been built.
- Lack of newer homes.
- Not enough old homes to rent.
- Fees are higher than cost to build a house.
- State building requirements add cost to house. Low-income households can't afford houses (they need shelter and not all the extras, i.e., LED lights, etc.).
- Code enforcement to make sure people are living in habitable places (no slumlords).
- Majority of households in Lodi do not have new housing choices, including low-, middle-, and high-income households.
- Lack of housing choices.

COMMUNITY WORKSHOP, JUNE 25, 2015, 6:00–8:00 P.M.

A community workshop was held in the Lodi Public Library on June 25, 2015. Approximately 20 community members attended and provided their comments on the Housing Element and AI update. The workshop started with an overview presentation on the Housing Element and the AI. Then community members were asked to provide their comments at a series of interactive stations allowing participants to participate in the activities at their own pace. A member of the project team was available at each station to answer questions and guide workshop participants through the activities. The following is a summary of the comments received during the community workshop.

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STATION 1: HOUSING PROGRAMS AND SERVICES

Using sticky dots, workshop participants were asked to identify from a range of housing programs and services that are most important to them. Participants prioritized home maintenance, followed by rental housing assistance and preservation and fair housing assistance.

This service is important to me and/or my friends and family:

Service Type	Agree	Disagree	Neutral	Not applicable
Age-in-place resources	9		1	
Affordable homeownership programs	10			
Emergency shelters and homeless services	8	2	1	
Fair housing assistance	11	1		
Rental housing assistance and preservation	11			
Homeownership education	7		1	
Home maintenance and rehabilitation	14			
Services for persons with physical or developmental disabilities	9		1	
Transitional and supportive housing	8		1	
Emergency shelters and homeless services	10	1		
Code enforcement	9			

Other comments received at Station 1 include the following:

- The Lodi City Council needs to adopt an inclusionary ordinance.

STATION 2: HOUSING TYPES

Participants were asked to identify housing types they would like to see more of in Lodi. As shown below, participants indicated that there was a need for more workforce housing and condos/apartments in Lodi.

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What housing types do we need more of in the city of Lodi?	Total
Single-family home	7
Townhouse	2
Condo/apartment	11
Mixed-use building	2
Senior housing/assisted living	6
Workforce housing	13
Energy-efficient home	9
ADA accessible housing	6
Mobile home	1

STATION 3: FAIR HOUSING

Participants at Station 3 were asked to respond to questions about fair housing in Lodi. When surveyed, participants voted that the most common types of discrimination that they believe occurs include (1) refusal to show the apartment/home and (2) different price, rent, fees, or deposit. Participants also voted that the most common barriers to accessing affordable adequate housing are (1) cost and (2) supply of new housing.

Form of Discrimination

Form of discrimination	Very common, important to address	Somewhat important to address	Rare, not important to address
Refusal to rent/sell	4	3	2
Refusal to show	8	4	2
Deception regarding ability or price	6	2	3
Different price, rent, fees, or deposit	7	2	3

Barriers to Equal Access to Housing

Barriers	Very common, important to address	Somewhat important to address	Rare, not important to address
Cost	13	1	
Accessibility (seniors and disabled persons)	5	5	
Supply (new housing)	11	2	
Proper size/type of housing	8	6	

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Station 4: Comments

Participants had the option to write any additional comments on sticky notes and place them on a poster. Participants were also able to return completed comments cards before leaving. The following are the comments provided:

- Affordable housing, even if it is multiple-unit housing, is badly needed in Lodi. We need to build a program to encourage developers to build these homes.
- Need most housing for farmworkers and for their families, also housing for the homeless.
- My opinion, the state does what it likes. In terms of the families that work in the fields, we need the help from the community, and persons [that are] handicapped [need] fair housing.
- I am in agreement with the construction of low-income housing to improve the community. I want too that there is construction of homes for the persons that are on the street.
- I want the state to be fair with all the persons and families, not only with the ones who have money. I hope I expressed myself well.
- I am in agreement that there be houses and apartments in Lodi of low income.
- It is very necessary that (they) build low-income houses. In several cities, there are already low-income houses, only in Lodi there are not. Why?
- I want (them) to build low-cost housing because in Stockton there are and in other places there are houses (low income) and there is no discrimination by race. We don't have differences because we are all the same.
- That there are low-cost houses built for farmworkers, and no farmworkers, for people who qualify since in other cities there are (low-income housing), apartments, government housing, where they pay very little. We need for there to be help.

Survey

In conjunction with the stakeholders meeting and the community workshop, City staff sent a survey to residents and stakeholders to gather more feedback on the AI. Staff received four responses. When asked about the difficulty an average family has in renting or purchasing a safe, decent, affordable unit, participants marked somewhat difficult and very difficult, which were the highest compared to the categories of very easy and somewhat easy. Participants said that rental housing was a higher priority to address housing discrimination, than for housing to own or obtaining loans. Participants said that discrimination in different rent, fees, or deposit for rentals was most common. Also, they voiced the most concern for discrimination that occurs based on race/ethnicity, nationality, and familial/marital status.

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The following responses were received from survey participants:

1. Currently, I (check all that apply):
 - a. Own my home in Lodi (house, condo, mobile home, or apartment): 0
 - b. Rent my home in Lodi (house, condo, mobile home, or apartment): 0
 - c. Represent a housing organization that serves the city: 1
 - d. Other:
 - Provide housing services in Lodi
 - Health care for the homeless providers in San Joaquin County
2. My housing options and choices primarily are limited by:
 - a. Personal reasons/choices: 1
 - b. High housing costs: 0
 - c. Availability of financing: 0
 - d. Distance to work: 0
 - e. Other: 0
3. Currently, I:
 - a. Commute less than 15 minutes one way: 0
 - b. Commute 15–30 minutes one way: 1
 - c. Commute 30–45 minutes one way: 0
 - d. Commute more than 45 minutes one way: 0
 - e. Work from home: 0
 - f. Don't work: 0

Housing Needs

4. For the average person/family, renting safe, decent, and affordable housing in Lodi is:
 - a. Very easy: 0
 - b. Somewhat easy: 0
 - c. Somewhat difficult: 2
 - d. Very difficult: 2
5. For the average person/family, purchasing safe, decent, and affordable housing in Lodi is:
 - a. Very easy: 0
 - b. Somewhat easy: 0
 - c. Somewhat difficult: 1
 - d. Very difficult: 3

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6. A number of demographic groups in Lodi face unique housing challenges. Based on your own experience or knowledge, please identify the housing priority for the groups listed below.

	High Priority	Medium Priority	Low Priority	Not a Housing Need
Disabled persons	1	1	1	1
Persons with developmental disabilities	1	1	1	1
Homeless persons	3			
Large families (5 or more persons)		3	1	
Lower income (earning less than \$53,050 annually for a household of 4)	4			
Seniors (65 and older)	3			
Single-parent households		2	1	
Other:		Victims of domestic violence		

7. A number of issues limit people's ability to access quality housing. Based on your own experience or knowledge, please identify how the following issues limit access in Lodi.

Housing Constraints	Severe Constraint	Moderate Constraint	Not a Constraint
Availability of mortgage/financing		3	1
Availability of public services & facilities	1	2	1
Housing cost	4		
Availability of the proper size/type of housing	2	1	1
Accessibility (seniors and disabled persons)	1	2	1
Land use/zoning regulations		4	
Processing and permit procedures	1	3	
Development fees	3	1	

Fair Housing

8. How common and important it is to address the following areas of housing discrimination in Lodi.

Housing Discrimination	Very common, important to address	Somewhat important to address	Rare, not important to address
Rental housing	3	1	
Housing for sale	1	2	1
Mortgage lending		2	2

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9. How common and important it is to address the following areas of housing discrimination in Lodi.

Housing Discrimination	Very common, important to address	Somewhat important to address	Rare, not important to address
Race/ethnicity	2	2	
Language	1	3	
Nationality	2	2	
Gender		3	1
Disability	1	3	
Familial/marital status	2	1	1
Sexual orientation	1	1	2

10. How common and important it is to address the following areas of housing discrimination in Lodi.

Form of Discrimination	Very common, important to address	Somewhat important to address	Rare, not important to address
Refusal to rent/sell	1	1	
Refusal to show		1	1
Deception regarding availability or price	1	1	
Different price, rent, fees or deposit	3	1	

11. Please indicate why housing discrimination might still happen in Lodi (check all that apply):

- a. Lack of enforcement: 1
- b. Lack of reporting : 3
- c. Consumers are not aware of rights: 3
- d. Sellers/landlords are not aware of the law: 0
- e. Other: 0

12. Please indicate which are effective ways to combat housing discrimination in Lodi (check all that apply):

- a. Enforcement: 2
- b. Reporting: 3
- c. Education: 4
- d. Other: 0

13. Please provide any additional comments you want us to consider during the Housing Element and Analysis of Impediments to Fair Housing Choice update process.

No comments were received.

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Summary

Over 30 stakeholders and community members were able to provide their feedback on the Housing Element update and the Analysis of Impediments to Fair Housing Choice (AI) at two workshops in June 2015. Feedback was received via group discussion, sticky notes, comment cards, and interactive exercises. Through this feedback, a few common themes emerged, including the following:

- **Create More Affordable Housing Options for Low-Income Families, Farmworkers, Transitional Residents, and Seniors.**
 - **Need for More Transitional Housing.** When participants of a program or emergency shelter leave a program/shelter, Lodi does not have enough transitional housing opportunities to support those people while they work on their long-term independence and adjust to new life conditions.
 - **Need for More Low-Income Affordable Housing Options.** Participants voiced that affordable housing opportunities in Lodi are insufficient for demand. Some residents said that new multi-family projects need to be built to help meet the need. Other residents said that new single-family homes need to be built so that the older single-family homes can become available and more affordable to lower-income renters or buyers.
 - **Need for More Farmworker Housing.** Participants said that with a slowdown in the farming industry, farmworkers have less work and therefore lower incomes. This makes it especially difficult for them to afford housing.
 - **Need for More Senior Housing.** With an aging population, more Lodi residents are reaching the age of retirement, which typically results in lower and fixed incomes. Some seniors may also need assistance with daily tasks (driving, cooking, health needs, etc.). Lodi needs less expensive housing for these seniors and housing that provides additional services.
- **Increase Social Services with Enhanced Government Funds.** Representatives from nonprofits said that certain government grant programs have not increased funding levels for years. Despite the greater needs, nonprofit organizations have to serve more people and have the same amount of available funds. Social services representatives felt there was a need to increase supportive services for homeless, for farmworkers, and for those transitioning out of shelters, rehabilitation, or other programs.
- **Improve Conditions for Multi-Family Housing Units.** No new multi-family complexes have been built in Lodi for over 20 years. As such, existing units are more than 20 years old, and others are 30 or more years old. Residents believe that many of the rental units in Lodi are in need of repair. One solution is that they would like code enforcement efforts to continue and even increase where needed to prevent slumlords.

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- **Reduce Barriers to the Development of New Housing.** Experienced developers voiced that building new housing in Lodi, and especially affordable or multi-family housing, is not financially feasible. A reduction in government fees would help reduce the cost, as well as government assistance/subsidies, like tax credits. Other barriers include the high cost of land in the city and public perception of new development.