



City of El Monte
**Analysis of Impediments to
Fair Housing Choice**
FY 2010 - 2014

Adopted
June 1, 2010

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I. Executive Summary

A. Background

Fair housing is a condition in which individuals of similar income levels in the same housing market have like ranges of choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability, marital status, familial status, or any other arbitrary factor. The Analysis of Impediments to Fair Housing Choice (A.I.) provides an overview of laws, regulations, conditions or other possible obstacles that may affect an individual or household's access to housing.

Equal access to housing for all is fundamental to each person in meeting essential needs and pursuing personal, educational, employment, or other goals. Recognizing this fundamental right, the federal and State of California governments have both established fair housing as a right protected by law.

Fair Housing Laws

The Civil Rights Act of 1968 and Fair Housing Amendments Act of 1988¹ are the primary federal laws that prohibit discrimination in the sale, rental, lease, or negotiation for property based on race, color, religion, sex, or national origin. Whereas the Civil Rights Act contained provisions protecting people from housing discrimination, amendments enacted in 1988 extended protection to families with children and people with disabilities. The Fair Housing Act also sets accessibility standards for new multi-family units and requires “reasonable accommodations” for people with disabilities.

The State of California has enacted a number of statutes that mirror and, in certain cases, extend fair housing protections in federal law. The Unruh Civil Rights Act of 1959² and subsequent court decisions require equal access to the accommodations, advantages, facilities, privileges or services of all business establishments regardless of protected status. The courts have interpreted this Act to prohibit any arbitrary discrimination based in any class distinction, regardless of whether or not that basis is enumerated in the Act.

The Fair Employment and Housing Act of 1963³ is the primary state law that prohibits discrimination in the sale, rental, lease negotiation, or financing of housing based on race, color, religion, sex, marital status, national origin, and ancestry. The California Fair Housing Act of 1992 brought state laws into conformity with the Federal Fair Housing Act of 1988 and added protections for people with a “mental and physical disability” and “familial status.” The Act also requires that housing providers allow disabled persons to modify their premises to meet their needs.

The Ralph Civil Rights Act of 1976 provides that all persons have the right to be free from any violence, or intimidation by threat of violence, committed against their persons or property because of their race, color, religion, ancestry, national origin, political affiliation, sexual orientation, sex, age, disability, or position in a labor dispute. The Act prohibits violence or threat of the same in rental housing situations. The Banes Civil Rights Act also forbids interference by force or threat with an individual's constitutional or statutory rights in places of worship, housing, and private property.

Defining Fair Housing and Impediments

In light of fair housing legislation passed at the federal and state levels as well as consultation with the U.S. Department of Housing and Urban Development (HUD) and professionals providing fair housing services, the following definition of fair housing is used for this report:

¹ 43 U.S. Code §§ 3601 et. seq.

² California Civil Code, §§ 51 and 52

³ California Government Code §§ 12900-12906

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

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

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

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

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

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

The City of El Monte is dedicated to providing fair housing opportunities to all residents, and ensuring compliance with all applicable laws.

B. Methodology and Citizen Participation

The scope of this A.I. adheres to the recommended content and format included in Volumes 1 and 2 of the “Fair Housing Planning Guide” published by the U.S. Department of Housing and Urban Development’s Office of Fair Housing and Equal Opportunity.

Methodology

HUD requires jurisdictions that receive federal funding for community development activities to assess the status of fair housing in their community. As a recipient of Community Development Block Grant (CDBG) funds, El Monte must update its Analysis of Impediments to Fair Housing (last updated in 2004) and report the findings and progress in the Consolidated and Performance Evaluation Report (CAPER) submitted to HUD.

The purpose of this report is to identify impediments to fair and equal housing opportunities in El Monte. This Analysis of Impediments to Fair Housing (A.I.) provides an overview of the laws, regulations, conditions or other possible obstacles that may affect access to housing and other services in El Monte. The scope, analysis, and format used in this A.I. report adheres to recommendations of the *Fair Housing Planning Guide* published by HUD.

The A.I. contains these six (6) chapters:

1. *Executive Summary.* This chapter provides background on “fair housing,” methodology, citizen

- participation, and a summary of the findings and recommendations identified within the report.
2. *Community Characteristics.* This chapter provides a brief history of the City, a demographic profile, income profile, employment profile, housing profile, special needs housing profile and key maps to provide the baseline information necessary to form a complete understanding of the City. This chapter provides a broad overview and understanding of the community so that housing needs are clearly defined.
 3. *Analysis of Private Sector Impediments.* This chapter provides an overview of the private owner-occupied housing market and the renter-occupied housing market. It examines the private-sector impediments to fair housing.
 4. *Analysis of Public Policy Impediments.* This chapter identifies analyzes a range of public activities that may impede fair housing choice, including governmental land use, development regulations, and community development activities. Potential impediments to fair housing choice are discussed.
 5. *Analysis of Current Fair Housing Activity.* This chapter includes the current fair housing education, enforcement and legal status of any pending cases currently underway in the City.
 6. *Conclusions and Recommendations.* This chapter provides a summary of major issues and recommendations to further fair housing. This chapter also reports on progress made in implementing the prior A.I. These actions are specific, with implementing timeframes.

Citizen Participation

The City values citizen input on how well city government serves its residents. The public participation effort for the 2010 Analysis of Impediments to Fair Housing Choice adheres to the City's adopted Citizen Participation Plan.

To solicit public participation in the A.I., the City held a Community Meeting on November 16, 2009. The purpose of the meeting was to provide background on the scope of the study and solicit input on the most pressing issues affecting housing opportunities in El Monte. The City also distributed Resident Surveys at various locations.

Following the Community Meeting, a draft copy of the A.I. was prepared. The Draft A.I. was then finalized and made available for a 30-day public review.

The City Council convened a Public Hearing to solicit feedback from the public and then formally adopted the A.I. during the City Council Meeting held on June 1, 2010. Comments received on the Draft A.I. during the public review period or during the Public Hearing were incorporated into the Conclusions and Recommendations section of the A.I.

C. Summary of Findings and Recommendations

The A.I. revealed the following six (6) findings and Recommendations:

1. **Discrimination against Persons with Disabilities.** In El Monte, 52% of all fair housing discrimination cases are based on physical or mental disability. This large number of complaints reveals a lack of understanding of the fair housing rights of the disabled by the housing industry. Disabled persons are experiencing difficulties when requesting reasonable accommodations or modifications. In particular, persons with cognitive disabilities experience significantly more problems with these accommodations.

Recommendation: Expand existing fair housing workshops to specifically address the disabled and their particular housing needs and rights. Additionally, the City may consider providing for expanded testing of discriminatory practices against persons with disabilities to expand the base of knowledge surrounding specific types of housing discrimination against the mentally and physically disabled.

2. **Lack of Affordable Rental Housing Opportunities for Low-Income Families.** There are 900 affordable rental housing units in El Monte—each of which is age-restricted for senior citizens. This condition is an impediment to low- and moderate-income households, including families with children who are seeking affordable rental housing units in the City.

Recommendation: The City should work with affordable housing developers to increase the number of affordable housing rental units for small and large families. This could be accomplished through new construction or rehabilitation of existing market rate units where in exchange, affordability covenants can be acquired.

3. **Race/Ethnic Relations.** El Monte is a diverse multi-cultural community where people of different race and ethnic backgrounds live in close proximity to one another. Despite this high level of integration, many discrimination complaints and hate crimes in El Monte were related to racial or ethnic bias.

Recommendation: It is recommended that the Housing Rights Center (HRC) or designated fair housing service provider, continue to conduct fair housing workshops for residents, apartment owners, and property managers. The City, in conjunction with its contracted provider, can organize a campaign to improve relationships among different race/ethnic groups.

4. **Lack of Awareness of Fair Housing Laws.** A general lack of knowledge of fair housing rights and responsibilities continues to exist within the City of El Monte. Increased fair housing complaint intake by the HRC or the City's contracted fair housing service provider and interaction with housing providers and housing seekers during workshops demonstrates a lack of understanding of both Federal and State fair housing laws.

Recommendation: It is recommended that the fair housing service provider continue to provide fair housing technical assistance to real estate professionals with fair housing questions or concerns in El Monte and the region. The City should work to expand community participation including greater outreach efforts regarding fair housing workshops to renters and property managers/owners to make them aware that these workshops are available at no charge.

5. **Lending Discrimination Based on Race.** Current data shows that Hispanics, Whites, and African-Americans experience higher loan denial rates than Asians when purchasing a home in El Monte.

Recommendation: To encourage homeownership for all residents, it is recommended that the City encourage lending institutions in the area to ensure that their staff works with home loan applicants to educate them about the home loan application process. The City should identify organizations providing HUD approved home buying educational classes and will disseminate their availability to the public. It is further recommended that the City continue to track Home

Mortgage Disclosure Act (HMDA) loan approvals on an annual basis to monitor lending activity in the area and to identify continuing patterns of discrimination.

6. **Discrimination in Housing Opportunities Against Protected Classes.** Discrimination against persons, or other actions which otherwise make unavailable or deny, the sale or rental of a dwelling to any person because of race, color, religion, sex, disability, familial status, sexual orientation, or national origin continues within El Monte. Based on data available from the City's contracted fair housing service provider, discriminatory treatment based on physical disability was the leading basis of all complaints (42%), followed by familial status (15%), national origin (11%), mental disability (10%), other discrimination (9%), race (6%), gender (3%), age (2%) and 1% each for marital status, source of income and arbitrary discrimination.

Recommendation: To address discrimination in housing opportunities against protected classes, it is recommended that the City of El Monte continue to fund a housing discrimination complaint program that processes housing discrimination complaints by persons within the federally protected classes, conducts audit testing on the rental and for-sale housing market and educates professionals and the public on fair housing issues. The City's contracted fair housing service provider should conduct expanded testing, (a minimum of 15 tests), in El Monte to address issues of possible discrimination based on race, familial status, national origin, disability and other protected categories.

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II. Community Characteristics

A. Historical Profile

Located approximately 12 miles east of downtown Los Angeles, El Monte is the hub of the San Gabriel Valley, where two major freeways - Interstates 605 and 10 - intersect. It is the 44th largest city in the State and the 10th (out of 88) in Los Angeles County.

In centuries past, the Gabrielino, or Tongva Indians used this area as they traversed the land harvesting foods and hunting game. Blessed with deep, rich, alluvial topsoil, the area was crossed by small streams, and in those early days was covered by stands of slender willows, alders and cattails, interspersed with expansive meadows, wild grapevines, and succulent watercress. Between the 1770's and 1830's, missionaries and Spanish soldiers stopped here, and named the area, "El Monte", which referred not to the mountain as most assume, but to that era's definition - "meadow or marsh" or "the wooded place."

During the land-grant/rancho era of the 1830's - 40's, the area continued to serve as a natural resting place for weary travelers, including a small party of Americans led by Jedediah Smith, a famed mountain man and explorer. El Monte's first permanent residents arrived in 1849-50, a time when thousands of prospectors and immigrant pioneers came to California seeking gold. Few found wealth in the gold, but some found the riches of a fertile land and built homes.

Other pioneers led by Captain Johnson of Lexington, Kentucky, arrived in the following year. A brief survey of the gold fields to the north convinced Captain Johnson that El Monte's agricultural promise offered a more realistic key to the future of his group. A natural leader, he became an important part of the community in the 1850's with permanent residents consisting of no more than a dozen families. He proposed naming their village "Lexington" in honor of his birthplace and as a tribute to the importance of that name in U.S. Revolutionary War history. Even though residents agreed, the original name of El Monte, Monte Camp or The Monte persisted. When the State Legislature organized California into smaller defined governmental units called townships, they named this area El Monte Township, with the Village of Lexington as its government seat. Two years later the town's name reverted to the original: El Monte.

Improved transportation became available in 1873, when Southern Pacific built the first railroad through town. Other important milestones included publication of the weekly newspaper strictly for El Monte, in 1876, and the opening of the drug store in 1892.

Agriculture remained at the core of El Monte's economy in the early twentieth century, though fruit orchards, walnut groves, truck farms, hay and vegetable fields, and a growing dairy industry replaced most of the earlier field crops. Arden Farms was one of the largest dairies in the area. Bodger Seed Ltd. leased large tracts of land on the southern part of the "island" to grow plots of flowering plants for seed production. Laid out in precise geometric patterns, these fields brought visitors from throughout San Gabriel Valley during the blooming season, and led to the area being called Las Flores.

Main Street was first graded and paved in 1906. In 1907 Pacific Electric intercity railroad service was extended to El Monte. The line's old "Red Cars" remained an important part of transportation for the next forty-five years.

The 1920 revolution in Mexico saw a large increase of Mexican immigration into the southwestern United States. Most of these immigrants found jobs as farm workers, many into the lush farmlands of El Monte. Despite experiencing hardships and discrimination in housing, education, jobs and public service, these young men enlisted in the armed forces of WW I, WW II, Korea and Vietnam. The American Indians and Japanese Americans also served and worked in support of their country.

In the 1930's El Monte was a small community with a Mexican population of about 20 percent, a Japanese population of 5 percent, and an Anglo population of 75 percent. However, the Depression of the '30's

brought drastic changes to El Monte, as it did to many other communities. Farm profits plummeted, leading some landowners to sublet small farm tracts to Japanese tenants, who raised such cash crops as berries, melons and vegetables. Other areas of El Monte, particularly large groves and orchards, were subdivided into homesites of one acre or less, transforming El Monte into a bedroom community from which residents commuted elsewhere.

El Monte had been a small, prosperous farm town, but the advent of World War II brought dramatic changes as small aircraft parts factories sprang up on the west side of town, young men joined the military, and the number of farms and dairies dwindled. Population exploded in the 1940's and early 1950's - illustrated by high school enrollment, which soared from 1,500 students in 1943 to 3,700 in 1948. Five different beginning/ending times had to be instituted to accommodate all the students and class schedules. During its first forty-eight years, El Monte Union High School housed its entire student population in one school, but from 1949 to the present, four additional schools were built.

From a population of about 10,000 in 1940, the population now numbers approximately 126,308.¹ In place of the sleepy little town of orchards, flower fields, and farms and dairies, is an urban community of homes, schools and parks supported by an expanding industrial and commercial base.

B. Demographic Profile

In the preparation of the AI, the City looks at the City's demographics, prior and current, in order to analyze trends. Wherever possible, the City is using the 1990 and 2000 U.S. Census as the base number for the analysis. In analyzing the trends, the City has used the U.S. Census' 2006-2008 American Community Survey (ACS) data to represent the current numbers, unless noted otherwise. The ACS estimates are used to produce data based on information collected over a 3-year time period. The estimates represent the average characteristics of population and housing between January 2006 and December 2008. However, not all data is available under the ACS. Where data is not available or data that is determined to be more accurate, such data will be used to complete the analysis. Once the 2010 U.S. Census data becomes available, the information will be reviewed once again.

Population Trends

El Monte is one of 88 incorporated cities in Los Angeles County. During the 1990s, the population of El Monte and El Monte outpaced population growth countywide. From 2000-2009, El Monte's population growth increased at a lesser pace than the prior decade and at a lesser rate than that of the City and County of Los Angeles (**Table II-1**).

¹ 2009 California Department of Finance Estimates

**Table II-1
Population Growth Trends, 1990-2009**

Community	1990	2000	2009	Percentage Change	
				90-00	00-09
El Monte	106,209	115,965	126,308	9.2	8.9
Baldwin Park	69,330	75,837	81,445	9.4	7.4
Los Angeles	3,694,820	3,485,398	4,065,585	-5%	16%
County	8,863,164	9,519,338	10,409,035	7%	9%

Source: U.S. Census, 1990 and 2000; California Department of Finance, 2009.

Age Characteristics

The age distribution of El Monte residents saw a significant decrease in the number of persons age 18-24 while other age segments grew at a steady pace between 1990 and 2000 despite a 9.2% increase in the City’s population over the ten year period. Adults age 25-54 remained the largest portion (41.2%) of the City population in 2000, while seniors comprised 6.8% of the population. The fastest growing age groups were children under the age of 18 and persons 55-64 (**Table II-2**).

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

Age Group	1990		2000		Percent Change in Persons
	Persons	Percent	Persons	Percent	
<18	36,147	34%	43,514	37.6%	20.3%
18-24	15,601	15%	10,058	8.7%	(35.5%)
25-54	42,071	40%	47,745	41.2%	13.4%
55-64	5,566	5%	6,630	5.7%	19.1%
65+	6,824	6%	8,018	6.8%	17.5%
Total:	106,209	100%	115,965	100%	9.2%

Source: U.S. Census, 1990 and 2000.

Race and Ethnicity

From 1990 to 2000, the proportion of Census respondents identifying themselves as “Hispanic” in terms of ethnicity was the same. The City of El Monte is nearly three quarters Hispanic, comprising a majority of residents. In both Census data sets examined, Hispanics were also asked to provide a racial category. Without regard to ethnicity, the racial composition of the City showed a large decrease in the proportion of Whites and an increase in the proportion of Asians and those responding as Other Race or Multiracial (**Table II-3**).

**Table II-3
Race and Ethnicity Trends**

Race	1990 Population		2000 Population		Change	
	No.	%	No.	%	No.	%
White	66,096	62.2%	41,360	35.7%	(24,736)	(37.4%)
African American	1,047	0.9%	889	0.8%	(158)	(15.1%)
Native American	600	0.6%	1,596	1.4%	996	166%
Asian/ Pacific Islander	12,489	11.8%	21,605	18.6%	9,116	72.9%
Other race / Multiracial	25,977	24.5%	50,515	43.6%	24,538	9.4%
Total:	106,209	100%	115,965	100%	9,756	9.2%
Ethnicity	1990 Population		2000 Population		Change	
	No.	%	No.	%	No.	%
Hispanic or Latino	76,991	72.5%	83,945	72.4%	6,954	9.0%
Not Hispanic or Latino:	29,218	27.5%	32,020	27.6%	2,802	9.6%

Source (1990 US Census (STF1: P007, P009) , 2000 U.S Census (SF1: P3, P4)

Racial Integration

Historically, some researchers have evaluated the degree of racial and ethnic integration as an important measure or evidence of fair housing opportunity. Whereas the separation of different race and ethnic groups has historically been associated with segregation, people’s choice of residence today is complex. The quality of local schools, housing prices, access to transportation alternatives, and affiliation with people or friends of similar values are all important reasons which affect where people choose to live. **Map 1** shows the Minority Population by block group.

Different statistical techniques, such as the dissimilarity or exposure index, can aid in evaluating the degree of integration among different race/ethnic groups. The dissimilarity index represents the percentage of one group that would have to move to a new neighborhood to achieve perfect integration with another group. An index score can range in value from 0, indicating complete integration, to 100, indicating complete segregation. As an example, Gary, Indiana was the nation's most segregated city (between Whites and African Americans), with an 87.9 rating.²

The degree of racial integration in El Monte between Whites and other ethnic groups is shown in **Table II-4**. El Monte is not only a diverse multi-cultural community, but also one which people of different race and ethnic backgrounds live in close proximity to one another. With respect to integration with Whites, the overall level of integration for the City’s largest non-White populations (Hispanics and Asians) is good.

**Table II-4
El Monte Racial Integration – Census 2000**

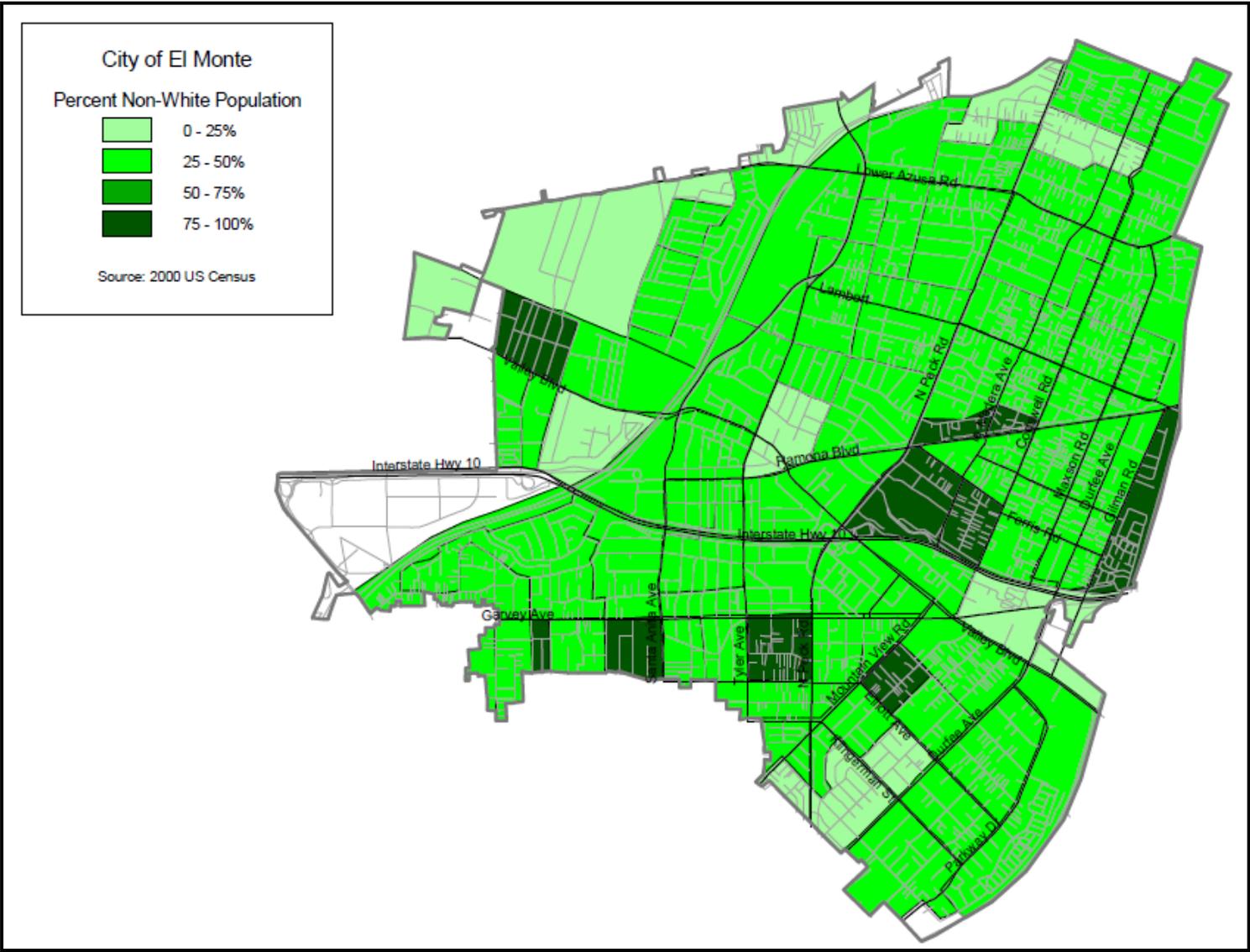
Race/Ethnic Group*	Percent of Total Population	Index with Whites
White (Non-Hispanic)	7.37%	--
Hispanic	72.39%	32.8
African American (Non-Hispanic)	0.55%	41.9
Asians (Non-Hispanic)	18.38%	28.6
Two or more races (Non-Hispanic)	0.86%	27.1
Other (Non-Hispanic)	0.09%	51.7

² <http://www.censusscope.org/segregation.html>

Source: 2000 Census; <http://www.censuscope.org/seggregation.html>.

*When a group's population is small, its dissimilarity index may be high even if the group's members are evenly distributed throughout the area. When a group's population is less than 1,000, exercise caution in interpreting its dissimilarity indices.

Map 1
Minority Concentration in Census Block Groups



Household Profile

Information on household characteristics aids in understanding changing housing needs. The Bureau of the Census defines a household as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood, and unrelated individuals living together. Person living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

Table II-5 compares various household trends in El Monte. Eighty-five percent (85%) of the City's households were family households at the time of the 2000 Census. Perhaps the most significant change since 2000 was the percent change in the composition of family households where those families that are married with children decreased by 15% and those married without children increased by 23.5% according to the 2006-2008 American Community Survey. Second, El Monte also experienced a substantial increase in the number of non-family households where the householder lives alone (19.8% change). Non-family households include single persons and unrelated individuals sharing housing accommodations.

Household size identifies sources of population growth and/or overcrowding in individual housing units. A city's average household size will increase over time with an increase in larger families or may decline where the population is aging. In 2006-2008, it was estimated that the City's average household size decreased from 4.24 to 4.07 persons per household. This decrease is likely attributable to the increase in the proportion of families that are married without children and also corresponds to data from Table II-2 showing a decrease in the population aged 18-24.

**Table II-5
Household Characteristics and Trends**

Household Type	2000		2006-2008		Percent Change
	Number	Percent	Number	Percent	
Family Households					
- Married With Children	10,284	38.1%	8,739	32.2%	(15.0%)
- Married Without children	5,129	18.9%	6,335	23.4%	23.5%
- Other Families	7,582	28.0%	7,751	28.6%	2.2%
Non-Family Households					
- Single Persons	2,945	10.9%	3,528	13.0%	19.8%
- Non-families	1,094	4.1%	776	2.8%	(-29%)
Total:	27,034	100%	27,129	100%	0.4%
Average Household Size	4.24		4.07		

Source: U.S. Census 2000 & 2006-08 American Community Survey 3-Year Estimate.

C. Income Profile

In evaluating changes in household income, households are oftentimes grouped into different income groups in relation to the County Median Family Income (MFI) and adjusted for household size.³ This

³ The Department of Housing and Urban Development uses Census data to develop special tabulations by federal income group and special needs category for the Consolidated Plan. The City's income distribution is indexed to the County median family income to provide a comparison of changes in El Monte over time and relative to the larger County area.

provides a useful comparison of changes in the City’s household income distribution over time and in relation to the County. The four income categories are shown below:

- Extremely Low Income (0-30 percent of County MFI)
- Low Income (31-50 percent of County MFI)
- Moderate Income (51-80 percent of County MFI)
- Middle/Upper Income (>81 percent of County MFI)

As shown in **Table II-6**, the median income adjusted for inflation (2006 dollars) decreased by \$6,307 over the period between 1989 and 1999. This is mainly attributable to inflation. The 2006 American Community Survey reports that the median family income in 2006 is \$38,021

In terms of household income levels from 1990-2000, there was a decrease in the number and proportion of extremely low and low income groups and an expansion of those households earning moderate incomes. Additionally, those households earning middle incomes decreased by 14.2% during the period studied (**Table II-6**).

**Table II-6
Household Income Trends**

Income Groups	1990		2000		Percent Change
	Households	Percent	Households	Percent	
Median Income*	\$45,578		\$39,271		(13.8%)
Extremely Low	5,104	19.4%	4,611	17.2%	(9.7%)
Low Income	5,193	19.9%	4,595	16.9%	(11.5%)
Moderate Income	2,264	8.6%	6,114	22.6%	170.1%
Middle Income +	13,657	52.1%	11,714	43.3%	(14.2%)
Total:	26,218	100%	27,034	100%	3.1%

Source: Comprehensive Housing Affordability Strategy, 1990 and 2000.

<http://socds.huduser.org/scripts/odbic.exe/chas/reports.htm>

*In 2006 Dollars.

The Consolidated Plan database provides a useful comparison of household income by race/ethnicity and household type. Approximately 62% of African American households and 60% of Hispanic households were low- and moderate-income households compared to Whites (52%) and Asians (49%).

Among household types, nearly 70% of all elderly households earned low and moderate incomes, presumably due to their limited retirement income. Additionally, 57% of all large families also earned low and moderate incomes, which is problematic due to the higher living expenses, including child care and medical care, incurred by larger families.

In totality, other than Asian households, each of the different household categories studied in El Monte was 51% or more low- and moderate-income. **Table II-7** summarizes the household income characteristics of El Monte residents.

Table II-7
Household Income Characteristics

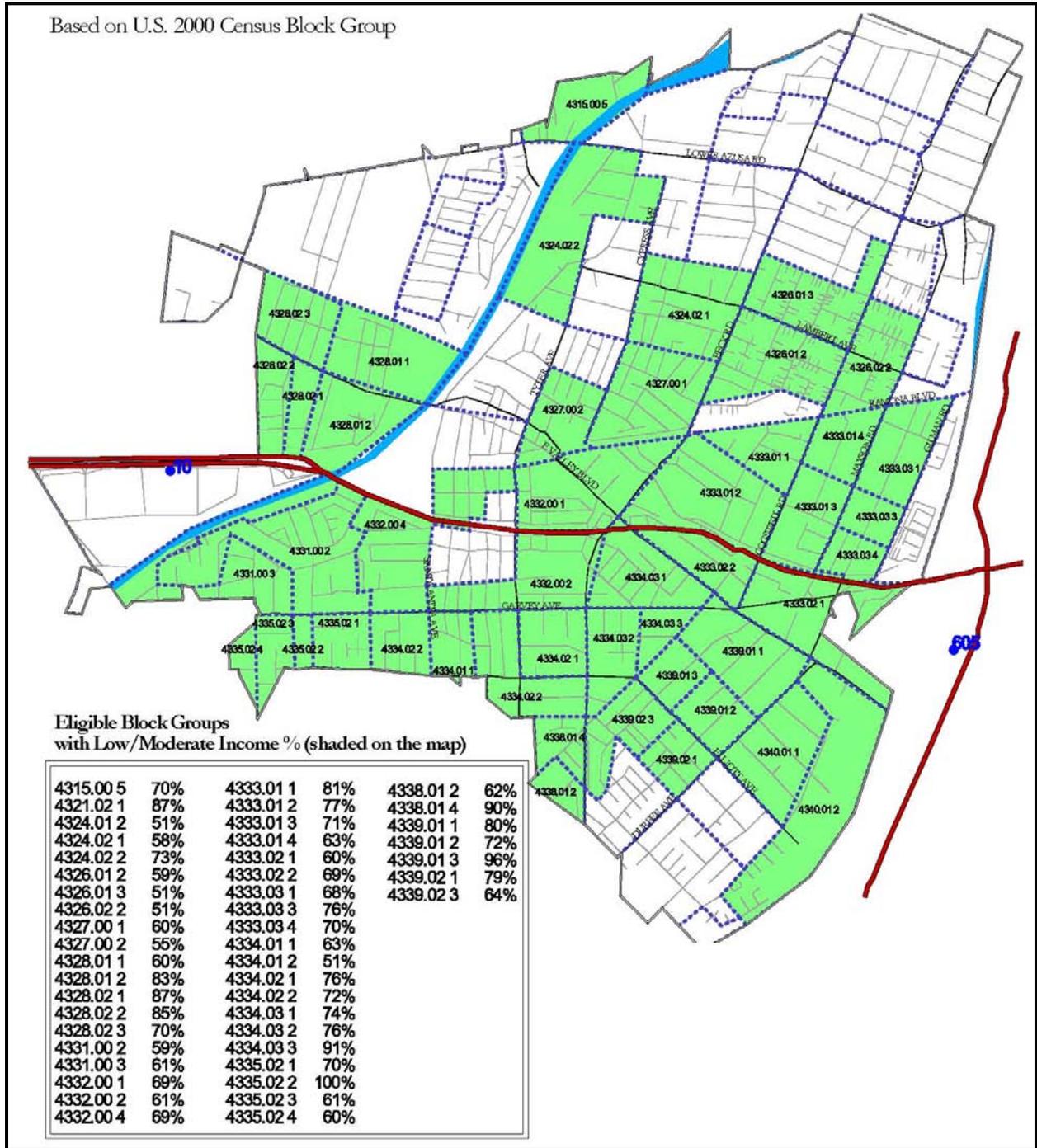
Household Race/Ethnicity	Percent of Households by Income Level			
	Total Low/Mod (0-80% MFI)	Extremely Low (0-30% MFI)	Low (31-50% MFI)	Moderate (51-80% MFI)
White	51.9	13.9	17.8	20.2
Hispanic	59.9	18.2	17.5	24.2
African American	62.6	12.2	36.7	13.6
Asians	48.6	15.3	14.4	18.9
Household Type				
Elderly	69.5	23.4	24.4	19.6
Small Families	52.2	15.6	14.9	21.7
Large Families	57.0	14.5	16.6	25.8
All Others	61.1	27.1	17.8	66.1

Source: 2000 Consolidated Plan Database

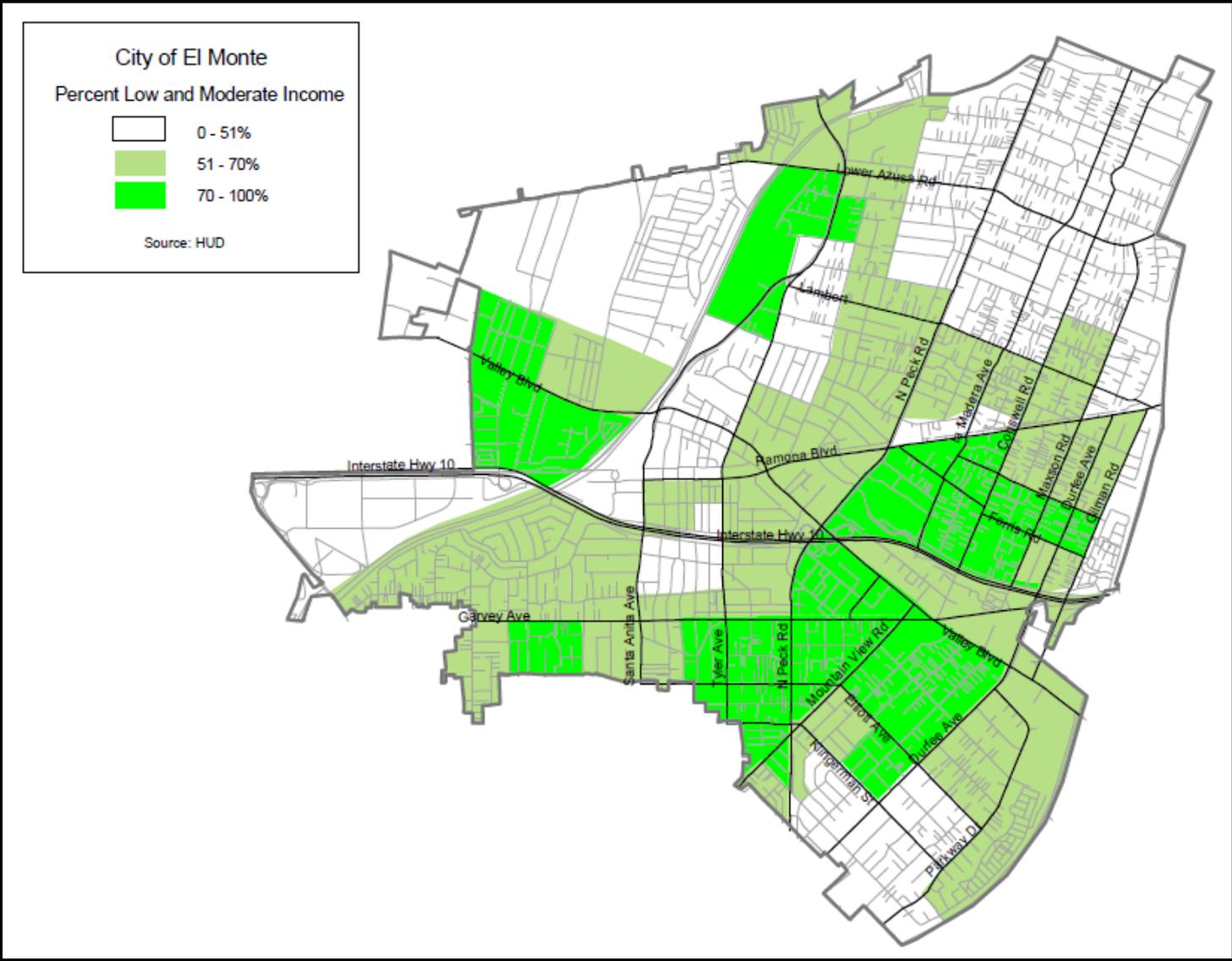
Map 2 shows areas within El Monte that are considered to be low-moderate income neighborhoods. The definition of an area of concentration for low and moderate income households is governed by federal regulations for the Community Development Block Grant Program. Low and moderate income area is defined as a block group or census tract with 51% or more residents earning income less than 80% of the County median family income. Central El Monte is largely a low-moderate income area. A small portion of north central and southern El Monte also has a low-mod area. **Map 3** shows the concentrations of low- and moderate-income persons in the census block groups.

Map 2 Low and Moderate Income Census Block Groups

Based on U.S. 2000 Census Block Group



Map 3
Low and Moderate Income Concentrations



D. Employment Profile

Local economic characteristics, although not directly related to fair housing, influence local housing needs. Economic characteristics include the types of jobs available within El Monte, the way residents access jobs (e.g., auto, transit, etc.), occupations held by residents, and their household income. This section explores economic trends and characteristics in El Monte as a means to identifying and understanding local housing needs.

Major Employers

El Monte has a diversified mix of retail, service, education and medical employers. El Monte’s proximity to major freeways and transit lines has historically generated many service and transportation jobs for residents. **Table II-8** lists the major employers in El Monte.

**Table II-8
Major Employers in El Monte**

Name of Business or Institution	Number of Employees	Percentage of Total City Employment	Type of Business
Wells Fargo Bank	1,800	2.2%	Financial
El Monte Union High School District	1,742	2.1%	Education
Longo Toyota-Lexus	1,621	1.9%	Retail
Mountain View Elementary Sch. Dist.	1,007	1.2%	Education
Vons Co. Inc.	736	0.9%	Distribution
City of El Monte - Active	592	0.7%	Government
Hermetic Seal	410	0.5%	Manufacturing
M C Gill Corporation	250	0.3%	Manufacturing / Prof.
Driftwood Dairy	250	0.3%	Agriculture
Total:	8,438	10.4%	

Source: City of El Monte Finance Department – Comprehensive Annual Financial Report, 2008.

Jobs Held by Residents

According to the 2006 American Community Survey, 62.9% of residents over the age of 16 were in the labor force. The same survey found that 7.6% of City residents were unemployed in 2008. **Table II-9** shows the type of occupations currently held by El Monte residents. Of particular note is the high proportion of sales and production/transportation jobs held by El Monte residents.

According to the 2008 American Community Survey 1-year estimates, El Monte’s journey to work patterns closely mirrored the patterns evidenced in the County of Los Angeles as a whole. In the City, the majority of employed residents (68%) drive alone to work. Fifteen percent (15%) of all residents carpooled to work and 6% used public transportation. Of note, the mean travel time to work is 27.6 minutes.

Table II-9
Occupation Characteristics and Trends

Occupations of Residents	No. of Jobs	Median Earnings
Management, Professional and Related Occupations	8,017	\$36,766
Service Occupations	9,764	\$15,169
Sales and Office Occupations	11,781	\$22,867
Farming, Fishing and Forestry Occupations	142	\$28,245
Construction, Extraction, Repair and Maintenance Occupations	6,278	\$25,214
Production, Transportation, and Material Moving Occupations	12,631	\$17,995
Total:	48,613	

Source: 2006-2008 American Community Survey, S2401.

E. Housing Profile

Fair housing is also concerned with the availability of a range in types and prices of housing. This section provides an overview of the housing market and the dynamics affecting housing availability. Chapter IV of this AI study build on this analysis and evaluate the City's Zoning Ordinance and land use regulations to assess the status of fair housing in their community.

Housing Growth

From 2000-2009, El Monte's housing inventory increased by 2.9%, which is comparable to neighboring small cities but less than the countywide increase of 4.5%. This growth was due to the development of new infill housing in the City.

As discussed later, the predominant housing type in El Monte remained single-family detached homes, accounting for 54% of the City's housing stock in 2009. Approximately 29% of El Monte's housing inventory is multi-family units, which is a lesser proportion than the countywide proportion of 43%. **Table II-10** shows increases in the housing inventory of El Monte as compared to surrounding jurisdictions and the County as a whole.

Table II-10
Housing Growth Trends, 1990-2009

Community	1990	2000	2009	Percent Change	
				90-00	00-09
Baldwin Park	17,177	17,409	17,908	1.4%	2.9%
El Monte	27,159	27,705	28,898	2.0%	4.3%
La Puente	9,285	9,655	9,721	4.0%	0.7%
Los Angeles (City)	1,298,143	1,332,801	1,407,967	2.6%	5.6%
San Gabriel	12,726	12,865	13,282	1.1%	3.2%
Temple City	11,518	11,633	11,952	1.0%	2.7%
Countywide	2,994,343	3,270,906	3,418,968	9.2%	4.5%

Source: U.S. Census, 1990 and 2000. Department of Finance, 2009

Housing Characteristics

The rate of homeownership has remained relatively constant in El Monte (40.3% homeownership). However, recent reductions in the cost of housing may result in homeownership being more attainable to families of modest income.

Currently, low interest rates on mortgages are giving potential homeowners more buying power and have brought homeownership within reach of some families who were previously excluded when rates were higher.

**Table II-11
Change in Household Tenure: 1990 to 2008**

Tenure	Housing Units & % of Total Units							
	1990		2000		Change in Unit	2006-2008 Estimate		Change in Unit
Renter	15,624	57.5%	15,961	57.5%	337	15,725	55.6	-236
Owner	10,507	38.7%	11,073	39.9%	566	11,404	40.3	331
Vacant	1,036	3.8%	724	2.6%	-312	1,162	4.1	438
Total:	27,167		27,758		591	28,291	100%	533

Source: 1990 (SF-1: H002, H003); 2000 (SF-1: H1, H3, H4) US Census; 2006-08 American Community Survey.

Table II-12 below provides a breakdown of the size of the housing in the City by tenure. The table reflects occupied units and not total units. The table shows that under the 2000 census, 53 percent of El Monte’s occupied housing units contain between two to three bedrooms. A total of 28 percent of the units are one-bedroom units. Combine these figures and 81 percent of El Monte’s housing units contain from one to three bedrooms. Only 12 percent or 3,199 units are considered to be efficiencies. Less than one percent of the units have more than 5 bedrooms. Combined, the four and five bedroom units make up seven percent of the housing units in the City. Under the ACS, the percentages remained relatively constant.

**Table II-12
Housing Supply: Size of Housing Units by Tenure**

Size of Housing Units by Tenure	Housing Supply: Size of Housing Units by Tenure 2000						2006-2008	
	2000 Owner		2000 Renter		Total		Total	
	#	% of total	#	% of total	#	% of total	#	% of total
No bedroom	423	2%	2,776	10%	3,199	12%	666	2.4
1 bedroom	1,703	6%	5,982	22%	7,685	28%	5,344	18.8
2 bedrooms	3,225	12%	4,996	18%	8,221	30%	10,755	38.0
3 bedrooms	4,441	16%	1,816	7%	6,257	23%	8,089	28.6
4 bedrooms	1,182	4%	342	1%	1,524	6%	3,272	11.6
5 + bedrooms	121	1%	29	0%	150	1%	165	0.6
Total	11,095	41%	15,941	59%	27,036	100%	28,291	100%

Source: 2000 U.S. Census (SF3: H41, H42); and 2006-2008 American Community Survey

* Note: Numbers do not reflect vacant units.

Single family detached units currently account for a majority of the housing stock in the City. Fifty-four percent (54%) of all units are detached single-family units while attached single-family units, such as townhouses and condominiums, account for 11.8%.

Existing multifamily housing is often packaged in small complexes with less than ten units. These units account for 13.4 percent of all housing stock. In the 2000 census, structures with ten or more units accounting for 16.6 percent. Many of these structures were built between 1940 and 1980. The ACS estimates an increase in the percentage of structures with ten or more units to 17.2 percent.

Mobile homes have traditionally filled a unique and useful niche for the lower income housing market in El Monte. These units are recognized as a viable solution to the shortage of affordable housing. However, the number of occupied mobile homes has experienced a drastic decline in recent years and currently account for 5.0 percent of housing in El Monte, or 1306 occupied units. Compared to 1608 units in 1990, this is a loss of 226 units, or over 14 percent. In accordance with the 2000 Census the total number of mobile homes equals 1,382.

Land in El Monte has become too valuable to use as mobile home parks. Owners of existing parks have started to sell their land for development, leaving current residents no choice but to relocate. Renting, rather than owning, a mobile home in El Monte is another option available to mobile home residents who are being displaced.

**Table II-13
Housing Supply: Units in Structure by Tenure**

Number of Units in Structure	2000								2006-2008	
	Total Units		Owner			Renter			Total Units	
	#	%	#	Share of Category	Share of Total	#	Share of Category	Share of Total	#	%
1, detached	14,312	53%	8,406	59%	31.1%	5,906	41%	21.8%	15,856	56%
1, attached	3,348	12%	1,241	37%	4.6%	2,107	63%	7.8%	3,436	12.1
2	677	3%	105	16%	0.4%	572	84%	2.1%	501	1.8
3 or 4	1,284	5%	87	7%	0.3%	1,197	93%	4.4%	961	3.4
5 to 9	1,622	6%	122	8%	0.5%	1,500	92%	5.5%	1,161	4.1
10 to 19	1,659	6%	104	6%	0.4%	1,555	94%	5.8%	1,988	7.0
20 to 49	1,459	5%	96	7%	0.4%	1,363	93%	5.0%	2,878	10.2
50 or more	1,357	5%	60	4%	0.2%	1,297	96%	4.8%		
Mobile home	1,306	5%	874	67%	3.2%	432	33%	1.6%	1,478	5.2
Boat, RV, Van	12	0%	0	0%	0.0%	12	100%	0.0%	32	0.1
Total:	27,036	100%	11,095	41%		15,941	59%		28,291	100%

Source: 2000 U.S. Census (SF3: H30, H32); and 2006-2008 American Community Survey

Housing Conditions

Like any other asset, housing gradually deteriorates over time. If not regularly maintained, housing can deteriorate into disrepair, depress neighboring property values, discourage reinvestment, and eventually impact quality of life in an entire neighborhood. Maintaining quality housing is thus an important community goal. This section therefore analyzes and discusses the age and condition of El Monte housing and neighborhoods.

Table II-14 indicates the number of homes built in El Monte by decade. According to the latest Census figures, the majority of the City’s housing stock was built between 1940 and 1969. This coincides with one

of the City’s booming economic growth periods. During that period 15,811 units were built, accounting for 57 percent of the city's current housing stock. Age has taken its toll on these units, which are candidates for rehabilitation and in some cases demolition and reconstruction.

Concerning mobile homes, the condition of these homes has become more of an issue as these units age and decrease in value while the residentially zoned land where they are located becomes more valuable. When parks close, the older and more deteriorated homes cannot be transported without renovations that are unaffordable to the owner.

Table II-14
Age of Housing Stock: Year Unit Built by Tenure

Year Structure Built	Age of Housing Stock: year Unit Built by Tenure 2000							
	Total Units		Owner			Renter		
	#	%	#	Share of Category	Share of Owner	#	Share of Category	Share of Rental
Built 1999 to 2000	282	1%	109	39%	-1%	173	61%	1%
Built 1995 to 1998	603	2%	221	37%	0.8%	382	63%	1%
Built 1990 to 1994	1,241	5%	796	64%	3.0%	445	36%	2%
Built 1980 to 1989	3,521	13%	1,353	38%	5.0%	2,168	62%	8%
Built 1970 to 1979	3,859	14%	1,094	28%	4%	2,765	72%	10%
Built 1960 to 1969	5,733	21%	1,768	31%	7%	3,965	69%	15%
Built 1950 to 1959	6,172	23%	3,012	49%	11%	3,160	51%	12%
Built 1940 to 1949	3,499	13%	1,730	49%	6%	1,769	51%	7%
Built 1939 or earlier	2,126	8%	1,012	48%	4%	1,114	52%	4%
Total:	27,036	100%	11,095	441%		15,941	59%	

Source: 2000 U.S. Census (SF3: H34, H36); and 2006-2008 American Community Survey

HUD considers a unit that lacks a complete kitchen or bathroom to have a physical defect and therefore a housing problem. Current Census data (ACS) indicates that 350 units (1.3 percent of units) lacked complete plumbing or complete kitchen facilities.

Table II-15
Substandard Conditions: Housing Units Lacking Plumbing or Complete Kitchen

Housing Problem	2000		2006-2008	
	# of Units	% of Housing Stock	# of Units	% of Housing Stock
Lacking complete plumbing facilities	396	1.5%	135	0.5%
Lacking complete kitchen facilities	436	1.6%	215	0.8%

Source: U.S. Census Bureau, 2000 (SF3: H47, H50); and 2006-08 American Community Survey 1

Since substandard housing can cause serious health and safety issues, the definition of physical defects should not be used as the only definition of substandard housing. The City considers housing units in compliance with local building codes to be standard units. Any housing unit that does not meet these requirements is considered substandard.

Common housing code violations make a unit unsafe and/or unsanitary, including problems with wiring, plumbing, windows, roofs and exterior, and heating and air conditioning systems. Most of these units are substandard units that are suitable for rehabilitation. These units, which do not meet local code standards for occupancy but are still in use, though dilapidated and poorly maintained, are suitable for essential repairs to rehabilitate the unit.

However, any property found to be structurally unsound or badly deteriorated is considered in substandard condition, unsuitable for rehabilitation. These units may be candidates for reconstruction. These are units that do not meet local code standards for occupancy and are “uninhabitable” as a working residential unit because they no longer contain an enclosed, heated residential unit with working plumbing and electricity.

Rental Housing Prices

For the purposes of this analysis, affordable rental housing is defined as units that a low-income family can afford without incurring a housing cost burden and without being “overcrowded.” A unit is considered overcrowded when there is more than one person per room. Rooms that are considered in this calculation include bedrooms, living rooms, kitchens, dens, home offices and other finished rooms. This calculation excludes bathrooms and laundry rooms.

Different sized units will have different thresholds of affordability. The adjustments in the thresholds will mirror those made for family size in HUD’s annual release of Section 8 Income Limits.

The following table lists the cost of rental housing in El Monte, broken down by bedrooms size.

**Table II-16
Cost of Rental Housing: Rental Units by Price and Bedroom Size (1999 Rents)**

# of Bedrooms		Less than \$200	\$200 to \$299	\$300 to \$499	\$500 to \$749	\$750 to \$999	\$1,000 or more	No cash rent	Total:
Efficiency	# of units	96	59	684	1,523	269	91	8	
	% of size	4%	2%	25%	56%	10%	3%	0%	
	% of total	1%	0%	4%	10%	2%	1%	0%	
1 Bedroom	# of units	166	121	841	3,477	1,064	223	76	
	% of size	3%	2%	14%	58%	18%	4%	1%	
	% of total	1%	1%	5%	22%	7%	1%	0%	
2 Bedroom	# of units	38	81	297	2,764	1,469	249	90	
	% of size	1%	2%	6%	55%	29%	5%	2%	
	% of total	0%	1%	2%	17%	9%	2%	1%	
3 + Bedroom	# of units	6	26	62	428	1,131	454	56	
	% of size	0%	1%	3%	20%	52%	21%	3%	
	% of total	0%	0%	0%	3%	7%	3%	0%	
Subtotal		306	287	1,885	8,194	3,934	1,017	230	
Share of Total		2%	2%	12%	52%	25%	6%	1%	15,849

Source: 2000 US Census (SF3: H67)

Table II-17
Cost of Rental Housing: Fair Market Rents by Number of Bedrooms

Year	Efficiency		1 Bedroom		2 Bedrooms		3 Bedrooms		4 Bedrooms	
	FMR	Incr.	FMR	Incr.	FMR	Incr.	FMR	Incr.	FMR	Incr.
2006	\$516	--	\$618	--	\$782	--	\$1,055	--	\$1,260	--
2007	\$543	5%	\$650	5%	\$823	5%	\$1,110	5%	\$1,325	5%
2008	\$638	17%	\$764	18%	\$967	17%	\$1,305	18%	\$1,558	18%
2009	\$674	6%	\$807	6%	\$1,021	6%	\$1,378	6%	\$1,646	6%
2010	\$746	11%	\$900	12%	\$1,124	10%	\$1,510	10%	\$1,816	10%

Source: HUD Fair Market Rents

Owner-Occupied Housing Prices

During the period of 2001 through 2006, the cost of single family homes in the City of El Monte increased to the point that the number of families that are able to purchase a home has decreased substantially. The low interest rates during the same time period were part of the impetus for the surge in home prices. With interest rates increasing in 2007, home prices did not follow. This resulted in a decrease in the number of families being able to purchase a home. In addition, households with variable interest rates had problems keeping up with the increased payments and as a result, banks commenced foreclosing on those homes. Within a short period of time, the housing market collapsed and home prices started plummeting. The table below shows the median sales price for single family home in El Monte for the zip codes 91731, 91732 and 91733 that correspond to the City. These numbers represent 2008 values. The results show that on a citywide average, the decrease in single-family home prices in El Monte during the previous 12 month period was approximately 25 percent. Countywide the price of single-family homes decreased in value by 29 percent.

Similar conditions occur for condominium or attached single family dwellings. However, the annual increase was not at the same level as those of the single-family home.

Table 4-14
Cost of Owner-Occupied Housing: Single-Family by Zip Code

Median Single Family Home Prices by Zip Code			
Zip Code	Number of Sales	Median Price	12 Mo. Change
91731	82	\$293,000	-15.2%
91732	170	\$275,000	-15.8%
91733	91	\$290,000	-14.5%

Source: sales data in 2009; Dataquick

Table 4-15
Cost of Owner Occupied Housing: Condominiums by Zip Code

Median Condominium Prices by Zip Code			
Zip Code	Number of Sales	Median Price	12 Mo. Change
91731	20	\$300,000	32.0%
91732	147	\$329,000	11.2%
91733	19	\$328,000	13.5%

Source: sales data in 2009; Dataquick

Affordable Housing

El Monte has some of the more affordable market-rate housing in Los Angeles County. However, the City’s publicly-subsidized affordable housing opportunities are limited primarily to seniors. According to the 2008-2014 Housing Element, the City has 12 senior projects providing 900 units of rental housing affordable to lower income households. The City currently has four projects totaling 212 affordable housing units that are technically at-risk of conversion by 2024. None have filed a notice to terminate their Section 8 contract or prepay their mortgage. The City is committed to preserving its stock of affordable housing, some which is at risk of conversion and/or needs significant renovation and improvement. The City will assist in preserving all of the 212 at-risk units by providing technical assistance, seeking additional nonprofit and for-profit partners, and by facilitating financial assistance.

Table II-19 below summarizes the affordable housing inventory in El Monte. The City has 936 affordable units for families, seniors and the disabled.

**Table II-19
Publicly Assisted Affordable Housing
City of El Monte, 2010**

Project Name	Unit Type	Total Units	Funding Source(s)	Subsidy Expiration
Villa Raintree	Senior	70	Section 8; 221 (d) (4)	2008
Casa De Esperanza	Disabled	8	Section 8; 202	2026
TELACU Amador Manor	Senior	70	Section 8; 202; RDA; Density Bonus	2036
Blessed Rock of El Monte	Senior	137	RDA; HOME; Tax Credits; Density Bonus	2052
TALACU El Encanto	Senior	71	202; RDA	2040
Palm Garden Apt.	Senior	89	LIHTC	2050
Singing Wood Apt.	Senior	110	HOME; CALHAFAs; RDA; LIHTC, City of Industry	2059
Rio Hondo CDC	Family	18	HOME	2058
Pacific Towers	Senior	100	LIHTC; RDA; Density Bonus	2058
Senior Mixed Use	Senior	130	Density Bonus	In process
Flamingo Gardens	Senior	58	LIHTC	2019
Cherrylee Gardens	Senior	75	Section 8-NC; Project Based	2011
Total Units:		936		

Sources: California Housing Partnership Corporation; El Monte Housing Element

Housing Problems

Overpayment and overcrowding are undesirable conditions in El Monte. Overpayment is defined as a situation where a household pays more than 30% of gross income toward housing. Overcrowding occurs when the home is occupied by a household with more than one member per room. Overpayment tends to leave households at risk of displacement should unexpected expenses occur. Meanwhile, overcrowding can lead to parking shortages, overtaxed infrastructure, and other negative impacts.

Table II-20
Housing Needs of Low and Moderate Income Households (HUD Table 2-A)

Household by Type, Income, & Housing Problem	Renters					Owners					Total Hhlds (L)
	Elderly (A)	Small Related (B)	Large Related (C)	Other (D)	Total Renters (E)	Elderly (F)	Small Related (G)	Large Related (H)	Other (I)	Total Owners (J)	
1. Household Income <= 50% MFI	883	2,629	2,943	836	7,291	683	597	438	197	1,915	9,206
2. Household Income <=30% MFI	523	1,359	1,425	483	3,790	244	288	149	140	821	4,611
3. % with any housing problems	77.1	89.3	98.6	74.1	89.2	69.3	70.5	100	71.4	75.6	86.8
4. % Cost Burden >30%	76.3	82	89.1	69.2	82.2	69.3	62.2	93.3	71.4	71.5	80.3
5. % Cost Burden >50%	58.1	75.4	76.5	58	71.2	47.1	60.8	83.2	46.4	58.3	68.9
6. Household Income >30 to <=50% MFI	360	1,270	1,518	353	3,501	439	309	289	57	1,094	4,595
7. % with any housing problems	68.1	96.9	99.7	94.6	94.9	37.4	85.4	96.5	64.9	68	88.5
8. % Cost Burden >30%	68.1	87.8	80.6	94.6	83.3	37.4	85.4	75.8	64.9	62.5	78.4
9. % Cost Burden >50%	19.4	27.6	15.4	32.3	21.9	23.9	63.1	55.4	43.9	44.3	27.3
10. Household Income >50 to <=80% MFI	187	1,424	2,098	313	4,022	454	875	705	58	2,092	6,114
11.% with any housing problems	38.5	72.6	96	71.2	83.1	27.5	70.9	93.6	93.1	69.7	78.5
12.% Cost Burden >30%	31	41.7	19.3	50.5	30.2	25.3	62.9	54.6	86.2	52.6	37.8
13. % Cost Burden >50%	10.7	1	0.5	1.3	1.2	7.7	30.9	16.3	43.1	21.3	8.1
14. Household Income >80% MFI	166	1,955	1,954	520	4,595	895	3,104	2,714	374	7,087	11,682
15.% with any housing problems	13.3	38.6	83.9	28.8	55.8	14	32.3	67	37.2	43.6	48.4
16.% Cost Burden >30%	7.2	2.8	0.2	4.8	2.1	14	21.9	15.1	32.1	18.8	12.2
17. % Cost Burden >50%	0	0	0	2.9	0.3	2.8	1.9	1.3	2.7	1.8	1.2
18. Total Households	1,236	6,008	6,995	1,669	15,908	2,032	4,576	3,857	629	11,094	27,002
19. % with any housing problems	60	70.5	94	63.8	79.3	28.7	45.7	75.4	52.5	53.3	68.6
20. % Cost Burden >30	57.8	47.9	41.5	51	46.2	28.2	36.5	29.9	48.8	33.4	40.9
21. % Cost Burden >50	31.9	23.1	19.1	24.7	22.2	13.8	15.3	11.2	19.9	13.9	18.8

Definitions:

Any Housing Problems: Cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other Housing Problems: Overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly Households: 1 or 2 person household, either person 62 years old or older.

Renter: Data does not include renters living on boats, RV's or vans.

Cost Burden: Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing cost include mortgage payment, taxes, insurance and utilities.

Source: <http://socds.huduser.org>

F. Special Housing Needs Profile

Senior Citizens

According to the 2000 Census, 8.77% of El Monte's population were seniors over the age of 60. Senior households have special housing needs due to income, health care costs, and physical disabilities.

Services Available to Seniors

Seniors receive social services through a variety of nonprofit organizations. In El Monte, senior services are centralized at the Jack Crippen Multipurpose Senior Center located at 3120 N. Tyler Avenue. The Senior Center is a resource to help connect seniors to valuable outside resources and programs. The Senior Center provides high-quality nutritional, educational and cultural programs. The Center offers a wide variety of programs and services including:

- Adult Education;
- Congregate Meals – Lunch is served Monday-Friday;
- Leisure programs;
- Health care;
- Nutrition;
- Legal advice;
- Social services; and
- Consumer advocacy.

The Los Angeles Transit Authority provides subsidized transit services and special medical shuttles to hospitals.

The City of El Monte has an appointed Community Services Commission in accordance with Ordinance No. 2591 that advises the City Council on matters pertaining to parks, recreation and transportation. Senior services are included as an integral component of the Commission's duties.

People with Disabilities

The Americans with Disabilities Act defines a disability as a "physical or mental impairment that substantially limits one or more major life activities." People with disabilities have special housing needs because of their fixed income, higher health costs, and need for accessible and affordable housing. Seniors may also face discrimination if landlords treat them differently due to their source of income, ability to maintain the unit, or disability. According to the 2000 Census, 19.8% of El Monte residents reported a physical disability.

Services Available to the Disabled

The County of Los Angeles Department of Community and Senior Services is the lead government agency in the Los Angeles area providing services for the disabled. Transit services are provided through the Metropolitan Transit Authority and Foothill Transit at reduced rates for the disabled. Dial-A-Ride services are also available to the disabled within $\frac{3}{4}$ mile of any fixed-route service.

With respect to housing, the City's Home Improvement Loan Program, Home Improvement Emergency Loan Program, Home Improvement Grant Program and Home Improvement Emergency Grant Program assists homeowners with health and safety issues such as heating, cooling, leaky roofs, access ramps or other emergency issues.

For those requiring supportive living, El Monte has 17 Licensed Residential Care Facilities providing 191 beds. **Table II-20** provides a summary of the Licensed Community Care Facilities available in the City of El Monte. A map of the locations of these facilities is provided (see **Map 2** in Chapter IV).

**Table II-20
Licensed Community Care Facilities**

Type of Facility	Description	Facilities	
		No.	Beds
Adult Day Care	Day care programs for frail elderly or developmentally / mentally disabled adults.	0	0
Adult Residential Group	Facilities that provide 24-hour non-medical care for disabled adults ages 18 through 59, who are unable to provide for their daily needs.	11	105
Group Home	Provides care, supervision and assistance with activities of daily living, such as bathing and grooming, as well as incidental medical services.	4	52
Residential Care - Elderly	Care, supervision and assistance with activities of daily living for persons older than 60 years of age.	2	34
Small Family homes	Affordable small family housing for the elderly	0	0
Total:		17	191

Source: State of California Community Care Licensing Division, 2009

Family Households

Families with children have special housing needs due to lower per capita income, need for affordable childcare, the need for affordable housing, or the need for larger units with 3 or more bedrooms. Families with children and especially teenagers may face discrimination in the rental housing market. For example, some landlords may charge large households a higher rent or security deposit, limit the number of children in a complex or unit, confine children to a specific location, limit the time children can play outdoors, or choose not to rent to families with children at all.

The 2000 Census reported 3,436 single parents with children under age 18. This population is at high risk for housing discrimination due to family composition because the head of household is often absent during working hours, which can be viewed by landlords as a risk to the property given that children are often unsupervised. Large families also experience housing discrimination due to landlord concerns about overcrowded housing taking a toll on the property. Large families are defined as households with five or more members. According to the 2000 Census, the City had 10,852 large families. Large households often have difficulty finding appropriately sized housing and may lease smaller units due to affordability considerations which is a root cause of housing overcrowding in the City.

Services Available to Low- and Moderate-Income Households

As of December 2009, the Housing Authority of the County of Los Angeles (HACOLA) provided 619 Section 8 vouchers to residents in El Monte, many of whom live within the above-listed affordable housing units. At that time, the waiting list had 1,846 households—approximately three (3) times the number of available vouchers.

While financial lending institutions offer homeownership programs, the City provides down-payment assistance to first-time buyers through the First Time Homebuyer Program administered by the Community Development Department’s Housing Division.

Homeless Persons

Housing affordability for those who are or were formerly homeless is challenging from an economics standpoint, and this demographic group may also encounter fair housing issues when landlords refuse to rent to formerly homeless persons due to poor credit history. These difficulties are more severe for homeless families that need larger affordable units. According to the Los Angeles Homeless Services Authority (LAHSA) Homeless Count⁴ conducted in 2009, the San Gabriel Valley (Service Planning Area 3) had 2,780 homeless on a given night, down from 9,254 total homeless in the 2005 report.

Homeless people face critical housing needs due to their income and the lack of affordable housing. Housing affordability for homeless or formerly homeless people is challenging not only from an economics standpoint – this demographic group may also encounter discriminatory housing practices when landlords refuse to rent to formerly homeless persons due to poor credit history. Property managers often require an income three times the rent, and reject housing applicants with poor credit histories or records of eviction. These difficulties are more severe for homeless families that need larger affordable units. The El Monte-South El Monte Emergency Resources Association (EMSEMRA) provides motel vouchers, utility assistance and bagged groceries to low- and moderate-income households in need. EMSEMRA continues to experience an increase in the demand for services.

Services Available to the Homeless

Homeless prevention services in the City of El Monte are largely provided by El Monte-South El Monte Emergency Resources Association (EMSEMRA), a City-funded homeless service provider. EMSEMRA provides bagged groceries and other services for low-income individuals and families. The program is subsidized in-part by Community Development Block Grant funds. Emergency Food and Shelter Program funds are also allocated to EMSEMRA for use in purchasing food or providing motel vouchers.

The following programs also provide homeless services:

- The Los Angeles Homeless Assistance Program, part of the Mental Health Association in L.A. County, provides supportive services to mentally ill homeless persons including life skills training, money management, case management and referrals to other resources.
- The Los Angeles County Homeless Services Authority offers transitional housing and supportive services for homeless youth aged 18-21 who were emancipated from the foster care system.
- The National Mental Health Association of Greater Los Angeles includes a Los Angeles Services section that serves the mentally ill and the homeless mentally ill. Services include mental health treatment; living and work skills; assistance with medical and financial benefits; housing assistance; substance abuse recovery; and several other services.

⁴ Greater Los Angeles Homeless Count. Los Angeles Homeless Services Authority (LAHSA), 2005, 2009.

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III. Analysis of Private Sector Impediments

Fair housing opportunity is covered by federal and State regulations and court decisions that prohibit discrimination in the rental, sale, negotiation, advertisement, or occupancy of housing on the basis of protected class. Implementation of fair housing practices is achieved through a network of realtors, apartment associations, housing associations, fair housing providers, and the courts. This chapter provides an overview of the private sector housing industry in El Monte and its interrelationship with fair housing services.

A. Owner-Occupied Housing

Part of the American dream involves owning a home in a good neighborhood near schools, parks, shopping centers, jobs and other community amenities. Homeownership strengthens individual households and entire neighborhoods because owner-occupants have made an investment in their own personal property as well as the neighborhood and community. This fosters a greater sense of pride in the appearance and condition of not only the home but of the neighborhood as well. It also promotes owner involvement in the community because owner-occupants have a personal stake in the area and tend to be more active in decisions affecting the community. Fair housing opportunity laws protect an individual or family's right to occupy suitable housing in any location. Ensuring fair housing is an important way to not only preserve but to improve the housing opportunities for all residents in El Monte.

Home Buying Process

Purchasing a home presents many challenges to the would-be owner. One of the main challenges in buying a home is the process by which an individual or family must acquire the property. The time required to find a home, the major legal and financial implications surrounding the process, the number of steps required and financial issues to be considered can be overwhelming to many home buyers. Throughout this time-consuming and costly process, fair housing issues can surface in many ways. Discriminatory practices in the home buying process can occur through the:

- Advertisement of homes for sale;
- Lending process;
- Appraisal process;
- Actions of real estate agents and sellers; and
- The issuance of insurance.

Advertising

The first step in buying a home is to search for available housing through advertisements that appear in magazines, newspapers or in listings on the Internet. Advertising is a sensitive issue in the real estate and rental housing market because advertisements advertently or inadvertently can signal preferences for certain buyers or tenants. Recent litigation has held publishers, newspapers, the Multiple Listing Service (MLS), real estate agents and brokers accountable for discriminatory ads.

Advertising can suggest a preferred buyer or tenant in several ways. Some examples include advertisements or listings that:

- Suggest a preferred type of buyer or tenant household;
- Use models that indicate a preference or exclusion of a type of resident;
- Publish advertisements or listings in certain languages;
- Restrict publication to certain types of media or locations so as to indicate a preference.

As a rule of thumb, advertisements cannot include discriminatory references that describe current or potential residents, the neighbors or the neighborhood in racial or ethnic terms, or terms suggesting preferences for one group over another (e.g., adults preferred, ideal for married couples with kids, or conveniently located near Catholic church).

Lending

Initially, home buyers must locate a lender that will work with the buyer to qualify for a home loan. This process generally entails an application, credit check, determination of the home buyer's ability to repay, the maximum amount that may be borrowed and determining the type and terms of the loan. Applicants must provide sensitive information including their gender, ethnicity, income level, age, and familial status. This information is required to be gathered by the Community Reinvestment Act and the Home Mortgage Disclosure Act; however, it does not guarantee that individual loan officers or underwriters will not misuse the information.

A report on mortgage lending discrimination by the Urban Land Institute describes four basic stages in which discrimination can occur:

- **Advertising/outreach stage.** Lenders may not have branches in certain locations, not advertise to certain segments of the population, or violate advertising rules with respect to fair housing.
- **Pre-application stage.** Lenders may not provide applicants of different racial and ethnic backgrounds the same types of information as other preferred groups, or may urge some to seek another lender.
- **Lending stage.** Lenders may treat equally qualified individuals in a different manner, giving different loan terms, preferred rates, or denying a loan based on a factor not related to ability to pay and risk.
- **Loan administration.** Lenders may treat minorities in harsher terms, such as initiating foreclosure proceedings if any payment is late, or by making loans at terms that encourage defaults.

Appraisals

Banks order appraisal reports to determine whether or not a property is worth the amount of the loan requested. Generally, appraisals are based on the comparable sales of properties surrounding the neighborhood of the subject property. Other factors such as the age of the structure, improvements made and location are also considered. Homes in some neighborhoods with higher concentrations of minorities and poverty concentrations may appraise lower than properties of similar size and quality in neighborhoods with lower concentrations of minorities or low-income households.

Taking these factors into consideration when valuing a property in an appraisal causes the arbitrary lowering of property values and restricts the amount of equity and capital available to not only the potential home buyer but also to the current owners in the neighborhood. Disparate treatment in appraisals is difficult to prove since individual appraisers have the latitude within the generally accepted appraisal practices to influence the outcome of the appraisal by factoring in subjective opinions.

Real Estate Agents and Sellers

Finding a real estate agent is normally the next step in the home buying process. The agent will find the home for the prospective buyer that best fits their needs, desires, and budget based on the amount they are qualified for by the lender. Real estate agents may also intentionally or unintentionally discriminate

by steering a potential buyer to particular neighborhoods, by encouraging the buyer to look into certain areas or failing to show the buyer all choices available. Agents may also discriminate by who they agree to represent, who they turn away and the comments they make about their clients.

Sellers

Even if a real estate agent is following fair housing practices, the current occupant (seller) may not want to sell his/her house to certain purchasers protected under Fair Housing laws or they may want to accept offers only from a preferred group. Oftentimes, sellers are home when agents show the properties to potential buyers and sellers may develop certain biases based upon this contact. The Residential Listing Agreement and Seller's Advisory forms that sellers must sign disclose their understanding of fair housing laws and practices of discrimination. However, preventing this type of discrimination is difficult because a seller may have multiple offers and choose one based on bias.

Insurance

Insurance agents have underwriting guidelines which determine whether or not a company will sell insurance to a particular applicant. Currently, underwriting guidelines are not public information; however, consumers have begun to seek access to these underwriting guidelines to learn if certain companies have discriminatory policies, called redlining. Some states require companies to file the underwriting guidelines with the State Department of Insurance, making the information public. Texas mandates this reporting and has made some findings regarding discriminatory insurance underwriting.

Many insurance companies have traditionally applied strict guidelines, such as not insuring older homes, that disproportionately affect lower income and minority households that can only afford to buy homes in older neighborhoods. A California Department of Insurance (CDI) survey found that less than one percent of the homeowner's insurance available in California is currently offered free from tight restrictions. The CDI has also found that many urban areas are underserved by insurance agencies.

Home Loan Activity

A key aspect of fair housing choice is equal access to financing for the purchase or improvement of a home. In 1977, the Community Reinvestment Act (CRA) was enacted to improve access to credit for all communities, regardless of the race/ethnic or income makeup of its residents. CRA was intended to encourage financial institutions to help meet the credit needs of communities, including low-moderate income people and neighborhoods. Depending on the type of institution and total assets, a lender may be examined by different supervising agencies for its CRA performance.

In tandem with the Home Mortgage Disclosure Act (HMDA), financial institutions with assets exceeding \$10 million are required to submit detailed information on the disposition of home loans by applicant characteristics. HMDA data can then be evaluated with respect to lending patterns. This study uses a Chi-Square test to analyze loan approval rates. This statistical test can determine whether loan approval rates are significantly different for one group versus another, but cannot establish the presence of bona fide discrimination. Nonetheless, these statistical tests can certainly help provide direction on potential areas to focus further inquiry and study.

During 2008, 4,470 loan applications were filed for housing in El Monte. As seen in **Table III-1**, 95% of all loan applications were for conventionally-financed home purchase, home improvement or refinance loans. Initial home purchases and refinancing comprised 92.9% of the activity. Home improvement loans comprised only 7.1% of all loan applications as investment in existing properties

has slowed throughout the region due to the economic recession and limited equity in existing properties.

**Table III-1
Home Loan Application Activity in El Monte, 2008**

Type	Number	Percentage
Home Purchase	1,421	31.8%
Conventional	1,318	92.8%
FHA - Insured	103	7.2%
VA - Guaranteed	0	0.0%
FSA/RHS	0	0.0%
Home Improvement	316	7.1%
Conventional	311	98.4%
FHA - Insured	5	1.6%
VA - Guaranteed	0	0.0%
FSA/RHS	0	0.0%
Refinancing	2,733	61.1%
Conventional	2,632	96.3%
FHA - Insured	100	3.7%
VA - Guaranteed	1	0.0%
FSA/RHS	0	0.0%
Total:	4,470	

Source: 2008 Financial Institutions Examination Council – HMDA Database Version 3.4 ©2001-2009

Mortgage Interest Rates & Fees

A key component to securing a home loan is the interest rate and fees associated with the loan. The Fannie Mae Foundation commissioned a study of mortgage rates from 1989 – 2001 (*Rates and Race: An Analysis of Racial Disparities in Mortgage Rates*, by T. Boehm, P. Thistle, A. Schlottman, 2005). The study was published in the *Housing Policy and Debate*, Volume 17, Issue 1 of 2006. According to the study, the average annual percentage rate (APR) for African Americans was roughly 8.07%, while the average APR for whites was 7.96%. Although the authors concluded that economically the disparity in interest rates for African Americans resulted in a minimal economic impact (an increase of seven cents a month per \$1,000 of the loan amount), it was evident that African Americans, when all other factors were controlled, received higher interest rates on their home loans.

A significant conclusion of the study was the disparate loan terms for home refinancing for African Americans as compared to their white counterparts, when all other factors (e.g. credit history, loan amount and type, property, etc.) were controlled. African Americans average interest rate for refinancing a home loan was 8.82%, a much higher rate than whites whose average interest rate was 7.81%. The difference of 1.01% resulted in African Americans paying on average 71 cents more a month per \$1,000 of the borrowed amount, a substantial economic impact as compared to whites over the term of the loan. Clearly African Americans fare much worse in refinancing than whites. The average interest for Hispanics was slightly higher than that of whites as well for home loans, but there was little difference in the average interest rate amongst Hispanics and whites for refinancing. The disparity of higher interest rates for home loans of African Americans and Hispanics, as well as the disparity of higher interest rates for African Americans in refinancing home loans is an impediment.

The authors looked at conventional home loans as a subset of all mortgage types analyzed in the study. Once again, the average APR for African Americans for conventional loans was higher for home

purchases and also for refinancing of home loans as compared to whites. The average APR amongst Hispanics for conventional loans was also higher than whites, although the gap was not as high as it was for African Americans. Such discriminatory practices in loans for African American and Hispanic homebuyers are impediments to homeownership. (The study did conclude that there was no disparity on the interest rates charged to Hispanics as compared to whites for refinancing home loans).

Not only is there empirical evidence of discrimination in the interest rates charged for home loans and refinancing for certain minority groups, but also discrimination in the mortgage rate fees charged for home loans of African Americans and Hispanic borrowers. According to HUD's Office of Policy Development, African Americans and Hispanics pay on average \$415 and \$365 more, respectively, for closing costs on FHA mortgages as compared to whites, when all other factors such as loan amounts and property values are controlled.¹

In addition, disparate mortgage fees are charged based on the racial composition of the borrower's neighborhood; borrowers in African American neighborhoods pay on average \$120 more for title services and borrowers in primarily Hispanic census tracts pay \$110 more compared to borrowers residing in non-minority neighborhoods². The disparate charge of mortgage interest rates and fees for African Americans and Hispanics borrowers is an impediment to housing choice.

Lending Outcomes

This section summarizes lending activity in El Monte during 2008. HMDA data provides some insights regarding the lending patterns in a community. However, the HMDA data is only an indicator of potential problems; it cannot be used to conclude discrimination due to the limitations of the data.

Lending Outcomes by Race/Ethnicity and Income. Generally, home loan approval rates increase as household income increases. However, this pattern was not evident for upper-income home purchasers whose approval rate was 6.7% less than that of low/moderate and upper income purchasers. Across all incomes, approval rates for Asians were generally highest. Those home loan applications declining to state ethnicity/race information had above average approval rates.

The approval rate for home refinance loan applications increased directly in relation to income. The approval rate for different race and ethnic groups is steady amongst the income brackets. **Table III-2** shows loan approval rates for home purchases and refinances by applicant characteristics.

¹ *Mortgage Interest Rates and Fees, A Study of Closing Costs for FHA Mortgages*, HUD Office of Policy Development and Research, by Susan E. Woodward for the Urban Institute, May 2008.

² Ibid. Study can be found at www.huduser.org/Publications/pdf/FHA_closing_cost.pdf.

**Table III-2
Home Loan Approval Rates by Applicant Characteristics**

Type Race/ Ethnicity	Low/Mod Income		Middle Income		Upper Income	
	<80% MFI		80-120% MFI		120+ MFI	
	Loan Applications	Approval Rate	Loan Applications	Approval Rate	Loan Applications	Approval Rate
Home Purchase	341	74.49%	173	70.52%	739	67.79%
Hispanic	60	66.67	40	52.50	141	65.25
White	8	37.50	6	66.67	45	62.22
African American	3	66.67	0	-	1	0.00
Asian	222	77.48	104	75.00	454	66.96
All Others	1	100.00	0	-	3	33.33
Decline or N/A	47	76.60	23	82.61	95	80.00
Home Refinance	697	53.23%	298	56.04%	1442	54.99%
Hispanic	352	46.02	133	53.38	514	45.91
White	93	49.46	41	60.98	197	54.82
African American	3	33.33	1	0.00	9	66.67
Asian	126	62.70	78	58.97	448	61.83
All Others	3	33.33	0	-	24	33.33
Decline or N/A	120	68.33	45	55.56	250	63.20

Source: 2008 Financial Institutions Examination Council – HMDA Database Version 3.4 ©2001-2009.

* Results are statistically significant

Differences in approval rates for home loan applications among different race and ethnic groups does not necessarily reflect discriminatory practices. Differences could be due to credit scores, employment history, knowledge of the lending process, debt-income ratio, or other factors. Refinance loans are further impacted by the amount of equity available in properties. Due to declining real-estate prices throughout the middle of this decade, home equity has been severely impacted.

Lending Outcomes by Tract Characteristics. The Community Reinvestment Act (CRA) is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate income neighborhoods. Analyzing lending patterns by neighborhood characteristics can show whether significantly fewer home loans are being approved or issued in low/moderate income neighborhoods or neighborhoods with a disproportionately high percentage of minority residents. The lack of lending activity in one or more neighborhoods has been linked to unequal access to credit among different race and ethnic groups and alleged practices of redlining and discrimination.

El Monte is a multi-cultural community; therefore, one would not expect to see evidence of redlining. As shown in **Table III-3**, the approval rate for applications for home purchase and home refinance loans are generally equivalent for all tracts.

**Table III-3
Home Loan Approval Rates by Tract Characteristics**

Tract Characteristics	Home Purchase Loans		Home Refinance Loans	
	Number of Applications	Percent Approved	Number of Applications	Percent Approved
Minority Percentage				
20% to 50%	No tracts qualify.			
50% to 80%	387	74.94%	745	60.40%
80% +	1,034	71.18%	1,988	57.90%
Tract Income				
Low	43	88.37%	102	67.65%
Moderate	686	69.97%	1,215	56.54%
Middle	632	73.26%	1,267	58.64%
Upper	60	75.00%	149	68.46%

Source: 2008 Financial Institutions Examination Council – HMDA Database
Version 3.4 ©2001-2009.

Lender Performance and CRA requirements. In 2008, the top ten mortgage lenders received 73% of conventional home mortgage loan applications in El Monte (**Table III-4**). Among the top lenders, 21st Mortgage had the highest approval rate (92.9%) followed by JP Morgan Chase Bank (84.7%) and Ameritrust Bank (80.8%).

East West Bank, Wachovia Mortgage and Countrywide Bank had the lowest approval rates. Countrywide, HSBC and Wachovia had the highest percentages of withdrawn/closed loans. Bank of America, N.A. acquired Countrywide Bank, FSB in late 2008, becoming the largest single home mortgage lender in the nation and in the City of El Monte. Their relatively low approval rates are likely due to the imposition of tighter lending standards as a result of the fallout from the sub-prime mortgage crisis that emerged in the late 2000s. The high withdrawal rate can be attributed to customers starting the application process and deciding not to continue when it became apparent that they would not be approved for the loan.

Table III-4
Disposition of Conventional Home Purchase Loan Applications
by Lending Institutions

Lender	Loan Application Outcome			
	Total Loan Applications	Percent Approved / Purchased	Percent Denied	Percent Withdrawn / Closed
CitiMortgage, Inc.	271	74.5%	7.4%	18.1%
JP Morgan Chase Bank, NA	177	84.7%	11.9%	3.4%
Bank of America, NA	138	70.3%	13.0%	16.7%
HSBC Mortgage Corp.	88	70.5%	6.8%	22.7%
Countrywide Bank, FSB	86	58.1%	15.1%	26.7%
Wells Fargo Bank, NA	82	75.6%	12.2%	12.2%
Amtrust Bank	52	80.8%	7.7%	11.5%
21st Mortgage	28	92.9%	7.1%	0.0%
Wachovia Mortgage, FSB	27	44.4%	33.3%	22.2%
East West Bank	20	40.0%	55.0%	5.0%
Total Market (All Lenders):	1,318	73.0%	13.2%	13.8%

Source: 2008 Financial Institutions Examination Council – HMDA Database Version 3.4 ©2001-2009.

*Withdrawn files are by the applicant during the lending process. Closed files are by the lender for incompleteness.

The Community Reinvestment Act (CRA) is intended to encourage regulated financial institutions to help meet the credit needs of entire communities, including low and moderate income neighborhoods. Financial institutions are regulated by various Federal oversight bodies depending on the type of institution and its total assets. Lenders may be examined by different supervising agencies for its CRA performance and general compliance with laws applicable to lending institutions. The responsibilities for this oversight of financial institutions is decentralized amongst five (5) different enforcement agencies, as shown in **Table III-5**.

**Table III-5
Lending Institution Regulators by Type of Institution**

Regulating Enforcement Agency	Type of Institution
Board of Governors of the Federal Reserve System (FRB)	State member banks; Bank holding companies; Nonbank subsidiaries of bank holding companies; Edge and agreement corporations; Branches and agencies of foreign banking organizations operating in the United States and their parent banks; Officers, directors, employees, and certain other categories of individuals associated with the above banks, companies, and organizations (referred to as "institution-affiliated parties").
Federal Deposit Insurance Corporation (FDIC)	State nonmember banks; Insured branches of foreign banks.
National Credit Union Administration (NCUA)	Credit unions.
Office of the Comptroller of the Currency (OCC)	National banks; Federally chartered branches; Agencies of foreign banks.
Office of Thrift Supervision (OTS)	Thrift associations.

Source: Federal Financial Institutions Examination Council (FFIEC), 2009.
<http://www.ffiec.gov/enforcement.htm>.

Databases maintained by the Federal Reserve Board (FRB), Federal Financial Institutions Examination Council (FFIEC), Federal Deposit Insurance Corporation (FDIC), and Office of the Comptroller of the Currency (OCC) were researched regarding the performance of the top financial institutions issuing home loans. No enforcement actions were found for the top 10 home loan originators in El Monte during 2008. **Table III-6** provides a summary of the available CRA reviews and resulting ratings for each of the top 10 home loan originators in El Monte during 2008.

**Table III-6
CRA Review Results for Top 10 Lending Institutions in El Monte, 2008**

Lending Institution	CRA Review Year	Review Rating
CitiMortgage, Inc.	2003	Outstanding
JP Morgan Chase Bank, N.A.	2007	Outstanding
Bank of America, N.A.	2007	Outstanding
HSBC Mortgage Corp.	1998	Satisfactory
Countrywide Bank, FSB	2004	Satisfactory
Wells Fargo Bank, N.A.	2009	Outstanding
Amtrust Bank	-	Unavailable
21st Mortgage	-	Unavailable
Wachovia Mortgage, FSB	2006	Outstanding
East West Bank	2006	Satisfactory

Source: Bank websites and News Releases.

As a result of the acquisition of Countrywide, the records of Bank of America and Countrywide were evaluated by the Federal Reserve Board with respect to CRA compliance³. Bank of America received a rating of “outstanding” in its 2006 evaluation, while Countrywide received only a “satisfactory” rating in its most recent 2004 review. The Federal Reserve Board noted that Bank of America would be instituting its CRA policies and procedures at Countrywide; therefore, the CRA performance records of both institutions were consistent with FRB approval of the proposed acquisition of Countrywide.

Predatory Lending

Predatory lending involves abusive loan practices usually targeting minority homeowners or those with less-than-perfect credit histories. The predatory practices include high fees, hidden costs, unnecessary insurance and larger repayments due in later years. A common predatory practice is directing borrowers into more expensive and higher fee loans in the “subprime” market, even though they may be eligible for a loan in the “prime” market. Predatory lending is prohibited by a number of state and federal laws.

The Fair Housing Act of 1968 requires equal treatment in terms and conditions of housing opportunity and credit regardless of race, religion, color, national origin, family status, or disability. The Equal Credit Opportunity Act of 1972 also requires equal treatment in loan terms and availability of credit for all of the above categories, as well as age, sex, and marital status. Lenders would be in violation of these acts, if they target minority or elderly households to buy higher priced loan products, treat loans for protected classes differently, or have policies or practices that have a disproportionate effect on the protected classes.

In addition, the Truth in Lending Act (TILA) requires lenders to inform the borrower about payment schedules, loan payments, prepayment penalties, and the total cost of credit. In 1994, Congress amended TILA and adopted the Home Ownership and Equity Protection Act (HOEPA). HOEPA requires that lenders offering high-cost mortgage loans disclose information if the annual percentage rate (APR) is ten points above the prime or if fees are above eight percent of the loan amount. HOEPA also prohibits balloon payments for short-term loans and, for longer covered loans, requires a warning if the lender has a lien on the borrower’s home and the borrower could lose the home if they default on the loan payment.

Following North Carolina’s lead, in September 2001, California became the second state to pass a law banning predatory lending. Codified as AB489 and amended by AB344, the law enables state regulators and the Attorney General to attempt to prevent “predatory” lending practices by authorizing the state to enforce and levy penalties against licensees that do not comply with the provisions of this bill. The law provides protections against predatory lending to consumers across the state with respect to financing of credit insurance, high loan and points, steering and flipping, balloon payments, prepayment penalties, call provisions, interest rate changes upon default, or encouragement to default when a conflict of interest exists.

Foreclosures

Foreclosure occurs when homeowners fall behind on one or more scheduled mortgage payments. The foreclosure process can be halted if the homeowner is able to bring their mortgage payments current or if the homeowner sells their home and pays the mortgage off. However, if regular payments cannot be resumed or the debt cannot be resolved, the lender can legally use the foreclosure process to repossess (take over) the home. When this happens, the homeowner must move out of the property. If the home is worth less than the total amount owed on the mortgage loan, a deficiency judgment could be

³ Federal Reserve Bulletin, 2008, Volume 94. <http://www.federalreserve.gov/pubs/bulletin/2008/legal/q208/order3.htm#n15>

pursued. If that happens, the homeowner would lose their home and also would owe the home lender an additional amount.

In the late-2000s the number of foreclosed homes in California hit an all time high. The problem was so severe in its consequences that numerous factors have been attributed for the high incidence of foreclosure, including but not limited to abnormally high housing prices in the early part of the decade, the origination of sub-prime loans to unqualified buyers, the economic recession and job losses. This confluence of negative economic incidents has left most housing markets in the United States in severe decline with historically high rates of foreclosure. Property values have declined significantly—in some cases to pre-2000 levels.

Southern California and Los Angeles County, in particular, are characterized by a high percentage of foreclosed homes as many homeowners were unable to keep up with payments. The high foreclosure rate prompted Congress to create the Neighborhood Stabilization Program (NSP), which is administered by the U.S. Department of Housing and Urban Development (HUD) to purchase abandoned and foreclosed properties in an effort to stabilize local housing markets that have been targeted for their high risk of foreclosure. The NSP provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. The program was authorized under Title III of the Housing and Economic Recovery Act of 2008.

An evaluation of HUD data⁴ assessing the risk of foreclosure in all of the City of El Monte's 2000 Census Block Groups revealed that only 29 out of 71 block groups have a risk factor above 7 on a scale of 1-10. When compared to other Cities, El Monte's proportion of Census Block Groups with risk factors of 7 or more is relatively low. However, only 28 of the City's 71 Census Block Groups would qualify for NSP assistance because those areas have populations that predominantly earn less than 120% of the Area Median Income. The City of El Monte Housing Department is actively engaged in the State NSP program to address incidences of foreclosure in the City.

The high incidence of foreclosure and the housing crisis in general represent a system-wide collapse of the housing market that has resulted in numerous national, state and local efforts to reform virtually every aspect of housing acquisition and finance. Due to the widespread and complex nature of the foreclosure crisis, it is not possible to point to particular lenders or lending practices within the City that may be unnecessarily contributing to the high incidence of foreclosure. Therefore, foreclosure is not included in this analysis as an impediment to Fair Housing Choice.

Agency Coordination

Many agencies are involved in overseeing real estate industry practices and the practices of the agents involved. A portion of this oversight involves ensuring that fair housing laws are understood and complied with. The following organizations have limited oversight within the real estate market, and some of their policies, practices, and programs are described.

National Association of Realtors (NAR). The National Association of Realtors (NAR) is a consortium of realtors which represent the real estate industry at the local, state, and national level. Locally, the West San Gabriel Valley Association of Realtors is the main association that serves the City of El Monte and has over 2,500 members. As a trade association, members receive a range of membership benefits. However, in order to become a member, NAR members must subscribe to its Code of Ethics and a Model Affirmative Fair Housing Marketing Plan developed by HUD. The

⁴ U.S. Department of Housing and Urban Development, 2008. http://www.huduser.org/publications/commdevl/nsp_target.html

term Realtor thus identifies a licensed real estate professional who pledges to conduct business in keeping with the spirit and letter of the Code of Ethics.

Realtors subscribe the NAR's Code of Ethics, which imposes obligations upon Realtors regarding their active support for equal housing opportunity. 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." REALTORS® shall not print, display or circulate any statement or advertisement with respect to the selling or renting of a property that indicates any preference, limitations or discrimination based on race, color, religion, sex, handicap, familial status, or national origin."

The NAR has created a diversity certification, "At Home with Diversity: One America" to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR "At Home with Diversity" course. The certification signals to customers that the real estate professional has been trained on working with the diversity of today's real estate markets. The coursework provides valuable business planning tools to assist real estate professionals in reaching out and marketing to a diverse housing market. The NAR course focuses on diversity awareness, building cross-cultural skills, and developing a business diversity plan. In July 1999, the NAR Diversity Program received the HUD "Best Practices" award.

California Association of Realtors (CAR). The California Association of Realtors (CAR) is a trade association of 92,000 realtors statewide. As members of CAR, Realtors subscribe to a strict code of ethics. CAR has recently created the position of Equal Opportunity/Cultural Diversity Coordinator. CAR holds three meetings per year for its general membership, and meetings typically include sessions on fair housing issues. They also maintain fair housing and ethics information on their website: <http://secure.dre.ca.gov/publicasp/unlicenseddnr.asp>. The licensure status of individual agents can be reviewed at: <http://secure.dre.ca.gov/PublicASP/ppinfo.asp> and this web site includes any complaints or disciplinary action against the agent.

Realtor Associations Serving El Monte. Realtor associations are generally the first line of contact for real estate agents who need continuing education courses, legal forms, career development, and other daily work necessities. The frequency and availability of courses varies among these associations, and local association membership is generally determined by where the broker is located. Complaints involving agents or brokers may be filed with these associations. Monitoring of services by these associations is difficult as detailed statistics of the education/services these agencies provide or statistical information pertaining to the members is rarely available. The West San Gabriel Valley Association of Realtors serves the El Monte area.

California Department of Real Estate (DRE). The California Department of Real Estate (DRE) is the licensing authority for real estate brokers and salespersons. DRE has adopted education requirements that include courses in ethics and in fair housing. To renew a real estate license, each licensee is required to complete 45 hours of continuing education, including three hours in each of the four mandated areas: Agency, Ethics, Trust Fund, and Fair Housing. The fair housing course contains information that enables an agent to identify and avoid discriminatory practices when providing real estate services.

DRE investigates written complaints received from the public alleging possible violations of the Real Estate Law or the Subdivided Lands Law by licensees or sub-dividers. DRE also monitors real estate licensees conducting business as mortgage lenders and mortgage brokers. If an inquiry substantiates a violation, DRE may suspend or revoke a license, issue a restricted license, or file an

Order to Desist and Refrain. Violations may result in civil injunctions, criminal prosecutions, or substantial fines. The Department publishes monthly a list of names of persons and businesses which have been conducting real estate activities without a license.

DRE reviews Covenants, Conditions, and Restrictions for all subdivisions of five or more lots, or condominiums of five or more units. The review includes a wide range of issues, including compliance with fair housing law. CC&Rs are restrictive covenants that involve voluntary agreements, which run with the land they are associated with. In the past, CC&Rs were used to exclude minorities from equal access to housing. DRE reviews CC&Rs and they must be approved before issuing a final subdivision public report. This report is required before a real estate broker or anyone can sell the units, and each prospective buyer must be issued a copy of the report.

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

B. Rental Housing

Similar to the owner-occupied market, a major challenge to ensuring fair housing in the rental market is the complexity of the process. Stages in the process of renting a home include advertising, pre-application inquiries, viewing the apartment, criteria for qualifying for the lease, lease conditions, and administration of the lease. The process becomes even more difficult and subjective in a tight rental market, where the landlord has numerous options for choosing the future tenant based on subjective factors.

The Rental Process

While the process of renting an apartment or home may be less expensive and burdensome up front than the home-buying process, it may still be just as time-consuming and potential renters may still face discrimination during various stages of the rental process. Some of the more notable ways in which tenants may face discriminatory treatment are highlighted below.

Advertising

The main sources of information on rentals are newspaper advertisements, word of mouth, signs, apartment guides, the Internet, and apartment brokers. Recent litigation has held publishers, newspapers, and others accountable for discriminatory ads. Advertising can suggest a preferred tenant by suggesting preferred residents, using models, publishing in certain languages, or restricting media or locations for advertising. Advertisements cannot include discriminatory references that describe current or potential residents, the neighbors or the neighborhood in racial or ethnic terms, or other terms suggesting preferences (e.g., adults preferred, ideal for married couples with kids, or conveniently located near a Catholic church).

Viewing the Unit

Viewing the unit is the most obvious place where potential renters may encounter discrimination because landlords or managers may discriminate based on race or disability, judge on appearance

whether a potential renter is reliable or may violate any rules, or make any other subjective judgments. For example, if a student is wearing a T-shirt with a heavy metal band on the front, a landlord may suspect that the renter could play loud music disturbing to other tenants. If a prospective tenant arrives with many children, the landlord may be concerned that the children may disturb other renters. In addition, the prospective tenant may also have an accent or wear religious symbols or jewelry which may again play in the decision to rent the unit.

Qualifying for the Lease

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

The Lease

Most apartments are rented under either a lease agreement or a month-to-month rental agreement. A lease is favorable from a tenant's point of view for two reasons: the tenant is assured the right to live there for a specific period of time and the tenant has an established rent during that period. Most other provisions of a lease protect the landlord. The lease agreement usually includes the rental rate, required deposit, length of occupancy, apartment rules, and termination requirements. Typically, the rental agreement is a standard form for all units in the same building. However, enforcement of rules contained in the lease agreement may not be standard. A landlord may choose to strictly enforce rules for certain tenants based on their race/ethnicity, children, or a disability – raising fair housing concerns.

Rental Housing Services

The City of El Monte has contracted with Housing Rights Center (HRC) to provide fair housing and related services. Established in 1980, HRC is a private, non-profit and community based organization which implements the following fair housing programs for communities throughout Los Angeles County:

- **Community-Based Mediation.** HRC provides trained volunteer mediators to resolve conflicts between landlords and tenants (including mobile homes), transportation users and the transit system, and others. HRC contracts with Los Angeles County to provide mediation in small claims and unlawful detainer lawsuits in County courts.
- **Education/Outreach.** HRC provides education and outreach services to landlords and tenants, Realtors, newspapers, service organizations, schools, English as a-second language participants, and others interested in learning about fair housing laws. HRC also provides HUD certified counseling to homeowners who are delinquent on FHA loans or seniors interested in reverse equity mortgage loan programs. Fair housing workshops and newsletters are also provided on a quarterly basis.
- **Senior Services.** HRC actively and successfully mediates conflicts between seniors and Social Security, Medi-Cal, utility companies, collection agencies, neighbors, and others. HRC also provides a Care Referral Service, offers help in filing for HEAP and Homeowner/Renter Assistance, and maintains a list of senior housing and care homes.

- **Alternative Dispute Resolution.** The California Dispute Resolution Act of 1986 provides the authority for mediation in the legal court system. Housing Rights Center has a contract with the County of Los Angeles to provide mediation with small claims and unlawful detainer lawsuits in all of the courts in Los Angeles County.
- **Mobilehome Mediation.** Specialized problem solving based on Mobilehome Residency Law that reflects the dual ownership and unique life style of mobile home communities. In-park workshops are provided to assist residents to file for refunds on utility and property tax burdens.
- **Transportation Information, Conciliation and Mediation.** HRC also provides a wide range of information, conciliation, and mediation services to transportation users who have conflicts with transit providers concerning compliance with the Americans with Disabilities Act of 1990.

During a three-year period (FY 2005-2008), HRC assisted residents in the resolution of various landlord/tenant issues. Most complaints involved tenant evictions (28%), followed by rights and responsibilities (30%), habitability/repairs (24%), deposits (8%), rent increases (4%), and other complaints (6%).

Agency Coordination

Many agencies oversee the apartment rental process and related practices. This oversight includes ensuring that fair housing laws are understood and complied with. The following organizations have limited oversight within the rental housing market, and some of their policies are described.

California Apartment Association (CAA)

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

National Association of Residential Property Managers (NARPM)

NARPM promotes standards of business ethics, professionalism, and fair housing practices in the residential property management field. NARPM is an association of real estate professionals experienced in managing single-family and small residential properties. The North Los Angeles Chapter covers El Monte. In addition, NARPM certifies its members in the standards and practices of the residential property management industry and promotes continuing professional education. NARPM offers 3 professional designations: Residential Management Professional, RMP®, Master Property Manager, MPM®, and Certified Residential Management Company, CRMC®. These certifications require educational courses in fair housing.

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A. Land Use Policy

General Plan

Land use policies are fundamental to ensuring housing opportunities. The City of El Monte General Plan determines the type, amount, location and density of residential uses of land within the City in a manner prescribed by the State Planning Law. The City’s Zone Code implements the goals and objectives set forth in the adopted General Plan. Land use policies that do not promote a variety of housing opportunities can impede housing choice especially for low- and moderate income persons and households.

The City of El Monte allows housing in Five (5) of its thirteen (13) General Plan Land Use designations. **Table IV-1** provides a summary of the eight (8) zone districts and the use of a specific plan to implement the General Plan residential land use classifications.

**Table IV-1
General Plan Land Use Designations & Zones Allowing Residential Uses**

General Plan Designation	Code	Zone	Description
Low Density Single-Family Residential	R-1A	One-Family Residential	Single-family homes requiring a minimum lot size of 6,000 square feet per dwelling unit. An additional dwelling unit may be constructed under certain conditions.
	R-1B	One-Family Residential	Single-family homes requiring a minimum lot size of 9,500 to 9,750 square feet. Additional one-family dwelling units may be constructed on parcels for each 7,500 to 9,750 square feet of lot area under certain conditions.
	R-1C	One-Family Residential	Single-family homes requiring a minimum lot size of 10,000 square feet. The keeping of horses is permitted in this zone.
Low Density Multi-Family Residential 6.1 – 8.0 DU/ac	R-2	Low Density Multi-Family Residential	Single-family dwellings, two-family dwellings, and multiple-family dwellings on lots having a minimum size of 10,000 square feet and at a density that shall not exceed one unit for each 5,445 square feet of lot area.
Medium Density Multi-Family Residential 8.1 – 14.0 DU/ac	R-3	Medium Density Multi-Family Residential	Single-family dwellings, two-family dwellings, and multiple-family dwellings on lots having a minimum size of 10,000 square feet and at a density that shall not exceed one unit for each 3,111 to 4,840 square feet of lot area
High Density Multi-Family Residential 14.1 – 25.0 DU/ac	R-4	High Density Multi-Family Residential	Single-family dwellings, two-family dwellings, and multiple-family dwellings on lots having a minimum size of 10,000 square feet and at a density that shall not exceed 25 units per net acre.
Overlay Zone	PRD	Planned Residential Development	Overlay zone used in all residential zones to encourage a better environment through greater flexibility of design
	RMP	Residential Mobilehome Park	Overlay zone used to create mobilehome Park in any zone. Density of the mobilehome park established by the underlying zone.
Transit Village Specific Plan	SP-1	Mixed-Use	The mixed-use nature of the specific plan area, includes residential, institutional, retail, commercial, entertainment, hotel, public open space and public mass transit in order to provide a balance of land uses within the identified urban core

Sources: El Monte General Plan, El Monte Zoning Ordinance, 2010.

In addition to implementing and regulating the Residential General Plan Land Use designations through the creation of various residential zone districts, the City of El Monte adopted one specific plan (Transit Village Specific Plan or SP-1). The City is also considering the creation of another specific plan development for the “Downtown” area to create a vibrant center for the City with an appropriate balance of land uses, including housing. Specific Plans provide design flexibility that is essential to the creation of unique developments that are sensitive to the specific site conditions and constraints. Specific Plans are tailored to address unique site characteristics and the project purpose.

Housing Element

The Housing Element is one of seven mandated elements of the City of El Monte’s General Plan. The State of California housing element law, enacted in 1969 and recently amended in 2008 by Senate Bill 2, requires that local governments adequately plan to meet the existing and projected housing needs of all economic segments of their community. The El Monte 2008-2014 Housing Element identifies the following policy goals:

1. Create sustainable neighborhoods evidenced by quality housing conditions, ample community services, exemplary public safety and security, quality public facilities and infrastructure and civic pride.
2. Provide adequate sites for new housing that create a vibrant Downtown, revitalized transportation corridors with quality housing, and motivate reinvestment and revitalization in neighborhoods.
3. Provide diversity of quality housing types and prices that meet the needs of residents, support the economic development and revitalization, and provide opportunities for residents of all ages and income levels.
4. Provide adequate rental, homeownership, and supportive services to individuals, families, and those with special needs that will help them find and maintain affordable housing in the community.

To implement these policies, the Housing Element contains 31 housing policies designed to support and implement the City’s housing goals. Where relevant to this Analysis of Impediments, housing programs which affect Fair Housing are described.

The Housing Element is reviewed by the State Department of Housing and Community Development (HCD), for compliance with State Law. An important component of HCD certification is a determination that the City’s development goals, policies and regulations do not constrain maintenance, improvement and development of housing for all income levels, including individuals with disabilities. HCD found the 2008-2014 Housing Element to be in compliance with State Law. This determination affirms that the City has evaluated its public policies as potential constraints to the maintenance, improvement and development of housing and has adequately removed or mitigated all potential constraints through planned housing policies and programs.

Housing Opportunities

Housing Element law requires that cities facilitate and encourage the provision of a range of housing types and prices for all economic segments and special need groups. Local government policies that limit or exclude housing for persons with disabilities, the lower income, homeless persons, and families with children or other groups may violate the Fair Housing Act. **Table IV-2** highlights permitted residential uses in the various zones throughout the City.

**Table IV-2
Housing Opportunities Permitted by Zone**

Housing	Residential Zones					
	R-1A	R-1B	R-1C	R-2	R-3	R-4
Single-Family Detached	P	P	P	P	P	P
Single-Family Attached				P	P	P
Two-Family (Duplex)				P	P	P
Multiple-Family (3 or more)		CUP	CUP	CUP	CUP	CUP
Manufactured Home	P	P	P	P	P	P
Mobile Home Parks					CUP	CUP
Senior Housing					CUP	CUP
Second Units / Granny Units	P	P	P			
Live/Work						
Community Care Facilities (one to eight persons)	P	P	P	P	P	P
Community Care Facilities (eight to fourteen persons)	CUP	CUP	CUP	CUP	CUP	CUP
Emergency Shelter / Transitional Housing (Not more than 6 persons)	P	P	P	P	P	P

Source: City of El Monte Zoning Ordinance, 2010.

- P: Permitted
- CUP: Requires Conditional Use Permit
- ** Allowed only as part of an approved specific plan.
- ☐: Not Permitted

Single and Multi-family

Detached single-family dwelling units are a permitted use in all residential zones. As discussed later in this chapter, HCD typically requires jurisdictions which require conditional use permits for multiple-family in residential zones to eliminate the requirement. The use of a conditional use permit can at times constrain the development of multiple-family housing, because the project is subject to a public hearing and can often be appealed to the City Council. The City of El Monte requires the issuance of a conditional use permit for multi-family housing that is to be located in the R-1B, R-1C, R-2, R-3 and R-4 zones. While the City desires to maintain the CUP requirement in the R-3 and R-4 zones as a means to continue neighborhood stabilization efforts, the City recognizes its responsibility to address its share of the region’s housing needs. Therefore, the Housing element focuses the production of multiple-family housing along corridors and in the Transit Village. The projects will be allowed by-right as required by State law. However, the City will develop a Transit Village Specific Plan and Corridor Implementation Plans that contain objective standards so the City can ensure that a sufficient quantity and quality of housing is built that is livable and stands the test of time. The City of El Monte is in compliance with HCD requirements pertaining to the zoning of multi-family developments.

Manufactured Housing

State law requires cities to permit manufactured housing and mobile homes on lots zoned for single-family detached dwellings provided that the manufactured home meets the location and design criteria established in the Zoning Ordinance.¹ The City’s Zoning Ordinance is silent with respect to the

¹ California Government Code, § 65852.3

definition and regulation of the location and installation of manufactured housing. The City of El Monte regulation of the installation of manufactured housing is governed by the State mandate as set forth in the Government Code (Planning Law). The City may use the conditional use permit process to regulate the installation of manufactured housing in residential zones in conformance with State law and local planning regulations. Most local communities provide for the installation of manufactured housing by adopting zoning regulations that specify the following:

“Manufactured homes may be located on individual lots in all residentially zoned property lots and shall comply with all development standards of the zoning district in which it is located. In addition, the manufactured home shall be subject to the following requirements:

1. Shall be on a permanent foundation.
2. Shall have a two-car enclosed garage.
3. Shall be architecturally compatible or superior to the existing homes in the surrounding neighborhood.”

It is suggested that the City of El Monte examine its zoning regulations regarding the use of manufactured as permitted housing in the residential zones.

Mobile Home Parks

State law requires that jurisdictions accommodate a mobile home park within their community; however, a city, county, or a city and county may require a use permit. A mobile home park refers to a mobilehome development built according to the requirements of the Health and Safety Code, and intended for use and sale as a mobile home condominium, cooperative park, or mobile home planned unit development.² In compliance with State law, the City permits mobile homes parks, subject to a Conditional Use Permit, within the R-3 and R-4 zones. According to the 2008-2014 Housing Element, the City has more than 1,406 affordable mobile homes that provide affordable housing.

Accessory Units

Enacted in 2002, AB1866 requires cities to use a ministerial process to consider and approve accessory dwelling units in residential zones.³ According to HCD, a local government must “...accept the application and approve or disapprove the application ministerially without discretionary review...” In order for an application to be ministerial, the process must apply predictable, objective, fixed, quantifiable, and clear standards. These standards must be administratively applied to the application and not otherwise be subject to discretionary decision-making by a legislative body. The City allows accessory units in all single-family residential zones, permitted by right. Therefore, the City is in compliance with AB1866.

Residential Care Facilities

The Lanterman Developmental Disabilities Services Act declares that mentally, physically, and developmentally disabled persons, children and adults who require supervised care are entitled to live in normal residential settings. State law requires that licensed residential care facilities serving six or fewer persons be treated as a residential use under zoning, be allowed by right in all residential zones, and not be subject to more stringent development standards, fees, taxes, and permit procedures than required of

² California Government Code § 65852.7

³ California Government Code § 65852.2

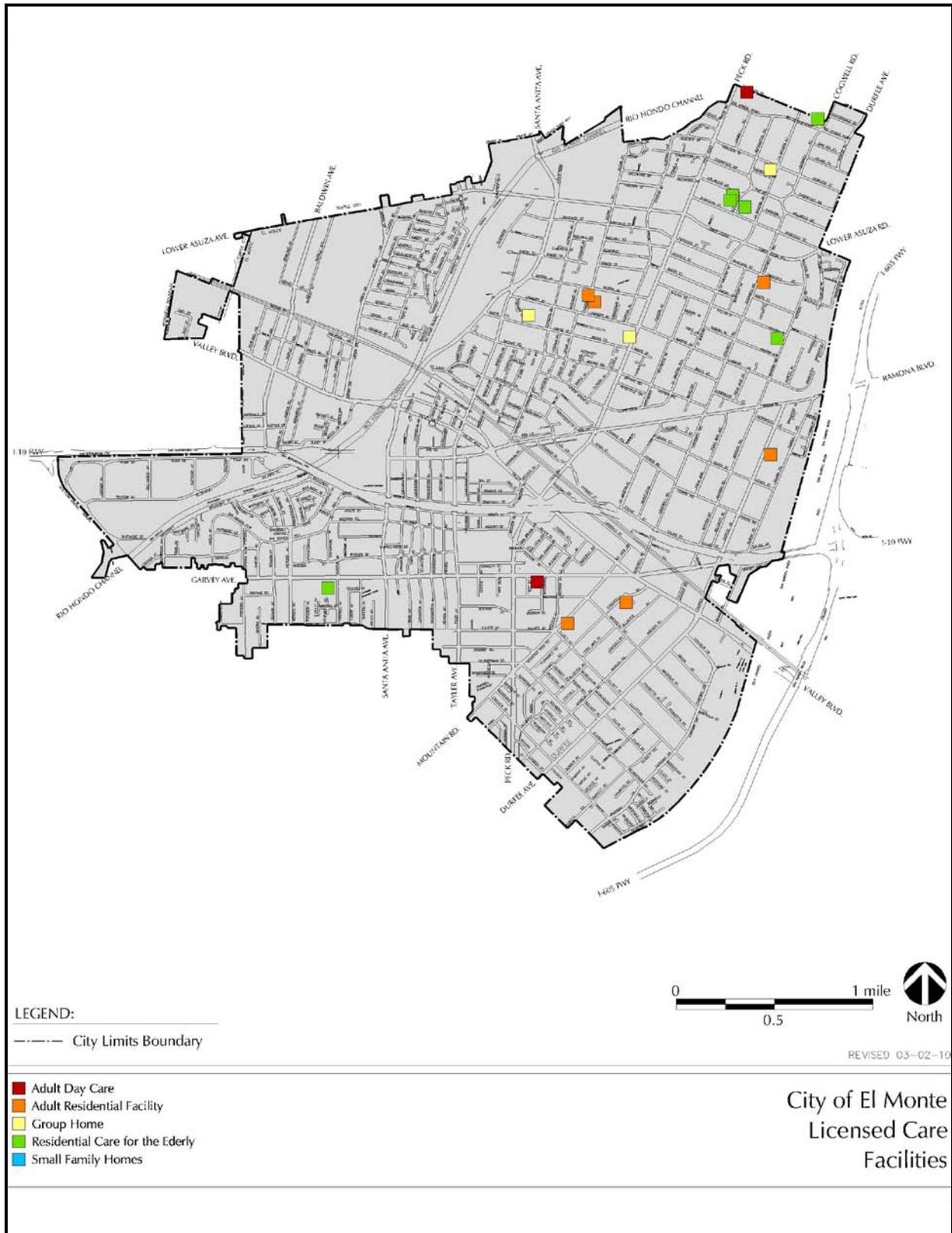
the same type of housing (e.g., detached single-family dwellings) in the same zone.⁴ **Map 4** illustrates the distribution of such facilities throughout the City of El Monte.

The City allows licensed residential care facilities serving six (6) or fewer clients as a permitted use in all residential zones. In recent years, the City has received requests to establish care facilities not licensed by the State. Currently, the Zone Code does not define these uses nor does it provide guidance regarding how to permit or regulate these facilities in a manner compatible with residential neighborhoods. The City is committed to amending the Zone Code to define residential care facilities, specify permitting processes, identify where such uses are permitted, and create regulations to exercise appropriate review within the parameters of State law.

As of 2009, 17 licensed residential care facilities provide accommodations to approximately 191 residents. Residential care facilities serving eight (8) or more clients are allowable in all residential zones subject to a Conditional Use Permit.

⁴ California Welfare and Institutions Code, §5000 et. seq. California Health and Safety Code, §1500 et. seq.

Map 4
Licensed Residential Care Facilities



Emergency Shelters/Transitional Housing

State law requires cities to identify adequate sites, appropriate zoning, development standards, and a permitting process to facilitate and encourage development of emergency shelters and transitional housing. The courts have also passed subsequent rulings.⁵ To that end, State law (SB2) requires jurisdictions to designate a zone and permitting process to facilitate the siting of such uses.

The City of El Monte works with the County of Los Angeles Continuum of Care Coalition to address homelessness. The City provides funds to various charities that provide services to the homeless. The City is home to an Intake Center, transitional and permanent supportive housing projects. The City will amend the Zone Code to permit emergency shelters single-room occupancy units by right in a newly created M-1 overlay zone and provide appropriate management, operation, and standards as needed. The City will amend the Zone Code by 2010 to permit transitional housing and permanent supportive housing as a residential use in all zones allowing residential uses subject to the same processing requirements as similar uses in the same zone.

B. Development Policy

Development Standards

The General Plan provides policy guidance as to where housing can be located. The Zoning Ordinance (or Zone ore Development Code) establishes minimum residential development standards to ensure the construction of quality housing, to preserve and protect neighborhoods, and to further broaden City land use goals. **Table IV-3** highlights pertinent residential development standards in the City of El Monte.

**Table IV-3
Residential Development Standards**

Standard	Zoning Districts					
	R-1A	R-1B	R-1C	R-2	R-3	R-4
Density (units/acre)	6.0	5.0	4.0	8 attached	8-14	14-25
Minimum Lot Size (sf.)	6,000	7,500 – 9,750	10,000	5,445	3,111-4,840	1,724-3,111
Maximum Lot Coverage	40%	40%	40%	45%	45%	45%
Maximum Height (stories)	2.5	2.5	2.5	2.5	3.0	N/A
Front/Rear Yard (ft.)	20/10	20/20	20/35	20/20	20/15	20/20
Off-Street Parking	Two car garage & may require three car garage	Two car garage minimum. 5-bedroom dwelling requires a three car garage plus one open space		Up to 1,200 sf = two car garage Each additional 300 sf requires 1 open space		

Source: El Monte Zoning Ordinance, 2010

Fair Housing Impediment Study: Review of Zoning and Planning Codes

The Fair Housing Impediments Study includes the review the General Plan and the Zoning Code in order to identify regulations, practices and procedures that may act as barriers to the development, siting and use of housing for individuals with disabilities. In addition to the review of documents City Planning and Building Department staff has been interviewed. Non-profit developers specializing in the creation of housing designed to address the special needs of persons with disabilities were solicited for their input.

⁵ Hoffmaster v. City of San Diego, 55 Cal.App.4th 1098

The data were analyzed to distinguish between regulatory and practiced impediments describe by the jurisdiction. The following table contains the results of the Fair Housing Impediment Study:

**Table IV-4
Fair Housing Impediment Study**

Type of Impediment	Compliance Yes or No	Impediment Description	Jurisdiction Practice	Comment
Regulatory	Yes	Definition of "Family"	No definition of "Family" contained in the Zone Code	City uses "Family" definition set forth in State Codes
Regulatory	Yes	Definition of "Disability"	No definition of "Disability" contained in the Zone Code	City uses "Disability" definition set forth in State Codes
Practice	Yes	Personal Characteristics of residents considered?	City does not regulate or consider residents personal characteristics	City encourages and permits ADA housing improvements
Practice	Yes	Mischaracterize ADA housing as "Boarding or Hotel"?	City provides for group housing as mandated by State law	City complies with State law regarding housing opportunities
Practice	Yes	On-site supporting services permitted	City provides for on-site ADA supporting services	City complies with State law regarding ADA services
Regulatory	Yes	Number of unrelated persons residing together	City complies with State law regarding number of unrelated persons residing on-site	City does not distinguish between able or disable when addressing the number of unrelated persons residing on-site
Regulatory	Yes	Allow ADA Modifications in municipal-supplied or managed housing	City does not own or manage public housing	City contracts with Baldwin Park Housing Authority. HA complies with State law
Regulatory	Yes	Variances	City requires a public hearing for all zoning variance	City complies with State law regarding the granting of variances.
Regulatory	Yes	Mixed Use land uses permitted	City provides for commercial/residential mixed land use.	City requires a CUP and allows a density of 14 DU/ac
Regulatory	Yes	Zoning Discrimination/Exclusion	City does not discriminate based on race, color sex, religion, age, disability, marital or family status, creed or national origin	All City regulations and policies comply with Federal and State law
Regulatory	Yes	Senior Housing Restrictions & Federal Law	City requires a CUP for Senior Housing Projects	City regulations regarding senior housing comply with Federal and State law
Regulatory	Yes	Zoning for ADA accessibility	City's Building Code provides for ADA access	City's zone code defers to the Building Code regarding ADA access
Regulatory	Yes	Occupancy Limits	City codes do not limit occupancy	City codes comply with State law
Regulatory	Yes	Zoning for Fair Housing	City's Housing Element promotes Fair Housing, Zone Code does not conflict with that policy	City's General Plan promotes and requires compliance with all fair Housing laws and policies.
Regulatory	Yes	Handicap Parking	City's zoning and Building Codes require 1 handicap parking space for each 40 required parking spaces	City codes comply with State and Federal requirements
Regulatory	Yes	CUP required for Senior Housing	City only requires a CUP for multi-family Senior Housing	City does not distinguish between SF housing and Senior SF Housing
Regulatory	Yes	CUP required for Handicapped Housing	City does not require a CUP for Handicapped Housing	City complies with State and Federal law regarding ADA designed housing
Regulatory	Yes	Special Group Housing	City defines Group Housing as set forth in State law	City complies with State and Federal law regarding Group Housing
Regulatory	Yes	ADA & Fair Housing	City adopted California State Building & Housing Codes	Building Department reviews all plans for compliance with adopted codes.

The City of El Monte is committed to furthering and improving fair housing opportunities so people in all walks of life have the opportunity to find suitable housing in the community. To that end, the City contracts with a fair housing service provider to provide landlord/tenant education, conduct testing of the rental and ownership market, and investigate and mediate housing complaints where needed. The

City periodically prepares the required federal planning reports, including the analysis of Impediments to Fair Housing Choice, to document the City's progress in improving and maintaining fair housing opportunities. The City of El Monte has adopted General Plan policies and programs that promote Fair Housing goals and objectives in accordance with State mandate. All City Planning and Building regulations implement the City's adopted policies with respect to Fair Housing.

Local Government Fees

Since the passage of Proposition 13 in 1978, local governments have had to diversify their revenue sources. As reliance on General Fund revenues declined, local governments began charging service fees and impact fees to pay for City services needed to support the development of new housing. The City currently charges fees and assessments to cover the costs of processing permits and providing services for residential projects. Development fees depend on the location, project complexity, and cost of mitigating environmental impacts.

State law allows local governments to charge fees necessary to recover the reasonable cost of providing services. State law also allows local governments to charge impact fees provided the fee and the amount have a reasonable nexus to the burden imposed on local governments. While the fees in El Monte constitute a portion of housing sales prices, the fees are necessary to provide an adequate level of services and mitigate the impacts of housing development. To facilitate affordable housing development and to off-set the impact of these fees on development costs, the City has the ability to "gap-finance" projects by utilizing various other revenue sources.

Building Codes

Building codes are enacted to ensure the construction of quality housing and further public health and safety. Ensuring that buildings are accessible to people with disabilities is an important way to improve fair housing. However, the rigid adherence to non-essential codes may indirectly create discriminatory impacts on people with disabilities. The following discusses the City's building codes and applicability to persons with disabilities.

The City of El Monte adopted the 2007 edition of the California Building Code, based upon the 2006 International Building Code with local amendments. California cities are required to adopt the California Building Standards Code (Title 24 of the California Code of Regulations). The Code is a set of uniform health and safety codes covering building, electrical, mechanical, plumbing, fire safety, and other issues. Uniform codes are considered the minimum acceptable standards for health and safety. The California Building Standards Commission updates these codes every three years based on updates to uniform codes adopted by professional associations (such as the ICBO).

State law allows cities to add local, more restrictive, amendments to the California Building Code, provided such amendments are reasonably necessary to address local climatic, geological, or topographic conditions. The City adopted local amendments to address fire hazards, seismic conditions, wind conditions and minimal construction techniques for heavy rains and floods caused by special environmental conditions. None of these amendments directly or indirectly limit the type of housing opportunities available to disabled persons nor do they limit access to housing. All local amendments are intended to strengthen and enhance building and safety standards to provide safer housing opportunities and disabled access to housing in excess of California Code's current requirements.

Accessibility Standards

Cities that use federal funds must meet federal accessibility guidelines that accommodate people with disabilities. For new construction and substantial rehabilitation, at least 5% of the units must be

accessible to persons with mobility impairments and an additional 2% of the units must be accessible to persons with sensory impairments. New multi-family housing must also be built so that: 1) the public and common use portions of such units are readily accessible to and usable by disabled persons; 2) the doors allowing passage into and within such units must accommodate wheelchairs; and 3) all units must contain adaptive design features.⁶

The Federal Department of Housing and Urban Development (HUD) also recommends, but does not require, that the design, construction and alteration of housing units incorporate, wherever practical, the concept of visitability. This recommendation is in addition to requirements of Section 504 and the Fair Housing Act. Recommended construction practices include wide enough openings for bathrooms and interior doorways and at least one accessible means of egress/ingress for the handicapped to each unit.⁷

The City's adopted Building Code contains and incorporates the latest accessibility standards promulgated by the State and federal government. The City checks plans for compliance with State and Federal accessibility law so that privately owned and publicly assisted housing with four or more units meets accessibility requirements of the Fair Housing Act. The City of El Monte enforces all federal and State accessibility laws but does not require accessibility standards in excess of State and federal law.

Reasonable Accommodation

Because a significant portion of the El Monte housing stock was built well before the advent of modern accessibility standards, there are times when residents need to modify their home to allow access by a person with a disability. The City encourages property owners to install features that accommodate people with disabilities (e.g., ramp to the front door). Such requests are approved upon payment of building permit and plan check fees, as applicable.

In 2001, the State Office of the Attorney General issued a letter encouraging local governments to adopt a reasonable accommodation procedure.⁸ The Department of Housing and Community Development (HCD) has also urged the same. The federal Fair Housing Act and California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodation when such accommodation may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. The State Attorney also provided guidance on the preferred procedure.

Some cities handle requests for reasonable accommodations pursuant to a variance or conditional use permit. Courts have concluded that such requirements do not necessarily violate the FHA. However, a variance technically requires findings that physical site constraints preclude full use of a property. A request for reasonable accommodation is due to an individual's disability. Situations could arise where a request could be denied under a variance finding but still be valid as a reasonable accommodation. The City of El Monte complies with State law by providing an administrative process to allow modifications to land use, building codes and the permitting process to facilitate the reasonable accommodation process without going through a standard and costly variance process. According to the 2009 Housing Element, it is the City's policy to "maximize accessibility for disabled people" by continuing to approve reasonable accommodations.

Permit Processing

Development permit procedures are designed to ensure that residential development proceeds in an orderly manner so as to ensure the public's health, safety, comfort, convenience, and general welfare.

⁶ Section 804(f)(3)(C) of the Fair Housing Act

⁷ HUD Directive, Number 00-09.

⁸ State Office of Attorney General, May 15, 2001

Although permit processing procedures are a necessary step, unduly burdensome procedures can subject developers to considerable uncertainty, lengthy delays, and public hearings that cumulatively make a project financially infeasible.

State law requires communities work toward improving the efficiency of building permit and review processes by providing one-stop processing, thereby eliminating the necessary duplication of effort. The Permit Streamlining Act helped reduced governmental delays by limiting processing time in most cases to one year and requiring agencies to specify the information needed to complete an acceptable application.⁹

The City development approval process is designed to accommodate, not hinder, development. The City of El Monte is committed to processing project applications within 30 days of submittal to determine if a project application can be deemed complete. Following review by City staff in key departments, project applications requiring Planning Commission approval are scheduled for review within 2-3 weeks.

The Planning Commission reviews projects and recommends appropriate conditions of approval. The Planning Commission has the authority to approve, conditionally approve or deny the proposed project. If the project is approved, an approval letter, including the conditions of approval, is sent to the applicant. The City Council only reviews projects that require a legislative determination such as a General Plan Amendment, Zone Change, Zone Code Amendment, Subdivision Tract Maps.

The project approval process is identical for all residential projects. If a housing project does not require a discretionary decision, (two or fewer dwelling units require only staff review and plan check), the average time for processing a ministerial plan check is four to eight weeks. If the project requires a discretionary decision as previously described, the process, due to noticing requirements, project revisions, and the generation of staff reports, typically takes eight to twelve weeks. If the project requires a legislative decision by the City Council an additional five to six weeks is typically required to allow for scheduling of public hearings.

To mitigate the entitlement costs involved with developing affordable housing, the City allows priority development review processing for low and moderate income housing applications, as well as housing projects for the elderly. Expedited review processing can be concluded within four to six weeks. Processing times vary with the complexity of the project. Single-family homes and minor tenant improvements can typically be processed within three to four weeks. Projects requiring Conditional Use Permits, Zone Changes, or other discretionary actions necessitate an extended level of review, resulting in longer processing times. However, comparatively speaking, the City's processing and permit issuance procedures are not a constraint to the development of affordable housing.

Assessment

HCD reviews local development processing procedures to ensure that such procedures facilitate and encourage the construction of housing for all income levels. HCD often considers that a conditional use permit for multi-family housing subjects the project to unfounded neighborhood criticism that can often lead to rejection of a project that otherwise complies with City regulations. The City is committed to providing sites that have sufficient capacity to accommodate its fair share of the Regional Housing Need Assessment (RHNA). The removal or mitigation of impediments that could or may prevent achievement of this goal is essential.

State law prohibits a local agency from disapproving low income housing development projects, or imposing conditions that make the development infeasible, unless at least one of six statutory conditions is identified. The following three circumstances could require denial of an affordable housing project: 1)

⁹ Government Code Section 65920 et seq.

the project would have an unavoidable impact on health and safety which cannot be mitigated; 2) the neighborhood already has a disproportionately high number of low income families; or 3) the project is inconsistent with the general plan and the jurisdiction's mandatory housing element has been found to be in compliance with State law.¹⁰

Community Representation

The City values citizen input. This is an important method in determining the level of community satisfaction with its government. The City Council relies on its Planning Commission, Community Services Commission and other commissions to advise the City Council on important issues and they make recommendations regarding the nature and scope of City services. The El Monte City Council makes an effort to ensure that advisory boards and commissions reflect the diversity of the City's residents. Commissions and Boards that have responsibility for land use and development policy and regulation can have a significant impact on fair housing choice.

For further information, the El Monte Municipal Code describes each commission, its scope and authority, election or appointment regulations, and functions.

Public Housing Authority (PHA) Tenant Selection Procedures

The Baldwin Park Housing Authority administers the Housing Voucher rental program under contract with the City of El Monte. The Housing Voucher program extends rental subsidies to very low income households by offering the tenant a voucher that pays the difference between the current fair market rent (FMR) established by the Housing Authority and 30 percent of the tenant's income. The voucher is accepted on a voluntary basis by the landlord. In some cases, rental assistance is needed on a shorter-term basis to prevent homelessness. In these cases, the City also provides rental assistance to local service agencies that serve the community. An examination of BPHA tenant selection procedures did not reveal any impediments to fair housing choice.

Residential Anti-Displacement Policy

It is the policy of the City of El Monte to comply with the requirements of Section 104(d) of the Housing and Community Development Act of 1974 with respect to the prevention and minimization of residential displacement as a result of the expenditure of HUD assistance. For further information, consult Chapter III of the 2010-2014 Consolidated Plan.

C. Housing—Employment—Transportation Linkage

The City of El Monte has numerous plans that impact housing opportunity, provision of public services, and access to public transit within the community. These plans include the City's General Plan, Housing Element, Transit Village Specific Plan, Consolidated Plan, Redevelopment Implementation Plan, and the Baldwin Park Housing Authority Plan.

This section first provides details on how the City of El Monte and other agencies further fair housing for City residents through housing programs, employment, and services. The section concludes with an analysis of transit policies and services to determine if there are impediments to fair housing that are apparent as a result of the locations and concentrations of housing and employment centers as related to public transportation routes in the City.

¹⁰ Government Code Section 65589.5

Housing Programs

The 2008-2014 Housing Element adopted by the City and certified by HCD on March 30, 2009 sets forth various housing goals for the community, accompanied by many implementing policies and programs. The following briefly describes rental assistance, homeownership assistance, housing rehabilitation programs, and neighborhood revitalization efforts currently underway in El Monte.

Rental Assistance. The City of El Monte contracts with the Baldwin Park Housing Authority (BPHA), a federally-funded agency, to administer a rental Housing Voucher assistance program for qualified very low income families, disabled people, and seniors. In addition, a large number of Housing Authority of the County of Los Angeles (HACoLA) Section 8 participants utilize their vouchers in the City of El Monte. Section 8 Voucher Program, a rent subsidy program, offers very low income households the opportunity to obtain affordable, privately-owned rental housing on the open rental market. Section 8 tenants pay a minimum of 30% of their income for rent and the Housing Authority pays the difference to the negotiated payment standard (or fair market rent) established by HUD. As of November 2009, 619 households in El Monte were utilizing Section 8 vouchers through the BPHA or HACoLA.

However, the demand for affordable housing far outpaces available financial resources. As of November 2009, 27,607 families countywide were on the waiting list. The estimated wait time for a Section 8 voucher is 7 - 10 years.

The Baldwin Park Housing Authority (BPHA) opened its waiting lists in April 2008, resulting in a doubling of the list and the estimated wait time to secure a Section 8 voucher or public housing. Applications can be completed and submitted online, at the Baldwin Park Housing Authority, or mailed in. The BPHA subsequently closed the application process for another three to five years.

Homeownership Assistance. While financial lending institutions offer homeownership programs, the City cooperates with other organizations to increase homeownership opportunities. Households earning up to 80 percent of the County median family income and are seeking to purchase a home in El Monte can apply for First Time Homebuyer assistance through the City of El Monte. Using federal HOME funds, the City provides financing assistance of up to 25 percent of the eligible purchase price of a home through a silent second mortgage. The loan term is 30 years at zero interest and no monthly payments. In implementing the program, high housing prices relative to household income has resulted in few successful applications. This underscores the need for additional funding sources that have higher income limits (e.g. redevelopment set-aside funds) than under the federal HOME program.

Housing Inspection Program. According to the City's Housing Element, the City has experienced illegal conversions, unpermitted construction and other housing and code violations. These situations create potential safety hazards, depress surrounding property values and create blighting influences. To address these situations, the City has implemented the Housing Inspection Program for all single-family homes. This program requires the property owner to address health and safety code violations prior to the closure of sale.

Housing Rehabilitation. Housing rehabilitation is an important means to improve individual properties as well as maintain the quality of life in our neighborhoods. The City offers a variety of housing rehabilitation grants and loans for property owners to repair their homes. The Housing Rehabilitation Loan program provides up to \$35,000 in loans for the rehabilitation and/or preservation of property. The loan is a zero percent deferred loan to low- and moderate-income households that is payable in full upon the sale, transfer, lease, rental, cash-out or unapproved refinance of all or any part of the property. The loan is available for single-family residences

containing one or two dwelling units, one of which is owner occupied. Loans may be used for lead-based paint testing and abatement, electrical, heating, plumbing, roofing, exterior work, building code violations and health and safety issues.

Neighborhood Services Grant. The City offers two (2) housing rehabilitation grants for property owners to repair their homes. Under the Emergency Grant Program, the City offers up to \$1,600 of assistance to respond to emergency rehabilitation situations such as heating, hot water heaters, electrical and plumbing. The City also offers grants of up to \$5,000 to income-qualified owners to make minor improvements to single-family homes. Eligible improvements include the correction of code violations, exterior painting, roof repair, repair of faulty electrical and plumbing systems and other conditions that pose health and safety hazards. The program also addresses barriers to accessibility and lead-based paint testing and abatement.

Employment and Economic Development

Certain areas of El Monte have historically suffered from blighting conditions which have resulted in a lack of economic investment, deteriorated infrastructure, poor neighborhoods and housing, and higher prevalence of social problems, including crime. These factors often impact the viability of local neighborhood businesses that can provide jobs in close proximity to the homes of low- and moderate-income residents. To address these concerns, the City has adopted eleven (11) redevelopment project areas, as shown in **Map 5** to address these conditions. The redevelopment project areas include:

Northwest El Monte: The Northwest El Monte Redevelopment Project Area is one of the largest project areas in the city. It encompasses 410 acres of industrial land and was adopted in 1993. Completed projects include a Badminton Sports facility, a 100 unit senior housing project, and a multi tenant industrial complex. Upcoming projects include the construction of Pacific Place, a multi tenant industrial complex that included the City's maintenance facility.

El Monte Center: The El Monte Center Project Area was adopted in 1983 and included 60 acres of commercial property. The Redevelopment Agency has assisted in the development of a community shopping center that includes a Denny's Restaurant, Sears Essentials, Dearden's Department Store, and a HomeTown Buffet. The El Monte Center Project Area is also home to Longo Toyota, the No. 1 auto dealership by sales and volume in the nation.

El Monte Center Amendment No. 1: The El Monte Center Amendment No. 1 Project Area was created in 1989 and consists of an additional 114 acres of commercial land. In 1996, the Agency assisted in the development of a Nissan dealership. Nelson Honda, Nelson Dodge and Scott Pontiac soon followed. Together these auto dealerships, along with nearby El Monte Ford, form the El Monte Auto Center along the San Bernardino I-10 Freeway.

Downtown El Monte: The Downtown El Monte Project Area was implemented in 1987 and encompasses 213 acres. Redevelopment efforts have resulted in the development of the Santa Fe Plaza, a neighborhood commercial center that includes El Pollo Loco, H & R Block, Rite Aid, Beneficial Household Bank, and El Sombrero Restaurant. The TELACU Amador Manor, a multi-unit senior housing development was also recently completed with the assistance of the Redevelopment Agency. Current projects include Vista del Valle, 35 detached homes behind Valley Mall, and a proposed retail complex on Valley Blvd. and Santa Anita Ave.

Downtown El Monte Added Area: The Added Area to the Downtown El Monte Project Area contains 231 acres of commercial, residential, and industrial land and was adopted in 2001. This new project area focuses on the revitalization of the residential neighborhoods by adding new street trees, repairing

sidewalks, and providing grants & loans for property improvements, as well as providing opportunities for new development.

Santa Anita / Tyler: The Santa Anita/Tyler Project Area was adopted in 1984 and resulted in the development of two 2-story 64,400 square foot office buildings adjacent to the El Monte Airport.

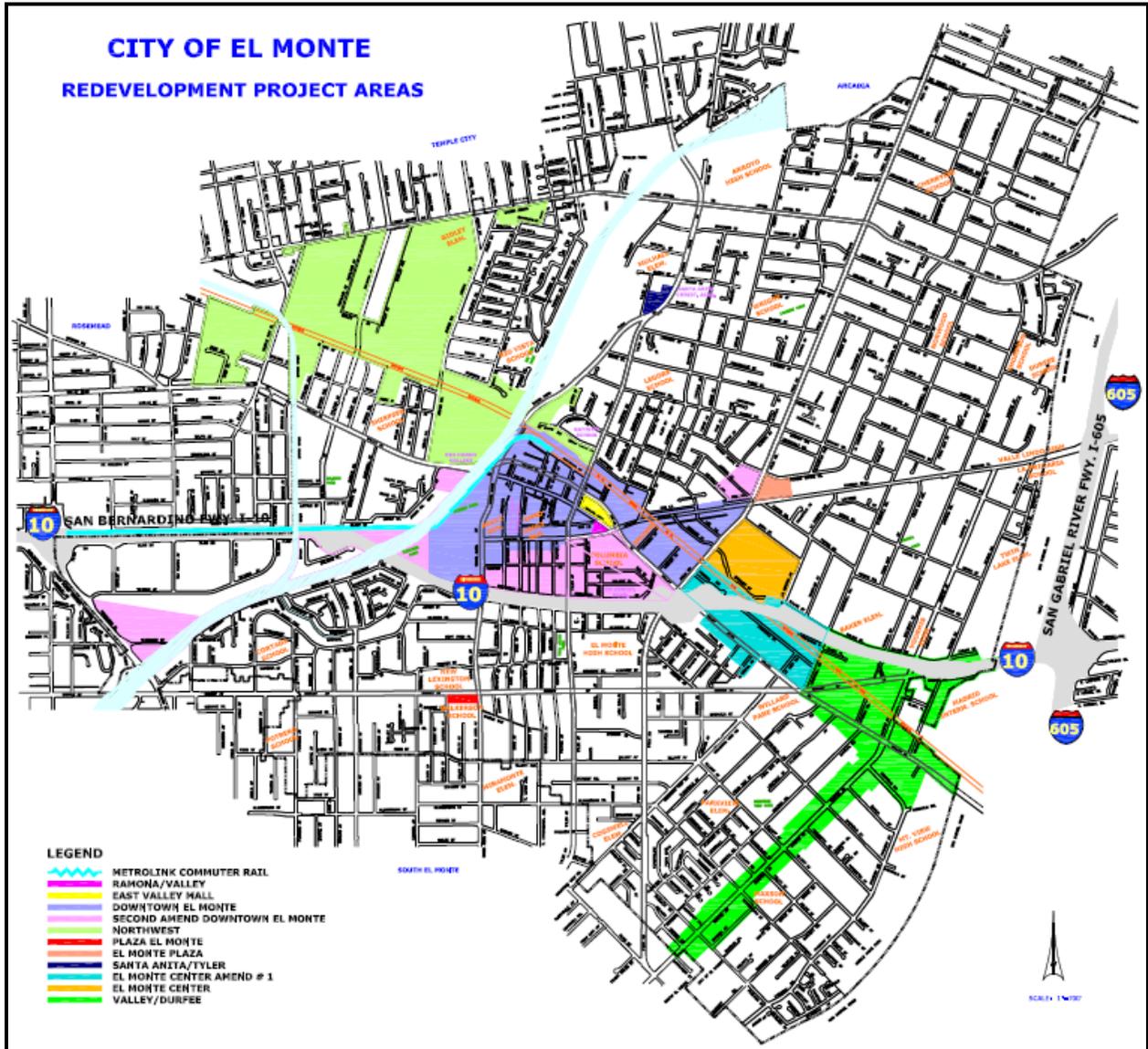
Ramona / Valley: The Ramona/Valley Project Area was adopted in 1982 and is occupied by a Bank of America branch office.

Plaza El Monte: The Plaza El Monte Project Area was adopted in 1981 and contains a neighborhood shopping center that is anchored by Payless Shoe Source and King Taco Restaurant.

El Monte Plaza: The El Monte Plaza Project Area was adopted in 1978 and consists of a neighborhood shopping center that was anchored by North Gate Gonzalez Market, and is surrounded by a number of retail shops, including as Blockbuster Video, Enterprise Rent a Car, and Baskin Robbins.

East Valley Mall: The East Valley Mall Project Area was the first project area in El Monte. The redevelopment agency issued a bond to assist in the development of El Monte Executive Plaza, a 6 story professional office building. This project area is also currently the site of Chase Bank.

Map 5
Redevelopment Project Areas



Source: City of El Monte Redevelopment Agency, 2010.

Public Services and Facilities

A variety of public services and facilities are available to El Monte residents. Some of the key facilities and services are identified in **Table IV-5**.

**Table IV-5
Public Services and Facilities**

Public Facility	Location
El Monte Public Library	3224 N. Tyler Avenue.
Norwood Public Library	4550 Peck Rd.
Senior Citizen Center	3120 N. Tyler Avenue
Arceo Park	3125 N. Tyler Avenue
Fletcher Park	3404 Fletcher Parkway
Pioneer Park	3535 Santa Anita Avenue
Rio Vista Park	4725 Ranger Ave.
Baldwin Mini Park	3750 Baldwin Ave.
Lambert Park	11431 McGirk St.
Mountain View Park	12127 Elliot Avenue
Zamora Park	3820 Penn Mar Ave.
Lashbrook Park	3141 Lashbrook Ave.
Gateway Park	10565 Valley Boulevard
Santa Fe Trail Historical Park	3675 Santa Anita Ave.

Source: City of El Monte, 2009.

Housing—Employment—Transportation Linkage

Public transit helps move people who cannot afford personal transportation or who elect not to drive. Elderly and disabled persons also rely on public transit to visit doctors, go shopping, or attend activities at community facilities. Many lower income persons are also dependent on transit to go to work. Public transit that provides a link between job opportunities, public services, and affordable housing helps to ensure that transit-dependent residents have adequate opportunity to access housing, services, and jobs.

Local and Regional Services. Foothill Transit operates throughout the urbanized area east of Los Angeles from Pasadena in the west to Claremont, Montclair and Chino in the East. The City of El Monte is served by Foothill Transit as well as the Los Angeles County Metropolitan Transportation Authority (MTA), the primary local transit service providers.

Foothill Transit is a joint powers authority of 21-member cities in the San Gabriel and Pomona Valleys, was created in 1988 after the former Southern California Rapid Transit District (RTD) announced service cuts and fare increases that would negatively impact the San Gabriel Valley. In an effort to provide better public transportation options for the community while reducing costs and improving local control, the Los Angeles County Transportation Commission (LACTC) approved Foothill Transit's application to assume operation of 14 lines which were operated by the RTD.

Fixed-route bus service began in December 1988 with operation of Lines 495 and 498. The remaining 12 lines were transferred to Foothill Transit over a period of five years. Foothill Transit also assumed administration of the Bus Service Continuation Project and began providing service on

an additional six lines that were abandoned by the RTD. The agency analyzed the transit need for the region and began modifying existing lines, increasing weekday service, introducing weekend service, and creating new service. Foothill Transit now operates 36 fixed-route local, express and rail-feeder lines, covers 327 square miles, and serves 15 million customers each year. This number is up from 9.5 million at the time of Foothill Transit's original application.

Los Angeles County Metropolitan Transportation Authority (MTA) serves as transportation planner and coordinator, designer, builder and operator for one of the country's largest, most populous counties. More than 9.6 million people – nearly one-third of California's residents – live and within MTA's 1,433-square-mile service area. The MTA provides bus routes in addition to those offered by Foothill Transit in the City of El Monte. In addition to bus routes, the MTA also offers the metro rail Silver Line from El Monte Station through east Los Angeles and Downtown to the Artesia Transit Center.

Transit routes within El Monte are laid out to maximize circulation throughout the City. The bus routes primarily serving the City of El Monte are shown in Tables IV-6 and IV-7. Intra-city shuttle routes are shown in Table IV-8. Bus routes generally begin between 5:00 a.m. and run until 10:30 p.m. on weekdays. All buses are equipped with lifts to carry wheelchairs and other mobility devices allowing people with a disability to board buses.

**Table IV-6
Foothill Transit Bus Lines in El Monte**

Line	Description
178	Puente Hills Mall – El Monte Station
269	El Monte Station – Montebello Town Center
272	Duarte-El Monte-West Covina
482	Pomona-Hacienda Heights-El Monte
486	Pomona-La Puente-El Monte
488	Glendora-West Covina-El Monte
492	Montclair-Arcadia-El Monte
493	Phillips Ranch-Diamond Bar-Downtown L.A.
494	San Dimas-Glendora-El Monte
497	Chino-Industry-Cal State L.A.-USC Medical Center-Downtown L.A.
498	Citrus College-Downtown L.A. Express Service
499	San Dimas-Via Verde-L.A. Express Service
699	Montclair-Fairplex-Cal State L.A.-Downtown L.A. Express Service

Source: Foothill Transit, 2009.

**Table IV-7
MTA Bus Lines in El Monte**

Line	Description
M70	Los Angeles-El Monte
M76	El Monte-Downtown L.A.
M78	Arcadia-Los Angeles
M266	Lakewood-Pasadena
M267	Altadena-Duarte / Altadena – El Monte
M268	La Cañada Flintridge - El Monte via Baldwin Av & Washington Blvd.
M270	Norwalk - Monrovia via Workmanmill Rd & Peck Rd
M287	El Monte - Indiana Gold Line Station via Garvey Av & Floral Dr
M484/490	El Monte Transitway - Downtown LA El Monte Station

Source: MTA, 2009.

**Table IV-8
El Monte Commuter Shuttles**

Route	Description
Flair Park	Flair Park – MTA Station – Metro link Station
Civic Center	Civic Center – Metrolink – MTA Station
Mid Day Flair	Flair Park – MTA Station – Metrolink Station

Source: City of El Monte, 2009.

In compliance with ADA and Title VI of the Civil Rights Act, Foothill Transit and the MTA each offer a program to disabled people who are unable to use fixed- route bus service. The ADA program offers curb-to-curb service as a ride-share program. Service is provided in lift-equipped mini-buses and vans. This special service is available through the transit providers in the service area within a 3/4 mile radius of an existing fixed bus route. Service is available on the same days and at the same times as fixed-route buses.

Transit fares depend on the type of user and number of trips purchased. The standard full fare is \$1.00 for a one-way trip, with seniors and disabled persons eligible for a discounted rate of \$0.50. Children age 5 and under may ride Foothill Transit busses for free (maximum of two children per paying adult). A 31-day pass is available for adults (\$66.00), students (\$30.00), and seniors/disabled (\$20.00).

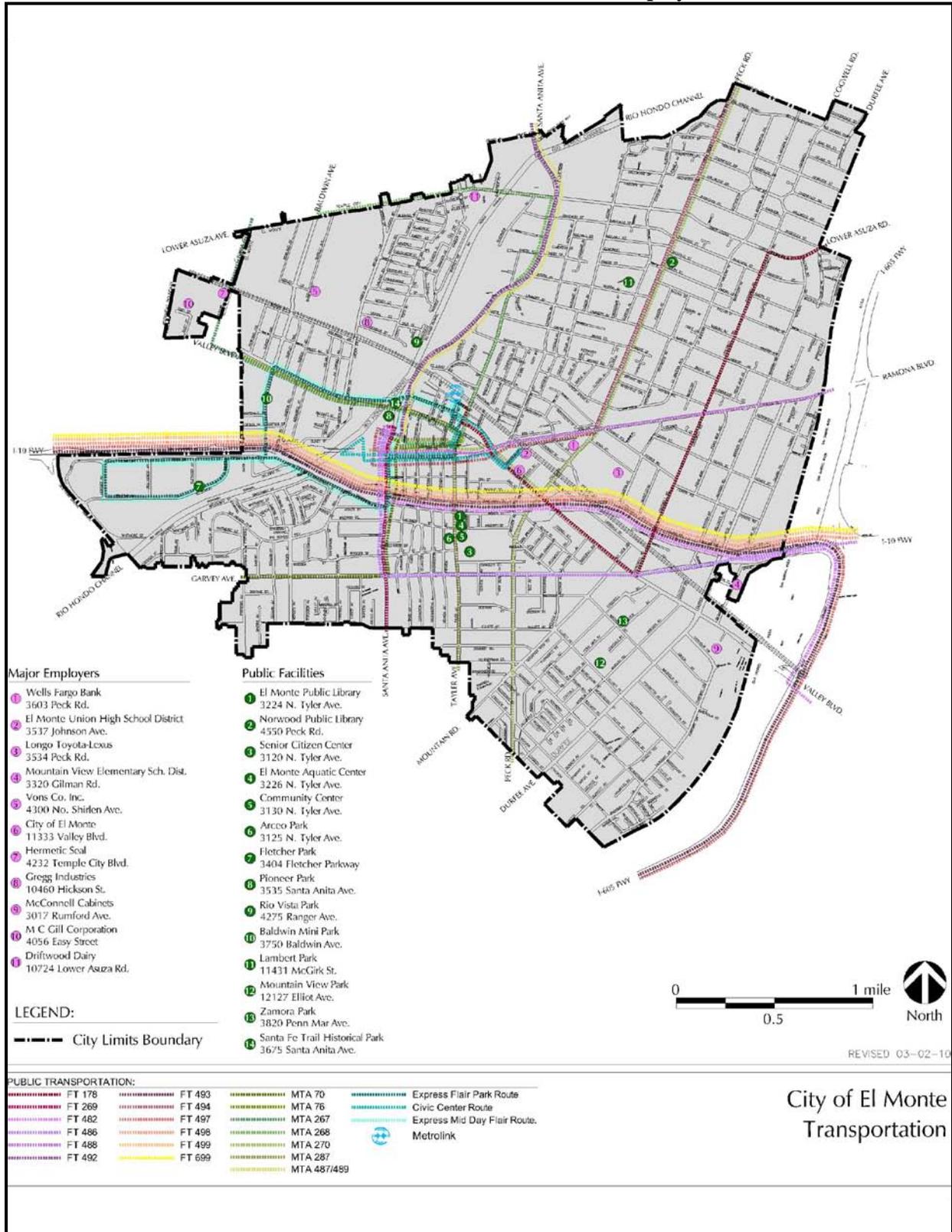
Metrolink is a premier regional rail system, including commuter and other passenger services, which links people to employment and activity centers. Services run Monday through Sunday. The San Bernardino Line (Union Station to San Bernardino) through El Monte begins at 6:05 a.m. and ends at 10:30 p.m. This line also runs from San Bernardino to Union Station, starting at 4:18 a.m. and ending at 8:50 p.m. A one-way regular fare from El Monte to Union station costs \$6.50 on weekdays and \$5.00 on weekends. Seniors and youth are eligible for a reduced fare (\$3.25). Multi-day and monthly passes are available at reduced rates.

Service Standards. Foothill Transit and the MTA have each adopted service standards to ensure a high level of service and equitable distribution of services among the many communities served. Perhaps the most important indicator is route coverage. All areas having a minimum residential density of 3.5 dwelling units per acre or employment density of 10 jobs per acre, as measured over an area of 25 acres, should be provided with a transit service that places 90% of residences and jobs within one-half mile of a bus stop. To provide adequate access to persons with disability, special service is available through the Foothill Transit service area within a 3/4 mile radius either side of an existing Foothill Transit or MTA fixed-route.

Foothill Transit and MTA maps as of December 2009 indicate that the City of El Monte is well served; therefore, there are no transit-related A.I. findings.

Map 6 shows Public Facilities and Employers in relation to public transportation routes. All major job centers are located within 1/2 of a mile from a transit line. Additionally, all but one (1) public facility are located within approximately 1/2 mile of a transit line. Lastly, major transit lines serve areas with high concentrations of affordable rental housing developments and assisted housing, within approximately 1/2 mile.

Map 6
Transit Access to Public Facilities and Employers



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V. Analysis of Current Fair Housing Activity

Fair housing services include investigation of discrimination complaints, auditing and testing, education, and outreach. Landlord/tenant counseling services involve informing landlords and tenants of their rights and responsibilities under fair housing law and other consumer protection legislations and mediating disputes between landlords and tenants. This section reviews the fair housing services available in El Monte, the nature and extent of fair housing complaints, and results of fair housing testing/audits.

The City of El Monte traditionally contracts with the Housing Rights Center (HRC) to provide fair housing related services. HRC is a private, non-profit and community based organization that focuses on housing-related issues, tenant/landlord complaints, community disputes, as well as fair housing and discrimination issues. HRC serves numerous jurisdictions in the County of Los Angeles.

A. Fair Housing Education

HRC continuously develops and distributes written materials that describe the applicable laws that protect against housing discrimination and ways to prevent housing injustices. During FY 2006-2008, the HRC recorded the following accomplishments with respect to providing fair housing services. Specific accomplishments include the following:

HRC continuously develops and distributes written materials that describe the applicable laws that protect against housing discrimination and ways to prevent housing injustices. During FY 2006-2008, HRC recorded the following accomplishments with respect to providing fair housing services. Specific accomplishments include the following:

Each year the Housing Rights Center conducts a citywide outreach program for El Monte that includes:

1. The distribution of fair housing educational materials on fair housing;
2. Education programs for landlords and property managers;
3. Public service announcements and press releases;
4. Information Booths at community resource fairs; and
5. Workshops.

In FY 2008, HRC conducted the following outreach activities in the City of El Monte:

1. Distributed 1,200 pieces of literature;
2. Conducted 26 Fair Housing Certification Training Sessions for landlords and property managers;
3. Made 3 public service announcements and submitted nine (9) press releases to media outlets;
4. Provided five (5) information booths at community events including the Senior Center Directors' Knowledge Fair, Parent's Place Information Fair, Kinship Resource Fair, L.A. County HIV Drug & Alcohol Task Force Event and the Apartment Owners Association Trade Show; and
5. Conducted six (6) workshops for landlords and tenants, including Foothill Family Service, Foothill Apartment Association, Apartment Owners Association, Easter Los Angeles County Regional Center, L.A. County Area Agency on Aging, and the L.A. County Department of Mental Health.

Fair housing awareness is an essential part of furthering fair housing opportunities for all El Monte residents. Despite their presence, many residents, property owners, managers, and others involved in the housing industry are unaware of fair housing laws. This lack of awareness is attributable to ignorance on the part of residents, property owners, managers and others involved in the housing industry until a fair

housing concern directly impacts them. As a proven leader in the field, HRC continues to find new ways to raise public awareness of fair housing.

B. Fair Housing Enforcement

Housing Rights Center (HRC) is a complaint-driven agency that investigates fair housing complaints based on fair housing violations in the City of El Monte. Fair housing complaints are received through our internal Landlord Tenant Department, education and outreach, internet, referrals, and advertisements activities that take place in the City of El Monte.

HRC investigates State and Federal protected categories which include Race, Color, National Origin, Religion, Sex, Familial Status, Disability, Marital Status, Sexual Orientation, Ancestry, Age, Source of Income and Arbitrary Characteristics. The State of California has identified Marital Status, Sexual Orientation, Ancestry, Age, Source of Income and Arbitrary Characteristics as additional protected classes. Once a Fair Housing complaint is received, HRC educates the complainant of their rights and responsibilities. The complainants are advised of possible further investigation depending on the complaint. HRC uses government regulated testing methodologies to enforce, support, and conduct fair housing investigations. Based on the details provided by the complainant HRC will either investigate the complaint or advise the complainants of their other options, which include: conciliation, Housing and Urban Development (HUD), Department of Fair Employment and Housing (DFEH), Attorney or Department of Justice (DOJ).

HRC handled a total of 122 discrimination complaints over a three-year period of FY 2006/07 to FY 2008/09. Discriminatory treatment based on physical disability was the leading basis of all complaints (42%), followed by familial status (15%), national origin (11%), mental disability (10%), other discrimination (9%), race (6%), gender (3%), age (2%) and 1% each for marital status, source of income and arbitrary discrimination. Religion was not cited in the City of El Monte. Since a majority of all complaints (52%) were based on some form of disability, the data indicates that more efforts must be made to promote awareness of and sensitivity to disabilities amongst housing providers in El Monte.

According to the 2000 Census, 22.1% of El Monte residents over the age of 5 identified themselves as disabled. In terms of ethnicity, 72.4% of the population identified themselves as Hispanic or Latino origin with 27.6% being non-Hispanic. Asians comprised of 18.38% followed by White persons (7.36%) and Black or African Americans (0.55%). Families with children comprised 53.3 percent of all households and female-headed households comprised 18.5%. Non-family households comprised 14.9% of all households. Senior citizens (age 65+) comprised 6.9% of the population in the City of El Monte.

**Table V-1
HRC Discrimination Complaints**

Basis of Discrimination	Fiscal Year Statistics			
	2006	2007	2008	Total
Total Discrimination Complaints	47	42	33	122
Age	2	0	1	3
Arbitrary	1	0	0	1
Familial Status	8	6	4	18
Gender	0	3	1	4
Marital Status	0	0	1	1
Mental Disability	1	8	3	12
National Origin	7	5	1	13
Physical Disability	19	19	13	51
Race	2	0	5	7
Religion	0	0	0	0
Source of Income	0	1	0	1
Discrimination - Other	7	0	4	11
* Some complaints may included more than one basis of discrimination				

Source: Housing Rights Center, 2009

The Department of Fair Employment and Housing (DFEH) is the State agency responsible for investigating housing discrimination complaints. The Department of Fair Employment and Housing's mission is to protect Californians from employment, housing and public accommodation discrimination, and hate violence. During the prior three years, DFEH processed 40 cases from the City of El Monte, as follows:

**Table V-2
DFEH Cases for the City of El Monte**

Race/Ethnicity (Person)	Fiscal Year Statistics			
	2006	2007	2008	Total
Basis of Discrimination				
Race/Color	9	4	0	13
National Origin/Ancestry – Other	5	6	0	11
Physical Disability	4	0	1	5
Mental Disability	0	0	1	1
Gender	1	0	0	1
Familial Status	3	6	0	9
*Total:	22	16	2	40

Source: DFEH Information Request, 2009.

*The number of basis and acts may be greater than the total number of complaints filed because a complaint can be filed on more than one (1) basis or act.

Most of the DFEH cases were for refusal to rent, eviction, unequal terms and harassment. These statistics appear to correlate strongly with the discrimination complaints received by HRC. In fact, HRC could have referred some of their cases to DFEH for prosecution. These 40 cases had the following outcomes:

- 21 were waived for processing by another agency;
- 8 had no probable cause to substantiate a violation;
- 8 were successfully conciliated;

- 2 were withdrawn without resolution; and
- 1 was closed because the complainant was unavailable.

In May 2003, DFEH announced a new program for mediating housing discrimination complaints in partnership with state fair housing enforcement agencies. The program provides tenants, landlords, property owners and managers through mediation in a free and timely manner. Mediation takes place within the first 30 days of filing of the complaint, often avoiding the financial and emotional costs resulting from a full DFEH investigation and potential litigation.

The Office of Fair Housing and Employment (OFHE) is the federal agency responsible for investigating housing discrimination complaints filed with HUD. HUD annually compiles data on housing discrimination complaints from OFHE and Federal Housing Assistance Programs (FHAP) which are state and local government agencies that enforce fair housing laws. The annual report identifies the types of complaints, any fair housing impediments, OFHE’s progress in addressing the complaints, and HUD’s efforts to promote equal housing choice.

The most recent OFHE report, *State of Fair Housing, FY 2008 Annual Report* found that “the share of complaints filed under each issue has remained relatively stable during the past 4 fiscal years, with a few notable exceptions.” The report states that “failure to make a reasonable accommodation” increased by 200 between 2005-2007 and increased by 300 nationwide from 2007-2008¹. The second most common housing discriminatory complaint filed with the aforementioned agencies was discriminatory refusal to rent. The following table (**Table V-2**) illustrates the plethora of HUD and FHAP discrimination complaints from 2005 – 2008.

Table V-3
HUD and FHAP Discrimination Complaints, 2005-2008

Basis of Discrimination	FY 2005		FY 2006		FY 2007		FY 2008	
	No.	%	No.	%	No.	%	No.	%
Race	3,472	38%	4,043	39%	3,750	37%	3,669	35%
Color	142	2%	154	1%	173	2%	262	2%
National Origin	1,225	13%	1,427	14%	1,299	13%	1,364	13%
Familial Status	1,414	15%	1,433	14%	1,441	14%	1,690	16%
Disability	3,766	41%	4,110	40%	4,410	43%	4,675	44%
Sex/Gender	961	10%	997	10%	1,008	10%	1,133	11%
Religion	218	2%	258	2%	268	3%	339	3%
Retaliation	452	5%	577	6%	588	6%	575	5%
Total:	9,254		10,328		10,154		10,552	

Source: The State of Fair Housing FY 2008 Annual Report

Note: Percentages do not total 100 percent because complaints may contain multiple bases. Percentages are rounded to the nearest percentage point.

The share of complaints filed under each basis has remained relatively stable during the period represented in the report. Discrimination complaints were higher in 2008 than in the prior three (3) years. Race continues to be the second most common basis of complaints filed with HUD and FHAP agencies. Familial status, the third most common basis of housing complaints, has steadily increased since 2005. Discrimination based on familial status covers acts of discrimination against parents or guardians of

¹ *The State of Fair Housing FY 2008 Annual Report*, HUD Office of Housing and Equal Employment, page 7. <http://www.hud.gov/content/releases/fy2008annual-rpt.pdf>

a child under the age of 18, the parent’s or guardian’s designee, and persons who are pregnant or in the process of obtaining legal custody of a child under the age of 18.

Table V-4
FY 2005 – 2008 Issues in HUD & FHAP Complaints

Complaint Issue	FY 2005		FY 2006		FY 2007		FY 2008	
	No.	%	No.	%	No.	%	No.	%
Refusal to Sell	371	4%	288	3%	234	2%	214	2%
Refusal to Rent	2,276	25%	2,634	26%	2,649	26%	2,697	26%
Discriminatory Terms, Conditions, Privileges, Services, & Facilities in the Rental or Sale of Property	5,240	57%	6,005	58%	5,922	58%	5,862	56%
Failure to Make a Reasonable Accommodation	1,665	18%	1,896	18%	2,094	21%	2,401	23%
Discriminatory Financing	523	6%	552	5%	411	4%	324	3%
Coercion, Intimidation, Threats, Interference, and Retaliation	1,192	13%	1,354	13%	1,477	15%	1,402	13%
Discriminatory Notices, Statements or Advertisements	640	7%	541	5%	593	6%	828	8%

Source: The State of Fair Housing FY 2008 Annual Report

Note: Percentages do not total 100 percent because complaints may contain multiple bases.

Percentages are rounded to the nearest percentage point.

The most prevalent complaint issue filed with HUD and FHAP from 2005 – 2008 is discriminatory terms, conditions, privileges, services and facilities in the sale or rental of property. This category would include actions that illegally subject disparate treatment of one group but does not require the same of another group. For example, a landlord requires Hispanic applicants to undergo employment verification but not require the same of white applicants. Although complaints of this kind dropped off slightly in 2007 and in 2008 as compared to the previous two years, such complaints represented more than half (56%) of all complaints filed with HUD and FHAP in 2008 (see **Table V-4**).

The second most common complaint issue filed with HUD and FHAP agencies was discriminatory refusal to rent, also a prevalent complaint issue made to the local Housing Rights Center. Discriminatory complaints alleging refusal to rent represented 26% of all complaints whereas refusal to sell represented only 2% of complaints. Housing discrimination based on failure to make a reasonable accommodation was the third most common complaint at 23% of all complaints filed with HUD and FHAP in 2008, followed by discrimination based on coercion, intimidation, threats, interference, and retaliation at 13%. The above discriminatory issues in rental housing are impediments to fair housing choice.

Hate Crimes

Hate crimes are violent acts against people, property, or organizations because of the group to which they belong or identify with. The Federal Fair Housing Act makes it illegal to threaten, harass, intimidate or act violently toward a person who has exercised their right to free housing choice. Some examples include threats made in person, writing or by telephone, vandalism of the home or property, or unsuccessful attempts at any of these. As illustrated in **Table V-4**, housing discriminatory complaints regarding coercion or intimidation, threats, interference, and retaliation filed with HUD and FHAP agencies, has remained steady at 13-15% for the last four fiscal years, suggesting that discrimination most closely associated with hate crimes may be on the rise in housing discrimination.

The HUD and FHAP findings are further substantiated in El Monte by crime reports to the Federal Bureau of Investigation (FBI). The FBI classifies hate crimes into one of five (5) primary bias motivation categories, including: race, religion, sexual orientation, ethnicity or disability. **Table V-5** summarizes the hate crime incidents by bias motivation as reported by the FBI² for calendar years 2006-2008.

**Table V-5
Hate Crime Incidents 2006 – 2008**

Calendar Year	Race	Religion	Sexual Orientation	Ethnicity	Disability	Total
2008	9	1	0	1	0	11
2007	9	1	1	0	0	11
2006	4	1	0	0	0	5
Total:	22	3	1	1	0	27

Source: FBI Hate Crime Incidents By State and Agency, 2006-2008.
http://www.fbi.gov/ucr/hc2008/data/table_13.html

There were a total of 27 hate crimes reported to the FBI during 2006-2008. The most prevalent hate crime bias motivation reported was race (81% of all cases). Religion comprised 11% of the reports followed by sexual orientation and ethnicity, each of which comprised 4%. The steady occurrence of hate crimes within the community indicates that racially-motivated discrimination can be an impediment to fair housing since discrimination can lead to a person not being able to rent due to race. This must be addressed to the greatest extent feasible by the City of El Monte and its partner agencies over the next five-year period.

C. Fair Housing Legal Status

Between July 1, 2007 and June 30, 2009, one (1) case was filed in a court of competent jurisdiction by HRC or DFEH to enforce fair housing laws. The case did not go to trial because HRC reached a pre-litigation settlement in November, 2008 with a provider of senior housing in El Monte, California who was alleged to be discriminating against prospective tenants on the basis of race and national origin. Specifically, the provider was alleged to be utilizing a rental “priority list” that instructed staff to fill vacancies with individuals of Taiwanese and Chinese descent before considering individuals of any other race or ethnicity for tenancy.

To settle the case informally the provider agreed to pay damages and enter into an enforceable three (3) year settlement agreement providing for significant injunctive relief including, but not limited to, policy development, training, record keeping, advertising and outreach. HRC was an organizational complainant and the sole complainant in this case.

HRC was successful in counseling and conciliating all other fair housing cases that were investigated on behalf of the City of El Monte during this time period. The vast majority of the 122 discrimination complaint cases reported by HRC were successfully counseled or conciliated. The outcomes and dispositions of these cases are summarized in **Table V-6** and **Table V-7** as follows:

² FBI Hate Crime Incidents By State and Agency, 2006-2008. http://www.fbi.gov/ucr/hc2008/data/table_13.html

**Table V-6
Discrimination Compliant Outcomes**

Outcome	FY 2006	FY 2007	FY 2008	Total
Sustains Allegation	12	6	4	22
Inconclusive Evidence	6	4	2	12
No Evidence of Discrimination	0	0	1	1
Counseled	26	31	26	83
Referred	3	1	0	4
Total:	47	42	33	122

Source: Housing Rights Center, 2009.

**Table V-7
Discrimination Compliant Dispositions**

Outcome	FY 2006	FY 2007	FY 2008	Total
Successful Conciliation	9	4	3	16
No Enforcement Action Possible	6	4	3	13
Referred to Litigation	0	0	1	1
Client Withdrew	3	2	0	5
Referred to DFEH	0	0	0	0
Counseled	26	31	26	83
Referred	3	1	0	4
Pending	0	0	0	0
Total:	47	42	33	122

Source: Housing Rights Center, 2009.

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VI. Conclusions and Recommendations

Previous chapters of this A.I. study examined changes in El Monte during the last five (5) years, analyzed public policies for impediments to fair housing, and documented fair housing opportunity in El Monte. Building upon the analysis in the previous chapters, this chapter recommends actions to improve housing opportunity in El Monte. **Table VI-1** at the end of this chapter summarizes the unresolved impediments, new impediments and recommendations to address these impediments to fair housing choice with an implementation schedule.

A. Impediments to Fair Housing Choice

The following six (6) impediments were identified as barriers to fair housing choice in the City of El Monte:

1. **Discrimination against Persons with Disabilities.** Data from the City's contracted fair housing service provider indicates that 52% of all cases in the City of El Monte from 2006-2009 are based on physical or mental disability. This concentrated majority of complaints in El Monte is consistent with data from other Cities and reveals a lack of understanding and sensitivity of the fair housing rights of the disabled by the housing industry. Disabled persons are experiencing difficulties when requesting reasonable accommodations or modifications. In particular, persons with cognitive disabilities experience significantly more problems with these accommodations.
2. **Lack of Affordable Rental Housing Opportunities for Low-Income Families.** According to the City's 2008-2014 Housing Element, there are 900 affordable rental housing units in El Monte. All 900 of these units are age-restricted for senior citizens. Based on this information, a vast majority of the affordable housing opportunities in the City are age-restricted. This condition is an impediment to low- and moderate-income households, including families with children who are seeking affordable rental housing units in the City.
3. **Race/Ethnic Relations.** El Monte is a diverse multi-cultural community where people of different race and ethnic backgrounds live in close proximity to one another. Despite this high level of integration, the overwhelming majority of discrimination complaints and hate crimes in El Monte were related to racial or ethnic bias. The City's contracted fair housing service provider offers a wide variety of education workshops for tenants and landlords. However, given these findings, the City's contracted fair housing service provider must focus more public outreach and education on addressing these areas. In addition, the City can also work with their contracted fair housing service provider on joint efforts and programs to improve race relations in the City of El Monte.
4. **Lack of Awareness of Fair Housing Laws.** A general lack of knowledge of fair housing rights and responsibilities continues to exist within the City of El Monte. Increased fair housing complaint intake by the City's contracted fair housing service provider and interaction with housing providers and housing seekers during workshops demonstrates a lack of understanding of both Federal and State fair housing laws.
5. **Lending Discrimination Based on Race.** Current Home Mortgage Disclosure Act (HMDA) data shows that low- and moderate income Hispanics and Whites experience higher loan denial rates than Asians when purchasing a home in El Monte. According to 2008 HMDA data, 77% of low- and moderate income Asian households applying for home purchase loans were approved, as compared to Hispanics (66% approved) and Whites (37% approved). The gap in approval rates between these groups was large in the middle income category (81-120% of area median income) as well, with 75% of Asians approved versus 52% of Hispanics and 66% of Whites. For upper income households (above 120% of area median income), the approval rates narrowed to within four percent (4%) amongst Asians, Hispanics and Whites. It is important to note that,

according to HMDA data, Asians applied for more than twice as many home purchase loans than Hispanics, Whites and African Americans combined during 2008.

6. **Discrimination in Housing Opportunities Against Protected Classes.** Despite the past efforts of the City and its contracted fair housing service provider, discrimination against persons, or other actions which otherwise make unavailable or deny, the sale or rental of a dwelling to any person because of race, color, religion, sex, disability, familial status, sexual orientation, or national origin continues within El Monte. Specifically, the City's contracted fair housing service provider handled a total of 122 discrimination complaints from 2006-2008. Based on those complaints, discriminatory treatment based on physical disability was the leading basis of all complaints (42%), followed by familial status (15%), national origin (11%), mental disability (10%), other discrimination (9%), race (6%), gender (3%), age (2%) and 1% each for marital status, source of income and arbitrary discrimination.

Upon investigation into each of the 122 discrimination complaints received, the City's contracted fair housing service provider notes that only one (1) complaint lacked any evidence of discrimination, while 12 other complaints had inconclusive evidence of discrimination. Taken together, only 11% of the discrimination complaints received during the reporting period were unfounded.

B. Recommendations to Address Impediments to Fair Housing Choice

This A.I. identifies common problems and barriers to fair housing in El Monte. This section builds upon the previous analysis, outlines conclusions, and provides recommendations for the City to address impediments to the fair housing identified earlier. These recommendations will serve as the basis for the City to develop an action plan to eliminate identified Impediments. The recommendations listed in **Table VI-1** on the following page are designated for action by the City, and other service agencies that assist El Monte residents.

**Table VI-1
Fair Housing Plan Recommendations**

Impediments		Recommendations	Lead Agency	Timeframe
1.	Discrimination against Persons With Disabilities	<p>The Housing Rights Center will expand and conduct fair housing workshops that specifically address El Monte’s disabled population housing needs and rights. These workshops will inform landlords and housing industry stakeholders about reasonable accommodations and modifications. These expanded workshops will be conducted in El Monte and throughout the region.</p> <p>It is recommended that the Housing Rights Center for expand its testing in El Monte to address possible discrimination issues against persons with disabilities specifically with mental and/or physical disabilities.</p>	Housing Rights Center; Community Development Department	6/30/11
2.	Lack of Affordable Housing Opportunities for Families	To address the lack of affordable rental housing opportunities for low-income families, it is recommended that the City’s Community Development Department – Housing Division work with affordable housing developers to increase the number of affordable housing rental units for small and large families. This could be accomplished through new construction or rehabilitation of existing market rate units where in exchange, affordability covenants can be acquired.	Community Development Department	6/30/14
3.	Race / Ethnic Relations	The Housing Rights Center will continue to conduct fair housing workshops for residents, apartment owners, and property managers. The City, in conjunction with Housing Rights Center, could organize a campaign to improve relationships among different race/ethnic groups.	Housing Rights Center	6/30/14
4.	Lack of Awareness of Fair Housing Laws	<p>Housing Rights Center will continue to provide fair housing technical assistance to real estate professionals with fair housing questions or concerns in El Monte and the region. Outreach and engagement should be provided to the members of the West San Gabriel Valley Association of Realtors (Owner Housing) as well as all Apartment Owner/Manager Associations with standing in the community.</p> <p>The City will work with Housing Rights Center in an effort to expand community participation including greater outreach efforts regarding fair housing workshops to renters and property managers/owners to make them aware that these workshops are available at no charge. These outreach efforts will serve to increase awareness of fair housing rights and responsibilities throughout El Monte and the region.</p>	Community Development Department; Housing Rights Center	6/30/14

5.	Lending Patterns: Discrimination based on Race	<p>To encourage homeownership for all residents, it is recommended that the City encourage lending institutions in the area to ensure that their staff works with home loan applicants to educate them about the home loan application process. The City should identify organizations providing HUD approved home buying educational classes and will disseminate their availability to the public.</p> <p>It is further recommended that the City continue to track HMDA loan approvals on an annual basis to monitor lending activity in the area and to identify continuing patterns of discrimination.</p>	Community Development Department	6/30/11
6.	Discrimination in Housing Opportunities Against Protected Classes	<p>To address discrimination in housing opportunities against protected classes, it is recommended that the City of El Monte continue to fund a housing discrimination complaint program through Housing Rights Center. The Program should process housing discrimination complaints by persons within the federally protected classes, conduct audit testing on the rental and for-sale housing market and educate professionals and the public on fair housing issues.</p> <p>To address discrimination against persons in federally-protected classes in the rental housing market, the City should continue funding a landlord tenant mediation program. This program should process rental housing discrimination complaints, mediates and resolves disputes between landlords and tenants and educate property owners and managers on fair housing laws.</p> <p>It is further recommended that the Housing Rights Center expand and conduct fair housing workshops to educate lenders, brokers, sellers, owners, managers, buyers, and tenants on fair housing laws. These expanded workshops will be conducted in El Monte and throughout the region.</p> <p>The Housing Rights Center should conduct expanded testing, (a minimum of 15 tests), in El Monte to address issues of possible discrimination based on race, familial status, national origin, disability and other protected categories.</p>	Housing Rights Center; Community Development Department	Ongoing

Signature Page

I, Andre Quintero, Mayor of the City of El Monte, hereby certify that this Analysis of Impediments to Fair Housing Choice represents the City's conclusions about impediments to fair housing choice, as well as actions necessary to address any identified impediments.

Andre Quintero
Mayor

Date

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