

Analysis of Impediments to Fair Housing Choice

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Financial and Management Services

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TABLE OF CONTENTS

SECTION I: EXECUTIVE SUMMARY.....	3
INTRODUCTION.....	3
SUMMARY OF FINDINGS:	4
ACTIONS TO ADDRESS IMPEDIMENTS:.....	4
FAIR HOUSING CONCEPTS.....	5
METHODOLOGY	6
DEMOGRAPHICS AND TRENDS.....	6
DATA COLLECTION	6
ORGANIZATION OF THE ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE.....	7
SECTION II: COMMUNITY PROFILE	8
DEMOGRAPHICS	8
RACE AND ETHNICITY	8
DIVERSITY.....	10
SEGREGATION/INTEGRATION.....	11
AGE.....	12
DISABILITY	14
HOUSEHOLD TYPES.....	15
INCOME AND POVERTY	16
COST BURDEN.....	19
DISPROPORTIONATE HOUSING NEEDS.....	20
RACIALLY/ETHNICALLY CONCENTRATED AREAS OF POVERTY (R/ECAP)	21
SECTION III: HOUSING PROFILE.....	22
HOUSING STOCK.....	22
OCCUPANCY CHARACTERISTICS - HOUSING TENURE.....	24
VACANCY.....	26
OWNER-OCCUPIED UNITS	27
RENTER OCCUPIED UNITS	28
HOMEOWNER AFFORDABILITY GAP.....	29
DISPLACEMENT.....	31
SECTION IV – PRIVATE LENDING ANALYSIS	32
LEGISLATION	32
ANALYSIS.....	32
SECTION V – PUBLIC PROGRAMS AND POLICIES	35
CITY / COUNTY ASSISTANCE PROGRAMS	35
GENERAL PLAN.....	39
HUD PROGRAMS	40
PUBLICLY SUPPORTED HOUSING	41
SECTION VI – FAIR HOUSING PROFILE.....	42
FAIR HOUSING PROGRAMS	42
FAIR HOUSING ENFORCEMENT, OUTREACH, AND CAPACITY	44
CITIZEN PARTICIPATION	45
FOUR-FACTOR ANALYSIS AND LANGUAGE ACCESS PLAN (LAP) FOR LIMITED ENGLISH PROFICIENCY PERSONS.....	46

SECTION VII – PROGRESS OF PAST GOALS	50
SECTION VIII – SUMMARY OF IDENTIFIED IMPEDIMENTS.....	52
FAIR HOUSING-RELATED IMPEDIMENTS	52
AFFORDABLE HOUSING IMPEDIMENTS	54
SECTION IX – FAIR HOUSING ACTION PLAN	55
CONCLUSION	57
APPENDIX.....	58
FEDERAL FAIR HOUSING LAWS.....	58
DATA TABLES	60

SECTION I: EXECUTIVE SUMMARY

INTRODUCTION

The City of Moreno Valley, California has prepared an Analysis of Impediments to Fair Housing Choice (AI) to satisfy the requirements of the Housing and Community Development Act of 1974, as amended. This act requires that any community receiving Community Development Block Grant (CDBG) funds must affirmatively further fair housing. The City of Moreno Valley's Financial & Management Services Department oversees this program and is charged with the responsibility of conducting its CDBG program in compliance with the federal Fair Housing Act. The responsibility of compliance with the federal Fair Housing Act extends to nonprofit organizations and other entities which receive federal funds through the City of Moreno Valley.

Entitlement communities receiving CDBG entitlement funds are required to:

- Examine and attempt to alleviate housing discrimination within their jurisdiction;
- Promote fair housing choice for all persons;
- Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin;
- Promote housing that is accessible to and usable by persons with disabilities; and
- Comply with the non-discrimination requirements of the Fair Housing Act.

These requirements can be achieved through the preparation of an Analysis of Impediments to Fair Housing Choice. The following Analysis of Impediments to Fair Housing Choice serves as a comprehensive look at fair housing issues in the City of Moreno Valley. The report includes an analysis of various demographic, economic, and housing indicators; a review of public and private sector policies that affect fair housing; and a review of the city's efforts to create fair housing choice. It is to be used as a resource document the city can reference for insights into community needs and strategies that can help address those needs.

Fair housing choice means that residents have the necessary information, opportunity, and options to live where they choose without unlawful discrimination (24 CFR 5.152) and is composed of three components:

1. Analysis of Impediments to Fair Housing Choice
2. Taking Actions to Eliminate Identified Impediments
3. Maintenance of Records

SUMMARY OF FINDINGS:

The conclusion of this analysis has identified several current impediments to fair housing choice, some of which are related to those identified in the previous Analysis of Impediments. Key findings identified in this analysis to fair housing choice are:

- 1) Lack of a Balanced Housing Stock.
- 2) Utilization of Bilingual Housing Materials.
- 3) Growing Homeless Population.
- 4) Absence of a Moreno Valley Emergency Shelter.
- 5) Requirement to Address Regional Housing Needs Fair Share.
- 6) Unequal Home Ownership by Race.
- 7) No Local Lead Prevention Program.
- 8) Rapid Increase in Home Prices and Cost Burdened Households.
- 9) Reduction in Housing Funds.
- 10) High Number of Cost Burdened Renters.

ACTIONS TO ADDRESS IMPEDIMENTS:

To overcome or ameliorate barriers to fair housing choice, the City of Moreno Valley identified corresponding strategic actions for consideration and implementation. The actions listed will be addressed over the next five years, aligning the accomplishments of these actions with the consolidated planning cycle. Although it is likely that not all impediments will be eliminated in the short period of five years, the city will strive to affirmatively further fair housing and reduce these barriers to promote fair housing choice. Further details are found in the Fair Housing Action Plan section.

FAIR HOUSING CONCEPTS

Housing choice plays a critical role in influencing individuals' and families' abilities to realize and attain personal, educational, employment, and income potential. The fundamental goal of HUD's fair housing policy is to make housing choice a reality through sound planning. Through its on-going focus on Fair Housing Planning (FHP), HUD "is committed to eliminating racial and ethnic discrimination, illegal physical and other barriers to persons with disabilities, and other discriminatory practices in housing." Among the recurring key concepts inherent in FHP are:

- *Affirmatively Further Fair Housing (AFFH)*: Under its community development programs, HUD requires its grantees to affirmatively further fair housing through three broad activities: 1) conduct an *Analysis of Impediments to Fair Housing Choice*; 2) act to overcome identified impediments; and 3) track measurable progress in addressing impediments and the realization of fair housing choice.
- *Affordable Housing*: Decent, safe, quality housing that costs no more than 30% of a household's gross monthly income for utility and rent or mortgage payments.
- *Fair Housing Choice*: The ability of persons, regardless of race, color, religion, national origin, disability, gender, or familial status, of similar income levels to have the same housing choices.
- *Fair Housing Planning (FHP)*: Fair Housing Planning consists of three components, including The *Analysis of Impediments*; a detailed *Action Plan* to address identified impediments; and a monitoring process to assess progress in meeting community objectives. FHP consists of a close examination of factors that can potentially restrict or inhibit housing choice and serves as a catalyst for actions to mitigate identified problem areas.
- *Impediments to Fair Housing*: Any actions, omissions, or decisions based upon race, color, religion, national origin, disability, gender, or familial status that restrict, or have the effect of restricting, housing choice or the availability of housing choice.
- *Low and Moderate Income*: Defined as 80% of the median household income for the area, subject to adjustments for areas with unusually high or low incomes or housing costs. *Very low income* is defined as 50% of the median household income for the area, subject to adjustments for areas with unusually high or low incomes or housing costs. Poverty level income is defined as 30% or below median household income.
- *Private Sector*: Private sector involvement in the housing market includes banking and lending institutions, insurance providers, real estate and property management agencies, property owners, and developers.
- *Public Sector*: The public sector for the purpose of this analysis includes local and state governments, regional agencies, public housing authorities, public transportation, community development organizations, workforce training providers, and community and social services.

METHODOLOGY

The analysis consists of a comprehensive review of laws, regulations, policies, and practices affecting housing affordability, accessibility, availability, and choice within the City of Moreno Valley. The assessment specifically includes an evaluation of:

- Existing socio-economic conditions and trends in the city, with a particular focus on those that affect housing and special needs populations.
- Public and private organizations that impact housing issues in the city and their practices, policies, regulations, and insights relative to fair housing choice.
- The range of impediments to fair housing choice that exists within both the urban center and other areas of the city.
- Specific recommendations and activities for the jurisdiction to address any real or perceived impediments that exist and ensure it meets federal requirements to affirmatively further fair housing by reducing or eliminating barriers to fair housing choice in the city.

The planning process was launched with a comprehensive review of existing studies for information and data relevant to housing need and related issues. These documents included local comprehensive plans and ordinances; the 5-Year Consolidated Plan for the City of Moreno Valley; the previous Analysis of Impediments to Fair Housing Choice, among other policy documents.

DEMOGRAPHICS AND TRENDS

Utilizing quantitative data sources such as U.S. Census Bureau reports, American Community Survey data (ACS), the U.S. Bureau of Labor Statistics (BLS), PolicyMap, Federal Financial Institutions Examination Council (FFIEC), and local plans and reports, demographic and housing data was collected for the City of Moreno Valley to determine any patterns or trends that may indicate a concentration of protected classes in any one area of the city. Data collected and analyzed also included population demographics, household status, income, and other relevant data. Information on the availability of housing, including various housing types and sizes, affordability levels, and accessibility for disabled persons, was also reviewed.

DATA COLLECTION

Data collection included an analysis of fair housing choice and any limitations due to existing conditions within the city or surrounding localities. A comprehensive review and assessment of current land use policies, local laws, ordinances, and practices that may affect fair housing choice within the City of Moreno Valley was conducted.

ACS 2017-2021 five-year estimates were the most recent datasets at the time of research that incorporated all the issues for cross sectional analyses. It should be noted that the comparison of 2021 data to 2010 Census data is the best means for understanding trends that offer statistically significant forecasts on the demographic, economic, and housing trends for the next five to ten years. When available, more recent data is used to offer a static point of information but should not be used to dismiss the wider trend analysis

on which this report focuses. Data regarding fair housing lending policies and practices was analyzed using the Home Mortgage Disclosure Act (HMDA) and Private Mortgage Insurance Companies (PMIC).

ORGANIZATION OF THE ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

The *Analysis of Impediments to Fair Housing Choice (AI)* is an internal analysis of factors that may be potentially preventing access to fair housing choice in the community. Understanding the impediments to fair housing choice is an important step in addressing housing needs. This report is meant to provide information to decision makers in the community and assist in guiding the use of grant funds and other resources that target affordable housing.

In *Section II*, the city's community demographics and economic characteristics are discussed. This section looks for the relationship between race or ethnicity and income. A household's income is a major component of access to affordable housing and a relationship between income and race may point to an impediment to fair housing choice.

Section III focuses on the housing profile of the city. The cost and availability of units for both renters and homeowners are analyzed to determine if the existing housing stock meets the needs of the community. Additionally, construction patterns are addressed to look at future housing development.

Section IV discusses lending practices and statistics. The demographics of applicants and information about loan denials are analyzed to determine if the lending market is contributing to impediments to fair housing choice.

In *Section V*, the impact of local public policies and programs is discussed. While well-intentioned, there are often unintended consequences to policies that may contribute to impediments to fair housing choice.

Section VI identifies existing Fair Housing programming in the city and county, including the work of the Fair Housing Council of Riverside County. It also outlines Fair Housing complaint processes and lists complaints made in the city between 2018 and 2021. This section also describes citizen participation, four-factor analysis, and language access plan to identify the city's capacity to reach all residents.

In *Section VII* the city describes progress that has been made on implementing actions recommended by the 2019 AI, including both public and private sector impediments.

Section VIII is the Summary of Identified Impediments. This section reviews fair housing issues in the city, identifies barriers to fair housing choice, and outlines actions to address these barriers.

Lastly, *Section IX* provides a selection of recommendations to mitigate these barriers to affordable housing including a combination of planning, legal, and financial tools.

SECTION II: COMMUNITY PROFILE

DEMOGRAPHICS

A key component in understanding impediments to fair housing choice is understanding the demographics of the City. Moreno Valley is in Riverside County, California and is part of the greater Los Angeles Area. The Moreno Valley area has been occupied by humans for 2,300 years and includes periods of diverse and complicated interactions between different cultures. Today the impact of Spanish, Mexican, and Native American cultures can still be felt. It is important to recognize the impact the past has to understand impediments to fair housing that may exist. At its foundation, the Analysis of Impediments strives to determine how *people* are being impacted and if any groups are disproportionately impacted.

TABLE: POPULATION – 2010 TO 2021

City/State	2010	2021	% Change 2010-2021
Moreno Valley	193,365	211,607	+9.4%
California	37,253,956	39,237,836	+5.3%

Source: 2010 Census, 2017-2021 ACS 5-Yr Estimates (DP05)

RACE AND ETHNICITY

Since incorporation in 1984, the population of the city of Moreno Valley has increased substantially. The city has grown from approximately 49,000 people at its founding to over 210,000. Since 2010, the population increased by over 18,000 people, or nearly 9.5%. The growth rate outpaces the statewide rate by over 4%. Racially, a plurality of the population identifies as a race other than the options provided by the US Census Bureau. This is not uncommon in areas with a large ethnically Hispanic population and shows one of the difficulties in gathering precise demographic data. However, recognizing that less than 30% of the population identifies as White highlights the diverse culture in the area, which differs from much of the country.

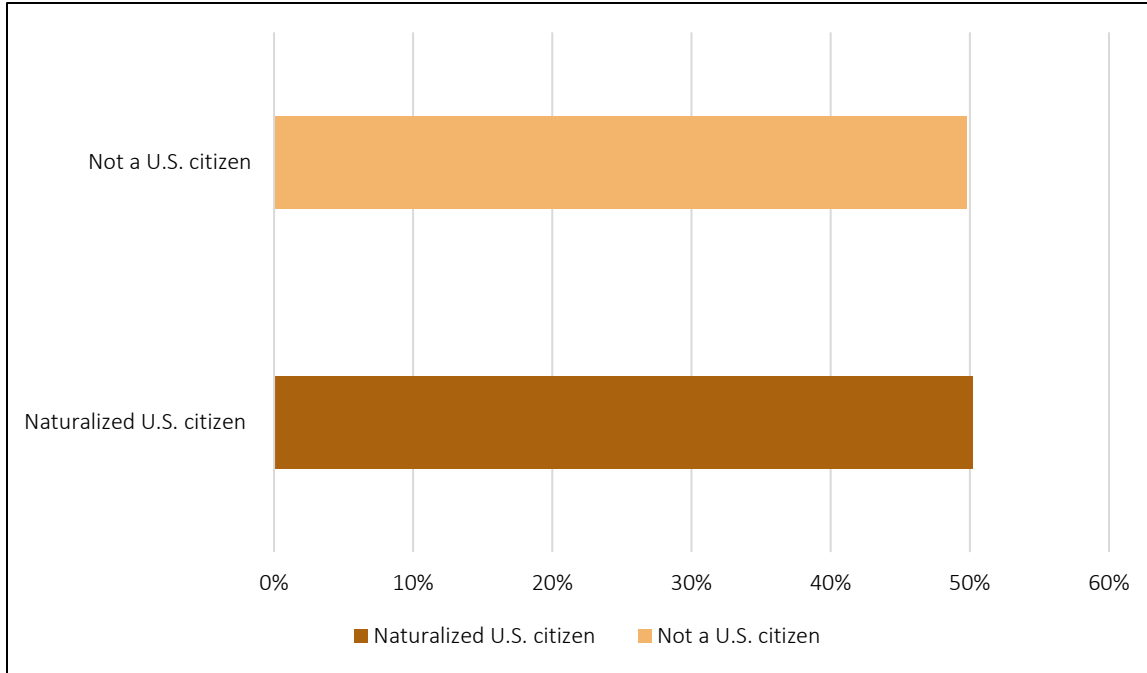
TABLE: POPULATION BY RACE AND ETHNICITY (DP05)

	Population	Percent
Total Population	211,607	100.0%
Race		
White	59,716	28.7%
Black or African American	37,300	17.9%
American Indian and Alaska Native	1,396	0.7%
Asian	11,099	5.3%
Native Hawaiian and Other Pacific Islander	879	0.4%
Other Single Race	78,121	37.5%
Multiracial	19,860	9.5%
Ethnicity		
Hispanic	125,900	60.4%
Not Hispanic	82,471	39.6%

Source: United States Census Bureau ACS 2017-2021 (DP05)

The population of Moreno Valley is almost perfectly split between naturalized U.S. citizens and non-citizens. This is an important data point because non-citizens often face additional difficulties in accessing fair housing. Non-citizens are more likely to face language difficulties and economic struggles and may be victims of predatory landlords.

CHART: FOREIGN BORN POPULATION IN MORENO VALLEY CITY

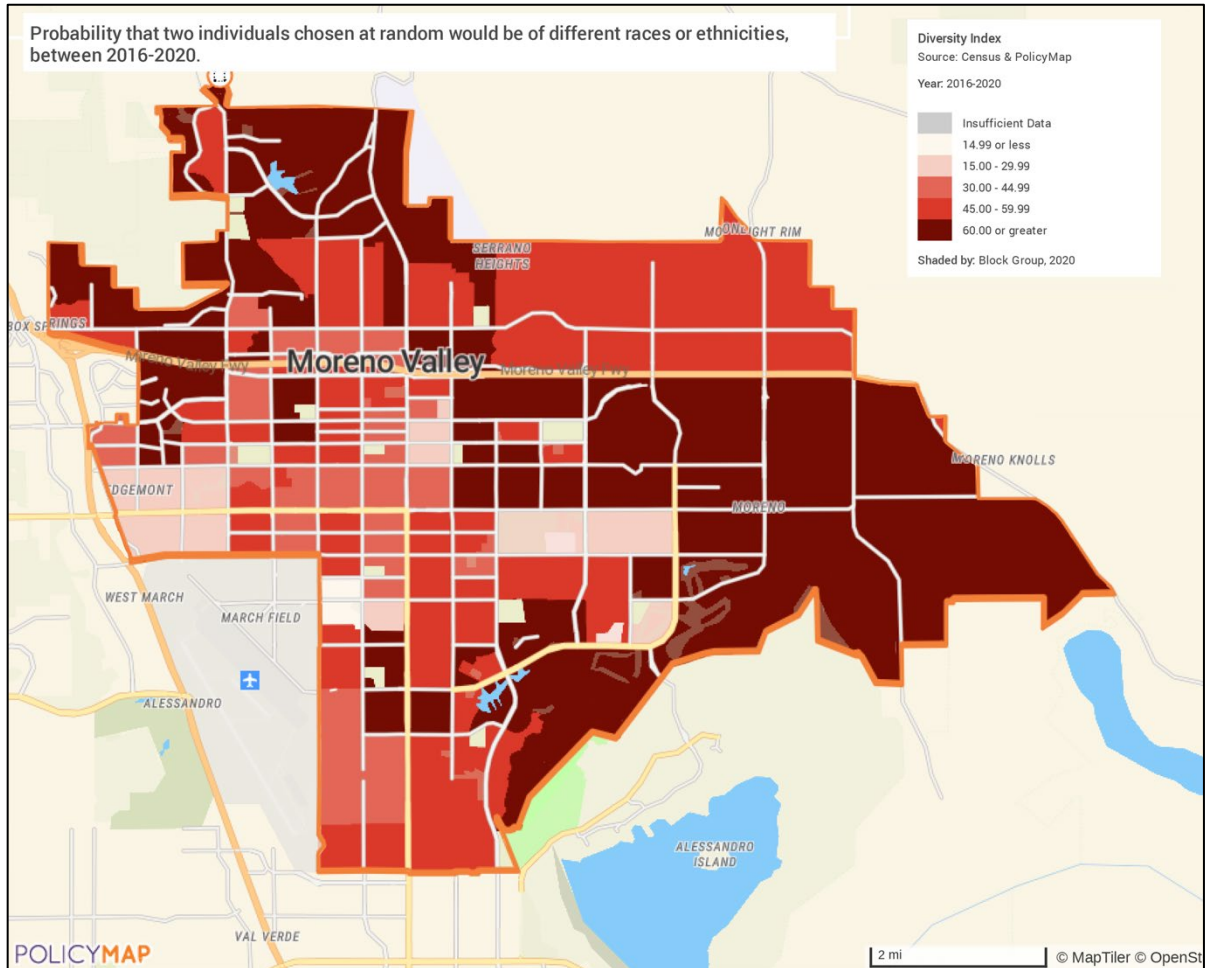


Source: United States Census Bureau ACS 2017-2021 (DP02)

DIVERSITY

The following map shows how diverse different census tracts are throughout the city. The tracts that are shaded in darker red have a greater diversity than those shaded with lighter red and pink. The only parts of Moreno Valley that have relatively low diversity index are the block groups in the center of the city.

MAP: DIVERSITY INDEX

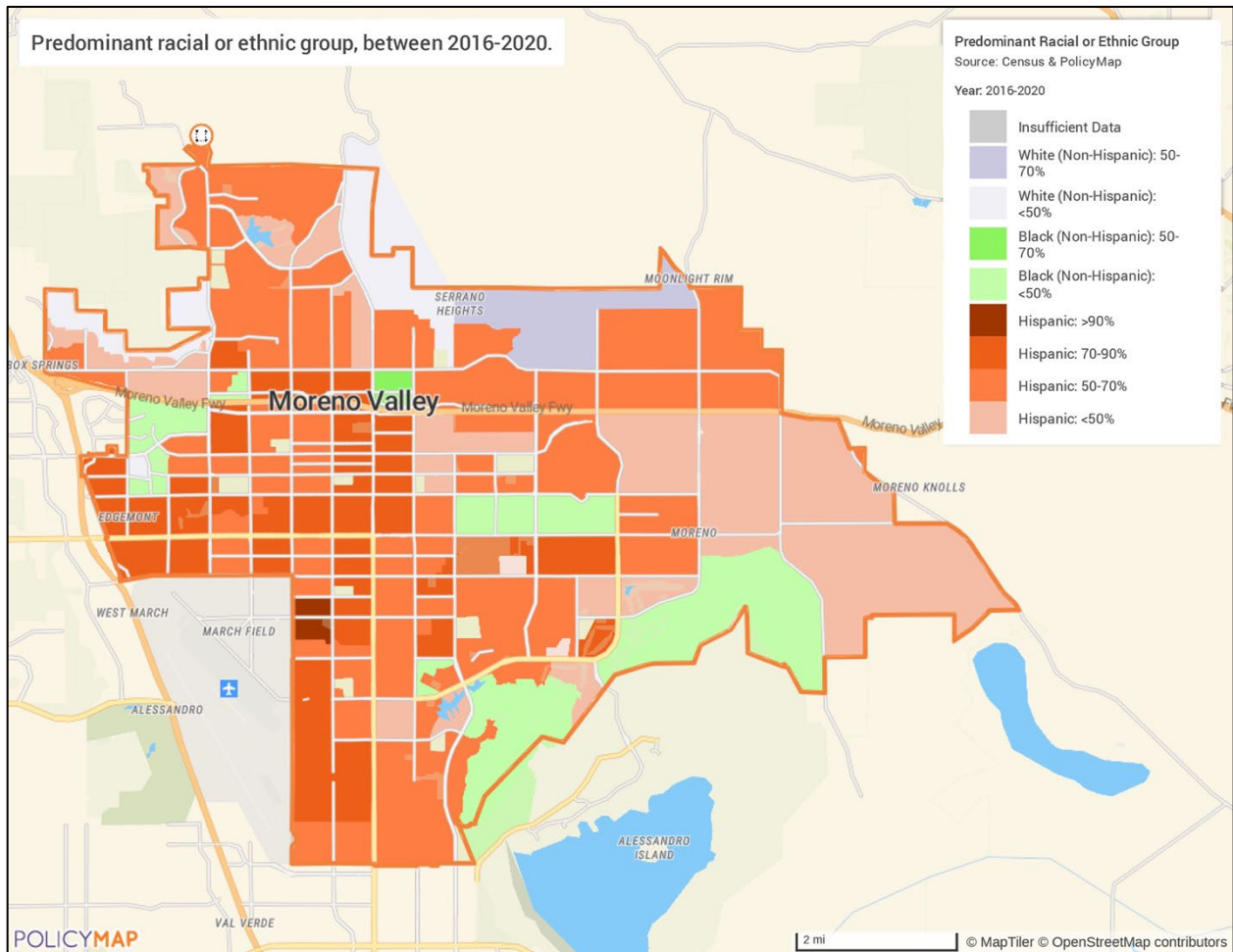


Source: United States Census Bureau ACS 2016-2020 via PolicyMap

SEGREGATION/INTEGRATION

Citywide, Black residents make up less than 20% of the population, but in several areas Black residents make up over half the population. These areas are primarily in rural areas, particularly in the northern portion of the city. A key issue that HUD has identified are areas of racial or ethnic concentrations of poverty and the relationship between financial characteristics and location which will be discussed later in this document.

MAP: PREDOMINANT RACE



Source: United States Census Bureau ACS 2017-2021 via PolicyMap

AGE

Moreno Valley has a lower median age than the state. According to the 2017 – 2021 ACS data, the median age in the county was 32.3, compared to 37.6 years in California. ACS data figures show that the city is aging at a slower rate than the state. In 2021, residents 65 and older made-up 10.1 percent of the population of Moreno Valley. That is an increase of more than 5 percent from 2010, when persons 65 and older made up only 4.7 percent of the population. By contrast, the elderly population in the state grew from 11.1 percent to 14.3 percent in that period. The age distribution is fairly even in the county. The largest age cohort in the county is 25 to 29 years, with 9.1 percent of the total population (19,361 persons).

TABLE: AGE DISTRIBUTION

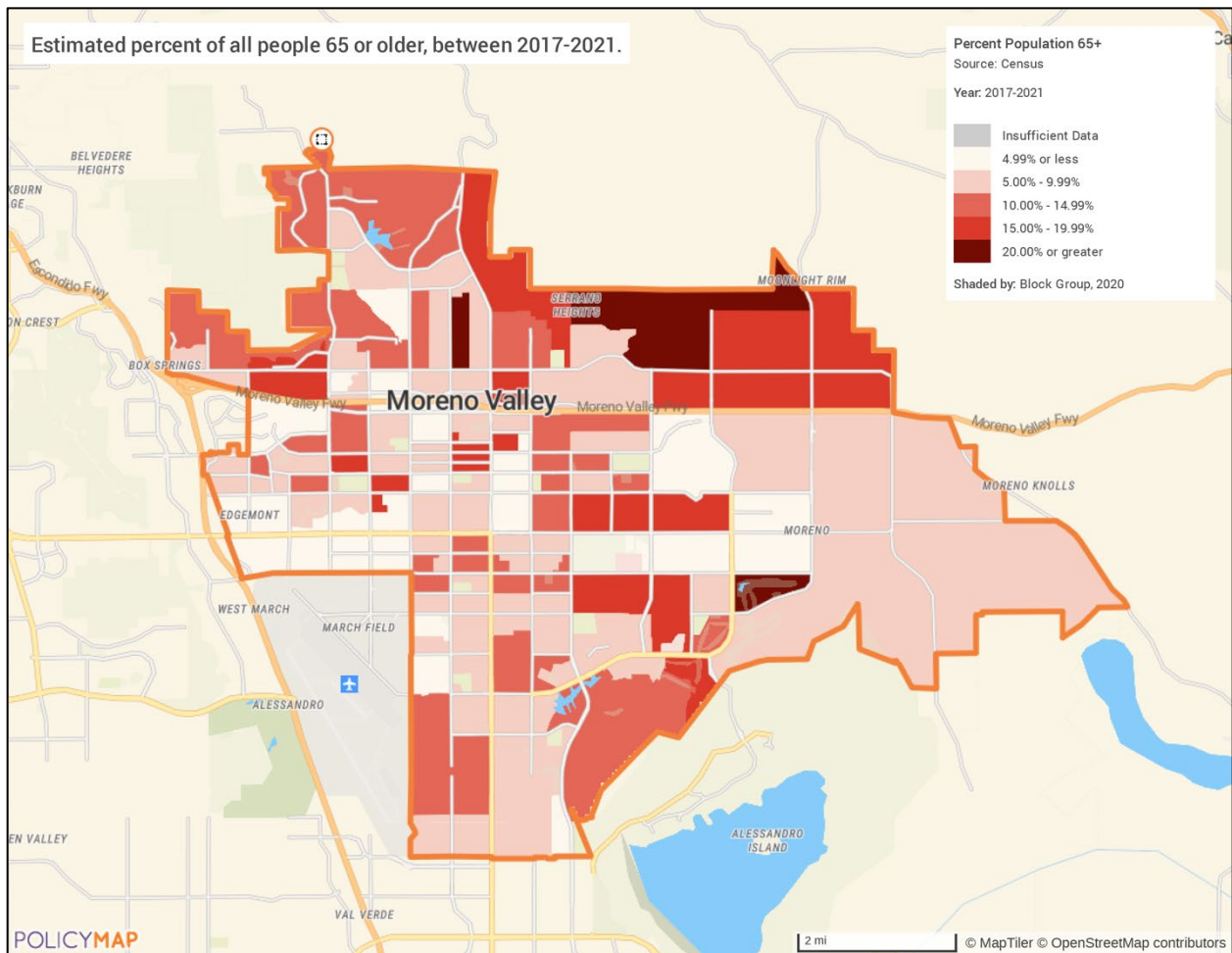
AGE COHORT	Total Persons in Group	Percent
Under 5 years	12,799	6.0%
5 to 9 years	16,208	7.7%
10 to 14 years	17,303	8.2%
15 to 19 years	15,996	7.6%
20 to 24 years	16,254	7.7%
25 to 29 years	19,361	9.1%
30 to 34 years	17,009	8.0%
35 to 39 years	15,427	7.3%
40 to 44 years	14,448	6.8%
45 to 49 years	10,362	4.9%
50 to 54 years	13,019	6.2%
55 to 59 years	11,353	5.4%
60 to 64 years	10,748	5.1%
65 to 69 years	7,618	3.6%
70 to 74 years	7,010	3.3%
75 to 79 years	3,973	1.9%
80 to 84 years	1,230	0.6%
85 years and over	1,489	0.7%
Total population	211,607	100%
Median age (years)	32.3	-
Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (S0101)		

ELDERLY

Meeting the housing needs of the elderly is especially important. As communities across the nation grow proportionately older, the needs of the elderly must be factored into community plans and programs to provide appropriate social services, healthcare, and housing. Housing is central to these evolving needs, particularly access to housing options that are decent, safe, affordable, accessible, and located in proximity to services and transportation. Housing is one of the most essential needs of the elderly because the affordability, location and accessibility of their residence directly impacts their ability to access health and social services – both in terms of financial cost and physical practicality. Senior housing was selected as one of the top three priorities for housing in the city’s community housing needs survey.

Persons 65 and older comprise a smaller percentage of the county’s population than that of the state. Approximately 16 percent of the county’s population is 65 and older (51,698 persons), compared to the state at 17.7 percent (2017–2021 ACS). Furthermore, 1.9 percent of the county’s population is 85 and older (6,054 persons). While the percentages may not suggest much growth, the actual number of elderly residents in the county grew from 45,839 in 2017 to 51,698 in 2021.

MAP: POPULATION AGE OVER 65



Source: United States Census Bureau ACS 2017-2021 via PolicyMap

DISABILITY

Residents with disabilities often require special housing units and have limited income, which makes affording safe and secure homes difficult. In Moreno Valley nearly 10% of the population has a disability, and the likelihood that a person has a disability increases with age. Over one third of residents over the age of 65 years old report at least one disability. In total, there are over 20,000 people who may need ADA accessible housing units. A lack of accessible units can be an impediment to fair housing access. Not only are the individuals with disabilities impacted, but their entire household can face issues of access to appropriate housing. This issue is magnified with residents who are on a fixed income due to age.

TABLE: DISABILITY STATUS OF THE CIVILIAN NONINSTITUTIONALIZED POPULATION

Type	Number	Percent
Total Civilian Noninstitutionalized Population	207,988	--
<i>With a disability</i>	20,423	9.8%
Under 18 years	58,176	--
<i>With a disability</i>	2,760	4.7%
18 to 64 years	130,553	--
<i>With a disability</i>	10,874	8.3%
65 years and over	19,259	--
<i>With a disability</i>	6,789	35.3%
Source: 2017-2021 ACS 5-Yr Estimates		

HOUSEHOLD TYPES

In addition to race and ethnicity, it is important to understand what types of households live in the community and what their needs might be. It isn't sufficient to have enough housing units available if those units are not the right size for residents. In Moreno Valley, approximately 62% of the households are married or cohabitating couples. Of those, nearly half have a child under the age of 18 present. The needs of these households differ from the approximately 6,200 householders living alone. If the supply of housing units does not include a variety of sizes, this can be an impediment to housing choice for some residents.

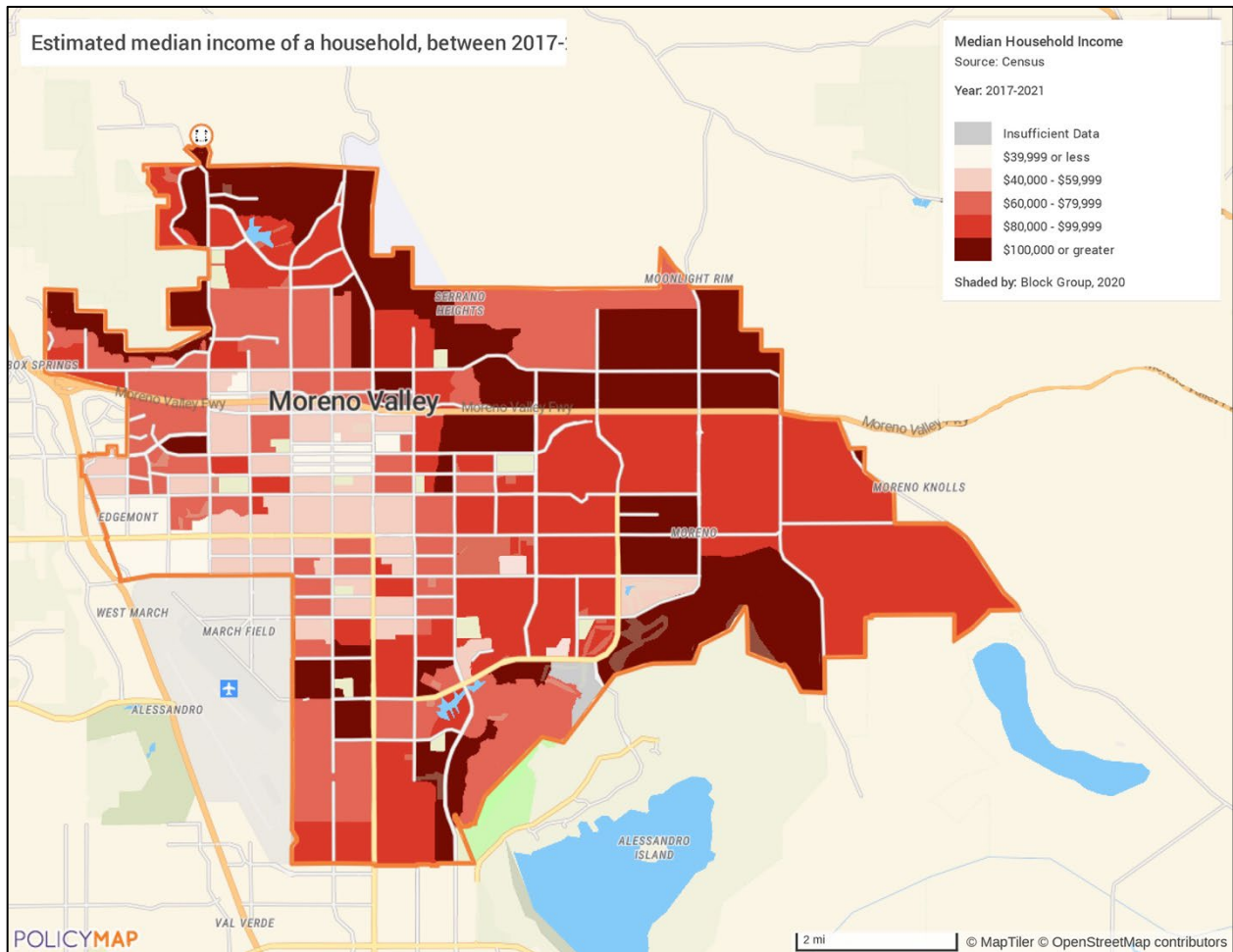
TABLE: HOUSEHOLDS BY TYPE

Type	Number	Percent
Total households	53,135	100%
Married-couple household	29,012	54.6%
• With children of the householder under 18 years	13,600	25.6%
Cohabiting couple household	3,871	7.3%
• With children of the householder under 18 years	1,988	3.7%
Male householder, no spouse/partner present	7,085	13.3%
• With children of the householder under 18 years	1,072	2.0%
• Householder living alone	2,986	5.6%
- 65 years and over	655	1.2%
Female householder, no spouse/partner present	13,167	24.8%
• With children of the householder under 18 years	4,194	7.9%
• Householder living alone	3,190	6.0%
- 65 years and over	1,307	2.5%
Households with one or more people under 18 years	26,017	49.0%
Households with one or more people 65 years and over	13,786	25.9%
Average household size	3.91	(X)
Average family size	4.20	(X)
Source: United States Census Bureau ACS 2017-2021 (S1101)		

INCOME AND POVERTY

Due to the correlation between race and geography it is important to determine if there is a similar correlation between income and geography. The following map shows the median household income by block group. The areas with higher median household income are along the outskirts of the city. In Moreno Valley there is not a clear relationship between geography, race and ethnicity, and income. However, there are areas of the city that have a noticeably lower median income than other parts of the city.

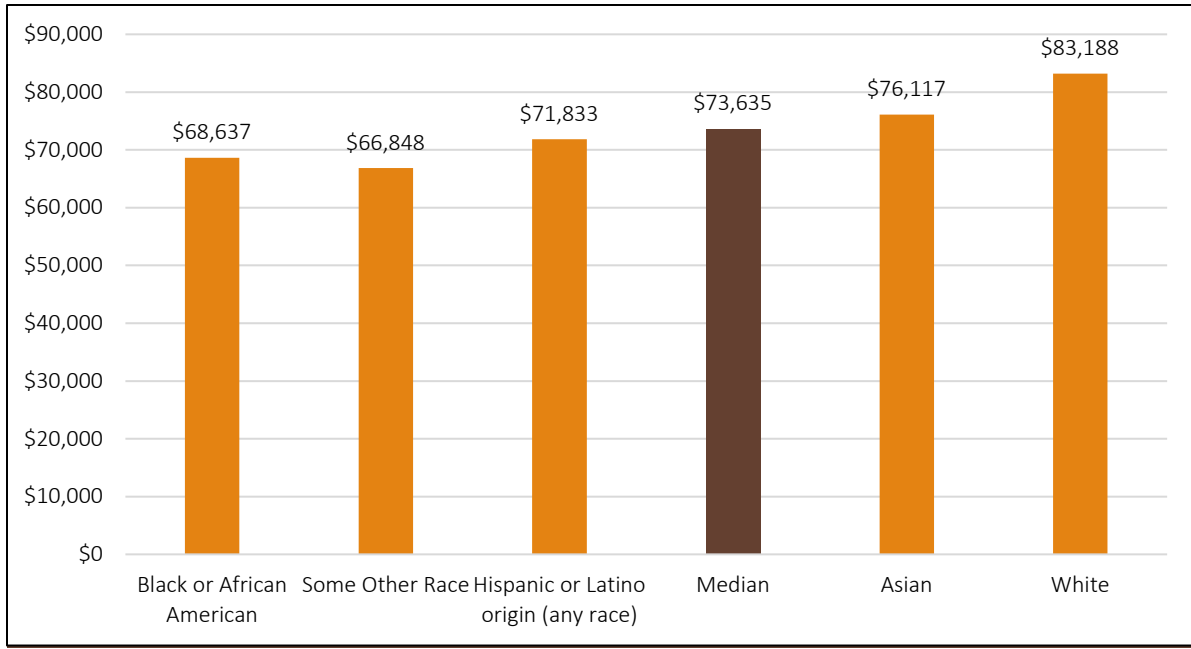
MAP: MEDIAN HOUSEHOLD INCOME



Source: United States Census Bureau ACS 2017-2021 via PolicyMap

As noted above, there does not appear to be a strong relationship between race/ethnicity and income. While the relationship is weak, there is still a difference between median income among different groups. White and Asian households both report a median income above the citywide rate, while every other group had lower than average incomes.

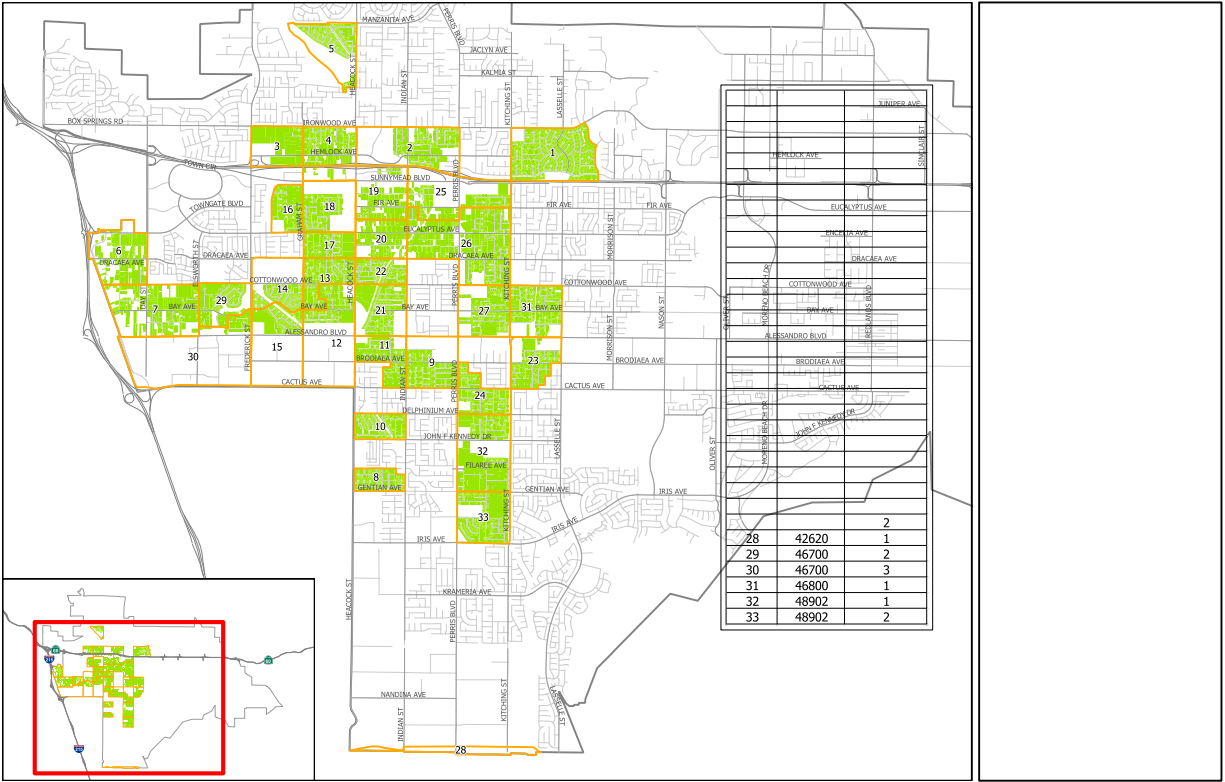
CHART: HOUSEHOLD MEDIAN INCOME BY RACE/ETHNICITY



Source: United States Census Bureau ACS 2017-2021 (\$1903)

HUD requires that Community Development Block Grant (CDBG) funded activities either principally benefit low- and moderate-income (LMI) persons, aid in the prevention or elimination of slums or blight, or meet a community development need having a particular urgency. Most activities funded by the CDBG program are designed to benefit low- and moderate-income (LMI) persons. HUD defines low- to moderate-income (LMI) families or households as those with an annual income that is below 80% of Area Median Income, as established by HUD. If a family or household has an income equal to or less than 50% of the area median income, it is considered Low-Income. If an activity will benefit all the residents of a primarily residential area where at least 51 percent of the residents are low- and moderate-income persons, i.e. area-benefit, the activity can still meet the federal threshold.

The city can determine project area-benefit locations using HUD CDBG Low/Mod Income Summary Data (LMISD) which helps to guide the city where low/mod block group tracts are located. The map below identifies the low-moderate income areas and is utilized to plan for housing and community development activities throughout the city. In addition to the HUD LMISD data, the city determines location of special projects based on need and demand of its residents, as well as the condition of existing resources.



Income and poverty are closely related. In Moreno Valley the citywide poverty rate is 13.5% but there are differences in poverty rate among racial and ethnic groups. The highest poverty rate was reported by Native Hawaiian and Other Pacific Islander households; however, the total population of that group is relatively small.

TABLE: POVERTY BY RACE AND ETHNICITY

	Population Below Poverty Level	Percent Below Poverty Level
Citywide	27,950	13.5%
White	6,848	11.6%
Black	5,611	15.2%
American Indian and Alaska Native	60	4.4%
Asian	1,410	12.7%
Native Hawaiian and Other Pacific Islander	332	37.8%
Multiracial	12,122	15.6%
Hispanic	18,089	14.4%

Source: United States Census Bureau ACS 2017-2021 (DP05)

COST BURDEN

According to HUD, households paying an excess of 30% of their monthly household income towards housing costs (renter or owner) are “cost burdened.” When a household is cost burdened, they are at an increased risk of homelessness and a substandard living environment. To analyze the impact of cost burden on residents, the population is separated into three housing types: homeowners with a mortgage, homeowners without a mortgage, and renters.

Renters are, by far, the most cost burdened group in the city. Over 62% of renters are cost burdened and approximately 53% of renters pay 35% or more of their income toward housing costs. Even without considering housing cost burden, renters have greater housing instability and a greater likelihood of needing assistance. A household that can purchase property within their means is able to provide a more secure housing situation and create intergenerational wealth. First time homebuyer assistance and assisting renters who wish to own a home is one proven way to help alleviate financial pressure on renters.

Homeowners have a significantly lower cost burden rate, but there are still homeowner households within the city who lack the income necessary for economic security. Approximately 12.7% of homeowners without a mortgage and approximately 37.8% of homeowners with a mortgage are cost burdened. Homeowners without a mortgage have a particularly low-cost burden rate. However, they also are more likely to be elderly and may lack disposable income, meaning any increase in housing costs can cause significant problems.

TABLE: MONTHLY HOUSING COSTS

	Homeowners with a Mortgage		Homeowners without a Mortgage		Renters	
	Number	Percentage	Number	Percentage	Number	Percentage
Less than 20%	8,844	33.6%	4,796	73.8%	3,139	15.9%
20.0 to 24.9%	3,802	14.5%	240	3.7%	2,297	11.7%
25 to 29.9%	3,704	14.1%	102	1.6%	1,897	9.6%
30 to 34.9%	2,330	8.9%	227	3.5%	1,943	9.9%
35% or more	7,626	29.0%	597	9.2%	10,416	52.9%
Total Cost Burdened	9,956	37.8%	824	12.7%	12,359	62.8%

Source: 2017-2021 ACS 5-Yr Estimates (DP04)

DISPROPORTIONATE HOUSING NEEDS

HUD identifies four housing problems to be analyzed in the Consolidated Plan: incomplete kitchen facilities, incomplete plumbing facilities, overcrowding, and cost burden. The city's 2023 – 2028 Consolidated Plan reviewed the available HUD data to identify racial or ethnic groups that have a disproportionately greater need than the needs of an income category as a whole. Research found that American Indian and Alaska Native households as the group that is most frequently impacted by disproportionate need throughout multiple income groups. This population is relatively small but the frequency with which they appear points to a potential housing need to be addressed. Additionally, low-income Pacific Islander households reported disproportionately greater need for both housing problems, severe housing problems, and cost burden. The most common household problem for all racial or ethnic groups is cost burden.

Disproportionate Housing Problems:

- Extremely Low Income: American Indian or Alaska Native
- Very Low Income: American Indian or Alaska Native
- Low Income: Black or African American, American Indian or Alaska Native, Pacific Islander
- Moderate Income: None

Disproportionate Severe Housing Problems:

- Extremely Low Income: None
- Very Low Income: American Indian or Alaska Native
- Low Income: American Indian or Alaska Native, Pacific Islander
- Moderate Income: Hispanic

Standard Cost Burden: American Indian or Alaska Native

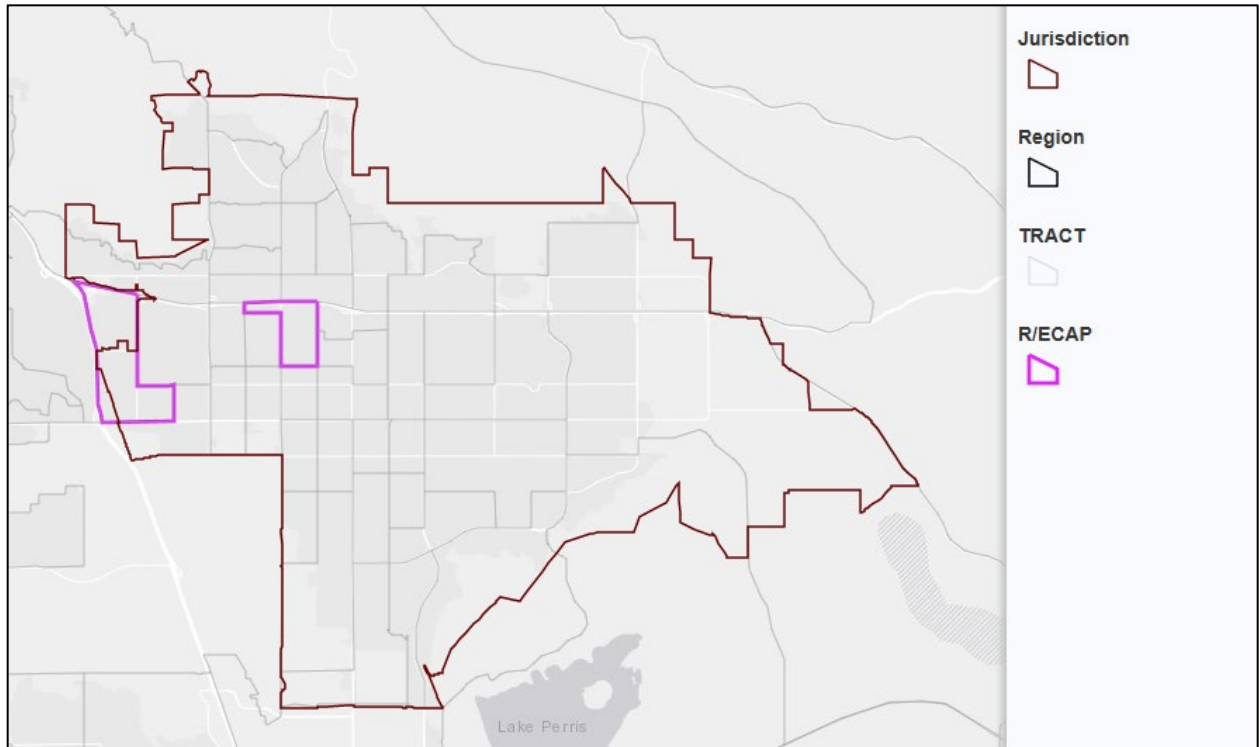
Extreme Cost Burden: None

Total Cost Burden: American Indian or Alaska Native

RACIALLY/ETHNICALLY CONCENTRATED AREAS OF POVERTY (R/ECAP)

A key issue that HUD has identified is Racially/Ethnically Concentrated Areas of Poverty (R/ECAP) and the relationship between financial characteristics and location. According to the most recent data available there are two tracts in Moreno Valley that are R/ECAPs (tract 042505 to the far west and tract 042515 just west of city center). Both areas have a large Hispanic population.

MAP: R/ECAP TRACTS



Source: Department of Housing and Urban Development AFFH Mapping Tool (AFFHT0007)

SECTION III: HOUSING PROFILE

The availability of housing in a variety of types, sizes, and costs is imperative for access to fair housing choice. For a community to attract and maintain residents there must be housing available for all types of families of all income levels, both for renters and homeowners.

HOUSING STOCK

Throughout Moreno Valley, one-unit detached structures make up a majority of all housing units. Since 2010, the housing stock in the city has grown slightly from 54,218 units to 55,532 units. There has been little fluctuation in the percentage of housing units by type. The largest change was structures with 5-9 units that grew from 3% to 6.4% of the housing stock.

HUD defines a single-family structure as a structure with one to four units. Using that definition, approximately 83.9% of all housing units are single-family. An important group of property types are called the “Missing Middle” and represent housing types that are neither 1-unit nor large complexes with 20 or more units. These units tend to provide affordable housing options for many residents but are rare in many communities. In Moreno Valley, approximately 9.8% of all units are in this important group.

TABLE: PROPERTY TYPE IN 2010 AND 2021

	2010		2021	
	Number	Percentage	Number	Percentage
1-unit, detached structure	43,759	80.7%	43,507	78.3%
1-unit, attached structure	1,100	2.0%	1,027	1.8%
2 units	303	0.6%	420	0.8%
3 or 4 units	1,166	2.2%	1,678	3.0%
5-9 units	1,616	3.0%	3,527	6.4%
10-19 units	2,357	4.3%	1,875	3.4%
20 or more units	2,586	4.8%	2,343	4.2%
Mobile Home	1,302	2.4%	1,140	2.1%
Boat, RV, Van, etc.	29	0.1%	15	0.03%
Total	54,218	100%	55,532	100%
Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)				

The following table compares unit sizes from 2010 and 2021. There has not been a significant change. The proportion of large units with 3 or more bedrooms decreased from 76.3% to 78.3%.

TABLE: UNIT SIZE

	2010		2021	
	Number	Percentage	Number	Percentage
No bedroom	920	1.7%	576	1.0%
1 bedroom	2,700	5.0%	2,828	5.1%
2 bedrooms	8,180	15.1%	9,737	17.5%
3 bedrooms	21,879	40.4%	20,017	36.0%
4 bedrooms	16,201	29.9%	17,592	31.7%
5 or more bedrooms	4,338	8.0%	4,782	8.6%
Total	54,218	100%	55,532	100%

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)

The housing stock in Moreno Valley is relatively new when compared to the state as a whole. Approximately 80% of the city’s housing units were built after 1980 and over 25% were built after 2000. At the state level 41.7% of the units were built after 1980. Units built prior to 1980 are at risk of having lead-based paint in them and require special care during rehabilitation. In Moreno Valley, 20% of the housing stock was built prior to 1980, or nearly 10,800 units in the city. A more extensive look at the age of housing and lead based paint hazard risk is completed in the city’s Consolidated Plan.

TABLE: YEAR UNIT BUILT

	California		Moreno Valley	
	Number	Percentage	Number	Percentage
Built 2020 or later	20,908	0.1%	37	0.1%
Built 2010 to 2019	705,742	4.9%	2,256	4.1%
Built 2000 to 2009	1,566,716	10.9%	11,721	21.1%
Built 1990 to 1999	1,547,489	10.8%	8,066	14.5%
Built 1980 to 1989	2,149,034	15.0%	22,273	40.1%
Built 1970 to 1979	2,489,970	17.4%	6,501	11.7%
Built 1960 to 1969	1,867,790	13.0%	2,203	4.0%
Built 1950 to 1959	1,878,006	13.1%	1,333	2.4%
Built 1940 to 1949	814,928	5.7%	726	1.3%
Total	14,328,539	100%	55,532	100%

Source: 2017-2021 ACS 5-Yr Estimates (DP04)

OCCUPANCY CHARACTERISTICS - HOUSING TENURE

Home ownership is a key component of securing multi-generational wealth and stability. Disparities in access to home ownership can be an impediment to fair housing choice, particularly when it is linked to race or ethnicity. In Moreno Valley, approximately 62% of households live in owner-occupied units, which is a six percent decline from the 2010 rate.

TABLE: HOUSING OCCUPANCY IN 2010 AND 2021

	2010		2021	
	Number	Percentage	Number	Percentage
Total Housing Units	54,218	100%	55,532	100%
Occupied Housing Units	49,746	91.8%	53,135	95.7%
<i>Owner Occupied Units</i>	33,817	68%	32,977	62.1%
<i>Renter Occupied Units</i>	15,929	32%	20,158	37.9%
Vacancy Housing Units	4,472	8.2%	2,397	4.3%

Source: 2006-2010, 2017-2021 ACS 5-Yr Estimates (DP04)

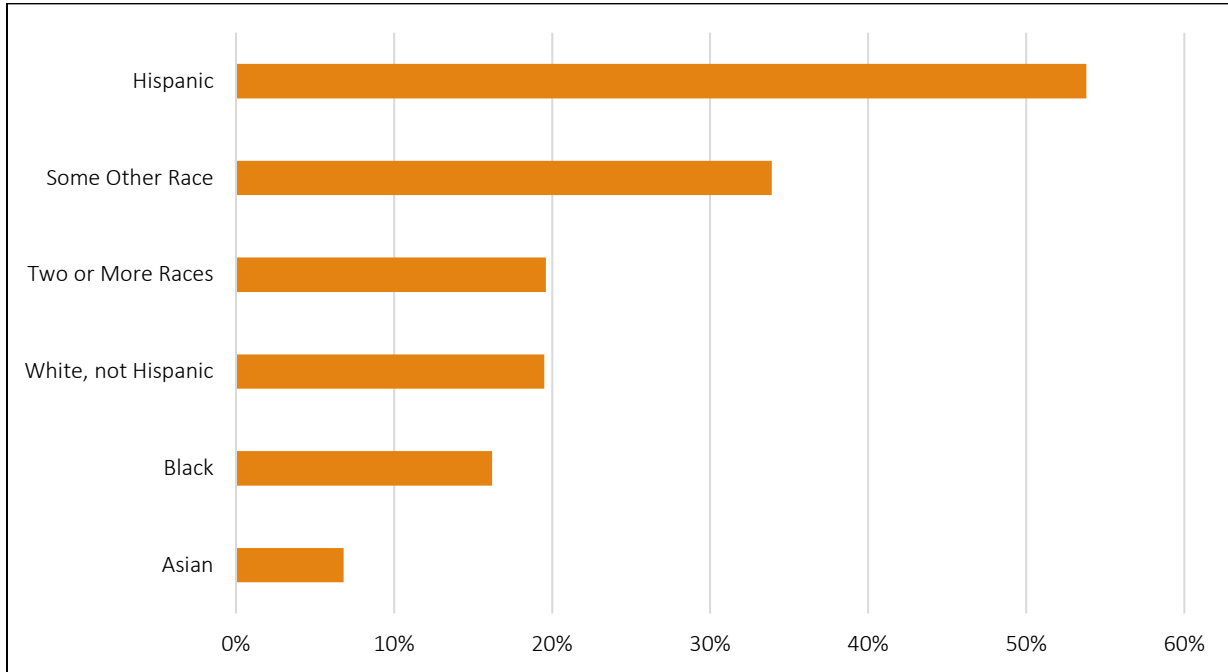
TABLE: MORENO VALLEY HOMEOWNERSHIP BY RACE/LATINO ETHNICITY 2021

	Owners	Percent	Renters	Percent
White	12,294	37.3%	4,870	24.2%
Black or African American	5,312	16.1%	5,801	28.8%
American Indian and Alaska Native	233	0.7%	223	1.1%
Asian	2,519	7.6%	741	3.7%
Native Hawaiian and Other Pacific Islander	39	0.1%	95	0.5%
Some other race	9,572	29.0%	7,058	35.0%
Two or more races	3,008	9.1%	1,370	6.8%
Hispanic or Latino origin	16,904	51.3%	10,259	50.9%
TOTAL	32,977	100%	20,158	100%

Source: United States Census Bureau ACS 2017-2021

Hispanic households are more likely than other groups to be homeowners. Nearly 55% of Hispanic households live in owner-occupied units. This is a large difference from the other groups, particularly Asian households where less than 10% are in owner occupied units.

CHART: PERCENT OF POPULATION LIVING IN OWNER-OCCUPIED UNITS BY RACE/ETHNICITY

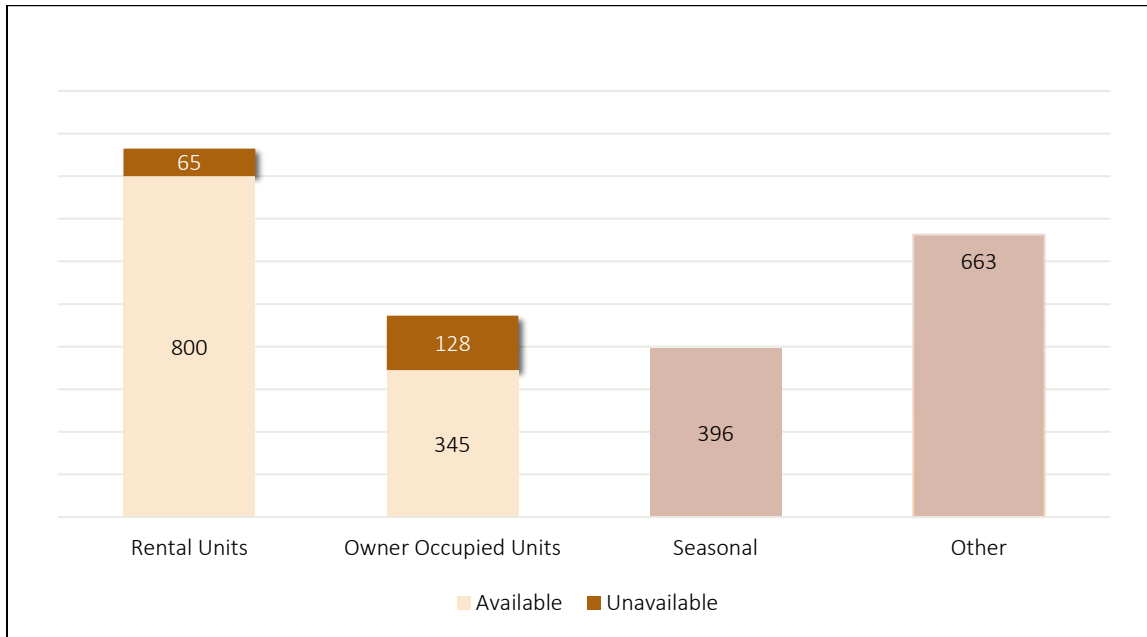


Source: United States Census Bureau ACS 2017-2021 (S2502)

VACANCY

In Moreno Valley, there are approximately 2,400 vacant units. Rental units are more likely to be vacant compared to housing units, particularly due to higher tenant turnover rates. This may be due to several issues, including unit sizes that do not match consumer needs and unit costs beyond a household's ability to pay. The second largest vacancy category is primarily made up of units that are unfit for human habitation, or the ownership is unknown.

CHART: STATUS OF VACANT UNITS



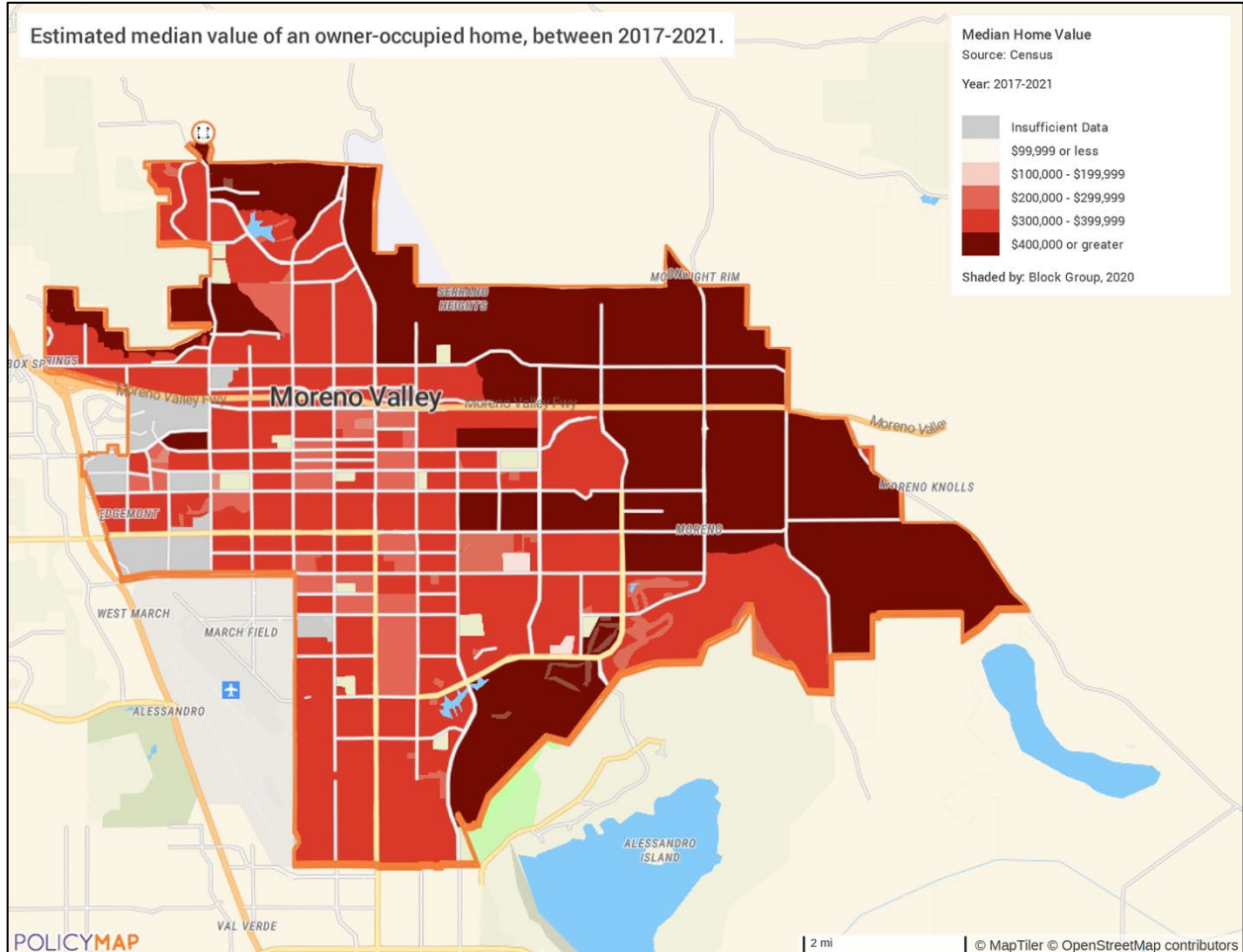
Source: United States Census Bureau ACS 2017-2021 (B25004)

Data note: Available are for rent or for sale, Unavailable are rented or sold (not occupied).

OWNER-OCCUPIED UNITS

The price of owner-occupied units appears to be closely related to geography. Areas that are on the outskirts of the city have a higher median home value. There are a few tracts dotted throughout the city with a significantly lower median home value, under \$100,000.

MAP: MEDIAN VALUE

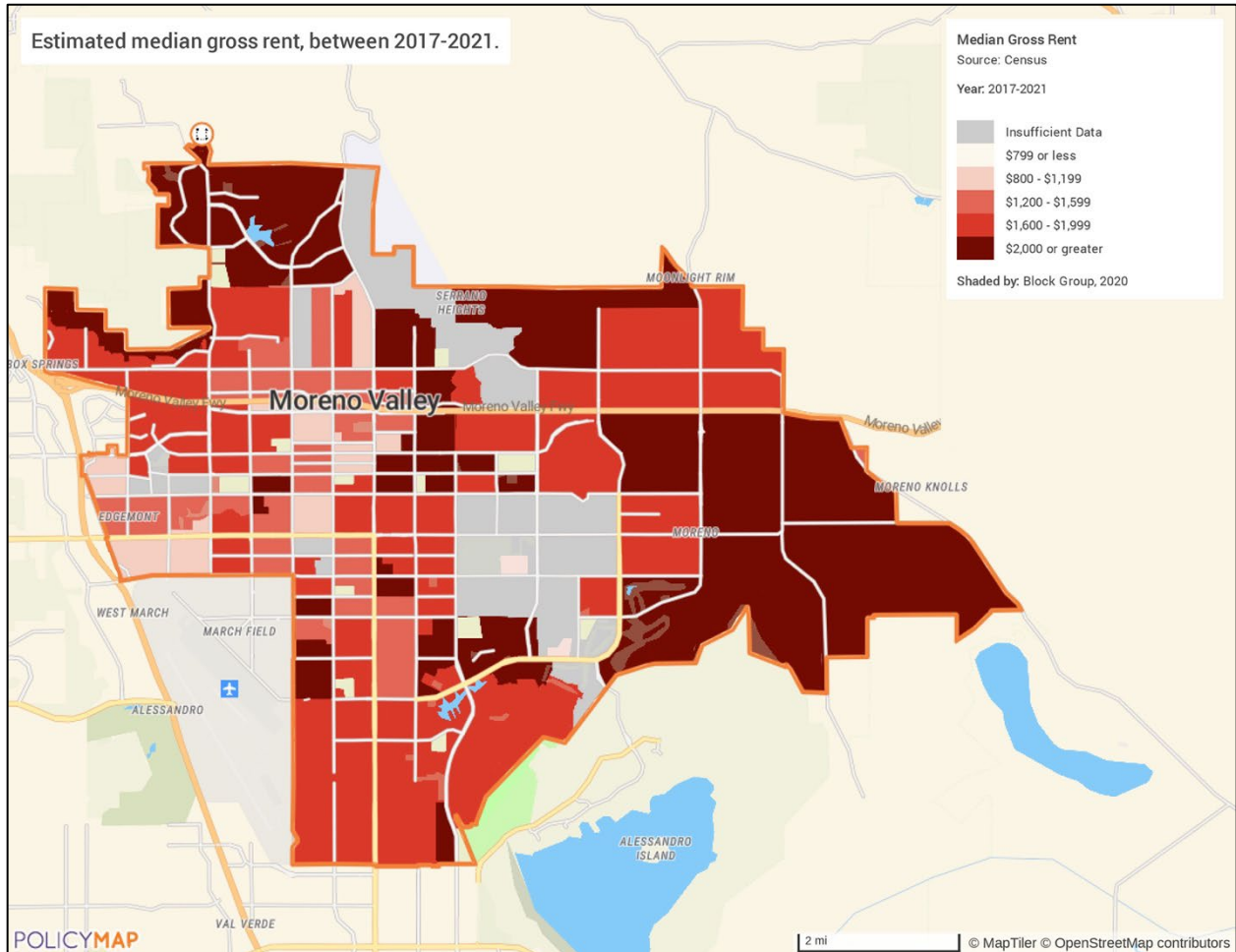


Source: United States Census Bureau ACS 2017-2021 via PolicyMap

RENTER OCCUPIED UNITS

Like owner-occupied units, the median rent is related to geography, though not as closely. Tracts along the north and east tend to have a median rent higher than elsewhere. Some tracts lack enough rental units to be accurately calculated.

MAP: MEDIAN RENT

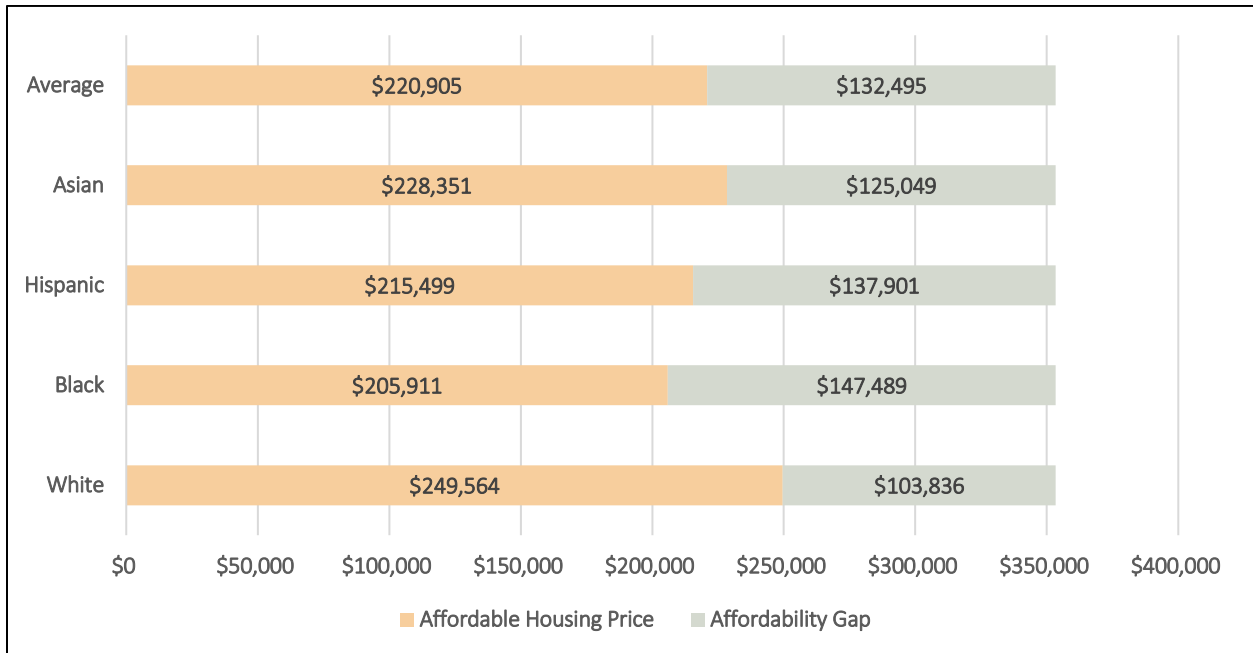


Source: United States Census Bureau ACS 2017-2021 via PolicyMap

HOMEOWNER AFFORDABILITY GAP

The homeowner affordability gap is the difference between the median home value and what is affordable for residents earning the median income by race or ethnicity. In Moreno Valley, all groups have an affordability gap. The largest is Black, non-Hispanic households and the smallest gap is White, non-Hispanic households.

CHART: AFFORDABILITY GAP



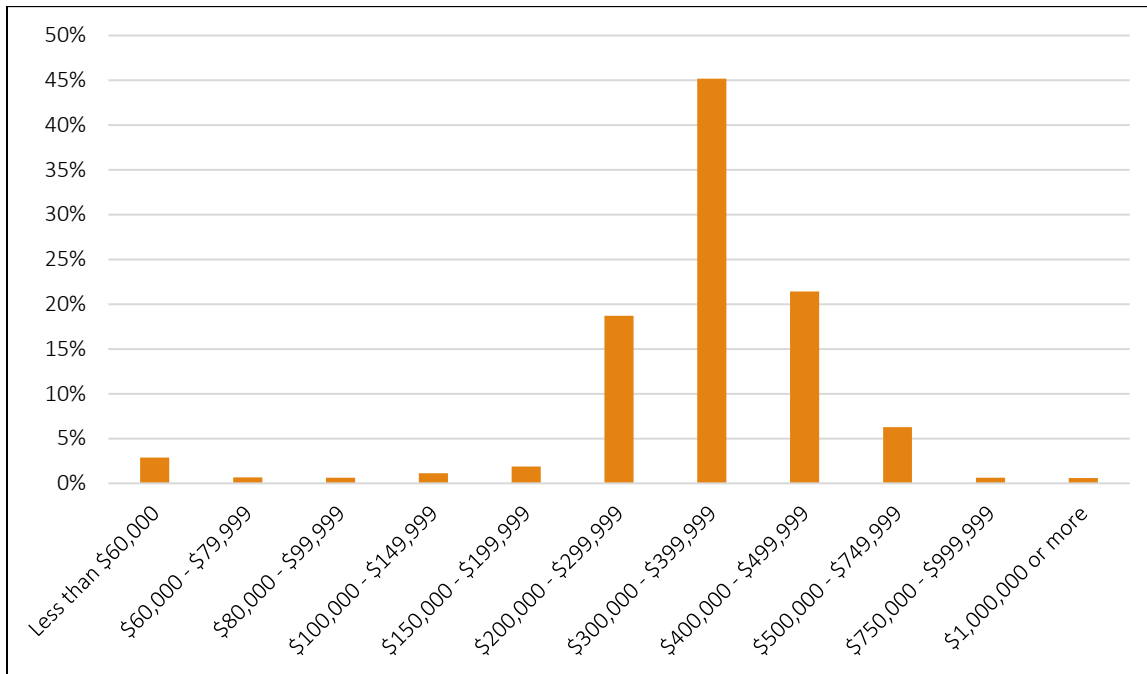
Source: United States Census Bureau ACS 2017-2021

HOME VALUE DISTRIBUTION LEVELS

The chart below shows the distribution of reported home values of owner-occupied homes in Moreno Valley. The area median income (AMI) for Moreno Valley was \$87,400 in 2022. Generally, households at 60%, 80%, 100% and 120% of the AMI in Moreno Valley should be able to afford homes of about \$158,400, \$211,200, \$262,200, and \$316,800, respectively. California’s Housing Element law requires that each city and county develop local housing programs designed to meet its “fair share” of existing and future housing needs for all income groups. Moreno Valley estimates the housing needs for households at 0-50% AMI income require 3,779 total units. Currently only 1,755 household units are under the \$150,000 threshold. An affordable house for the 50% AMI group is estimated at \$131,100 or below.

Relatedly, there has been a reduction in the stock of units with low rents from 2016 – 2021. In Moreno Valley, 2.0% of rental units in 2021 had a monthly rent of \$500 or less, and 10.3% of units rented for \$1,000 or less monthly. This is a smaller share than in 2016, when 23.6% of rented units in Moreno Valley had a gross rent of \$1,000 or less. (Note that these figures reflect nominal dollars and have not been adjusted for inflation.) Based on affordability standards defining an affordable rent at or below 30% of income, monthly rent levels at \$500 and \$1,000 are affordable to households with annual incomes of \$20,000 and \$40,000, respectively. For reference, 30% AMI is \$26,220 and 50% AMI is \$43,700.

CHART: DISTRIBUTION OF REPORTED HOME VALUES



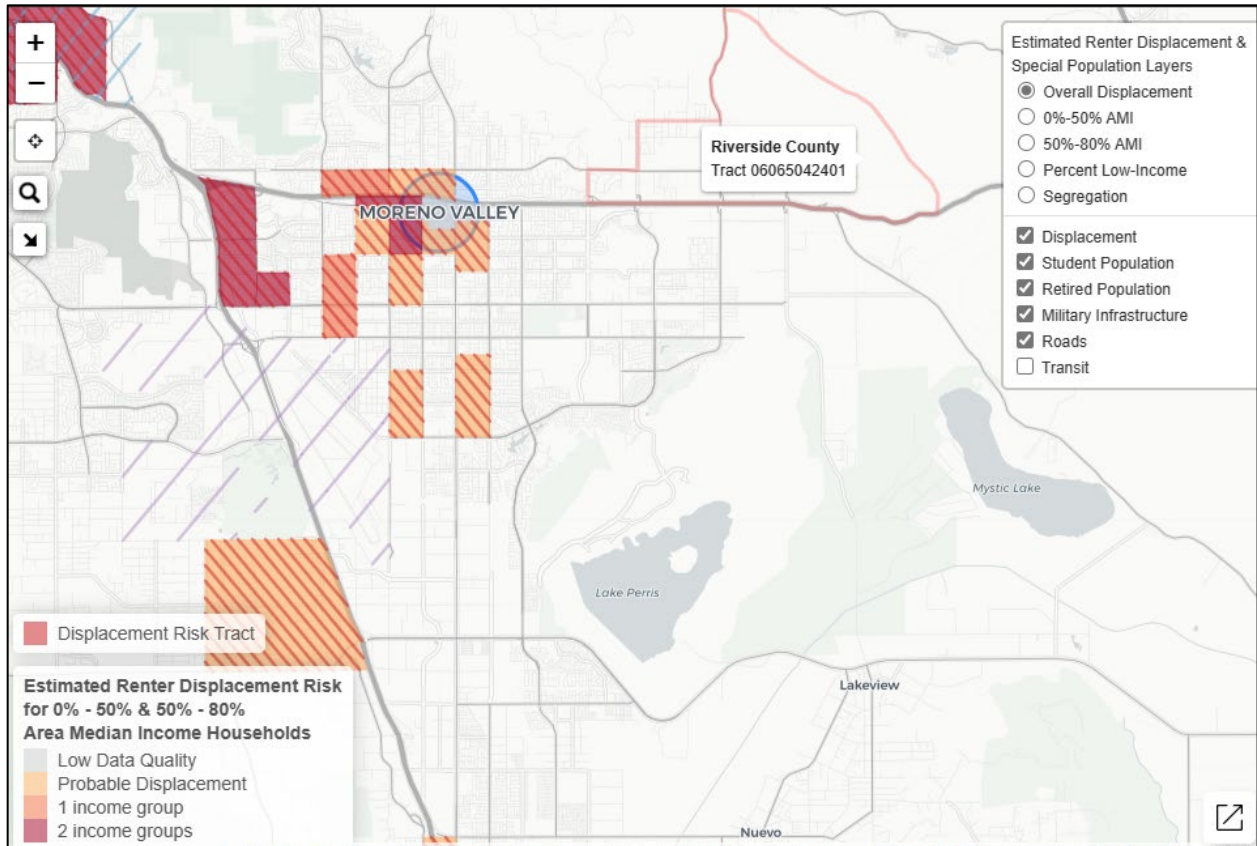
Source: United States Census Bureau ACS 2017-2021

Note: Riverside (county subdivision) was used to determine Area Median Income.

DISPLACEMENT

According to the Urban Displacement Project¹—whose research aims to understand and describe the nature of gentrification, displacement, and exclusion, and promote more equitable development—there are several tracks in Moreno Valley with a displacement risk. The highest displacement risk is in the western part of the city and in the downtown area. These tracts also coincide with LMI households and rising rents.

MAP: ESTIMATED DISPLACEMENT RISK MODEL



Source: Urban Displacement Project

¹ Chapple, K., & Thomas, T., and Zuk, M. (2021). Urban Displacement Project website. Berkeley, CA: Urban Displacement Project; <https://www.urbandisplacement.org/about/what-we-do/>

SECTION IV – PRIVATE LENDING ANALYSIS

LEGISLATION

FAIR HOUSING ACT 1968

“Discrimination in mortgage lending is prohibited by the federal Fair Housing Act and HUD's Office of Fair Housing and Equal Opportunity actively enforces those provisions of the law. The Fair Housing Act makes it unlawful to engage in the following practices based on race, color, national origin, religion, sex, familial status, or handicap (disability):

- Refuse to make a mortgage loan or refinance a mortgage loan;
- Refuse to provide information regarding loans;
- Impose different terms or conditions on a loan, such as different interest rates, points, or fees;
- Discriminate in appraising property;
- Refuse to purchase a loan or set different terms or conditions for purchasing a loan; and
- Discriminate in providing other financial assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling or other financial assistance secured by residential real estate.”²

HOME MORTGAGE DISCLOSURE ACT

The Home Mortgage Disclosure Act (HMDA), enacted by Congress in 1975, requires that mortgage lenders make loan data public. HMDA tracks information to ensure that fair and safe home financing is available in all geographic areas including urban neighborhoods. This information is made available to highlight whether lending institutions are servicing the neighborhoods and communities in which they are located. HMDA data is a useful tool in accessing lending practices and trends within a jurisdiction. The Consumer Financial Protection Bureau oversees HMDA compliance. Data collected and reported on includes applications, approvals and denials, loan amount, type of loan, applicant demographic information, property type, and census tract. This information is released annually each September. Since enactment of the HMDA in 1975, lending institutions have been required to collect and publicly disclose data regarding applicants including: location of the loan (by Census tract, City, and MSA); income, race, and gender of the borrower; the number and dollar amount of each loan; property type; loan type; loan purpose; whether the property is owner-occupied; action taken for each application; and, if the application was denied, the reason(s) for denial. Property types examined include one-to-four family units, manufactured housing, and multi-family developments.

ANALYSIS

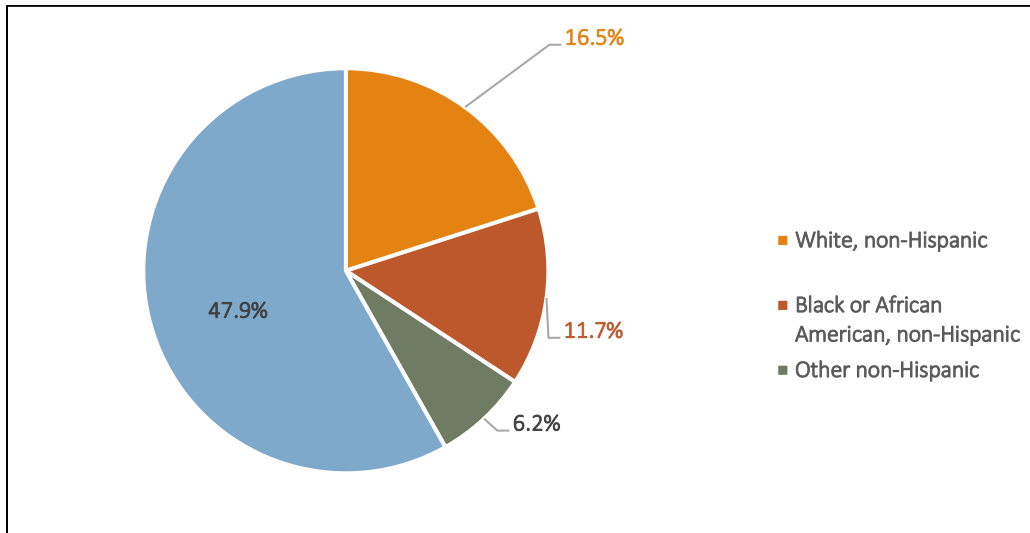
Citywide lending practices were analyzed using data gathered from lending institutions in compliance with the Home Mortgage Disclosure Act. It is recommended that the analysis of HMDA data be tempered by the knowledge that no one characteristic can be considered in isolation but must be considered considering other factors. For instance, while it is possible to develop conclusions simply based on race data, it is more accurate when all possible factors are considered, particularly in relation to loan denials and loan pricing. According to the Federal Financial Institutions Examination Council (FFIEC), “with few exceptions,

² https://www.hud.gov/topics/fair_lending

controlling for borrower-related factors reduces the differences among racial and ethnic groups.” Borrower-related factors include income, loan amount, lender, and other relevant information included in the HMDA data.

According to the most recent citywide data, most applicants in 2020 were Hispanic at 47.9%. White, non-Hispanic applicants were the second largest group at 16.5% and Black applicants represented 11.7% of all home purchase applications.

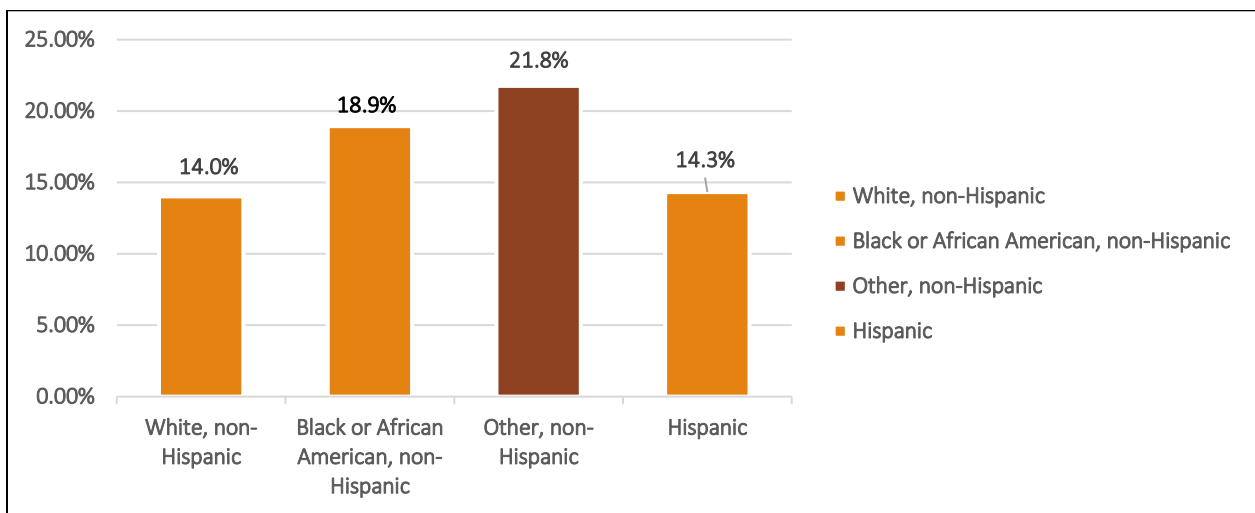
CHART: APPLICANTS BY RACE/ETHNICITY (2020)



Source: HMDA

In Moreno Valley, there appears to be a relationship between denials and race or ethnicity. Black or African American households had a higher denial rate than any other group. The lowest rate was among White, non-Hispanic households. As mentioned above, this alone does not prove discrimination or illegal activity. However, it does show a problem that warrants analysis and an opportunity to provide more targeted support for future homeowners.

CHART: DENIALS BY RACE/ETHNICITY



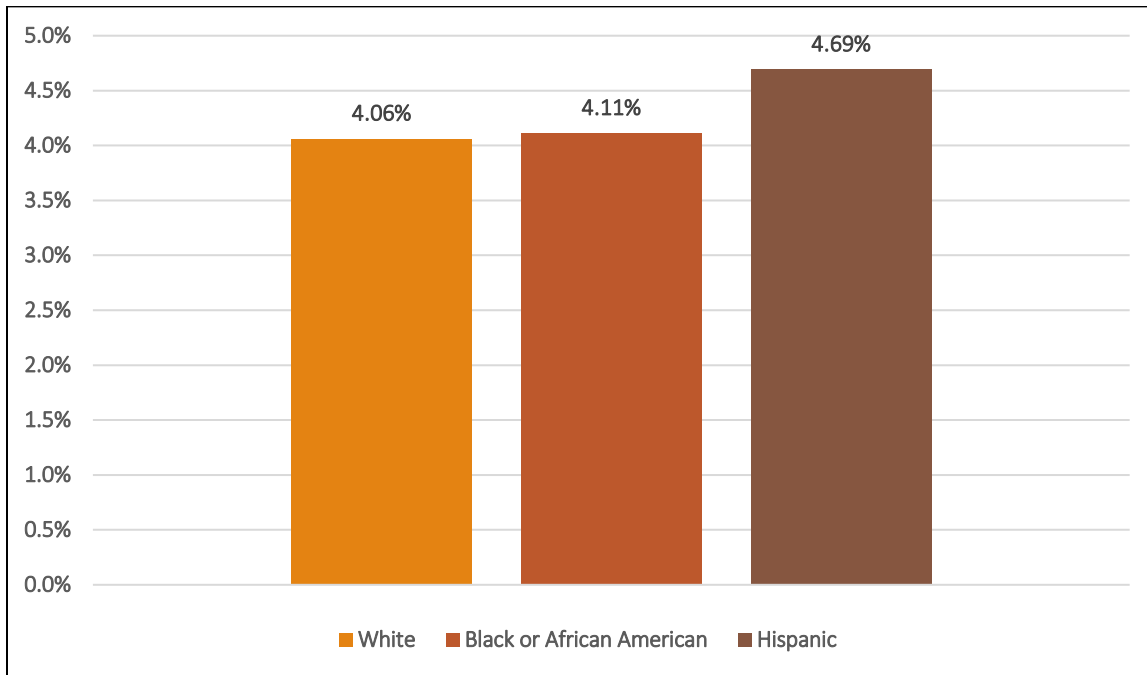
Source: HMDA

HIGH-COST LENDING BY RACE OR ETHNICITY

In 2010, HMDA adjusted its calculations to identify high-cost lending more accurately. A loan is considered “high cost” when the APR on the loan is 1.5% higher than the average prime offer rate for a first lien loan or more than 3.5% higher for a second lien loan. In Moreno Valley approximately 3.6% of all loans were high-cost loans. This is approximately double the statewide rate of 1.75%.

The following chart compares the frequency of high-cost loans by race and ethnicity. Due to the limited sample size enough data is available for only White, Black or African American, and Hispanic households. Overall, the rate of high-cost loans was similar across groups.

CHART: PERCENT OF LOANS BY RACE OR ETHNICITY



Source: HMDA

SECTION V – PUBLIC PROGRAMS AND POLICIES

CITY / COUNTY ASSISTANCE PROGRAMS

Moreno Valley has taken a proactive role and implemented public policies that encourage affordable housing opportunities through a range of programs. Several of these policies are targeted to facilitate accommodation of higher density housing in strategic locations to meet local housing needs and to satisfy the City of Moreno Valley's Sixth Cycle Regional Housing Needs Assessment (RHNA) allocation.

This objective is supported, in part, through the creation of two new land use designations (Center Mixed Use and Corridor Mixed Use) and increases in permitted residential densities. The existing housing stock is predominantly single-family detached residential units which accounts for more than 82% of the total units in the city. With 8,900 acres of vacant land within the city limits, there is considerable opportunity for housing and employment-related development in the future.

Key policies and programs most relevant and beneficial that support the expansion of affordable and fair housing in Moreno Valley include:

Policy 1: Utilize Flexible Zoning Classifications.

A new mixed use Boulevard street classification was developed to accommodate higher density housing along the city's key transit corridors.

Policy 2: Willingness to Maintain Existing Affordable Units.

The affordability covenants of units at two rehabilitation projects (the Mediterranean at Towngate and Walker Terrace), are set to expire within 10 years. Since these projects have restricted units, the city is seeking to purchase affordability covenants on these existing multiple-family units in partnership with a Riverside County qualified non-profit entity.

Policy 3: Support for Second/Accessory Dwelling Units.

Accessory Dwelling Units (ADUs) are an important part of the solution to addressing Moreno Valley's local housing needs. Moreno Valley permits secondary dwelling units as an accessory use in all residential zoning districts with a minimum lot size of at least 7,200 square feet. With over 45,000 existing single-family parcels in the city, Moreno Valley has substantial potential to accommodate accessory dwelling units.

The city also offers a variety of pre-approved ADU building plans designed by qualified architects to simplify things for interested homeowners and stimulate ADU production, which involves implementing an ADU outreach plan to promote the construction of smaller units that are “affordable by design” in single-family neighborhoods.

Policy 4: Support for Transitional Housing.

The city is a member of the Joint Powers Authority for the March Air Reserve Base. It is expected that additional transitional housing will be developed at or adjacent to the nearby March Air Reserve Base. A nonprofit called U.S. VETS is developing the “March Veterans Village” that will provide affordable housing

and supportive services. Located next to the base, March Veterans Village will consist of seven apartment buildings and will be home to more than 400 veterans and their families.

Policy 5: Impact Fees Recognize Affordable Housing Needs.

The city recognizes development impact fees influence the cost of housing and has taken initial steps to mitigate the impact of development fees on housing in the following actions:

- Retained city impact fees for affordable housing developments at the 2013 rate.
- In coordination with Western Riverside Council of Governments, exempted the Traffic Uniform Mitigation Fee for all affordable housing developments per adopted fee ordinance.
- Deferred City development impact fees for affordable units until issuance of Certificate of Occupancy.

Policy 6: Lowered Development Processing Time.

The processing time needed to obtain development permits and required approvals is commonly cited by the development community as a contributor to the high cost of housing. The city maintains a short development processing time compared to many other municipalities. The length of time between receiving approval for housing development and an applicant's submittal of an application for residential building permits in the city is typically four to six months.

Policy 7: Reduced Residential Parking Standards.

The city has reduced its parking requirements for multi-family developments reducing the potential financial impact that parking has on housing developments. The citywide parking standards for multiple-family housing were modified in 2013 and incorporated into the Mixed-Use Districts overlay. The parking reduction lessens the potential constraint that land requirements and costs have on housing development.

Policy 8: Created New Zoning Designations for Higher Density.

The newly enacted Center Mixed Use designation provides for the redevelopment of existing commercial centers and adjacent properties with a range of commercial and residential uses to complement existing development at entry points into the community. The Centers may incorporate higher-density housing on-site to support the vitality of commercial uses. The maximum permitted floor area ratio (FAR) in the zoning district designation is 1.25, with a residential density range of 20 to 35 dwelling units per acre.

The Corridor Mixed Use zoning designation also provides for a mix of housing. Mixed use is flexible in design and may be in either a vertical or horizontal format (multiple single-use buildings on the same parcel). The allowable residential density in this zoning district is 15 to 25 dwelling units per acre.

Policy 9: Encouraged In-Fill Housing on Religious Property.

To facilitate affordable housing development on surplus land on religious group owner properties, the City planning and zoning code permits residential development up to 30 dwelling units per acre by right on church, synagogue, and mosque properties where affordable housing is proposed.

The city is also implementing a program of technical assistance and development support to faith-based organizations wishing to pursue affordable housing developments on their properties. This assistance will include:

- The preparation of factsheets;
- Consultations on navigating the development application process; and
- Introductions to qualified design professionals, construction contractors, property management firms, and affordable housing operators.

This program has the potential to create as many as 2,937 new units that would otherwise be allowed under base zoning, according to analysis by city staff.

Policy 10: Amended Zoning Code for Vacant Commercial to Accommodate New Housing.

The city has identified 10 vacant commercially zoned properties where housing development is not permitted under current zoning but can accommodate higher density housing. The city will amend the planning and zoning code to permit housing at up to 30 dwelling units per acre on these sites.

Policy 11: Availability of Density Bonuses.

The city allows an increase in density to developers who set aside at least 25% of their project to low-and moderate-income people, in conjunction with at least one financial and one development incentive.

Furthermore, a 100% density bonus is offered for affordable senior housing projects.

Policy 12: Offer Multiple Affordable Housing Incentives.

The City of Moreno Valley has a range of incentives to facilitate and encourage lot consolidation. Additional incentives that developers can utilize include:

- Deferral of development impact fees for affordable housing until issuance of Certificate of Occupancy.
- Policy of keeping development impact fees at a lower level for affordable housing.
- Permit streamlining.
- Waiver of Riverside County Traffic Uniform Mitigation Fees for affordable housing.
- A reduction in required parking and an increase in maximum floor area ratio within the Mixed Use-Overlay District.

Policy 13: Provided Foreclosure Prevention Counseling and Tenant Displacement Program.

The city contracts with the Fair Housing Council of Riverside County (FHCRC) to provide foreclosure prevention counseling services to Moreno Valley residents. The FHCRC has a satellite office in Moreno Valley that provides a full range of services including anti-discrimination; landlord/tenant counseling; first time homebuyer seminars; foreclosure prevention; assistance with loan modification and free educational workshops; and the investigation of housing discrimination complaints.

Policy 14. Actively Supported the Neighborhood Stabilization Plan.

In the past, the City of Moreno Valley funding has been effectively used to implement the Neighborhood Stabilization Program aimed at assisting the areas most affected by abandoned and foreclosed homes.

Policy 15: Strengthened Local Employment Opportunities.

Moreno Valley has supported a pro-active economic development strategy leading to the creation of over 20,000 new jobs between 2015 and 2020 and a decrease in poverty levels. The city also facilitated the establishment of a full-service America’s Job Center of California office to strengthen local employment.

To further reduce the need for Moreno Valley residents to commute long distances, a 2,610-acre campus in the eastern part of the city is the site of the World Logistics Center, a major project that will construct up to 40.6 million square feet of buildings over the next 15 years specifically designed to support next generation logistics and advanced manufacturing industries.

GENERAL PLAN

The City of Moreno Valley's General Plan is a policy document that plans for and guides future development and redevelopment. The city recently updated the General Plan in 2021 to supersede the prior 2006 General Plan. The city developed updated goals and strategies using extensive citizen input on topics like housing and neighborhood revitalization, community character and appearance, economic development, transportation, environmental justice and conservation, public health, and more.

The General Plan's Housing Element establishes goals, policies, and programs that respond to local housing conditions and needs. The overarching goal is to provide safe, decent, affordable housing for all residents of Moreno Valley, including a wide range of housing options to accommodate diverse needs. The Housing Element³ identifies specific strategies to implement this vision which focus on:

- Matching housing supply with need;
- Maximizing housing choice throughout the community;
- Assisting in the provision of affordable housing choice;
- Removing government and other constraints to housing investment; and
- Promoting fair and equal housing opportunities.

The housing element identifies the following goals for the 2021-2029 planning period:

1. Availability of a wide range of housing by location, type of unit, and price to meet the existing and future needs of Moreno Valley residents.
2. Suitable and affordable housing for persons with special needs, including housing for lower income households, large families, single parent households, the disabled, senior citizens, and shelter for the homeless.
3. Removal or mitigation of constraints to the maintenance, improvement, and development of affordable housing, where appropriate and legally possible.
4. Increased opportunities for homeownership.
5. Enhanced quality of existing residential neighborhoods in Moreno Valley, through maintenance and preservation while minimizing displacement impacts.
6. Proactive energy conservation and waste reduction activities in all neighborhoods.
7. Equal housing opportunity for all residents of Moreno Valley, regardless of race, religion, sex, marital status, ancestry, national origin, color, or handicap.

Within each of these goals, the city identified multiple policies and programs that will be undertaken to meet the goals.

³ https://moval.gov/city_hall/general-plan2040/HousingElement.pdf

HUD PROGRAMS

The City of Moreno Valley receives multiple grants from the United States Department of Housing and Urban Development (HUD). These entitlement grants are awarded to urban communities on a formula basis to support affordable housing and community development activities.

The Community Development Block Grant (CDBG) program is used to plan and implement projects that foster revitalization of eligible communities. The primary goal of the program is the development of viable urban communities. Program objectives include the provision of decent housing, a suitable living environment, and expanded opportunities principally for low- to moderate-income individuals and families. The City of Moreno Valley receives an annual allocation of CDBG funds from HUD, which is used to fund eligible housing, public improvements, and public service programs meeting the needs of low-to-moderate income individuals and families. Activities can include:

- Acquisition/Rehabilitation
- Homebuyer Assistance
- Homeless Assistance
- Economic Development
- Public Infrastructure & Facility Improvements
- Public Services

CDBG helps to address local housing needs. To achieve the program objectives, each qualifying activity must meet one of the three broad National Objectives:

- a. Primarily benefit low- and moderate-income families. More specifically, 51% of the project must benefit families with incomes at or below 80% of the median income.
- b. Aid in the prevention or elimination of slum or blight. Activities considered to aid in the prevention or elimination of slum or blight are activities located within a designated area which: 1) meets a definition of a slum, blighted, deteriorated, or deteriorating area under state or local law; and 2) where there is a substantial number of deteriorating or dilapidated buildings or needed improvements throughout the area.
- c. Meet urgent community development needs. Proposed project must meet needs that have a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet the needs.

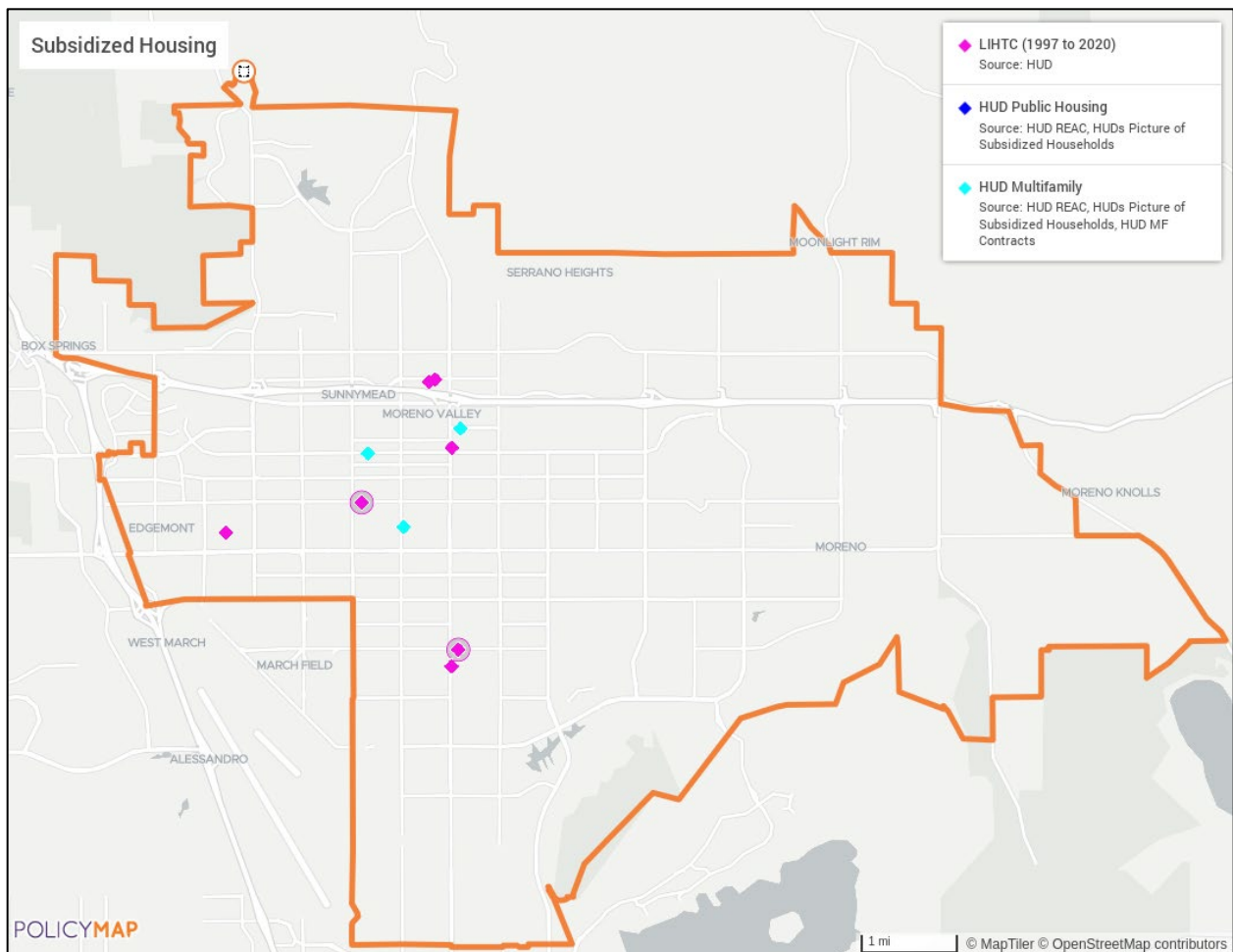
The City of Moreno Valley also receives Emergency Solutions Grant (ESG) funding. The primary objective of the ESG program is to assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. ESG funds can be used to provide a wide range of supportive services and financial assistance under the five program components: Street Outreach, Emergency Shelter, Rapid Re-Housing, Homelessness Prevention, and HMIS.

The City also receives HOME Investments Partnerships (HOME) Program funding. HOME funds are intended to create affordable housing for low-income households. The City uses HOME to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. Despite these important resources, funding levels fall short of addressing the range of housing needs in the city.

PUBLICLY SUPPORTED HOUSING

In 2021, the inventory of federally subsidized rental housing in Moreno Valley included 535 units and comprised about 3% of Moreno Valley's total rental stock. Of these subsidized units, none are HUD public housing units. Remaining units are privately owned and receive federal subsidies. In addition to the federally subsidized rental programs tracked here, some jurisdictions also have rental units that are subsidized by state or local sources. Not included in this inventory are approximately 8,748 Housing Choice Vouchers, the majority of which are tenant-based (assigned to individuals who may use them in rental housing of their choosing) and a portion of which may be project-based (tied to specific units). Tenant-based vouchers may be used in Low Income Housing Tax Credit properties or in other privately-owned units that meet voucher program criteria. The Low-Income Housing Tax Credit (LIHTC) program was created by the Tax Reform Act of 1986 and gives State and local LIHTC-allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households. Qualified Census Tracts must have 50 percent of households with incomes below 60 percent of the Area Median Gross Income (AMGI) or have a poverty rate of 25 percent or more.

MAP: FEDERALLY SUBSIDIZED PROPERTIES 2018



Source: HUD Multifamily DB, HUD's Picture of Subsidized Households, LIHTC

SECTION VI – FAIR HOUSING PROFILE

FAIR HOUSING PROGRAMS

The Fair Housing Council of Riverside County (FHCRC) takes part in a variety of activities to fight housing discrimination, including free educational workshops, outreach to the community, and the investigation of housing discrimination complaints. The capacity of the FHCRC enables it to provide fair housing information, outreach, and enforcement to 24 cities and communities located in Riverside County plus the unincorporated area of the County. The headquarters of the FHCRC are located in downtown Riverside with satellite offices in Moreno Valley, Palm Springs, and Corona.

The FHCRC provides a full range of services, including:

- Anti-discrimination
- Landlord/tenant counseling
- First time homebuyer seminars
- Foreclosure prevention
- Loan modification
- Back-to-Work FHA
- Training

Additional fair housing programming is carried out by the California Department of Fair Employment and Housing (DFEH). The mission of DFEH is to protect the people of California from unlawful discrimination in employment, housing, and public accommodations from hate, violence, and human trafficking. To accomplish this mission, the Department receives, investigates, conciliates, mediates, and prosecutes complaints of alleged violations of the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, Ralph Civil Rights Act, the California Trafficking Victims Protection Act, and other laws. The DFEH also houses the Fair Employment and Housing Council (FEH) which issues regulations to ensure that FEHA is interpreted and implemented in a way that is fair and protects the public to the full extent of the law.

The California Department of Real Estate (DRE), the Inland Valleys Association of Realtors, and the California Apartment Association also work to safeguard and promote fair housing through training courses that are a component of real estate licensure in addition to frequent seminars on fair housing issues targeted at owners.

HUD's office of Fair Housing and Equal Opportunity (FHEO) enforces federal Fair Housing Act and other civil rights laws that prohibit discrimination in the sale, rental, or financing of dwellings because of race, color, national origin, religion, sex, familial status, or handicap. HUD's Region IX office handles the investigation and processing of housing discrimination complaints for the region.

FAIR HOUSING COMPLAINTS

Housing discrimination complaints can be filed directly with HUD. In California the housing discrimination complaints are processed by HUD's San Francisco Office of Fair Housing and Equal Opportunity (FHEO). Moreno Valley residents may also file complaints with the State Department of Fair Employment and

Housing (DFEH), and local fair housing providers such as the Fair Housing Council of Riverside County, Inc. (FHCRC). Fair housing complaints can be used as an indicator to identify heavily impacted areas and characteristics of households experiencing discrimination in housing. The Fair Housing Act lists seven prohibited bases for discrimination: race, color, national origin, religion, sex, disability, and familial status. The Fair Housing Act makes it unlawful to coerce, threaten, intimidate, or interfere with anyone exercising or aiding others in enjoying their fair housing rights.

The following analysis considers fair housing complaint data filed against respondents in Moreno Valley with the U.S. Department of Housing and Urban Development (HUD) and the Fair Housing Council of Riverside County between 2018 and 2022. Using this data, the report identifies and analyzes the following:

- Absolute number of complaints filed with HUD in the city
- Basis of complaints filed
- Issues of complaints filed

While conducting the analysis, several data limitations were identified. Though not exhaustive, the list below summarizes the most important limitations of the datasets. The complaint process relies on people self-reporting, and the data represents only those complaints that were filed. Due to lack of knowledge or resources, instances of discrimination are often under-reported. Though five years of data provide a basis for simple analysis, a longitudinal approach of complaint outcomes is not possible in this analysis. HUD’s dataset only includes closed cases that were filed during this period.

A total of 13 fair housing complaints were filed with HUD between 2018-2022. Ten of the complaints included disability as the sole factor or in combination with other reported issues (76.9%). National origin, retaliation, race, sex, or familial status made up the other bases of complaints according to HUD data.

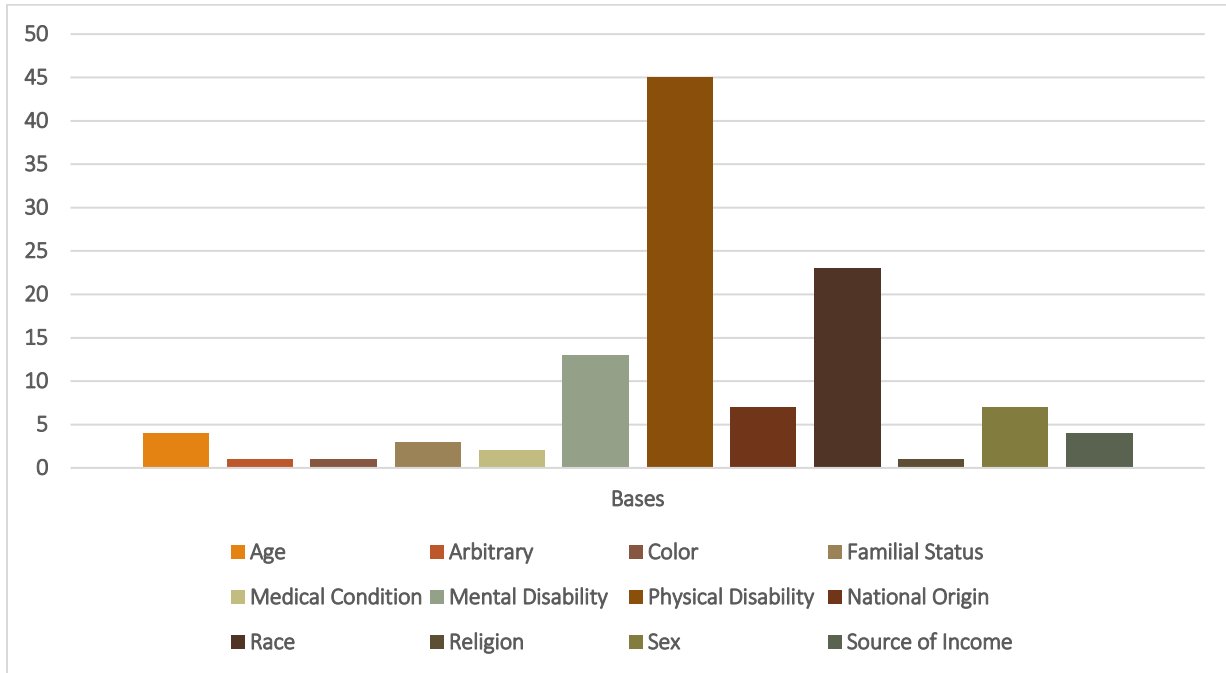
TABLE: FAIR HOUSING COMPLAINTS IN MORENO VALLEY FROM 2018 TO 2022

Violation City	Filing Date	Bases	Case Disposition
Moreno Valley	01/18/18	National Origin (Title VI of the Civil Rights Act of 1964)	Complainant failed to cooperate
Moreno Valley	05/10/18	Disability (Section 504, Rehabilitation Act of 1974)	No cause determination
Moreno Valley	09/18/18	Sex, Familial Status, Retaliation (Title VI of the Civil Rights Act of 1964)	No cause determination
Moreno Valley	09/18/18	Disability (Section 504, Rehabilitation Act of 1974)	No cause determination
Moreno Valley	10/19/18	National Origin, Religion (Title VI of the Civil Rights Act)	Settlement successful
Moreno Valley	03/18/19	Race, Disability (Title VI of the Civil Rights Act of 1964 and Section 504, Rehabilitation Act of 1974)	No cause determination
Moreno Valley	04/08/19	Disability (Section 504, Rehabilitation Act of 1974)	Settlement successful
Moreno Valley	10/16/19	Disability (Section 504, Rehabilitation Act of 1974)	No cause determination
Moreno Valley	01/24/20	Disability (Section 504, Rehabilitation Act of 1974)	No cause determination
Moreno Valley	05/18/21	Disability (Section 504, Rehabilitation Act of 1974)	Settlement successful
Moreno Valley	10/22/21	Disability (Section 504, Rehabilitation Act of 1974)	Settlement successful
Moreno Valley	10/28/21	Disability (Section 504, Rehabilitation Act of 1974)	Settlement successful
Moreno Valley	03/04/22	Disability (Section 504, Rehabilitation Act of 1974)	Settlement successful

Source: HUD

The Fair Housing Council of Riverside County received over 750 percent more fair housing complaints than HUD during the same 2018-2022 timeframe, highlighting a higher likelihood of citizens’ awareness of the local resources compared to the federal level. A total of 111 fair housing complaints were filed with the Fair Housing Council of Riverside County during the last five years. Physical Disability (40.5% of complaints) and Race (20.7%) were the top two bases reported during this period, followed by mental disability (11.7%) and Sex and National Origin (both at 6.3%).

CHART: FAIR HOUSING COMPLAINTS IN MORENO VALLEY MADE TO FAIR HOUSING COUNCIL OF RIVERSIDE COUNTY FROM 2018 TO 2022



FAIR HOUSING ENFORCEMENT, OUTREACH, AND CAPACITY

HUD’s office of Fair Housing and Equal Opportunity (FHEO) is responsible for enforcing the federal Fair Housing Act and other civil rights laws that prohibit discrimination in the sale, rental, or financing of dwellings because of race, color, national origin, religion, sex, familial status, or handicap. HUD’s Region IX office handles the investigation and processing of housing discrimination complaints for the region.

The City works in partnership with the Fair Housing Council of Riverside County to provide services related to fair housing, including anti-discrimination work, landlord/tenant counseling, first time homebuyer seminars, foreclosure prevention, loan modification, and fair housing training. The FHCRC is the primary agency that engages in Fair Housing work within the city of Moreno Valley and the greater Riverside County area.

CITIZEN PARTICIPATION

In outlining their vision for the development of this document, the City of Moreno Valley staff sought input from residents, stakeholders, not-for-profit organizations, city staff, and community and government leaders. To this end, the city contacted representatives of various housing organizations, social service agencies, faith-based organizations, and governmental institutions to participate in public meetings and a community survey. The survey contained a range of questions about possible impediments relating to fair housing discrimination, education, and causes.

FAIR HOUSING SURVEY

The City of Moreno Valley administered a citywide survey on residents' experiences with the local housing market from January 15, 2023, through April 15, 2023. It was available online and circulated on city website, social media, neighborhood groups, and public meetings. The community survey received 140 total responses. There were several questions in the survey related to housing discrimination perceptions, experiences of discrimination, and reporting of incidents of discrimination. Due to the limited sample size, the key takeaways should be considered, but not necessarily extrapolated across the citywide population.

SURVEY TAKEAWAYS

Twenty three percent of responders to the community survey believe housing discrimination is an issue in their neighborhood. Thirteen percent of responders have experienced discrimination in housing. Race, color, familial status, and disability were the leading categories of real or perceived discrimination. Fifty three percent of responders who have experienced discrimination believe that landlords discriminated against them and 20% believe that mortgage lenders discriminated against them. Additionally, 85% of responders who believe they have been discriminated against did not report the incident. The most common reasons cited for not reporting are "Didn't know where to report" and "Too much trouble" closely followed by "Don't believe it makes a difference."

With this small of a sample size, it's difficult to make any absolute conclusions of how widespread unlawful housing discrimination is compared to perceptions. The community values fair housing education, but community survey responses indicate a disconnect between fair housing knowledge and understanding how reporting discrimination can further protect one's rights. This gap may provide context for the city to revamp its fair housing education efforts to ensure households, landlords, real estate professional understand fair housing rights and the ramifications of unlawful discrimination.

STAKEHOLDER PARTICIPATION

As noted throughout this document, the City of Moreno Valley received local support and informational feedback that contributed to the AI from several government departments and stakeholders, including the city Financial and Management Services Department, the Community Development Department, the Riverside County Continuum of Care, County of Riverside Housing Authority, and the Fair Housing Council of Riverside County.

FOUR-FACTOR ANALYSIS AND LANGUAGE ACCESS PLAN (LAP) FOR LIMITED ENGLISH PROFICIENCY PERSONS

HUD Entitlement Programs: CDBG, HOME, ESG

Purpose: In compliance with Executive Order 13166, the City of Moreno Valley has developed the following Four-Factor Analysis and Language Action Plan (LAP) for Limited English Proficiency (LEP) persons residing in the city. The following document covers the City of Moreno Valley as a whole. An additional analysis will be conducted on each program if necessary.

History: Under Federal law Title VI of the Civil Rights Act of 1964, discrimination was made illegal in programs that received federal financial assistance. For LEP persons, it protects individuals on the basis of their race, color, or national origin. In certain situations, failure to ensure that persons who have LEP can effectively participate in, or benefit from, federally assisted programs may violate Title VI’s prohibition against race/ethnicity and national origin discrimination.

Persons who, as a result of their race/ethnicity and national origin, and who do not speak English as their primary language and have limited ability to speak/read/write or understand English may be entitled to language assistance under Title VI to receive City services, benefits, and/or participate in City sponsored programs.

Four-Factor Analysis: When a recipient has undertaken efforts to comply with regulations requiring the needed translation of materials. There is no specific method for ensuring compliance but undertaking a four-factor analysis, adoption of a Language Access Plan (LAP) for vital materials and making necessary translation will be “strong evidence” of compliance.

Factor 1: Determine the number or proportion of LEP persons in the eligible service population. HUD provides the following guidance for what documents should be provided and when:

Size of Language Group	Recommended Provision of Written Language Assistance
1,000 or more LEP persons in eligible population	Translate vital documents
>5% of eligible population and more than 50 are LEP persons	Translate vital documents
>5% of eligible population and 50 or less are LEP persons	Translated written notice of right to receive free oral interpretation of documents
5% or less of eligible population and less than 1,000 are LEP persons	No written translation required

Factor 2: The frequency with which LEP persons come in contact with the program.

Factor 3: The nature and importance of the program, activity, or service.

Factor 4: The resources available and costs to the recipient.

Examples of language assistance includes but is not limited to oral interpretation, bilingual staff, telephone service lines interpreter, written translation services, notices to staff and recipients about the availability of LEP services, or referrals to community liaisons. When the four-factor analysis is complete the jurisdiction should produce a Language Access Plan and follow through with the plan.

Factor 1: Size of LEP Population

Overall, Moreno Valley has one group with limited English proficiency population that may require translation services. In 2021, an estimated 3,609 individuals spoke English less than “very well,” representing 6.8% of the total population 5 years old or older. Spanish speaking individuals are the largest part of this group with 2,717 residents.

Due to the importance of HUD programs and the universal availability of some programs, the entire jurisdiction was analyzed. Additional four-factor analyses can be conducted on a program basis with a more limited geographic range.

The table below displays the number of individuals by primary language spoken at home and how many speak English less than “very well.” The latter individuals are considered LEP. Approximately 11.4% of Spanish speaking individuals are LEP and make up approximately 5.1% of the total population.

TABLE: LANGUAGE SPOKEN AT HOME– MORENO VALLEY, CA

Language	Primary Language Spoken at Home		Limited English-Speaking Households		
	#	%	#	% Of Total Households	% Of Prim. Home Lang.
All Households	53,135	--	3,609	6.8%	6.8%
Spanish	23,906	45.0%	2,717	5.1%	11.4%
Other Indo-European	744	1.4%	199	0.4%	26.7%
Asian and Pacific Island	2,706	5.1%	559	1.1%	20.7%
Other	745	1.4%	134	0.3%	18.0%

Source: 2017-2021 American Community Survey 5-Year Estimates (S1602)

Factor 2: Frequency of Contact

Housing services require ongoing communication and needs to be available throughout the year. Depending on the program specifics, procedures will vary as detailed in the LAP. Race and Ethnicity beneficiaries are reported in the City’s Consolidated Annual Performance and Evaluation Report to HUD. The following table shows the racial/ethnic composition of households or individuals assisted in Moreno Valley by entitlement program. Approximately 58% of households that utilized CDBG were Hispanic, the largest ethnic group in the city.

TABLE: RACIAL AND ETHNIC COMPOSITION OF HOUSEHOLDS/INDIVIDUALS ASSISTED

	CDBG	HOME	ESG
White	5,793	23	91
Black or African American	2,763	11	218
Asian	259	1	1
American Indian or American Native	45	1	1
Native Hawaiian or Other Pacific Islander	37	0	0
Total	8,897	36	311
Hispanic	4,238	13	225
Not Hispanic	4,659	23	76

Source: City of Moreno Valley 2021 CAPER

Factor 3: Nature and Importance of the Program

Per the “Department of Housing and Urban Development Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons,” HUD programs play a critical role in the community and should rank high on the critical/non-critical continuum. The importance will vary depending on each program, but the housing department is critical.

Factor 4: Available Resources

Given the limited resources available, it is imperative that a cost/benefit analysis is done when considering translation efforts for each program. It is difficult to gauge whether a community’s participation (or lack thereof) is due to failed outreach efforts or if they generally do not have a need. Citywide, there is one LEP community, Spanish speaking, that warrants considering translation services. However, efforts can be made to assist other populations as needed.

In general, all documents should be available in Spanish, and it would be incredibly beneficial if a staff member could also serve as a point of contact for the Spanish LEP community. The remainder LEP populations should be targeted on a project-by-project basis. The jurisdiction should also reach out to community leaders who may be able to provide translation services. Regardless, every language mentioned above should be made aware of their right to a free oral translation of documents upon request.

Conclusion

To assist in showing strong evidence for compliance with Title VI's prohibition against discrimination, the City of Moreno Valley has produced a Language Access Plan. This plan provides guidance for the creation of translated documents on a program-by-program basis. Care should be taken to ensure that any documents related to disaster relief are prepared ahead of time to minimize delays in service for households harmed by natural disasters.

LANGUAGE ACCESS PLAN

As a result of the Four-Factor Analysis, the City of Moreno Valley has determined persons with limited English proficiency who primarily speak Spanish are in-need of language assistance. For this purpose, the following types of language assistance will be provided as needed throughout HUD entitlement programs, including CDBG:

- Notices have been posted in Spanish in City Hall for COVID-19 events and disaster preparedness education and supply distribution. All program notices should be posted in Spanish and, when feasible, newspaper postings should be in Spanish and English.
- All public notices and published citizen participation advertisements will continue to include a statement that services and program materials are available in Spanish upon request.
- All citizen participation notices will include a statement that translators will be available at public meetings upon prior request.
- If needed, a translator may be retained to provide oral translation at public meetings and hearings, and during the implementation of the project activities (as needed for housing and public services).
- If other populations of LEP persons are identified in the future, the City of Moreno Valley will consider additional measures to serve the language access needs of those persons.

SECTION VII – PROGRESS OF PAST GOALS

This section describes the progress made on implementing the actions recommended by the 2019 Analysis of Impediments. The recommended actions included both public and private sector impediments to fair housing choice.

PUBLIC SECTOR IMPEDIMENTS

Housing Element Fair Housing Program – The City will promote equal housing opportunity through its Housing Element Fair Housing Program.

- The City’s 2021 – 2029 Housing Element includes equal housing opportunity policies and programs. Housing Goal # 7, its corresponding policies, and programs 7-A through 7-G establish specific programs which will directly address and promote fair housing in the coming years.

Assessment of Fair Housing – The City will include an Assessment of Fair Housing in its Housing Element which includes the following components: a summary of fair housing issues; assessment of the City’s fair housing enforcement and outreach capacity; identification of: integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, disproportionate housing needs, and displacement; an assessment of factors that contribute to the preceding fair housing issues; identification of fair housing priorities and goals; and description of actions to implement the priorities and goals.

- The City’s 2021 – 2029 Housing Element references the 2017 Assessment of Fair Housing (AFH) and the 2019 Analysis of Impediments to Fair Housing Choice (AI), starting on page 5-34. This section of the Housing Element contains the following required components: a summary of fair housing issues; assessment of the City’s fair housing enforcement and outreach capacity; identification of integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, disproportionate housing needs, and displacement; an assessment of factors that contribute to the preceding fair housing issues.
- Appendix K of the 2021 – 2029 Housing Element includes detailed summaries of the 2017 AFH and the 2019 AI and contains the following required components: identification of fair housing priorities and goals and description of actions to implement the priorities and goals.

Planning and Zoning Code Definitions – The City will amend its Planning and Zoning Code to include the following definitions: “disability” and “special needs populations.”

- The City’s Planning and Zoning Code is currently in the process of amending its code to include the relevant definitions.

PRIVATE SECTOR IMPEDIMENTS

Housing Discrimination – The City and the FHCRC will continue to offer fair housing services to residents, including providing an opportunity for residents to ask fair housing questions on the FHCRC’s website.

- The FHCRC’s website provides important fair housing information and contact information for the FHCRC so that residents can submit questions related to fair housing.

The City continues to promote fair housing practices on the activities below and will continue to meet the goals of previous recommendations. There are no noteworthy concerns requiring immediate action on these items.

Brokerage Services – The City and the FHCRC will arrange a meeting with the Inner Valley Association of Realtors (IVAR)’s Fair Housing Committee to explore fair housing topics and to offer Fair Housing training to its members.

Steering – The FHCRC will provide examples of how to detect steering and loan steering to renters and homebuyers.

Appraisal Practices - The FHCRC will inform first time homebuyers of the importance of obtaining an appraisal report after escrow has opened and will offer education that will 1) inform borrowers of their right to request the appraisal report and 2) provide information on the contents of the report and how to detect possible discriminatory practices.

Mortgage Lending Practices – The FHCRC will continue to offer first-time home buyer seminars (including information on lower debt-to-income ratios) and work with the lenders to determine why a few census tracts have high loan denial rates. The City will conduct a multi-year analysis of loan denial rates to determine with more preciseness the degree to which lending discrimination exists in Moreno Valley.

Homeowner’s Insurance – The FHCRC will add “homeowners’ insurance” and “CLUE Reports” to its homebuyer counseling services and will provide educational services to home buyers/borrowers so that they can be informed about Homeowner’s Insurance rates and reports.

Property Management Practices – The FHCRC will update contact information for resident apartment managers, arrange an information session between fair housing counselors and resident managers to exchange insights, and continue to keep resident managers informed of current fair housing information.

Discriminatory Advertising – The FHCRC will annually review ads published in newspapers and online and will notify any agencies that use discriminatory words or phrases to remove them.

Hate Crimes – City staff will review annual Hate Crime in California reports and coordinate with the Police Department to take action as necessary.

Locations of Affordable Housing – The City will become familiar with the census tracts that are designated Highest and High Resources and those that are in Disadvantaged Communities as determined by the Affordable Housing Sustainable Communities program in order to encourage voucher holders to select rental housing in high opportunity neighborhoods.

SECTION VIII – SUMMARY OF IDENTIFIED IMPEDIMENTS

This section outlines fair housing issues, barriers to fair housing choice, and actions to address these barriers. The impediments to fair housing choice are presented in three categories:

- Fair Housing Related Impediments
- Affordable Housing Impediments
- Fair Housing Action Plan

The conclusion of this analysis has identified several current impediments to fair housing choice, some of which are related to those identified in the previous Analysis of Impediments.

Recommendations have been identified that can help to alleviate these impediments by moving the City of Moreno Valley forward. Key findings identified in this analysis to fair housing choice are:

- 1) Lack of a Balanced Housing Stock.
- 2) Utilization of Bilingual Housing Materials.
- 3) Growing Homeless Population.
- 4) Absence of a Moreno Valley Emergency Shelter.
- 5) Requirement to Address Regional Housing Needs Fair Share.
- 6) Unequal Home Ownership by Race.
- 7) No Local Lead Prevention Program.
- 8) Rapid Increase in Home Prices and Cost Burdened Households.
- 9) Reduction in Housing Funds.
- 10) High Number of Cost Burdened Renters.

FAIR HOUSING-RELATED IMPEDIMENTS

Impediment 1: Lack of a Balanced Housing Stock.

By 2020, the housing stock totaled 47,505 single-family units, 8,654 multi-family units, and 1,364 mobile homes, for a total of 57,523 units. Moreno Valley’s housing stock is predominantly comprised of single-family homes: 82.6 % of the housing stock, with only 15.0% being multi-family units. This compares to the 2020 Southern California region’s housing stock, which was comprised of 61.7 % single-family homes and 34.8% multi-family units. From 2000 through 2020, there has been more construction of single-family residential units than multi-family residential units in Moreno Valley.

Additionally, 5,688 renter households in Moreno Valley (28.8%) spend 50% or more of their gross income on housing costs, which characterizes them as “severely cost burdened,” compared to 28.9% in the Southern California Association of Government region.

Impediment 2: Utilization of Bilingual Housing Materials.

Moreno Valley has a higher proportion of Hispanic/Latino (of any race) and Non-Hispanic/Latino Black or African American residents compared to Riverside County as a whole. Within Moreno Valley, most of the city’s population (58.0%) identify their ethnicity as Hispanic/Latino, and of this group 51.7% identify their race as Mexican. Non-Hispanic/Latino Black or African American residents represent 17.8% of the population and Non-Hispanic/Latino White alone represents 15.5% of the population. Consequently, it is

critical that a majority, if not all, of the city’s programs and announcements be available in both English and Spanish.

Impediment 3: A Growing Homeless Population.

The number of persons experiencing homelessness in the region is growing annually. The 2022 Countywide Point In Time Count found 3,316 sheltered and unsheltered persons, a 14% increase from 2020. Of this population, there were 1,980 unsheltered persons (a 9% decrease since 2020), and 1,336 sheltered (a 83% increase from 2020) In 2022, the Continuum of Care (CoC) reported that there were an estimated 165 homeless persons residing within city limits. The increasing countywide year-over-year trend is notable despite fluctuations of citywide estimates from year to year.

Impediment 4: Absence of a Moreno Valley Emergency Shelter.

There are several shelters for homeless people in Riverside County but none in Moreno Valley. Nevertheless, the city has identified 37 vacant acres over 17 parcels in the city that could house a year-round emergency shelter without a Conditional Use Permit or any discretionary permit requirements.

Impediment 5: Requirement to Address Regional Housing Needs Fair Share.

For the 2021-2029 planning period, Moreno Valley’s regional housing needs “fair share” allocation is 13,627 housing units for extremely low income and very low-income households by 2029. The city also must plan to accommodate 1,890 units for extremely low-income households during the planning period.

Impediment 6: Unequal Homeownership by Race

Proportionate to their share of population, White households representing 28.7 percent of the population have a higher homeownership rate in the City. Though the percentage of Hispanic/Latino households is higher than all groups, the rate compared to its overall population, 60.4 percent of the population, rate is still disproportionately lower citywide.

TABLE: MORENO VALLEY HOMEOWNERSHIP BY RACE/LATINO ETHNICITY 2021

	Owners	Percent	Renters	Percent
White	12,294	37.3%	4,870	24.2%
Black or African American	5,312	16.1%	5,801	28.8%
American Indian and Alaska Native	233	0.7%	223	1.1%
Asian	2,519	7.6%	741	3.7%
Native Hawaiian and Other Pacific Islander	39	0.1%	95	0.5%
Some other race	9,572	29.0%	7,058	35.0%
Two or more races	3,008	9.1%	1,370	6.8%
Hispanic or Latino origin	16,904	51.3%	10,259	50.9%
TOTAL	32,977	100%	20,158	100%

Source: United States Census Bureau ACS 2017-2021(DP05)

Impediment 7: No Local Lead Prevention Program.

The city has 10,763 housing units build prior to 1980 that are at risk of having lead-based paint. However, the city does not have a standalone lead prevention program and is dependent on Riverside County for the county’s outreach information program.

AFFORDABLE HOUSING IMPEDIMENTS

Impediment 8: Rapid Increase in Home Prices and Cost Burdened Households.

Although housing is more affordable in Moreno Valley than in coastal Southern California cities, in January 2023, the median sales home price in Moreno Valley was \$499,000 (up from \$405,500 in January 2021, or an increase of over 23% in only two years) according to sales data reported by the National Association of Realtors. This rapid increase, along with the recent increases in mortgage interest rates reduces the ability of renter households to transition into home ownership and makes home purchasing less achievable, especially for the 62.8% of renter households that are cost burdened.

Impediment 9: Reduction in Housing Funds.

There is a decline and a shortage of public funding for housing related programs, especially the elimination of the redevelopment agency and associated tax increment/housing set aside funding in Moreno Valley. Given the limited resources available, it is imperative that a cost/benefit analysis is done when considering translation efforts for each program.

Impediment 10: High Number of Cost Burdened Renters.

A total of 62.8% of renter households are cost burdened, and with rising rents the risk of displacement is high. American Indian (75%) and Black or African American (66.8%) renter households experience noticeably higher rates of cost burden than other groups.

SECTION IX – FAIR HOUSING ACTION PLAN

The City of Moreno Valley recognizes that there are important steps to mitigate barriers to affordable housing, including a combination of planning, legal, and financial tools. These recommended actions seek to not only build on existing policies and programs but offer new or expanded actions to stimulate residential investments and increase the supply of affordable housing in the city. The following actions will further this objective.

Action 1: Identify Available Land for Higher Density.

Within the city limits there are approximately 8,900 acres of vacant, undeveloped land across the community, including more than 5,000 acres of land zoned for residential use. However, 92.5% of this land was zoned for lower density housing. Therefore, early phase project planning activities should identify appropriate locations for higher density housing to accommodate Moreno Valley's RHNA.

Action 2: Protect Loss of Affordable Housing Units.

Overall, many of Moreno Valley's assisted rental units are at low risk of conversion. Nevertheless, the city should actively continue a program to purchase affordability covenants on existing multiple-family units in partnership with interested certified Community Housing Development Organizations (CHDO) and/or non-profit organizations when funding is available. The State of California Housing Partnership provides data on assisted housing units and assesses the level of risk to convert to market rate. This data identifies homes without a known subsidy that would extend affordability beyond the indicated timeframe and the number of assisted units at risk of conversion to market rate.

Action 3: Encourage Lead Based Paint Removal.

The city's efforts to address lead-based paint removal in the city's older housing stock are limited. The city should more widely publicize and distribute the "Protect Your Family from Lead in Your Home" booklet in English and Spanish.

Action 4: Increase Shelters for Homeless.

The city should improve the number of the emergency shelters and beds for homeless individuals and families and help operate these shelters including within the city limits. Increasing available shelter and beds facilitate rapid-rehousing and enable transition from insecurity to security.

Action 5: Expand Rental Rehabilitation Programs.

The city should expand its strategy to produce and preserve affordable housing such as the Mobile Home and Single-Family Home Repair Programs to maintain livable conditions for lower income persons. In addition, the city will continue to partner with Community Housing Development Organizations, such as the Mary Erickson Housing Corporation, in the development of new single-family houses for very low-income persons and continue the acquisition and rehabilitation of affordable rental housing units for low- and very low-income households.

Action 6: Establish A Moreno Valley Housing Trust Fund.

The city should explore and establish a Moreno Valley Housing Trust Fund. A Housing Trust Fund (HTF) helps develop and preserve below-market-rate housing. A HTF program pools funds for affordable housing construction from a variety of sources and makes the funds available to qualified local developers. A Housing Trust Fund is required to be a public, joint public and private, or charitable nonprofit organization organized under Section 501(c)(3) of the Internal Revenue Code and may be established by ordinance or through a new public-private partnership organized to receive specific public or public and private revenue to address local housing needs. (See municipal example referenced below⁴).

Funds can include the use of HOME Investment Partnerships Program (HOME), CDBG funds combined with local funds such as revenue from future mitigation fees, and additional local sources of funding such as general funds. The State of California Department of Housing and Community Development also provides matching funds to local and regional housing trust funds dedicated to the creation, rehabilitation, or preservation of affordable housing, as well as transitional housing and emergency shelters.

Action 7: Expand Public Education Programs.

The Fair Housing Council of Riverside County should expand and publicize consumer education efforts through the following:

- 1) Inform borrowers of their right to request the appraisal report.
- 2) Provide information on the contents of the report and how to detect possible discriminatory practices.
- 3) Inform consumers on how to detect “steering” during the home search process.
- 4) Provide default counseling services to homeowners at risk of losing their homes.
- 5) Offer first-time home buyer seminars to explain to borrowers the need to lower debt-to-income ratios to a level acceptable to lenders to better prepare borrowers and cause an increase in loan approval rates of all loan applicants, regardless of race or ethnicity.

It is critical to ensure that all FHCRB brochures are available in English and Spanish.

Action 8: Enhance the Home Loan Approval Process.

Only 67% of the home loan applications in the Riverside County region were approved in 2019. Therefore, the city should conduct an analysis of loan denial rates to determine with more preciseness the degree to which lending discrimination exists in Moreno Valley. This result necessitates that Moreno Valley work with local lenders to determine why a few census tracts have high loan denial rates to gather information that can assist prospective homebuyers. The findings can be used to address the issue and increase their probability of obtaining loan approval for homes in neighborhoods of their choice.

Implementation of these actions will support the affordable housing needs in the City of Moreno Valley and expand the amount of affordable housing and further fair housing practices.

⁴ Source: City of Berkeley Housing Trust Fund Guidelines.pdf (cityofberkeley.info)

CONCLUSION

As this Analysis of Impediments has identified, the City of Moreno Valley continues to face various challenges addressing the barriers of fair housing choice, especially affordable housing for low- and moderate-income households. Citywide leadership continues to press forward with actionable policy and community-oriented results to affirmatively further fair housing choice.

In collaboration with the community residents, housing stakeholders, and the numerous non-profit and for-profit partners, the city can build on recent improvements, city strengths, and opportunities to increase fair housing choice moving forward. The Fair Housing Action Plan included in this AI can serve as an easily understandable roadmap for both policymakers and the public to focus efforts and advance fair housing choice in the near future. These goals easily align with the city's vision described in its General Plan 2040. The city can further leverage its CDBG and HOME funding and public programs to assist the realization of these goals. The actions listed will be addressed over the next five years, aligning the accomplishments of these actions with the consolidated planning cycle.

Although all the impediments will not likely be eliminated in a short time period, such as five years, the city of Moreno Valley will strive to affirmatively further fair housing and reduce these barriers to promote fair housing choice.

APPENDIX

FEDERAL FAIR HOUSING LAWS

Federal laws provide the backbone for U.S. fair housing regulations. A brief list of laws related to fair housing, as defined on the U.S. Department of Housing and Urban Development's (HUD's) website, is presented below:

Fair Housing Act Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and persons securing custody of children under the age of 18), and handicap (disability).

Title VIII was amended in 1988 (effective March 12, 1989) by the Fair Housing Amendments Act. In connection with prohibitions on discrimination against individuals with disabilities, the Act contains design and construction accessibility provisions for certain new multi-family dwellings developed for first occupancy on or after March 13, 1991.

Title VI of the Civil Rights Act of 1964. Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973. Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974. Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development Block Grant Program.

Title II of the Americans with Disabilities Act of 1990. Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

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

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

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

FAIR HOUSING RELATED PRESIDENTIAL EXECUTIVE ORDERS

Executive Order 11063. Executive Order 11063 prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

Executive Order 11246. Executive Order 11246, as amended, bars discrimination in federal employment because of race, color, religion, sex, or national origin.

Executive Order 12892. Executive Order 12892, as amended, requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort. The Order also establishes the President's Fair Housing Council, which will be chaired by the Secretary of HUD.

Executive Order 12898. Executive Order 12898 requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.

Executive Order 13166. Executive Order 13166 eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally assisted and federally conducted programs and activities.

Executive Order 13217. Executive Order 13217 requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.

DATA TABLES

HMDA DATA TABLES – LOCAL LENDERS

Home Mortgage Disclosure Act (HMDA) data was pulled from the Federal Financial Institutions Examination Council (FFIEC). Non-regional lenders are not listed in the below tables. Data notes: the balance of the applications that were not originated or denied, were closed for one reason or another including a) the loan was approved but not accepted by the borrower, b) the application was closed because of incomplete information or inactivity by the borrower or c) in many instances the application may have been withdrawn by the applicant. Financial institutions are not required to report reasons for loan denials, although many do so voluntarily. Many loan applications are denied for more than one reason, HMDA data reflects only the primary reason for the denial of each loan.

TABLE: FAIR HOUSING COMPLAINTS IN MORENO VALLEY MADE TO RIVERSIDE FAIR HOUSING COUNCIL FROM 2018 TO 2022

2018		
Violation City	Filing Date	Bases
Moreno Valley	1/17/18	Race
Moreno Valley	1/26/18	Sex
Moreno Valley	2/6/18	Race
Moreno Valley	2/6/18	Mental Disability
Moreno Valley	2/9/18	Physical Disability
Moreno Valley	2/9/18	National Origin
Moreno Valley	2/9/18	Physical Disability
Moreno Valley	2/9/18	Physical Disability
Moreno Valley	2/22/18	Physical Disability
Moreno Valley	2/23/18	Race
Moreno Valley	2/23/18	Physical Disability
Moreno Valley	2/28/18	Race
Moreno Valley	3/2/18	Race
Moreno Valley	3/9/18	Physical Disability
Moreno Valley	3/9/18	Race
Moreno Valley	4/5/18	Color
Moreno Valley	4/11/18	Physical Disability
Moreno Valley	4/13/18	Mental Disability
Moreno Valley	4/20/18	Physical Disability
Moreno Valley	4/27/18	Physical Disability
Moreno Valley	5/31/18	Familial Status
Moreno Valley	6/4/18	National Origin
Moreno Valley	6/19/18	Physical Disability
Moreno Valley	6/28/18	Physical Disability
Moreno Valley	6/29/18	Mental Disability
Moreno Valley	6/29/18	Race
Moreno Valley	7/6/18	Physical Disability
Moreno Valley	7/12/18	Mental Disability
Moreno Valley	7/13/18	Physical Disability

Moreno Valley	7/19/18	Mental Disability
Moreno Valley	8/23/18	Physical Disability
Moreno Valley	8/30/18	Physical Disability
Moreno Valley	9/7/18	Source of Income
Moreno Valley	9/7/18	Physical Disability
Moreno Valley	9/25/18	Physical Disability
Moreno Valley	10/3/18	Mental Disability
Moreno Valley	10/17/18	Race
Moreno Valley	10/19/18	Physical Disability
Moreno Valley	11/16/18	Mental Disability
Moreno Valley	11/28/18	Physical Disability
Moreno Valley	11/29/18	Race
2019		
Moreno Valley	1/10/19	Physical Disability
Moreno Valley	1/10/19	Sex
Moreno Valley	1/10/19	Physical Disability
Moreno Valley	1/17/19	Physical Disability
Moreno Valley	1/17/19	Familial Status
Moreno Valley	2/25/19	National Origin
Moreno Valley	3/7/19	Physical Disability
Moreno Valley	3/21/19	Physical Disability
Moreno Valley	4/2/19	Physical Disability
Moreno Valley	4/8/19	Mental Disability
Moreno Valley	4/11/19	Physical Disability
Moreno Valley	4/12/19	Physical Disability
Moreno Valley	4/12/19	Age
Moreno Valley	4/12/19	Age
Moreno Valley	4/23/19	Mental Disability
Moreno Valley	4/25/19	Physical Disability
Moreno Valley	5/9/19	Race
Moreno Valley	5/10/19	Physical Disability
Moreno Valley	5/30/19	Mental Disability
Moreno Valley	6/28/19	National Origin
Moreno Valley	7/10/19	Race
Moreno Valley	7/30/19	Religion
Moreno Valley	8/6/19	Mental Disability
Moreno Valley	8/12/19	Mental Disability
Moreno Valley	9/9/19	Physical Disability
Moreno Valley	9/17/19	Physical Disability
Moreno Valley	10/24/19	Physical Disability
Moreno Valley	11/6/19	Mental Disability
Moreno Valley	12/11/19	Physical Disability
Moreno Valley	12/17/19	Race
2020		

Moreno Valley	1/9/20	Physical Disability
Moreno Valley	1/24/20	Physical Disability
Moreno Valley	1/24/20	Race
Moreno Valley	1/29/20	Physical Disability
Moreno Valley	2/12/20	Physical Disability
Moreno Valley	2/12/20	Sex
Moreno Valley	2/20/20	Physical Disability
Moreno Valley	4/29/20	Physical Disability
Moreno Valley	6/4/20	Sex
Moreno Valley	6/30/20	Race
Moreno Valley	7/14/20	Physical Disability
Moreno Valley	7/24/20	Source of Income
Moreno Valley	8/24/20	Physical Disability
Moreno Valley	9/8/20	Sex
Moreno Valley	9/15/20	Medical Condition
Moreno Valley	9/30/20	Physical Disability
Moreno Valley	10/26/20	Source of Income
Moreno Valley	10/26/20	Race
Moreno Valley	11/5/20	National Origin
2021		
Moreno Valley	3/1/21	Age
Moreno Valley	3/30/21	Age
Moreno Valley	4/2/21	Race
Moreno Valley	5/27/21	Race
Moreno Valley	7/8/21	National Origin
Moreno Valley	8/24/21	Race
Moreno Valley	9/29/21	National Origin
Moreno Valley	10/18/21	Arbitrary
Moreno Valley	10/19/21	Race
Moreno Valley	10/19/21	Race
Moreno Valley	10/21/21	Medical Condition
Moreno Valley	10/22/21	Race
Moreno Valley	11/2/21	Source of Income
Moreno Valley	11/5/21	Race
2022		
Moreno Valley	1/12/22	Sex
Moreno Valley	1/13/22	Race
Moreno Valley	3/18/22	Familial Status
Moreno Valley	3/31/22	Physical Disability
Moreno Valley	4/4/22	Sex
Moreno Valley	7/19/22	Physical Disability
Moreno Valley	9/29/22	Physical Disability